



Budget Fiscal Year 2017



**City Council
May 2016**

**CITY OF CRAIG
MEMORANDUM**

To: Craig City Council
From: Jon Bolling, City Administrator
Date: April 27, 2016
RE: Proposed FY 2016 City of Craig Operating Budget

Attached you will find the proposed City of Craig operating budget for FY 2016. A summary of budget is provided below.

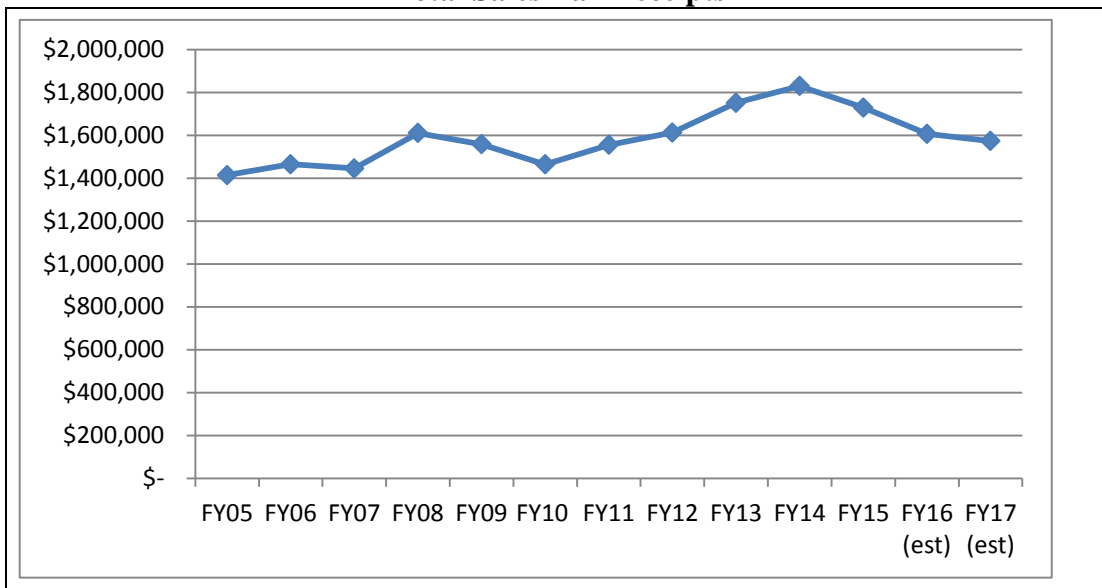
A. Revenues

Sales Tax

As the council is aware, sales tax revenues make up the bulk of locally generated tax receipts. The estimated amount of sales tax receipts is one of the variables in the budget that staff must pay close attention to when planning the coming year's budget.

The city has been fortunate in recent years to see increasing sales tax receipts. The table below shows past actual, and current and next fiscal year's estimated receipts.*

Total Sales Tax Receipts

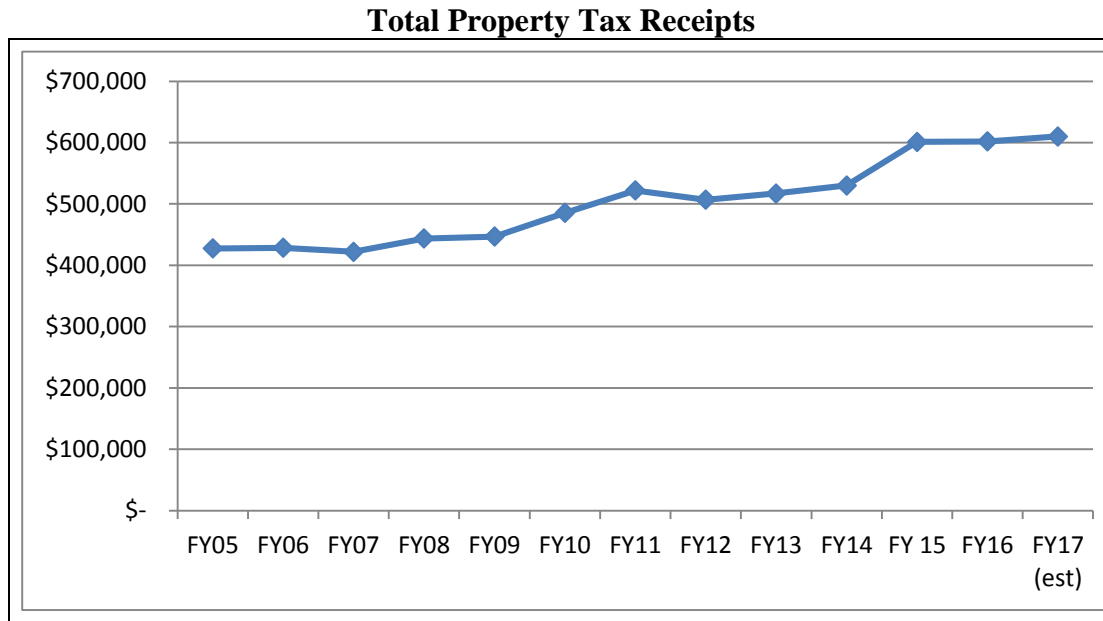


*Note: I have corrected this chart from the one provided to the budget committee.

Receipts climbed steadily between FY 2010 and 2014. For the purposes of budgeting, the city has consistently assumed a slight drop in sales tax receipts each year, and fortunately the actual receipts have exceeded the revenue estimate since 2010. To date for the current fiscal year, however, sales tax receipts are trending behind the prior year by about ten percent. Even so the city is likely to meet its estimated sales tax receipt target for the current fiscal year. Still, the cautious approach is to estimate lower receipts for the coming fiscal year, which is what you will find in the estimated budget, with staff estimating sales tax receipts of \$1,452,000. If the trend toward lower sales tax receipts continues it may cause real problems for us, especially in light of the fact that the loss of municipal revenue sharing dollars from the State of Alaska is a realistic danger over the next several years.

Property Tax

Staff expects only a slight increase in property tax receipts for the coming fiscal year. The city's contract assessor reports that the assessed value of residential structures will increase in FY 2017.



The chart above tracks property tax receipts to the city since FY 2005. Property tax receipts have climbed about \$180,000 in the past ten years due to new construction and property value appreciation. The property tax rate of six mills has not changed in more than twenty years. The city's property tax receipts have been much less volatile than its sales tax income over the past ten years. Property values have for the most part appreciated in that time based on the market sales of land and buildings in Craig, and on new construction. I expect the aggregate value of real property in Craig to increase again in the coming year, based on reports of planned new construction.

Taken together, staff estimates that sales and property tax revenues for FY 2017 will amount to \$2.184 million, or about 64 percent of all expected revenues for the coming year.

Other Sources

The city typically receives a substantial amount of transfer payments from the US Government and the State of Alaska each year. The projected amount of state payments for FY 2017 is about \$635,000. These payments come mostly from the following sources.

1. Raw Fish Tax

Staff budgets \$250,000 in State of Alaska Raw Fish Tax program slated for the General Fund next fiscal year. Per prior year council direction, any amount in excess of \$250,000 will go toward specific reserve accounts established by the council. The vast majority of the Raw Fish Tax generated comes from fish processing activity at the Silver Bay Seafoods plant. 2015 was marginal in terms of fish value; the volume of fish was about

average for Southeast Alaska, but the market price was low. Still, with current year's receipts well above the \$250,000 budgeted amount, next year's estimate of \$250,000 is reasonable.

2. State Revenue Sharing

The State of Alaska has funded the municipal revenue sharing program the past decade or so. The program is now based on a formula where one third of the Revenue Sharing Fund is paid out to communities each year, with the Alaska Legislature, hopefully, appropriating the same amount to the fund each year. This approach allows communities in Alaska to prepare for reduced revenue sharing amounts in the subsequent two years in the event that the legislature fails to appropriate funding to the program in any given fiscal year. Given the sobering—indeed, dire—financial picture at the state level this year (and likely next year) it is quite possible, perhaps even likely, that the Alaska Legislature will not replace the money drawn from the fund. The House Finance Committee is moving in this direction now, and the State Senate is likely to follow. At this point it appears that Craig will take in about \$96,000 in municipal revenue sharing in the next fiscal year. That represents a cut of about a third compared to the current year's receipts. Governor Walker had proposed a cut to the program in the budget he sent to the legislature, but his proposed reduction was much less. If the legislature does not replace what is drawn from the fund then cities across Alaska will have to prepare for an even more substantial reduction in revenue sharing payments in Fiscal Year 2018. Like everything else subject to state legislation, we will know more about state program funding when the legislature adjourns.

3. Contract Jail Payments

The city holds an agreement with the State of Alaska to operate a contract jail facility at the Craig Police Department. Funding for the program was cut sharply for the current fiscal year, but the high man days in the Craig jail resulted in Craig having to endure a much lower cut in payments than a number of other communities, although our own cut was substantial. While we are told by the Department of Corrections to expect in FY 2017 what we received in the current fiscal year, it is possible that a reduction could be forthcoming. Craig's jail continues to be very busy, and its man-days of use relative to the number of allocated beds is very high.

4. Payment in Lieu of Taxes

Staff plans for a \$30,000 reduction in PILT payments for the coming fiscal year. The program may be subject to sequestration in Congress, and even if it is not the risk of a lower appropriation to the program in the coming fiscal year prompts me to reduce our estimated receipts.

City staff does propose some rate increases for FY 2014. Those are detailed below in Section C.

B. Expenditures

Some details on FY17 expenditures are provided below.

Cost of Living Adjustment

The proposed FY17 operating budget includes no cost of living adjustment for city employees.

Health Insurance Costs

As of April 26 we have no definitive word yet from our insurance carrier regarding a change in the next fiscal year to the city's employee health insurance cost. Staff estimates the cost of the benefit for the coming year at about \$512,000.

Staff is working with Diversified Investments on securing a quote from them for employee health insurance, a quote that we can then compare to the one we will receive from Davies-Barry Insurance.

The city has adopted some management measures in response to rising health insurance benefit costs over the past ten or more years. The city implemented a ten percent employee match requirement for the health insurance premium so that the employees had a clear understanding about the cost of the benefit. That match amount was later increased to 13 percent. This policy reduced the city's cost to provide the benefit due to the match requirement, and also because the policy caused some employees to drop the health insurance coverage because they had other coverage options available to them, typically through a spouse. The city later adopted much higher health insurance deductible and at the same time implemented a health reimbursement account program to pay back the increased deductible amount to the employees. This practice lowered the city's employer cost for the benefit compared to maintaining a conventional \$250 deductible.

The budget committee weighed some options to reduce the health insurance benefit cost. In the end the committee recommends changing the employee's per person out-of-pocket health insurance deductible from \$250 to \$500. Staff estimates this change reduces the city's cost of providing the health insurance benefit by about \$10,000. The committee also discussed other options for reducing the cost of this benefit, but declined to recommend other health insurance benefit changes to the full council.

I will repeat a caution that I have raised in years past: that as the employee health insurance benefit cost increases, especially when those increases are well above the rate of inflation, the council must continue to look to alternatives as a means of controlling costs. There should be no component of the municipal budget that is considered improper to reduce. Payroll and benefits constitute two thirds of the city's expenditures, and therefore must be considered with all other expenditures for cost reductions when revenues fall short of expenses.

School Support

As the council is well aware, in each of the past four years the city added substantial sums to its general fund expenditures earmarked for payments to Craig City School District. The city's goal is to reach an annual general fund appropriation of \$550,000 in cash school support. I hope to achieve this goal before the city exhausts the reserve account it maintains to fund its statutory obligation to provide financial support to CCSD. For FY 2016, the city's budgeted \$400,000 cash for school support from the city's General Fund, up from \$350,000 in the prior year (although most of that amount was subsequently reappropriated to other uses). For FY17, in light of reduced revenues expected in the coming year, staff has reduced the amount earmarked for school support from \$400,000 to \$188,000. The decision to reduce the amount identified for school

support is contrary to the practice the city has adopted since 2011, and a big step backward in our goal to move toward having \$550,000 in city General Fund revenues available for school support each year. Even so, I would rather make this downward adjustment to what we will pay into school reserve fund and as a result largely maintain the city's staffing and service level.

The city's state-mandated minimum contribution to the school district is about \$383,000 in the current fiscal year. As noted above the city provides the district \$550,000 in cash, and also provides a number of in-kind contributions. The statutory funding cap for school support for Craig is about \$1.25 million.

C. Proposed Rate Changes

Monthly Water and Sewer Rates

The water and sewer departments are projected to finish with a deficit next fiscal year. The change in how the city bills for its water and sewer services three years ago has led the city's utility customers to reduce their consumption of water. In addition, the fact that Silver Bay Seafoods is unlikely to operate this summer sharply reduces our projected revenues for both water and wastewater departments.

When the rates were increased three years ago the City Council authorized increases in the utility rates by two percent per year for each of the next five years. For the past two years, however, staff did not implement the increase. Given the shortfall now facing the departments I propose increasing the water and sewer rate by two percent. While this increase will not bring the departments back to a zero deficit for FY17, it will improve the financial position of the departments while staff continues work on the expense side of the operation. Staff will likely present a two percent increase in these rates for FY 2018 as well.

Harbor Rates

The proposed budget includes a ten percent increase in moorage rates, plus adjustments to other Harbor Department fees. These rates will be presented to the council by resolution for your consideration. The increase allows the harbor department budget to finish with a projected surplus for FY 2017.

D. Long-Term Finances

Long-Term Debt

The city currently holds the following long-term debt, and funds that debt using the annual payments schedule shown below.

<u>Debt</u>	<u>Balance</u>	<u>Annual Payments</u>
Aquatic Center Bonds	\$1,755,000*	\$136,500*
Wastewater Treatment Plant	\$ 231,250*	\$ 59,997
Water System Improvements	<u>\$ 375,630*</u>	<u>\$ 23,800</u>
Total	<u>\$2,361,880</u>	<u>\$220,297</u>

* Approximate

As a reminder to the council, in January of 2012 the council authorized spending \$1.2 million of the Craig Endowment Fund to pay down long-term debt. As a means of returning that \$1.2 million to the endowment fund, council directed staff to avoid

drawing out of the fund the annual full draw amount authorized by the Craig Municipal Code, equal to four percent of the market value of the fund. Staff has followed this direction, avoiding drawing out a total, to date, of \$720,000, in increments of \$180,000 each year. At our current pace, staff can again propose drawing the full earnings amount from the endowment fund in another 18 months, if one does not count the interest earned by the avoided draw amounts.

Reserve Funds

I thought it would be useful for the council to see a summary of the reserve accounts the city manages. The list below provides some information for each account, with balances as of about March 1.

