

CITY OF CRAIG
COUNCIL AGENDA
JANUARY 20, 2011
COUNCIL CHAMBERS 7:00 P.M.

ROLL CALL

Mayor Millie Schoonover, Greg Head, Joni Kuntz, Jim See, Marge Young, Don Pierce and Mike Douville

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

- City council minutes of December 8, 2010
- 2011 liquor license renewal for A.C. Thompson House
- 2011 liquor license renewal for Hill Bar, Hill Bar Liquor Store and Zat's Pizza

HEARING FROM THE PUBLIC

- Open for Public Comment
- Final reading and public hearing on Ordinance No. 628, Amending the Craig Municipal Code 2.12.260, Voting Procedure at the Polls

REPORTS FROM CITY OFFICIALS

Mayor
Administrator-staff report
Aquatic Manager
City Clerk
City Planner
EMS Coordinator
Harbormaster
Library
Police Chief
Public Works
Treasurer-staff report
Parks and Rec

READING OF CORRESPONDENCE

- The December 2010 Craig Aquatic Center report
- 2010 Status Report from Steve Silver
- 2010 Year End Report from Prince of Wales Health Network
- 2nd Quarter Report from the Craig Library
- Correspondence from Seafood Producers Cooperative, leasing city dock
- Report from Alaska Permanent Capital Management for October, November and December, 2010

CONSIDERATION OF RESOLUTIONS AND ORDINANCES

- **Resolution No. 11-01**, Recognizing the Importance of the Alaska Coastal Management Program and Supporting Legislation to Extend or Remove Termination of the Program
- **Ordinance No. 628**, Amending the Craig Municipal Code 2.12.260, Voting Procedure at the Polls

UNFINISHED BUSINESS

- Draft RFP Annexation Services

NEW BUSINESS

- Reappointment of Sharilyn Zellhuber and Mark Beardsley to the Planning Commission
- Consider letter of support for I.F.A.

ADJOURNMENT

ROLL CALL

Mayor Millie Schoonover called the meeting to order and the roll was taken. Present were Greg Head, Joni Kuntz, Jim See, Don Pierce and Mike Douville. Absent excused was Marjorie Young.

Staff present: Jon Bolling, City Administrator; Ramona Wise, Aquatic Manager; Vicki Hamilton, City Clerk; Daniel Nelson, Harbormaster; Amy Marshall, Librarian; Victoria Merritt, Parks and Recreation Director; and Joyce Mason, Treasurer

Audience present: Paul Coffey, Fire Chief; Chaundell Piburn, EMS Coordinator; David Nelson, water treatment plant operator; Dan Goodness, Klawock Hatchery manager; Steve Merritt, and George McNamara.

CONSENT AGENDA

The consent agenda was presented, it contained: the city council minutes of October 21, 2010, first reading of Ordinance No. 628, Amending the Craig Municipal Code 2.12.260, Voting Procedure at the Polls, and the 2011 Gaming permit for P.O.W. Chamber of Commerce.

PIERCE/KUNTZ: moved to adopt the consent agenda. MOTION CARRIED

HEARING FROM THE PUBLIC

Dan Goodness, manager of the Klawock Fish Hatchery (July 1, 2010) was here to share his plans for the future of the hatchery. He would like student involvement from the schools, for it to be a possible vocational opportunity for them. He would like the elementary students to have the opportunity to come feed the fish that are in the tanks.

Victoria Merritt, Parks and Recreation coordinator, asked the city council for approval to seek grant funding to upgrade the P.O.W.E.R. Building. They approved her request.

REPORTS FROM CITY OFFICIALS

MAYOR-Mayor Schoonover did not have anything to report.

ADMINISTRATOR-**Ice House Expansion**-Jon Bolling explained he is looking for grant funds to increase the volume of ice production at the Ice House as well as provide additional storage for the ice. The grant has a cap of \$300,000. Jon estimated it would cost \$650,000 to complete this project. Jon stated the city would have to come up with an additional \$350,000 for the proposed improvements. Jon stated he intends to seek two sources of funding from this program. The ice production and the storage expansion are required to be stand-alone projects. Jon stated there are a couple of other categories that he can apply to this program to come up with the additional funding, one of which is to improve quality, wholesomeness, and value of commercial, troll-caught salmon. Another one is increasing the quality of sport caught product, as well. Jon said his intention is to seek two sources of funding from this program. The State says it's okay as long as each of the two components (ice production and ice storage) can stand alone and can be constructed if one of the two projects is funded but not the other.

ADMINISTRATOR continued-P.E.R.S. Audit-Jon Bolling reported the city had a P.E.R.S. audit of our city records. The auditor was here. Jon is waiting to here information back from P.E.R.S. before considering if and how to proceed with the actuarial study as it affects the former clinic employees. Jon said he would continue to work with them when they are ready.

AQUATIC MANAGER-Ramona Wise reported the pool has a new employee, Jacob Kruse. Ramona reported the treadmill that was broken is now in operation. Swim lessons are going strong. Steve Tanner will be fixing the potholes in front of the pool building.

CITY CLERK-Vicki Hamilton reported she was on vacation for a couple weeks in November. Vicki reported the senior citizen property tax exemption applications were mailed out on November 1st. Currently 38 applications were mailed out. So far, she has received twenty-three applications back. January 15th is the last day to get the application back to Vicki for the 2011 property tax exemption. Vicki reported she is working on a supplemental application for senior citizens who do not apply for the Alaska Permanent Fund Dividend but do want to be eligible for a sales tax exempt card from the City of Craig. Resale cards are going to be available for those businesses in the City of Craig. The annual taxicab applications have been renewed for Jeff Music of Island Ride Taxi. He has received four permits to operate four cabs in Craig. The next city council meeting is scheduled for January 6, 2011.

HARBORMASTER-Daniel Nelson, the city's new harbormaster gave his report. Daniel is working at organizing the docks and getting them cleaned up as soon as possible, making it safe for everyone. He is also working at getting the web loft and the boat yard cleaned up. Daniel is working at turning the boat yard into a working boat yard and not a parking lot. Daniel said they are working with Shaan-Seet, Inc. in moving some of the boats that have been in the city yard (for an extended period of time) over to Shaan-Seet boat yard. Daniel is working to change some of the fees for different services offered by the harbor department.

LIBRARIAN-Amy Marshall reported the library has hired Brenda Burke as a part-time on-call librarian. Amy reported having 19 persons signed up for the adult reading program. There are 12 kids signed up for the children's reading program. The library is providing an activity for the kids over Christmas break. The program is called You're the Author at your library and it's partnered with StudentPublishing.com. What the kids can do is write and illustrate a book that will then go to a publishing house and they will receive a real book back. When the books get back in January, the library will host a tea party reception for the new authors. This program is for pre-school through Eighth Grade children.

Amy is traveling to Anchorage next week to participate in the launch of the Online with Libraries Project. This is a joint project between the Bill and Melinda Gates Foundation and the Rasmuson Foundation. These organizations are willing to invest approximately \$90,000 in our library as far as computer equipment, routers, switches, servers and video conference capability as well as the installation of broadband. It will catapult us into the 21st century. With video conferencing the library can open it up to distance learning at the library.

TREASURER-Joyce reported some C.D.s are coming due tomorrow. Joyce saved back the interest from these C.D.s and said she would like to pay off the clinic loan with the interest. The loan is \$33,999. She needs an additional \$900 from the general fund to pay off the loan.

Sales Tax Audit-The city's auditor, Christine Harrington did the sales tax audit for 2010. She performed seven audits. Ms. Harrington will provide a report for the city in January.

TREASURER Continued-Joyce attended a meeting with Accu-Fund and reported the software is finally coming together. There was no objection from the council to pay off the loan.

PARKS AND RECREATION-Victoria Merritt reported the next Christmas Bazaar is planned for this Saturday. The proceeds from the last bazaar were shared with the Craig Waverunners Swim Club. The proceeds from this bazaar will be shared with the D.C. Close Up. Victoria worked with Amy Marshall in setting up a Scrabble Tournament. The P.O.W.E.R. Concert is scheduled for this Saturday at 7:00 p.m. at the high school. The volleyball league will start in January.

FIRE DEPARTMENT-Paul Coffey was here with David Nelson to report on the new fire truck the city recently acquired. Paul and David traveled to Oregon to do an inspection of the city's brand new fire truck. The truck should arrive in Craig this coming Sunday evening. Paul Coffey reported he is supporting Chaundell Piburn as the new E.M.S. coordinator for the City of Craig.

E.M.S.-Chaundell Piburn reported she is getting the E.M.S. office organized and the supplies inventoried. Three E.T.T.s from the squad recently completed the E.M.T. class in Thorne Bay. Chaundell is teaching an E.T.T. class at the high school. There is an ambulance malfunction issue that is affecting the electrical charging issue. Chaundell reported three E.M.T.s certificates are expiring next month. The squad is very small. There are three major fundraisers planned for this year. To get ALS status back, E.M.S. is looking for a medical doctor to sponsor their squad.

READING OF CORRESPONDENCE

There were no comments.

CONSIDERATION OF RESOLUTIONS AND ORDINANCES

Resolution No. 10-22, Establishing Capital Projects for 2011, was presented.

Jon Bolling reported on some of the items listed on this resolution.

Heavy Equipment Purchase-

1. Jon supported the need for a street sweeper and for a Vac truck. There is possibly some funding from Alaska Native Tribal Health Consortium (ANTHC). They have offered to pay for 1/3 of a truck. The Vac truck would be used to clean the city's gravity sewer system. We would want the truck to be able to clean out storm drains as well.

2. Garbage Truck-Jon would like to consider the way the city currently collects the garbage. Jon would like to change the way we collect garbage from the homes and businesses in our community.

Jon discussed several of the other projects on the Capital Improvement Projects list.

The council amended the C.I.P. List to include a new roof for the P.O.W.E.R. Jon commented that maybe grant applications for repairs to the P.O.W.E.R. roof should be made through application to the Rasmuson Foundation since P.O.W.E.R. is a private, non-profit corporation. The city can support the grant application submitted by the P.O.W.E.R. Board. Joni Kuntz asked that the Craig-Klawock Bike Path be added to the list.

PIERCE/KUNTZ:

Moved to approve Resolution 10-22, as presented inclusive of additions of the P.O.W.E.R. Building roof, windows and siding and the Bike Path Project.

Discussion: Jon Bolling commented that item #2, on the C.I.P. List, the Cannery Property and Harbor, can be moved down the list since the process moves slowly with the Army Corps of Engineers. Don proposed to move the Craig Cannery property and Harbor Project (#2) to slot #11 and the P.O.W.E.R. Roof Project to #9. The Bike Path Project was listed as item # 19.

MOTION CARRIED UNANIMOUSLY AS AMENDED, BY ROLL CALL VOTE.

Resolution No. 10-23, Adopting an alternative allocation method for the FY11 Shared Fisheries Business Tax Program and certifying that this allocation method fairly represents the distribution of significant effects of fisheries business activity in southern southeast fisheries management, was presented.

PIERCE/HEAD: Moved to adopt Resolution 10-23. MOTION CARRIED UNANIMOUSLY BY ROLL CALL VOTE

UNFINISHED BUSINESS

Consider Port Saint Nicholas Annexation Study-Jon Bolling reported he and Brian Templin worked on this and they came up with questions as to how Port Saint Nicholas Annexation might affect the duties and finances of the city. Jon stated this document provides the council with a range of information that needs to be collected in regards to this draft Annexation Study R.F.P. Greg wants broad information on the annexation procedure. There was discussion on how much land to annex, should the watershed be included within the proposed annexation lands, what options should the city consider concerning the sewer system at Port Saint Nicholas. Greg commented that we have a community that is split (The City of Craig and Port Saint Nicholas Subdivision). We need to make it one community.

Jon Bolling commented the broader affects of annexation are the P.L.874 money the school receives, programs that we are eligible for now that we won't be eligible for and vice versa, programs that we weren't eligible for but are eligible now.

There was some discussion about the south side of Port Saint Nicholas, in regards to the road, the bridge and annexation. Jon stated that the city owns the one bridge on the north side of the Port Saint Nicholas Road.

NEW BUSINESS

- **P.O.W. Hatchery Association Operation Agreement**-Jon Bolling stated that in the past the city council has provided \$20,000 to the Hatchery to raise the fish. This agreement provides the Prince of Wales Hatchery Association will take care of next year's Saint Nick King Salmon, for \$15,000.

PIERCE/KUNTZ: moved to approve the 2010-2011 operational agreement between the City of Craig and the Prince of Wales Hatchery Association for the Port St. Nicholas king salmon project. MOTION CARRIED UNANIMOUSLY

- **Change Order, Community Streets Project, Phase II**-Jon Bolling reported there are five items to the change order. Item No.1 resulted in reduced cost. The other four items were work that Southeast Road Builders undertook at the request of the city that is outside the scope of their bid, and thus added to the cost of the project.

CONTINUED-Change Order, Community Streets Project, Phase II-

HEAD/KUNTZ:

moved to approve Change Order No. 1 of Phase II of the Craig Community Streets project in the amount of \$8,449.49. MOTION CARRIED UNANIMOUSLY

- **Consider bid award, South Cove Harbor Improvements**-Jon Bolling reported three years ago the State of Alaska awarded the City of Craig \$50,000 for improvements to South Cove Harbor. Those improvements include replacement of piling along the main float and two side floats in South Cove, replacement of piling and pile caps at the South Cove Harbor grid, and some upgrades to the electric pedestals at South Cove, improvement to the skid plate located at the bottom of the ramp and some hinge replacements on the side finger floats. This grant requires a dollar for dollar match. The pile driving work was put out to bid. The city received one bid from Clifton Enterprises of Sitka. The bid total was \$83,200. If the city accepts the bid and awards the work, the grant match requirement means that the city council must appropriate one-half of the bid amount or \$44,000. At this time Jon asked the council to appropriate \$4,500 for an additional day of barge time. The contractor is prepared to complete the work by the end of June 2011, after the fish window re-opens.

Steve Merritt mentioned that there is \$850,000 available for sport fish improvements. This may be a consideration for the city.

Jon Bolling commented that it is worth applying for the Sport Fish grant money through this King Salmon Mitigation Program.

SEE/PIERCE:

moved to award to Clifton Enterprises the South Cove Harbor Piling Project in an amount not to exceed \$83,200, authorize use of \$41,600 in City of Craig general funds for the project, and authorize the expenditure of up to \$4,500 for additional barge and crane time for other harbor projects in Craig and ask the administrator to apply for grant funding through the Sports Fish Grant. MOTION CARRIED

- **Direction to Staff regarding Legislative Grant-Seafood Processing Building**-Jon Bolling offered the council three options in which to apply the grant funds appropriated to the city. Option No.1-Use of a portion of the grant to develop False Island. Option No. 2-Use of the funds to pay down debt on the building. Option 3-Deposit grant dollars into the General Fund. A land exchange between the city and Shaan-Seet, Inc. is almost complete (an acre of land on False Island). Jon will wait for the land exchange to be done and then report back to council.

ADJOURNMENT

HEAD/DOUVILLE:

moved to adjourn. MOTION CARRIED

The meeting adjourned at 9:03 p.m.

APPROVED _____

MAYOR A. MILLIE SCHOONOVER

ATTEST
VICKI HAMILTON, CITY CLERK



State of Alaska

Department of Public Safety

Alcoholic Beverage Control Board

Sean Parnell, Governor
Joseph A. Masters, Commissioner

January 3, 2011

Renewal Application Notice

City of Craig
Attn: City Clerk
VIA EMAIL: cityclerk@craigak.com

DBA	Lic Type	Lic #	Owner	Premise Address
Thompson House	Package Store	1948	Alaska Commercial Company	1310 Craig Klawock Hwy

We have received a renewal application for the above listed licenses (see attached applications) within your jurisdiction. This is the notice as required under AS 04.11.520. Additional information concerning filing a "protest" by a local governing body under AS 04.11.480 is included in this letter.

A local governing body as defined under AS 04.21.080(11) may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the board and the applicant with a clear and concise written statement of reasons in support of a protest within 60 days of receipt of this notice. If a protest is filed, the board will not approve the application unless it finds that the protest is "arbitrary, capricious and unreasonable". Instead, in accordance with AS 04.11.510(b), the board will notify the applicant that the application is denied for reasons stated in the protest. The applicant is entitled to an informal conference with either the director or the board and, if not satisfied by the informal conference, is entitled to a formal hearing in accordance with AS 44.62.330-44.62-630. **IF THE APPLICANT REQUESTS A HEARING, THE LOCAL GOVERNING BODY MUST ASSIST IN OR UNDERTAKE THE DEFENSE OF ITS PROTEST.**

Under AS 04.11.420(a), the board may not issue a license or permit for premises in a municipality where a zoning regulation or ordinance prohibits the sale or consumption of alcoholic beverages, unless a variance of the regulation or ordinance has been approved. Under AS 04.11.420(b) municipalities must inform the board of zoning regulations or ordinances which prohibit the sale or consumption of alcoholic beverages. If a municipal zoning regulation or ordinance prohibits the sale or consumption of alcoholic beverages at the proposed premises and no variance of the regulation or ordinance has been approved, please notify us and provide a certified copy of the regulation or ordinance if you have not previously done so.

Protest under AS 04.11.480 and the prohibition of sale or consumption of alcoholic beverages as required by zoning regulation or ordinance under AS 04.11.420(a) are two separate and distinct subjects. Please bear that in mind in responding to this notice.

AS 04.21.010(d), if applicable, requires the municipality to provide written notice to the appropriate community council(s).

If you wish to protest the application referenced above, please do so in the prescribed manner and within the prescribed time. Please show proof of service upon the applicant. For additional information please refer to 13 AAC 104.145, Local Governing Body Protest.

Note: Applications applied for under AS 04.11.400(g), 13 AAC 104.335(a)(3), AS 04.11.090(e), and 13 AAC 104.660(e) must be approved by the governing body.

Sincerely,

SHIRLEY A. GIFFORD
Director

/s/ Christine C. Lambert

Christine C. Lambert
Records & Licensing Supervisor
269-0359
Christine.lambert@alaska.gov



State of Alaska
Department of Public Safety
Alcoholic Beverage Control Board

Sean Parnell, Governor
Joseph A. Masters, Commissioner

January 13, 2011

Renewal Application Notice

City of Craig
Attn: City Clerk
VIA EMAIL: cityclerk@craigak.com

DBA	Lic Type	Lic #	Owner	Premise Address
Hill Bar	Beverage Dispensary	1328	Craig Bar & Liquor Store, Inc.	503 Front Street
Hill Bar Liquor Store	Package Store	1322	Craig Bar & Liquor Store, Inc.	503 Front Street
Zat's Pizza	Restaurant Eating Place	4253	Zat's Pizza LLC	420 Port Bagial Blvd

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AS 04.21.010(d), if applicable, requires the municipality to provide written notice to the appropriate community council(s).

Alcoholic Beverage Control Board
5848 E Tudor Rd - Anchorage, AK 99507 - Voice (907) 269-0350 - Fax (907) 272-9412

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Note: Applications applied for under AS 04.11.400(g), 13 AAC 104.335(a)(3), AS 04.11.090(e), and 13 AAC 104.660(e) must be approved by the governing body.

Sincerely,

SHIRLEY A. GIFFORD
Director

/s/ Christine C. Lambert

Christine C. Lambert
Records & Licensing Supervisor
269-0359
Christine.lambert@alaska.gov

**City of Craig
Memorandum**

Date: November 3, 2010
To: Mayor and City Council
From: Vicki Hamilton, City Clerk *VH*
Re: Changes to the municipal code, Election Procedures

This ordinance makes a minor change to the Craig Municipal Code, section 2.12.260 of the Municipal Elections. Our code is a bit outdated in some sections. As we recognize these outdated portions of the code, an update is brought forth in the form of an ordinance. This ordinance change eliminates the vocal "shout out".
This is first reading of Ordinance No. 628.

CITY OF CRAIG

ORDINANCE NO. 628

AMENDING THE CRAIG MUNICIPAL CODE 2.12.260, VOTING PROCEDURE AT THE POLLS

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 deletes those words that are in brackets with strikethrough text.

G. [~~Fifteen minutes before the closing of the polls, the time remaining before such closure shall be proclaimed~~]. When the polls are closed for the purpose of voting, [~~that fact shall likewise be proclaimed and thereafter~~] no ballot shall be issued except to those voters who were present and waiting their turn to go through the voting procedure at the time prescribed for closing the polls.

