



# CITY OF GUSTAVUS CITY COUNCIL GENERAL MEETING

Monday, May 10, 2021 at 7:00 PM  
via Zoom

## COUNCIL MEMBERS

Mayor Brittney Cannamore  
Vice Mayor Joe Vanderzanden  
Council Members: Joe Clark, Tania Lewis,  
Mike Taylor, John Buchheit, Sally McLaughlin

## CITY HALL

City Administrator - Tom Williams Ph.D.  
City Clerk, CMC - Karen Platt  
City Treasurer - Phoebe Vanselow  
Phone: 907-697-2451 | [clerk@gustavus-ak.gov](mailto:clerk@gustavus-ak.gov)

## AGENDA

### VIRTUAL MEETING INFORMATION

<https://us02web.zoom.us/j/82056006991?pwd=WHRRYzlDQVZZT3JUYjdSOUEyR0Uvdz09>

**ID:** 820 5600 6991 **PASSCODE:** 477587 **TEL:** 1 253 215 8782

### ROLL CALL

Reading of the City of Gustavus Vision Statement

### APPROVAL OF MINUTES

- [1.](#) 04-12-2021 General Meeting Minutes

### MAYOR'S REQUEST FOR AGENDA CHANGES

### COMMITTEE / STAFF REPORTS

2. EOC COVID-19 General Meeting Report
- [3.](#) Gustavus Visitor Association Quarterly Report
- [4.](#) Gustavus Disposal and Recycling Center Quarterly Report
- [5.](#) City Treasurer Monthly Financials
- [6.](#) City Administrator General Meeting Report

### PUBLIC COMMENT ON NON-AGENDA ITEMS

- [7.](#) Gustavus PFAS Action Coalition Quarterly Presentation

### CONSENT AGENDA

8. Approve Issuance of Managed IT Services RFP FY21-COG02
- [9.](#) FY21-23NCO Providing for the Amendment of Department Budgets for FY21 (Public Hearing 06-14-2021)

### ORDINANCE FOR PUBLIC HEARING

- [10.](#) FY21-18NCO Providing for the Amendment of Department Budgets for FY21 (Introduction 04-12-2021)
- [11.](#) FY21-19NCO Capital Project Account Transfers (Introduction 04-12-2021)
- [12.](#) FY21-20NCO AMLIP CARES Act Accounts Transfer (Introduction 04-12-2021)
- [13.](#) FY21-22 Repealing and Replacing Title 11 - Sales Made by Remote Sellers (Introduction 04-12-2021)

### UNFINISHED BUSINESS

**NEW BUSINESS**

**CITY COUNCIL REPORTS**

**CITY COUNCIL QUESTIONS AND COMMENTS**

**PUBLIC COMMENT ON NON-AGENDA ITEMS**

**EXECUTIVE SESSION**

**ADJOURNMENT**

**POSTED ON:** May 5, 2021 at P.O, Library, City Hall & <https://cms.gustavus-ak.gov/>

**ADA NOTICE**

*Any person with a disability who requires accommodations in order to participate in this meeting should telephone the City Clerk's office at (907) 697-2451, at least 48 hours prior to the meeting in order to make a request for a disability related modification or accommodation.*

**VISION STATEMENT**

*We envision a distinctive community:*

- *That prospers while and by protecting its natural resources;*
- *With a sustainable economy and infrastructure that assures public health and safety while promoting personal development and initiative; and*
- *Where all members take social responsibility and actively participate in decision making affecting growth, development, regulation and enforcement; and*
- *In which people retain a closeness with and caring for each other individually and collectively while working together to accomplish community goals and preserve community traditions.*

**CITY OF GUSTAVUS  
CITY COUNCIL GENERAL MEETING  
APRIL 12, 2021**

**MINUTES - PENDING**

**ROLL CALL**

**PRESENT**

Mayor Brittney Cannamore  
Vice Mayor Joe Vanderzanden  
Council Member Joe Clark  
Council Member Mike Taylor  
Council Member John Buchheit  
Council Member Tania Lewis  
Council Member Sally McLaughlin after being sworn in at 7:04 PM.

**Reading of the City of Gustavus Vision Statement**

The City of Gustavus Vision Statement was read by Council Member Buchheit.

**Swearing in of Sally McLaughlin to Council Member Seat E**

City Clerk performed the swearing in of Sally McLaughlin to City Council Seat E.

**City of Gustavus Proclamation - Gustavus Otterly Amazing Tsunami Bowl**

Mayor Cannamore recognized the Gustavus School Otterly Amazing Tsunami Bowl Team with a City of Gustavus Proclamation. Team members are: Torin Hooe, Rhayne Loggins, Molly Johnson and Coral Williams.

Gustavus School Principal, Brad King recognized the Gustavus School Otterly Amazing Tsunami Bowl Team.

**APPROVAL OF MINUTES**

1. 03-08-2021 General Meeting Minutes
2. 03-15-2021 Special Meeting Minutes
3. 04-05-2021 Special Meeting Minutes

Motion made by Vice Mayor Vanderzanden to approve by unanimous consent the 03-08-2021 General Meeting Minutes, 03-15-2021 Special Meeting Minutes and the 04-05-2021 Special Meeting Minutes.

Seconded by Council Member Clark.

Hearing no objections, the motion was passed by unanimous consent.

**MAYOR'S REQUEST FOR AGENDA CHANGES**

There were no agenda changes.

Hearing no objections, Mayor Cannamore announced the agenda as set by unanimous consent.

**COMMITTEE / STAFF REPORTS**

4. Gustavus Emergency Operations Center General Meeting COVID-19 Update  
Gustavus Volunteer Fire Department/EOC, Travis Miller provided an update on COVID-19 and vaccinations.
5. Gustavus Volunteer Fire Department Quarterly Report  
Gustavus Volunteer Fire Department Fire Chief, Travis Miller provided a quarterly report.
6. City of Gustavus Marine Facilities Coordinator Quarterly Report  
Marine Facilities Coordinator is not on duty at this time. Vice Mayor Vanderzaden provided an update on moving the float from the harbor to the outer dock. This should take place in the next couple weeks with the ramp being lowered when the tides accommodate.
7. Gustavus Public Library Quarterly Report  
Gustavus Library Administrative Director, Michelle Snowden provided a written report and oral summary. Michelle added information regarding the American Rescue Plan (ARP).
8. City of Gustavus Treasurer Monthly Financials and Quarterly Report  
City Treasurer, Phoebe Vanselow proved a written quarterly report, monthly financials and provided an oral summary.
9. City Administrator General Meeting Report  
City Administrator Tom Williams provided a written General Meeting report and an oral summary.

**PUBLIC COMMENT ON NON-AGENDA ITEMS**

Gustavus PFAS Coalition - Nicole Grewe and Kelly McLaughlin

**CONSENT AGENDA**

10. FY21-18NCO Introduction Providing for the Amendment of Department Budgets for FY21 (Public Hearing 05-10-2021)
11. FY21-19NCO Introduction of Capital Project Account Transfers (Public Hearing 05-10-2021)
12. FY21-20NCO Introduction of AMLIP CARES Act Account Transfer (Public Hearing 05-10-2021)
13. City of Gustavus Waives the Right to File a Protest of the Glacier Bay Lodge Liquor License Renewal

Motion made by Council Member Lewis to adopt the Consent Agenda by unanimous consent as presented.

Seconded by Vice Mayor Vanderzanden.

Hearing no objections, Mayor Cannamore announced the Consent Agenda as passed by unanimous consent.

**ORDINANCE FOR PUBLIC HEARING**

No Ordinance for Public Hearing

**UNFINISHED BUSINESS**

No Unfinished Business

**NEW BUSINESS**

14. FY21-21NCO FY22 Budget Introduction (Public Hearing 06-14-2021)

Motion made by Council Member Clark to approve the budget introduction of FY21-21NCO FY22 Budget (Public Hearing on 06-14-2021).

Seconded by Mayor Cannamore.

Public Comment: None

Council Comment:

Council Member Vanderzanden

Motion made by Vice Mayor Vanderzanden to postpone FY21-21NCO FY22 Budget (Public Hearing on 06-14-2021) to the May 10th General Meeting.

Seconded by Council Member Clark.

Council Comment:

Council Member Lewis

Council Member Taylor

Council Member McLaughlin

Council Member Clark

Council Member Buchheit

Voting Yea: Mayor Cannamore, Vice Mayor Vanderzanden, Council Member Clark, Council Member Buchheit, Council Member Lewis, Council Member McLaughlin

Voting Nay: Council Member Taylor

15. Approve Gustavus Public Library Director Position Description

Motion made by Council Member Buchheit to approve the Gustavus Public Library Director Position Description.

Seconded by Mayor Cannamore.

Public Comment:

Susan Warner

Artemis BonaDea

Michelle Snowden

Council Comment:

Council Member McLaughlin

Council Member Taylor

Mayor Cannamore

Council Member Buchheit

Council Member Clark

Council Member Vanderzanden

Voting Yea: Mayor Cannamore, Council Member Lewis

Voting Nay: Vice Mayor Vanderzanden, Council Member Clark, Council Member Taylor, Council Member Buchheit, Council Member McLaughlin

16. Approve Gustavus Public Library Programs Coordinator Position Description

Motion made by Council Member Buchheit to introduce Gustavus Public Library Programs Coordinator Position Description

Seconded by Council Member Clark.

Public Comment: None

Council Comment:

Council Member McLaughlin

Council Member Lewis

Council Member Taylor

Motion made by Council Member Taylor to postpone indefinitely.

Seconded by Council Member Clark.

Voting Yea: Mayor Cannamore, Vice Mayor Vanderzanden, Council Member Clark, Council Member Taylor, Council Member Buchheit, Council Member Lewis, Council Member McLaughlin

17. CY21-06 Repealing & Replacing The Remote Seller Sales Tax Code & Common Definitions

Motion made by Council Member Taylor to adopt ordinance CY21-06 Repealing & Replacing The Remote Seller Sales Tax Code & Common Definitions

Seconded by Mayor Cannamore.

Public Comment: None

Council Comment: None

Voting Yea: Mayor Cannamore, Vice Mayor Vanderzanden, Council Member Clark, Council Member Taylor, Council Member Buchheit, Council Member Lewis, Council Member McLaughlin

18. FY21-22 Introduction of an Ordinance by the City of Gustavus Repealing and Replacing Title 11 – Sales Made By Remote Sellers (Public Hearing 05-10-2021)

Motion made by Vice Mayor Vanderzanden to approve FY21-22 Introduction of an Ordinance by the City of Gustavus Repealing and Replacing Title 11 – Sales Made By Remote Sellers (Public Hearing 05-10-2021)

Seconded by Council Member McLaughlin

Public Comment: None

Council Comment: None

Voting Yea: Council Member McLaughlin, Mayor Cannamore, Vice Mayor Vanderzanden, Council Member Clark, Council Member Taylor, Council Member Buchheit, Council Member Lewis

19. Approve City of Gustavus Capital Improvement Plan: 2021-2025  
 Motion made by Council Member Lewis to approve City of Gustavus Capital Improvement Plan: 2021-2025  
 Seconded by Mayor Cannamore.  
 Public Comment: None  
 Council Comment: None  
 Voting Yea: Mayor Cannamore, Vice Mayor Vanderzanden, Council Member Clark, Council Member Taylor, Council Member Buchheit, Council Member Lewis, Council Member McLaughlin

### **CITY COUNCIL REPORTS**

No City Council Reports

### **CITY COUNCIL QUESTIONS AND COMMENTS**

Council Member Buchheit - Letter regarding PFAS and airport project.

Motion made by Mayor Cannamore to extend the rules to go past 10 PM for this General Meeting.

Seconded by Vice Mayor Vanderzanden.

Hearing no objections, the motion was passed by unanimous consent.

Council Member Lewis - Letter regarding PFAS and airport project.

Council Member Taylor - GPAC recognition, letter regarding PFAS and airport project.

Council Member McLaughlin - Thank you to council for their support on becoming a council member.

Council Member Clark - GPAC, Welcome to Council Member McLaughlin

Mayor Cannamore - Statewide Comprehensive Outdoor Recreation Plan, welcome to Council Member Sally McLaughlin, Library Administrative Director, Michelle Snowden recognition.

### **PUBLIC COMMENT ON NON-AGENDA ITEMS**

No Public Comment

### **EXECUTIVE SESSION**

No Executive Session

### **ADJOURNMENT**

With no further business and hearing no objections, the meeting was adjourned at 10:05 PM.

\_\_\_\_\_  
Brittney Cannamore, Mayor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Attest: Karen Platt CMC, City Clerk

\_\_\_\_\_  
Date





## Gustavus Visitors Association 2021 2nd Quarterly Report

**City of Gustavus Quarterly reports due:**  
February, May, August & November

This report reflects activities within the GVA from February to April 2021 and projected goals and objectives for May to July 2021.

### **GVA Board Members:**

President: Robynn Jones  
Vice President: Leah Okin  
Secretary: Cam Cacioppo  
Treasurer: Hillery Lesh  
Director: Natalie Vaz  
Director: Curtis Lindblom

### **Employed Positions:**

Marketing Lead: Leah Okin  
Marketing Coordinator: Nina Zarate  
Administrator: Emily Herman

### **Mission Statement**

The mission of GVA is to enhance the economies of the City of Gustavus (CoG) through tourism marketing that increases business revenue, tax revenue and creates jobs. Our primary goal is to increase overnight stays of leisure and business travelers, who in turn, support local businesses through spending money - a boost to our economy. GVA is committed to promoting and elevating Gustavus' position as a world-class destination for leisure travel. GVA further serves to ensure tourism continues to contribute locally on a large scale, thereby enhancing the quality of life for all who live, work and play here.

## Organizational Structure

### Non-profit Corporation

The Gustavus Visitors Association was incorporated as a 501c(3) non-profit corporation in January of 2005. According to GVA By-laws, every fall the Board reviews and adopts a fiscal year budget for the period: July 1 to June 30 of the following year to coincide with the City of Gustavus fiscal year. The GVA Board submits its request for use of a portion of bed tax revenues to the City, along with the Marketing Plan which must by Ordinance be approved by the City Council.

### Funding Source

The Gustavus Visitors Association is funded both by a city bed tax of 4%, of which GVA can receive up to half, and GVA annual membership dues. The visitor industry supports up to 50% of the City's tax revenue in most years. Due to the COVID-19 Pandemic, partial funding may need to come from the City's Reserve and possibly from any remaining funds from the CARES Act.

### Membership

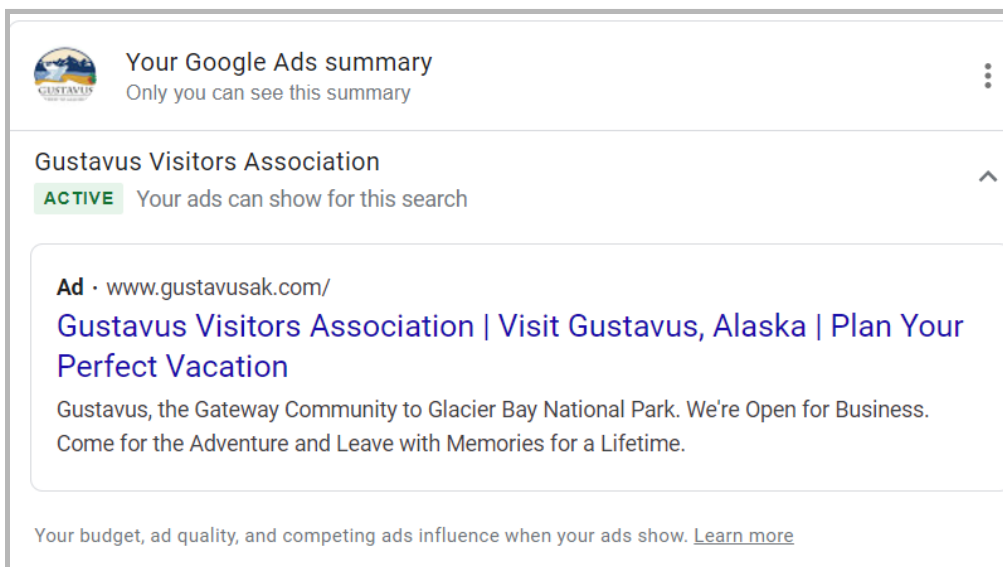
No membership dues were collected for 2021 due to the COVID-19 Pandemic. The membership drive for 2022 will commence in the fall of 2021. Therefore GVA will have no funding derived by membership dues until February 2022.

### Completed to task this quarter

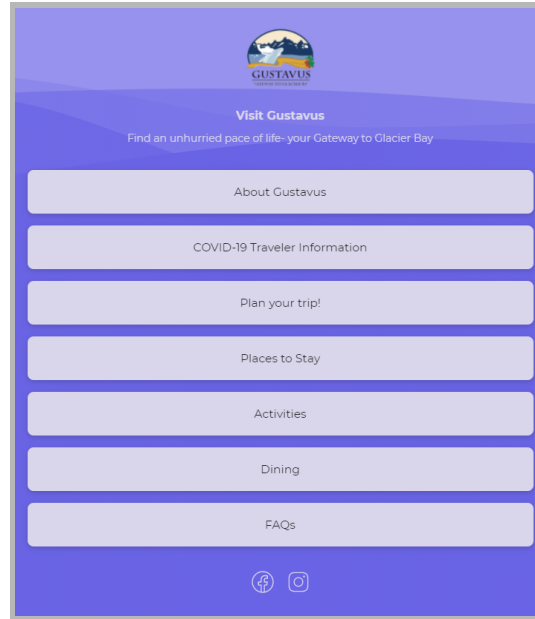
- Distributed 'Gustavus News Bulletin' for community and business information answering frequently asked questions in town.
- GVA Board of Directors Elections via SurveyMonkey.
- New Dynamic and diverse GVA board of Directors - Curtis Lindblom (owner Glacier Bay County Inn); Natalie Vaz (owner of 2 local businesses); Hillery Lesh (passionate about neighboring community relationships); Cam Cacioppo (a strong hold of grass roots Southeast Alaska, artisans and family oriented adventures).
- Updated Alaska Division of Corporations Domestic NonProfit Biennial Report.
- Change of officials State update of board and positions.
- Aramark/Glacier Bay Lodge communication- Paul Thornton and Jessica Goodell.
- Attended Alaska Travel Industry Association 3 marketing webinars.
- Alaska Airlines "Go Big. Go Alaska." promotion:  
ATIA/Members partnered with Alaska Airlines to promote independent travel to Alaska this summer. Alaska Airlines offered a special discount to encourage people to book flights to Alaska, valid March 30- April 4th for travel in May and June. Ads were posted on GVA's Instagram and Facebook pages and Stories.



- Updated Google My Business information.
- Google Ad launched- our budget is one factor in determining how often our ad will be seen. Currently we are at \$8/day and will re-evaluate after 1 month.