<u>Fund Name</u>	<u>Source of Funds</u>	<u>Current Balance</u>
1. Craig Endowment	One-time revenues	\$ 8,891,511
2. School Support	Federal & City funds	\$ 3,396,480
3. City checking account	Multiple sources	\$ 2,365,739
4. Land Development	Sale of city property	\$ 537,250
5. Harbor Reserve	Raw fish tax, lease pmts.	\$ 183,368
6. Capital Projects	Endowment Fund	\$ 161,004
7. Equipment Replacement	Surplus Raw Fish Tax	\$ 36,313
8. Clinic Maintenance	Lease payments	\$ 32,145
9. Fire Department	General Fund	\$ 28,188
10. Police Drug	Court awarded	\$ 18,774
11. Halibut Quota	General Fund	\$ 15,478
12. Bond Sinking	General Fund	\$ 14,971
13. Memorial Park	Hilton Foundation	\$ 12,577
14. EMS	General Fund	\$ 2,050

E. Fiscal Year 2018

Looming large on our horizon is Fiscal Year 2018. If, as expected, Silver Bay Seafoods does not operate the Craig this summer, the city will suffer the loss of between \$250,000 and \$300,000 from the city's General Fund in FY 2018 from reduced raw fish tax. This loss of revenue, which will be compounded by further reductions to Revenue Sharing from the State of Alaska, decreases in the city's sales tax receipts, statutory increases in the city's PERS contribution, or increases in the city's employee health care benefit, or a combination of these and other factors, may make budgeting for FY 2018 especially challenging. We must start now thinking long and hard about how we will approach budgeting for 2018. A list of goals, or a "mantra" or sorts, is needed from the city council before we begin our budgeting process so staff knows where to focus its efforts, whether that is employee or service cuts, increasing revenues, or some other approach.

F. Discussion of Possible New Revenues

The budget committee talked at some length at its April 12 meeting about options for raising additional revenues. Options discussed at that meeting included the following.

1. Seasonal Sales Tax. Based on models in other communities, the committee discussed the merits of raising the sales tax rate during the summer months, and leaving the rate the same or lowering the rate during the balance of the year. This

- methodology would lead to increased sales tax receipts, and would capture more sales tax from non-residents visiting Craig in the busy summer season.
2. **Sales Tax Rate Increase.** The budget committee also talked about an overall increase in the year round sales tax rate, perhaps to 5.5%. This rate matches the sales tax rate in Klawock, and is closer to the rate in Thorne Bay and Hydaburg (6%).
 3. **Bed Tax.** Many communities target visitors with taxes designed to raise revenue without burdening community residents. Among those tax options is what's commonly known as a bed tax, or a tax on overnight stays at hotels, bed and breakfasts, lodges, and similar hospitality/tourist accommodations. Typically, a bed tax rate is added to an established sales tax rate, so visitors pay both taxes during their stay. Many communities, especially larger cities, set high tax rates on accommodations and rental cars to capture tax revenue from non-residents.
 4. **Tax on Marijuana Sales.** The budget committee also broached the subject of setting a tax on the commercial sale of marijuana in Craig, perhaps at \$1 per gram. Staff is told that commercial marijuana sales are taxable by municipalities, although it is unclear to me at this point if municipalities may levy a special tax on marijuana sales, or if marijuana sales are simply subject to a community's general sales tax. The amount of revenue generated by a tax on marijuana sales is uncertain at this point, as there are no applications yet to open a commercial marijuana establishment in Craig, and there is no commercial sales history from which to make an estimate.

None of these potential revenue sources are included in the proposed FY 2017 budget. The budget committee directed staff to schedule a city council agenda item on this topic. Staff will prepare background information on this topic in upcoming council packet.

G. Summary

As I have stated in years past, department heads in the city's enterprise and general fund departments have done good work in controlling their expenditures. They understand the demands placed on the city's General Fund and Enterprise Fund revenues.

As part of this year's budgeting process with the department heads, after the managers submitted their budget requests, and after seeing that the proposed expenditures would exceed revenues, I asked the managers to reduce their expenditure requests by one percent. Most responded with expenditure reductions, even though there is very little discretionary funding to work with in the departments.

Thanks to thoughtful actions taken by the city councils in Craig over the past 15 years or so, pertaining to building capital projects and efforts to build savings, the city is in good financial condition. With lean financial times upon us now and likely for the next few years due to declining sales tax receipts, and transfer payments from the State of Alaska and US Government, the city's good financial position will make dealing with reduced revenues less traumatic than it would be otherwise. However, less trauma does not mean no trauma, and FY 2018 is shaping up to be financially trying.

When compared to the current fiscal year budget, the proposed FY 2017 budget is balanced based in large part on the substantial reduction in city general fund payments to

the reserve fund held for school support, from \$400,000 in the current year down to \$188,000 proposed for FY 2017. This amounts to using city reserves to balance the city's operating budget. Of course, for each year that the city does not draw all its operating expenses from its operating revenues, the city draws on its cash reserves to meet its expenses, and in terms of funding schools we have done exactly that for many years now, although through FY 2016 the city has substantially reduced the amount of that draw. While the proposed FY 2017 budget greatly reduces the general fund contribution to the school reserve fund, I intend to begin to build that contribution back up until we reach at least the \$550,000 mark.

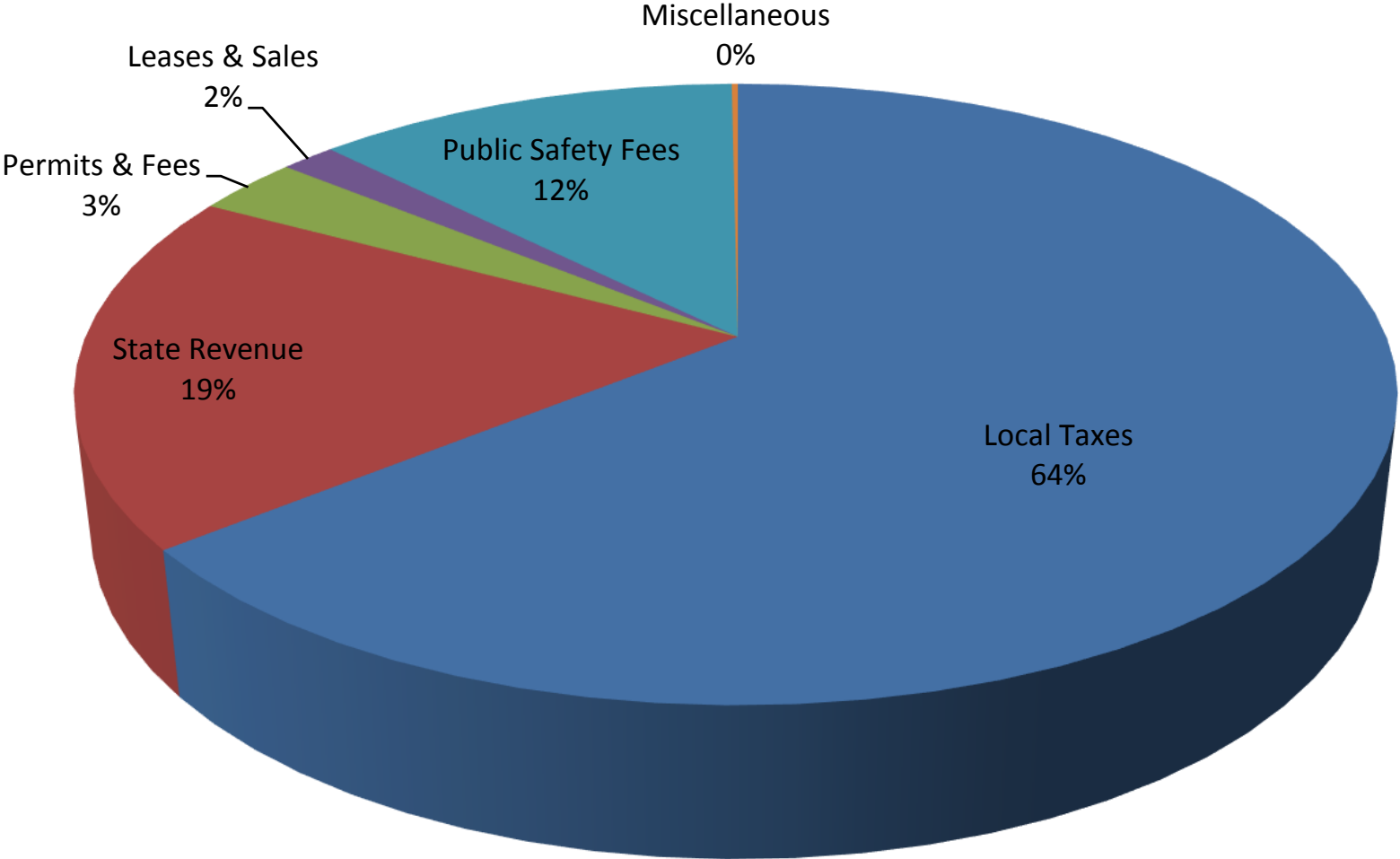
Staff is prepared to address questions from the council regarding the proposed FY 2017 budget.