APPROVED _____

ATTEST _____

MAYOR A. MILLIE SCHOONOVER

VICKI HAMILTON, CITY CLERK

CITY OF CRAIG MEMORANDUM

To: Craig City Council
From: Jon Bolling, City Administrator
Date: January 11, 2011
RE: Staff Report

1. Staffing

The city had 32 full time employees on the payroll during the month of December 2010. That's down from 42 full time employees in January 2010. Much of the difference is due to transition of the clinic out of city ownership. Additional reductions came at the start of the current fiscal year, and other positions are vacant due to attrition. We have one police officer position and one assistant harbormaster position vacant as of today's date, as well as a full time fill-in dispatcher position that has been vacant since last spring. Two of those positions will likely be filled by late spring 2011.

As a reminder for the council, public works director Steve Tanner intends to retire September 1, 2011. Steve and I will begin recruitment efforts for the PW director position later this month. I plan to hire on Steve's replacement at least three months prior to Steve's retirement date, or sooner if circumstances permit.

2. Emergency Medical Services

Craig EMS Coordinator Chaundell Piburn and I worked with Bobbi Leichty and other Southeast Region EMS staff recently to secure the services of Dr. Copus to act as interim EMS physician sponsor. Squads on POW have been without a physician sponsor since Dr. Thomas notified local squads that he would remove himself from the position in November. Dr. Copus' interim sponsorship has no set timeline. However it is his expectation that in the interim POW squads and SEREMS will seek out and secure a permanent sponsor. Island EMS squads and SEREMS have already begun the search.

In the meantime Chaundell continues to recruit qualified volunteers to staff our EMS squad, and arrange for classes to get more local residents qualified as emergency medical technicians. Despite her good efforts recruitment is challenging. The city may have to consider some sort of incentives to staff the squad so that the Craig ambulance may again operate on an advance life support basis. Currently the squad performs only at the basic life support level. Chaundell and other city staff will continue to work on this issue and we will keep the council posted.

3. POW RAC Update

At its December 20 meeting in Coffman Cove, the Prince of Wales Resource Advisory Committee, which as the council will recall is charged with distributing about \$1.6 million in special project funds from the national forest receipts program to POW projects, voted to fund the City of Craig's North Fork Dam raising project at \$375,000. City Planner Brian Templin and I have already begun discussions with USFS staff on completing the US Forest Service required National Environmental Policy Act (NEPA) review. I do not expect construction to begin in 2011, given that the length of the NEPA

process is uncertain, and that we must still complete design work on the dam. However, the award paves the way to begin this important project.

At the same meeting the RAC also approved \$250,000 for improvements to the Sunnahae Trail. USFS Staff wants to develop a design for the trail and, in the short term, replace two bridges that cross deep drainages near where the trail breaks out into the first muskeg just above Craig. Replacing the bridges in the short term is important, as the lack of a crossing at the two drainages is a significant barrier to trail users. The USFS has already closed the trail above the point where the bridges used to be. Even if the rest of the trail is still short of USFS design standards, reinstalling the bridges effectively opens the trail to all users, as most hikers are quite used to the existing condition of the rest of the trail.

By my count, Craig still has a claim on another \$175,000 or so in RAC funding that provides some benefit to the community. I will continue to work with the other RAC members toward this goal. The RAC meets again on January 26 here in Craig.

On a related note, the RAC is in need of alternate members. One member has resigned already, and the RAC's rigid structure of how it approves projects necessitates that additional alternate members be available on short notice. I would encourage any member of the city council, or resident of Craig, to see me or USFS staff about submitting their name for membership on the RAC.

4. Craig Cannery Property

There are three issues related to the old cannery property that merit council attention.

- I. Old Bunkhouse Units - City staff and the Craig High School wrestling team recently completed cleaning out the old bunkhouse buildings at the cannery property. I had the wrestlers sort out the items from the buildings into scrap and aluminum metals for eventual shipment south to a recycler. Now that the buildings are empty, and with a portion of one of the buildings damaged by fire last summer, I intend to solicit bids from local contractors to demolish the structures. Funding to pay for this work will come from the remaining Alaska legislative grant for the cannery property that the city received several years ago.
- II. Army Corps of Engineers – The city is working through the US Army Corps of Engineers to make the property eligible for funding from the Corps' Small Boat Harbor Program. The purpose of working through the program is to complete design work and secure an eighty percent match for breakwater installation on the tidelands adjacent to the property. Accomplishing this assists us in meeting the goals of Phase I of the development of the site. While I knew that the process would take quite some time, I am concerned about the slow pace of the project at the Army Corps of Engineers offices in Anchorage. City staff will work with Army Corps staff to set a schedule of accomplishments to move this project along and try to prevent further delays in development of the site.
- III. HUD Grant – City staff is working with the Department of Housing and Urban Development to finalize use of a \$330,000 grant for use at the cannery property. When we petitioned the Alaska Congressional delegation for the funding we made it clear that we wanted the funding to pay down some of what the city still owes on the property (the current debt on the property is about \$670,000). We are

having some difficulty making that goal fit with the funding restrictions from HUD, but city staff continues to work toward this end. Staff's goal is to complete the paperwork with HUD and apply the grant funding toward the balance owed on the property during this calendar year.

5. Seafood Producer's Cooperative & City Dock

As I advised the council in November Seafood Producers Cooperative expressed an interest in moving their seasonal fish buying operation from the old cannery property dock to the city dock in 2011. SPC believes that the covered area offered by the building on City Dock is a more suitable site for purchasing fish from the commercial troll fleet that makes up the cooperative's membership. I recently received a letter from SPC in which the cooperative formally asks the city to consider allowing it to use City Dock this summer.

SPC representatives have told city staff that the cooperative may add another hoist to city dock and a new set of doors for the east wall of the city dock storage building to facilitate their use of the dock. If the cooperative decides it would like to make these improvements city staff will ensure that the changes are compatible with other uses of the City Dock. I do have some concern about limiting general public use of the city dock during the busy summer fishing season. I have shared some of these concerns with SPC, who have responded that they will work to accommodate other users as they can.

In the past several summers, city staff has authorized SPC's use of the old cannery dock by an access permit, which staff is authorized to issue administratively. Unless the council directs me otherwise, city staff and I will work with SPC to settle on terms of use of City Dock for the 2011 summer troll season through the issuance of an access permit.

6. Ice House Grant

I reported to the council in October and November that the city is eligible to apply for grant funding to upgrade the Craig Public Ice House from the Pacific Salmon Treaty Mitigation Fund. Since those reports I submitted two grant applications to the fund. One application would add a new ice making drum to the facility. The other application would fund an expansion of the ice bin in the building. Either project can proceed if the other fails to receive funding. The State of Alaska has set no timeline within which they will make a decision on the applications. I will keep the council posted as I learn more.

7. Dog Salmon Creek Bridge

As the council is aware, the upgrade to the Port St. Nicholas Road included replacement of the bridge at Dog Salmon Creek, near mile 5.0 of the road. That work is complete, and the old bridge is staged up the Five Mile Spur Road at Port St. Nicholas. The city owns the bridge. We have offered the Craig Community Association use of the bridge as a temporary structure for rerouting traffic as the CCA works on culvert replacement along the Port St. Nicholas Road. At this point CCA is not sure if they will need to use the bridge for this purpose, but they have not told us yet that the bridge will not be needed during the course of construction.

As noted in Section 3 above, the POW RAC met in December and awarded funding for several projects. One of the projects receiving funding is one submitted by the POW Off Road Club, represented by Barry Peratrovich, which proposes to bridge several stream crossings on logging roads near Thorne Bay to connect the Gravelly Creek road system to the Boy Scout road system. Connecting the two road systems creates a new connection that allows a non-dead end loop of logging roads suitable for ATV and snowmobile riding. One of the improvements needed for the project is at least one bridge to provide a needed stream crossing. I told a Forest Service staff member at the RAC meeting last month that the city owns the old Dog Salmon Creek Bridge and has no apparent use for it. Barry Peratrovich from the Off Road Club has approached me to find out if the city is willing to donate the bridge to their proposed project. I told Barry we would need a letter from the club, or the US Forest Service, formally asking the city to consider donation of the bridge for the project. If we eventually receive a letter requesting donation of the bridge, I will schedule the matter for council action. Until then, if the council has other thoughts on the disposition of the bridge, please let me know.

8. Contact with PERS Staff

I am still waiting for a response from PERS on a couple of questions regarding the city's potential liability to PERS for the city's employees who used to work at the Craig Clinic, as well as on the EMS Coordinator position. PERS staff was here in November to conduct a routine audit of our payments, and I discussed the matter with the PERS representative who completed the audit. However I have yet to receive PERS's response to our inquiries.

9. Sanitary Deficiency Survey (SDS) Meeting

Early each calendar year the Alaska Native Tribal Health Consortium sponsors the Southeast Region SDS meeting in Juneau. The meeting is set up so that the small Southeast communities can present their water and wastewater project needs. In response ANTHC usually committed to funding a portion of these projects, with the Alaska Department of Environmental Conservation funding the balance of each project cost. The city used this method to fund many local water and wastewater improvements, with DEC providing 70 percent of a project's cost, and ANTHC providing the balance. However, several years ago ANTHC stopped providing funding for Craig projects. While city staff has regularly attended these annual meetings, we have not been able to determine exactly why our projects have not been funded in recent years, short of ANTHC staff telling us that projects in other Southeast Alaska communities were more pressing than ours.

In an attempt to get back into ANTHC's funding rotation I plan to attend this year's SDS meeting in Juneau. At this point ANTHC plans to hold the SDS meeting in conjunction with the Southeast Conference mid-winter meeting in Juneau, meaning that I can attend both functions on a single trip to Juneau.

10. Southeast Conference Annual Meeting – 2012

At the 2010 Southeast Conference meeting in Petersburg last September, Mayor Schoonover proposed that Craig host the 2012 Southeast Conference annual meeting. Craig hosted the meeting once before—in 2002. The annual meeting brings more than

200 participants to the host community. As a result hosting the conference is a large undertaking for a community Craig's size, and will require much planning. The conference membership has not yet agreed to have the 2012 meeting in Craig, and is scheduled to vote on the issue at the mid winter meeting set for March 14-16, 2011. I intend to solicit the participation of the POW Chamber of Commerce to assist in organizing the 2012 meeting. Possible meeting venues include the CCA building, or the Craig High School Gymnasium.

11. January Meetings

There are an unusual number of policy meetings scheduled for the second half of this month.

- On January 19 and 20 the National Forest Foundation will participate in what is being billed as a POW Watershed Symposium. I am not quite sure what the symposium means for POW, but I plan to attend enough of the meeting to determine to what extent, if any, the City of Craig should be involved.
- January 25 – POWCAC meeting in Klawock. The January meeting is where POWCAC usually sets its transportation priorities for the coming year. I will attend and represent Craig at the meeting, as usual.
- On January 26 & 27 the Prince of Wales Health Network will have another of their community meetings to determine how best to permanently replace the services lost when COHO closed its doors. The health network has coordinated a local planning effort to advise the State of Alaska Department of Health and Social Services as to how best to redirect the funding that used to go to COHO for mental health and substance abuse services on Prince of Wales Island. I attended the first of these meetings in September and would like to stay involved to determine how reassignment of funding for these services affects Craig and POW.
- On January 26 the POW Resource Advisory Committee meets at the USFS Craig Ranger District office. The committee will prioritize projects it has received and may consider designating funding for one or more of the projects.
- On January 27 the committee writing the management plan for the POW Scenic Byway will meet to continue working on the draft. I have participated in these meetings regularly to make sure the text of management plan will not preempt established land uses here on POW. This process is going well so far, and I have less concern now than I did at the start of the process about groups using the text of the plan to oppose land uses that the city supports.

12. Port St. Nicholas King Salmon Project

Staff at the POW Hatchery Association, which as the council is aware, operates the terminal king salmon facility at the city's water treatment plant property at Port St. Nicholas, would like to locate a modular home on the site. POWHA has received a donation offer of a modular home and sees the PSN king salmon site as a useful place for the building to provide employee housing and storage needs. I met with POWHA manager Dan Goodness and other POWHA representatives at the water treatment plant site to weigh options for placement of a modular. I told POWHA that my first priority for the property is to ensure sufficient room for expansion of the Craig water treatment plant, and that if the council ultimately approves a lease for the modular, the location of the building would have to be subject to the needs of the water department. There

appears to be ample room on the site for the city's needs and the proposed modular building. I told POWHA that when it is ready the organization would apply for a lease of a portion of the site for placement of the modular, and that their application would follow the process for leasing city property spelled out in the city's municipal code. If POWHA chooses to apply for the lease, the matter will be brought to the council for consideration.

13. Travel Schedule

My proposed travel schedule for the next few months is as follows.

- March 8-10, 2011: SDS, Southeast Conference mid-winter meeting, and meetings with Alaska Legislature staff in Juneau.
- February-December: I will, on three or four occasions, travel to Juneau for Catholic Community Service Board meetings.
- September 12-15: Southeast Conference annual meeting in Ketchikan.
- I have two elderly and ill family members that need occasional support from me, which may require travel on short notice. I will keep the council posted as this need arises.

Feel free to contact me with any questions.



Finance Department Staff Report

To: Mayor and City Council

From: Joyce Mason, Treasurer 

Date: January 14, 2011

The first six months of fiscal year 2011 revenue and expenditures report is attached. The revenue for the general fund is \$2,251,599 or 43% of budget, which should be 50%. There are one time leases that will be collected in the last half of the year and we received the second quarter state trooper revenue the first week of January. I anticipate sales tax, although less than the Fiscal year 2008 and 2009 but more than 2010, to be equal to the budgeted amount. I will report at the February meeting as the September to December quarter is being submitted this month. General Fund expenditures are staying within the budget except Parks & Facilities and Planning. Planning purchased materials for the large printer. Parks & Facilities expenditures are normally in the first half of the year because of seasonal maintenance.

The Enterprise Fund is struggling to stay within the budget. During the supplemental budget process the staff will reallocate expenses. With the turnover in staff funds budgeted for personnel benefits can be reallocated to other line items.

The fiscal year 2010 audit is complete except for printing. The council will have the audit at the February meeting.

The sales tax audits are complete until next September. We plan to do other businesses when Christine Harrington, our auditor is here for the annual audit. The audits performed in November resulted in a small amount of revenue but the overall result was businesses need additional education on what is exempt and how to report the gross sales and exemptions. The staff has edited the form and provided instructions. We are open to any suggestions to make this process easier.

The staff has sent final statements for the clinic billing this week. A note was included to state accounts not paid will go to collections. In the middle of February the staff will start the process to lien clients' PFDs. The filing timeline is very important to match the PFD's guidelines. Out of state accounts will be turned over to a collection agency.

Grant accounting and reporting is minimal from prior years and is complete for the last quarter.

At the November Alaska Government Finance Officers conference I was elected a director. As a Director I will help with the conferences and promote the association. This association is great for continuing education and networking with other Alaska communities.

If you have any questions or concerns please contact me by email at finance@craigak.com or stop by my office. I will back in the office January 26, 2011.

City of Craig
Statement of Revenue and Expenditures
For the Six Months Ending December 31, 2010

General Fund	YTD Actual	YTD Budget	% Budget
<u>Revenues</u>			
Property tax	521,048	515,000	101%
Sales Tax	878,144	1,260,000	70%
Liquor Sales Tax	69,705	100,000	70%
PILT State Funding	247,595	250,000	99%
State Revenue Sharing	151,217	151,810	100%
Liquor Revenue Sharing	0	10,000	0%
Fish Tax - DEC	84,017	50,000	168%
Shared Fish Tax	0	6,000	0%
EMS Service Fees	3,750	5,000	75%
EMS Training Fees	0	2,500	0%
Aquatic Center	32,756	65,000	50%
Recreation Programs	5,375	15,000	36%
Property Leases	20,353	71,500	28%
Equipment Sales	1,050	2,000	53%
Taxi Permits	90	50	180%
Building Permits	595	1,500	40%
Police Fines	1,777	17,000	10%
State Jail Contract	171,345	228,400	75%
State Trooper Dispatch	2,500	10,000	25%
Klawock Dispatch	24,894	46,300	54%
DMV Commission	27,418	56,000	49%
Interest Income	4,600	7,500	61%
Other Misc Income	3,370	1,000	337%
Donations	0	500	0%
Total Revenue	2,251,599	2,872,060	43%
<u>Expenditures</u>			
Administration	313,559	641,292	49%
Council	36,475	88,529	41%
Planning	43,588	74,249	59%
Parks & Facilities	111,715	190,885	59%
Public Works	100,585	276,241	36%
Police	433,685	893,697	49%
EMS	17,930	58,504	31%
Fire	13,068	25,734	51%
Library	32,583	75,539	43%
Recreation	41,423	90,919	46%
Aquatic Center	241,715	538,605	45%
Total General Fund Expenditures	1,386,326	2,954,194	47%
Excess Revenue Over Expenditures	865,273	(82,134)	
Transfer Funds:			
Transfer to Enterprise Funds	(56,994)	11,795	
Transfer to School Fund		(100,000)	
Transfer from Forest Receipts (Roads)		10,000	
Transfer from Endowment		182,000	
Transfer to Equipment Reserves		(21,661)	
Total Transfers	(56,994)	82,134	
Net Change in Assets	808,279	0	

City of Craig
Statement of Revenue and Expenditures
For the Six Months Ending December 31, 2010

	<u>Year to Date</u>	<u>Budget</u>	<u>% Budget</u>
<u>11 Administration</u>			
Personnel Expenses	153,024	293,652	52.11%
Personnel Benefits Expenses	77,126	165,225	46.68%
Contract Expenses	45,734	115,385	39.64%
Personnel Misc Expenses	4,703	10,520	44.71%
Material & Supplies Expenses	5,405	7,000	77.21%
Utilities Expenses	6,690	14,510	46.11%
Maintenance Expenses	1,744	5,800	30.07%
Misc Expenses	19,133	29,200	65.52%
Total Expenditures	313,559	641,292	48.89%
<u>12 Council</u>			
Personnel Expenses	7,350	14,700	50.00%
Personnel Benefits Expenses	24,316	63,079	38.55%
Contract Expenses	2,698	2,400	112.42%
Personnel Misc Expenses	1,934	7,650	25.28%
Material & Supplies Expenses	51	150	34.00%
Utilities Expenses	0	0	
Maintenance Expenses	0	0	
Misc Expenses	126	550	22.91%
Capital Expenses	0	0	
Total Expenditures	36,475	88,529	41.20%
<u>13 Planning</u>			
Personnel Expenses	19,629	34,669	56.62%
Personnel Benefits Expenses	17,581	36,330	48.39%
Contract Expenses	2,010	0	
Personnel Misc Expenses	525	1,500	35.00%
Material & Supplies Expenses	2,788	550	506.91%
Utilities Expenses	0	0	
Maintenance Expenses	0	0	
Misc Expenses	1,055	1,200	87.92%
Capital Expenses	0	0	
Total Expenditures	43,588	74,249	58.71%

City of Craig
Statement of Revenue and Expenditures
For the Six Months Ending December 31, 2010

14 Parks & Facilities

Personnel Expenses	61,993	101,963	60.80%
Personnel Benefits Expenses	27,129	48,122	56.38%
Contract Expenses	4,875	7,200	67.71%
Personnel Misc Expenses	0	0	0.00%
Material & Supplies Expenses	1,627	5,800	28.05%
Utilities Expenses	8,343	7,000	119.19%
Maintenance Expenses	1,269	1,000	126.90%
Misc Expenses	5,134	7,000	73.34%
Capital Expenses	1,345	12,800	10.51%
Total Expenditures	111,715	190,885	58.52%

15 Public Works

Personnel Expenses	45,193	122,578	36.87%
Personnel Benefits Expenses	30,625	100,138	30.58%
Contract Expenses	598	500	0.00%
Personnel Misc Expenses	0	1,175	0.00%
Material & Supplies Expenses	1,449	8,000	18.11%
Utilities Expenses	12,836	29,800	43.07%
Maintenance Expenses	4,064	6,000	67.73%
Misc Expenses	1,800	8,050	22.36%
Capital Expenses	4,020	0	0.00%
Total Expenditures	100,585	276,241	36.41%