- Additional business listings added to the GVA website include: True North Adventures, Majestic Expeditions, Chinook Lodge, Taylor Charters, Glacier Bay Eagles Nest Lodge, Glacier Guides Luxury Yacht Adventures, Glacier Guides Hunting Adventures, Multi Day Sail Boat Expeditions, Multi Day Small Boat Adventures (Sea Wolf), Gustavus Veterinarian, Tidelines Institute, Links to Gustavus History - Gustavus Historical Archives and Antiquities, Links to Jim Mackovjak's book 'Hope and Hard Work'.
- Maintaining GVA Events Calendar for both Visitors and the local community.
- Maintained COVID-19 information on the GVA website.
- Search Engine Optimization upgrades on every page of the GVA website.
- New Linktr.ee link added to Instagram/FB for 'simpler' access to GVA website. linktr.ee/Gustavus\_Visitors\_Association

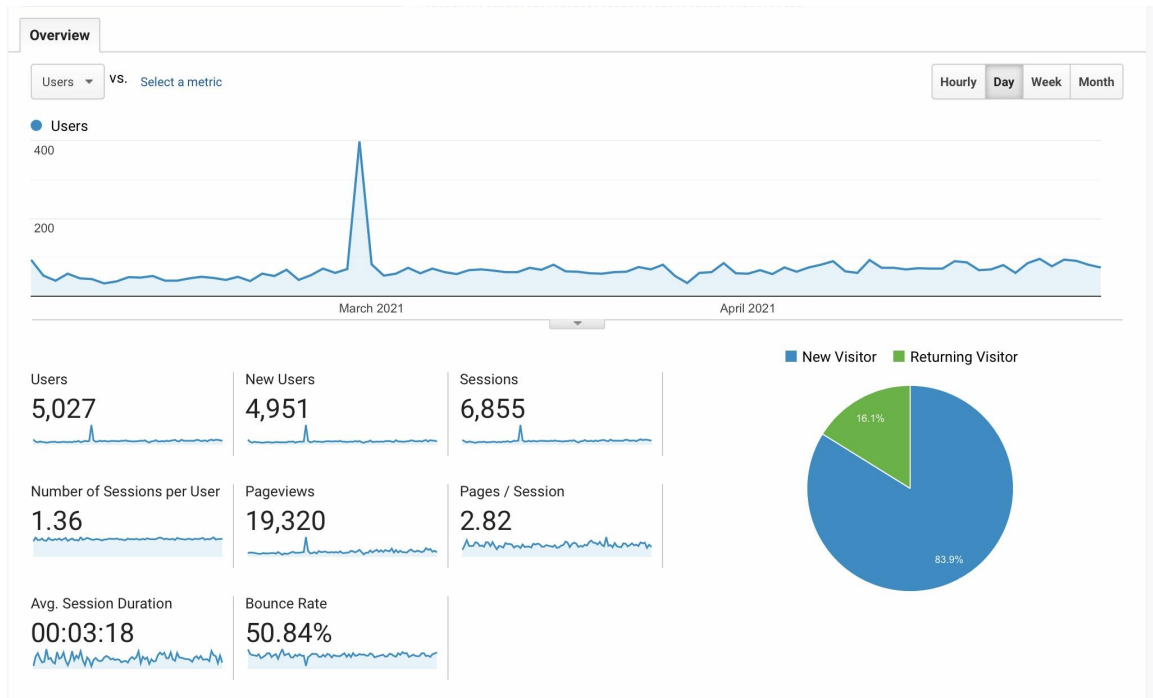


## Google Analytics based on GVA website results for 2nd quarter 2021

Source / Medium ?	Acquisition			Behavior		
	Users ? ↓	New Users ?	Sessions ?	Bounce Rate ?	Pages / Session ?	Avg. Session Duration ?
	5,027 % of Total: 100.00% (5,027)	4,952 % of Total: 100.02% (4,951)	6,855 % of Total: 100.00% (6,855)	50.84% Avg for View: 50.84% (0.00%)	2.82 Avg for View: 2.82 (0.00%)	00:03:18 Avg for View: 00:03:18 (0.00%)
1. google / organic	3,446 (66.72%)	3,326 (67.16%)	4,641 (67.70%)	50.31%	2.64	00:02:54
2. (direct) / (none)	975 (18.88%)	964 (19.47%)	1,127 (16.44%)	61.22%	2.54	00:02:45
3. bing / organic	189 (3.66%)	170 (3.43%)	279 (4.07%)	37.99%	3.73	00:05:15
4. yahoo / organic	79 (1.53%)	74 (1.49%)	105 (1.53%)	40.95%	3.67	00:06:01
5. baidu / organic	72 (1.39%)	72 (1.45%)	72 (1.05%)	100.00%	1.00	00:00:00
6. visitglacierbay.com / referral	71 (1.37%)	57 (1.15%)	130 (1.90%)	28.46%	6.28	00:09:38
7. duckduckgo / organic	58 (1.12%)	57 (1.15%)	70 (1.02%)	50.00%	2.74	00:02:24
8. nps.gov / referral	49 (0.95%)	37 (0.75%)	60 (0.88%)	43.33%	3.37	00:04:00
9. travelalaska.com / referral	33 (0.64%)	29 (0.59%)	35 (0.51%)	31.43%	3.74	00:03:59
10. www-onlyinyourstate-com.cdn.ampproject.org / referral	30 (0.58%)	30 (0.61%)	32 (0.47%)	68.75%	1.97	00:01:07

	501 % of Total: 100.00% (501)	460 % of Total: 100.00% (460)	650 % of Total: 100.00% (650)	52.15% Avg for View: 52.15% (0.00%)	3.15 Avg for View: 3.15 (0.00%)	00:03:58 Avg for View: 00:03:58 (0.00%)
1.  United States	453 (90.42%)	414 (90.00%)	594 (91.38%)	50.84%	3.19	00:04:06
2.  China	15 (2.99%)	15 (3.26%)	15 (2.31%)	100.00%	1.00	00:00:00
3.  Germany	4 (0.80%)	4 (0.87%)	4 (0.62%)	75.00%	1.50	00:00:30
4.  Hong Kong	3 (0.60%)	3 (0.65%)	3 (0.46%)	100.00%	1.00	00:00:00
5.  Israel	3 (0.60%)	2 (0.43%)	10 (1.54%)	10.00%	7.00	00:11:28
6.  Spain	2 (0.40%)	2 (0.43%)	3 (0.46%)	33.33%	7.00	00:05:02
7.  Moldova	2 (0.40%)	2 (0.43%)	2 (0.31%)	0.00%	2.00	00:01:32
8.  Romania	2 (0.40%)	2 (0.43%)	2 (0.31%)	50.00%	3.00	00:03:28
9.  Austria	1 (0.20%)	1 (0.22%)	1 (0.15%)	0.00%	4.00	00:02:57
10.  Australia	1 (0.20%)	1 (0.22%)	1 (0.15%)	100.00%	1.00	00:00:00

Page ?	Pageviews ? ↓	Unique Pageviews ?	Avg. Time on Page ?	Entrances ?	Bounce Rate ?	% Exit ?
	19,320 % of Total: 100.00% (19,320)	14,995 % of Total: 100.00% (14,995)	00:01:49 Avg for View: 00:01:49 (0.00%)	6,855 % of Total: 100.00% (6,855)	50.84% Avg for View: 50.84% (0.00%)	35.48% Avg for View: 35.48% (0.00%)
1. /	3,976 (20.58%)	2,803 (18.69%)	00:01:04	2,652 (38.69%)	34.92%	38.25%
2. /places-to-stay/	1,640 (8.49%)	976 (6.51%)	00:01:38	188 (2.74%)	54.79%	24.21%
3. /ferry-service	1,389 (7.19%)	1,169 (7.80%)	00:03:41	1,019 (14.87%)	72.23%	67.96%
4. /getting-to-gustavus/	760 (3.93%)	615 (4.10%)	00:01:33	242 (3.53%)	48.35%	34.87%
5. /accommodations/	729 (3.77%)	361 (2.41%)	00:00:55	263 (3.84%)	23.57%	16.05%
6. /request-a-map/	695 (3.60%)	585 (3.90%)	00:02:12	92 (1.34%)	72.83%	44.89%
7. /dining/	457 (2.37%)	360 (2.40%)	00:01:29	81 (1.18%)	53.09%	25.82%
8. /covid-19-bulletin/	427 (2.21%)	350 (2.33%)	00:04:33	148 (2.16%)	81.08%	53.63%
9. /transportation	402 (2.08%)	327 (2.18%)	00:01:46	145 (2.12%)	57.93%	36.07%
10. /glacier-bay-national-park/	390 (2.02%)	294 (1.96%)	00:01:47	45 (0.66%)	60.00%	29.74%



## Social Media and GVA Member Analytics

Travel Alaska- <https://www.travelalaska.com/>

Month	Impressions	Clicks
February	3185	13
March	3992	18
April	3795	17

*Impressions are the number of times our ad is displayed to viewers and Clicks indicates how many times our advertisement was clicked by viewers.*

Travel Juneau- <https://www.traveljuneau.com/>

Month	View	Clicks
February	26	5
March	25	12
April	14	8

### **Facebook, Instagram, Linktr.ee**

There has been a steady increase in our Facebook and Instagram traffic in the second quarter of 2021. We have had an increase in followers on Instagram from 582 to 682. Facebook Followers increased from 1,015 to 1,121 and Page Likes increased from 995 to 1,035; 7 clicks to the website.

The GVA Linktr.ee has only been running since April 20 and has already generated 12 clicks to the GVA website.

GVA is looking to promote through Facebook and Instagram in the 2nd quarter. Instagram and Facebook are linked which makes reaching audiences on 2 social network platforms fairly easy. When you promote through Facebook it is also boosted through Instagram.

### **Visitor contacts by email, letters, and social media.**

For the second quarter the Marketing Coordinator fielded 90 visitor emails (including several comments from Facebook). The bulk of the 90 emails were generated from ATIA and SATC visitor information requests.

15 GVA brochures/maps were mailed to potential visitors/incoming visitors (including 2 international).

Questions received from visitor emails in the 2nd Quarter:	
Map/brochure request	Directions from ferry to GLBA
Accommodations	Day boat
COVID-19 related	Cell Service
Places to camp	Fishing charters
General Transportation	Drone use
Sales tax	Air transportation; Charters
Ferry schedule	Campers/RV

### **GVA Goals and Objectives for the 2nd Quarter 2021**

- Continuing to add businesses to GVA website.
- Encourage every single business listed on the GVA website to list Gustavus and the GVA as a link on their website with the same language suggested by Cedar Group to target audiences.
- Clearly define Campers/RV areas for visitors.
- Discuss 'Fish Bowl' surveys to find out more about target audiences.
- Generate a new Community News Bulletin.
- Photo Contest.
- 3 minute Gustavus video contest.
- Map and Brochure update.
- Continue marketing opportunities in other countries for 2022.
- Continue marketing relationship / partner bridges between neighbor communities; KTOO, Juneau outlets, etc.
- Continue to highlight suggested itineraries to encourage visitors to stay longer in Gustavus.

### **Conclusion**

The focus this past quarter has been on the website; upgrading, adding listings, improving Search Engine Optimization (SEO), Adding images, making the site more engaging and informative. All of our marketing efforts lead to website viewing therefore our website must represent Gustavus in a way that will appeal to our target audience.



**Gustavus Disposal & Recycling Center (DRC) Quarterly Staff Report**  
**Paul Berry, DRC Manager/ Operator**  
**Monday, May 10<sup>th</sup>, 2021**

My last quarterly report was at the February 8<sup>th</sup> General Meeting. My next quarterly report is scheduled for the August 9<sup>th</sup> General Meeting.

### **General Operations and Management**

#### Labor

This year's DRC Temporary Labor Pool (the "Pool") started the year with fewer members than in years past, three of a possible five. This spring two of the three members have informed me they will be winding down their work schedules at the DRC and leaving the Pool. Because of this I am facing a significant labor shortfall going into summer. This is unfortunate in a number of ways: the short period of time between when the ground thaws and Glacier Bay Lodge opens, is the window for packaging batteries, packaging e-waste, and for doing bale burial. So with a late spring and a labor shortage a number of these opportunities will be missed this year. To address this foreseen labor shortage, in early April I re-advertised the Pool with the hopes of drawing in at least two new members.

#### Budget

This years budget process has been far more trying than other years – we all know the factors: the pandemic, fiscal uncertainty, and a deep rooted concern among some members the community that new regular positions with the City are going to lead to property taxes (I am sorry, but I don't get that one). My feeling on the matter is that a lack of continuity in the management of the DRC will probably cost the City more in the long run than the savings achieved by having no one more than one regular position at the DRC at one time. However, I also understand that a 2<sup>nd</sup> regular position at the DRC does not guarantee that the DRC will have stable and knowledgeable management over time. I am just trying to plan ahead.

While it is outside the purview of my position as DRC Manager, I believe that as federal funding and savings for road maintenance dries up, the Council needs to find a way to fund road maintenance outside of relying on current sales tax and bed tax income.

#### Pandemic impacts

I am going to wait until the August report to present the numbers for FY21, which I believe will be the fiscal year most impacted (so far) by the pandemic.

#### Allowing two cars at a time to offload their deliveries of waste at the same time

This is part of the DRC's slow migration back to "normal" customer inflow. I want to point out though that controlling the number of vehicles allowed to unload their waste at one time is here to stay. I am working to come up with the appropriate signs and informational fliers to illustrate any changes. I hope to have this in place by June.

#### The waste mound

This spring for a week or two the muddy conditions were so bad on the mound that we had to park the bales of waste in an intermediate storage spot and later move them into their permanent position in the balefill once the ground had dried out a little. As I have mentioned in prior reports the soils available to the DRC are generally overburden and clay rich or silt rich soils. While our local clay will make an excellent cap once the mound has reached its final height, it is a challenge to work with during wet times and I am working a few remedies for the problem.

### Compost sales

The DRC's annual compost sale is scheduled for Friday May 7<sup>th</sup>. This is one or two weeks later than usual but this has been a colder spring than usual. The compost looks pretty good and like last year I sent a sample to a professional laboratory for analysis. The lab report has come back good:

[https://cms.gustavus-ak.gov/sites/default/files/fileattachments/disposal/\\_recycling\\_center/page/20691/soiltest\\_c21-572\\_city\\_of\\_gustavus\\_c2.pdf](https://cms.gustavus-ak.gov/sites/default/files/fileattachments/disposal/_recycling_center/page/20691/soiltest_c21-572_city_of_gustavus_c2.pdf)

### **Community Chest**

The Chest continues to have an awesome group of volunteers led by our Crew Boss, Vicki Bender. Currently there are number of specialists volunteering in a given area such as Ellie Sharman maintaining the crafts section, Penny Cook going through the electronics (making sure items work and have their correct power supply etc.) and Sasha Smith going through kitchenware.

Thrift stores take a lot of effort to be a success and I would like to thank our front desk sales staff: Vicki, Katy Dighton, Becky King and Amanda Dunaway. I would also like to thank the following individuals for their efforts in going through donations, purging old stock and moving seasonal items up into, and down from the attic: Sasha, Vicki, Amanda, Penny, Artemis BonaDea, Melisa (? last name), Debbie H?, Joyce Lupro, Meadow Brook and Sean Tevebaugh. Thanks again to Amanda for organizing shipments of surplus clothes to Hoonah and I know she was working on getting clothes to Angoon as well.

The staff has been having to deal with some of our dear residents leaving their donations outdoors during off-hours without notice. No act quite takes the volunteer staff at the Chest for granted like a resident leaving their bag or box of donations right in front of the sign that says "donations are only accepted when the Chest is open or by appointment". I ask that the members of our community respect the volunteers who run the Chest and please comply with our donations policy.

### **Solid Waste Management and Facility Planning Process ("SWMP") & SEASWA the Southeast Alaska Solid Waste Authority**

As stated in some of my previous reports, SEASWA is a board made up of representatives from the communities that have elected to join the organization. The purpose of SEASWA is to pool our resources and figure out ways of dealing with our solid waste as a region. I have mischaracterized SEASWA in my earlier reports as being all about the exporting of solid waste and this is not all of what SEASWA is about. I believe SEASWA will provide us with a louder voice when approaching the legislature or other political organizations within the state when it comes to matters dealing with solid waste which includes the shipping of recyclables. Because Gustavus is a small "end of the spoke" community, the cost of shipping is everything and I believe membership in SEASWA is good tool to have in our solid waste toolbox going forward.

Because membership in SEASWA amends the charter of the City, the voters of Gustavus will have to decide if membership in SEASWA is in our best interest and the Council will need to take action on creating a ballot question for our October ballot. This Council action should be no later than July or August if it is going to happen. It is important to take action sooner than latter as I want to be able to address any concerns or misinformation people might have about the organization before a possible vote in October.

Not all of my planning in the SWMP process is about the exporting of non-recyclable solid waste. Another alternative I am looking at is expanding the mound in several phases that

when concluded at some time in the distant future would utilize most of the City's 11+ acre parcel with the contiguous earthen mound of waste, the sprawling DRC facility and buffer zones. Considering how long our use of the current area inside the fence has lasted us, 27 years and counting, the community could potentially use the 11 acre parcel for more than one generation but a significantly larger mound would also create a large, permanent landmark, and add to the risk of odor and ground water contamination.

### **Capital Project Summaries**

#### New Composting Facility/ Quonset replacement

##### Project description:

As described in previous reports, the objective of this project is to replace the failing Quonset structure with a more robust composting facility capable of processing greater amounts of material in a more temperature controlled manner than our current facility can. This project also seeks to pave more of the composting yard with concrete and install concrete push walls behind the piles of wood chips, sawdust, overs and curing compost.

##### Project status:

There has been no progress on this project since one year ago.

#### In-flow Storage Area Project

##### Project description:

*More information about the purpose of this storage area can be found in earlier reports or in the DRC's General Operations Plan.*

##### Project Status:

All that remains in this project is finishing the installation of the 8' chain-link fencing around the storage area and installing the gate. This project is very close to completion.

#### Household Hazardous Waste Facility

##### Project description:

This project is the specification and purchase of a 20' long x 8' wide & 8' high container designed for storing equipment fuel, used lead-acid and dry-cell batteries and other miscellaneous hazardous materials. The unit includes spill containment, ventilation, lighting, shelving, and signage. The proposed container will be fully-constructed at a facility in the lower 48 and is ready to use upon arrival in Gustavus. In the interest of flexibility and convenience, I have determined that the facility should be designed as a 4-hour structure so that it can be placed anywhere on the DRC property, even right next to the main building.

##### Project Status:

I have submitted the specifications for the structure to the Fire Marshal and once those specifications are approved I will go back to the three vendors who are bidding on the project for a final quote. While there are sufficient funds in the project for the purchase of the unit, there will probably not be sufficient funds for the transportation and installment of the facility. I am hoping that some of the money remaining from the In-flow storage area project can be used for freight, placement of the facility in the in-flow storage area and electrical hook-up.

#### Year-round running water

This is hot & cold running water in the changing room of the office building. This is a

project funded by the CARES Act and is very close to completion.

#### New main building

Conceptually this project has been supported by the Council with the adoption of the Capital Improvement Plan COG\_CIP 2021-2025 document and the scoping document for the new building. At this point in time I am collection information and ideas. There may be more to report on this project during my next quarterly report. The main building is the heart of our operation and I hope to take this project as far as I can with my remaining time as DRC Manager.