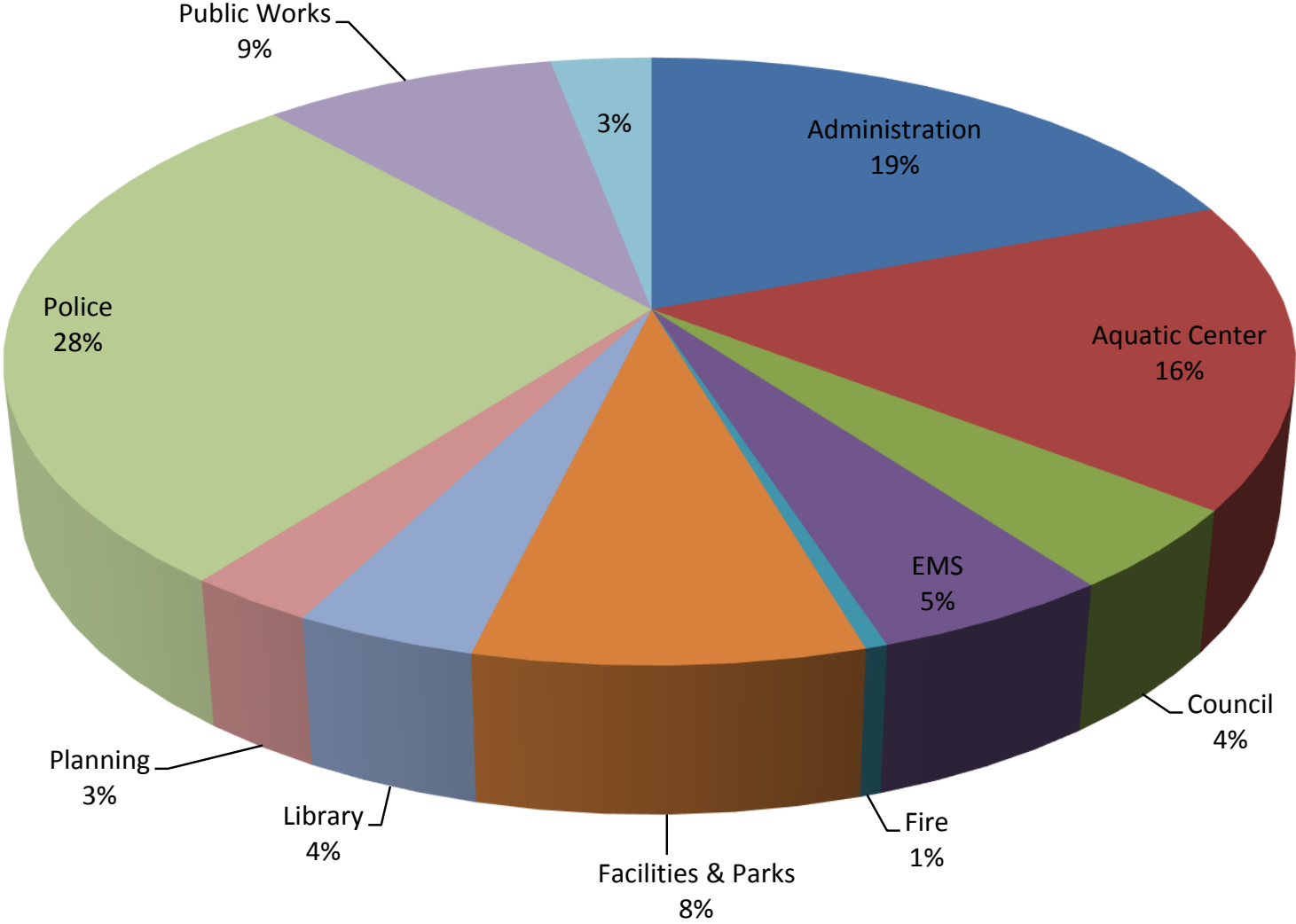
Financial Summary Fiscal Year 2016

May 2016

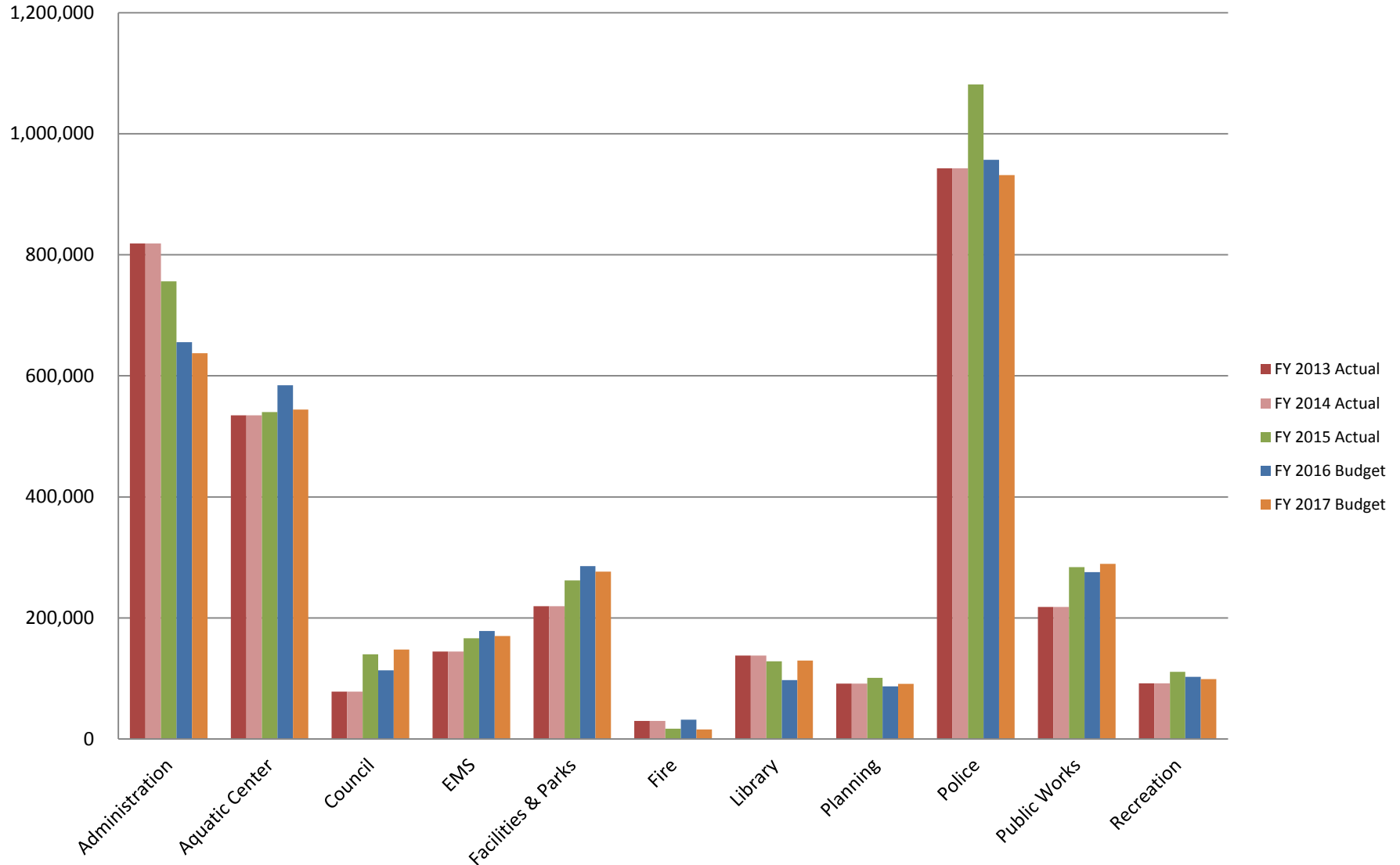
General Fund Revenue



General Fund Total Expenditures



General Fund Expenditures



City of Craig
FY2017 Budget
General Fund Revenue & Expenditure Recap

	FY 2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Budget	FY 2017 Budget	% Change Prior Yr.
Total Revenue	\$ 3,171,212	\$ 3,169,096	\$ 3,958,672	\$ 3,859,840	\$ 3,844,068	\$ 3,689,040	\$ 3,402,860	-8.4%
Required Transfers In/Out								
To Ent Fund - Bal. Budget	95,248	(120,914)	(101,275)	(90,039)	(337,663)	(59,085)	(26,300)	-124.7%
National Forest Receipts							10,000	
Pt St Nick Hatchery			(35,000)	(35,000)	(35,000)	(45,000)	(45,000)	0.0%
CD Investment Revenue								
Endowment Fund Transfer In	235,000	301,406	118,000	120,000	120,000	135,000	178,280	24.3%
Endowment Fund Trf to Enterprise		(120,000)						
From/To Capital Fund	-34,000							
PERS Unfunded Liability		(47,558)	(59,874)	(24,980)				
From PY reserves						50,000	0	
To School Financing	(100,000)	(150,000)	(250,000)	(300,000)	(350,000)	(400,000)	(188,000)	-112.8%
Total Transfers	196,248	(137,066)	(328,149)	(330,019)	(602,663)	(319,085)	(71,020)	-349.3%
Net Revenue Available	3,367,460	3,032,030	3,630,523	3,529,821	3,241,405	3,369,955	3,331,840	-1.1%
Administration	669,191	818,539	776,498	818,539	756,085	655,638	637,578	-2.8%
Aquatic Center	740,122	982,616	636,926	534,947	540,111	584,229	544,315	-7.3%
Council	82,635	82,635	65,639	78,128	139,950	113,298	147,621	23.3%
EMS	119,323	119,323	94,760	144,382	166,576	178,561	170,264	-4.9%
Facilities & Parks	193,626	214,983	202,513	219,329	261,943	285,772	276,463	-3.4%
Fire	24,048	26,509	21,653	29,990	16,968	32,057	15,606	-105.4%
Library	69,394	106,209	114,178	137,929	128,248	97,175	129,437	24.9%
Planning	79,728	95,291	86,441	91,375	100,843	86,951	91,117	4.6%
Police	874,543	887,137	946,575	942,893	1,081,559	956,860	931,479	-2.7%
Public Works	194,560	175,267	211,506	217,957	283,861	275,805	289,110	4.6%
Recreation	89,076	94,421	94,421	91,930	110,764	102,682	98,849	-3.9%
Total Expenditures	3,136,246	3,602,930	3,251,110	3,307,399	3,586,908	3,369,029	3,331,840	-6.5%
Net Revenues over Expenditures	\$ 231,214	\$ (570,900)	\$ 379,413	\$ 222,423	\$ (345,503)	\$ 926	\$ (0)	

City of Craig
FY2017 Budget
Enterprise Fund Revenue & Expenditure Recap

	FY 2011	% Change Prior Yr	FY 2012	% Change Prior Yr	FY 2013 Budget	% Change Prior Yr	FY 2014	% Change Prior Yr	FY 2015	% Change	FY 2016	FY 2017	% Change
Total Revenue													
Cannery	2,650	-97.8%	337,326	12629.3%	4,825	-98.6%	2,050	-57.5%	8,575	318.3%	1,000	2,000	50.0%
Harbor	361,424	46.0%	224,656	-37.8%	276,543	23.1%	237,550	-14.1%	270,666	13.9%	251,500	268,500	6.3%
JTB Industrial Park	344,410	-3.8%	326,819	-5.1%	238,265	-27.1%	380,154	59.6%	356,211	-6.3%	399,031	409,031	2.4%
Garbage	345,435	6.8%	320,024	-7.4%	316,304	-1.2%	325,391	2.9%	309,531	-4.9%	310,000	290,000	-6.9%
Wastewater	398,039	-53.0%	306,140	-23.1%	256,250	-16.3%	296,491	15.7%	280,879	-5.3%	293,000	275,000	-6.5%
Water	269,515	15.1%	264,164	-2.0%	254,041	-3.8%	324,930	27.9%	287,489	-11.5%	294,700	260,500	-13.1%
Total Revenue	1,721,473		1,779,129		1,346,228	-24.3%	1,566,566	16.4%	1,513,351	-3.4%	1,549,231	1,505,031	-2.9%
Total Expenditures													
Cannery	6,272	34.0%	1,306	-79.18%	2,469	89.1%	14,020	467.8%	6,264	-55.3%	9,460	5,181	-82.6%
Harbor	241,162	-7.5%	266,035	10.31%	273,799	2.9%	311,624	13.8%	315,533	1.3%	296,472	248,750	-19.2%
JTB Industrial Park	437,997	75.8%	694,924	58.66%	330,192	-52.5%	322,034	-2.5%	424,632	31.9%	357,048	325,250	-9.8%
Garbage	340,764	-7.4%	348,560	2.29%	327,233	-6.1%	320,953	-1.9%	360,578	12.3%	307,521	309,544	0.7%
Wasterwater	284,073	21.4%	290,618	2.30%	232,292	-20.1%	331,458	42.7%	310,467	-6.3%	306,059	315,468	3.0%
Water	315,957	8.6%	298,599	-5.49%	281,518	-5.7%	356,516	26.6%	433,540	21.6%	331,756	327,138	-1.4%
Total Expenditures	1,626,225		1,900,043		1,447,503	-23.8%	1,656,605	14.4%	1,851,014	11.7%	1,608,316	1,531,331	-5.0%
Net Revenues over Expenditures													
Cannery	(3,622)	-103.1%	336,020	0.00%	2,356	-99.3%	(11,970)	-608.1%	2,311	-119.3%	(8,460)	(3,181)	-166.0%
Harbor	120,262	-1023.1%	(41,379)	-134.41%	2,744	-106.6%	(74,074)	-2799.5%	(44,867)	-39.4%	(44,972)	19,750	327.7%
JTB Industrial Park	(93,587)	-185.9%	(368,105)	293.33%	(91,927)	-75.0%	58,120	-163.2%	(68,421)	-217.7%	41,983	83,781	49.9%
Garbage	4,671	-110.5%	(28,536)	-710.92%	(10,929)	-61.7%	4,438	-140.6%	(51,047)	-1250.2%	2,479	(19,544)	112.7%
Wastewater	113,966	-81.4%	15,522	-86.38%	23,958	54.4%	(34,967)	-246.0%	(29,588)	-15.4%	(13,059)	(40,468)	67.7%
Water	(46,442)	-18.4%	(34,435)	-25.85%	(27,477)	-20.2%	(31,586)	15.0%	(146,051)	362.4%	(37,056)	(66,638)	44.4%
	\$ 95,248		\$ (120,914)		\$ (101,275)		\$ (90,039)		\$ (337,663)		\$ (59,085)	\$ (26,300)	-124.7%

City of Craig Summary - FY 2017

	GF FY 2017	GF FY 2016	GF Incr(Decr)	EF FY 2017	EF FY 2016	EF Incr(Decr)	FY 2017 Total	FY16 Total	FY 2017 Incr(Decr)	% Change
Salary	581,873	568,174	13,699	88,388	87,884	504	670,261	656,058	14,203	2%
Hourly Wages	835,612	883,598	(47,986)	324,419	318,069	6,350	1,160,031	1,201,667	(41,636)	-4%
Overtime Wages	31,332	32,323	(991)	11,607	10,427	1,180	42,939	42,750	189	0%
On-call Wages	17,400	17,400	-	10,700	13,500	(2,800)	28,100	30,900	(2,800)	-10%
Total Wages	1,466,217	1,501,495	(35,278)	435,114	429,880	5,234	1,901,332	1,931,375	(30,043)	-2%
FICA	91,137	93,269	(2,132)	27,131	26,588	543	118,268	119,857	(1,589)	-1%
Medicare	21,315	21,814	(499)	6,345	6,218	127	27,661	28,032	(371)	-1%
Workers' Comp	55,733	56,742	(1,009)	21,725	21,236	489	77,459	77,978	(519)	-1%
PERS (DB & DC)	282,204	288,492	(6,288)	90,489	88,587	1,902	372,693	377,079	(4,386)	-1%
Medical Insurance	496,607	466,631	29,976	87,730	104,890	(17,160)	584,336	571,521	12,815	2%
HRA	104,478	93,459	11,019	18,723	19,409	(687)	123,200	112,868	10,332	8%
Other Benefits	5,635	5,374	261	2,179	2,116	63	7,814	7,490	324	4%
Total Benefits	1,057,109	1,025,781	31,328	254,322	269,044	(14,722)	1,311,431	1,294,825	16,606	1%
GRAND TOTAL	2,523,326	2,527,276	(3,950)	689,436	698,924	(9,488)	3,212,762	3,226,200	(13,438)	0%
Full Time Equ.	29.96			11.43			41.39			

General Fund Summary - FY 2017

Wages & Benefits

	Admin	Aquatic Center	Council	EMS	Facilities	Fire	Library	Planning	Police	Public Works	Recreation	TOTAL
Salary	164,050	45,582	14,700	54,746	60,000	3,600	39,000	50,619	70,104	42,228	37,244	581,873
Hourly Wages	134,200	93,870		33,450	71,330		21,750	0	389,022	84,710	7,280	835,612
Overtime Wages		0							29,286	2,046		31,332
On-call Wages									17,400			17,400
Total Wages	298,250	139,452	14,700	88,196	131,330	3,600	60,750	50,619	505,812	128,984	44,524	1,466,217
FICA	18,491	8,646	911	5,468	8,142	0	3,767	3,510	31,360	8,080	2,760	91,137
Medicare	4,325	2,022	213	1,279	1,904	0	881	822	7,334	1,890	646	21,315
Workers' Comp	1,423	8,143	70	6,036	7,042	4,186	290	270	17,531	10,530	212	55,733
PERS (DB & DC)	53,365	24,042	2,970	12,044	22,347		8,580	12,456	109,534	28,671	8,194	282,204
Medical Insurance	39,674	51,170	95,596	18,217	44,377		28,027	16,350	150,319	37,778	15,098	496,607
HRA	9,700	9,700	21,900	4,850	7,450		5,000	4,850	29,250	6,928	4,850	104,478
Other Benefits	270	315	385	384	215		80	55	3,050	721	160	5,635
Total Benefits	127,249	104,038	122,046	48,278	91,478	4,186	46,624	38,314	348,378	94,597	31,920	1,057,109
GRAND TOTAL	425,499	243,490	136,746	136,474	222,808	7,786	107,374	88,933	854,190	223,582	76,444	2,523,326
GRAND TOTAL FY 16	435,576	273,195	102,008	181,681	199,640	8,386	77,027	84,180	870,637	218,876	76,070	2,527,276
Change	(10,077)	(29,705)	34,738	(45,207)	23,168	(600)	30,347	4,753	(16,447)	4,706	374	(3,950)
FTE	5.02	3.92		1.62	2.9		1.7	1	10.25	2.3	1.25	29.96

Enterprise Fund Summary - FY 2017

Wages & Benefits

	Wastewater	Water	Garbage	Harbor	JTB Park	TOTAL
Salary	19,550	11,730	4,692	26,416	26,000	88,388
Hourly Wages	90,430	101,912	33,097	71,694	27,286	324,419
Overtime Wages	3,050	3,381	416	4,761	0	11,607
On-call Wages	400	400	0	9,900	0	10,700
Total Wages	113,430	117,422	38,205	112,771	53,286	435,114
FICA	7,097	7,344	2,394	6,992	3,304	27,131
Medicare	1,660	1,718	560	1,635	773	6,345
Workers' Comp	3,540	3,913	4,167	7,406	2,699	21,725
PERS (DB & DC)	25,182	26,061	8,496	21,918	8,832	90,489
Medical Insurance	21,814	20,691	13,777	16,547	14,901	87,730
HRA	4,990	3,565	2,818	3,925	3,425	18,723
Other Benefits	646	614	224	531	164	2,179
Total Benefits	64,928	63,906	32,435	58,954	34,098	254,322
GRAND TOTAL	178,358	181,329	70,640	171,725	87,384	689,436
GRAND TOTAL FY016	164,733	177,819	61,911	196,453	98,007	698,923
Change	13,625	3,510	8,729	(24,728)	(10,623)	(9,487)
FTE	2	2	0.7	3	1.96	1.77

City of Craig
 Debt Payment
 FY 2017

Long Term Government Debt		July 1, 2016 Balance	Principal Payment	Interest	Total	Date Due	Revenue Source	Department Budget
Aquatic Center Bonds	Bank of New York	1,755,000.00	60,000.00	38,693.75	98,693.75	10/1/2016	Endowment Fund	Aquatic Center
				37,793.75	37,793.75	4/1/2017		
					136,487.50			
Enterprise Fund								
WasteWater Plant	St of AK DEC	231,250.00	56,528.00	3,469.00	59,997.00	8/10/2015	Sewer Revenue	Sewer
Water Line Improvements	St of AK DEC	127,646.50	6,822.16	1,914.70	8,736.86	8/1/2016	Water Revenue	Water
Water Main Loan	St of AK DEC	247,984.24	11377.14	3719.76	15096.9	6/24/2017	Water Revenue	Water
		2,361,880.74	74,727.30	46,897.21	341,708.86			