16 Police

Personnel Expenses	245,797	502,423	48.92%
Personnel Benefits Expenses	130,630	305,844	42.71%
Contract Expenses	5,972	700	853.14%
Personnel Misc Expenses	725	4,000	18.12%
Material & Supplies Expenses	15,339	22,830	67.19%
Utilities Expenses	14,888	31,900	46.67%
Maintenance Expenses	9,763	4,000	244.08%
Misc Expenses	10,171	22,000	46.23%
Capital Expenses	400	0	0.00%
Total Expenditures	433,685	893,697	48.53%

City of Craig
Statement of Revenue and Expenditures
For the Six Months Ending December 31, 2010

17 EMS

Personnel Expenses	8,356	27,071	30.87%
Personnel Benefits Expenses	3,885	18,233	21.31%
Contract Expenses	70	0	0.00
Personnel Misc Expenses	975	2,700	0.00
Material & Supplies Expenses	1,274	1,100	115.82%
Utilities Expenses	823	1,900	43.32%
Maintenance Expenses	0	0	
Misc Expenses	2,547	7,500	33.96%
Capital Expenses	0	0	0.00
Total Expenses	17,930	58,504	30.65%
Total Expenditures			

18 Fire Department

Personnel Expenses	0	0	
Personnel Benefits Expenses	144	7,984	1.80%
Contract Expenses	4,500	9,000	50.00%
Personnel Misc Expenses	1,446	0	
Material & Supplies Expenses	388	1,250	31.04%
Utilities Expenses	1,160	3,700	31.35%
Maintenance Expenses	4,049	1,000	404.90%
Misc Expenses	1,381	2,800	49.32%
Capital Expenses	0	0	
Total Expenditures	13,068	25,734	50.78%

19 Library

Personnel Expenses	22,015	46,123	47.73%
Personnel Benefits Expenses	1,731	8,481	20.41%
Contract Expenses	585	2,900	20.17%
Personnel Misc Expenses	1,307	1,235	105.83%
Material & Supplies Expenses	4,440	9,100	48.79%
Utilities Expenses	2,217	6,200	35.76%
Maintenance Expenses	0	0	
Misc Expenses	288	1,500	19.20%
Capital Expenses	0	0	
Total Expenditures	32,583	75,539	43.13%

City of Craig
Statement of Revenue and Expenditures
For the Six Months Ending December 31, 2010

24 Recreation

Personnel Expenses	19,841	36,131	54.91%
Personnel Benefits Expenses	13,230	24,688	53.59%
Contract Expenses	1,206	3,500	0.00
Personnel Misc Expenses	0	0	0.00
Material & Supplies Expenses	1,473	4,100	35.93%
Utilities Expenses	5,544	22,500	24.64%
Maintenance Expenses	129	0	0.00
Misc Expenses	0	0	0.00
Capital Expenses	0	0	0.00
Total Expenditures	41,423	90,919	45.56%

25 Aquatic Center

Personnel Expenses	79,426	154,553	51.39%
Personnel Benefits Expenses	37,644	83,796	44.92%
Contract Expenses	2,776	4,500	61.69%
Personnel Misc Expenses	953	2,500	38.12%
Material & Supplies Expenses	13,990	14,400	97.15%
Utilities Expenses	65,855	104,256	63.17%
Maintenance Expenses	5,621	4,000	140.53%
Misc Expenses	5,850	11,250	52.00%
Debt Expense	29,600	159,350	18.58%
Total Expenditures	241,715	538,605	44.88%

City of Craig
Statement of Revenue and Expenditures
For the Six Months Ending December 31, 2010

Enterprise Fund

Revenue

	YTD Actual	YTD Budget	% Budget
Sewer Fees	131,675	261,000	50%
Water Sales	136,781	251,500	54%
Garbage Fees	174,226	338,000	52%
Medical Services	267	0	
Harbor Services	176,902	233,050	76%
JTB Industrial Services	245,947	335,682	73%
Cannery Revenue	1,225	137,300	1%
Total Revenue	867,023	1,556,532	56%

Expenses

Sewer Expenses	145,760	261,000	56%
Water Expenses	138,302	251,500	55%
Garbage Expenses	182,210	338,000	54%
Clinic Expenses	15,700	0	
Harbor Expenses	119,458	255,308	47%
JTB Industrial Park Expenses	312,069	301,629	103%
Cannery Expenses	10,518	137,300	8%
Total Expenses	924,017	1,544,737	

Net Revenue Over Expenses

(56,994) 11,795

Transfer from General Fund

56,994 -11,795

Change in Net Assets

0 0

City of Craig
Statement of Revenue and Expenditures
For the Six Months Ending December 31, 2010

Enterprise Fund By Department	Year to Date	Budget	% Budget
Sewer Fees	131,675	261,000	50.45%
Personnel Expenses	35,183	85,372	41.21%
Personnel Benefits Expenses	15,621	52,697	29.64%
Contract Expenses	2,737	3,600	76.03%
Personnel Misc Expenses	0	1,885	0.00%
Material & Supplies Expenses	6,270	4,000	156.75%
Utilities Expenses	14,372	30,900	46.51%
Maintenance Expenses	6,657	10,562	63.03%
Misc Expenses	3,086	10,263	30.07%
Debt Expenses	61,834	61,721	100.18%
Sewer Expenses	145,760	261,000	55.85%
Net Revenue over Expenses	(14,085)	0	
Water Sales	136,781	251,500	54.39%
Personnel Expenses	53,488	89,981	59.44%
Personnel Benefits Expenses	26,669	53,525	49.83%
Contract Expenses	4,799	7,000	68.56%
Personnel Misc Expenses	0	1,225	0.00%
Material & Supplies Expenses	25,098	28,037	89.52%
Utilities Expenses	23,252	48,600	47.84%
Maintenance Expenses	878	1,000	87.80%
Misc Expenses	4,002	13,000	30.78%
Debt Service	116	9,132	1.27%
Water Expenses	138,302	251,500	54.99%
Net Revenue over Expenses	(1,521)	0	
Garbage Fees	174,226	338,000	51.55%
Personnel Expenses	35,691	49,650	71.89%
Personnel Benefits Expenses	23,524	39,733	59.21%
Contract Expenses	115,444	230,000	50.19%
Personnel Misc Expenses	0	0	
Material & Supplies Expenses	316	2,200	14.36%
Fuel Expenses	2,092	4,000	52.30%
Maintenance Expenses	813	6,017	13.51%
Misc Expenses	2,222	6,400	34.72%
Equipment Expenses	2,108		
Garbage Expenses	182,210	338,000	53.91%
Net Revenue over Expenses	(7,984)	0	

City of Craig
Statement of Revenue and Expenditures
For the Six Months Ending December 31, 2010

Enterprise Fund By Department	Year to Date	Budget	% Budget
Medical Services	267	0	
Personnel Expenses	8,645		
Personnel Benefits Expenses	5,050		
Contract Expenses	10		
Material & Supplies Expenses	577		
Utilities Expenses	540		
Misc Expenses	396		
Interest Expense	482		
Clinic Expenses	15,700	0	
Net Revenue over Expenses	(15,433)	0	
Harbor Moorage	138,339	159,000	87.01%
Boat Haul out	9,227	20,000	46.14%
Other Harbor Services	29,336	54,050	54.28%
Total Revenue	176,902	233,050	
Personnel Expenses	51,587	109,714	47.02%
Personnel Benefits Expenses	24,516	73,094	33.54%
Contract Expenses	2,343	1,000	234.30%
Personnel Misc Expenses	0	150	0.00%
Material & Supplies Expenses	4,533	3,200	141.66%
Utilities Expenses	12,400	37,200	33.33%
Maintenance Expenses	3,730	4,500	82.89%
Misc Expenses	20,349	26,450	76.93%
Harbor Expenses	119,458	255,308	46.79%
Net Revenue over Expenses	57,444	(22,258)	
JTB Industrial Park Leases	203,013	265,682	76.41%
Ice House sales	28,470	45,000	63.27%
Boat Storage & Other	14,464	25,000	57.86%
Total Revenue	245,947	335,682	
Personnel Expenses	20,212	30,434	66.41%
Personnel Benefits Expenses	15,731	12,645	124.40%
Contract Expenses	0	0	
Material & Supplies Expenses	78	1,000	7.80%
Utilities Expenses	11,812	7,000	168.74%
Maintenance Expenses	193	1,000	19.30%
Misc Expenses	5,563	22,600	24.62%
Debt Service	258,480	226,950	113.89%
JTB Industrial Park Expenses	312,069	301,629	103.46%
Net Revenue over Expenses	(66,122)	34,053	

City of Craig
Statement of Revenue and Expenditures
For the Six Months Ending December 31, 2010

Enterprise Fund By Department	Year to Date	Budget	% Budget
Cannery Revenue	1,225	17,300	7.08%
Transfer from Endowment Fund		120,000	
Contract Expenses		2,000	
Material & Supplies Expenses		500	
Utilities Expenses	617	1,800	34.28%
Maintenance Expenses			
Misc Expenses	342	0	
Debt Service	9,559	133,000	7.19%
<i>Cannery Expenses</i>	10,518	137,300	7.66%
Net Revenue over Expenses	(9,293)	0	
 Total Revenue over Expenses	 (56,994)	 11,795	

Craig Aquatic Center Monthly Report

For the Month of:

December

Prepared by: _____

	Dec-09	Dec-10
LAP SWIM		
Walk Ins	56	75
Passes	113	163
FAMILY SWIM		
Youth		
Walk Ins	0	0
Passes	0	0
Adult		
Walk Ins	0	0
Passes	0	0
OPEN SWIM		
Youth		
Walk Ins	358	300
Passes	171	119
Adult		
Walk Ins	215	122
Passes	68	72
Tot Swim	0	42
Adaptive Swim		
Walk Ins	0	0
Passes	0	0
Activity Swim		
Walk Ins	0	2
Passes	0	0
SCHOOL INSTRUCTION		
Walk Ins	387	397
Passes	296	0
RENTALS		
Walk Ins	18	29
Passes	46	52
AQUA-AEROBICS		
Walk Ins	40	40
Passes	40	40
FITNESS		
Walk Ins	335	228
Passes	343	417
SHOWER ONLY		
Walk Ins	4	4
Passes	4	4
SWIM TEAM		
Walk Ins	138	96

Revenue	Number of People		Monthly Amt	
	09	10	09	10
Cash	651	519	\$ 1,307.50	\$ 1,081.00
Swim Pass	26	25	\$ 820.00	\$ 680.00
10 Day				
3 Month	3	1	\$ 330.00	\$ 90.00
6 Month				
1 Year				
Payments	2	4	\$ 780.00	\$ 1,230.00
Fitness				
Fitness Room	313	245	\$ 981.00	\$ 670.00
Aqua-Aerobics				
Walkins	44	42	\$ 157.00	\$ 139.00
Pass	0	2	\$ -	\$ 90.00
Special				
Life Guard Class	0	0	\$ -	\$ -
WSI Class	0	0	\$ -	\$ -
Swim Team	0	0	\$ -	\$ -
Rental				
Pool Rental	1	1	\$ 105.00	\$ 85.00
Locker Rental	0	1	\$ -	\$ 1.00
Misc. Revenue				
Gift Certificates	0	0	\$ -	\$ -
Shirts, Etc.	64	34	\$ 67.00	\$ 44.00
Lessons	0	0	\$ -	\$ -

POOL

NUMBER OF PATRONS FOR THE MONTH **2588** **2158**

REVENUE FOR THE MONTH **\$ 4,547.50** **\$ 4,110.00**

Status Report
City of Craig

December 29, 2010

Submitted

by

Steve Silver

Hoffman, Silver, Gilman, and Blasco

As this year ends, we begin to think seriously about next year's work. There are a lot of issues which will affect the City in the next Congress.

Federal Appropriations Process

The current Fiscal Year 2011 must be concluded by the Congress. While the Congress passed a continuing resolution (CR) that funded the federal government at existing levels, this CR expires March 4. When Congress returns, it must pass federal appropriation bills for this existing fiscal year which concludes in September 30, 2011.

At the same time, Congress will begin its process for the next fiscal year 2012. Both Senate offices will be accepting project requests—"earmarks" in January and February. Senator Begich has already published his form for these requests and Senator Murkowski is expected to issue her form shortly. Senator Begich's form is due on February 25 and Senator Murkowski will have a similar deadline.

Con. Young has told me he intends to pursue earmarks in these bills and other bills as much as possible

Status of Earmarks

Earmarks have not been banned. The Senate will have an earmark process even if the House does not. And both Houses must agree to a final bill which should mean that earmarks will be included in any final bill as long as the Senate insists on them.

The House of Representatives "ban" on earmarks is also not clear. The House Republicans have announced a one year moratorium on earmarks. But the "ban" only applies to the next appropriation process and does not include high priority projects in the 5 year highway bill and or construction projects the Water resources bill both of which will be considered this year. These are the other bills in which the City seeks funding. This includes the 5

There is no ban on high priority projects or on the water resources bill and the incoming House Chairman of the Transportation and Infrastructure Committee indicates that he supports designation of projects in these bills. Congressman Young is the former Chairman and 2nd ranking member of this Committee. He will be influential in the writing of both of these bills.

Next Steps

I have already provided the FY 2012 federal appropriation form and information for Senator Begich's request process. I hope to have the same information for Sen. Murkowski very soon. I am also working with Con. Young to better understand what he can do in the House process since that process will have to deal with the Senate-House conference committee later in the year.

I am also monitoring the process for the finalization of the ongoing fiscal year which will be dealt with before March 4, 2011. So, it will be a very busy first quarter of 2011. I also urge that a City delegation come to Washington in March or April since there is so many potential changes in the process. A face to face visit with the Congressional Delegation and possibly some agencies will be very worthwhile.

All of these factors and issues are subject to rapid change back in Washington and I will provide information to you as soon as it is available. Thanks for the opportunity to represent the City in Washington, DC.

PRINCE OF WALES HEALTH NETWORK

2010 Year End Report

BACKGROUND

The Prince of Wales Health Network was formed in 2008 as a collaborative effort between PeaceHealth, SEARHC, and the City of Craig to improve the quality of and access to healthcare for Prince of Wales Island residents. In 2009, Craig Public Health Center and Alaska Island Community Services were invited to join the Network due to the roles they play in providing primary care to island residents. The Network is currently funded through a Rural Health Network Development Grant from the Health Resources and Services Administration (HRSA) Office of Rural Health Policy (ORHP). (Grant No. D06RH09055 May 1, 2008 – April 30, 2011)

The mission of the Prince of Wales Health Network is to build a strong and sustainable network of healthcare organizations collaborating to strengthen the healthcare system on Prince of Wales Island and increase access to quality healthcare for all island residents far into the future.

In September, 2009, Network members came together for a strategic planning session facilitated by an outside consultant specializing in health networks. A strategic plan was developed for the 2010 calendar year. Accomplishments towards 2010 strategic goals are outlined below.

PROGRESS TOWARDS STRATEGIC OBJECTIVES

Strategic Objective #1: Interagency Collaboration

- The Steering Committee met seven times during 2010, including a two day planning session facilitated by an outside consultant to address long term sustainability of the Network. The Steering Committee continues to meet on a bi-monthly basis.
- The Network Director attended POWCAC, Chamber of Commerce, Interagency, and Island-wide EMS meetings.
- The Network facilitated communication between the behavioral health providers and stakeholders on POW.
- The Network Director is an active participant in the Southeast Conference Health Education and Social Services Committee, Southeast Alaska Area Health Education Center, and National Cooperative of Health Networks Association.
- The Network website was updated regularly during 2010, giving stakeholders access to Network meeting minutes, documents, and meeting schedules.

Strategic Objective #2: Health Information Technology

- The Network facilitated implementation of the PeaceHealth electronic medical record at the Craig Clinic while it was still operated by the City of Craig. This allowed medical providers at Alicia Roberts Medical Center to view medical records for Craig Clinic patients during afterhours emergencies.

Strategic Objective #3: Behavioral Health

- The Network received a Comprehensive Prevention and Early Intervention Services grant from the State of Alaska Division of Behavioral Health for the period July 1, 2009 – June 30, 2011.
- A contract is in place with Agnew::Beck Consulting to facilitate the planning process through the end of the grant period.
- A needs assessment for behavioral health on POW was finalized in spring of 2010 and is available for download on the Network website.
- A full day Capacity Building Workshop was facilitated in September, 2010 and was attended by 26 community stakeholders, providers, and agency representatives. The community selected domestic violence and assault for focus of community based prevention efforts.
- A strategic planning session that will address prevention of domestic violence and assault, as well as the behavioral health system as a whole, is scheduled for January, 2011.
- The Network received a Service to Science Award in February, 2010 through the Center for Substance Abuse Prevention for its work in behavioral health.
- Additional funding is being sought to continue processes begun beyond the end of the grant period.

Strategic Objective #4: EMS

- In 2009, the Network advocated for increased support to POW's EMS system from Southeast Region EMS Council. As a result, a paid position was created for a POW EMS coordinator.
- The Network Director participates in island-wide EMS meetings.
- EMS remains as an ongoing discussion topic at Steering Committee meetings.

Strategic Objective #5: Elder Care

- A market analysis for elder care services on POW was conducted in early 2010 with an outside consultant specializing in elder services and assisted living. The report is available for download on the POW Health Network website.
- The Network helped support an educational symposium for elder caregivers hosted by Southeast Senior Services in May, 2010.

Strategic Objective #6: Professional Education

- Two continuing medical education (CME) opportunities were offered in conjunction with cardiology visiting clinics (one was cancelled due to weather).
- Two CME opportunities were offered in conjunction with visiting OB/GYN visiting specialty clinics.
- A Trauma Nurse Core Course was held in April, 2010.
- A tele-CME calendar is being developed for CME opportunities that will be offered to all island providers via videoconference at the Prince of Wales Health Care Center.

Strategic Objective #7: Community Health Education

- Weekly ads are placed in the Island News advertising upcoming visiting clinics.
- Ads are run on Craig Cable TV advertising upcoming visiting clinics.
- Flyers are distributed throughout the island advertising upcoming visiting clinics.
- A resource guide has been developed listing healthcare related resources available on POW. It will be distributed in healthcare locations on POW and on the Network website in January, 2011.
- A one hour public comment period is held prior to each Steering Committee meeting to provide opportunity for the public to discuss healthcare issues of concern with the Steering Committee.

- An evening community forum addressing elder care was held in January, 2010 and a forum addressing behavioral health was held in May, 2010.
- An ad was placed in the 2010 Island Guide listing basic healthcare services on POW.
- The Network website was updated regularly during 2010, giving community members access to information about upcoming visiting clinics, scheduled meetings, and special projects.

Strategic Objective #8: Visiting Specialists

- The Network facilitated two new visiting clinics to POW in 2010. Three visiting ENT (Ear Nose & Throat) Clinics were held, and two Cardiology clinics were scheduled. (One Cardiology clinic was held; the second Cardiology clinic was cancelled due to weather.)

Strategic Objective #9: Recruitment and Retention of Providers

- Increased CME opportunities and visiting clinics offered during 2010 support the retention of the island's healthcare providers.

Strategic Objective #10: Sustainability

- A survey was completed by all Steering Committee members in April, 2010 to evaluate member satisfaction in purpose, performance, operations and capacity of the Network. A summary of the evaluation is available for download on the Network website.
- A planning session to address long term Network sustainability with an outside facilitator specializing in health networks was held in June, 2010. The top four priorities identified by the Network for the coming three years include increased interagency collaboration, behavioral health, youth development and maternal child health services, and community health education. Additional priorities include elder care, recruitment and retention, EMS, and health information technology.
- An application for a Rural Health Network Development grant to support the Network infrastructure for an additional 3 years was submitted to HRSA in November, 2010. Notification of award will be sent out in April, 2011.
- The Network partnered with H.O.P.E. in December, 2010 to provide support in development of grant funding applications.
- The Network will be submitting an application to the State of Alaska Division of Behavioral Health in early 2011 for funding through the Strategic Prevention Framework State Improvement Grant (SPF SIG) to support the development of community based substance abuse prevention strategies.
- A structure for member dues to help support Network infrastructure is being evaluated.
- Feasibility for incorporation of the Network as a non-profit agency is being evaluated.
- An economic impact analysis will be conducted in early 2011 to demonstrate the economic value of the Network to Prince of Wales Island.