The end, thank you.  
05/05/21

*Report compiled by [paul.berry@gustavus-ak.gov](mailto:paul.berry@gustavus-ak.gov)*

**City of Gustavus**  
**Profit & Loss Budget vs. Actual COG Accrual**  
**July 2020 through April 2021**

	Jul '20 - Apr 21	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
Business License Fees	3,275.00	3,000.00	275.00	109.2%
Donations	384.00	1,000.00	-616.00	38.4%
DRC Income	58,658.08	58,600.00	58.08	100.1%
<b>Federal Revenue</b>				
Disaster Assistance (FEMA funds)	0.00	75,000.00	-75,000.00	0.0%
Nat'l Forest Receipts-Encumbered	38,572.14	0.00	38,572.14	100.0%
Payment In Lieu of Taxes	113,760.06	113,760.06	0.00	100.0%
<b>Total Federal Revenue</b>	152,332.20	188,760.06	-36,427.86	80.7%
<b>Fundraising</b>	960.00	800.00	160.00	120.0%
<b>GVFD Income</b>	6,956.29	9,750.00	-2,793.71	71.3%
<b>Interest Income</b>	159.42	350.00	-190.58	45.5%
<b>Lands Income</b>	27,354.00	22,000.00	5,354.00	124.3%
<b>Lease Income</b>	6,562.32	12,720.35	-6,158.03	51.6%
<b>Library Income</b>	341.50	500.00	-158.50	68.3%
<b>Marine Facilities Income</b>	12,815.00	13,700.00	-885.00	93.5%
<b>State Revenue</b>				
Community Assistance Program	75,180.66	75,000.00	180.66	100.2%
Shared Fisheries Business Tax	1,045.27	1,700.00	-654.73	61.5%
<b>Total State Revenue</b>	76,225.93	76,700.00	-474.07	99.4%
<b>Tax Income</b>				
Retail Tax Income	232,493.08	185,000.00	47,493.08	125.7%
Remote Sellers Retail Tax	13,947.87	20,000.00	-6,052.13	69.7%
Room Tax Income	20,635.52	12,555.00	8,080.52	164.4%
Fish Box Tax	4,060.00	6,000.00	-1,940.00	67.7%
Penalties & Interest	1,434.51	0.00	1,434.51	100.0%
Tax Exempt Cards	260.00	300.00	-40.00	86.7%
<b>Total Tax Income</b>	272,830.98	223,855.00	48,975.98	121.9%
<b>Total Income</b>	618,854.72	611,735.41	7,119.31	101.2%
<b>Gross Profit</b>	618,854.72	611,735.41	7,119.31	101.2%
<b>Expense</b>				
Administrative Costs	2,133.70	2,000.00	133.70	106.7%
Advertising	0.00	100.00	-100.00	0.0%
Bank Service Charges	2,860.09	2,275.00	585.09	125.7%
Building	14,986.75	20,650.90	-5,664.15	72.6%
Contractual Services	39,311.35	72,400.00	-33,088.65	54.3%
Dues/Fees	6,515.43	8,300.00	-1,784.57	78.5%
<b>Economic Development Services</b>				
GVA	17,000.00	17,000.00	0.00	100.0%
<b>Total Economic Development Services</b>	17,000.00	17,000.00	0.00	100.0%
<b>Election Expense</b>	87.34	90.00	-2.66	97.0%
<b>Equipment</b>	4,599.44	9,672.49	-5,073.05	47.6%
<b>Events &amp; Celebrations</b>	3,587.70	3,925.00	-337.30	91.4%
<b>Freight/Shipping</b>	13,737.60	20,950.00	-7,212.40	65.6%
<b>Fundraising Expenses</b>	8.00	800.00	-792.00	1.0%
<b>General Liability</b>	11,575.44	11,317.32	258.12	102.3%
<b>Gravel Pit Fund</b>	6,000.00	6,000.00	0.00	100.0%

05/03/21

# City of Gustavus

## Profit & Loss Budget vs. Actual COG Accrual

Accrual Basis

July 2020 through April 2021

	Jul '20 - Apr 21	Budget	\$ Over Budget	% of Budget
Library Materials	456.55	600.00	-143.45	76.1%
Marine Facilities	4,852.39	6,368.37	-1,515.98	76.2%
Payroll Expenses	269,707.56	402,113.75	-132,406.19	67.1%
Professional Services	10,805.15	10,000.00	805.15	108.1%
Public Relations	0.00	500.00	-500.00	0.0%
Repair & Replacement Fund	24,772.13	24,772.13	0.00	100.0%
Road Maintenance	152,367.94	175,000.00	-22,632.06	87.1%
Stipend	1,500.05	3,000.00	-1,499.95	50.0%
Supplies	11,180.35	12,100.00	-919.65	92.4%
Telecommunications	14,314.37	20,790.00	-6,475.63	68.9%
Training	2,153.50	6,750.00	-4,596.50	31.9%
Travel	0.00	3,500.00	-3,500.00	0.0%
Utilities	17,066.54	15,800.00	1,266.54	108.0%
Vehicle	5,857.11	8,035.67	-2,178.56	72.9%
<b>Total Expense</b>	<b>637,436.48</b>	<b>864,810.63</b>	<b>-227,374.15</b>	<b>73.7%</b>
<b>Net Ordinary Income</b>	<b>-18,581.76</b>	<b>-253,075.22</b>	<b>234,493.46</b>	<b>7.3%</b>
<b>Other Income/Expense</b>				
Other Income				
Encumbered Funds				
Other Savings for Road Maint	62,118.87	0.00	62,118.87	100.0%
Encumbered Funds - Other	37,881.13	100,000.00	-62,118.87	37.9%
<b>Total Encumbered Funds</b>	<b>100,000.00</b>	<b>100,000.00</b>	<b>0.00</b>	<b>100.0%</b>
<b>Prior-Year Cash Balance</b>	<b>0.00</b>	<b>153,175.75</b>	<b>-153,175.75</b>	<b>0.0%</b>
<b>Total Other Income</b>	<b>100,000.00</b>	<b>253,175.75</b>	<b>-153,175.75</b>	<b>39.5%</b>
<b>Net Other Income</b>	<b>100,000.00</b>	<b>253,175.75</b>	<b>-153,175.75</b>	<b>39.5%</b>
<b>Net Income</b>	<b>81,418.24</b>	<b>100.53</b>	<b>81,317.71</b>	<b>80,989.0%</b>

**City of Gustavus**  
**Balance Sheet**  
 As of April 30, 2021

	Apr 30, 21
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
AMLIP Capital Improv Current (0630598.1)	49,356.66
AMLIP Capital Improv Long-Term (0630598.2)	469,082.94
AMLIP Repair & Replacement (0630598.3)	310,893.09
AMLIP Road Maint - Unencumbered (0630598.4)	197,150.68
AMLIP Gravel Pit Fund (0630598.8)	6,000.00
AMLIP Reserve (0630598.12)	884,409.55
AMLIP CARES Act Relief Funds (0630598.13)	3.05
APCM.Endowment Fund	1,580,433.60
FNBA - Checking	611,517.95
FNBA Endowment Fund - Checking	38,935.43
Petty Cash	94.78
Total Checking/Savings	4,147,877.73
Accounts Receivable	
Accounts Receivable	20,638.65
Total Accounts Receivable	20,638.65
Total Current Assets	4,168,516.38
<b>TOTAL ASSETS</b>	<b>4,168,516.38</b>
<b>LIABILITIES &amp; EQUITY</b>	
Liabilities	
Current Liabilities	
Credit Cards	
Bank of America Alaska Air Visa	3,091.98
Total Credit Cards	3,091.98
Other Current Liabilities	
Deferred Income	2,720.00
Payroll Liabilities	
State Unemployment	575.11
Total Payroll Liabilities	575.11
Total Other Current Liabilities	3,295.11
Total Current Liabilities	6,387.09
Total Liabilities	6,387.09
Equity	
Fund Balance	3,294,164.86
Opening Bal Equity	1,084,743.57
Net Income	-216,779.14
Total Equity	4,162,129.29
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>4,168,516.38</b>

## Accounts Receivable Detail

### As of 4/30/21

\$11,860.00	Airport Screeners Contract - April invoice to DHSS
\$4,345.62	Delinquent Sales Tax
\$3,525.54	Ambulance Transport Billing - In Progress
\$2,720.00	Fish-Box Tax Deferred Income
<b>(\$1,812.51)</b>	<b>Net of Other Customer Account Balances</b>
<hr/>	
\$20,638.65	Total

## FNBA Checking Account - Unrestricted Funds Balance

### As of 4/30/21

FDIC: The standard deposit insurance coverage limit is \$250,000 per depositor, per FDIC-insured bank, per ownership category.

City of Gustavus has a tri-party agreement in place that collateralizes our account, providing protection for the full value of our account balances.

FNBA Checking Account Balance: \$611,517.95

#### Obligated Funds Currently in Checking Account:

	CARES Act remaining funds	<b>(\$27,871.48)</b>
MF	CP18-01 Salmon River Harbor	<b>(\$19,856.96)</b>
	CP18-04 LIDAR of Gustavus	<b>(\$2,467.98)</b>
DRC	CP18-05 DRC Pre-Processing	<b>(\$20,201.40)</b>
DRC	CP18-07 Household Haz Waste Fac.	<b>(\$59,300.00)</b>
Admin	CP19-03 Gustavus Beach Improv.	<b>(\$30,926.59)</b>
DRC	CP19-06 DRC Composting Facility	<b>(\$106,050.00)</b>
Library	CP19-08 Library Roof/Awning/Shed	<b>(\$34,718.00)</b>
GVFD	CP20-01 Replacement AED/Monitor	<b>(\$1,812.70)</b>
Library	FY21 PLA Grant	<b>(\$1,003.37)</b>
Library	SoA OWL Internet Subsidy	<b>(\$250.00)</b>
Roads	Encumbered road money	\$0.00
Roads	USFWS Chase Drwy	<b>(\$251.02)</b>

Unrestricted Funds: **\$306,808.45**

#### Pending Transfers:

FY21-07NCO	Transfer from AMLIP for Capital Projects	\$100,000.00	for library roof
FY21-19NCO intro.	Transfer to AMLIP of unused Capital Project funds	\$31,812.70	
FY21-20NCO intro.	Transfer from AMLIP of CARES Act interest	\$3.05	

Per the Unrestricted Fund Balance Policy (Res. CY18-18), the unrestricted fund balance should be 17-35% of the current fiscal year's operating expenses, with a target of 25%.

FY21 budgeted operating expenses:	\$864,810.63
25% =	<b>\$216,202.66</b>
17% =	\$147,017.81
35% =	\$302,683.72



# Capital Projects 2021-2025

Item #5.

Capital Projects	Budget Requested	Amount Funded	Funded Project QuickBooks Class Name	Dept.	Short Form Complete	Full Scoping Document Submitted	Council Approval	Funded Date	Notes	Proposed Completion Date	Proposed Funding Source
<b>Ongoing, already funded:</b>											
Household Hazardous Waste Facility	\$ 59,450	\$ 59,450	CP18-07 Household Haz Waste Fac	DRC	N/A	12/5/2016	12/12/2016	5/13/2019		in progress	CIP, or AMLIP
Salmon River Harbor Clean-up & Kiosk	\$ 27,000	\$ 27,000	CP18-01 Salmon River Harbor	MF	N/A	1/3/2017	1/9/2017	6/11/2018		in progress	AMLIP
Wilson Rd. drainage improvement	\$ 40,000	\$ 40,000	CP18-02 Wilson Rd Drainage	Roads	N/A	1/26/2018	5/14/2018	6/11/2018	pending LIDAR analysis	on hold	AMLIP
LIDAR	\$ 28,400	\$ 28,400	CP18-04 LIDAR of Gustavus		4/5/2018	n/a	4/9/2018	6/11/2018		in progress	AMLIP
Library Roof Repair	\$ 50,000	\$ 150,000	CP19-08 Library Roof/Shed/Awning	Library	N/A	7/22/2019; revised 8/5/19; revised 8/3/20	7/22/2019; revised 8/5/19; revised 8/10/20	8/12/2019; 9/21/20		in progress	AMLIP CP and R&R
Gustavus Beach Improvements: Phase 1	\$ 65,800	\$ 53,150	CP19-03 Gustavus Beach Improv.	Admin	N/A	3/11/2019	3/11/2019	4/8/2019		in progress	AMLIP
Compost Yard Improvement	\$ 111,585	\$ 111,585	CP19-06 DRC Composting Facility	DRC	N/A	1/2/2018, revised 3/11/19	1/15/2018, revised 3/11/19	5/13/2019		in progress	CIP, or AMLIP CP and R&R
Inflow Storage & HHW Facility Storage Area	\$26,400, then \$62,000	\$ 62,000	CP18-05 DRC Pre-Processing	DRC	N/A	9/16/2016, revised 3/11/19	9/16/2016, revised 3/11/19	5/13/2019	6/11/18 amended scoping document; 3/11/19 amended	in progress	CIP, or AMLIP
Fire Hall Rain Cistern System	up to \$25,000			GVFD						in progress	CARES Act
Good River Bridge Repairs, Phase 1 engineering	\$ 25,000			Roads						Near-term	
City Road Improvements, Phase 1 road engineer	\$ 30,000			Roads					plus \$40K from Wilson Rd. CF	Near-term	
Main Building Replacement, Phase 1 design/eng.	\$ 30,000			DRC	N/A	2/3/2020	2/10/2020			Near-term	CIP
Old P.O./Preschool building refurbish	\$ 10,000			Admin	2/20/2018					Near-term	
Library Bike Shelter/Shed, Phase 1 design/eng.	\$ 15,000	\$ 15,000.00	CP19-08 Library Roof/Shed/Awning	Library	N/A	7/22/2019; revised 8/5/19	7/22/2019; revised 8/5/19	8/12/2019	only \$10,000 moved 8/12/19; \$5000 still to transfer	Near-term	AMLIP
Flood Mitigation and Recovery	\$ 105,000									Near-term	FEMA
Quick Attack/Wildland Firefighting Truck	\$ 80,000			GVFD	1/28/2020	N/A	2/10/2020			Near-term	CIP, or grants
Gravel Pit Improvements	pending		CP19-07 Gravel Extraction Improv.	Lands	N/A	4/25/2019	5/13/2019	postponed		Near-term	CIP, or AMLIP
Main Building Replacement, Phase 2 build	\$ 257,500			DRC	N/A	2/3/2020	2/10/2020			Mid-range	CIP
Roof/Building Exp. - Architectural & Engineering	\$ 30,000			GVFD	N/A	2/9/2018	2/12/2018			Mid-range	CIP
Library Expansion - Architectural & Engineering	\$ 30,000			Library	3/1/2018		2/11/2019			Mid-range	CIP
Drinking Water Point-Source Project Dev.	pending									Mid-range	
Structural Firefighting Gear (expire 2022)	\$ 82,500			GVFD						Mid-range	
Good River Bridge Repairs, Phase 2 construction				Roads						Mid-range	
Three Phase Power Installation				DRC						Mid-range	
Library Bike Shelter/Shed, Phase 2 construction			CP19-08 Library Roof/Shed/Awning	Library	N/A	7/22/2019; revised 8/5/19	7/22/2019; revised 8/5/19	8/12/2019		Mid-range	AMLIP
Baler Purchase	\$ 166,630			DRC	N/A					Mid-range	
City Road Improvements, Phase 2 implementation				Roads						Mid-range	
Library Ventilation Fans Replacement	\$ 7,000			Library						Mid-range	
Refurbish/Repurpose Composting Quonset	\$ 15,000			DRC						Mid-range	
Salmon River Boat Harbor Barge Ramp Improvement				MF	N/A	9/2/2020	9/21/2020			Mid-range	AMLIP R&R
Salmon River Boat Harbor Fish Waste Disposal Bin				MF/DRC						Mid-range	
City Hall front room - carpeting, painting, windows	\$ 15,000			Admin	2/14/2018					Mid-range	
Landscape Design consultation				-split-	2/20/2018					Mid-range	
Utility Pick-up Truck	\$15-60,000.00			GVFD	2/15/2018					Mid-range	
Water Tender / Road Water Truck				GVFD	2/15/2018					Mid-range	
Grandpa's Farm Road Bridge & Culvert	\$ 250,000			Roads						Mid-range	USFWS and/or AKSSF
DRC Groundwater Monitoring Well Replacements	\$ 12,000			DRC						Mid-range	
DRC Glass Pulverizer - refurbish or replace	\$ 50,000			DRC						Mid-range	
City Buildings Air-Source Heat Pump Conversion	\$ 9,000.00									Mid-range	
Firehall Roof/Building Expansion, Phase 2 constr.	\$700,000			GVFD	N/A	2/9/2018	2/12/2018, revised 2/11/2019			Long-range	CIP - state, federal grant
Driveway Relocation or River Bank Stabilization				Admin	N/A					Long-range	AMLIP
City Hall & Fire Hall Energy Audit Repairs				GVFD & Admin	3/1/2018	Res. CY18-12				Long-range	
Edraulic Extrication Equipment	\$35,000			GVFD	2/15/2018					Long-range	AFG
911 System Upgrade				GVFD						Long-range	
GVFD Electric Meter Installation				GVFD						Long-range	
Library Expansion, Phase 2 constr.				Library	3/1/2018					Long-range	
DRC Shredder				DRC						Long-range	
DRC "Waste to Energy" Equipment				DRC						Long-range	
DRC Drive-on/Vehicle Scale				DRC						Long-range	
DRC Equipment Garage				DRC						Long-range	
DRC Sytrofoam Densifier				DRC						Long-range	
Landfill Closure 4-8 years	long-term			DRC	N/A					Long-range	
City Vehicle				-split-	2/20/2018					Long-range	
Salmon River Harbor Waterless Restrooms	\$70-90,000.00			MF						Long-range	
Salmon River Harbor Public Floats				MF						Long-range	
CAPGIS 2018 submission											
CAPGIS 2019 submission											
CAPGIS 2020 submission											
CAPGIS 2021 submission											

**Incoming Grants/Scholarships/Contracts to City of Gustavus FY21**

Dept.	Purpose	Date Received	Amount Awarded	QB Class Name	Amount Spent to Date	Remaining Funds	Notes
Multi	COVID-19 Response	multiple	\$567,579.85	CARES (CFDA# 21.019)	\$539,705.32	\$27,874.53	some funds were received/expended in FY20
	Safety Equipment	12/8/2020	\$100.00	---	\$100.00	\$0.00	APEI End of Year Safety Gift Pack
DRC	Safety Equipment	5/11/2020	\$100.00	---	\$100.00	\$0.00	APEI bonus for submitting insurance renewal early
Library	Telecommunications	N/A	\$18,900.00	---	N/A	N/A	USAC E-Rate federal internet subsidy paid directly to library internet vendor through monthly billings
	Reading with Rachel	8/3/2020	\$554.00	Reading with Rachel	\$554.00	\$0.00	Grant from Jon & Julie Howell
	Library Programs	8/12/2020	\$393.59	---	\$393.59	\$0.00	Alaska SLICE outreach program reimbursement
	Telecommunications	8/20/2020	\$1,500.00	SoA OWL Internet Subsidy	\$1,250.00	\$250.00	Alaska OWL monthly internet subsidy
	Library Materials	8/25/2020	\$7,000.00	FY21 PLA Grant	\$5,996.63	\$1,003.37	State of AK Public Library Assistance (PLA) grant
	Library Training	Spring 2021	\$300.00	---	\$0.00	\$300.00	Alaska State Library Continuing Education (CE) & Professional Development (PD) Grant - training reimbursement
GVFD	GVFD Equipment	Spring 2021	in-kind	Tsunami Siren Grant CY20	\$36,000.00	\$0.00	State of AK Div. of Homeland Sec. & Emergency Mgmt.
	Point-of-Entry COVID-19 Testing	monthly	\$111,822.00	COVID-19 Screeners (C0620-525)	\$123,682.00	(\$11,860.00)	State of AK DHSS - invoiced monthly for reimbursement
	GVFD Equipment	fall 2020	\$15,000.00	---	\$15,000.00	\$0.00	SEREMS Code Blue Grant 2020 - GVFD pays at least 10% match
	GVFD Training	2021	\$1,000.00	---	\$0.00	\$1,000.00	SEREMS Mini-Grant used for ETT online class
	Community Testing/Vaccines	2021	\$25,390.21	--	\$12,232.71	\$13,157.50	State of AK DHSS Community Funding for COVID-19

\$749,639.65

**Outgoing Grants from City of Gustavus - Endowment Fund Grant (EFG)**

Resolution	Grantee	Date Awarded	Amount Awarded	QB Class Name	Amount Disbursed to Date	Remaining Funds	Notes
CY20-27	Gust. Hist. Archives & Ant.	12/14/2020	\$4,937.00	2021 EFG - GHAA	\$4,443.30	\$493.70	grant ends 12/15/21
CY20-27	Tidelines Institute (formerly The Arete Project)	12/14/2020	\$38,316.17	2021 EFG - Arete Project	\$0.00	\$38,316.17	grant ends 12/15/21

## CARES Act Funds for City of Gustavus (COG)

Original spending deadline December 30, 2020. Extended to 12/31/21.