City of Craig
 FY 2017 Budget
 Endowment Market Value

FY2010

Dec 31,2004	7,860,223
Dec 31,2005	7,907,275
Dec 31,2006	8,186,357
Dec 31,2007	8,385,519
Dec 31,2008	<u>6,116,872</u>
	38,456,246

Five year Average 7,691,249

4% of Average 307,650

FY 2011

Dec 31,2005	7,907,275
Dec 31,2006	8,186,357
Dec 31,2007	8,385,519
Dec 31,2008	6,116,872
Dec 31,2009	<u>7,191,057</u>
	37,787,080

Average 7,557,416

4% of Ave Mkt Value 302,297

FY 2012

Dec 31,2006	8,186,357
Dec 31,2007	8,385,519
Dec 31,2008	6,116,872
Dec 31,2009	7,191,057
Dec 31,2010	<u>7,795,988</u>
	37,675,793

Five year Average 7,535,159

4% of Average 301,406

FY 2013

Dec 31,2007	8,385,519
Dec 31,2008	6,116,872
Dec 31,2009	7,191,057
Dec 31,2010	7,795,988
Dec 31, 2011	<u>7,818,728</u>
	37,308,165

Five year Average 7,461,633

4% of Average 298,465

Council Set aside 180000

FY 2014

Dec 31,2008	6,116,872
Dec 31,2009	7,191,057
Dec 31,2010	7,795,988
Dec 31, 2011	7,818,728
Dec 31, 2012	<u>8,698,143</u>
	37,620,789

Five year Average 7,524,158

4% of Average 300,966

Council Set aside 180000

120,966

FY 2015

Dec 31,2009	7,191,057
Dec 31,2010	7,795,988
Dec 31, 2011	7,818,728
Dec 31, 2012	8,698,143
Dec 31, 2013	9,864,595
	41,368,511

Five year Average 8,273,702

4% of Average 330,948

Council Set aside 180000

150,948

FY 2016

Dec 31,2010	7,795,988
Dec 31, 2011	7,818,728
Dec 31, 2012	8,698,143
Dec 31, 2013	9,864,595
Dec 31, 2014	9,241,595
	43,419,049

Five year Ave 8,683,810

4% of Average 347,352

Council Set as 180000

FY 2017

Dec 31, 2011	7,818,728
Dec 31, 2012	8,698,143
Dec 31, 2013	9,864,595
Dec 31, 2014	9,241,595
Dec 31, 2015	9,161,882
	44,784,943

Five year Ave 8,956,989

4% of Average 358,280

Council Set as 180000

178,280



**General Fund
Fiscal Year 2016**

May 2016

City of Craig

General Fund Revenues	FY2011 Actual	FY 2012 Actual	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Budget	FY 2017 Budget	Change 2017/2016
Property Tax	521,976	506,924	514,832	536,179	596,544	600,000	610,000	10,000
Property Tax Penalties	4,731	7,007	3,137	2,719	4,497	2,000	2,000	0
Sales Tax	1,461,933	1,556,372	1,562,640	1,665,747	1,588,675	1,625,000	1,450,000	(175,000)
Sales Tax Penalties & Delinquencies	16,372	34,908	73,050	43,614	18,426	2,000	2,000	0
Sales Tax Liquor	118,487	110,389	115,149	120,433	121,554	120,000	120,000	0
Total Local Taxes	2,123,499	2,215,600	2,268,808	2,368,692	2,329,696	2,349,000	2,184,000	(165,000)
PILT	249,178	260,411	261,795	258,086	308,000	300,000	270,000	(30,000)
State Revenue Sharing	151,217	207,611	221,713	155,320	153,064	145,406	96,661	(48,745)
Liquor Revenue Sharing	10,500	1,800	10,100	10,200	6,100	10,000	5,000	(5,000)
Raw Fish Tax	84,017	158,364	258,534	282,111	314,704	250,000	250,000	0
Shared Fisheries Tax	7,535	8,914	8,417	7,153	9,694	8,000	4,000	(4,000)
National Forest Receipts		25,000	25,000	10,000		0	10,000	10,000
State Grant			161,172			0		0
Total State Revenue	502,447	662,100	946,731	722,870	791,562	713,406	635,661	(77,745)
EMS Service Fees	9,666	21,410	37,832	49,036	50,000	50,000	30,000	(20,000)
EMS Training Fees	4,230	275	3,936	3,208	5,000	5,000	1,000	(4,000)
Pool Admissions	68,608	64,881	64,043	65,605	72,000	61,000	50,000	(11,000)
Library Fees	509	1,013	1,452	1,406	1,000	1,000	1,000	0
Recreation Fees	12,340	14,932	11,753	17,469	10,000	10,000	12,000	2,000
Senior Card Fees			3,915	860	1,000	1,000	1,000	0
Itinerant Merchant Permit			0					0
Taxi Permit	90	30	0	90	50	50	100	50
Building Permit	3,480	2,390	2,055	1,345	1,000	1,000	1,515	515
Access Permit Fees	6,077	350	8,827	14,147	7,000	7,000	7,000	0
Subdivision Permit			283	90				0
Total Permits & Fees	105,000	105,281	134,096	153,256	147,050	136,050	103,615	(32,435)
Property Leases	69,040	59,520	58,975	79,878	60,000	70,000	53,000	(17,000)
Dump Waste		3,150	5,640					0
Material Sales	56	1,369	7,702	1,032	1,000	1,000	1,000	0
Equipment Rentals	1,050			2,601				0
Total Local Revenue	70,146	64,039	72,317	83,511	61,000	71,000	54,000	(17,000)
Police Fines	6,501	6,620	9,587	5,253	7,000	7,000	10,000	3,000
DMV Commissions	61,621	57,765	60,165	59,730	57,000	57,000	60,000	3,000
Trooper Dispatch Service	10,000	10,000	10,000	10,000	10,000	10,000	10,000	0
Contract Jail Service	228,460	393,904	393,904	397,304	377,760	286,584	286,584	0
Klawock Dispatch Service	50,137	50,485	50,486	50,485	50,000	50,000	50,000	0
USDA Forest Service Dispatch			3,000	0	3,000	3,000	3,000	0
Misc. Revenue	827							0
Total Public Safety Revenue	357,546	518,774	527,142	522,772	504,760	413,584	419,584	6,000
Parks Donations (Flwr Baskets)	620	0	300	0	500	0		0
Interest Income (ckng & CD)	1,962	0	8	13	0			0
Interest Income (A/R)	4,851	3,576	5,341	4,537	4,500	1,000	1,000	0
Misc. Other	5,141	12,324	3,929	4,189	5,000	5,000	5,000	0
Total Other Revenue	12,574	15,900	9,578	8,739	10,000	6,000	6,000	0
Total GF Revenues	3,171,212	3,581,694	3,958,672	3,859,840	3,844,068	3,689,040	3,402,860	(286,180)

Administration Department: The City Administrator is responsible for the overall management, administration and direction of the city operations; the hiring, disciplining and terminating of City employees; the negotiation, execution and administration of City contracts within budget appropriations, policy advice to elected officials and open communication with the community.

The City Clerk is responsible for recording and maintaining the official records of the city, preparing agendas and transcribing minutes of the City Council meetings.

The finance department is responsible for all accounting, budgeting and financial information services for the City of Craig. These services include procurement, accounts payable, property and sales tax collection, water, wastewater, and sanitation utility billing and collection. The finance department collects city leases and other fees such as harbor moorage, ambulance, and pool passes.

Personnel: City Administrator, City Clerk, City Treasurer, three accounting clerks (5.5 FTE)

Mission

To ensure that all financial transactions are processed and recorded in a timely manner consistent with Generally Accepted Accounting Principles and sound financial management techniques. The department continually monitors and evaluates the condition of all City Funds and account groups, and to provide for high returns on investments while minimizing risk. Improve internal systems to maximize efficiency and deliver quality customer service. Provide a uniform method for the management, preservation, retention, and disposal of City records.

2015-2016 Accomplishments

- Implemented purchase cards for departments
- Aided in repairing old logging roads on the island
- Drafted ordinance changes due to legalization of marijuana
- Completed safety program goals
- Completed Water Source project and secured funding
- Finalized plans for phase four of street paving

2015-2016 Goals

- Continue completion of unqualified opinions of financial audits
- Continue to seek funding for Capital Improvements
- Continue to improve customer service for Craig citizens

FY2017 BUDGET WORKSHEET
GENERAL FUND
DEPARTMENT EXPENDITURES

<i>Administration Expenses</i>	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 Budget	FY 2017 Budget	% Change
Salaries	306,053	307,713	279,606	301,131	305,555	292,697	298,250	2%
Benefits & Unemployment	186,369	237,337	265,411	255,106	190,702	146,948	127,249	13%
Professional Services	87,445	125,589	120,573	129,469	159,300	136,600	130,700	4%
Employee Travel, Education, & Due	16,124	10,458	10,715	15,994	26,120	17,795	14,995	16%
Materials & Supplies	10,862	14,787	17,696	15,035	11,450	11,200	15,741	29%
Utilities	15,040	19,073	17,762	14,989	16,900	17,500	17,500	0%
Repairs & Maintenance	5,860	3,127	3,955	4,413	3,808	4,308	4,308	0%
Notices	699	713	2,704	3,567	4,360	1,700	1,700	0%
Insurance	6,560	4,208	2,958	1,203	3,600	3,600	5,345	33%
Contributions	10,941	13,109	15,382	12,342	13,290	15,790	11,290	28%
Bank Fees	5,270	6,159	6,697	5,642	7,000	5,000	5,000	0%
Bad Debt Write-Off	12,430	6,631	2,287	35,923	1,000	1,000	1,000	0%
Safety				0	10,000		2,000	100%
Miscellaneous	5,538	1,668	1,717	2,688	1,000	500	500	0%
Small Equipment		1,664	6,738	7,837	2,000	1,000	2,000	50%
Equipment > \$5000		5,695	17,562	12,001				
Capital Improvement		0	4,735	1,199			0	
Total Administration Expenses	669,191	757,931	776,498	818,539	756,085	655,638	637,578	3%

Administration

FY 2017

		<u>Amount</u>
Salaries		\$ 298,250
Benefits	127,249	127,249
Unemployment		0
Professional Services		115,500
Property Assessment (includes Bd of Equalization)	22,000	
Audit (FY2016 & sales tax)	40,000	
Legal Fees	12,000	
Lobbyist	36,000	
Web Page Design	5,500	
Contract Services		15,200
IT Support	5,000	
AccuFund Support	8,200	
Cleaning	1,500	
Newsletter Publishing	500	
Travel		10,250
SE Conference	2,000	
City Clerk Conference	1,000	
Misc Travel	5,000	
Finance Travel	2,250	
Education & Training		
Education & Training	100	900
City Clerk Conference	200	
Finance Conferences	600	
Dues		3,845
SE Conference	870	
AK Municipal League	1,770	
AK Assoc of City Clerks	195	
National & AK Government Finance Assoc	255	
Chamber of Commerce	400	
Public Retirement Dues	105	
Misc Dues	250	
Materials and Supplies	2,841	15,741
Office Supplies	6,000	
Misc Supplies	1,000	
Ketchikan Daily News	200	
Postage	4,000	
Freight	1,000	
Vehicle fuel	700	

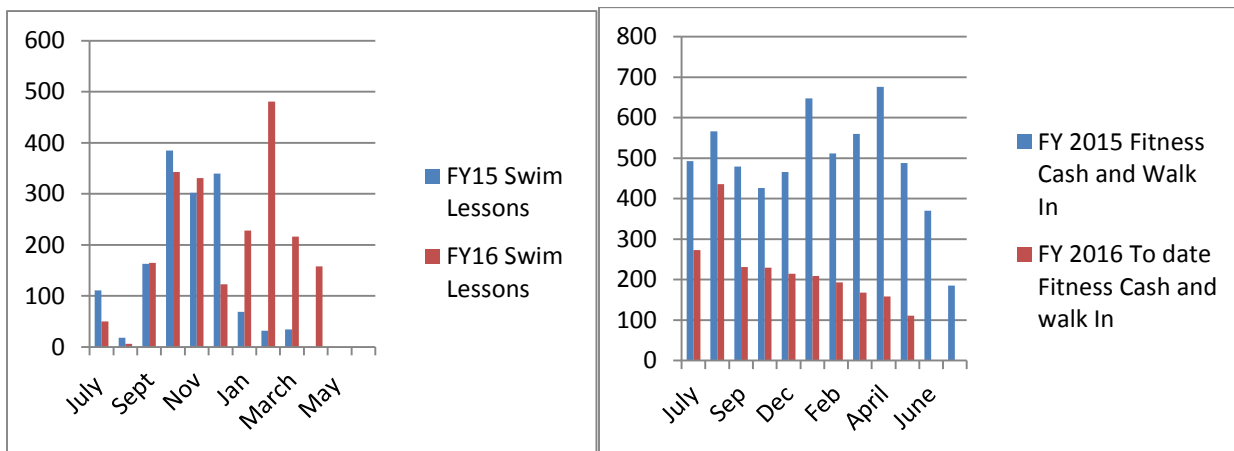
Administration

FY 2017

		<u>Amount</u>
Utilities		17,500
Electric	5,500	
Heating Fuel	5,000	
Telephone	7,000	
Repairs & Maintenance		4,308
Equipment Repairs	1,000	
Equipment Maint Agreement	1,800	
Postage Meter Lease	1,308	
Building - Annual Flowers	200	
Other Expenditures		9,045
Notice & Advertising	1,500	
Recording Fees Vehicle License	200	
Insurance	5,345	
General Liability		
Property		
Safety	2,000	
Contributions		11,290
Catholic Community Service (Senior Services)	6,790	
4th of July Celebration	500	
POW Marathon	500	
KRBD	0	
Power	1,500	
POW Health Network	1,000	
Misc Contributions	1,000	
Credit Card Fees	5,000	5,000
Bad Debts for Property tax, sales tax,	1,000	1,000
Miscellaneous Expenses	500	500
Misc Small Office Equipment	2,000	2,000
Computer upgrades		
Capital Improvement		0
		<hr/>
		\$ 637,578
		<hr/> <hr/>

Personnel: Director, Lifeguards (3 FTE)

The Aquatic Center provides for very large range users from daily exercise, complete sports and leisure to physical therapy. The Aquatic center provides an “out of the weather” activity for children, adults and seniors for the entire island. One of the major services the Aquatic center provides is the “learn to Swim” program. The Aquatic center provides swim lessons to almost every school yearly. Since we are surrounded by water it is with utmost importance that we provide for our youth with the understanding of water safety. For the fiscal year of 2015 the Aquatic Center provided lessons to over 375 infant, youth and adults. There was a decline in youth due to smaller school sizes. The Aquatic center also has a land fitness area and fitness room. The Aquatic center has seen over 4,500 visits over the last fiscal year. This number includes punch pass, pass, and cash visits. In the coming years we would like to see a larger fitness area with more equipment. This year we are expecting to be able to put a few new pieces of equipment in the fitness room.