WHAT CHANGED?

Several items in the 2010 strategic plan were changed or modified due to unforeseen circumstances and variables:

- Several objectives around health information technology were removed due to current lack of capacity at member organizations. These objectives will be re-evaluated at a later date to identify whether there is new capacity to address them.
- A suitable arrangement for a toll free informational phone number could not be identified. This objective was removed from the strategic plan.

- Development of a strategic plan for increased elder services on POW was placed on hold based on the outcome of the elder care market analysis and available funding. The issue will be re-evaluated once continued Network funding beyond April, 2011 has been secured. The Network will continue to address issues affecting care for POW's elders as part of regular Network discussions.
- Placement of medical residents at healthcare facilities will be subject to willingness of individual providers. Individual providers will work with their organizations to facilitate the process outside of the Network.
- Identification of specific activities and events to draw visiting specialists and CME providers to POW was removed from the strategic plan. The Network will continue to target specialists already conducting visiting clinics to Ketchikan to pursue additional clinics on Prince of Wales. Visiting specialists already conducting clinics on POW will be asked to provide one hour CME courses for island providers.
- Network members are discussing the use of shared locums physicians outside of the Network. Members will continue to discuss the feasibility for visiting specialists to see patients at both the PeaceHealth Medical Group – Prince of Wales Clinic and Alicia Roberts Medical Center.

THE DOLLAR VALUE

Many benefits of the Network are not immediately measurable in terms of dollars. Below is a summary of measurable dollar values of Network activities that directly benefit Network members and the POW community. Other values to consider include local jobs created by the Network, support of local POW businesses, and a better coordinated healthcare delivery system on POW:

- \$13,720 Annual travel costs supported by the Network for members to meet face to face on POW.
- \$3,040 Total ferry costs to Ketchikan avoided for POW residents who were seen by visiting specialists supported through the Network in 2010.
- \$10,497 Cost for annual collaborative strategic planning session on POW with outside facilitator.
- \$20,000 Cost for outside consultant to complete market analysis of elder services on POW.
- \$86,000 Total amount of funding received from State of Alaska Division of Behavioral Health to support island wide assessment and planning of behavioral health services (7/1/09 – 6/30/11).
- \$5,963 Funding received from the Alaska Mental Health Trust Authority to further support the behavioral health planning process on POW.
- \$1,700 Annual cost for full page ad in the Island Guide listing healthcare services available on POW.
- \$4,464 Annual cost for weekly ads in the Island News listing upcoming visiting clinics on POW.
- \$2,178 Total cost supported by the Network to implement CareCast at the Craig Clinic prior to PeaceHealth taking over operations.
- \$1,964 Professional education costs for POW providers supported by the Network during 2010.
- \$1,317 Visiting Specialist travel costs supported by the Network during 2010.
- \$8,920 Cost supported by the Network to purchase mobile videoconferencing unit in the Prince of Wales Health Care Center.

NEXT STEPS

- Securing funding to support the infrastructure of the Prince of Wales Health Network beyond April, 2011 is the highest priority for the Network at this time. Grant applications are being submitted and a contingency plan is being developed.
- Once funding is secured, the Network will begin pursuing objectives identified during the June, 2010 sustainability planning session. These objectives include expansion of the Network to include increased local representation and support continued interagency collaboration, incorporation of the Network, facilitation to improve the complete continuum of behavioral health services available on POW, improved coordination of maternal and child health services, youth development activities, and annual community health education campaigns on specific areas for community health improvement.
- The Network will continue to address other healthcare needs on the island as necessary and relevant, including EMS, elder services, healthcare provider recruitment and retention, and health information technology.
- A follow-up strategic planning session will be held in early summer, 2011, dependent on the identification of continued funding to support the Network infrastructure.

For more information please visit the Prince of Wales Health Network website at www.princeofwaleshealthnetwork.org

Prince of Wales Health Network: Collaborating in Healthcare for Prince of Wales Island

PO Box 812 • Craig, AK 99921

(907) 826-2410

pownetwork@aptalaska.net



between similar quarters FY10/FY11

1st Quarter Comparison		FY07	FY08	FY09	FY10	FY11
PATRON'S USING LIBRARY		3763	4484	3671	3805	4905
CIRCULATION: TOTAL ITEMS		5572	5588	5515	5506	6566
COMPUTER USERS SIGNED IN		1383	1506	1340	1452	1857
PROGRAMS: SUMMER READING						
SIGNED UP		97	98	87	79	103
PARTICIPATED		67	79	68	63	76
COMPLETED		53	47	48	43	58
SCHEDULED ACTIVITIES		4	6	6	20	15
ATTENDED		132	150	152	270	294
VOLUNTEERS: NUMBER		14	14	16	22	14
HOURS		170	182	169	374	155
2nd Quarter Comparison		FY07	FY08	FY09	FY10	FY11
PATRON'S USING LIBRARY		2260	2573	2686	3074	3524
CIRCULATION: TOTAL ITEMS		4037	4395	4930	5936	5553
COMPUTER USERS SIGNED IN		773	593	680	838	1083
PROGRAMS: WINTER BREAK READING						
SIGNED UP		30	23	23	36	91
PARTICIPATED		25	23	23	32	
COMPLETED		11	11	8	15	
SCHEDULED ACTIVITIES		1	0	0	0	
ATTENDED		11	0	0	0	
STORY HOUR (Attendance)		87	133	172	140	
MONDAY READING ROOM (Attendance)		na	na	47	106	na
VOLUNTEERS: NUMBER		15	14	17	19	16
HOURS		222	210	287	296	112
3rd Quarter Comparison		FY07	FY08	FY09	FY10	FY11
PATRON'S USING LIBRARY		2679	2811	3221	3706	
CIRCULATION: TOTAL ITEMS		4880	4162	6197	5893	
COMPUTER USERS SIGNED IN		754	687	769	900	
PROGRAMS: LOVE OF READING						
SIGNED UP		34	15	62	25	
PARTICIPATED		21	15	56	25	
STORY HOUR		77	160	210	na	
MONDAY READING ROOM (Attendance)		na	na	84	77	
BABY LAPSIT-EARLY LITERACY(Attendance)		na	na	8	na	
VOLUNTEERS: NUMBER		17	17	17	21	
HOURS		231	180	268	175	
4th Quarter Comparison		FY07	FY08	FY09	FY10	FY11
PATRON'S USING LIBRARY		3188	3240	3303	4188	
CIRCULATION: TOTAL ITEMS		4176	6058	5432	6150	
COMPUTER USERS SIGNED IN		907	804	765	1260	
PROGRAMS:						
MONDAY READING ROOM(ended May 18)				74		
BABY LAPSIT-EARLY LITERACY(2 x per mo)				16		
STORY HOUR (Ended May 19)		75	80	86		
VOLUNTEERS: NUMBER		17	17	19	20	
HOURS		139	156	327	210	

↑ 22%
↑ 16%
↑ 21%

↑ 12%
↓ 7%
↑ 23%



SEAFOOD PRODUCERS COOPERATIVE

PRODUCERS, PROCESSORS & MARKETERS OF PREMIUM QUALITY SEAFOODS

January 10, 2011

Jon Bolling
City Administrator
Craig, Alaska 99921

Dear Jon,

Best wishes for a prosperous new year.

I wanted to express SPC's interest in leasing the city dock we discussed for a 70 day period. Our longer term interest is in working with the city for a longer term solution, on the property you showed.

That is the direction we want to move. A lease of the city property we discussed would allow us to land more fish and give us an opportunity to identify needs in terms of manpower and equipment for the longer term. SPC wants to be a team player and if there were some issues regarding unloading other vessels, we would appreciate the opportunity to work with you on that.

I know your assembly meeting is approaching. I wanted to let you and the assembly know how much we have appreciated your past efforts. Craig is important to the fisherman owned Seafood Producers Cooperative. I hope we can receive approval for use of that dock.

I look forward to talking with you about the lease and the longer term solution.

Yours truly,

Tom McLaughlin
President/CEO
Seafood Producers Cooperative

RECEIVED

JAN 10 2011

CITY OF CRAIG
CRAIG, ALASKA



November 8, 2010

sent via email

Ms. Joyce Mason
Treasurer
City of Craig
P.O. Box 725
Craig, Alaska 99921

Dear Ms. Mason,

Enclosed is the October report for the City of Craig, which includes a listing of portfolio assets, purchases and sales.

At month-end, the market value of the account was \$7,649,815. Based upon the composition of the portfolio, the expected annual income is \$86,123.

Our monthly commentary is attached.

Please call if you have any questions regarding this month's report.

Sincerely,

A handwritten signature in black ink, appearing to read "Bert Wagon", is written over a light-colored background.

Bert Wagon
Senior Vice President

cc via email: Mr. Jon Bolling, City Administrator

Alaska Permanent Capital Management Co.
 PORTFOLIO APPRAISAL

CITY OF CRAIG

October 31, 2010

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
U.S. TREASURY									
75,000	US TREASURY NOTES 0.875% Due 04-30-11	100.40	75,302	100.34	75,258	0.98	656	2	0.19
200,000	US TREASURY NOTES 0.625% Due 07-31-12	100.20	200,391	100.51	201,024	2.63	1,250	316	0.33
200,000	US TREASURY NOTES 3.500% Due 05-15-20	104.04	208,078	107.85	215,704	2.82	7,000	3,234	2.57
	Accrued Interest		483,771		3,551	0.05		3,551	
					495,537	6.48			
AGENCIES									
50,000	REGIONS BANK (FDIC GUARANTEED) 3.250% Due 12-09-11	104.31	52,156	103.17	51,584	0.67	1,625	641	0.37
50,000	FHLB US GOVT AGENCY 5.250% Due 06-18-14	100.80	50,401	116.12	58,062	0.76	2,625	970	0.74
100,000	FHLMC 3.750% Due 03-27-19	101.41	101,410	109.37	109,375	1.43	3,750	354	2.50
	Accrued Interest		203,967		1,965	0.03		1,965	
					220,987	2.89			
CMO's									
19,647	FREDDIE MAC REF. REMIC R015 3.750% Due 02-15-13	99.96	19,639	100.59	19,763	0.26	737	61	0.47
	Accrued Interest		19,639		61	0.00		61	
					19,825	0.26			
ASSET-BACKED SECURITIES									
100,000	GE CAPITAL CREDIT CARD MASTER NOTE TRUST 3.690% Due 07-15-15	103.37	103,375	104.38	104,381	1.36	3,690	164	1.11
	Accrued Interest		103,375		164	0.00		164	
					104,545	1.37			
COMMERCIAL MORTGAGE-BACKED SECURITIES									
150,000	WACHOVIA BK COML MTG TR 4.925% Due 08-01-41	95.78	143,672	108.06	162,097	2.12	7,387	616	2.44
100,000	FRN - BANC AMER COML MTG TR 2007-5 5.434% Due 02-10-51	100.55	100,546	104.61	104,611	1.37	5,434	453	2.83
	Accrued Interest		244,218		1,068	0.01		1,068	
					267,776	3.50			
CORPORATE BONDS									
100,000	PROVINCE OF ONT 2.750% Due 02-22-11	99.69	99,686	100.73	100,734	1.32	2,750	527	0.36

Alaska Permanent Capital Management Co.
 PORTFOLIO APPRAISAL

CITY OF CRAIG
 October 31, 2010

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
100,000	AT&T WIRELESS SVCS INC 8.125% Due 05-01-12	113.08	113,085	110.80	110,799	1.45	8,125	4,062	0.86
100,000	UNITED PARCEL SVC INC 4.500% Due 01-15-13	99.57	99,575	108.18	108,179	1.41	4,500	1,325	0.75
100,000	VERIZON VA INC 4.625% Due 03-15-13	95.70	95,705	107.23	107,230	1.40	4,625	591	1.51
100,000	CATERPILLAR FINANCIAL 6.125% Due 02-17-14	100.12	100,125	115.37	115,375	1.51	6,125	1,259	1.34
100,000	JP MORGAN CHASE & CO 4.750% Due 03-01-15	97.18	97,176	111.55	111,549	1.46	4,750	792	1.96
100,000	HSBC FINANCE CORP 5.500% Due 01-19-16	100.21	100,206	111.07	111,068	1.45	5,500	1,558	3.18
100,000	GOLDMAN SACHS GROUP INC 5.625% Due 01-15-17	95.42	95,424	107.13	107,128	1.40	5,625	1,656	4.30
100,000	WACHOVIA CORP GLOBAL MEDIUM 5.750% Due 02-01-18	99.57	99,572	113.47	113,473	1.48	5,750	1,437	3.62
75,000	GENERAL ELECTRIC CAP CORP. 5.625% Due 05-01-18	88.27	66,205	111.75	83,813	1.10	4,219	2,109	3.81
	Accrued Interest		966,759		15,318	0.20		15,318	
					1,084,666	14.18			
	DOMESTIC LARGE CAP EQUITY FUNDS/ETF								
28,836	SPDR S&P 500 ETF TRUST	137.74	3,971,776	118.49	3,416,778	44.66	NA		
	DOMESTIC MID CAP EQUITY FUNDS/ETF								
5,496	ISHARES S&P MIDCAP 400	69.71	383,101	82.81	455,124	5.95	NA		
	INTERNATIONAL FUNDS/ETF								
22,638	VANGUARD EUROPE PACIFIC ETF	38.93	881,295	35.92	813,157	10.63	NA		
	REAL ESTATE								
12,857	VANGUARD REIT ETF	56.44	725,700	54.55	701,349	9.17	NA		
	CASH AND EQUIVALENTS								
	CASH RECEIVABLE		328		328	0.00	NA		
	FEDERATED GOVERNMENT OBLIGATION		69,742		69,742	0.91			
			70,071		70,071	0.92			
	TOTAL PORTFOLIO		8,053,672		7,649,815	100	86,123	22,128	

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
CITY OF CRAIG
From 10-01-10 To 10-31-10

Trade Date	Settle Date	Security	Quantity	Trade Amount
PURCHASES				
		DOMESTIC LARGE CAP EQUITY FUNDS/ETF		
10-18-10	10-21-10	SPDR S&P 500 ETF TRUST	620.0000	73,195.65
				73,195.65
INTEREST				
		ASSET-BACKED SECURITIES		
10-15-10	10-15-10	GE CAPITAL CREDIT CARD MASTER NOTE TRUST		307.50
		3.690% Due 07-15-15		
		CASH AND EQUIVALENTS		
10-01-10	10-01-10	FEDERATED GOVERNMENT OBLIGATION		0.78
		CMO's		
10-01-10	10-14-10	FREDDIE MAC REF. REMIC R015		74.03
		3.750% Due 02-15-13		
		COMMERCIAL MORTGAGE-BACKED SECURITIES		
10-01-10	10-09-10	FRN - BANC AMER COML MTG TR 2007-5		452.83
		5.434% Due 02-10-51		
10-01-10	10-14-10	WACHOVIA BK COML MTG TR		615.63
		4.925% Due 08-01-41		
				<u>1,068.46</u>

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
CITY OF CRAIG
From 10-01-10 To 10-31-10

Trade Date	Settle Date	Security	Quantity	Trade Amount
U.S. TREASURY				
10-31-10	11-01-10	US TREASURY NOTES 0.875% Due 04-30-11		328.12
				1,778.89
PRINCIPAL PAYDOWNS				
CMO's				
10-01-10	10-14-10	FREDDIE MAC REF. REMIC R015 3.750% Due 02-15-13	4,043.950	4,043.95
				4,043.95
SALES, MATURITIES, AND CALLS				
DOMESTIC MID CAP EQUITY FUNDS/ETF				
10-18-10	10-21-10	ISHARES S&P MIDCAP 400	900.0000	73,828.00
				73,828.00
WITHDRAW				
CASH AND EQUIVALENTS				
10-01-10	10-01-10	FEDERATED GOVERNMENT OBLIGATION		56.25
10-01-10	10-01-10	FEDERATED GOVERNMENT OBLIGATION		40.00
10-01-10	10-01-10	FEDERATED GOVERNMENT OBLIGATION		20.00
10-01-10	10-01-10	FEDERATED GOVERNMENT OBLIGATION		135.00
10-01-10	10-01-10	FEDERATED GOVERNMENT OBLIGATION		300.00

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
CITY OF CRAIG
From 10-01-10 To 10-31-10

Trade Date	Settle Date	Security	Quantity	Trade Amount
10-19-10	10-19-10	FEDERATED GOVERNMENT OBLIGATION		1,860.10
10-19-10	10-19-10	FEDERATED GOVERNMENT OBLIGATION		1,753.25
10-19-10	10-19-10	FEDERATED GOVERNMENT OBLIGATION		1,796.93
10-29-10	10-29-10	CASH RECEIVABLE		16,989.70
				22,951.23
				22,951.23

Alaska Permanent Capital Management Co.
REALIZED GAINS AND LOSSES

CITY OF CRAIG

From 10-01-10 Through 10-31-10

Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss
10-01-10	4,043.950	FREDDIE MAC REF. REMIC R015	4,042.37	4,043.95	1.58
10-18-10	900.0000	3.750% Due 02-15-13 ISHARES S&P MIDCAP 400	62,734.81	73,828.00	11,093.19
TOTAL GAINS					<u>11,094.77</u>
TOTAL LOSSES					<u>0.00</u>
			66,777.18	77,871.95	11,094.77

Alaska Permanent Capital Management Co.

CASH LEDGER

CITY OF CRAIG

From 10-01-10 To 10-31-10

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
FEDERATED GOVERNMENT OBLIGATION					
10-01-10			Beginning Balance		52,587.17
10-01-10	10-01-10	dp	Interest	FEDERATED GOVERNMENT OBLIGATION	0.78
10-01-10	10-09-10	dp	Interest	FRN - BANC AMER COML MTG TR 2007-5	452.83
10-01-10	10-14-10	dp	Interest	5.434% Due 02-10-51 WACHOVIA BK COML MTG TR	615.63
10-01-10	10-14-10	dp	Interest	4.925% Due 08-01-41 FREDDIE MAC REF. REMIC R015	74.03
10-01-10	10-14-10	dp	Paydown	3.750% Due 02-15-13 FREDDIE MAC REF. REMIC R015	4,043.95
10-01-10	10-01-10	wd	Withdrawal	3.750% Due 02-15-13 from Portfolio	-56.25
10-01-10	10-01-10	wd	Withdrawal	from Portfolio	-40.00
10-01-10	10-01-10	wd	Withdrawal	from Portfolio	-20.00
10-01-10	10-01-10	wd	Withdrawal	from Portfolio	-135.00
10-01-10	10-01-10	wd	Withdrawal	from Portfolio	-300.00
10-15-10	10-15-10	dp	Interest	GE CAPITAL CREDIT CARD MASTER NOTE TRUST	307.50
10-18-10	10-21-10	dp	Sale	3.690% Due 07-15-15	
10-18-10	10-21-10	wd	Purchase	ISHARES S&P MIDCAP 400	73,828.00
10-19-10	10-19-10	wd	Withdrawal	SPDR S&P 500 ETF TRUST from Portfolio	-73,195.65
10-19-10	10-19-10	wd	Withdrawal	from Portfolio	-1,860.10
10-19-10	10-19-10	wd	Withdrawal	from Portfolio	-1,753.25
10-29-10	10-29-10	wd	Withdrawal	from Portfolio	-1,796.93
10-29-10	10-29-10	dp	Transfer from	CASH RECEIVABLE	16,989.70
10-31-10			Ending Balance		69,742.41

Alaska Permanent Capital Management Co.

CASH LEDGER

CITY OF CRAIG

From 10-01-10 To 10-31-10

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
CASH RECEIVABLE					
10-01-10			Beginning Balance		16,989.70
10-29-10	10-29-10	wd	Transfer to	FEDERATED GOVERNMENT OBLIGATION	-16,989.70
10-31-10	11-01-10	dp	Interest	US TREASURY NOTES 0.875% Due 04-30-11	328.12
10-31-10			Ending Balance		328.12



December 7, 2010

sent via email

Ms. Joyce Mason
Treasurer
City of Craig
P.O. Box 725
Craig, Alaska 99921

Dear Ms. Mason,

Enclosed is the November report for the City of Craig, which includes a listing of portfolio assets, purchases and sales.