### CARES Act Income

deposited 6/18/20	\$381,144.53	first payment
deposited 11/10/20 (available after 80% of 1st payment spent)	\$125,268	second payment
deposited 11/19/20 (available after 80% of first 2 payments used)	\$125,268	third payment
interest earned on deposits	\$16.76	
<b>Total CARES Act funds available</b>	<b>\$631,697.29</b>	

### CARES Act Expenditures

<b>March 1, 2020-May 3, 2021 actual expenditures</b>	<b>\$603,823</b>	
The total highlighted in green *includes* the following subitems:	---	
REESP: direct distribution to Gustavus residents	---	\$199,998
COG eligible payroll & benefits (Fire Chief plus eligible hours of other staff)	---	\$131,134
economic assistance grants to local businesses/non-profits	---	\$53,899
Gustavus Visitors Association	---	\$38,266
generator for testing/emergency tent	---	\$29,257
Marketing Gustavus: Small Business Web Development grants	---	\$18,473
Gustavus School cleaning equipment, cleaning supplies, PPE	---	\$16,500
stipend for emergency responders during pandemic	---	\$2,800
winter food supply: root cellar construction at Gustavus Community Center	---	\$5,000
winter food supply: canned salmon	---	\$2,323
winter food supply: community food distribution (vacuum sealer & bags)	---	\$1,542
winter food supply: community food distribution (meat grinder & attachments)	---	\$853
winter food supply: community food distribution (halibut)	---	\$162
other COG eligible purchases, including facility improvements	---	\$103,615
<b>Earmarked but unspent:</b>		
remaining COG facility improvements	\$27,874	
<b>Total of Actual + Earmarked Expenses:</b>	<b>\$631,697</b>	

Some CARES Act expenditures are being reviewed with FEMA to see if any are eligible for reimbursement by FEMA. If so, those CARES Act funds could then be re-programmed for other eligible expenses by 12/31/21.

## CITY ADMINISTRATOR'S REPORT GENERAL MEETING

### STATEWIDE COMPREHENSIVE OUTDOOR RECREATION PLAN (SCORP)

Alaska Trails hosted its annual conference April 15<sup>th</sup>-17<sup>th</sup> with two planning sessions related to the SCORP. The conference is a process to gather input from regional stakeholders. The Alaska Trails is assisting AK State Parks and NPS RTCA in the current 2022-27 update of the SCORP through facilitating the formation of regional working groups whose purpose it is to establish sets of regional priorities, projects, and recommendations for the SCORP. The SCORP is updated every five years and serves as a guide for all public outdoor recreation in urban and rural neighborhoods, cities, and regions for a given state. This plan attempts to bring together the wants and needs of the recreation users and providers into a single comprehensive document. The SCORP update is also an eligibility requirement for funding from the Land and Water Conservation Fund which provides matching grants to states and local governments for the acquisition and development of public outdoor recreation areas and facilities.

Ken (Ponch) Marchbanks attended the conference for the City and is ready to provide a report. THANK PONCH!

### FLOOD EMERGENCY/DISASTER FUNDS

On April 19 Council Taylor and I participated in the Exploratory meeting where we identified the categories of expenses and work yet to be completed. The Scoping meeting, where we begin to discuss project costs, is scheduled for April 30; I will provide an update during my report since the submission deadline for the work session has passed.

### ARP

During the ARPA meeting on April 16 we learned that late on April 15 the U.S. Treasury provided some initial guidance for major metropolitan areas funds, 50k and up populations; the guidance for smaller municipalities should be out within the next 2 weeks. Guidance for smaller communities such as Gustavus would have funding delivered through the state. Once guidance for the government level funds is provided, the other eligibility categories such as schools, CIP, small businesses, etc. should be provided.

I attended the National League of Cities ARPA Town Hall on April 23<sup>rd</sup>. Still nothing from the Treasury on specific spending criteria that applies to us. The Town Hall's will move to once a month from now on (starting in May) because of the volume of information being released and the time necessary to unwrap the information.

On April 16, 2021 Governor Dunleavy issued the following press release. Details of the programs should be released soon, as well as the amount of funding we can expect; the federal formula has not been calculated by the state at this time but should be released soon.

#### Press Release:

The State of Alaska received a total of \$1.02 billion in ARP funds to assist in recovery efforts from COVID-19, which authorizes funding certain programs through December 31, 2024. All states are waiting for final guidance from the federal Treasury Department. The Dunleavy administration is working with national organizations and federal agencies to clarify amounts and understand the requirements tied to these funds, and further work with the Alaska Legislature on details as additional guidance is provided.

- **Protecting Alaskans – \$80M**

- Emergency response costs including addressing the domestic violence impacts of COVID-19 (\$6M), portable equipment, and individual security including food security, and fishermen COVID-19 coverage.
- **Alaska Tourism Revitalization – \$150M**
  - Industry relief to promote tourism and adapt services for potential loss of cruise ship season.
- **Economic Recovery and Innovation– \$325M**
  - Relief to businesses and organizations impacted by the pandemic and preparing Alaska’s economy to emerge as a destination for workers, investors, and families.
- **Build Alaska – Infrastructure Investment – \$325M**
  - Alaska’s backlog of infrastructure needs includes safe water, sewer, and broadband infrastructure investments; leverage local and other funding using matching grant programs will benefit under this proposal.
- **General Fund Offset – \$139.26M**
  - Utilize ARP funding, up to \$1.02B, to offset existing general fund expenditures.

The American Rescue Plan Act also provided \$230.7 million for payments to Alaska communities, of which \$185.4 million requires appropriation and distribution by the State of Alaska to communities based on a federal formula.

Numerous state programs were awarded increased federal funding through the ARP, totaling \$220 million for public health and safety, workforce development, education, transportation, and emergency management.

### **OLD POST OFFICE BLDG**

The City did not receive a response to the RFB for the evaluation of the old post office building. I am working with Council member Lewis in developing an approach to address the building. Given the direction by the Council to explore the extent and costs to repair the building and make it serviceable, the following suggested steps are provided for consideration.

Combining some projects could assist in shortening the completion. Bundling small RFQ’s, following the P&P for small purchases under \$10k, projects could include the following examples (thanks Mike):

- Remove dilapidated outside entries and replace with new. We could specify making one or both larger, or providing for future expansion to have a larger covered porch, at least on the main entry on the road side.
- Evaluate and restore the septic system.
- Plumb bathroom sink and toilet as needed.
- Paint exterior (could be done by volunteers—maybe council members?)
- Service heater to return to service. (returning the oil heater to service is the cheapest, but we could do a heat pump in the future.)
- Some basic landscaping

Maybe Ben could be used to assist or complete some of these projects.

Remember, this building is within a state designated historic district and exterior work must meet the guidelines established by the state historic preservation office (SHIPO). This shouldn’t be an obstacle given that we want to renovate and repair the building. Also, this project could be a candidate for the ARP funds.

One other consideration. If we convert the building to a commercial use and lease it for a local business, we will need to identify another building for storage and covered work area for Ben. One suggestion would be to look around the community for a small building to repurpose, or

construct/purchase one and place it near City Hall for easy access to utilities, etc. Again, this be eligible for ARP funds. Regardless, this investment will provide for 2 purposes and address the need to restore the City's asset.

### **AUDIO FOR THE DAIS**

There has been some discussion about purchasing audio equipment (microphones, etc.) for the dais to improve speaking during meetings. The addition of the microphones should resolve some of the computer operated issues and make transmission clearer, eliminate the echo, and eliminate the mute problems. Although the microphones would only be used by Council members at City Hall during the Zoom period, there are some members that participate from City Hall and would benefit from the new equipment. Equipment like this will be necessary if the council would like to continue providing Zoom meetings for residents even when the council itself eventually begins meeting in person at City Hall, something that residents have expressed a desire for. The cost of the audio system would be around \$4,500. Does the Council support this purchase?

### **MOVEMENT OF THE STEEL FLOAT**

The steel float has been moved back to the City Floats on April 23<sup>rd</sup>; the ramp was lowered on April 26<sup>th</sup>. They will be moving the Skiff floats and Wooden float in the next few weeks.

There were a couple of problems with the south end anchor lines being twisted, they will need to pull the lines from the water to see if they can undo the tangle. Because of the nature and placement of the problem they were not able to detach the spectra line to the float from the buoy (anchor lines) and were forced instead to detach them from the float itself and leave them free in the water. The broken collar tie hinge did break loose completely from the collar and is now hanging by a chain in the water below the float. The intent is to leave it there until the State comes out to make their repairs. The rest of the collar ties moved freely and with the exception of some dipping they all seemed to be intact and undamaged.

Once again, a big THANKS to Toshua and his Claim Jumper crew, our Marine Facilities Coordinator Ben Sadler, Justin Marchbanks, and Vice Mayor Vanderzanden.



# Gustavus PFAS Action Coalition

## History, Accomplishments, and Next Steps

PREPARED FOR:

Gustavus PFAS Action Coalition

April 2021

# Gustavus PFAS Action Coalition

## History, Accomplishments, and Next Steps

PREPARED FOR:

**Gustavus PFAS Action Coalition**

April 2021

**McDowell Group Anchorage Office**  
1400 W. Benson Blvd., Suite 510  
Anchorage, Alaska 99503

**McDowell Group Juneau Office**  
9360 Glacier Highway, Suite 201  
Juneau, Alaska 99801

**Website:** [www.mcdowellgroup.net](http://www.mcdowellgroup.net)





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## Glossary

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**Aqueous film forming foam (AFFF):** a fire suppressant that contains PFAS and is used to extinguish flammable-liquid fires. AFFF is commonly used at airports and fire training facilities, and currently required by the FAA at larger airports.

**Per- and polyfluoroalkyl substances (PFAS):** a group of more than 5,000 human-made chemicals that do not easily break down and have been widely used in industry and consumer products since the 1950s. PFAS compounds resist heat, oil, stains, grease, and water and have been used in firefighting materials, nonstick cookware, stain-resistant products for furniture and carpets, fabric waterproofing, outdoor gear, food packaging, and personal-care products.

**Perfluorooctane sulfonate (PFOS):** a long-chain PFAS found in older stocks of AFFF and as a breakdown product of precursor compounds.

**Perfluorooctanoic acid (PFOA):** a long-chain PFAS that is a side product created during the AFFF manufacturing process.

PFAS encompass an evolving list of derivatives and combinations that include the following chemicals:

- Perfluorobutanoic acid (PFBA)
- Perfluorotetradecanoic acid (PFTA or PFTeDA)
- Perfluoropentanoate, perfluoropentanoic acid (PFPeA)
- Perfluorotridecanoic acid (PFTTrDA or PFTriA)
- Perfluorobutane sulfonic acid, perfluorobutane sulfonate (PFBS)
- Perfluorononanoic acid, perfluorononanoate (PFNA)
- Perfluorohexanesulfonic acid, perfluorohexane sulfonate (PFHxS)
- Perfluoroheptanoic acid, perfluoroheptanoate (PFHpA)

**Gen-X:** a trade name for a short-chain PFAS chemical that is used to make high performance fluoropolymers (for example, some non-stick coatings) without the use of perfluorooctanoic acid (PFOA).

## Executive Summary

In the two years since its inception, the Gustavus PFAS Action Coalition (GPAC) has made major strides in addressing contamination by per- and polyfluoroalkyl substances (PFAS) in Gustavus.

Among its accomplishments, GPAC has:

- **Advocated for additional testing** to identify the extent of PFAS contamination in the community, including dozens of extra water tests at Gustavus homes. The coalition worked with the Gustavus Clinic, the Alaska Community Action on Toxics (ACAT), and Indiana University (IU) to offer free blood tests to residents to gauge their PFAS body burden. In addition, PFAS testing has been completed on local subsistence food samples.
- **Held two statewide PFAS summits** to raise awareness and connect with other affected residents across the state.
- **Launched the statewide network Alaska PFAS Action Coalition (APAC)**, with participants from Gustavus, Dillingham, Anchorage, and Fairbanks, following GPAC's first summit.
- **Advocated for replacing firefighting foam that contains PFAS** with a sodium bicarbonate (or similarly safe) substitute as a fire suppressant at the Gustavus Airport.
- **Advocated for replacing firefighting foam that contains PFAS** with fluorine-free foams at other larger airports around the state.
- **Advocated for PFAS legislation**, which would require:
  - Stricter limits on PFAS in drinking water.
  - Periodic testing of Alaska drinking water supplies from areas where PFAS has been released.
  - Alternative sources of drinking water and testing for those whose water sources are contaminated with PFAS.
  - Testing first responders (such as a firefighter, police officer, or cleanup personnel) exposed to PFAS and anyone who routinely consumed PFAS-contaminated drinking water. Testing would occur at least once a year for three years after exposure to monitor their PFAS body burden.
  - Phasing out the use of PFAS-containing firefighting foams at Alaska airports.
- **Partnered with other groups** to increase PFAS awareness. These groups include Alaska Community Action on Toxics (ACAT), the Southeast Alaska Conservation Council (SEACC), the Nature Conservancy, and the Alaska Native Sisterhood. GPAC also worked with local, state, and federal government representatives to increase PFAS awareness and funding for testing.

"I've been reminded that even small fish in a big pond can have their voice heard. It's a reminder you can speak up in this country and be heard."

– GPAC member

"If all communities could network together and have a united message about what we're asking for, we could be a lot more effective."

– GPAC member

- **Raised public awareness of PFAS** through newspaper articles, interviews, letter writing, social media posts, legislative testimony, and development of a GPAC website.

GPAC members have worked with state officials to address the contamination in their community. Currently, the State of Alaska requires a responsible party to take the following steps upon discovery of a contaminated drinking water source:<sup>1</sup>

“Definitely pushing the state to do the right thing has had a dramatic effect. The more we speak together and ask for the same things, the better chance we have.”

– GPAC member

- Initial sampling of water supplies to identify contamination levels.
- Providing an alternate source of clean water to residents and businesses whose water does not meet the EPA’s Lifetime Health Advisory (LHA) levels of combined concentrations of PFOA and PFOS at 70 parts per trillion.
- Monitoring contaminated sites.
- Launching remediation efforts (possibly involving excavation, containment, or technology to reduce contamination).

These steps, however, are minimal, can be cursory, and may face considerable delays due to disputes between the state and responsible party, staff shortages, evolving regulations, and the slow pace of federal decision-making on environmental guidelines.

At the Gustavus airport, the party responsible for PFAS contamination is the Alaska Department of Transportation & Public Facilities (DOT&PF). At Alaska contamination sites at or near military installations the U.S. Department of Defense is responsible. One such site is Joint Base Elmendorf-Richardson (JBER) near Anchorage.<sup>2</sup>

Upon discovering contamination, GPAC advises communities take the following actions:

- **Request a public meeting** with state officials and the responsible party. For PFAS contamination, involved state officials would likely include the Alaska Department of Environmental Conservation (DEC), the Department of Transportation & Public Facilities (DOT&PF), and the Department of Health & Social Services (DHSS).
- **Ask for a schedule of concrete steps and deliverables**, including water sampling, long-term alternative water supplies, an interim water source until the long-term supply is in place, and remediation.

<sup>1</sup> Title 18, Alaska Administrative Code 75.345, as amended Nov. 7, 2020; Sally Schlichting, environmental policy analyst for Southeast Alaska Conservation Council and a former manager of the Alaska Department of Environmental Conservation Contaminated Sites Program, interview Jan. 5, 2020.

<sup>2</sup> DeFazio, Diana, Alaska Community Action on Toxics, “Threats to Drinking water and Public Health In Alaska: The Scope of the PFAS Problem, Consequences of Regulatory Inaction, and Recommendations,” September 2019, p. 40.

- **Obtain contact information** for state officials and those responsible for the contamination.
- **Notify media** to increase coverage of the issue.
- **Partner with city government to take a leadership role** in negotiating with the State and the polluter. Develop a compliance order that spells out obligations by the State and the polluter to address the contamination and restore safe drinking water.
- **Maintain follow-through:** Interviews clarified that public pressure often drives government action, which is why follow-up calls to state officials are important, as well having media involved to amplify a community's message.

GPAC's ongoing priorities are:

- Stopping the use of PFAS-containing firefighting foams in Alaska.
- Cultivating support for state and federal legislation that creates more stringent drinking water standards for PFAS and provides testing, alternative water supplies, and medical monitoring to those exposed to these compounds, among other measures.
- Reaching out to other communities and strengthening a statewide network to prevent and protect Alaskans from PFAS contamination.
- Working with state officials to ensure all Gustavus and Alaska homes and businesses have safe drinking water.
- Advocating for ongoing testing so the PFAS plume's extent and location in Gustavus are well-defined.
- Urging the State of Alaska to safely dispose of stored firefighting foams.
- Remediation of contaminated sites to prevent years of continued leaching into drinking water wells and water sources.

# Introduction

Gustavus PFAS Action Coalition (GPAC) contracted with McDowell Group to prepare a history of GPAC's efforts to raise awareness about per- and polyfluoralkyl substances (PFAS), stop further PFAS use, and correct PFAS damage as much as possible. This summary documents GPAC's mission, actions, and progress for a broad audience, including legislators, scientists, and other Alaska communities affected by PFAS contamination.

This report provides:

- A brief history of PFAS contamination in Gustavus.
- A review of GPAC's inception, actions, and future plans.
- An overview of data collected by GPAC, including egg, produce, and water test results.
- A discussion of unmet needs and key priorities.
- Community rights and advocacy.
- Lessons learned in Gustavus and how they might translate to other communities.

Information in this report was based on:

- Test results for PFAS levels in water, people, local wildlife, and plants in Gustavus.
- Studies on PFAS and its effects.
- Government-agency reports and news articles.
- Interviews with GPAC members, Gustavus residents, and other Alaskans.
- GPAC correspondence and testimony.

## PFAS Contamination

In 2018, state officials alerted Gustavus residents that their groundwater was contaminated by chemicals in firefighting foam used at the Gustavus Airport since at least the mid-1980s.<sup>3</sup> Gustavus citizens immediately began educating themselves about aqueous film forming foam (AFFF) and the family of compounds known as PFAS.

### The Forever Chemical

Across the country, citizens and government regulators were becoming increasingly aware that PFAS are linked to higher rates of cancer and a wide variety of other health issues. What made PFAS compounds seem at first like a family of super-chemicals – so resistant to heat, water, and oil that they are difficult to break down – is also among the reasons why they are detrimental to human health.<sup>4</sup> They cannot readily be removed from the human

"It's a beast of an issue because PFAS are everywhere. These compounds are used in so many places."

– Gustavus resident

<sup>3</sup> Howell, Wayne, "Report to the Gustavus City Council Gustavus Water Action Committee: Historic Use of Aqueous Firefighting Foam In and Around Gustavus, 1969-2015," September 2019.

<sup>4</sup> DeFazio, Diana, Alaska Community Action on Toxics, "Threats to Drinking water and Public Health In Alaska: The Scope of the PFAS Problem, Consequences of Regulatory Inaction, and Recommendations," September 2019, p. 4.

body and they bioaccumulate over time. Accumulation of PFAS has been connected to thyroid disease, infertility, high blood pressure, liver and kidney damage, preeclampsia, and lower birth rates. Higher rates of several kinds of cancer have been found among military personnel, firefighters, and others with higher exposures to PFAS, and multiple research projects are under way to better understand links between PFAS and cancer.

Concern about the health impacts of PFAS has triggered calls for action by the Union of Concerned Scientists,<sup>5</sup> the United Nations,<sup>6</sup> and the U.S. Environmental Protection Agency (EPA), among others.<sup>7</sup> The U.S. Department of Defense (DOD) has spent millions of dollars evaluating alternatives to the firefighting foam, which is the primary way PFAS has entered groundwater near airports and military installations across the country.<sup>8</sup> Fluorine-free firefighting foams are used in other countries such as England, France, Denmark, Norway, Australia, and the United Arab Emirates.<sup>9</sup> The Federal Aviation Administration (FAA), however, has not adopted use of these foams and instead built a facility to conduct its own tests on fluorine-free foams. AFFF continues to be used and stored at airports across the United States.

"A lot of us believe the (action level) number should be lower. It's maddening that the number is so high."