2015-2016 Accomplishments

- Secured the bid and contractor for the construction of the building.
- Hired a head lifeguard to replace Kristy
- Succeeded in getting all schools through swim lessons
- Provided extra swim lessons to the public
- Provided public Lifeguarding Course
- Provided “mommy and Me” classes for infants
- Provided Adult swim lessons
- Monthly safety and in service training at the pool for employees

2016-2017 Goals

- Complete the construction and shut down and be open in September
- Hire for full time swim coach position
- Provide additional public swim lessons monthly
- Provide public lifeguard course as needed or demanded quarterly
- Have a full and dedicated staff
- Provide each school with lessons
- Order two new pieces of fitness equipment

**FY2017 BUDGET WORKSHEET
GENERAL FUND
DEPARTMENT REVENUES**

<i>Aquatic Center Expenses</i>	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 Budget	FY 2017 Budget	% Change
Salaries	159,603	164,322	153,244	90,625	136,898	167,213	139,452	-17%
Benefits & Unemployment	94,448	99,070	95,245	48,643	114,608	105,982	104,038	-2%
Professional Services	7,891	5,408	5,000	3,262	11,189	4,000	4,000	0%
Employee Travel, Education, & Dues	32	345	1,000	1,524	3,706	14,969	5,020	-66%
Materials & Supplies	23,591	21,823	15,100	24,087	19,392	15,000	10,703	-29%
Utilities	140,418	127,874	120,200	105,939	107,010	126,700	126,700	0%
Repairs & Maintenance	13,806	22,652	12,000	11,228	8,908	7,500	5,674	-24%
Recording				1,712	172			
Insurance	11,813	1,670	11,000	4,283	4,632	7,115	6,300	-11%
Credit Card Fees	0		250	0	582	250	250	0%
Bad Debt Write-Off	911							
Other					450			
Equipment Purchase			7,525	22,102	12,964	500	5,690	1038%
Debt Service	159,167	450,376	127,936	123,913	119,600	135,000	136,488	1%
Capital Improvement	39,877		13,055			0	0	
Total Swimming Pool Expenses	651,557	893,540	561,555	437,318	540,111	584,229	544,315	-7%

Aquatic Center

FY 2017

		<u>Amount</u>
Salaries		\$ 139,452
Benefits	104,038	104,038
Contract Services		
Class Instructors	0	4,000
Water Sample Testing	4,000	
Employee Travel, Education, & Dues		5,020
Travel (CPO Training Anchorage & Lifeguard instructor)	2,800	
Training	1,670	
Lifequarding Certifications	550	
Materials		10,703
Safety Equipment & First Aid Supplies	2,300	
Office & Cleaning Supplies	4,620	
Chemical Pool Cover	2,000	
Chemicals		
Paint & Painting Supplies	1,783	
Freight		
Utilities		126,700
Electricity (Closed for 3 months, 5.18% APT increase)	42,000	
Heating Fuel (Propane)	45,000	
Telephone DSL	4,700	
Wood Chips	35,000	
Maintenance		5,674
Misc Repairs	674	
Pumps & toy repair & misc		
Boiler Repairs	2,500	
Building & Grounds Maintenance	2,500	
Insurance		6,300
General Liability	6,300	
Property		
CC Fees	250	250
Equipment Purchases		5,690
Treadmill	1,295	
Stair Climber	4,395	
Capital Improvement	0	
Debt Payments		
Bond Pmt	136,488	136,488
TOTAL		<u><u>\$ 544,315</u></u>

**FY2017 BUDGET WORKSHEET
GENERAL FUND
DEPARTMENT EXPENDITURES**

<i>Council Expenses</i>	FY2011	FY2012	FY 2013	FY 2014	FY 2015	FY 2016 Budget	FY 2017 Budget	\$ Change
Salaries	14,700	15,825	14,709	16,251	15,153	14,700	14,700	0%
Benefits	60,019	51,661	45,795	47,984	114,392	87,308	122,046	40%
Council Elections	2,698	1,847	965	528	745	2,500	2,500	0%
Employee Travel, Education,	4,913	3,515	3,788	12,546	8,509	7,925	7,925	0%
Materials & Supplies	51	313	0	755	436	150	150	0%
Telecommunications								
Insurance	254	86	382	64	715	715	300	-58%
Contributions								
New Equipment								
Other-(SE Conf)								
Total Council Expenses	82,635	73,247	65,639	78,128	139,950	113,298	147,621	30%

Council

FY 2017

Council Salaries	12-5110	\$	14,700
Benefits		122,046	122,046
Contract Services			
Election Judges:	12-5331	650	2,500
Ballots		1,000	
Auto Ballots		850	
Employee Travel, Education, & Dues			
Travel		6,300	7,925
Mayor Washington DE	12-5410		
SE Conference	12-5420		
Round Table			
Education		1,450	
Dues			
SE Conference	12-5430	0	
AK Conference of Mayors		50	
AML Conference		125	
Misc Supplies	12-5510	150	150
Insurance			300
General Liability			
Property			
			<hr/>
		\$	147,621
			<hr/>

Emergency Medical Services are provided by the City with two equipped ambulances.

Personnel: Director, EMT I and volunteers. FTE: 2.75

2015-16 Accomplishments

- Received grant funding for a new 2017 sprinter ambulance.
- Organized and conducted a mini Symposium for the POW Island EMS departments.
- The garage was built for the second ambulance.
- Partnered with the Health Network to develop a live training platform for all POW island EMS squads.
- Obtained grant funding to purchase equipment to support our training partnership. We will put a new laptop in each community.
- Maximized our cost savings through sharing bulk order supply's with other communities on the island. We threw away less outdated or expired supplies.

2016-2017 Goals

- Continue to make Craig EMS a better department that puts patient CARE as our number one priority
- Develop an online didactic training for the island with skill sets for ETT and EMT
- Maximize revenue from insurance, learn new billing process
- Find a permanent physician sponsor for Craig EMS

**FY2017 BUDGET WORKSHEET
GENERAL FUND
DEPARTMENT EXPENDITURES**

<i>Emergency Medical Services</i>	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 Budget	FY 2017 Budget	% Change
Salaries	18,175	33,328	45,870	75,413	84,333	91,924	88,196	-4%
Benefits & Unemployment	58,887	13,099	46,612	54,598	41,475	53,129	48,278	-9%
Contracted Services	5,238	7,238	10,878	6,444	4,614	3,748	2,500	-33%
Employee Travel, Education, & Due	1,183	8,938	5,370	10,489	4,122	3,800	6,320	66%
Materials & Supplies	7,730	8,986	17,488	13,631	17,677	15,400	13,900	-10%
Utilities	1,640	1,575	1,575	5,373	5,405	5,300	4,300	-19%
Repairs & Maintenance	1,335	356	356	6,352	3,524	1,000	750	-25%
Recording/Permits	10	150	150	10	0	650	650	0%
Insurance	2,447	635	635	1,361	2,133	2,610	3,870	48%
New Equipment				0		1000	1,500	50%
Equipment Replacement								
Bad Debt Write-Off	22,678	17,500	12,494	19,564		0	0	
Capital Improvement		2955	2954	0	3293	0	0	
Total EMS Expenses	119,323	94,760	144,382	193,235	166,576	178,561	170,264	-5%

Emergency Medical Services

FY 2017

		<u>Amount</u>
Salaries		\$ 88,196
Benefits	48,278	48,278
Contract Services Software		2,500
Systems Design	2,500	
E Dispatches		
Employee Travel, Education, & Dues		6,320
Travel	2,300	
EMTIII		
DR	2,000	
Symposium	300	
Education & Training		
Webinars - ETT, EMTII, EMT III, CPR	4,020	4,020
Materials & Supplies		13,900
Office supplies	500	
Medical Supplies	8,500	
Equipment Supplies	2,500	
Class Materials	500	
Postage	300	
Freight	600	
Vehicle Fuel (250gal @ \$4.00)	1,000	
Utilities		4,300
Telephone	2,200	
Old Clinic Fuel	1,100	
Old Clinic Electric	1,000	
Maintenance & Repairs		750
Vehicle Repairs (Budgeted in Public Works)	-	
Dept Maintenance	750	
Vehicle Licensing & Permits		0
Insurance		3,870
General Liability	583	
Property	3,287	
Vehicle		
Permits	650	650
Bad Debts		
Small Equipment		1,500
Washer & Dryer	1,500	1,500
Equipment >\$5000		
Capital Improvements		<u>0</u>
TOTAL		<u><u>\$170,264</u></u>

FACILITIES & PARKS

GENERAL FUND

The facilities and parks department performs maintenance and repairs for the municipal buildings and parks. The city currently has city hall, library, aquatic center, Biomass boiler, wood shop, gymnasium, day care center, fire hall, and three small parks.

Personnel: Director, Maintenance
Workers FTE: 2.75

2015-2016 Accomplishments

- Finished breezeway between Daycare and City gym
- Automation improvements and O2 sensor repair on wood boiler
- Annual wood boiler maintenance
- Totem park pole lighting upgrade project
- Sandy beach road and parking improvements
- Finished siding on Harbormaster building
- PPF shop cleanup, remodel, and organization
- Parking light LED upgrade at Library, DMV, Police Station, and outdoor ball court
- Interior LED lighting upgrade at DMV
- Drain installation at Totem park
- Help oversee fire hall annex construction
- Cemetery cross replacement project
- Addressed emergency maintenance repairs on facilities and parks as needed

2016-2017 Goals

- Ralph James park playground equipment upgrade
- Lagoon beach cleanup and picnic area upgrades
- Help oversee Aquatic center upgrade. Make repairs on existing equipment not addressed in construction
- Construct chemical storage shed at Aquatic center
- Paint City Gym
- Paint Seaplane building
- Annual wood boiler maintenance
- Replace front support columns at childcare center
- New roof on Ralph James shelter
- Fix & repair gravel on cemetery island trail, Sandy Beach trail, and E. Hamilton path
- City Gym and City Hall roof gutter replacement
- Ralph James bathroom window replacement
- Continue to address maintenance issues throughout city as required
- Continue to build inter-departmental relationships for more efficiency

**FY2017 BUDGET WORKSHEET
GENERAL FUND
DEPARTMENT EXPENDITURES**

<i>Parks/Facilities Expenditures</i>	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 Budget	FY 2017 Budget	% Change
Salaries	86,413	105,038	97,748	112,855	104,611	121,583	131,330	8%
Benefits & Unemployment	55,078	44,769	62,265	63,945	104,154	78,056	91,478	17%
Contracted Services	8,191	5,256	5,140	4,995	5,155	7,200	7,200	0%
Employee Travel, Education	0	1,275	0	1,827	4,040	0	0	
Materials & Supplies	9,293	10,347	8,363	10,938	7,746	5,800	6,760	17%
Utilities	15,175	17,075	12,173	12102	15370	13000	12,200	-6%
Repairs & Maintenance	7,765	14,982	11,829	6,437	13,833	0	11,900	
Insurance	10,346	8,484	4,975	6,220	5,321	10,133	8,025	-21%
Recording/Permits & Misc.	20	10	20	10				
Equipment	1,345	1,442	0	0	1,713	0	4,070	
Capital Improvement	0	6,305	0	0	0	50000	3,500	-93%
Total Parks/Facilities Expenses	193,626	214,983	202,513	219,329	261,943	285,772	276,463	-3%

Parks & Public Facilit FY 2017

	Amount	
Salaries	\$	131,330
Benefits	91,478	91,478
Contractor Services		7,200
Janitorial - Float Plane	7,200	
New Clinic Alarm		
Education & Training		0
Material & Supplies		6,760
Fertilizer/Seed/chips for parks	4,260	
Freight		
Equipment Fuel(1000@2.50)	2,500	
Utilities		12,200
Electricity (Shop & POW Health)	6,000	
Heating Fuel	3,000	
Telephone	600	
New Clinic Alarm telephone	2,600	
Maintenance & Repairs		11,900
Building Maintenance		
Paint City Gym	2,700	
Paint Seaplan building	1,700	
Roof R James Park shelter	3,000	
Child Care Center Support Column	1,000	
Gym & City Hall Gutter	3,000	
R James Bathroom	500	
Insurance		8,025
General Liability	933	
Property	7,092	
Vehicle		
Equipment		
Small Equipment		4,070
Flamable Liquids Locker	1,070	
Compound Miter Slide Saw	500	
Spare Toyo Stove	2,500	
Equipment > 5000		0
Gater (funded from Equip. Grant	0	
Capital Improvements		3,500
New Shop Door	3,500	
TOTAL		\$276,463

The Craig Fire Department responds to fire calls within the city limits and has memoranda of agreements with area communities. The firemen are an all-volunteer staff of 14.

Craig Volunteer Fire Department is composed of a group of volunteers from a variety of skill backgrounds. We have selected candidates for the department based on their ability to respond to a variety of fire call situations. For example, we recruited auto mechanics to be our motor vehicle extrication specialists, electric company workers to handle electric power issues at the fire scene, harbor department employees to direct activities when boat fires occur, Forest Service employees to handle wildland interface situations, and the local fuel distributor to manage hazmat incidents. Each of these firefighters are trained in their area of expertise by their employer and brings individual, and critical, skills to the fire department.

As a part of our organizational structure we have a 'first responder' that always reports directly to the fire scene, while the rest of the firefighters report to the fire hall. The first responder assesses the fire situation, determines if rescue is necessary, locates the nearest hydrant, decides what special equipment may be necessary, and reports this information to the responding apparatus while the fire trucks are en route to the fire. In this way, no time is wasted in scene appraisal when the apparatus arrives. This response structure has resulted in more than a few 'saves' and regularly results in less fire damage and suppression damage at fire scenes.

2016-2017 Goals

- Recruit new Fire Chief
- To work more closely with the developing fire departments on Prince of Wales Island, e.g., Hollis, Naukati, to assist them with organizational development and equipment acquisition and training.
- To retain and/or recruit a full team of firefighters willing to participate fully in training exercises.