At month-end, the market value of the account was \$7,597,815. Based upon the composition of the portfolio, the expected annual income is \$83,740.

Our monthly commentary is attached.

Please call if you have any questions regarding this month's report.

Sincerely,

A handwritten signature in black ink, appearing to read "Bert Wagnon", is written over a light-colored background.

Bert Wagnon
Senior Vice President

cc via email: Mr. Jon Bolling, City Administrator

Alaska Permanent Capital Management Co.
PORTFOLIO APPRAISAL
CITY OF CRAIG
November 30, 2010

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
U.S. TREASURY									
75,000	US TREASURY NOTES 0.875% Due 04-30-11	100.40	75,302	100.27	75,202	0.99	656	56	0.23
200,000	US TREASURY NOTES 0.625% Due 07-31-12	100.20	200,391	100.34	200,688	2.64	1,250	418	0.42
100,000	US TREASURY NOTES 1.250% Due 10-31-15	99.70	99,699	99.12	99,125	1.30	1,250	106	1.43
100,000	US TREASURY NOTES 3.500% Due 05-15-20	104.04	104,039	106.75	106,750	1.41	3,500	155	2.69
	Accrued Interest		735			0.01			
			479,431		482,501	6.35		735	
AGENCIES									
50,000	REGIONS BANK (FDIC GUARANTEED) 3.250% Due 12-09-11	104.31	52,156	102.92	51,460	0.68	1,625	776	0.39
50,000	FHLB US GOVT AGENCY 5.250% Due 06-18-14	100.80	50,401	114.94	57,469	0.76	2,625	1,189	0.96
100,000	FHLMC 3.750% Due 03-27-19	101.41	101,410	106.84	106,844	1.41	3,750	667	2.82
	Accrued Interest		2,632		2,632	0.03			
			203,967		218,404	2.87		2,632	
CMO's									
16,094	FREDDIE MAC REF. REMIC R015 3.750% Due 02-15-13	99.96	16,088	100.58	16,187	0.21	604	50	0.04
	Accrued Interest		16,088		50	0.00			
					16,237	0.21		50	
ASSET-BACKED SECURITIES									
100,000	GE CAPITAL CREDIT CARD MASTER NOTE TRUST 3.690% Due 07-15-15	103.37	103,375	103.89	103,894	1.37	3,690	164	1.27
	Accrued Interest		103,375		164	0.00			
					104,058	1.37		164	
COMMERCIAL MORTGAGE-BACKED SECURITIES									
150,000	WACHOVIA BK COMML MTG TR 4.925% Due 08-01-41	95.78	143,672	107.04	160,555	2.11	7,387	616	2.69
100,000	FRN - BANC AMER COMML MTG TR 2007-5 5.434% Due 02-10-51	100.55	100,546	104.10	104,105	1.37	5,434	453	3.00
	Accrued Interest		244,218		1,068	0.01			
					265,729	3.50		1,068	

Alaska Permanent Capital Management Co.
 PORTFOLIO APPRAISAL

CITY OF CRAIG
 November 30, 2010

Quantity	Security	Unit Cost	Total Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
CORPORATE BONDS									
100,000	PROVINCE OF ONT 2.750% Due 02-22-11	99.69	99,686	100.55	100,548	1.32	2,750	756	0.34
100,000	AT&T WIRELESS SVCS INC 8.125% Due 05-01-12	113.08	113,085	109.94	109,941	1.45	8,125	677	1.05
100,000	UNITED PARCEL SVC INC 4.500% Due 01-15-13	99.57	99,575	107.52	107,519	1.42	4,500	1,700	0.92
100,000	VERIZON VA INC 4.625% Due 03-15-13	95.70	95,705	106.51	106,514	1.40	4,625	976	1.71
100,000	CATERPILLAR FINANCIAL 6.125% Due 02-17-14	100.12	100,125	114.68	114,679	1.51	6,125	1,769	1.43
100,000	JP MORGAN CHASE & CO 4.750% Due 03-01-15	97.18	97,176	108.11	108,113	1.42	4,750	1,187	2.72
100,000	HSBC FINANCE CORP 5.500% Due 01-19-16	100.21	100,206	110.70	110,697	1.46	5,500	2,017	3.22
100,000	GOLDMAN SACHS GROUP INC 5.625% Due 01-15-17	95.42	95,424	105.29	105,291	1.39	5,625	2,125	4.62
100,000	WACHOVIA CORP GLOBAL MEDIUM 5.750% Due 02-01-18	99.57	99,572	112.14	112,145	1.48	5,750	1,917	3.80
75,000	GENERAL ELECTRIC CAP CORP. 5.625% Due 05-01-18	88.27	66,205	109.03	81,775	1.08	4,219	352	4.19
	Accrued Interest		966,759		13,477	0.18			
					1,070,699	14.09		13,477	
DOMESTIC LARGE CAP EQUITY FUNDS/ETF									
28,836	SPDR S&P 500 ETF TRUST	137.74	3,971,776	118.49	3,416,850	44.97	NA	NA	
DOMESTIC MID CAP EQUITY FUNDS/ETF									
5,496	ISHARES S&P MIDCAP 400	69.71	383,101	85.32	468,919	6.17	NA	NA	
INTERNATIONAL FUNDS/ETF									
22,638	VANGUARD EUROPE PACIFIC ETF	38.93	881,295	34.16	773,314	10.18	NA	NA	
REAL ESTATE									
12,857	VANGUARD REIT ETF	56.44	725,700	53.54	688,364	9.06	NA	NA	
CASH AND EQUIVALENTS									
	FEDERATED GOVERNMENT OBLIGATION		92,741		92,741	1.22			
TOTAL PORTFOLIO			8,068,451		7,597,815	100	83,740	18,126	

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
CITY OF CRAIG
From 11-01-10 To 11-30-10

Trade Date	Settle Date	Security	Quantity	Trade Amount
PURCHASES				
U.S. TREASURY				
11-10-10	11-12-10	US TREASURY NOTES 1.250% Due 10-31-15	100,000	99,699.22
				<u>99,699.22</u>
INTEREST				
ASSET-BACKED SECURITIES				
11-15-10	11-15-10	GE CAPITAL CREDIT CARD MASTER NOTE TRUST 3.690% Due 07-15-15		307.50
CASH AND EQUIVALENTS				
11-01-10	11-01-10	FEDERATED GOVERNMENT OBLIGATION		0.63
CMO's				
11-01-10	11-14-10	FREDDIE MAC REF. REMIC R015 3.750% Due 02-15-13		61.40
COMMERCIAL MORTGAGE-BACKED SECURITIES				
11-01-10	11-09-10	FRN - BANC AMER COML MTG TR 2007-5 5.434% Due 02-10-51		452.83
11-01-10	11-14-10	WACHOVIA BK COML MTG TR 4.925% Due 08-01-41		615.65
				<u>1,068.48</u>

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
CITY OF CRAIG
From 11-01-10 To 11-30-10

Trade Date	Settle Date	Security	Quantity	Trade Amount
CORPORATE BONDS				
11-01-10	11-01-10	AT&T WIRELESS SVCS INC		4,062.50
11-01-10	11-01-10	8.125% Due 05-01-12 GENERAL ELECTRIC CAP CORP.		2,109.37
		5.625% Due 05-01-18		6,171.87
U.S. TREASURY				
11-15-10	11-15-10	US TREASURY NOTES 3.500% Due 05-15-20		1,750.00
				9,359.88
PRINCIPAL PAYDOWNS				
CMO's				
11-01-10	11-14-10	FREDDIE MAC REF. REMIC R015 3.750% Due 02-15-13	3,552.410	3,552.41
				3,552.41
PURCHASED ACCRUED INTEREST				
U.S. TREASURY				
11-10-10	11-12-10	US TREASURY NOTES 1.250% Due 10-31-15		41.44
				41.44
SALES, MATURITIES, AND CALLS				
U.S. TREASURY				
11-10-10	11-12-10	US TREASURY NOTES 3.500% Due 05-15-20	100,000	107,777.34
				107,777.34

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
CITY OF CRAIG
From 11-01-10 To 11-30-10

Trade Date	Settle Date	Security	Quantity	Trade Amount
SOLD ACCRUED INTEREST				
U.S. TREASURY				
11-10-10	11-12-10	US TREASURY NOTES 3.500% Due 05-15-20		1,721.47
				1,721.47
WITHDRAW				
CASH AND EQUIVALENTS				
11-01-10	11-01-10	CASH RECEIVABLE		328.12
				328.12

Alaska Permanent Capital Management Co.
REALIZED GAINS AND LOSSES

CITY OF CRAIG

From 11-01-10 Through 11-30-10

Date	Quantity	Security	Cost Basis	Proceeds	Gain Or Loss
11-01-10	3,552.410	FREDDIE MAC REF. REMIC R015	3,551.02	3,552.41	1.39
11-10-10	100,000	3.750% Due 02-15-13 US TREASURY NOTES 3.500% Due 05-15-20	104,039.06	107,777.34	3,738.27
TOTAL GAINS					3,739.66
TOTAL LOSSES					0.00
			107,590.09	111,329.75	3,739.66

Alaska Permanent Capital Management Co.

CASH LEDGER

CITY OF CRAIG

From 11-01-10 To 11-30-10

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
FEDERATED GOVERNMENT OBLIGATION					
11-01-10			Beginning Balance		69,742.41
11-01-10	11-01-10	dp	Transfer from	CASH RECEIVABLE	328.12
11-01-10	11-01-10	dp	Interest	AT&T WIRELESS SVCS INC 8.125% Due 05-01-12	4,062.50
11-01-10	11-01-10	dp	Interest	GENERAL ELECTRIC CAP CORP. 5.625% Due 05-01-18	2,109.37
11-01-10	11-01-10	dp	Interest	FEDERATED GOVERNMENT OBLIGATION	0.63
11-01-10	11-09-10	dp	Interest	FRN - BANC AMER COML MTG TR 2007-5	452.83
11-01-10	11-14-10	dp	Interest	5.434% Due 02-10-51 FREDDIE MAC REF, REMIC R015	61.40
11-01-10	11-14-10	dp	Paydown	3.750% Due 02-15-13 FREDDIE MAC REF, REMIC R015	3,552.41
11-01-10	11-14-10	dp	Interest	3.750% Due 02-15-13 WACHOVIA BK COML MTG TR	615.65
11-10-10	11-12-10	dp	Sale	4.925% Due 08-01-41 US TREASURY NOTES	107,777.34
11-10-10	11-12-10	dp	Accrued Interest	3.500% Due 05-15-20 US TREASURY NOTES	1,721.47
11-10-10	11-12-10	wd	Purchase	3.500% Due 05-15-20 US TREASURY NOTES	-99,699.22
11-10-10	11-12-10	wd	Accrued Interest	1.250% Due 10-31-15 US TREASURY NOTES	-41.44
11-15-10	11-15-10	dp	Interest	1.250% Due 10-31-15 US TREASURY NOTES	1,750.00
				3.500% Due 05-15-20	

Alaska Permanent Capital Management Co.

CASH LEDGER

CITY OF CRAIG

From 11-01-10 To 11-30-10

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
11-15-10	11-15-10	dp	Interest	GE CAPITAL CREDIT CARD MASTER NOTE TRUST 3.690% Due 07-15-15	307.50
11-30-10			Ending Balance		92,740.97
CASH RECEIVABLE					
11-01-10			Beginning Balance		328.12
11-01-10	11-01-10	wd	Transfer to	FEDERATED GOVERNMENT OBLIGATION	-328.12
11-30-10			Ending Balance		0.00

QUARTERLY PERSPECTIVES

ECONOMY & MARKETS

I don't know about you but a repeat of 2010 for the markets this year in 2011 would be just fine with me. Stocks, bonds, and commodities all rose in 2010, the first time that's happened since 2005. Equities pretty much generated gains in the teens and bonds provided mid single digits returns. Brandy and Chris detail the results on page 3.

■ US equities gained +15.1% as measured by the large cap S&P 500 index while smaller companies did even better. Large cap international stocks (EAFE) lagged but were up +7.8%. The emerging markets continued to shine gaining +19.0% last year.

■ Bonds rebounded from poor returns in 2010 to post +6.5% gains as measured by the Barclays Aggregate Bond Index. Corporate bonds did better than governments. Municipals lagged providing only +4.6% returns. Cash was trash gaining about +0.1%. You got your money back, but not much more.

■ The US economy is in recovery and getting stronger. Still, economists estimate that it was up only +2.8% in 2010, not fast enough to make a dent in the stubbornly high 9.4% unemployment rate. The consensus outlook calls for +3.0-3.5% growth in 2011 and a year-end unemployment rate of 9.0%.

■ The main catalyst for optimism in 2011 was the year-end tax deal between the President and Republicans. The extension of the Bush tax cuts for all, new payroll tax cuts, unemployment insurance extensions and new business tax deductions could lift growth by an extra 1% this year. However, it is borrowing growth from the future and has worsened the budget deficit to be sure.

■ Consumers are in better spirits this holiday season and confidence is slowly improving. Business is in good shape with solid profits and much cash on the balance sheet. White House efforts to rebuild relations with corporate America seem underway. The financial system is healing and US banks are well capitalized. But the residential housing market is still mired in a funk with high inventory levels and weak pricing.

■ The Federal Reserve remains concerned about the outlook and has forecast a modest recovery. They are more worried about deflation than inflation and will likely stay too easy, too long. A \$600 billion program (dubbed QE2) to buy bonds and keep interest rates low may have backfired as interest rates have backed up partly on inflation fears but also in anticipation of stronger growth this year. Most believe that the Fed will keep short term interest rates close to zero through 2011 unless the unemployment rate falls rapidly.

■ Inflation is tame and has trended down to about +1% over the past year. Commodity prices are on the upswing. Oil jumped to \$90 per barrel and gas prices are well over \$3 a gallon. Gold is bubbly just north of \$1400 per ounce. Some agricultural prices have gained on bad weather and poor crops. As yet these price hikes have not been passed through to consumers and have been offset by price declines in other areas such as electronics and apparel.

■ Huge cyclical and structural budget deficits as far as the eye can see are rapidly adding to the national debt burden. The 2011 deficit is forecast at \$1.2 trillion, or 9% of GDP. The credit rating agencies have actually warned of a downgrade of US Treasury debt unless we address these issues pronto. Expect much sound and fury in 2011. Reductions in government spending and possible new taxes taking effect after 2012 (an election year) would be welcome.

■ In international markets Europe is a train wreck. Sovereign debt woes in Greece and Ireland have spilled over to other EU nations. A breakup of the euro is not out of the question. The European banks are shaky. Mega sized rescue packages by the EU and IMF have not quieted the bond vigilantes. Watch for more fireworks early in 2011.

■ China passed Japan as the second largest economy, and Germany as the largest exporter, in the world. Emerging markets and their economies continue to grow strongly but signs of moderation abound. Rising inflation has prompted tightening of policies. Still, the IMF forecasts +9.6% growth in China this year. They expect +6.4% growth in emerging markets and +2.2% in the developed countries.

PORTFOLIO STRATEGY

■ The bond market sold off in the fourth quarter but rates are still relatively low. Ten year Treasury bonds yielded 3.3% at year end and the yield curve is very steep. The Treasury market remains modestly overvalued. Since we expect higher real rates but not much inflation, TIPS are not a favorite. At best, expect to earn your coupon in Treasury land.

■ As for Agency debt, the Treasury will be evaluating Fannie Mae and Freddie Mac (both wards of the state) this January. It's hard for us to believe that they will do anything but kick the can down the road. These agencies own ½ of all outstanding mortgages in the US and they have financed ¾ of new mortgages in the past couple of years. The housing market is too weak to withstand tinkering with the GSE's at this juncture.

■ Corporate bonds are still good value, especially the banking sector. A steep yield curve, improving loan losses and strong capital levels are good for banks. AAA rated CMBS securities collateralized with commercial mortgages remain our top bond pick for 2011.

■ Municipal bonds have lagged the market. Expiration of the Build America Bond program led to a glut of supply at year end. Well advertised troubles with state and local finances were also on investors' minds. We like municipals at these levels but solid credit analysis and an emphasis on high quality and essential purpose bonds is the safest bet.

■ Cautiously optimistic on the US stock market. There's a lot of cash on company balance sheets for capital spending or share buybacks and dividend increases. Consensus earnings are expected to grow at least 10% or more next year. Perhaps individual investors will jump back into equities in 2011 after having given up for the past three years.

■ Large cap stocks in the US are reasonably good value trading at 13X next year's earnings. Small and mid cap stocks have had quite a run as high beta plays. Real estate investment trusts (REITs) are also ahead of themselves. Still, there's no place like home.

■ Cautious on overseas markets. Emerging markets (EM) were up +18% last year, despite a -14% decline in Chinese equities. Rising inflation and tightening policies may hamper growth. Valuation is fair. The larger developed markets (EAFE) will have to navigate the European sovereign debt crisis and Japan is a slow grower. These markets are cheap for a reason, but this applies more to their debt than stocks. We'll stay overweight EM but certainly expect more moderate performance this year.

■ Diversify, Diversify, Diversify. There is much we don't know about the outlook and forecasting market returns is a humbling experience. What we do know is that a diversified portfolio across asset classes and many individual securities is best for most investors. You can get a bit more return without taking any more risk by diversifying appropriately.

Many happy returns. If 2011 is anything like 2010, clients will be well served to stay the course in broadly diversified investment portfolios. We remain tilted towards equities in accounts and expect to remain so for the near future. Thank you for your business. Let us know if we can help in any way. Best of luck to all in the New Year!