– Gustavus resident

## In Alaska

As of September 2019, the State of Alaska identified 33 airports where AFFF is known or suspected to have been released, and evidence of PFAS contamination in groundwater has been confirmed at almost every location that has been investigated.<sup>10</sup> Besides Gustavus, PFAS contamination from airports was confirmed as of September 2019 in Fairbanks, Utqiagvik, Dillingham, King Salmon, and Yakutat. Since then several more contaminated sites have been identified. At least 10 Alaska communities have instances of PFAS in drinking water above health advisory levels. These are Utqiagvik, Eielson Air Force Base, Moose Creek, City of Fairbanks, North Pole, Eareckson Air Station, Gustavus, King Salmon, Dillingham, and Yakutat. Many other communities have not yet tested for possible contamination.

"Regulating just PFOA or PFOS does virtually nothing, since PFAS can be reconfigured in many, many new ways."

– GPAC board member

Research has triggered concerns as to whether the PFAS levels thought to be safe are appropriate. The EPA has a health advisory level for PFAS of 70 parts per trillion (ppt) for PFOS and PFOA (combined) but has not set standards for the many other types of PFAS, which also pose health risks. The safe-exposure level for PFOS and

<sup>5</sup> Union of Concerned Scientists, "Time for Action to End PFAS Threat," Union of Concerned Scientists, updated June 13, 2019, <https://www.ucsusa.org/resources/pfas-threat>.

<sup>6</sup> International Pollutants Elimination Network (IPEN), "At UN meeting, governments agree to a global ban on PFOA – a toxic water pollutant," IPEN, May 3, 2019, <https://ipen.org/news/un-meeting-governments-agree-global-ban-pfoa-%E2%80%93-toxic-water-pollutant>.

<sup>7</sup> "EPA's PFAS Action Plan," U.S. Environmental Protection Agency, viewed Dec. 28, 2020, <https://www.epa.gov/pfas/epas-pfas-action-plan>.

<sup>8</sup> Paley, Miranda, "5 Things to Know About DOD's Research on 'Fluorine-Free' Firefighting Foam," U.S. Department of Defense, Sept. 6, 2019.

<sup>9</sup> Benesh, Melanie, Environmental Working Group, "It's Time To Switch to PFAS-Free Firefighting Foams," ewg.org, April 22, 2020, <https://www.ewg.org/news-and-analysis/2020/04/it-s-time-switch-pfas-free-firefighting-foams>.

<sup>10</sup> DeFazio, Diana, Alaska Community Action on Toxics, "Threats to Drinking water and Public Health In Alaska: The Scope of the PFAS Problem, Consequences of Regulatory Inaction, and Recommendations," September 2019, p. 10.

PFOA may be much lower than 70 ppt, perhaps as low as 0.1 to 1 ppt, according to some experts.<sup>11</sup> Numerous states have set lower limits than 70 ppt, but Alaska continues to use the EPA guidelines.

For more information on PFAS contamination in Alaska, see the 2019 ACAT report “Threats to Drinking water and Public Health In Alaska.”

## PFAS in Gustavus

Gustavus, near Glacier Bay National Park, was one of the first Alaska communities where PFAS contamination was investigated and local residents worked with state officials to address it. The town is 50 miles west of Juneau and has a year-round population of 550.

Nearly all Gustavus residents depend on private wells 15 to 25 feet deep. A well serving National Park Service housing in the community also serves a few nearby properties including the school and library. The Alaska Department of Transportation & Public Facilities (DOT&PF) began testing water for PFAS in Gustavus in August 2018, through a contract with the environmental consulting firm Shannon & Wilson.<sup>12</sup>

Initially, tests showed that 19 Gustavus wells had PFAS concentrations above state action levels.<sup>13</sup> These included 12 drinking water wells for private homes or businesses and one serving Alaska Airlines and Alaska Seaplanes terminals. Since then, additional sites have been identified for a total of 21 contaminated sites.<sup>14</sup> Shortly thereafter, DOT&PF began providing bottled water to those whose wells tested above the action level. DOT&PF also provides quarterly and annual testing of wells, with frequency depending on the level of contamination.

Wells sometimes are not retested because they have not met all the state requirements for retesting. Residents, however, have found fluctuations in PFAS levels in wells that were repeatedly tested. Because of this fluctuation, GPAC would like to have wells that did not initially show contamination tested again.

“Our public places were contaminated – our school, our library, the coffee shop at the airport. I don’t know of anyone who doesn’t go to one of those three places.”

– Gustavus resident

“It’s a strange world you have to live in where you have to think about the chemicals that may be affecting the beautiful strawberries you want to pick.”

– Gustavus resident

“My 12 year-old has twice the level of PFAS in his blood than I have. Little kids tend to uptake it so much faster.”

– Gustavus resident

“It’s hard to think about decades of drinking that water.”

– Gustavus resident

<sup>11</sup> DeFazio, p. 18.

<sup>12</sup> Alaska Department of Transportation and Public Facilities, “Gustavus Airport Firefighting Testing Area Contamination,” last updated Sept. 14, 2020, <http://dot.alaska.gov/airportwater/gustavus/>

<sup>13</sup> Ibid.

<sup>14</sup> Shannon & Wilson Inc., “Highest Reported Water Supply Well Analytical Results,” September 2020.



## SAFE WATER FOR GUSTAVUS

One of GPAC's major accomplishments has been successfully advocating for safe water supplies for Gustavus residents affected by PFAS contamination. In 2020, the State began installing rainwater cisterns for those with contaminated wells. In addition, DOTP&F began work to identify a site for a potential community water source. The National Park Service, which owns the Gustavus School well, worked quickly to provide a granular activated carbon (GAC) filtration system for the school's water.

## EFFECTS ON PEOPLE

The discovery of PFAS contamination has added a layer of uncertainty to the lives of Gustavus residents, many of whom chose this remote community to live off wild-harvested and garden-grown foods. Despite GPAC efforts to have subsistence foods and locally grown produce tested, residents are still unsure if harvesting moose, gathering wild plants, or eating from their gardens is safe and would like to see additional testing and research.

"A big concern is that the plume is moving."

– GPAC member

Without continued biomonitoring and additional research, it remains unclear what PFAS body burden levels pose significant health risks. Many current and former Gustavus residents exposed to PFAS through their drinking water have experienced various types of cancer, liver issues, and other physical and mental health problems. Some have died as a result and others deal with ongoing chronic health and quality of life issues. At this point, they have no way of knowing for sure if PFAS exposure is a cause or contributing factor in these ailments.

In addition to the PFAS plume emanating from the Gustavus Airport, a second source of contamination also exists. In 2015, a brush fire broke out at a Gustavus home and threatened nearby houses. The Gustavus Volunteer Fire Department used PFAS-containing firefighting foam to extinguish the blaze. When water samples were completed in 2018, PFAS levels in the area were unusually high. "It was so high it was thought to be a lab error. It was ridiculously high," a GPAC member said. "But it was real." Test results have left residents in the neighborhood wondering whether growing gardens or gathering wild plants on their property is safe.

Until 1925, Gustavus was known as Strawberry Point for the abundance of wild strawberries that grew all over town. Some residents have become wary of picking berries in areas that are believed to be contaminated with PFAS. Testing has indicated that the plume of contaminated groundwater has expanded in the two years that water sampling has taken place, raising a concern that land that did not have unsafe levels of PFAS in initial tests may become contaminated in the future. Point sources will continue to contribute to contamination of surrounding areas beyond the lifespan of current residents.

"It was world-changing and life shattering when we thought we lived in a completely pristine world."

– Gustavus resident

# Gustavus PFAS Action Coalition

## Formation of GPAC

Gustavus residents founded GPAC in December 2018 to bring awareness to PFAS contamination and take steps to prevent further harm. During the previous summer and fall, state officials had notified the community that wells at various residential, community, and commercial properties had tested positive for PFAS. After discussion and networking with the statewide group Alaska Community Action on Toxics (ACAT), Gustavus resident Kelly McLaughlin launched the coalition. The organization has about 25 members.

"We're interested in everyone stepping up and taking action, but it's not anyone's fault. We see the state as a helpful resource. It's not a flame-throwing type of group."

— GPAC member

GPAC has reached out to other organizations to address PFAS, joining forces with ACAT, the Southeast Alaska Conservation Council (SEACC), the Nature Conservancy, and the Alaska Native Sisterhood, among others.

### MISSION

GPAC has three primary goals:

- 1) Stop further use of PFAS.
- 2) Create public understanding of the full extent of the damage.
- 3) Correct PFAS damage to the fullest extent possible.

The coalition works with local, state, and federal agencies, as well as nonprofits and universities, to address the issue in a cooperative way.

# Stop Further Use

## Containing the Source

Firefighting foam, also known as aqueous film forming foam or AFFF, has been the primary source of PFAS contamination in Gustavus and other affected Alaska communities. Much of the contamination across the state came not from AFFF use during fires, but from training or testing exercises involving the foam.

## Actions and Accomplishments

GPAC has taken the following actions to halt the use of firefighting foam:

- **Advocated for replacing firefighting foam that contains PFAS** with a sodium bicarbonate (or similarly safe) substitute as a fire suppressant at the Gustavus Airport.
- **Advocated for replacing firefighting foam that contains PFAS** with fluorine-free foams at other larger airports around the state.
- **Supporting state legislation** that would cease the use of AFFF at Alaska airports.

"If (AFFF)'s been deployed, it's still there. It's a forever chemical."

– GPAC member

## AFFF Substitutes

GPAC has succeeded in its efforts to influence the State's practices regarding airport fire suppressants. The Alaska Department of Transportation and Public Facilities (DOT&PF) has stopped training with AFFF and all unnecessary use of fluorinated foams at airports. The Gustavus group has urged the DOT&PF to use sodium bicarbonate substitutes instead of AFFF for suppressing fires at Index A airports, where AFFF was never required. Index A is a federal designation, based on aircraft length and average number of daily departures, that determines the airport's safety requirements. While the State has not adopted sodium bicarbonate substitutes, it did supply the Gustavus Airport with Purple-K, a potassium bicarbonate fire suppressant (though AFFF is still required to be on hand in tandem with Purple-K).

The FAA Reauthorization Act of 2018 directed the agency to stop requiring the use of fluorinated firefighting foams at airports by October 2021.<sup>15</sup> Legislation proposed in the 31<sup>st</sup> Alaska Legislature would have prohibited the use of AFFF at Alaska airports once the federal requirement for its use is no longer in place. That legislation was not passed, but is likely to be reintroduced in 2021.

<sup>15</sup> Federal Aviation Administration, "FAA Opens One-of-a-Kind Fire Research Facility in Atlantic City," Jan. 14, 2020, [https://www.faa.gov/news/updates/?newsId=94946&omniRss=news\\_updatesAoc&cid=101\\_N\\_U](https://www.faa.gov/news/updates/?newsId=94946&omniRss=news_updatesAoc&cid=101_N_U).

In part, states are waiting for federal action. Since fiscal year 2017, the U.S. Department of Defense has invested \$11 million in research to find environmentally safe replacements for AFFF.<sup>16</sup> Fluorine-free foams, however, are already used at a number of major international airports, such as London Heathrow, Paris-Charles De Gaulle, and Dubai, as well as by Danish and Norwegian armed forces, and oil and chemical manufacturers such as BP, ExxonMobil, Pfizer, and Lilly.<sup>17</sup>

## State Legislation

During the 31<sup>st</sup> Alaska Legislature, GPAC worked to build bipartisan support for Senate Bill 176, sponsored by Sen. Jesse Kiehl (D-Juneau), and House Bill 240, sponsored by Reps. Sara Hannan (D-Juneau) and Geran Tarr (D-Anchorage). These bills, introduced in February 2020, would have required the following:<sup>18</sup>

- Firefighting foams containing PFAS would no longer be allowed once federal law does not require them.
  - An exception would be made for the oil and gas industry, if no safe and effective alternative to firefighting foam containing PFAS is available. However, if the state fire marshal determines that a viable alternative exists, then it must be used instead.
- DEC would accept for disposal up to 25 gallons of AFFF each year from any person living in Alaska.
- Stricter limits on PFAS in drinking water.
- Periodic testing of Alaska drinking water supplies from areas where PFAS has been released.
- Alternative sources of drinking water and testing for those whose water sources are contaminated with PFAS.
- Testing first responders (such as a firefighter, police officer, or cleanup personnel) exposed to PFAS and anyone who routinely consumed PFAS-contaminated drinking water. Testing would occur at least once a year for three years after exposure to monitor their PFAS body burden.

While this legislation did not pass in 2020, legislators plan to introduce similar bills during the 32<sup>nd</sup> Alaska Legislature, which began in January 2021.

## Next Steps

GPAC plans to take the following measures to prevent continued use of AFFF:

- Advocate for the passage of legislation addressing PFAS contamination.
- Advocate for the use of fluorine-free fire suppressants until federal standards halt the use of AFFF.
- Urge the state to properly dispose of stored firefighting foam.

<sup>16</sup> Paley, Miranda, "5 Things to Know About DOD's Research on 'Fluorine-Free' Firefighting Foam," U.S. Department of Defense, Sept. 6, 2019, <https://www.defense.gov/Explore/News/Article/Article/1953510/5-things-to-know-about-dods-research-on-fluorine-free-firefighting-foam/>

<sup>17</sup> Benesh, Melanie, Environmental Working Group, "It's Time To Switch to PFAS-Free Firefighting Foams," ewg.org, April 22, 2020, <https://www.ewg.org/news-and-analysis/2020/04/it-s-time-switch-pfas-free-firefighting-foams>.

<sup>18</sup> Alaska Senate Bill 176 and House Bill 240: "An Act relating to pollutants; relating to perfluoroalkyl and polyfluoroalkyl substances; relating to the duties of the Department of Environmental Conservation; and relating to firefighting substances."

# Increase Public Understanding

## Raising Awareness

GPAC's efforts to increase awareness of the effects of PFAS have been two-pronged:

1. **To test PFAS levels** in water supplies, residents, local game, wild plants, and garden produce so as to fully understand the extent of PFAS contamination in Gustavus.
2. **To inform Gustavus residents and other Alaskans** about the risks from widespread AFFF use, safer alternatives, and other actions to prevent further harm.

## Actions and Accomplishments

In the first two years after its inception, GPAC worked with state agencies, nonprofit groups, and researchers to ensure that water supplies, Gustavus residents, local wildlife, and plants were tested for PFAS levels. The coalition also launched a campaign to increase awareness of PFAS in Gustavus and around the state. Education efforts included public appearances, legislative testimony and meetings with lawmakers, two statewide PFAS summits, and the creation of a statewide PFAS network.

"It's not all about taste. There's more awareness about getting water tested for things that can be tasteless in your water but be long-term problems."

– GPAC member

## PFAS Testing

### BLOOD TESTS

GPAC – in collaboration with the Gustavus Clinic, the Alaska Community Action on Toxics (ACAT), and Indiana University (IU) – offered free blood tests in November 2019 to Gustavus residents.<sup>19</sup> Those who may have been exposed to PFAS through Gustavus School or homes and businesses near contaminated water supplies were eligible for the test. Blood samples were analyzed for 39 PFAS compounds.<sup>20</sup> The goal was to determine PFAS levels in those most likely to have been exposed to these substances.

The collaborative study found a strong correlation between exposure to PFAS-contaminated drinking water and PFAS levels in blood serum. Nineteen PFAS were detected in human blood samples, with concentrations ranging from 2,420 to 28,200 ppt.

<sup>19</sup> Gustavus PFAS Action Coalition website, viewed Dec. 28, 2020, <https://www.gpacalaska.org/blood-tests/>.

<sup>20</sup> Salamova, Amina and Maksat Babayev, Guomao Zheng, Pamela Miller, Kelly McLaughlin, *PFAS Exposure Near a Point Source in Gustavus, Alaska*, Indiana University, draft study completed in April 2020.

Water samples from the Gustavus Department of Transportation (DOT) and a Gustavus Airport well contained extremely high PFAS levels, suggesting these locations were major sources of contamination. PFAS levels were 27,100 ppt at the Gustavus DOT site and 590 ppt at the airport well. That compares to the EPA's lifetime health advisory with an action level of 70 ppt for PFOS and PFOA, and to proposed limits, based on guidelines in other states, of 16 ppt for PFOS and 8 ppt for PFOA.

Overall, 22 distinct PFAS were detected in Gustavus water samples. Perfluorooctane sulfonate (PFOS) constituted up to 60% of the PFAS concentrations, making it the most abundant PFAS in water and blood samples.

## MOOSE AND BEAR

In 2019, the Alaska Department of Fish and Game (ADF&G) tested meat and liver samples from 12 moose and one black bear in the Gustavus area.<sup>21</sup> The Department found detectable levels of PFAS in four of the 13 animals tested (three moose and the bear) and determined that in all samples, PFAS was below levels considered safe for consumption as defined by the EPA health advisory. These levels, however, are strongly questioned and under further evaluation. The PFAS concentrations in the meat were similar to those found in game in remote areas of the Northwest Territories in Canada.

"We were trying not to be alarmist but make them aware this is an issue for the whole community."

– Gustavus resident

ADF&G relied on Minnesota guidelines for safe PFAS levels for fish consumption because neither the EPA nor Alaska DEC had developed such standards of their own. According to Minnesota recommendations, concentrations of less than 10,000 ppt PFAS per gram of fish may be consumed without restriction. The four samples of Gustavus meat with detectable PFAS contained it at the following levels:

- 7,000 ppt in the liver of a cow moose.
- Less than 1,000 ppt in one sample each of bear meat, moose meat, and moose liver.

Department officials noted that chemicals tend to concentrate in liver more than muscle, but that all samples appeared safe for consumption.

## CHICKEN EGGS

GPAC has facilitated and funded three rounds of egg testing, primarily of eggs from two flocks living on properties affected by substantial PFAS contamination. The first two rounds of testing were completed by the testing company Eurofins and the third round was by Vista. Test results on these have shown detectable concentrations of the PFAS compounds PFOS, PFBA, and PFTA.

Some eggs from chickens raised outside of known PFAS-contaminated properties in Gustavus were also tested for comparison. Results showed high concentrations of just one PFAS compound, PFOS, with all of the other compounds not detected. GPAC members consulted with multiple academic experts and the research has led them to suspect that these may be false positives for PFOS caused by the presence of a common bile acid (TcdA). In fall 2020, GPAC worked with the testing firm Vista Analytical Laboratories to conduct more sensitive

<sup>21</sup> Alaska Department of Fish and Game press release, "ADF&G Finds Gustavus Game Samples Safe for Consumption," July 18, 2019.

egg tests, the results of which are shown in Table 1 below. In summary, the results in bold in Table 1 are thought to be correct, while the italicized results are considered suspect due to the bile acid issue present in Eurofins test results.

**Table 1. PFAS Test Results for Chicken Eggs from Affected and Unaffected Properties (ppt)**

	PFOS	PFBA	PFTA	All Other
<b>Vista Test Results - Fall 2020</b>				
Egg Sample 1 (affected property)	-	-	-	-
Egg Sample 2 (unaffected property)	-	-	-	-
Egg Sample 3 (affected property)	<b>900</b>	-	-	-
<b>Eurofins Test Results - December 2019</b>				
Egg Sample 1 (unaffected property)	<i>38,000</i>	-	-	-
Egg Sample 2 (unaffected property)	<i>17,000</i>	-	-	-
Egg Sample 3 (affected property)	<i>30,000</i>	-	-	-
Egg Sample 4 (affected property)	<i>400</i>	-	-	-
<b>Eurofins Test Results - September 2019</b>				
Egg Sample 1 (affected property)	<i>25,000</i>	<b>2,200</b>	<b>200</b>	-
Egg Sample 2 (affected property)	<i>13,000</i>	<b>700</b>	-	-
Egg Sample 3 (affected property)	<i>23,000</i>	<b>1,800</b>	-	-

Source: Test result reports provided by GPAC.

Note: Results in bold are thought by GPAC to be correct, while the italicized results are considered suspect due to potential false positives present in Eurofins test results. Results blank (-) when tests did not detect compound at concentrations above the method detection limit. All results in wet weight concentrations.