**FY2017 BUDGET WORKSHEET
GENERAL FUND
DEPARTMENT EXPENDITURES**

<i>Fire Expenses</i>	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 Budget	FY 2017 Budget	% Change
Salaries				758	0	0	3,600	
Benefits & Unemployment	693	1,252	1,780	1,698	998	4,186	4,186	0%
Contracted Services	7,500	9,000	6,750	4,625	4,369	4,200	0	-100%
Employee Travel, Education, & Dues	22	50	150	0	375	2,100	0	-100%
Materials & Supplies	675	6,380	3,732	1,958	3,526	1,400	0	-100%
Utilities	3,485	5,635	4,864	4,784	5,143	3,800	3,800	0%
Repairs & Maintenance	4,365	476	1,937	687	25	2,000	0	-100%
Insurance	3,188	3,716	2,298	2,437	0	4,000	4,020	0%
Recording/Permits & Misc.	35		142					
Equipment	4,085			13,043	2,532	10,371		-100%
Capital Improvement						0		
Total Fire Expenses	24,048	26,509	21,653	29,990	16,968	32,057	15,606	-51%

Fire

FY 2017

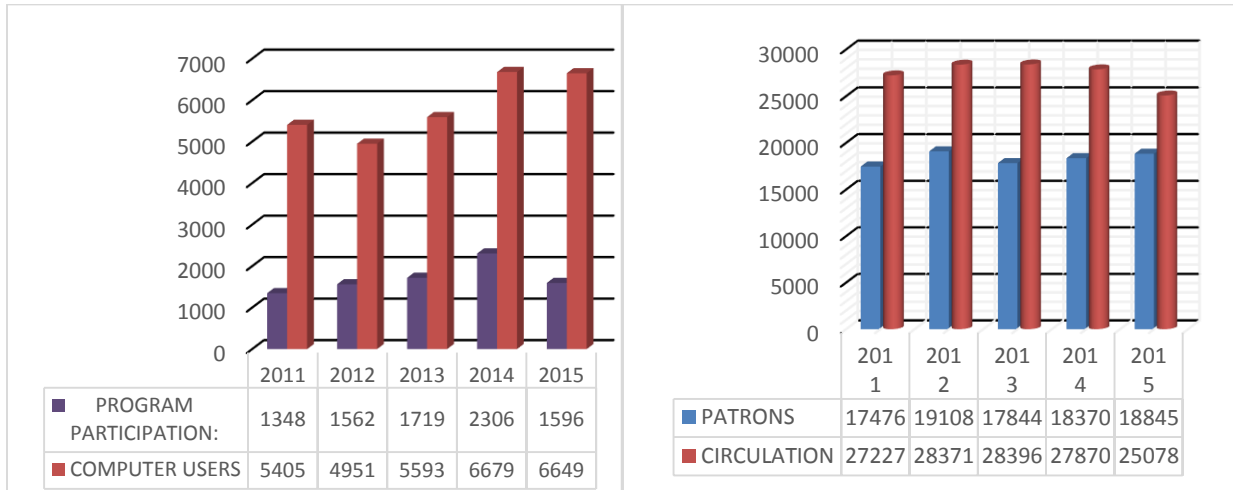
	<u>Amount</u>
Volunteers	3,600
Work compensation Insurance	4,186
Contract Services	0
Employee Travel, Education, & Dues	0
Travel	
Education & Training	
Materials & Supplies	0
Vehicle supplies	
Postage	
Freight	
Utilities	3,800
Electric	1,500
Heating fuel	2,000
Vehicle Fuel (200gal @ \$3.50)	300
Telephone	
Maintenance & Repairs	0
Vehicle Repairs	
Dept Maintenance	
Vehicle Licensing & Permits	
Insurance	4,020
General Liability	105
Property	3,915
Vehicle	
Small Equipment	0
Equipment >\$5000	0
Capital Improvements	
TOTAL	<u><u>\$15,606</u></u>

LIBRARY

GENERAL FUND

Personnel: Librarian, PT Library Technician (1.5FTE)

Department Description: Provides to the public a wide selection of nonfiction, fiction, children, and young adult books. The library's collection emphasizes Alaska nonfiction and fiction. The library also has audio books, magazines, videos, and computers for internet access. The book collection is available for check out by the public who has been issued a library card. The library offers diverse education programs through conferencing. The library is open Monday through Saturday with limited evening hours.



2014-2015 Accomplishments

- Volunteer numbers expanded and library open regular hours in the evenings
- Secured Crossett grant, via VISTA, for early literacy programming
- Increased preschool story times to include Headstart and Child Care
- Expanded proctoring services & Book Club Support
- Secured Rasmuson grant for new circulation desk and circulation system upgrades
- Library card catalog is online for increased patron access
- NaNoWriMo November writing group support
- Expanded youth internet access with in-house laptop check-outs
- Partnered with POW Health Network to offer classes- gardening series, films series
- Supervised VISTA partnership & Offering computer use classes, VISTA support
- No Job Seeker Left Behind Classes, via VISTA
- Expanded STEAM Programming, including Hour of Code and work with NASA
- Had our STEAM Programs featured by the National Science Foundation as a model for small rural libraries

2015-2016 Goals

- Finish revising policy manual and submit for Council approval
- Further develop early literacy program
- Set up a library homebound services program
- Set up a seed share program in partnership with the Community Garden
- Partner with the HS library to increase eBook check-out via the Alaska Digital Library
- Continue to support and expand the volunteer program
- Seek grant funding for some library updates and new materials
- Expand computer use classes via VISTA support

**FY2017 BUDGET WORKSHEET
GENERAL FUND
DEPARTMENT EXPENDITURES**

<i>Library Expenditures</i>	FY 2011	FY 2012	FY2013	FY 2014	FY 2015	FY 2016 Budget	FY 2017 Budget	% Change
Salaries	47,022	50,321	52,216	60,382	68,022	63,017	60,750	-4%
Benefits & Unemployment	3,777	24,939	41,450	46,016	31,605	14,010	46,624	233%
Contracted Services	1,615	793	273	401	2,248	0	1,350	
Employee Travel, Education	1,208	1,291	2,603	1,313	1,656	235	235	0%
Materials & Supplies	9,945	12,663	9,560	10,988	17,385	9,650	10,215	6%
Utilities	5,183	7,070	6,255	5,190	5,911	8,460	8,460	0%
Repairs & Maintenance	0	227	296	0	1,033	1,000	1,000	100%
Insurance	582	477	406	689	388	803	803	0%
Recording/Permits & Misc.	62	65	0	0		0	0	
Equipment	0	0	1,119	0		0	0	
Capital Improvement	0	8,363	0	12,950		0	0	0%
Total Library Expenses	69,394	106,209	114,178	137,929	128,248	97,175	129,437	33%

Library

FY 2017

	Acct #	Amount	
Salaries	19-5100	\$	60,750
Benefits	19-5200	46,624	46,624
Contract services	19-5330	0	1,350
Computer support		500	
Interlibrary Loan			
Follett		850	
Employee Travel, Education, & Dues			235
Travel	19-5410		
Library Conference			
Education & Training	19-5430		
AKLA CONFERENCE			
Dues	19-5430	235	
American Library Assoc			
AKLA CONFERENCE			
Materials & Supplies			10,215
Materials	19-5510	2,880	
Books	19-5531	4,300	
Audio & Visual	19-5535	1,220	
Subscriptions	19-5532	770	
Postage	19-5520	880	
Freight	19-5525	165	
Utilities			8,460
Electric	19-5610	4,500	
Heating Fuel (800 gal @ \$3.50)	19-5620	2,000	
Telephone	19-5630	1,000	
DSL Internet		960	
Maintenance & Repairs	19-5700		1,000
Repairs		1,000	
Building Maint			
Insurance	19-5800	803	803
Small Equipment Purchases	19-6200		
Equipment >\$5000	19-6300		
Capital Improvements	19-6500		0
			\$129,437

Department Description: The Craig Planning and Zoning Department is responsible for land use issues, building permits, coastal management, emergency planning and economic development. The department reviews development proposals, processes building permits and performs code enforcement for land development issues. The department serves as staff for the five-member Planning Commission. Planning commissioners are appointed by the Mayor. The department manages various land use permits, leases/sales of city land, mapping and capital projects for the city.

Personnel: Planner
FTE: 1

2015/2016 Accomplishments

- Craig Community Streets Phase IV Design
- USACE Cannery Site Harbor Study – Civil Works Review Board
- Alaska Shield 2016 Exercise
- Firehall Annex Building
- Pool Renovation

2016/2016 Projects

- State Legislative and Federal Appropriations Requests for during 2015 legislature
 - Community Streets
 - Harbor Pre construction, Engineering and Design (PED)
 - Fire/EMS Building
- Aquatic Center Renovations
- Tract 15, USS 2611 Subdivision and Residential Land Sale
- Continue with USACE Cannery Site Harbor Project – Preliminary Engineering & Design
- Sell remaining 2 lots in Salmonberry Subdivision
- Commercial Marijuana Legislation/Ordinances
- Aquatic Center Renovations
- Review of City Leases
- Rewrite of Title 2.28 – Civil Defense Agency
- Continued Population of MARS Data

**FY2016 BUDGET WORKSHEET
GENERAL FUND
DEPARTMENT EXPENDITURES**

<i>Planning Expenses</i>	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 Budget	FY 2017 Budget	% Change
Salaries	31,558	39,374	38,518	48,102	46,128	47,848	50,619	6%
Benefits & Unemployment	40,954	42,547	45,234	41,388	52,488	36,333	38,314	5%
Contracted Services	2,112	179	179	219	322	0	0	
Employee Travel, Education,	1,778	1,933	1,005	279	313	500	0	-100%
Materials & Supplies		2,465	1,399	256	337	1,050	800	-24%
Utilities						0	0	0%
Repairs & Maintenance	3,326	0	0			0	0	0%
Insurance		139	6	71	20	20	284	1320%
Recording/Permits & Misc.		503	100	60	624	1,200	1,100	-8%
Equipment		8,151		1,000	611	0	0	
Capital Improvement		0	0					0%
								0%
Total Planning Expenses	\$79,728	\$95,291	\$86,441	\$91,375	\$100,843	\$86,951	91,117	5%

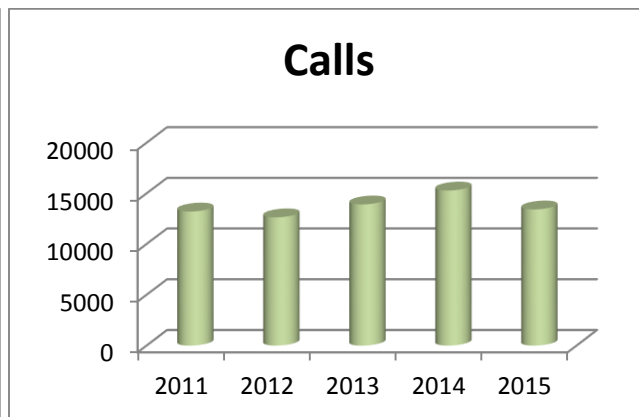
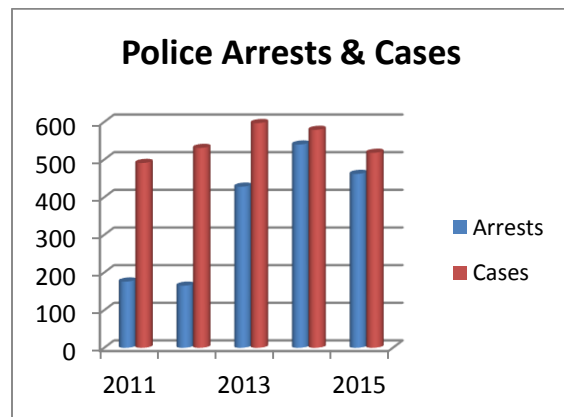
Planning

FY 2017

Salaries		\$	50,619
City Planner, (6,000 Reimb LEPC Grant)			
Benefits	38,314		38,314
Contractual Services	180		
Employee Travel, Education, & Dues			0
Plan Commissioner Training, Conference			
Materials & Supplies	500		800
Books, Subscriptions	300		
Postage			
Freight			
Equipment Repairs			0
Advertising - Legal Notices	1000		1,000
Recording	100		100
Insurance			284
Equipment Purchases			0
Total		\$	91,117

The Police Department is responsible for the public safety of the citizens of Craig, AK. The police department provides a secure facility for housing prisoners for Prince of Wales Island.

Personnel: Police Chief, Sergeant, three (3) Officers, Six(6) Dispatchers (10.5 FTE)



Department is fully staffed, all the newest hire have completed Jail Officer's Certification. Traci McIntire has completed training for TWIC / TSA / Hazmat Prints / DMV to take over duties that Linda Arrant had, prior to her retirement.

Jail Policy Manual updated and had jail audit completed; receiving higher than average for being in compliance.

AST & USFS contracts renewed and secured. Funding amounts, same as prior year.

New office space acquired, completed with exception of obtaining hardware/software to video link with court, once they move Klawock. This will eliminate the need to transport prisoners to Klawock, for almost all hearings.

Crown Vic's phased out and Ford Expeditions obtained through USFS at a discounted price.

Finalized installation, hardware and software, for Electronic Citations / Accident Reporting and officers are currently using.

Upcoming Projects:

- Installing second Apsin Terminal
- Obtain DMV License Testing Computer
- Send Ofc. Bryan Bixler to Police Academy
- Obtain Funding for Officers / Dispatchers for Possible upcoming Training

**FY2016 BUDGET WORKSHEET
GENERAL FUND
DEPARTMENT EXPENDITURES**

<i>Police & Jail Expenditures</i>	FY 2011	FY 2012	FY 2013	FY 2014	FY 2014	FY 2015	FY 2016 Budget	FY 2017 Budget	% Change
Salaries	455,478	462,566	471,371	499,965	518,194	496,775	509,465	505,812	-1%
Benefits & Unemployment	299,732	306,899	311,614	345,744	339,094	488,067	361,172	348,378	-4%
Contracted Services	2,057	2,271	3,027	2,301	1,000	3,851	1,000	1,000	0%
Employee Travel, Education, & I	3,134	4,143	2,886	3,474	2,000	5,045	2,000	2,000	0%
Materials & Supplies	37,421	46,736	39,471	42,329	39,300	50,737	38,900	39,000	0%
Utilities	21,504	22,296	22,165	22,926	24,500	21,905	25,518	25,018	-2%
Repairs & Maintenance	13,417	7,044	4,892	6,056	1,000	2,643	1,000	0	-100%
Insurance	17,210	11,401	7,564	10,364	14,705	9,594	14,705	8,571	-42%
Recording/Permits & Misc.	1,174	627	2,658	1,867	900	772	2,100	1,700	-19%
Credit Card Fees				1,375	1,200	1,641	0	0	
Equipment	1,817	1,178	6,615	10,174	1,000	529	1,000	0	-100%
Capital Improvement	5,746	9,382	14,874				0	0	
Police & Jail Expenses	858,690	874,543	887,137	946,575	942,893	1,081,559	956,860	931,479	-3%

Police

FY 2017

		<u>Amount</u>
Salaries		505,812
Benefits	348,378	348,378
Contract Services		1,000
IT Support	1,000	
Travel & Education		2,000
Travel	2,000	
Education		
Materials & Supplies		39,000
Uniforms		
Patrol Officer supplies	3,000	
Office supplies	3,000	
Jail Supplies	4,000	
Jail Food	18,000	
Vehicle Fuel (4300 @2.50)	10,000	
Postage	1,000	
Freight		
Utilities		25,018
Electric	10,518	
Heating (1600gal @ \$4.00)	4,500	
Telephone	10,000	
Maintenance & Repairs		0
Vehicle Repairs	0	
Building & Grounds Maint		
Advertising		
Licensing Vehicles & Software		900
Credit Card Fees		800
Insurance		8,571
General Liability	3,124	
Property Liability	1,320	
Vehicle	4,127	
Small Equipment		0
Equipment >5000		0
Capital Improvements		
TOTAL		<u><u>\$931,479</u></u>

The Public Works Department operates and maintains the city water and sewer utilities as well as collects garbage and maintains the streets. The Department also services and maintains the City's vehicles.