Jeff Pantages, CFA
Chief Investment Officer

Bloomberg Consensus Forecasts

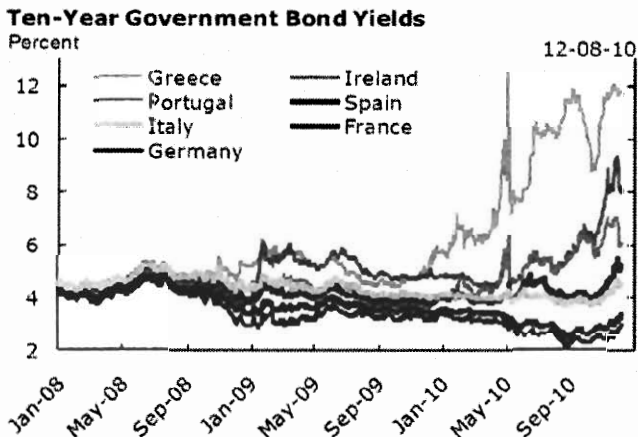
	2009	2010	2011	2012
Real GDP (% YoY)	-2.60	2.80	3.00	3.20
CPI Inflation (% YoY)	-0.35	1.60	1.70	1.95
Unemployment (%)	9.30	9.60	9.30	8.60
Fed Funds (%)	0.25	0.25	0.50	-
10-Yr Note (%)	3.84	3.30	3.75	-

IMF Economic Growth Forecasts

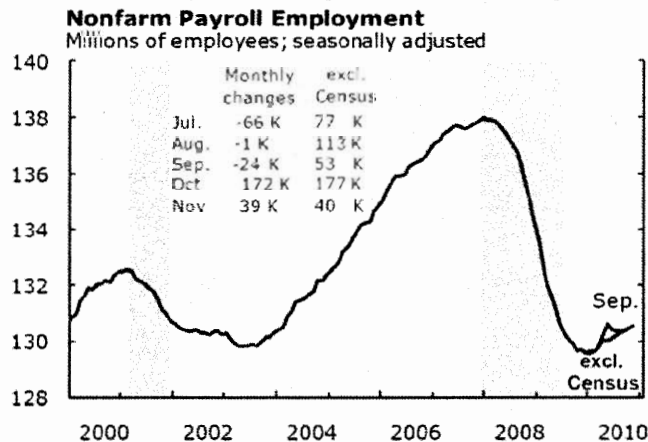
	2008	2009	2010	2011
GDP Growth (%)	Actual		Forecast	
Advanced Economies	0.2	-3.2	2.7	2.2
U.S.	0.0	-2.6	2.6	2.3
Europe	0.5	-4.1	1.7	1.5
Emerging Economies	6.0	2.5	7.1	6.4
China	9.6	9.1	10.5	9.6
World	2.8	-0.6	4.8	4.2

ECONOMIC AND FINANCIAL TRENDS

Market Concerns about Europe



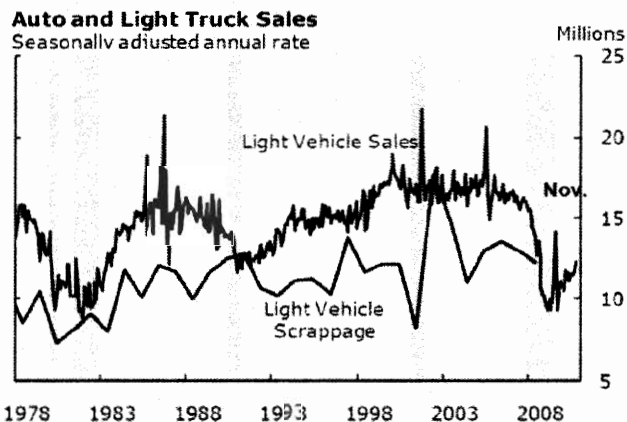
Employment Improving Modestly



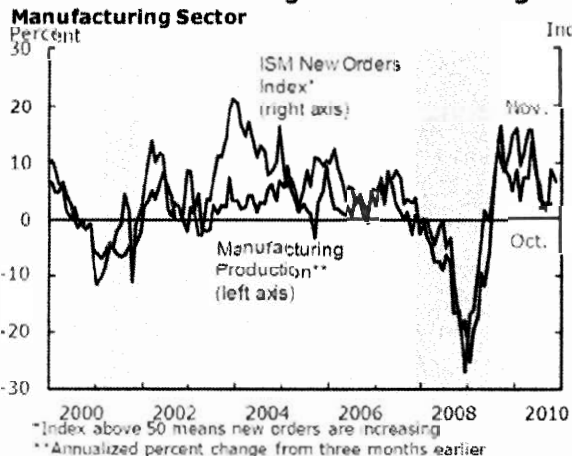
Unemployment Remains High



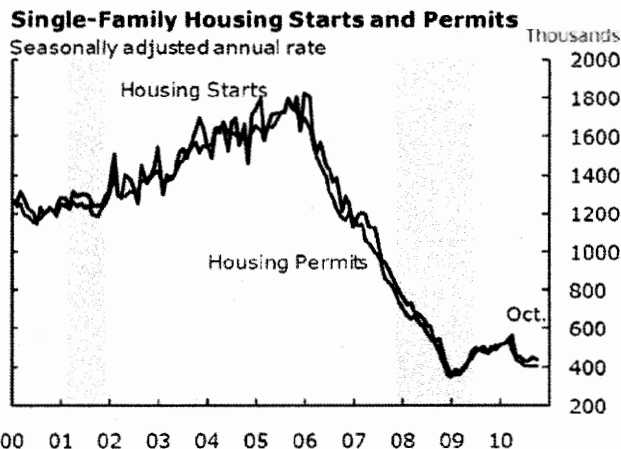
Auto Sales Rising from Very Low Levels



Manufacturing Still Recovering

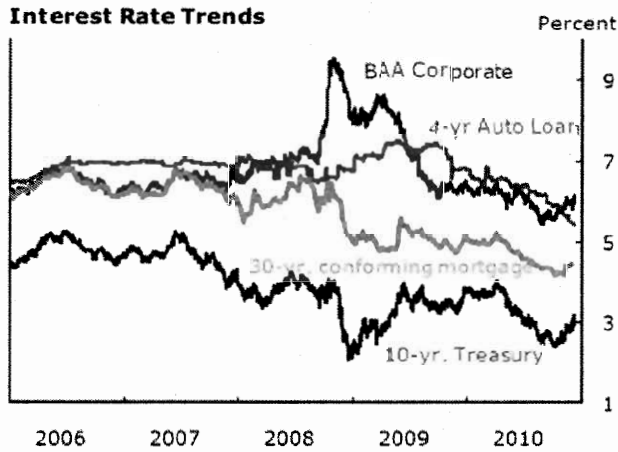


Homebuilding Remains Extremely Weak

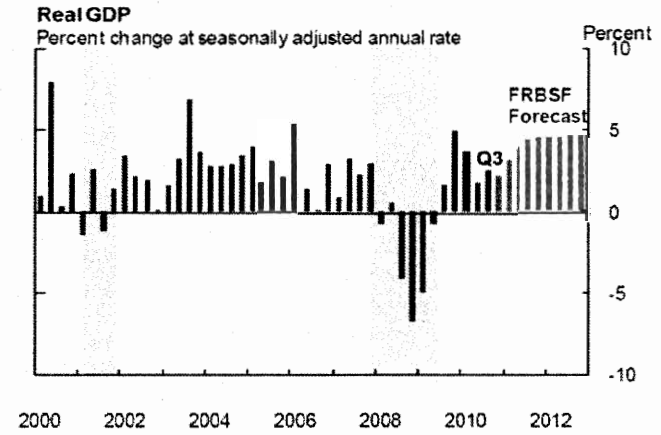


ECONOMIC AND FINANCIAL TRENDS

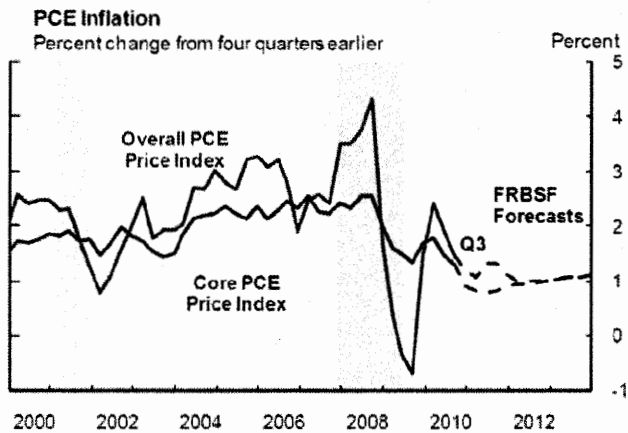
Longer-Term Interest Rates Have Risen



Expect Sluggish Growth in Q4, Better in 2011



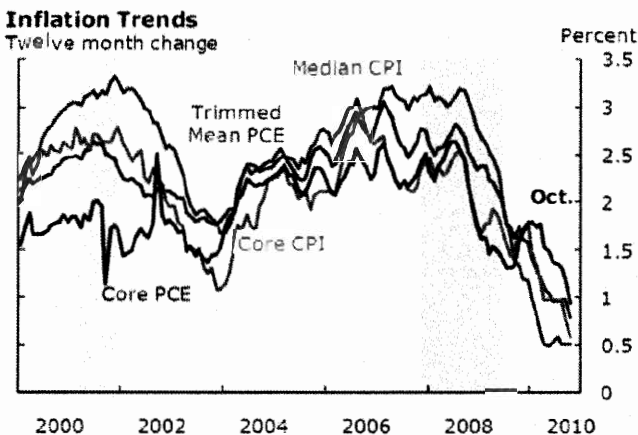
And That Inflation Will Decline a Bit Further



Despite Price Increases, Inflation Is Low

	12-mo. Change	(weighted in CPI)
Consumer Price Index	1.2%	
Gasoline	9.5%	(4.4%)
Meat, Fish & Eggs	5.7%	(1.7%)
Airfare	4.4%	(0.8%)
Tuition	3.7%	(2.8%)
Medical Care	3.4%	(6.5%)
Rent (incl. OER)	0.0%	(31.2%)
Apparel	-1.3%	(3.7%)
Recreation (incl. TVs)	-1.0%	(6.4%)
Communication	-0.6%	(3.4%)
Food at home overall	1.4%	(13.7%)

Measures of Underlying Inflation Are Falling



Annual Mutual Fund Flows (\$ billions)

	2008	2009	2010
Money Market Funds	+637	-539	-515
Stock Mutual Funds	-235	-9	-30
Taxable Bond Funds	+20	+307	+242

Data: Investment Company Institute
2010 Data is through November

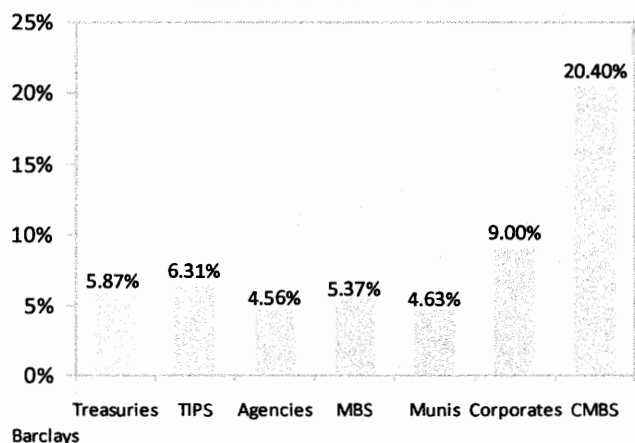
Charts: Federal Reserve Bank of San Francisco



Chris Brechbuhler, CFA
Portfolio Manager

Treasury yield down 54bps to 0.59% and the thirty year Treasury yield 31bps lower at 4.33%.

2010 Bond Total Return



Agencies were up modestly (+4.56%) while mortgage-backed securities returned +5.37%. The Treasury is scheduled to submit a GSE overhaul plan to Congress in January 2011. The U.S. taxpayer contributed \$150 billion to prop up the ailing entities. However, high national participation in the mortgage market (95% of new mortgage originations were sourced by the GSEs or GNMA in 2010) and a shaky housing market suggest no significant shift in policy.

The corporate sector delivered strong performance (+9.00%). Financials, led by REIT and Insurance subsectors, saw the biggest gains. Lower rated credit outperformed higher rated credit. High yield returned a very equity like 15.1% in the face of record new issuance.

Commercial mortgage backed securities delivered phenomenal returns (+20.4%). Attractive valuation, bottoming fundamentals, and a recovering origination pipeline drew investors to the sector.

Asset backed securities were up 5.85%. Credit cards lead the way as this sector continued to contract as consumers retrenched and regulatory oversight increased.

The municipal market closed a challenging year up 4.63%. The end of the Build America Bond program, shaky state and local finances, and negative media coverage shook the sector as 2010 came to a close. However, the market seems to have priced in quite a bit of bad news plus revenue growth has turned positive.

Markets climbed higher across the globe in 2010, steering clear of concerns over a double dip recession, sovereign debt, emerging market inflation and developed country deflation. More risk equaled more return with most equities posting double digit returns. However, the end result masked the intra-year volatility that peaked in late April and early July when the initial euro zone crisis was most intense.

In the U.S., equities rallied on strong earnings and high profit margins. The S&P 500 gained +15.1% compared to +26.6% for midcap and +26.3% for smaller companies. Top sectors included energy, consumer discretionary, and industrials.

Emerging markets (+18.9%), led by Thailand (+56%), Chile (+44%), Colombia (+43%) and Malaysia (+37%), outperformed developed international markets (+7.8%). Rising inflation and concerns over tighter monetary policy hurt the Chinese equity markets (-14%). Negative returns in peripheral Europe muted the develop market returns. Germany was the exception, gaining +16%, benefiting from strong exports and a weak euro.

REITs beat the broader equity markets in 2010 (+28.5%). The apartment sector gained +47% as lingering concerns over the housing market kept demand high. Lodging (+42%) sectors benefited from an increase in vacation and business travels.

The DJ-UBS commodity index which tracks 19 commodities rose +16.8% in 2010. The broad rally was prompted by strong demand from emerging countries and supply constraints. Concerns about economic stability and inflation led gold to a record \$1421 per oz., up +29% for the year. Oil ended the year at \$91.38, up +15.2%.

Total Return (%) as of December 31, 2010

	Q4 2010	1 Year	3 Years	5 Years
Domestic Equities				
Large Cap S&P 500	10.8	15.1	-2.9	2.3
Mid Cap S&P 400	13.5	26.6	3.5	5.7
Small Cap S&P 600	16.2	26.3	3.0	4.6
International Equities				
Developed MSCI EAFE	6.6	7.8	-7.0	2.5
Emerging MSCI Emerging Markets	7.3	18.9	-0.3	12.8
Other				
Commercial Property S&P U.S. REIT	7.4	28.5	0.6	2.9
Commodities DJ-UBS Commodity	15.8	16.8	-3.7	1.2
Fixed Income				
Total Bond Market Barclays Aggregate	-1.3	6.5	5.9	5.8
1-3 Yr U.S. Treasury/Agency Barclays 1-3 Gov	-0.1	2.4	3.5	4.3
Int'l Treasury Barclays Global Tsy ex-US	-0.7	8.4	8.1	8.2

Returns are annualized for periods greater than one year



Brandy Nicolai, CFA
Sr. Investment Analyst

**ALASKA
PERMANENT
APCM
CAPITAL MANAGEMENT**

APCM PRIVATE WEALTH MANAGEMENT

As you may be aware, APCM announced last year that we are now working with individual clients to bring the same advice that we have provided to institutions since 1992. If you are wondering if you are an ideal client to work with us on your individual planning or might want to refer someone for our private wealth management services, you should consider the following:

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- Business Owners who need help with their fiduciary responsibility in setting up and managing a Retirement Plan for a closely held business
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ALASKA
PERMANENT
APCM
CAPITAL MANAGEMENT
PRIVATE WEALTH
MANAGEMENT

SUSTAINABLE INVESTMENT THINKING

January 13, 2011

sent via email

Ms. Joyce Mason
Treasurer
City of Craig
P.O. Box 725
Craig, Alaska 99921

Dear Ms. Mason,

Enclosed is the December report for the City of Craig, which includes a listing of portfolio assets, purchases and sales. As this report coincides with the end of a calendar quarter, performance data is included. For the year the account returned 13.89% versus 13.63% for the blended benchmark.

At month-end, the market value of the account was \$7,936,575. Based upon the composition of the portfolio, the expected annual income is \$85,975.

Our monthly commentary is attached.

Please call if you have any questions regarding this month's report.

Sincerely,



Bert Wagnon
Senior Vice President

cc via email: Mr. Jon Bolling, City Administrator

CITY OF CRAIG

Account Statement - Quarter Ending December 31, 2010



ACCOUNT ACTIVITY

Portfolio Value on 09-30-10	7,440,406
Contributions	0
Withdrawals	-6,198
Change in Market Value	432,885
Interest	21,226
Dividends	48,255
Portfolio Value on 12-31-10	7,936,575

MANAGEMENT TEAM

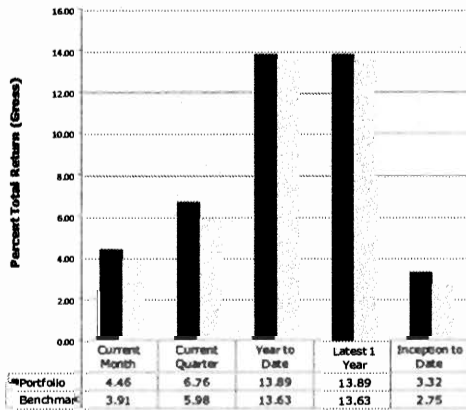
Director of Client Relations: Laura Bruce, CFP, ChFC
 Laura@apcm.net

Your Portfolio Managers: Bert Wagon
 Evan Rose

Contact Phone Number: 907/272 -7575

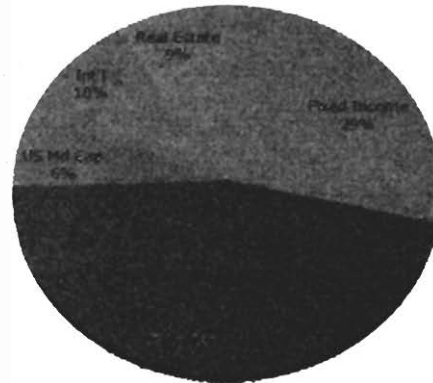
INVESTMENT PERFORMANCE

Current Account Benchmark:
Equity Blend



Performance for Periods One Year and Greater are Annualized

PORTFOLIO COMPOSITION



Alaska Permanent Capital Management Co.
PORTFOLIO APPRAISAL
CITY OF CRAIG
December 31, 2010

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
U.S. TREASURY									
75,000	US TREASURY NOTES 0.875% Due 04-30-11	100.40	75,302	100.23	75,170	0.95	656	112	0.19
200,000	US TREASURY NOTES 0.625% Due 07-31-12	100.20	200,391	100.27	200,546	2.53	1,250	523	0.45
100,000	US TREASURY NOTES 1.250% Due 10-31-15	99.70	99,699	96.78	96,781	1.22	1,250	214	1.95
100,000	US TREASURY NOTES 3.500% Due 05-15-20	104.04	104,039	102.44	102,438	1.29	3,500	454	3.20
90,000	US TREASURY NOTES 2.625% Due 11-15-20	93.06	83,753	94.33	84,895	1.07	2,362	307	3.30
	Accrued Interest				1,611	0.02			
			563,183		561,441	7.07		1,611	
AGENCIES									
50,000	REGIONS BANK (FDIC GUARANTEED) 3.250% Due 12-09-11	104.31	52,156	102.64	51,322	0.65	1,625	99	0.42
50,000	FHLB US GOVT AGENCY 5.250% Due 06-18-14	100.80	50,401	113.50	56,750	0.72	2,625	95	1.25
100,000	FHLMC 3.750% Due 03-27-19	101.41	101,410	103.52	103,517	1.30	3,750	979	3.26
	Accrued Interest				1,173	0.01			
			203,967		212,762	2.68		1,173	
CMO's									
12,705	FREDDIE MAC REF. REMIC R015 3.750% Due 02-15-13	99.96	12,700	100.41	12,757	0.16	476	40	0.31
	Accrued Interest				40	0.00			
			12,700		12,796	0.16		40	
ASSET-BACKED SECURITIES									
100,000	GE CAPITAL CREDIT CARD MASTER NOTE TRUST 3.690% Due 07-15-15	103.37	103,375	103.88	103,877	1.31	3,690	164	1.15
	Accrued Interest				164	0.00			
			103,375		104,041	1.31		164	
COMMERCIAL MORTGAGE-BACKED SECURITIES									
150,000	WACHOVIA BK COML MTG TR 4.925% Due 08-01-41	95.78	143,672	103.62	155,436	1.96	7,387	616	3.71
100,000	FRN - BANC AMER COML MTG TR 2007-5 5.434% Due 02-10-51	100.55	100,546	104.22	104,223	1.31	5,434	453	2.61
	Accrued Interest				1,068	0.01			
			244,218		260,728	3.29		1,068	

Alaska Permanent Capital Management Co.
PORTFOLIO APPRAISAL
CITY OF CRAIG
December 31, 2010

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
CORPORATE BONDS									
100,000	PROVINCE OF ONT 2.750% Due 02-22-11	99.69	99,686	100.30	100,303	1.26	2,750	985	0.59
100,000	AT&T WIRELESS SVCS INC 8.125% Due 05-01-12	113.08	113,085	109.24	109,238	1.38	8,125	1,354	1.12
100,000	UNITED PARCEL SVC INC 4.500% Due 01-15-13	99.57	99,575	106.97	106,972	1.35	4,500	2,075	1.03
100,000	VERIZON VA INC 4.625% Due 03-15-13	95.70	95,705	105.62	105,617	1.33	4,625	1,362	2.00
100,000	CATERPILLAR FINANCIAL 6.125% Due 02-17-14	100.12	100,125	112.42	112,424	1.42	6,125	2,280	2.00
100,000	JP MORGAN CHASE & CO 4.750% Due 03-01-15	97.18	97,176	106.77	106,775	1.35	4,750	1,583	3.00
100,000	HSBC FINANCE CORP 5.500% Due 01-19-16	100.21	100,206	108.63	108,632	1.37	5,500	2,475	3.61
100,000	GOLDMAN SACHS GROUP INC 5.625% Due 01-15-17	95.42	95,424	105.74	105,744	1.33	5,625	2,594	4.52
100,000	WACHOVIA CORP GLOBAL MEDIUM 5.750% Due 02-01-18	99.57	99,572	111.03	111,030	1.40	5,750	2,396	3.95
75,000	GENERAL ELECTRIC CAP CORP. 5.625% Due 05-01-18	88.27	66,205	109.05	81,788	1.03	4,219	703	4.18
	Accrued Interest				17,807	0.22			
			966,759		1,066,331	13.44		17,807	
DOMESTIC LARGE CAP EQUITY FUNDS/ETF									
28,836	SPDR S&P 500 ETF TRUST	137.74	3,971,776	125.75	3,626,127	45.69	NA		
DOMESTIC MID CAP EQUITY FUNDS/ETF									
5,496	ISHARES S&P MIDCAP 400	69.71	383,101	90.69	498,432	6.28	NA		
INTERNATIONAL FUNDS/ETF									
22,638	VANGUARD EUROPE PACIFIC ETF	38.93	881,295	36.15	818,364	10.31	NA		
REAL ESTATE									
12,857	VANGUARD REIT ETF	56.44	725,700	55.37	711,892	8.97	NA		
CASH AND EQUIVALENTS									
	CASH RECEIVABLE		18,823		18,823	0.24	NA		
	FEDERATED GOVERNMENT OBLIGATION		44,839		44,839	0.56			
			63,662		63,662	0.80			
TOTAL PORTFOLIO			8,119,736		7,936,575	100	85,975	21,863	