#### OTHER SUBSISTENCE FOODS AND GROWING MEDIA

A GPAC member had garden soil, compost, and produce tested in May 2019 by the testing laboratory Eurofins. Results indicated that detectable amounts of PFOS and PFTrDA were present in one garden soil sample, with PFTrDA was also present in compost. Potato and swiss chard samples returned no hits, while one rhubarb sample had detectable amounts of 6:2 FTS present.<sup>22</sup>

In late 2019, GPAC had a variety of produce samples from gardens on affected properties tested by Eurofins. The results showed no detectable levels of PFAS compounds for three potato samples, one kale sample, one rhubarb sample, and one wild mushroom sample. Two kale samples and two mint samples showed detectable amounts of PFBA. One mint sample also showed detectable amounts of PFPeA.

In Fall 2020, GPAC funded another batch of testing for various subsistence and farmed foods, including chicken meat, wild mushrooms, spruce tips, strawberries, currants, and dandelions. Detectable amount of 6:2 FTS were found in one spruce tip sample and detectable amounts of PFBA were found in three chicken meat samples. All other tests on these samples found concentrations below the method detection limit, as shown in Table 2 below.

<sup>22</sup> In newer AFFF foams, 6:2 FTS was used as a replacement to PFOS.

Table 2. PFAS Test Results for Produce and Soil from Affected Properties (ppt)

	PFOS	PFBA	PFPeA	PFTTrDA	6:2 FTS	All Other
<b>Eurofins Test Results - September 2019</b>						
Kale Sample 1	-	700	-	-	-	-
Kale Sample 2	-	-	-	-	-	-
Kale Sample 3	-	1,500	-	-	-	-
Mint Sample 1	-	900	-	-	-	-
Mint Sample 2	-	1,000	1,100	-	-	-
Potato Sample 1	-	-	-	-	-	-
Potato Sample 2	-	-	-	-	-	-
Potato Sample 3	-	-	-	-	-	-
Wild Mushroom	-	-	-	-	-	-
Rhubarb	-	-	-	-	-	-
<b>Eurofins Test Results - May 2019</b>						
Potato	-	-	-	-	-	-
Rhubarb	-	-	-	-	21,000	-
Swiss Chard	-	-	-	-	-	-
Garden Soil Sample 1	1,100	-	-	4,800	-	-
Garden Soil Sample 2	-	-	-	-	-	-
Compost	-	-	-	3,200	-	-
<b>Vista Test Results – October 2020</b>						
Wild Mushroom	-	-	-	-	-	-
Strawberries Sample 1	-	-	-	-	-	-
Strawberries Sample 2	-	-	-	-	-	-
Strawberries Sample 3	-	-	-	-	-	-
Strawberries Sample 4	-	-	-	-	-	-
Currants	-	-	-	-	-	-
Spruce Tip Sample 1	-	-	-	-	-	-
Spruce Tip Sample 2	-	-	-	-	858	-
Spruce Tip Sample 3	-	-	-	-	-	-
Dandelion Sample 1	-	-	-	-	-	-
Dandelion Sample 2	-	-	-	-	-	-
Chicken Meat Sample 1	-	-	-	-	-	-
Chicken Meat Sample 2	-	-	-	-	-	-
Chicken Meat Sample 3	-	1,300	-	-	-	-
Chicken Meat Sample 4	-	1,600	-	-	-	-
Chicken Meat Sample 5	-	794	-	-	-	-
Chicken Meat Sample 6	-	-	-	-	-	-

Source: Test result reports provided by GPAC members.

Note: Results blank (-) when tests did not detect compound at concentrations above the method detection limit. May 2016 test results reflect dry weight concentrations, while September 2019 and October 2020 results are in wet weight concentrations.



## SALMON

GPAC provided six samples of pink and coho salmon from the Salmon River in Gustavus to California-based Vista Analytical Laboratory, which tested the salmon tissue for more than 20 types of PFAS compounds.<sup>23</sup> Based on test results received in November 2020, none of the compounds tested were present in any of the samples at concentrations above the detection limit of Vista's protocols (approximately 200-1,000 ppt per compound).

## Education Efforts

Besides reaching out to state legislators and businesses such as Alaska Airlines, GPAC members have written dozens of letters to government agencies and elected officials regarding PFAS contamination. The coalition has joined forces with groups such as SEACC, the Nature Conservancy, the Alaska Native Sisterhood, and ACAT in writing some of these letters. GPAC shared information on PFAS with the Gustavus community at the public library, on Facebook, and in regular pieces in the Fairweather Reporter, a now defunct Gustavus newspaper. With funding from a city grant, GPAC created a website ([www.GPACAlaska.org](http://www.GPACAlaska.org)) and also maintains a Google Drive with extensive information about PFAS, including studies, legislation, regulations, permits, correspondence, and other documents.

In addition, GPAC has been involved in an array of public events to increase understanding of AFFF risks and decrease exposure to PFAS.

### PUBLIC APPEARANCES AND TESTIMONY

GPAC's efforts to spread PFAS awareness include participation in:

- **An Anchorage press conference** on Sept. 25, 2019, to announce release of the report, "Threats to Drinking Water and Public Health in Alaska: The Scope of the PFAS Contamination Problem, Consequences of Regulatory Inaction, and Recommendations." Other participants were the Alaska PFAS Action Coalition (APAC) and ACAT, which produced the report. Diana DeFazio, ACAT's environmental health program coordinator, was the report's primary author.
- **An *Anchorage Daily News* interview** on Sept. 25, 2019 for a newspaper article.
- **Alaska Public Radio's "Talk of Alaska" program**, on Oct. 15, 2019, titled, "How dangerous are PFAS chemicals and what's being done to clean them up?"
- **Testimony before the Alaska House Resources Committee** on May 10, 2019, on costs of PFAS contamination.

### ALASKA PFAS SUMMITS

**Summit 2019:** GPAC held the first statewide PFAS summit May 17-19, 2019, in Gustavus. More than 70 people attended the summit kickoff, potluck, and dessert auction at the Gustavus Inn, and more than 20 people participated in the following two days of presentations. Discussions covered PFAS health effects, state and

<sup>23</sup> Vista Analytical Laboratory Work Order No. 200228, Nov. 10, 2020.

federal policy, and strategies to address PFAS contamination. Summit participants came from Gustavus, Juneau, Anchorage, Fairbanks, Dillingham, New Hampshire, and New York.

**Summit 2020:** The COVID-19 pandemic altered plans for the second summit, originally slated for May 1-3, 2020. Instead of an in-person gathering, GPAC held a series of four Zoom meetings, the first three in 2020 and the final one in February 2021 in preparation for the start of the Alaska legislative session. Fifteen to 75 people from around the state and country attended each session.

### CREATION OF STATEWIDE PFAS NETWORK

GPAC's 2019 summit resulted in the creation of a statewide network, the Alaska PFAS Action Coalition (APAC), with members from Gustavus, Dillingham, and Fairbanks. The group's goal is to share information and strategies in addressing PFAS contamination at a local, state, national, and international level.

One of its first actions was to write Alaska Gov. Mike Dunleavy on May 31, 2019, objecting to the state's decision to relax the stringency of state drinking water standards. In fall 2018, the Alaska Department of Environmental Conservation took public comment on a draft regulations package that would have set the State's action level for contaminated drinking water at 65 ppt for a combined total of five PFAS compounds.<sup>24</sup> In April 2019, the Dunleavy administration dropped this plan and aligned state standards with the less-stringent EPA lifetime health advisory, which includes only two PFAS chemicals, PFOS and PFOA, at an action level of 70 ppt. The initial well sampling efforts for Gustavus were under the 65 ppt level for five PFAS chemicals,<sup>25</sup> whereas sites tested in other communities after spring 2019 fell under the lower standards.

## Next Steps

GPAC's continued efforts to increase public understanding include:

- Continuing to network with and support other Alaska communities with PFAS contamination.
- Strengthening the statewide network to advocate for stricter environmental standards and remediation.
- Provide consultation to communities or people struggling with PFAS contamination.
- Continue to hold public events around PFAS education.
- Continue advocating for further testing of the Gustavus PFAS plume.

<sup>24</sup> Alaska State Legislature, March 9, 2020 testimony before the House Resources Committee, <http://www.akleg.gov/basis/Meeting/Detail/?Meeting=HRES%202020-03-09%2013:00:00&Bill=HB%20240>.

<sup>25</sup> Shannon & Wilson, Inc., "Summary: Gustavus PFAS 2019 Site Characterization," April 2020.

# Prevent Further Damage

## Strengthening State Standards

GPAC's top priority for preventing further damage from PFAS contamination is to pass PFAS legislation in the 32<sup>nd</sup> Alaska State Legislature. Such legislation would establish more stringent limits on PFAS levels in Alaska drinking water and provide biomonitoring and clean water to more of those who have been affected by PFAS contamination. In addition, the legislation would eventually require airports to switch to fluorine-free foam.

## Actions and Accomplishments

GPAC members met with legislators during the 2020 session and were encouraged by the bipartisan response they received. The coalition has been building support for the legislation by:

- Working with legislators.
- Educating Alaskans about PFAS.
- Leading a letter writing campaign in support of these bills.
- Providing testimony on behalf of the legislation.

### STATE LEGISLATION

PFAS-related bills have not yet been introduced in the 32<sup>nd</sup> Alaska Legislature, but they are likely to be similar to the previous bills. Those bills would have addressed PFAS contamination in the following ways:<sup>26</sup>

- **Stricter limits on PFAS in drinking water.** The proposed legislation would have included seven, instead of two, PFAS chemicals when determining whether drinking water was safe. The proposed limits for these compounds are shown below.

**Table 3. Proposed Limits for PFAS in Alaska Drinking Water**

	Full Name	Limit (ppt*)
PFBS	perfluorobutanesulfonic acid	420
PFOA	perfluorooctanoic acid	8
PFOS	perfluorooctanesulfonic acid	16
PFNA	perfluorononanoic acid	6
PFHxS	perfluorohexanesulfonic acid	51
PFHpA	perfluoroheptanoic acid	400,000
Gen-X	hexafluoropropylene oxide dimer acid	370

Source: Alaska SB 176 and HB 240 \*Parts per trillion

"They test your well once. If you're at 65 (ppt), you don't qualify for further testing or supplemental water. The problems we've observed when these wells get retested are that the results are all over the place. They're basing everything on these numbers and they fluctuate wildly."

– Gustavus resident

<sup>26</sup> Alaska Senate Bill 176 and House Bill 240: "An Act relating to pollutants; relating to perfluoroalkyl and polyfluoroalkyl substances; relating to the duties of the Department of Environmental Conservation; and relating to firefighting substances."

- **Periodic testing of Alaska drinking water supplies** from areas where PFAS has been released. Testing at Gustavus homes have shown movement of the PFAS plume and fluctuations in PFAS levels so that repeated testing of contaminated areas is needed.
- **Drinking water for those whose water supplies are contaminated with PFAS.** If PFAS levels exceed state limits, those who use that drinking water would be provided uncontaminated water at no cost.
- **Monitoring PFAS levels** in the blood of those exposed to PFAS in their drinking water. Testing would take place at least once a year for three years after PFAS is detected.
- **Testing first responders exposed to PFAS.** Any responder (such as a firefighter, police officer, or cleanup personnel) who ingests, inhales, or absorbs PFAS through the skin or eyes would be offered free blood tests to monitor PFAS levels at least once a year for three years after the exposure.
- **Halting use of fluorinated firefighting foam at airports** as soon as federal law no longer requires it. An exception would be made for an oil or gas business, unless the state fire marshal determines a safe and effective alternative to AFFF is available and therefore must be used.

## Next Steps

GPAC's long-term goal is to work with the City of Gustavus and the State of Alaska to contain the contaminated water and remove PFAS from it. Numerous systems have been developed to deal with this, but many of them are extremely expensive.

"People are going to continue to care and demand action."

— Gustavus resident

One option, called PlumeStop®, involves pumping a suspension of fine particles of carbon into the ground. PlumeStop removes PFAS from the groundwater, binding it to other substances, and expediting permanent biodegradation. Regenesys, the California-based company that produces PlumeStop, says that such a system at Camp Grayling Army Airfield in Michigan, brought PFAS below detectable levels within 60 days of treatment.<sup>27</sup> An Alaska-based company, Aquagga, offers another option, using heat and pressurized water to convert PFAS to benign salts without toxic byproducts. This system can also be used on stockpiled AFFF.<sup>28</sup>

Other GPAC plans to prevent further PFAS damage include:

- Supporting remediation of all contaminated areas to the fullest extent possible.
- Continuing efforts to win support for PFAS legislation.
- Seeking grants for safer gardening, such as raised beds for contaminated properties.
- Advocating for ongoing testing and expanded understanding of groundwater movement so the PFAS plume's location is well-defined.
- Working with state officials while rainwater cisterns are installed for all homes with contaminated water.

<sup>27</sup> "Pilot Test Conducted to Remove PFAS Risk, Case Study: Michigan Dept. of Military and Veteran Affairs Employs PlumeStop Barrier to Grayling Army Airfield," Regenesys, 2019, [https://regenesys.com/wp-content/uploads/2019/02/002\\_EU\\_REGENESIS\\_Case\\_Study\\_Camp\\_Grayling.pdf](https://regenesys.com/wp-content/uploads/2019/02/002_EU_REGENESIS_Case_Study_Camp_Grayling.pdf).

<sup>28</sup> Aquagga, "Destroying PFAS via Modern Manufacturing," last viewed Feb. 19, 2021, Tech (aquagga.com).

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**CITY OF GUSTAVUS, ALASKA  
ORDINANCE FY21-23NCO  
AN ORDINANCE FOR THE CITY OF GUSTAVUS PROVIDING FOR THE AMENDMENT OF  
DEPARTMENT BUDGETS FOR FISCAL YEAR 2021**

**BE IT ENACTED BY THE GUSTAVUS CITY COUNCIL AS FOLLOWS:**

**Section 1.** Classification. This is a **Non-Code Ordinance**

**Section 2.** For the Fiscal Year of 2021 estimated expenditures have changed from the estimates in the approved budget.

**Section 3.** For the current fiscal year, the budget is amended to reflect the changed estimates as follows:

<b>Budget Category</b>	<b>Amounts</b>		
	Original Budget	Amended Budget	Change
<b>INCOME</b>			
DRC: Landfill Fees	\$ 49,000.00	\$ 57,000.00	\$ 8,000.00
<i>Original budget amount is taken from FY21-18NCO which is pending adoption at the time of this NCO's introduction.</i>			
DRC: Recyclable Material Sales	\$ 2,600.00	\$ 3,400.00	\$ 800.00
Federal Revenue: Disaster Relief Funds	\$ 75,000.00	\$ 55,095.84	<\$ 19,904.16>
Federal Revenue: National Forest Receipts	\$ 0.00	\$ 38,572.14	\$ 38,572.14
MF: Commercial Vessel Registration	\$ 6,000.00	\$ 14,500.00	\$ 8,500.00
<i>Many commercial vessels registered later in the summer in 2020 (after July 1) due to the pandemic, putting income into this fiscal year. Vessels are expected to be registered late spring as usual in 2021.</i>			
Other Income: Other Savings - Road Maint	\$ 62,118.87	\$ 43,450.89	<\$ 18,667.98>
Other Income: Prior-Year Cash Balance	\$ 74,645.33	\$ 58,282.73	<\$ 16,362.60>
<i>Original budget amount is taken from FY21-18NCO which is pending adoption at the time of this NCO's introduction.</i>			
<b>Total Change in Income</b>			<b>&lt;\$ 937.40&gt;</b>

<b>EXPENSE</b>	Original Budget	Amended Budget	Change
Lands: Administrative Costs	\$ 0.00	\$ 1,033.75	\$ 1,033.75
<i>Final platting and recording costs for ASLS No. 2014-25/ADL #108131, the land parcel with Salmon River Park, City Hall, and the firehall.</i>			
DRC: Bank Service Charges	\$ 1,025.00	\$ 1,350.00	\$ 325.00
DRC: Contractual Services	\$ 13,500.00	\$ 11,500.00	<\$ 2,000.00>
DRC: Equipment Maintenance	\$ 4,000.00	\$ 7,000.00	\$ 3,000.00
<i>Funds to perform 1000-hour service and inspection on Bobcat A770.</i>			
DRC: Equipment Purchase	\$ 1,000.00	\$ 0.00	<\$ 1,000.00>
Admin: Equipment Purchase	\$ 0.00	\$ 4,500.00	\$ 4,500.00
<i>Equipment to allow Zoom meetings to continue after the full City Council resumes meeting in-person at City Hall.</i>			

Library: Freight/Shipping	\$ 650.00	\$ 900.00	\$ 250.00
<i>Use of inter-library loan services by patrons has increased, resulting in additional postage expenses.</i>			
GVFD: Health Insurance (company paid)	\$ 3,929.25	\$ 3,400.00	<\$ 529.25>
<i>Much of the Fire Chief's payroll benefits have been covered by COVID-19-related funds.</i>			
Library: Health Insurance (company paid)	\$ 8,400.00	\$ 3,133.10	<\$ 5,266.90>
<i>Employee health insurance elections changed during the year.</i>			
Library: Health Insurance Stipend	\$ 2,400.00	\$ 3,000.00	\$ 600.00
<i>Employee health insurance elections changed during the year.</i>			
Admin: Payroll: Wages	\$ 130,940.16	\$ 126,940.16	<\$ 4,000.00>
<i>Some payroll expenses have been covered by CARES Act funds.</i>			
Admin: Professional Services	\$ 10,000.00	\$ 13,000.00	\$ 3,000.00
<i>Additional attorney fees due to electrical rate case.</i>			
GVFD: Supplies	\$ 4,000.00	\$ 5,000.00	\$ 1,000.00
Library: Telecommunications	\$ 5,450.00	\$ 3,600.00	<\$ 1,850.00>

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Total Change in Expense <\$ 937.40>

**Section 4.** The budget is hereby amended as indicated and any portion of the approved budget inconsistent with this amendment is repealed.

**Section 5.** Effective Date. This ordinance becomes effective upon its adoption by the Gustavus City Council.

**DATE INTRODUCED:** May 10, 2021

**DATE OF PUBLIC HEARING:** June 14, 2021

**PASSED** and **APPROVED** by the Gustavus City Council this \_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Brittney Cannamore, Mayor

\_\_\_\_\_  
Attest: Phoebe Vanselow, City Treasurer

\_\_\_\_\_  
Attest: Karen Platt CMC, City Clerk



**CITY OF GUSTAVUS, ALASKA  
ORDINANCE FY21-18NCO  
AN ORDINANCE FOR THE CITY OF GUSTAVUS PROVIDING FOR THE AMENDMENT OF  
DEPARTMENT BUDGETS FOR FISCAL YEAR 2021**

**BE IT ENACTED BY THE GUSTAVUS CITY COUNCIL AS FOLLOWS:**

**Section 1.** Classification. This is a **Non-Code Ordinance**

**Section 2.** For the Fiscal Year of 2021 estimated expenditures have changed from the estimates in the approved budget.