The Department assists and supports other Departments in the City as needed. The crew supports the Police Department by towing vehicles, the Harbors and Facilities Departments with equipment, materials and manpower.

Personnel: Director,
Water Treatment
Operator, Wastewater
Treatment Operator,
Mechanic/Garbage,
Utility Worker
FTE: 7

2015-2016 Accomplishments

- Completed oversight of the construction of the North Fork Dam.
- Final completion of the City of Craig Water and Wastewater Master Plans.
- Expanded garbage collection to Port St. Nicholas residents along the paved road.
- Participated in planning of City projects/improvements: City Phase 4 Paving Project, Fire hall Annex, Fuel Dock Rebuild.
- Refurbished Sandy Beach Road.
- Continued operation and maintenance of the City utilities.
- Purchased equipment.

2016-2017 Goals

- Oversee construction of the City Phase 4 Paving Project.
- Continue Motor Pool Maintenance Program.
- Continue efficient operation of the City Utilities and services.

**FY2017 BUDGET WORKSHEET
GENERAL FUND
DEPARTMENT EXPENDITURES**

<i>Public Works Expenditures</i>	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 Budget	FY 2017 Budget	% Change
Salaries	80,844	66,989	110,944	98,716	102,875	126,363	128,984	2%
Benefits & Unemployment	66,401	45,815	51,197	69,421	114,172	87,598	94,597	8%
Contracted Services	598	543	517	440	519	500	500	0%
Employee Travel, Education, & Due	235	1,906	1,922	665	0	1,675	675	-60%
Materials & Supplies	5,513	6,534	10,379	16,189	20,237	19,540	16,100	-18%
Utilities	27,758	32,256	25,469	19,713	17,017	18,100	18,100	0%
Repairs & Maintenance	5,407	6,712	6,390	6,142	21,196	17,000	24,500	44%
Insurance	7,269	4,915	2,558	2,944	3,949	4,979	5,653	14%
Recording/Permits & Misc.	535	576	50	0	3,896	50	0	-100%
Equipment	0	3,021	2,080	3,727	0	0	0	
Capital Improvement	0	6,000	0	0		0	0	
Total Public Works Expenses	194,560	175,267	211,506	217,957	283,861	275,805	289,110	5%

Public Works

FY 2017

	Amount	
	\$	
Salaries		128,984
Employee Benefits	94,597	94,597
Contractual Services		500
Drug Testing	300	
Equipment Lease	200	
Travel & Education		675
Misc Travel	500	
Training	0	
Dues	175	
Material & Supplies		16,100
Misc Supplies	2,500	
Office Supplies	1,000	
Shop Supplies	2,000	
Shop Tools	1,500	
Equipment Fuel (1200 @2.50)	6,600	
Propane	500	
Postage	2,000	
Freight		
Utility		18,100
Electricity, Street Lights	6,000	
Electricity	4,500	
Heating Fuel (1200gal @ \$4.00)	4,800	
Telephone/DSL	2,800	
Repairs & Maintenance		24,500
Equipment Repairs	2,500	
Street Light Maint.	500	
Building maint.	1,500	
Department Fleet Maint.	20,000	
Miscellaneous		5,653
Advertising	500	0
Vehicle Licensing	100	
Insurance		
Property Liability	1,880	
General Liability	921	
Auto	2,252	
Small Equipment	1,500	
Equipment > \$5000		
	0	0
TOTAL		\$289,110

RECREATION

GENERAL FUND

Personnel: Director (1 FTE)

Purpose: To enhance the quality of life in Craig, to make this a desirable place to live and have a family. To make sure that all of my young participants avoid the court system and Juvenile probation. Be a role model, mentor and guide to the youth of the community. To promote all Recreation Activities and community events thru the weekly radio show, newspaper articles, calendar and Facebook posts, email and posters, interagency meetings, SB meetings, City Council, POW Health Network

2015-2016 Accomplishments

- Ran a successful afterschool program with the help of part time.
- The Rec Center is has extended hours with new activities.
- Offers class on Tuesday evenings with a certified Yoga instructor
- Spanish Conversation with volunteer on Wednesdays at 6pm.
- Jeri Rosenthol offered art classes
- Magic and D and D continues on Saturday afternoons with Jon Wilburn The Rec Center has been open Saturday nights.

2016-2017 Goals

- To add more Family game nights, Teen game nights and Dances
- Work with AA , POW Health Network
- Continue the After School Program: Mon-Thur. 3-5 & Friday 2-5
- Continue with food, crafts, games, outdoor activities, sports, science & games.

**FY2017 BUDGET WORKSHEET
GENERAL FUND
DEPARTMENT REVENUES**

<i>Recreation Expense</i>	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 Budget	FY 2017 Budget	% Change
Salaries	34,959	35,959	35,959	33,677	37,139	45,291	44,524	-2%
Benefits & Unemployment	27,895	32,070	32,070	33,860	48,693	30,780	31,920	4%
Contracted Services	1,625	1,207	1,207	3,118	2,020	2,500	4,900	96%
Employee Travel, Education, &	0	28	28	0	2,415			
Materials & Supplies	2,319	5,353	5,353	2,559	1,000	1,700	1,665	-2%
Utilities	19,426	17,738	17,738	16,517	11,688	16,000	12,500	-22%
Repairs & Maintenance	1,182	176	176	958	0	1,000	0	-100%
Insurance	1,670	990	990	1,241	2,376	3,411	3,340	-2%
Recording/Permits & Misc.	0	0		0			0	
Equipment	0				0	2,000	0	-100%
Capital Improvement	0	900	900	0	5,433		0	
Total Recreation Expenses	89,076	94,421	94,421	91,930	110,764	102,682	98,849	-4%

Recreation

FY 2017

	<u>Amount</u>	
Salaries		\$ 44,524
Benefits	31,920	31,920
Contract Services		4,900
Classes, Misc. Instructors	2,500	
Janitor	2,400	
Travel		
Instructor		
Materials & Supplies		1,665
T-Shirts -Soccer, V-Ball, B-Ball	1,665	
Office Supplies		
Postage		
Utilities		12,500
Electric	3,500	
Heating Fuel/City GYM (2400 gal @ \$2.50)	6,000	
Heating Fuel/Youth Center (600GAL @ \$2.50)	1,500	
Telephone	1,500	
Maintenance & Repairs		
Equipment Repairs		0
Building Maintenance		
Insurance	3,340	3,340
Equipment Purchases		0
Capital Improvements		
TOTAL		<u><u>\$98,849</u></u>



Enterprise Fund Fiscal Year 2016

May 2016

Purpose: The city's harbor and ports provide safe and secure boat moorage for permanent commercial and sport fishermen. The harbor also has transient moorage for the summer marine traffic. The harbor provides electrical hookups, cranes for offloading, water, and waste disposal. The harbor department manages the boat haul out and storage at the JT Brown industrial park.

Personnel: Harbor master, Two
(2) Assistant Harbormasters,
(3.0 FTE)

2015-2016 Accomplishments

- Replaced planking in harbors
- Ice house delivery system updated
- Established Ice house maintenance schedule
- Worked on updating policies and procedures for harbor
- Worked on State of the Harbor Report
- Started on cleaning up breakwater

2016-2017 Goals

- Rebuild of North & South Cove finger slips
- Rebuild of the South Cove approach and gangway
- Rebuild of broken torsion bars
- Replace the hinges of the float plane dock
- New bull rail at the concrete abutment at float plane dock
- Continue to address garbage problem on breakwater to rectify drainage problem
- Establish a new system on City dock and False Island cranes
- Work on establishing internship program for Harbor Department
- Expand the harbor department website as a way to provide harbor customers with accurate information in regards to boat safety information, policies and procedures, ordinances, links to other agencies that would help reinforce the mission of the harbor.
- Reinforce the idea that the harbor must be run in a businesslike manner to benefit ALL.
- Add LED lights to North & South Cove
- Develop maintenance schedules for ALL harbor equipment
- Work on maintaining a well-trained and motivated staff
- Establish consistent enforcement of approved ordinances, policies and procedures within the harbor

**FY2017 BUDGET WORKSHEET
ENTERPRISE FUND**

Revenues, Cannery	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 Budget	FY 2017 Budget	% Change
Storage				\$2,050	\$2,475	\$1,000	\$2,000	100%
Other Leases	2,650	4,725	4,725	0	6100		0	
Material Sales		101	100					
CD Interest								
Electricity								
Transfer from Endowment Fund/ Grant Revenue		332,500			0			
Total Craig Cannery Revenues	\$2,650	\$337,326	\$4,825	\$2,050	\$8,575	\$1,000	\$2,000	100%

Cannery Expenses	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 Budget	FY 2017 Budget	
Salaries				3,121				
Benefits & Unemployment				592				
Contracted Services	\$4,784			\$1,408		2000	\$0	-100%
Employee Travel, Education, & Dues								
Materials & Supplies				106	870	300	300	0%
Utilities				5,996	3335	2100	2,100	0%
Repairs & Maintenance				2,788	2053	2725	2,750	1%
Insurance		148		9	6	335	31	-91%
Recording/Permits & Misc.						0	0	
Equipment	150					2000	0	
Capital Improvement								
Interest								
Debt Retirement	1,338	1,158	2,469				0	
Total Craig Cannery Expenses	6,272	1,306	2,469	14,020	6,264	9,460	5,181	-45%
Total Cannery Rev less Exps.	(\$3,622)	\$336,020	\$2,356	(\$9,195)	(\$4,214)	(\$885)	(\$3,181)	259%
Depreciation	15,322	15,322	15,322					

Ward Cove Park FY 2017

Contract Services	\$ -
Ground Maint	2,750
Materials	300
Electric	2,100
Insurance	31
Equipment Purchase	
Capital Improvements	
	<u><u>\$5,181</u></u>

**FY2017 BUDGET WORKSHEET
ENTERPRISE FUND**

<i>Dock & Harbor Revenues</i>	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 Budget	FY 2017 Budget	% Change
Permanent Moorage	78596	72938	71,228	68961	70209	75000	82500	18%
Transient Moorage	91846	90537	93,890	93584	110038	95000	104500	-5%
Container Storage	7000	12850	14,600	14400	23400	14000	14000	-40%
Outside Storage Fees	6225	4499	7,375	5664	6406	7000	7000	0%
Equipment Rental	155	336	380	645	1655	1000	1000	0%
Crane User Fees	4460	4943	3,863	5002	4102	6000	6000	0%
Shower Fees	2143	2904	2,871	684	493	2000	2000	0%
Wharfage	1381	495	519	1068	1398	2000	2000	0%
Launch Ramp Fees	1678	2028	2,320	2372	2537	2000	2000	0%
Property Lease		0				0	0	
Board Advertisement		0				0	0	
Electricity from Moorage	10313	11293	19,107	7750	12016	12500	12500	0%
Impound Fees		0			831			#DIV/0!
Vessel Assist		584	814	1545		1000	1000	0%
Haulout Revenue	28868	20258	28,845	25445	27333	28000	28000	0%
Grant Revenue	97954		25,000					
Other	30805	991	5,731	10430	10248	6000	6000	0%
<i>Total Dock & Harbor Revenues</i>	361,424	224,656	276,543	237,550	270,666	251,500	268,500	7%

<i>Dock & Harbor Expenses</i>	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 Budget	FY 2017 Budget	% Change
Salaries	92,466	107,735	104,148	98,035	108,632	118,184	112,771	-5%
Benefits & Unemployment	57,939	64,126	71,365	87,050	100,218	78,269	58,954	-25%
Contracted Services	3,692	3,140	2,460	3,925	2,759	0	0	
Employee Travel, Education, & Dues		3,576	3,362	2,827	2,824	2,895	0	-100%
Materials & Supplies	16,510	16,723	17,669	17,336	16,985	11,760	5,500	-53%
Utilities	23,958	26,109	31,419	23,332	23,778	29,100	27,100	-7%
Repairs & Maintenance	13,296	7,839	13,665	42,423	24,219	14,789	16,620	12%
Insurance	23,466	19,311	17,163	18,425	19,093	28,000	21,330	-24%
Recording/Permits & Misc.	3,159	5,410	8,351	17,697	15,725	3,475	3,475	0%
Equipment	6,676	12,066	3,504	574	1,300		3,000	
Capital Improvement	0	0	693	0	0	10,000	0	-100%
Interest								
Debt Retirement								
Total Docks/Harbor Expenses	241,162	266,035	273,799	311,624	315,533	296,472	248,750	-16%
<i>Docks/Harbors Rev less Exps</i>	120,262	(41,379)	2,744	(74,074)	(44,867)	(44,972)	19,750	-144%
Depreciation	89,909	102,922	104,787					

Docks & Harbors

FY 2017

		<u>Harbor</u>
Salaries		\$ 112,771
Benefits	58,954	58,954
Contract Services		0
NC Electrical Engineering		
City Pier & Dock Assessment		
Employee Travel, Education, & Dues		0
Harbor Master Dues		
Harbor Master Conference		
Misc. Education		
Materials		5,500
Misc. Supplies (Costco & AC)	1,000	
Harbor Office		
Equipment Fuel (1800@2.50)	4,500	
Utilities		27,100
Electricity (Billable)	12,500	
Electricity (Grid)	1,000	
Electricity (St. Lights)	4,000	
Electricity Harbor Bldg.	3,400	
Heating Fuel	5,000	
Telephone	1,200	
Maintenance		16,620
North Cove Supplies		6,580
Electrical	3580	
Decking & Bolts	2500	
Water Pedestals	500	
freight		
South Cove Supplies		5740
Electrical	3460	
Approach & gangway	500	
Water Pedestals	500	
Misc.	1280	
freight		
City Pier, Dock & Old Fuel Dock		
Decking & Bolts		
freight		
Float Plane Dock		700
Decking & Bolts	700	
freight	0	
Boat Hauler		3600
Advertising		250
Permits		325
Lease Agreement State		
DEC Permit		0
Insurance		21,330
General Liability	21,330	