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
CITY OF CRAIG
From 12-01-10 To 12-31-10

Trade Date	Settle Date	Security	Quantity	Trade Amount
PURCHASES				
U.S. TREASURY				
12-28-10	12-29-10	US TREASURY NOTES 2.625% Due 11-15-20	90,000	83,752.73
				83,752.73
DIVIDEND				
DOMESTIC LARGE CAP EQUITY FUNDS/ETF				
12-17-10	01-31-11	SPDR S&P 500 ETF TRUST		18,822.99
DOMESTIC MID CAP EQUITY FUNDS/ETF				
12-29-10	12-29-10	ISHARES S&P MIDCAP 400		1,724.80
INTERNATIONAL FUNDS/ETF				
12-29-10	12-29-10	VANGUARD EUROPE PACIFIC ETF		20,057.27
REAL ESTATE				
12-31-10	12-31-10	VANGUARD REIT ETF		7,649.92
				48,254.98
INTEREST				
AGENCIES				
12-09-10	12-09-10	REGIONS BANK (FDIC GUARANTEED) 3.250% Due 12-09-11		812.50
12-18-10	12-18-10	FHLB US GOVT AGENCY 5.250% Due 06-18-14		1,312.50
				<u>2,125.00</u>

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
CITY OF CRAIG
From 12-01-10 To 12-31-10

Trade Date	Settle Date	Security	Quantity	Trade Amount
ASSET-BACKED SECURITIES				
12-15-10	12-15-10	GE CAPITAL CREDIT CARD MASTER NOTE TRUST 3.690% Due 07-15-15		307.50
CASH AND EQUIVALENTS				
12-01-10	12-01-10	FEDERATED GOVERNMENT OBLIGATION		1.01
CMO's				
12-01-10	12-14-10	FREDDIE MAC REF. REMIC R015 3.750% Due 02-15-13		50.30
COMMERCIAL MORTGAGE-BACKED SECURITIES				
12-01-10	12-09-10	FRN - BANC AMER COML MTG TR 2007-5 5.434% Due 02-10-51		452.83
12-01-10	12-14-10	WACHOVIA BK COML MTG TR 4.925% Due 08-01-41		615.63
				1,068.46
				3,552.27
PRINCIPAL PAYDOWNS				
CMO's				
12-01-10	12-14-10	FREDDIE MAC REF. REMIC R015 3.750% Due 02-15-13	3,389.550	3,389.55
				3,389.55

Alaska Permanent Capital Management Co.
TRANSACTION SUMMARY
CITY OF CRAIG
From 12-01-10 To 12-31-10

Trade Date	Settle Date	Security	Quantity	Trade Amount
PURCHASED ACCRUED INTEREST				
U.S. TREASURY				
12-28-10	12-29-10	US TREASURY NOTES 2.625% Due 11-15-20		287.15
				287.15
WITHDRAW				
CASH AND EQUIVALENTS				
12-31-10	12-31-10	FEDERATED GOVERNMENT OBLIGATION		33.75
12-31-10	12-31-10	FEDERATED GOVERNMENT OBLIGATION		60.00
12-31-10	12-31-10	FEDERATED GOVERNMENT OBLIGATION		142.50
				<hr/> 236.25
				236.25

Alaska Permanent Capital Management Co.
REALIZED GAINS AND LOSSES
CITY OF CRAIG
From 12-01-10 Through 12-31-10

Date	Quantity	Security	Avg. Cost Basis	Proceeds	Gain Or Loss
12-01-10	3,389.550	FREDDIE MAC REF. REMIC R015 3.750% Due 02-15-13	3,388.23	3,389.55	1.32
TOTAL GAINS					1.32
TOTAL LOSSES					0.00
			3,388.23	3,389.55	1.32

Alaska Permanent Capital Management Co.

CASH LEDGER**CITY OF CRAIG**

From 12-01-10 To 12-31-10

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
FEDERATED GOVERNMENT OBLIGATION					
12-01-10			Beginning Balance		92,740.97
12-01-10	12-01-10	dp	Interest	FEDERATED GOVERNMENT OBLIGATION	1.01
12-01-10	12-09-10	dp	Interest	FRN - BANC AMER COML MTG TR 2007-5	452.83
12-01-10	12-14-10	dp	Interest	5.434% Due 02-10-51 WACHOVIA BK COML MTG TR	615.63
12-01-10	12-14-10	dp	Interest	4.925% Due 08-01-41 FREDDIE MAC REF. REMIC R015	50.30
12-01-10	12-14-10	dp	Paydown	3.750% Due 02-15-13 FREDDIE MAC REF. REMIC R015	3,389.55
12-09-10	12-09-10	dp	Interest	3.750% Due 02-15-13 REGIONS BANK (FDIC GUARANTEED)	812.50
12-15-10	12-15-10	dp	Interest	3.250% Due 12-09-11 GE CAPITAL CREDIT CARD MASTER NOTE TRUST	307.50
12-18-10	12-18-10	dp	Interest	3.690% Due 07-15-15 FHLB US GOVT AGENCY	1,312.50
12-28-10	12-29-10	wd	Purchase	5.250% Due 06-18-14 US TREASURY NOTES	-83,752.73
12-28-10	12-29-10	wd	Accrued Interest	2.625% Due 11-15-20 US TREASURY NOTES	-287.15
12-29-10	12-29-10	dp	Dividend	2.625% Due 11-15-20 VANGUARD EUROPE PACIFIC ETF	20,057.27
12-29-10	12-29-10	dp	Dividend	ISHARES S&P MIDCAP 400	1,724.80
12-31-10	12-31-10	dp	Dividend	VANGUARD REIT ETF	7,649.92

Alaska Permanent Capital Management Co.

CASH LEDGER

CITY OF CRAIG

From 12-01-10 To 12-31-10

Trade Date	Settle Date	Tran Code	Activity	Security	Amount
12-31-10	12-31-10	wd	Withdrawal	from Portfolio	-33.75
12-31-10	12-31-10	wd	Withdrawal	from Portfolio	-60.00
12-31-10	12-31-10	wd	Withdrawal	from Portfolio	-142.50
12-31-10			Ending Balance		44,838.65
CASH RECEIVABLE					
12-01-10			Beginning Balance		0.00
12-17-10	01-31-11	dp	Dividend	SPDR S&P 500 ETF TRUST	18,822.99
12-31-10			Ending Balance		18,822.99

**CITY OF CRAIG
RESOLUTION 11-01**

**RECOGNIZING THE IMPORTANCE OF THE ALASKA COASTAL MANAGEMENT
PROGRAM AND SUPPORTING LEGISLATION TO EXTEND OR REMOVE
TERMINATION OF THE PROGRAM**

WHEREAS, the City of Craig is a municipality organized under Title 29 of Alaska Statutes and is a recognized coastal district under the Alaska Coastal Management Program; and

WHEREAS, the City of Craig is an active coastal district and has a current Coastal Management Plan adopted by the City Council and promulgated by the Lieutenant Governor of Alaska; and

WHEREAS, the Alaska Coastal Management Program allows for consolidated review, local policy and local input into projects within the coastal zone; and

WHEREAS, this process is beneficial to project applicants, the city and project regulators; and

WHEREAS, the Alaska Coastal Management Program is set to sunset on July 1, 2011; and

WHEREAS, the sunset of this program will have a detrimental effect on project applicants, coastal districts and project regulators.

NOW THEREFORE, BE IT RESOLVED, the City of Craig hereby supports legislation introduced to the Alaska State Legislature to extend or remove the termination date of the Alaska Coastal Management Program.

APPROVED _____, 2011.

A. Millie Schoonover, Mayor

ATTEST

Vicki Hamilton, City Clerk

CITY OF CRAIG MEMORANDUM

To: Craig Mayor and City Council
From: Brian Templin, City Planner
Date: December 16, 2010
RE: Alaska Coastal Management Program Sunset, Resolution 11-01

The City of Craig has participated in the Alaska Coastal Management Program for the past 25 years. In 2003 the program went through major changes driven by state legislation proposed by Governor Frank Murkowski. Since the adoption of HB 191 in 2003 there have been a number of pieces of legislation that have been introduced to undo some of the changes that were made by HB 191.

The City of Craig wrote an updated coastal management plan which was promulgated by the Lt. Governor in April 2007. Since Craig exercises strong zoning powers and owns most of the near shore tideland in Craig the program changes were much less pronounced for Craig. Other districts have been working with the legislature to effect changes that would give them stronger subsistence policies; broader power to adopt policies that would overlap state and federal regulations; re-inclusion of DEC air and water quality issues into the program; and reinstatement of the Coastal Policy Council at the state level. While many of these changes have merit Craig's zoning, land use policies and tideland ownership have been effective at making sure that the process works well for Craig.

One result of the several pieces of legislation that have been introduced and/or passed since 2003 is the setting of a termination date for the program altogether. SB 102, passed in 2005 sets a sunset date of July 1, 2011 for the entire program. Despite disagreements between districts and the state on program specifics everyone agrees on the importance the program has. The program allows for consolidated review, significant local policy control and a significant role in the project review process. This benefits project developers, the city (both as a project applicant and as a project reviewer) and state/federal regulators by consolidating the review of projects that will affect coastal areas. Termination of the state program would invalidate the city's coastal management plan; require project applicants to deal with numerous state and federal regulatory agencies independently; and would reduce the city's ability to review and comment on projects.

Legislation will be proposed this session that extends or eliminates the sunset/termination of the program. The attached resolution will be sent to Craig's senator and representative supporting this legislation when it is submitted.

Recommendation: Approve Resolution 11-01, Supporting Legislation to Continue the Alaska Coastal Management Program.

CITY OF CRAIG MEMORANDUM

To: Craig City Council
From: Jon Bolling, City Administrator
Date: January 12, 2011
RE: Annexation RFP

Attached you will find the latest version of the proposed request for proposals soliciting technical assistance to report on the costs associated with an annexation of territory to the Craig city limits.

Per the council's request at its December meeting, staff has eliminated several sections from the last draft RFP, which reduced the size of the document by two pages. The new version focuses more on the likely higher dollar value expenses and revenues that could come from an annexation. The council should note here that the RFP solicits only a report on annexation; it does not ask for the development of an annexation petition.

The attachment also includes a description of the area proposed for annexation, and a map showing the area subject to annexation. The subject area is shown in two blocks: one with a light green background (containing 9.25 square miles), and a second with a darker green background (containing 5.625 square miles). The light green background area contains the Port St. Nicholas Subdivision, the summit of Sunnahae Mountain, and other property that allows the annexed area to connect with the existing municipal boundaries. The darker green background area is configured to attach to the light green area, and also includes the road that leads to the city's water source, the lake from which the city draws its drinking water, and the watershed that drains into the lake.

Staff is prepared to implement the next step in this process subject to city council approval of the attached draft. If the council elects to approve the draft RFP, staff will edit the attachment as needed, including the development of a plan to score the received proposals, and then solicit proposals to complete the described work. Those proposals will then come back to the council for an award to the successful bidder. If the council elects to not approve the draft RFP, staff will not solicit proposals and unless directed otherwise by the council, I will not assign staff time to the project.

Recommendation

That the council direct staff to solicit proposals for the work defined in the draft RFP, and return results from the solicitation to the council for consideration of award to the proposal that is in the best interests of the city.

Request for Proposals
Study on the Economic Impact of Annexation of Land into the City of Craig

Background

The City of Craig is seeking proposals for services related to potential annexation of land outside of the current municipal boundaries. As part of the discussion regarding annexation the city requires substantial research to determine the economic and programmatic effects of annexation. The city would like to determine the impacts of annexing portions of Sections 3, 4, 9, 10, 13, 14, 15, 16 & 17 74S, Range 81E; portions of Sections 33 & 34, Township 73 South, Range 81East; and portions of Sections 9, 10, 11, 12, 13, 14, 15, 16, 23, & 24 Township 74 South, Range 82 East, Copper River Meridian.

Scope of Work

1. Attend a pre-work meeting with Craig City Council and staff to discuss the potential area to be annexed and general scope of the report to be submitted as a deliverable.
2. Conduct research, collect information, conduct interviews and provide substantiated estimates to fully answer questions and issues shown in Attachment A to this RFP.
3. Prepare and submit a preliminary report to the Craig City Planner that summarizes the result of research, interviews and estimates clearly showing the impact, cost and revenue for each item. Report should also contain a calculation page showing total estimated costs and revenues.
4. Amend the preliminary report as direct by city staff and submit a final report for presentation to the Craig City Council.
5. Present findings to the Craig City Council at a regular scheduled City Council Meeting. Be prepared to answer questions and provide specific methodology for data contained in the report.

Deliverables

1. Attend pre-work meeting in person or telephonically at a date and time to be set by the City of Craig.
2. Prepare a preliminary report summarizing data collected as shown in Attachment A to this RFP. Submit the preliminary report in Microsoft Word compatible format. Attachments or data may be included as Adobe Acrobat (.pdf) compatible files.
3. Make changes as required and submit a final report summarizing data collected as shown in Attachment A to this RFP. Final report must be submitted in Microsoft Word compatible and Adobe Acrobat (.pdf) compatible formats. Final report may be submitted by email, file transfer protocol or on CD-ROM.
4. Present report and answer questions regarding research, data and methodology at a Craig City Council meeting at a date and time set by the City of Craig.

Proposals must include a total lump sum cost for the study. Lump sum will cover all materials, wages, supplies, equipment, transportation, overhead and any other costs associated with completion of the project. The proposal must also include methodology, professional qualifications of firm and personnel, a description of similar completed

projects and timetable to complete the tasks. City staff will work with the contractor to provide capacity, cost and other data.

City of Craig, Annexation Study RFP
Attachment A

Potential Costs

Public Safety – Annexation of additional area will shift primary emergency services responsibility to the City of Craig.

- Determine the three-year average of police, fire and EMS calls from the area to be annexed.
- Estimate hours of staff time needed to respond to police calls in the area to be annexed.
- Estimate the initial and annual cost to the city for emergency response in the area to be annexed.
- Determine how the annexation (including consideration of current resources, additional resources and fire hydrants) would affect the ISO rating for Craig. Estimate any additional cost of insurance for Craig residents. Estimate the initial and annual insurance costs to the city.

Public Works – Annexation of additional area will increase the coverage area for Public Works. While the city currently allows water connections to residents of the area to be annexed, residents of the area are not required to connect to the city's water system. Current municipal code requires all properties within 600' of municipal water to connect. Unless the city decides to extend municipal sewer collection most properties within the area will use on-site sewer treatment. Currently the Craig Municipal Code says that systems have to meet city standards and staff has interpreted that to mean that they have to be DEC approved. Annexation will require the city to ensure that each developed lot has gotten DEC approval of on-site septic. While the city will probably not begin a more rigorous approval process it will bear some responsibility to ensure that systems that are installed have been approved and it will have to work with property owners and DEC when those systems fail or cause problems. There will be an effect on road maintenance (although some maintenance is already being provided at no charge to residents of the annexed area). The area will also be included in the garbage collection area of the city.

- Describe the current State of Alaska process for approval of on-site septic systems. Determine the percentage of systems in the area to be annexed that are currently state approved. Estimate the amount of staff time required to review existing septic permits. Will the State of Alaska require the City of Craig to install community sewage collection in the annexed area? Estimate the cost to design and construct an extension to the existing sewer system to serve the area to be annexed. Estimate the initial and annual cost of monitoring permitted on-site septic systems and bringing non-compliant properties into compliance.
- Estimate the annual cost to maintain the Port St. Nicholas Road.
- Determine how many additional properties would be added to the city's garbage collection routes. Determine how many businesses would require dumpsters and how many residential services would be added. Determine the additional staff time required to collect garbage in the area. Determine how many additional dumpsters would have to be purchased to meet this demand. Estimate the overall cost of this service be (including collection and tipping). Estimate initial and annual cost of additional garbage collection.

- Estimate the cost of rewriting the Water and Wastewater Master Plans to incorporate the area to be annexed.

Assessment Services –The city contracts for an annual assessment of real properties in the city limits. Annexation would require an initial valuation of property in the area to be annexed and annual assessments. Currently property assessments are done by Horan and Company under contract with the city.

- Determine how many distinct parcels are in the area to be annexed. Estimate the cost of an initial valuation of these properties. Estimate the annual cost of including this area in the assessment process.
- Estimate the taxable value of real property in the area to be annexed.

Planning – Adding the Port St. Nicholas area would require expanding the city’s planning function in a number of areas including comprehensive planning, zoning/land use, coastal management, economic development and building permits.

- Estimate the cost of updating the city’s comprehensive plan, water master plan, wastewater master plan, and transportation plan to adequately incorporate the annexed area.
- Determine the land uses that exist in the area to be annexed. Describe the current uses compared to existing zoning designations. Estimate staff time that would be required to bring zoning into compliance and monitor land uses and activities in the annexed area.
- Determine the number of coastal projects that are in the area to be annexed. Determine how many projects would have to be processed in order to be compliant with Alaska Coastal Management Program and the US Army Corps of Engineers. Determine how many project reviews are conducted per year in the area to be annexed. Estimate the staff time required to conduct initial and annual project reviews for the annexed area. Estimate the annual cost to review and manage coastal projects in the area to be annexed.

Administration and Finance – Annexation of the area will require general city administration and finance to budget services, process billing statements, track property tax records, process sales tax accounts, process sales and property tax exemptions and other administrative functions.

- Estimate the annual cost of additional administrative and financial services provided by the City of Craig.

School District Funding – Local Required Contributions to school district funding are based on the value of real and personal property within the municipality. Annexation of the Port St. Nicholas Area will add to that and increase the required local contribution.

- Based on the estimated taxable value of real property and an estimate of the value of personal property in the area to be annexed, calculate the estimated additional required local payment to the school district annually.

Composition of City Council, Commissions, Committees and Boards – Residents of the annexed area would be eligible for local elected or appointed office. As part of the annexation process it should be determined if the current council, commissions and committees adequately represent the area to be annexed in relation to the existing municipal boundaries. In addition there may be a need or legal requirements as part of the annexation to make appointments to commissions and committees or even to hold special elections for council membership.

- Determine the population that will be added to the city if annexation occurs. Determine the number of voters who will become eligible for municipal elections.
- If an election is required as part of the annexation process, describe the process that would normally be followed and whether the city would be allowed to hold that election with the regular municipal election or if a special election would be required. Determine the cost of a special election (if necessary). Describe whether or not additional council, commission, committee or board members would be required. Estimate the annual costs associated with additional members (if required).

Cost of Annexation – In addition to potential costs resulting from annexation, there are costs of the annexation process itself. Those costs may include preparation of the petition, travel to present or defend the petition to the Local Boundary Commission and responses to objections.

- Estimate the cost of preparing a petition for annexation.
- Describe the likelihood of objections to the petition. Determine the estimated cost of responding to any objections and completing the petition process.

Other Issues.

- Describe what other potential costs that the city will incur initially.
- Describe what other potential costs the city will need to consider as part of its annual budget.
- Describe other potential costs associated with the annexation process.

Revenues

Public Works – While there are a number of public works related costs to annexation many of the services to be provided are supported by user fees. In addition to user fees funding is generally available through the Timber Receipts program based on the amount of road within the municipality. Additional funding through this program may be available if the area is annexed.

- Determine the number of properties that would be required to connect to municipal water service that are not currently being serviced. Based on current water fees, estimate the annual revenue from these services.
- Determine the number of households in the area to be annexed. Determine how many businesses. Determine how many multi-unit dwellings. Using current city standards, estimate how many can and dumpster pickups would be added to the current service. Estimate the total additional revenue generated annually by these garbage services.