**Section 3.** For the current fiscal year, the budget is amended to reflect the changed estimates as follows:

<b>Budget Category</b>	<b>Amounts</b>		
<b>INCOME</b>	Original Budget	Amended Budget	Change
Library: Donations	\$ 1,000.00	\$ 300.00	<\$ 700.00>
DRC: Community Chest Sales	\$ 11,000.00	\$ 7,000.00	<\$ 4,000.00>
DRC: Landfill Fees	\$ 45,000.00	\$ 49,000.00	\$ 4,000.00
Library: Fundraising	\$ 800.00	\$ 960.00	\$ 160.00
GVFD: ASP	\$ 600.00	\$ 1,100.00	\$ 500.00
Lands: Gravel Pit Sales	\$ 22,000.00	\$ 26,750.00	\$ 4,750.00
Tax Income: Retail Tax Income	\$ 185,000.00	\$ 235,000.00	\$ 50,000.00
Tax Income: Room Tax Income	\$ 12,555.00	\$ 20,000.00	\$ 7,445.00
Other Income: Prior-Year Cash Balance	\$ 153,175.75	\$ 74,645.33	<\$ 78,530.42>
<b>Total Change in Income</b>			<b>&lt;\$ 16,375.42&gt;</b>

<b>EXPENSE</b>	Original Budget	Amended Budget	Change
Admin: Bank Service Charges	\$ 1,200.00	\$ 2,500.00	\$ 1,300.00
GVFD: Building Maintenance & Repair	\$ 4,000.00	\$ 3,000.00	<\$ 1,000.00>
MF: Contractual	\$ 13,500.00	\$ 14,300.00	\$ 800.00
Contractual: Managed IT Services	\$ 31,200.00	\$ 25,000.00	<\$ 6,200.00>
DRC: Dues/Fees	\$ 800.00	\$ 1,400.00	\$ 600.00
Library: Dues/Fees	\$ 5,250.00	\$ 4,850.00	<\$ 400.00>
Library: Events & Celebrations	\$ 175.00	\$ 0.00	<\$ 175.00>
GVFD: Payroll: Wages	\$ 34,625.42	\$ 27,000.00	<\$ 7,625.42>

*Much of the Fire Chief's payroll expenses have been covered by COVID-19-related funds.*

Library: Supplies	\$ 2,500.00	\$ 3,075.00	\$ 575.00
GVFD: Training	\$ 4,000.00	\$ 2,000.00	<\$ 2,000.00>
Admin: Travel	\$ 500.00	\$ 0.00	<\$ 500.00>
GVFD: Travel	\$ 2,500.00	\$ 500.00	<\$ 2,000.00>
Admin: Vehicle	\$ 250.00	\$ 500.00	\$ 250.00

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Total Change in Expense <\$ 16,375.42>

**Section 4.** The budget is hereby amended as indicated and any portion of the approved budget inconsistent with this amendment is repealed.

**Section 5.** Effective Date. This ordinance becomes effective upon its adoption by the Gustavus City Council.

**DATE INTRODUCED:** *April 12, 2021*

**DATE OF PUBLIC HEARING:** *May 10, 2021*

**PASSED** and **APPROVED** by the Gustavus City Council this \_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Brittney Cannamore, Mayor

\_\_\_\_\_  
Attest: Phoebe Vanselow, City Treasurer

\_\_\_\_\_  
Attest: Karen Platt CMC, City Clerk

**CITY OF GUSTAVUS, ALASKA  
ORDINANCE FY21-19NCO**

**AN ORDINANCE FOR THE CITY OF GUSTAVUS PROVIDING FOR THE AMENDMENT OF  
THE CITY HELD ACCOUNTS IN FISCAL YEAR 2021**

**BE IT ENACTED BY THE GUSTAVUS CITY COUNCIL AS FOLLOWS:**

**Section 1.** Classification. This is a **Non-Code Ordinance**

**Section 2.** For the Fiscal Year of 2021, the following City held account balance transfers are to be made for the reasons stated.

**Section 3.** For the current fiscal year, the budget and City held accounts are amended to reflect the changes as follows:

<b>CITY HELD ACCOUNTS</b>	<b>Amounts</b>		
	<b>Account Balance</b>	<b>Amended Balance</b>	<b>Change</b>
CP18-01 Salmon River Harbor <i>Project is anticipated to use fewer funds than originally planned. Releasing some funds for other capital projects.</i>	\$ 19,856.96	\$ 9,856.96	<\$ 10,000.00>
CP19-03 Gustavus Beach Improv. <i>Project is anticipated to use fewer funds than originally planned. Releasing some funds for other capital projects.</i>	\$ 30,926.59	\$ 10,926.59	<\$ 20,000.00>
CP20-01 Replacement AED/Monitor <i>Project is complete. Returning unused funds.</i>	\$ 1,812.70	\$ 0.00	<\$ 1,812.70>
AMLIP Capital Improv Long-Term* <i>*Approximate, this is a dynamic value.</i>	\$ 469,078.91	\$ 500,891.61	\$ 31,812.70
Total Change in City Held Account Balances			\$ 0.00

**Section 4.** The City held accounts are hereby amended as indicated.

**Section 5.** Effective Date. This ordinance becomes effective upon its adoption by the Gustavus City Council.

**DATE INTRODUCED:** April 12, 2021

**DATE OF PUBLIC HEARING:** May 10, 2021

**PASSED** and **APPROVED** by the Gustavus City Council this \_\_<sup>th</sup> day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Brittney Cannamore, Mayor

\_\_\_\_\_  
Attest: Phoebe Vanselow, City Treasurer

\_\_\_\_\_  
Attest: Karen Platt CMC, City Clerk

**CITY OF GUSTAVUS, ALASKA  
ORDINANCE FY21-20NCO**

**AN ORDINANCE FOR THE CITY OF GUSTAVUS PROVIDING FOR THE AMENDMENT OF  
THE CITY HELD ACCOUNTS IN FISCAL YEAR 2021**

**BE IT ENACTED BY THE GUSTAVUS CITY COUNCIL AS FOLLOWS:**

**Section 1.** Classification. This is a **Non-Code Ordinance**

**Section 2.** For the Fiscal Year of 2021, the following City held account balance transfers are to be made for the reasons stated.

**Section 3.** For the current fiscal year, the budget and City held accounts are amended to reflect the changes as follows:

CITY HELD ACCOUNTS	Amounts		Amended Balance		Change
	Account Balance*				
	*Approximate, this is a dynamic value.				
AMLIP CARES Act Relief Fund	\$	3.05	\$	0.00	<\$ 3.05>
Transferring remaining interest income to zero out the account.					
FNBA Checking Account	\$	627,672.20	\$	627,675.25	\$ 3.05
Total Change in City Held Account Balances				\$	0.00

**Section 4.** The City held accounts are hereby amended as indicated.

**Section 5.** Effective Date. This ordinance becomes effective upon its adoption by the Gustavus City Council.

**DATE INTRODUCED:** April 12, 2021

**DATE OF PUBLIC HEARING:** May 10, 2021

**PASSED** and **APPROVED** by the Gustavus City Council this \_\_th day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Brittney Cannamore, Mayor

\_\_\_\_\_  
Attest: Phoebe Vanselow, City Treasurer

\_\_\_\_\_  
Attest: Karen Platt CMC, City Clerk

**CITY OF GUSTAVUS, ALASKA  
ORDINANCE FY21-22**

**AN ORDINANCE BY THE CITY OF GUSTAVUS REPEALING AND REPLACING TITLE 11 –  
SALES MADE BY REMOTE SELLERS**

**BE IT ENACTED BY THE GUSTAVUS CITY COUNCIL AS FOLLOWS:**

- Section 1. Classification. This ordinance is of general and permanent nature and shall become a part of the City of Gustavus Municipal Code.
- Section 2. Severability. If any provision of this ordinance or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and its application to other persons, or circumstances shall not be affected thereby.
- Section 3. Enactment. Now therefore, it is enacted by the Gustavus City Council that Title 11, Chapter 11.01, Section 11.010 through 260, be created and adopted as follows:
- Title 11 – Remote Seller Sales Tax Code & Common Definitions

ALASKA REMOTE SELLER SALES TAX CODE

SECTION 010 – Interpretation

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

SECTION 020 – Title to Collected Sales Tax

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

SECTION 030 – Collection – Rate

- A. To the fullest extent permitted by law, the sales tax levied and assessed by the member jurisdiction shall be collected on all remote sales where delivery is made within the member jurisdiction-, within the state of Alaska.
- B. The applicable tax shall be added to the sales price as provided in the member jurisdiction's sales tax code, based on Point of Delivery.
- C. The tax rate added to the sale price shall be the tax rate for the member jurisdiction(s)

where the property or product is sold, or service that was rendered is received, and based on the date the property or product was sold or the date the service rendered was received.

- D. An Address and Tax Rate Database will be made available to remote sellers and marketplace facilitators, indicating the appropriate tax rate to be applied.
- E. The tax assessed shall be consistent with relevant jurisdictional tax caps, single unit sales, and exemptions.
- F. When a sale is made on an installment basis, the applicable sales tax shall be collected at each payment, calculated at the sales tax rate in effect, and with the cap applied, at the time of the original sale or the date the service is rendered, based on the member jurisdictions' Code(s).
- G. When a sales transaction involves placement of a single order with multiple deliveries made at different points in time that are separately invoiced, the applicable sales tax shall be collected on each separately invoiced delivery, calculated at the sales tax rate in effect, and with the cap applied, at the time of the original sale or the date the service is rendered.

#### SECTION 040 – Obligation to Collect Tax - Threshold Criteria

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

#### SECTION 050 – Reporting and remittance requirements for local and remote sales

- A. Sellers with a physical presence in a member jurisdiction conducting only local sales shall report and remit to, and comply with standards of, including audit authority, the member jurisdiction.
- B. Sellers with a physical presence in a member jurisdiction that also have remote or internet-based sales where the Point of Delivery is in a different Member Jurisdiction shall (i) report and remit the remote or internet sales to the Commission; and ii) report and remit the local sales to the Member Jurisdiction.
- C. Sellers with a physical presence in a Member Jurisdiction that also have remote or internet-based sales where the Point of Delivery is in the same Member Jurisdiction shall report and remit those remote sales to the Member Jurisdiction.
- D. Sellers and marketplace facilitators that do not have a physical presence in a Member Jurisdiction must report and remit to the Commission all remote sales where the Point of Delivery is in a Member Jurisdiction.
- E. A marketplace facilitator is considered the remote seller for each sale facilitated through its marketplace and shall collect, report, and remit sales tax to the Commission. A marketplace facilitator is not considered to be the remote seller for each sale or rental of lodging facilitated through its marketplace, wherein the seller is considered to have a

physical presence in the member jurisdiction.

#### SECTION 060. – No Retroactive Application

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

#### SECTION 070 – Payment and Collection

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

#### SECTION 080 – Remote Seller and Marketplace Facilitator Registration Requirement

- A. If a remote seller's gross statewide sales meets or exceeds the Threshold Criteria from Section 040, the remote seller shall register with the Commission. If the remote seller is a marketplace seller and only makes sales in Alaska through a marketplace, the marketplace seller is not required to register with the Commission. The marketplace seller must submit an affidavit attesting to these facts on a form provided by the Commission.
- B. If a marketplace facilitator's gross statewide sales meets or exceeds the Threshold Criteria from Section 040, the marketplace facilitator shall register with the Commission.
- C. A remote seller or marketplace facilitator meeting the Threshold Criteria shall apply for a certificate of sales tax registration within thirty (30) calendar days of the effective date of this Code or within thirty (30) calendar days of meeting the Threshold Criteria whichever occurs second. Registration shall be to the Commission on forms prescribed by the Commission.
- D. An extension may be applied for and granted based on criteria established by the Commission, based on evidence produced to describe time necessary to update software or other technical needs, not to exceed ninety (90) days.
- E. Upon receipt of a properly executed application, the Commission shall confirm registration, stating the legal name of the remote seller or marketplace facilitator, the primary address, and the primary sales tax contact name and corresponding title. The failure of the Commission to confirm registration does not relieve the remote seller or marketplace facilitator of its duty to collect and remit sales tax.
- F. Each business entity shall have a sales tax registration under the advertised name.
- G. The sales tax certificate is non-assignable and non-transferable.
- H. The sales tax certificate satisfies a member jurisdiction's requirement to obtain a municipal business license, provided the remote seller does not have a physical presence in that member jurisdiction.

#### SECTION 090 – Tax Filing Schedule

- A. All remote sellers or marketplace facilitators subject to this Code shall file a return on a form or in a format prescribed by the Commission and shall pay the tax due.

- B. Filing of sales tax returns are due monthly; quarterly or less frequent filing is optional upon application and approval by the Commission, consistent with the code of the member jurisdiction.
- C. A remote seller or marketplace facilitator who has filed a sales tax return will be presumed to be making sales in successive periods unless the remote seller or marketplace facilitator files a return showing a termination or sale of the business in accordance with this Code.
- D. The completed and executed return, together with the remittance in full for the tax due, shall be transmitted to and must be received by the Commission on or before midnight Alaska Standard Time on the due date. Monthly returns are due the last day of the immediate subsequent month. Quarterly returns are due as follows:
- |                                |            |
|--------------------------------|------------|
| Quarter 1 (January – March)    | April 30   |
| Quarter 2 (April – June)       | July 31    |
| Quarter 3 (July – September)   | October 31 |
| Quarter 4 (October – December) | January 31 |
- E. If the last day of the month following the end of the filing period falls on a Saturday, Sunday, federal holiday or Alaska state holiday, the due date will be extended until the next business day immediately following.
- F. Any remote seller or marketplace facilitator holding a remote seller registration shall file a sales tax return even though no tax may be due. This return shall show why no tax is due. If the remote seller or marketplace facilitator intends to continue doing business a return shall be filed reflecting no sales and a confirmation of the intent to continue doing business and shall continue to do so each filing period until the entity ceases doing business or sells the business. If the remote seller or marketplace facilitator intends to cease doing business, a final return shall be filed along with a statement of business closure.
- G. The remote seller or marketplace facilitator shall prepare the return and remit sales tax to the Commission on the same basis, cash or accrual, which the remote seller or marketplace facilitator uses in preparing its federal income tax return. The remote seller or marketplace facilitator shall sign the return, and transmit the return, with the amount of sales tax and any applicable penalty, interest or fees that it shows to be due, to the Commission.
- H. Remote sellers and marketplace facilitators failing to comply with the provisions of this Code shall, if required by the Commission and if quarterly filing has been chosen, file and transmit collected sales taxes more frequently until such time as they have demonstrated to the Commission that they are or will be able to comply with the provisions of this Code. Six (6) consecutive on-time sales tax filings, with full remittance of the sales taxes collected, shall establish the presumption of compliance and return to quarterly filing.
- I. The preparer of the sales tax return shall keep and maintain all documentation supporting any and all claims of exempted sales and purchases. Documentation for exempted sales should include the number of the exemption authorization card presented by the buyer at the time of the purchase; the date of the purchase; the name of the person making the purchase; the organization making the purchase; the total amount of the purchase; and the amount of sales tax exempted. This documentation shall be made available to the Commission upon request. Failure to provide such documentation may invalidate that portion of the claim of exemption for which no documentation is provided.

## SECTION 100 – Estimated Tax



- A. In the event the Commission is unable to ascertain the tax due from a remote seller or marketplace facilitator by reason of the failure of the remote seller or marketplace facilitator to keep accurate books, allow inspection, or file a return, or by reason of the remote seller or marketplace facilitator filing a false or inaccurate return, the Commission may make an estimate of the tax due based on any evidence in their possession.
- B. Sales taxes may also be estimated, based on any information available, whenever the Commission has reasonable cause to believe that any information on a sales tax return is not accurate.
- C. A remote seller's or marketplace facilitator's tax liability under this Code may be determined and assessed for a period of three (3) years after the date the return was filed or due to be filed with the Commission. No civil action for the collection of such tax may be commenced after the expiration of the three (3) year period except an action for taxes, penalties and interest due from those filing periods that are the subject of a written demand or assessment made within the three (3) year period, unless the remote seller or marketplace facilitator waives the protection of this section.
- D. The Commission shall notify the remote seller or marketplace facilitator, in writing, that the Commission has estimated the amount of sales tax that is due from the remote seller or marketplace facilitator. The Commission shall serve the notice on the remote seller or marketplace facilitator by delivering the notice to the remote seller's or marketplace facilitator's place of business, or by mailing the notice by certified mail, return receipt requested, to the remote seller's or marketplace facilitator's last known mailing address. A remote seller or marketplace facilitator who refuses the certified mail will be considered to have accepted the certified mail for purposes of service.
- E. The Commission's estimate of the amount of sales tax that is due from a remote seller or marketplace facilitator shall become a final determination of the amount that is due unless the remote seller or marketplace facilitator, within thirty (30) calendar days after service of notice of the estimated tax:
  - 1. Files a complete and accurate sales tax return for the delinquent periods supported by satisfactory records and accompanied by a full remittance of all taxes, interest, penalties, costs and other charges due; or
  - 2. Files a written notice with the Commission appealing the estimated tax amount in accordance with the appeal procedures, under the provisions of section .160 of this chapter.
  - 3. Arguments or reasons for failure to timely file a return and remit taxes collected shall not be considered a valid basis or grounds for granting an appeal. The basis and grounds for granting an appeal of an assessment are:
    - a. The identity of the remote seller or marketplace facilitator is in error;
    - b. The amount of the debt is erroneous due to a clerical error (and the nature and extent of the error is specified in the request for appeal); or
    - c. The remote seller or marketplace facilitator disputes the denial of exemption(s) for certain sales.
- F. The amount of sales tax finally determined to be due under this section shall bear interest and penalty from the date that the sales tax originally was due, plus an additional civil penalty of fifty dollars (\$50) for each calendar month or partial month for which the amount of sales tax that is due has been determined.

#### SECTION 110 – Returns – Filing Contents

- A. Every remote seller or marketplace facilitator required by this chapter to collect sales tax shall file with the Commission upon forms furnished by the Commission a return setting forth the following information:

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

#### SECTION 120 – Refunds

- A. Upon request from a buyer or remote seller or marketplace facilitator, the Commission shall provide a determination of correct tax rate and amount applicable to the transaction. In the case of an overpayment of taxes, the remote seller or marketplace facilitator shall process the refund and amend any returns accordingly.
- B. If the claimant is a remote seller or marketplace facilitator, and the tax refund is owed to any buyer, the remote seller or marketplace facilitator submits, and the Commission approves, a refund plan to all affected buyers.
- C. Interest will not be paid on tax refund requests filed with the Commission.
- D. The Member Jurisdictions may allow a buyer to request a refund directly from the Member Jurisdiction.

#### SECTION 130 – Amended Returns

- A. A remote seller or marketplace facilitator may file an amended sales tax return, with supporting documentation, and the Commission may accept the amended return, but only in the following circumstances:
- i. The amended return is filed within one (1) year of the original due date for the return; and
  - ii. The remote seller or marketplace facilitator provides a written justification for requesting approval of the amended return; and
  - iii. The remote seller or marketplace facilitator agrees to submit to an audit upon request of the Commission.
- B. The Commission shall notify the remote seller or marketplace facilitator in writing (by email or otherwise) whether the Commission accepts or rejects an amended return, including the reasons for any rejection.
- C. The Commission may adjust a return for a remote seller or marketplace facilitator if, after investigation, the Commission determines the figure included in the original returns are incorrect; and the Commission adjusts the return within three (3) years of the original due date for the return.
- D. A remote seller or marketplace facilitator may file a supplemental sales tax return, with supporting documentation, and the Commission may accept the supplemental return, but only in the following circumstances:
- i. The remote seller or marketplace facilitator provides a written justification for requesting approval of the supplemental return; and
  - ii. The remote seller or marketplace facilitator agrees to submit to an audit upon request of the Commission.