Docks & Harbors

FY 2017

		<u>Harbor</u>
Credit Card Fees	2,400	2,400
Bad Debts	500	500
Equipment Purchases		3,000
Camera surveillance	2,600	
Electric sump pump	400	
Capital Improvements	0	0
		<u>\$ 248,750</u>

**FY2017 BUDGET WORKSHEET
ENTERPRISE FUND
DEPARTMENT REVENUES**

<i>Revenues, Marine Ind. Park</i>	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 Budget	FY 2017 Budget	% Change
PMS Lease	\$90,000	\$90,000	\$4,500	\$90,000	90000	90000	\$90,000	0%
Silver Bay Lease	142,000	137,500	137,500	154,000	144425	154000	154,000	0%
Other Leases	21,922	26,422	55,479	14,103	13121	15531	15,531	0%
Ice Revenue	47,798	34,494	24,540	66,430	62561	75000	85,000	13%
Storage & Other Revenue	37,978	29,237	13,666	50,406	43676	32000	32,000	0%
Power Revenue	2,801	9,166	2,580	5,215	2428	7500	7,500	0%
Interest Income	1,911			0		25000	25,000	0%
<i>Total Marine Ind. Park Revenues</i>	\$344,410	\$326,819	\$238,265	\$380,154	\$356,211	\$399,031	\$409,031	3%

<i>Marine Ind. Park Expenses</i>	FY 2011	F 2012	FY 2013	FY 2014	FY 2015	FY 2016 Budget	FY 2017 Budget	% Change
Salaries	41324	38,019	36,283	51,802	62,830	57,650	53,286	-8%
Benefits & Unemployment	42142	18,632	13,818	20,497	40,461	40,356	34,098	-16%
Contracted Services	0	3,818	0	4320	1002	0	1,800	
Employee Travel, Education, & Dues	180	410	1,891	1085	3197	0	0	
Materials & Supplies	136	1,268	1,847	5842	3,846	8,043	19,550	143%
Utilities	27,385	28,293	33,590	40024	35,918	55,000	45,000	-18%
Repairs & Maintenance	1,593	32,404	9,708	20151	144,110	5,000	7,500	50%
Insurance	10,274	8,963	5,667	6831	6,079	11,264	9,281	-18%
Recording/Permits & Misc.	506	325	3,274	670	5,735	300	300	0%
Equipment	0	0	2,667	4874	21,454	25,000	2465	-90%
Capital Improvement	0	3,951		0	100,000	154,435	154,435	0%
Interest	60,703	63,943	138,140	112270	-			
Debt Retirement	253,754	494,898	83,307	53668			0	-100%
Capital Reserves								
Total Ind. Park Expenses	437,997	694,924	330,192	\$322,034	\$424,632	\$357,048	325,250	-9%
<i>Total Marine Ind. Rev less Exps.</i>	\$ (93,587)	\$ (368,105)	\$ (91,927)	\$58,120	(\$68,421)	\$41,983	\$ 83,781	100%
Depreciation	171340	178940	179355					

JT Brown Industrial Park

FY 2017

Salaries			<u>\$ 53,286</u>
Benefits		34,098	34,098
Contract Services			1,800
Crane Inspection		1,800	
Materials			19,550
Boat Yard		5,000	
Misc Tools & Supplies	5000		
Boat Launch	560		
False Island Pier		8,200	
Zincs	6000		
Paint & Supplies	1200		
Freight	1000		
Icehouse		6,350	
Salt	3400		
Tools	500		
Lumber	650		
Pump	1100		
Freight	700		
Misc Postage		0	
Misc Freight			
Utilities			45,000
Electricity		45000	
Maintenance			7,500
Ice House Maintenance	7500	7,500	
Insurance			
General Liability	1166	9,281	9,281
Property Liability	7688		
Vehicle	427	0	
Permits		300	300
Advertising			
Equipment Purchases		2465	2465
Crane Software	2465		
Capital Improvements			154,435
Endowment Fund(\$110,000) & Reserve Fund(44,435)		154,435	
			<u><u>\$ 325,250</u></u>

Garbage

FY 2017

		<u>Amount</u>
Salaries		\$ 38,205
Benefits	32,435	32,435
Contract Services		221,500
Dump Fees 1000 ton @ \$220/ton	215,000	
HHW program	6,500	
Travel		0
Materials & Supplies		8,800
Misc Supplies	1,000	
Postage	1,000	
Freight	500	
Equipment Fuel	6,300	
Utilities		
Telephone		0
Maintenance & Repairs		2,500
Equipment Repairs	2,500	
Dumpster Repair		
Recording/Permits & Misc.		6,104
Advertising	0	
Vehicle Licensing	20	
Insurance	3,524	
Credit Card Fees	2,460	
Bad Debts	100	
Small Equipment Purchase	0	0
Equipment Purchase > \$5000	0	
Capital Improvement	0	0
Debt Service	0	0
		<u>0</u>
TOTAL		<u><u>\$309,544</u></u>

**FY2017 BUDGET WORKSHEET
ENTERPRISE FUND
DEPARTMENT REVENUES**

Wastewater Revenues	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 Budget	FY 2017 Budget	% Change
Service fees	259,685	261,526	256,239	296,491	280,879	293,000	275,000	-6%
Material sales	28			0				
Interest	1,871	9	11		0			
Grant Funding for Capital	136,455	44,605						
Total Sewer Revenues	398,039	306,140	256,250	296,491	280,879	293,000	275,000	-6%
Wastewater Expenses	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 Budget	FY 2017 Budget	% Change
Salaries	83,733	83,817	48508	95150	80,327	105,915	113,430	7%
Benefits & Unemployment	36,482	42,600	44,296	45,556	76,266	58,817	64,928	10%
Contracted Services	4,598	6,340	5,721	5,000	6,903	6,700	5,100	-24%
Employee Travel, Education, & Dues	190	280	3,270	3,000	300	1,725	825	-52%
Materials & Supplies	7,916	7,481	5,801	7,556	9,721	12,900	9,900	-23%
Utilities	38,289	40,777	34,790	42,400	36,803	32,700	39,700	21%
Repairs & Maintenance	8,272	4,903	5,208	28,000	22,310	20,500	11,000	-46%
Insurance	4,277	3,093	1,635	3,400	3,878	3,400	6,128	80%
Recording/Permits & Misc.	2,947	3,117	3,017	500	3,938	3,406	4,460	31%
Equipment	33,345	36,193	18,631	37,500	9,896		-	
Capital Improvement	2,191	1,996	1,085	3,400	-			
Interest	8,430	7,549	7,070	5,938	5,256	5,127	3,469	-32%
Debt Retirement	53,403	52,472	53,260	54,058	54,869	54,869	56,528	3%
Total Sewer Expenses	284,073	290,618	232,292	331,458	310,467	306,059	315,468	3%
Excess Sewer Revs. Vs. Exps.	113,966	15,522	23,958	(34,967)	(29,588)	(13,059)	(40,468)	210%
Depreciation	217,155	227,321	233,396	230,000			227,000	

Wastewater

FY 2017

	<u>Amount</u>	
Salaries		\$ 113,430
Benefits	64,928	64,928
Contractual Services		5,100
Laboratory Fees	3,000	
Sludge disposal	2,000	
Boreal Controls	100	
Tyler Pump Truck		
Education & Training		825
Water/Wastewater CEU	100	
Wastewater cert renewal		
WEF/AWWMA dues, city-wide share w/water	225	
Other	500	
Travel		
Materials & Supplies	2,500	9,900
Shop Supplies	1,500	
Chemicals	1,000	
Office Supplies	500	
Postage	1,000	
Freight	500	
Equipment Fuel	2,900	
Utilities	25,000	39,700
Electricity, treatment plant	12,000	
8 lift stations,	2,700	
Telephone		
Maintenance & Repairs		11,000
Repairs	2,500	
Pump Stations	7,000	
Building Maintenance	1,500	
Recording/Permits & Misc.		10,588
DEC wastewater disposal permit	940	
Vehicle Licensing	20	-
Insurance	6,128	
Credit card Fees	3,000	
Bad Debts	500	
Equipment Purchase		-
Debt Payment		59,997
Interest	3,469	
Principal	56,528	
TOTAL		<u><u>\$ 315,468</u></u>

**FY2017 BUDGET WORKSHEET
ENTERPRISE FUND DEPARTMENT REVENUES**

<i>Water Revenues</i>	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 Budget	FY 2017 Budge	% Change
Metered service	233,767	224,471	225,898	287,010	268,760	285,000	253,200	-11%
Non-metered service	28,236	27,860	22,012	18,171	9,628	7,200	4,800	-33%
Meter sales	3,767	5,764	4,155	17,964	7,541	1,000	1,000	0%
Turnoff notice fee	2,140	5,019	900	560	1,460	1,000	1,000	0%
Reconnection fee	1,605	1,050	1,076	1,225	100	500	500	0%
<i>Total Water Revenues</i>	269,515	264,164	254,041	324,930	287,489	294,700	260,500	-12%

<i>Water Expenses</i>	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016 Budget	FY 2017 Budge	% Change
Salaries	122,902	123,607	117,764	128,149	133,181	115,232	117,422	2%
Benefits & Unemployment	62,434	63,222	54,051	80,788	123,014	61,469	63,906	4%
Contracted Services	8,977	11,109	15,430	5,277	9,860	5,000	6,100	22%
Employee Travel, Education, & Dues	840	2,211	2,140	4,017	1,200	2,190	1,190	-46%
Materials & Supplies	45,388	34,810	30,545	63,997	50,375	41,400	38,650	-7%
Utilities	48,779	51,117	46,331	51,122	55,580	62,100	61,100	-2%
Repairs & Maintenance	6,295	5,130	5,130	5,940	8,937	10,200	6,000	-41%
Insurance	5,622	4,600	3,174	3,375	3,994	5,275	6,325	20%
Recording/Permits & Misc.	2,327	2,338	2,180	2,808	3,146	2,310	2,610	13%
Equipment	4,892	431	-1,517	983	37,643	2,000	0	-100%
Capital Improvement	0	0	0	0			0	
Debt Retirement	7,501	24	6,290	10,060	6,610	24,580	23,834	-3%
Total Water Expenses	315,957	298,599	281,518	356,516	433,540	331,756	327,138	-1%
Excess Water Revs. Vs Exps.	(46,442)	(34,435)	(27,477)	(31,586)	(146,051)	(37,056)	(66,638)	80%

Depreciation	257,245	273,154	281,737	283,576
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Water

FY 2017

		Amount
Salaries		\$ 117,422
Employee Benefits	63,906	63,906
Contract Services		6,100
Laboratory testing	5,000	
Boreal Controls	1,100	
Employee Travel, Education, & Dues		1,190
Travel		
Water/Wastewater CEU	500	
Dues	690	
Material & Supplies		
Misc Supplies	4,800	38,650
Safety		
Chemicals	22,000	
Poffice Supplies	500	
Postage	1,000	
Freight	9,000	
Equipment Fuel (450 gal @ 2.50)	1,350	
Utilities		61,100
Electric	58,300	
Heating Fuel	0	
Telephone	2,800	
Maintenance & Repairs		6,000
Equipment Repair	2,000	
Building & Grounds Maintenance	1,000	
Shop Supplies	1,000	
Treatment Plant repairs	2,000	
Recording/Permits & Misc.		8,935
Advertising		
Vehicle Licensing	10	
Insurance	6,325	
Permits	100	
Credit Card Fees	2,500	
Small Equipment Purchases		0
Equipment Purchases >5000		0
Capital Improvements		0
Debt Service		
Interest		23,834
Water End Connection Loan	8,737	
Water Line Loan	15,097	
TOTAL		\$ 327,138



**Special Revenue Fund
Fiscal Year 2016**

May 2016

RESTRICTED FUNDS FY 2016

SCHOOL

Net Cash beginning of Year

Secure School Funding	\$	2,154,835
City Appropriation Prior Yr	\$	1,200,000

Revenue

National Forest Receipts	\$	-
City Appropriation FY 2016	\$	188,000
Interest Revenue	\$	2,013

Total \$ 190,013

Expenditures

Electricity St Lights	\$	4,400
School Support	\$	550,600
Craig Booster Club (Gym Ad)	\$	400
Craig Graduation	\$	500
Craig School Trip to College, Tech School	\$	1,500

Total \$ 557,400

Net Cash

\$ 2,987,448

Roads

National Forest Revenue	\$	13,600.00
Gravel	\$	5,000.00
Equipment	\$	8,600.00

Total \$ 13,600.00

Net Cash

\$ -

Equipment Acquisition for Governmental Funds

Beginning Balance	\$	74,155
FY 2016 Fish Tax		46,370
Total		120,525

Expenditures

Wash Bay		10,500
Oil Containment		10,000
10% Match for Ambulance		10,000

Total 30,500

Net Cash

\$ 90,025

Capital Project Match Funds

Beginning Balance	\$	31,367
FY 2016 Endowment Fund		32,352
Total		<u>63,719</u>

Expenditures

		<u> </u>
		<u> </u>
Total		<u> -</u>
Net Cash	\$	<u>63,719</u>

Aquatic Center Improvements

FY 2015 Bond Sale Proceeds	\$	2,001,439
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Expenditures

Roof Replacement		900000
Air Handler & Misc Repairs	\$	1,101,439
Total		<u>2,001,439</u>

Net Cash	\$	<u> -</u>
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Capital Projects Fiscal Year 2016

May 2016

CAPITAL PROJECT FUNDS

Road Improvements

This fund accounts for a grant fund from the Federal Highway and Alaska Capital Budget. The funds are used to complete the paving of city streets.

Revenue		
	Fed Hwy Funds	3,277,375
	State Leg Funds	1,815,279
	Craig Tribal Association	947,869
	2014 State Legislative Grant	600,000
	Total	<u>\$ 6,640,523</u>
Expenditures		
	Prior year improvements	\$ 5,577,748
	Contract Services	<u>\$ 1,062,775</u>
Net Cash		<u>\$ -</u>
		<u>\$ -</u>

Craig Cannery Site Harbor Development

These funds will provide a portion of the local share of the US Army Corps of Engineer's economic and feasibility study for a new harbor at the Craig Cannery Site.

Revenue		
	Alaska State Legislative Grant	\$ 400,000
Expenditures		
	Prior Years	250,000
	Expenditures	250,000
Net Cash		<u>\$ 50,000</u>