Revenue – Some state and federal programs provide some funding to the community based in part on population. An example is State Revenue Sharing where communities are funded a base amount and an additional amount per person on an annual basis. Population estimates are set by the Department of Commerce, Community and Economic Development.

- Describe state and federal programs that provide funding to communities based on population. Determine the per capita funding amount for each program. Determine the additional population of the area subject to annexation. Estimate the total additional revenue based on these programs.

Property Tax – The city currently has a real property tax rate of 6 mils. The city currently does not tax personal property (a state estimate is used to determine school district local funding). After assessment valuations are performed the area to be annexed would be liable for property tax.

- Estimate the real property value of land and structures within the area to be annexed. Determine what properties are potentially exempt under current federal, state and municipal codes (i.e. non-profit, senior exempt, disabled veterans, etc.). Estimate the annual property tax levy for the area to be annexed.

Sales Tax – There are a number of businesses that operate in the area to be annexed that are currently not subject to sales tax on goods and services. If the area is annexed those businesses will become liable for sales tax (5% on goods and services and 6% on alcohol sales). In addition to businesses in the annexed area becoming taxable there are some transactions that are currently non-taxable if the goods or services are delivered by the vendor itself to a location outside the city limits. For example, building materials delivered by the vendor to a Port St. Nicholas lot are not taxable under the current code. If this area is annexed then these sales become taxable because delivery is being made to an area within the city limits.

- Determine what businesses currently operate in the area to be annexed. Estimate the gross receipts from those businesses. Estimate the annual sales tax revenue generated from these businesses and paid to the city annually.

Planning Permits – If the area is annexed then building, platting, zoning, conditional use, temporary use and other permits will be required for various activities. These permits require users to pay for the services.

- Estimate how many additional planning and zoning permits would be issued to the area to be annexed. Estimate the annual user fees collected for these permits.

Other Revenues

- Describe what other types of revenue would be generated if the annexation were to take place. Estimate the annual amount of other revenues that would be generated.

Cost vs. Revenue

The costs and revenues should be calculated in order to determine the fiscal feasibility of annexation given current fee structures and mil rates. The city should look at total initial costs, initial revenues, ongoing costs and ongoing revenues.

- What is the total initial cost of annexation? What are the total initial revenues?
- What is the total annual estimated cost of providing city services to the annexed area? What are the total annual revenues from providing services to the annexed area?

Other Impacts – A number of things should be considered during the annexation discussion that will not necessarily have a cost/revenue directly to the city but will affect eligibility, funding for other agencies, insurance rates for homeowners, etc.

School District Funding – School District funding is a complicated formula that uses enrollment data, property tax values and other factors to calculate local, state and federal contributions to annual school district funding. The contractor will meet with city and school district staff to determine the following:

- Effects of the annexation on school funding. Describe how the annexation will change the local/state/federal share of school funding.
- Estimate what effects annexation will have on PL874, and national forest receipt funding, and other sources of school district funding.

Homeowner and Business Insurance – Insurance for homes and businesses may be affected by annexation. For current residents the emergency coverage area gets larger, for the area to be annexed they gain coverage.

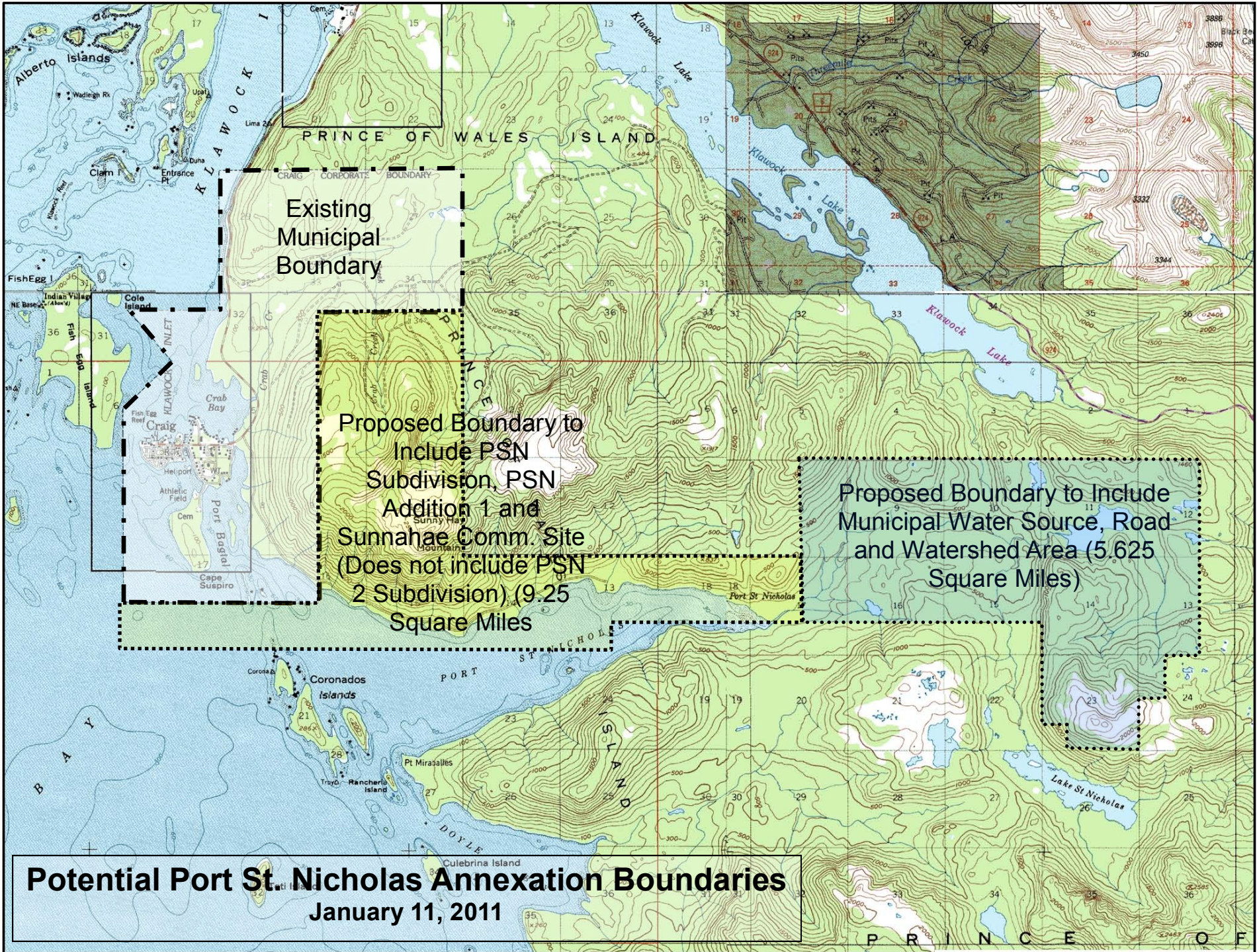
- Determine average rates for insurance for homes and businesses within the current city limits and within the area to be annexed.
- Estimate how would those rates or coverage would change with annexation.

Program Eligibility – Several state and federal programs (grants, financing for housing, etc.) are based on population, demographic makeup, economic data and other criteria.

- Detail how the annexation will affect local eligibility for specific State of Alaska and Federal programs including
 - Alaska Housing Finance Corporation
 - Alaska Energy Authority
 - Alaska Department of Environmental Conservation
 - Alaska Native Tribal Health Consortium
 - Alaska Municipal Bond Bank
 - Alaska Revenue Sharing
 - PILT
 - Secure Rural Schools
 - DCCED
 - Denali Commission
 - Other state & federal programs

Management of State Owned Tidelands – Currently nearshore tidelands in Craig are owned by the city or by private parties. In the area to be annexed almost all of the nearshore tidelands are owned by the State of Alaska and property owners have use permits or leases for various recreational and commercial uses.

- Describe how state management of tidelands will work in the area if annexation occurs. Describe any additional responsibilities to monitor or review tideland uses that the city will have if the area is annexed.
- Describe city entitlements to fee simple tideland conveyance from the State of Alaska within the annexed area.



Potential Port St. Nicholas Annexation Boundaries
 January 11, 2011

CITY OF CRAIG MEMORANDUM

To: Craig City Council
From: Brian Templin, City Planner
Date: December 21, 2010
RE: Reappointment of Sharilyn Zellhuber and Mark Beardsley to the Craig Planning Commission

Sharilyn Zellhuber and Mark Beardsley's positions on the Craig Planning Commission expire on January 31, 2011. Both Sharilyn and Mark have submitted letters of interest in reappointment to the commission.


Per Craig Municipal Code 18.02.005 staff requested that the mayor reappoint Sharilyn Zellhuber and Mark Beardsley for additional three-year terms. Just like with commissioner appointments, all reappointments must be confirmed by the Craig City Council.

Recommendation: Confirm, by motion, the reappointment of Sharilyn Zellhuber and Mark Beardsley to the Craig Planning Commission.

Recommended Motion: I move to reappoint Sharilyn Zellhuber and Mark Beardsley to the Craig Planning Commission for three year terms to expire January 31, 2014.

**CITY OF CRAIG
MEMORANDUM**

To: Craig City Council
From: Jon Bolling, City Administrator
Date: January 18, 2011
RE: IFA Fare Information and Request for Letter of Support



Attached you will find several documents from IFA Board Chairman Dennis Watson.

The purpose of the documents is two fold: to request a letter of support from the City of Craig for a legislative appropriation to IFA; and to provide information on a fare change proposal that the IFA board will consider at its January 26 meeting.

Letter of Support. As it has in recent years, the IFA is asking member communities to write letters of support for the authority's efforts to secure an appropriation from the legislature. The Alaska Legislature included a \$750,000 appropriation to IFA in last year's capital budget, but Governor Parnell vetoed that appropriation. The governor noted he would consider the appropriation in the following year's budget process. IFA seeks to include that appropriation in this FY 2011 supplemental budget that the legislature will consider early in its 2011 session, which begins today. The IFA will also seek a permanent annual appropriation from the state through the normal state budgeting process. The city has written letters of support in recent years for IFA efforts to secure state funding.

Proposed Rate Change. The IFA board will consider changes to the authority's fare structure at the January 26 board meeting. The attached documents from IFA detail the proposed changes.

Recommendation

That the council provide direction to staff on 1) IFA's requested letter of support; and 2) the proposed fare change

Hello all,

I apologize for not attending more council meetings this fall it's been necessary for me to focus on my fishing business these days.

Well, IFA celebrated it's 9th anniversary of operation on the 15th of this month. From concept to reality IFA's development has been a formidable challenge. It has in turn provided a stable ferry schedule between POW and Ketchikan and many quality of life and economic benefits to Prince of Wales Island. The City of Craig can take great pride in their part in this endeavor, I am surprised, even within IFA, at how few remember the extent of Craig's involvement.

The M/V Prince of Wales was scheduled to go on line this month, allowing the Stikine to go to the ship yard for regular maintenance. Unfortunately, while in lay-up, the engine on one of the POW's generator sets ran away causing more than \$100,000 of damage to the unit. With the repairs it has been rescheduled to come on line in April. Additionally, this winter the POW was fitted with a fast rescue boat similar to the one on the Stikine.

2010 Rider-ship is up slightly over the previous years number, unfortunately the high cost of fuel late in the year has offset any revenue gain.

On that note the council should know that the IFA Board will be considering a rate increase at it's next regular meeting at 10:00 AM on Jan 26th at the Klawock IFA office.

The increase primarily incorporates the fuel surcharge with the current base-rate. The reasoning behind the increase is that analysts say fuel will not return to previous lower prices, it is in fact predicated to increase to as much as \$1.20-\$1.40 above the current price (\$2.88).

So what the suggested rate structure would do is level the playing field, at least as we now know it, and would provide for future adjustments up to the higher end of the above range. I have provided Jon with the background material on this proposal.

As you know last year IFA was given an appropriation by the state legislature that was in turn vetoed by the Governor. The Board of Directors is asking IFA member communities to write letters supporting that the appropriation be reinstated in the state's budget supplemental. Additionally, that IFA be given annual consideration in the legislative budgetary process. These revenues are necessary for IFA's continued operation. We are not in immediate peril but the Governors veto did limit our options and has brought a since of urgency to the issue. The City of Craig's help would be well appreciated in this matter.

If the Mayor or Council have any questions on these or any other IFA issues please feel free to contact me, e-mail is the best means dwatson@aptalaska.net .

Thank you,

Dennis Watson

(907) 617-2800

IFA Fare Changes

History

The Inter-island Ferry Authority has a multi-tier rate formula, with an additional fuel surcharge. The last fare rate increase occurred in April of 2007. At that time, the adult fare was raised 15.6% to \$37. The intent at that time was to eliminate the fuel surcharge. Unfortunately, fuel rates continued to rise, forcing the IFA Board to continue the fuel surcharge program. Since that time, while the rate has remained constant, the fuel surcharge has fluctuated from 6% to as high as 39% during the fall of 2008. Because of the rapid changes in fuel pricing and resulting changes in the fuel surcharge, ferry customers have been forced to endure sudden and unpredictable fuel surcharges. When the fuel surcharges were at their highest, the IFA experienced a severe reduction in the number of traveling public. The other passenger rates in the IFA tiers, Seniors (65 and over), currently at 70% of the adult fare, and Children (ages 2 – 11) at 48% of the adult fare, has not been changed since 2008 and 2004 respectively.

A second aspect of the IFA fare construction is the fees and discounts. The IFA has been reluctant to charge fees for many services it provides while also providing significant discounts to specific populations in the IFA community. Some examples of fees are the \$10 fish box fee, instituted in 2010; the \$10 change fee – only charged when a ticket is printed or refund requested; and the \$50 unaccompanied vehicle fee, which has been applied sporadically. Discounts are provided to seniors on their vehicles (10%), schools (20%), disabled travelers (50%), and commercial accounts (10%). Discounts have been determined by the class or condition, not to the amount of time or costs involved with those changes.

Present Situation

Currently, the IFA faces several challenges in the financing of operations and administration. Fuel continues to rise, with some analysts suggesting it surpassing 2008 levels. Higher labor and maintenance costs are on the horizon as terminal maintenance increase and the labor force ages. Although most island residents are familiar with the fuel surcharge, there are no admirers of it. In addition, fully reserved vessels require much more time when changes and special requests are made as opposed to earlier in the IFA history when vessels were running at half capacity. Last minute ticket

purchases and cancellations slow down the staff at both terminals, while an increasing amount of time is being spent on changes from internet reservations. As the IFA seeks to maintain control on these costs, management feels that the cost of providing extra customer service should be shouldered by those asking for those services, instead of all island residents.

Discounts can be positively used by the IFA to reward behaviors that streamline operations and control costs. Discounts are perceived as a benefit to island individual and families. By judicious use of discounts and fees, the IFA management feels that it can successfully face the challenges posed by rising costs.

Proposed Fare Structure Changes

IFA management proposes the following changes in fares and discounts, effective May, 1, 2011.

- Raising the Adult walk on fare to incorporate the fuel surcharge into a single rate.
- Adjusting the Senior and Children fares to 80% and 65%, respectively, of the Adult fare.
- Adjusting the Vehicle Per Foot rates to incorporate the fuel surcharge into a single rate.
- Adding an additional rate division of 50-55 feet to the fare structure.
- Instituting an Early Booking Discount of 15%, with restrictions.
- Combining the Cancellation and Change fees into a single Change fee of \$25.
- Changing the School Discount from 20% to 30%, with restrictions.
- Increasing the Unaccompanied Vehicle fee to \$100 prepaid, to be returned if customer successfully off-loads vehicle.
- Increasing the Commercial discount to 20%, with restrictions.

The attached spreadsheet reflects the above changes and restrictions; an additional spreadsheet demonstrates the effect of these changes on passengers. The effect is a minimal increase for passengers and vehicles that make reservations and pay prior to sailing. Management anticipates and is hopeful that these increases will also cover any fuel increases up to \$3.00/gallon. Further fuel increases up to \$4.20/gallon could be addressed by strategic reductions in discounts.

**Fare recommendations
Inter-island Ferry Authority
Prepared for Board of Directors' Meeting**

	Effective through 4/30/11			Proposed Effect. 5/1/11			Notes
	Rate	+ Fuel surcharge (Currently 14%)	Total charge	Rate	+ Fuel surcharge (Zero)	Total charge	
Passengers							
Adult (12+)	\$37.00	\$5.18	\$42.18	\$52.00	N/C	\$52.00	
Seniors (65+)	\$26.00	\$3.64	\$29.64	\$41.00	N/C	\$41.00	Was 70% of adult fare; now 80%
Children (2-11)	\$18.00	\$2.52	\$20.52	\$34.00	N/C	\$34.00	Was 48% of adult fare; now 65%
Under 2 years	free			Free	N/C	Free	
Vehicles (Per foot)							
Up to 20 feet	\$5.00	\$0.70	\$5.70	\$6.75	N/C	\$6.75	
21 - 25 feet	\$5.50	\$0.77	\$6.27	\$7.25	N/C	\$7.25	
26 - 30 feet	\$6.00	\$0.84	\$6.84	\$8.00	N/C	\$8.00	
31 - 35 feet	\$6.50	\$0.91	\$7.41	\$8.50	N/C	\$8.50	
36 - 40 feet	\$7.00	\$0.98	\$7.98	\$9.25	N/C	\$9.25	
41 - 45 feet	\$7.50	\$1.05	\$8.55	\$10.25	N/C	\$10.25	
46 - 49 feet	\$8.00	\$1.12	\$9.12	\$10.75	N/C	\$10.75	
** 50 - 55 feet				\$11.00	N/C	\$11.00	
AMC	\$3.00	\$0.42	\$3.42	\$4.50	N/C	\$4.50	

Fees & Discounts:

Driver Goes Free	
Senior Vehicle Discount	10%
Cancellation	N/C if > than 7 days/< 7 \$10
Change fee	\$10.00 only if ticket printed only charged once/group
Unaccompanied Vehicle	\$50 if no one to on/off load
Disabled Discount	50%
Physician required Escort	50%
Early booking Discount	
Commercial discount	10%
School/Youth Grp Discount	20% Disc. On veh. For schools only

Continue	
Eliminate	
Eliminate	\$25.00 Per 5 items/change
	\$100.00 if no one to on/off load
50% Discount	
Eliminate	
15% Discount	
20% Discount	
30% Discount	

ONLY ONE DISCOUNT MAY APPLY TO RESERVATION

Incorporate into change fee	
Weather or medical changes, no charge	
Must sign release & pre pay; refund mailed when someone off loads vehicle	
Exception: Comm accounts with contracts	
No change; not allowed on Invoiced billings	
Must be booked at least 24 hours in advance; paid prior to day of sailing	
Only for contracts, no other discounts given; must have early booking	
No change fee if processed through Klawock office at least 48 hrs before sailing	
Vehicle discount for schools only	

Examples of Effects of Fare Change

Case:	Current Fares	Proposed Fares	Amount of Change
Single adult walk on			
No reservation, one way	\$42.18	\$52.00	\$9.82 Increase
One way, early purchase	\$42.18	\$44.20	\$2.02 Increase
Family, 2 adults, 3 children			
No reservation, one way	\$145.92	\$206.00	\$60.08 Increase
One way, early purchase	\$145.92	\$175.10	\$29.18 Increase
Single Senior, With 15' Vehicle			
No reservation, one way	\$115.14	\$138.50	\$23.36 Increase
One way, early purchase	\$115.14	\$117.73	\$2.59 Increase
19' vehicle			
No reservation, one way	\$108.30	\$128.25	\$19.95 Increase
One way, early purchase	\$108.30	\$109.01	\$0.71 Increase
Commercial round trip	\$194.94	\$205.20	\$10.26 Increase
30' vehicle			
No reservation, one way	\$188.10	\$240.00	\$51.90 Increase
One way, early purchase	\$188.10	\$204.00	\$15.90 Increase
Commercial round trip	\$356.40	\$384.00	\$27.60 Increase
55' vehicle			
No reservation, one way	\$501.60	\$605.00	\$103.40 Increase
One way, early purchase	\$501.60	\$514.25	\$12.65 Increase
School trip			
10 HS students, 2 adults, one way	\$404.93	\$436.80	\$31.87 Increase
20 HS students, 4 adults, one way	\$809.86	\$873.60	\$63.74 Increase