## SECTION 140 – Extension of Time to File Tax Return

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

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

## SECTION 150 – Audits

- A. Any remote seller or marketplace facilitator who has registered with the Commission, who is required to collect and remit sales tax, or who is required to submit a sales tax return is subject to a discretionary sales tax audit at any time. The purpose of such an audit is to examine the business records of the remote seller or marketplace facilitator in order to determine whether appropriate amounts of sales tax revenue have been collected by the remote seller or marketplace facilitator and remitted to the Commission.
- B. The Commission is not bound to accept a sales tax return as correct. The Commission may make an independent investigation of all retail sales or transactions conducted within the State or member jurisdiction.
- C. The records that a remote seller or marketplace facilitator is required to maintain under this chapter shall be subject to inspection and copying by authorized employees or agents of the Commission for the purpose of auditing any return filed under this chapter, or to determine the remote seller's or marketplace facilitator's liability for sales tax where no return has been filed.
- D. In addition to the information required on returns, the Commission may request, and the remote seller or marketplace facilitator must furnish, any reasonable information deemed necessary for a correct computation of the tax.
- E. The Commission may adjust a return for a remote seller or marketplace facilitator if, after investigation or audit, the Commission determines that the figures included in the original return are incorrect, and that additional sales taxes are due; and the Commission adjusts the return within three (3) years of the original due date for the return.
- F. For the purpose of ascertaining the correctness of a return or the amount of taxes owed when a return has not been filed, the Commission may conduct investigations, hearings and audits and may examine any relevant books, papers, statements, memoranda, records, accounts or other writings of any remote seller or marketplace facilitator at any reasonable hour on the premises of the remote seller or marketplace facilitator and may require the attendance of any officer or employee of the remote seller or marketplace facilitator. Upon written demand by the Commission, the remote seller or marketplace facilitator shall present for examination, in the office of the Commission, such books, papers, statements, memoranda, records, accounts and other written material as may

be set out in the demand unless the Commission and the person upon whom the demand is made agree to presentation of such materials at a different place.

- G. The Commission may issue subpoenas to compel attendance or to require production of relevant books, papers, records or memoranda. If any remote seller or marketplace facilitator refuses to obey any such subpoena, the Commissioner may refer the matter to the Commission's attorney for an application to the superior court for an order requiring the remote seller or marketplace facilitator to comply therewith.
- H. Any remote seller, marketplace facilitator, or person engaged in business who is unable or unwilling to submit their records to the Commission shall be required to pay the Commission for all necessary expenses incurred for the examination and inspection of their records maintained outside the Commission.
- I. After the completion of a sales tax audit, the results of the audit will be sent to the business owner's address of record.
- J. In the event the Commission, upon completion of an audit, discovers more than five hundred dollars (\$500) in additional sales tax due from a remote seller or marketplace facilitator resulting from a remote seller's or marketplace facilitator's failure to accurately report sales and taxes due thereupon, the remote seller or marketplace facilitator shall bear responsibility for the full cost of the audit. The audit fee assessment will be in addition to interest and penalties applicable to amounts deemed to be delinquent by the Commission at the time of the conclusion of the audit.

#### SECTION 160 – Audit or Estimated Tax protest

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

#### SECTION 170 – Penalties and Interest for Late Filing

- A. A late filing fee of twenty-five dollars (\$25) per month, or fraction thereof, shall be added to all late-filed sales tax reports, until a total of one-hundred dollars (\$100) has been reached. An incomplete return shall be treated as the filing of no return.
- B. Delinquent sales tax bear interest at the rate of fifteen percent (15%) per annum until paid.
- C. In addition, delinquent sales tax shall be subject to an additional penalty of 5% per

month, or fraction thereof, until a total of 20% of delinquent tax has been reached. The penalty does not bear interest.

- D. Fees, penalties and interest shall be assessed and collected in the same manner as the tax is assessed and collected, and applied first to fees, penalties and interest, second to past due sales tax.
- E. The filing of an incomplete return, or the failure to remit all tax, shall be treated as the filing of no return.
- F. A penalty assessed under this section for the delinquent remittance of sales tax or failure to file a sales tax return may be waived by the Commission, upon written application of the remote seller or marketplace facilitator accompanied by a payment of all delinquent sales tax, interest and penalty otherwise owed by the remote seller or marketplace facilitator, within forty-five (45) calendar days after the date of delinquency. A remote seller or marketplace facilitator may not be granted more than one (1) waiver of penalty under this subsection in any one calendar year, in accordance with the Commission's penalty waiver policy. The Commission shall report such waivers of penalty to the member jurisdiction, in writing.

#### SECTION 180 – Remote Reseller Certificate of Exemption

- A. A remote seller with no physical presence in a member jurisdiction purchasing goods or services for the express purpose of resale to buyer(s) located in that member jurisdiction shall apply for a resale certificate through the Commission.
- B. The Remote Reseller Certificate of Exemption will expire at the end of the calendar year it is issued.

#### SECTION 190 – Repayment Plans

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

promissory note to be recorded by the Commission at the time the repayment plan is signed. The remote seller or marketplace facilitator shall be responsible for the cost of recording the tax lien.

- D. If a remote seller or marketplace facilitator fails to pay two (2) or more payments in accordance with the terms of the repayment plan agreement, the remote seller or marketplace facilitator shall be in default and the entire amount owed at the time of default shall become immediately due. The Commission will send the remote seller or marketplace facilitator a notice of default. The Commission may immediately foreclose on the sales tax lien or take any other remedy available under the law.

## SECTION 200 – Remote Seller or Marketplace Facilitator Record Retention

Remote sellers or marketplace facilitators shall keep and preserve suitable records of all sales made and such other books or accounts as may be necessary to determine the amount of tax which the remote seller or marketplace facilitator is obliged to collect. Remote sellers or marketplace facilitators shall preserve suitable records of sales for a period of three (3) years from the date of the return reporting such sales, and shall preserve for a period of three (3) years all documentation supporting exempted sales of goods or services and all such other books, invoices and records as may be necessary to accurately determine the amount of taxes which the remote seller or marketplace facilitator was obliged to collect under this chapter.

## SECTION 210 – Cessation or Transfer of Business

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

all interest, penalties, costs and charges on such taxes.

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

#### SECTION 220 – Use of Information on Tax Returns

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

information.

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

#### SECTION 230 – Violations

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



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

#### SECTION 240 – Penalties for Violations

- A. In the event that a penalty provided below is different from the same penalty in a member jurisdiction's sales tax code, the penalty prescribed in the member jurisdiction's sales tax code will apply.
- B. A buyer, remote seller, or marketplace facilitator who knowingly or negligently submits false information in a document filed with the Commission pursuant to this Code is subject to a penalty of five hundred dollars (\$500).
- C. A remote seller or marketplace facilitator who knowingly or negligently falsifies or conceals information related to its business activities with the Commission or member jurisdiction is subject to a penalty of five hundred dollars (\$500).
- D. A person who knowingly or negligently provides false information when applying for a certificate of exemption is subject to a penalty of five hundred dollars (\$500).
- E.
- F. A remote seller or marketplace facilitator who fails or refuses to produce requested records or to allow inspection of their books and records shall pay to the Commission a penalty equal to three (3) times any deficiency found or estimated by the Commission with a minimum penalty of five hundred dollars (\$500).
- G. A remote seller or marketplace facilitator who falsifies or misrepresents any record filed with the Commission is guilty of an infraction and subject to a penalty of five hundred dollars (\$500) per record.
- H. Misuse of an exemption card is a violation and subject to a penalty of fifty dollars (\$50) per incident of misuse;
- I. Nothing in this chapter shall be construed as preventing the Commission from filing and maintaining an action at law to recover any taxes, penalties, interest and/or fees

due from a remote seller or marketplace facilitator. The Commission may also recover attorney's fees in any action against a delinquent remote seller or marketplace facilitator.

#### SECTION 250 – Remittance of Tax; Remote Seller Held Harmless

- A. Any remote seller or marketplace facilitator that collects and remits sales tax to the Commission as provided by law may use an electronic database of state addresses that is certified by the Commission pursuant to subsection (C) of this section to determine the member jurisdictions to which tax is owed.
- B. Any remote seller or marketplace facilitator that uses the data contained in an electronic database certified by the Commission pursuant to subsection (C) of this section to determine the jurisdictions to which tax is owed shall be held harmless for any tax, charge, or fee liability to any member jurisdiction that otherwise would be due solely as a result of an error or omission in the database.
- C. Any electronic database provider may apply to the Commission to be certified for use by remote sellers or marketplace facilitators pursuant to this section. Such certification shall be valid for three years. In order to be certified, an electronic database provider shall have a database that satisfies the following criteria:
  1. The database shall designate each address in the state, including, to the extent practicable, any multiple postal address applicable to one location and the taxing jurisdictions that have the authority to impose a tax on purchases made by purchasers at each address in the state.
  2. The information contained in the electronic database shall be updated as necessary and maintained in an accurate condition. In order to keep the database accurate, the database provider shall provide a convenient method for member jurisdictions that may be affected by the use of the database to inform the provider of apparent errors in the database. The provider shall have a process in place to promptly correct any errors brought to the provider's attention.

#### SECTION 260 – Savings Clause

If any provision of Chapter \_\_, the Remote Seller Sales Tax Code, and Chapter \_\_, Sales Tax Code is determined by the Commission or an adjudicatory body of competent jurisdiction to discriminate against a remote seller in favor of a local seller with a physical presence in the taxing jurisdiction, the discriminatory provision shall continue in effect only to the extent such provision does not discriminate against a remote seller, and the comparable code provision applicable to a local seller will apply to a remote seller, and the remainder of Chapter \_\_ and Chapter \_\_ shall continue in full force and effect.

#### SECTION 270 – Definitions

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

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

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

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

**“Delivery Charges”** means charges by the seller of personal property or services for preparation and delivery to a location designated by the purchaser of personal property or services including, but not limited to, transportation, shipping, postage, handling, crating and packing.

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

**“Goods for resale”** means:

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

**“Lease” or “rental”** means any transfer of possession or control of tangible personal property for a fixed or indeterminate term for consideration. A lease or rental may include future options to purchase or extend.

**“Local Sale”** means a sale by a seller with a physical presence in a taxing jurisdiction, where the point of delivery is a location within the same taxing jurisdiction.

**“Marketplace”** means a physical or electronic place, platform or forum, including a store, booth, internet website, catalog or dedicated sales software application, where products or services are offered for sale.

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

- (a) Directly or indirectly, through one or more affiliated persons in any of the following:
  - (i) Transmitting or otherwise communicating the offer or acceptance between the buyer and remote seller;
  - (ii) Owning or operating the infrastructure, electronic or physical, or technology that brings buyers and remote sellers together;

- (iii) Providing a virtual currency that buyers are allowed or required to use to purchase products from the remote seller; or
- (iv) Software development or research and development activities related to any of the activities described in (b) of this subsection , if such activities are directly related to a physical or electronic marketplace operated by the person or an affiliated person; and

(b) In any of the following activities with respect to the seller's products:

- (i) Payment processing services;
- (ii) Fulfillment or storage services;
- (iii) Listing products for sale;
- (iv) Setting prices;
- (v) Branding sales as those of the marketplace facilitator;
- (vi) Order taking;
- (vii) Advertising or promotion; or
- (viii) Providing customer service or accepting or assisting with returns or exchanges.

**“Marketplace seller”** means a person that makes retail sales through any physical or electronic marketplace that is operated by a marketplace facilitator.

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

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

**“Nonprofit organization”** means a business that has been granted tax-exempt status by the Internal Revenue Service .

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

**“Physical presence”** for purposes of section .050 means a seller who establishes any one or more of the following within a member jurisdiction:

1. Has any office, distribution or sales house, warehouse, storefront, or any other place of business within the boundaries of the member jurisdiction;
2. Solicits business or receiving orders through any employee, agent, salesman, or other representative within the boundaries of the member jurisdiction;
3. Provides services or holds inventory within the boundaries of the member jurisdiction;
4. Rents or Leases property located within the boundaries of the member jurisdiction.

A seller that establishes a physical presence within the local taxing jurisdiction in any calendar year will be deemed to have a physical presence within the member jurisdiction for the following calendar year.

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

- A. When the product is not received or paid for by the purchaser at a business location of a remote seller in a Member Jurisdiction, the sale is considered delivered to the location where receipt by the purchaser (or the purchaser's recipient, designated as such by the purchaser) occurs, including the location indicated by instructions for delivery as supplied by the purchaser (or recipient) and as known to the seller.

- B. When the product is received or paid for by a purchaser who is physically present at a

business location of a Remote Seller in a Member Jurisdiction the sale is considered to have been made in the Member Jurisdiction where the purchaser is present even if delivery of the product takes place in another Member Jurisdiction. Such sales are reported and tax remitted directly to the Member Jurisdiction not to the Commission.

- C. When the service is not received by the purchaser at a business location of a remote seller, the service is considered delivered to the location where the purchaser receives the service.
- D. For products or services transferred electronically, or other sales where the remote seller or marketplace facilitator lacks a delivery address for the purchaser, the remote seller or marketplace facilitator shall consider the point of delivery of the sale to be the billing address of the buyer.

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

**“Professional services”** means services performed by architects, attorneys-at-law, certified public accountants, dentists, engineers, land surveyors, surgeons, veterinarians, and practitioners of the healing arts (the arts and sciences dealing with the prevention, diagnosis, treatment and cure or alleviation of human physical or mental ailments, conditions, diseases, pain or infirmities) and such occupations that require a professional license under Alaska Statute.

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

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

**“Receive”** or **“receipt”** for purposes of section .030 and the definition of “Point of Delivery” means

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

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

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

**“Remote seller”** means a seller or marketplace facilitator making sales of goods or services for delivery within the State of Alaska without having a physical presence in the member jurisdiction in which delivery is being made.

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

**“Sale”** or **“retail sale”** means any transfer of property or product or any provision of service(s) for consideration for any purpose other than for resale.

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

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

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

**“Services”** means all services of every manner and description, which are performed or furnished for compensation, and delivered electronically or otherwise into a member jurisdiction including but not limited to:

- A. Professional services;
- B. Services in which a sale of property or product may be involved, including property or products made to order;
- C. Utilities and utility services not constituting a sale of property or products, including but not limited to sewer, water, solid waste collection or disposal, electrical, telephone services and repair, natural gas, cable or satellite television, and Internet services;
- D. The sale of transportation services;
- E. Services rendered for compensation by any person who furnishes any such services in the course of his trade, business, or occupation, including all services rendered for commission;
- F. Advertising, maintenance, recreation, amusement, and craftsman services.

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

**“Taxing jurisdiction”** means a local government in Alaska that has a sales tax..

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

## SECTION 280 – Supplemental Definitions

For purposes of this Chapter, the Commission may promulgate Supplemental Definitions that are incorporated into this Remote Seller Sales Tax Code, provided they are not in conflict with or contrary to definitions set forth in the general sales tax ordinance of the member jurisdiction. Supplemental Definitions are available at [www.arsstc.org](http://www.arsstc.org). Provisions of the Supplemental Definitions that are amended, deleted, or added prior to or after the effective date of the latest amendment to this chapter shall be applicable for purposes of this chapter on the effective date provided for such amendments, deletions, or additions, including retroactive provisions.

**DATE INTRODUCED:** *April 12, 2021*

**DATE OF PUBLIC HEARING:** *May 10, 2021*

**PASSED** and **APPROVED** by the Gustavus City Council this \_\_\_<sup>th</sup> day of \_\_\_\_\_, 2021, and effective upon adoption.

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Brittney Cannamore, Mayor

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Attest: Karen Platt CMC, City Clerk

**CITY OF GUSTAVUS, ALASKA  
ORDINANCE FY21-21NCO**

**AN ORDINANCE FOR THE CITY OF GUSTAVUS PROVIDING FOR THE ESTABLISHMENT  
AND ADOPTION OF THE BUDGET FOR FISCAL YEAR 2022**

**BE IT ENACTED BY THE CITY OF GUSTAVUS AS FOLLOWS:**

**Section 1.** Classification. This is a **Non-Code Ordinance**.

**Section 2.** General Provisions. The attached document is the authorized budget of revenues and expenditures for the period July 1, 2021 through June 30, 2022 and is made a matter of public record.

**Section 3.** Effective Date. This ordinance becomes effective upon its adoption by the City Council.

**DATE INTRODUCED:** *May 10, 2021*

**DATE OF PUBLIC HEARING:** *June 14, 2021*

**PASSED** and **APPROVED** by the Gustavus City Council this \_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Brittney Cannamore, Mayor

\_\_\_\_\_  
Attest: Phoebe Vanselow, City Treasurer

\_\_\_\_\_  
Attest: Karen Platt CMC, City Clerk





**City of Gustavus**

PO Box 1

Gustavus, Alaska 99826

Phone: (907) 697-2451

# City of Gustavus Budget Fiscal Year 2022

FY21-21NCO Attachment

For Introduction by the Gustavus City Council May 10, 2021  
Public Hearing Scheduled for June 14, 2021

## FY 2022 City of Gustavus Operating Budget

This document contains the City of Gustavus operating budget for fiscal year 2022 (FY22: July 1, 2021 through June 30, 2022). A summary of notable items in the budget is provided below. Capital improvement projects not funded through the operating budget are not discussed in this document; please see the separate Capital Improvement Plan. The city's only Enterprise Fund, the Gustavus Community Network, was discontinued in FY16 by Resolution CY15-31. All other departments are in the General Fund.

### COVID-19 and Pandemic Assistance (CARES Act, FEMA, American Rescue Plan)

Before any discussion of individual budget categories in this narrative, the impact of the novel coronavirus COVID-19 must be stressed. The City of Gustavus has weathered this storm financially thus far, but the impacts to our local residents and businesses have been severe. The summer 2020 tourist season was greatly reduced from a typical year, with many seasonal businesses choosing not to open at all and others operating at greatly reduced levels of a typical year. The City of Gustavus adopted a budget for FY21 with a very conservative revenue scenario (virtually no seasonally increased activity for summer 2020), and this was exceeded with some summer activity occurring, including some of the charter fishing businesses and lodges operating at some capacity. This economic activity coupled with funds received through the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act allowed the city to continue to provide services without drawing heavily on savings.

### *CARES Act*

The City of Gustavus received \$631,680.53 in CARES Act funds for expenditures beginning March 1, 2020. The general expenditure categories are in a table later in this document. In regards to the operating budget, CARES Act funds were used for payroll and benefits for the Fire Chief from March 1, 2020 through part of February 2021, resulting in a reduction in the operating budget's payroll expenses by \$27,069 for FY20 and \$43,253 for FY21. Payroll and applicable benefits for staff in other departments for hours spent on COVID-19 related tasks were also funded through CARES Act dollars. These sometimes resulted in a reduction in payroll expenses paid through the operating budget when the CARES Act hours replaced the employee's regular hours, but in other cases, these CARES Act hours were additional hours beyond the employee's budgeted hours due to increased taskload (e.g. developing and administering local grant programs) and thus did not result in a reduction in the operating budget's payroll expenses. CARES Act fund expenditures included: cleaning supplies and personal protective equipment (PPE), city facility improvements to increase the ability to clean public surfaces, outdoor kiosks for public postings, barriers for employee and volunteer desks, conversion to handsfree doors, improvements to water systems, library materials for home activities and self-education, cleaning/disinfecting equipment, and a generator for the testing/emergency tent.

For community business support and economic recovery, CARES Act funds were used for two different grant programs. A local business economic assistance grant program was developed and administered, awarding up to \$1650 per business to cover expenses. Also, a small business web development grant was developed and administered to help improve the web presence of small businesses in Gustavus, awarding up to \$1200 per business. Funds were given to the Gustavus Visitors Association through CARES Act funds for economic recovery and through an amended operating budget for a total of \$54,910.

A resident emergency economic stimulus program was developed and administered, paying \$515.46 per eligible applicant for a total of \$199,998 distributed. A commercial meat grinder with attachments and a vacuum sealer were purchased for community use. A local commercial

fisherman volunteered his and his crew's time for a community halibut program. Volunteers processed the fish with the communal vacuum sealer and distributed it to local residents along with forty cases of canned salmon purchased through CARES Act funds. Funds were also contributed toward the construction of a community root cellar. The Gustavus School requested and received \$16,500 for PPE and other items to make in-person schooling safer.

CARES Act funds were initially to be spent by December 31, 2020 or returned. City of Gustavus did this efficiently and was set to meet that deadline when it was extended by a year in late December. See the table later in the document for additional CARES Act expenditure details.

#### *FEMA (Federal Emergency Management Agency) COVID-19 Response*

With the CARES Act extension in late December, municipalities have the opportunity to re-evaluate their CARES Act expenditures to date to see if any of them are eligible for reimbursement through FEMA and their disaster response. On March 13, 2020, the President declared the ongoing COVID-19 pandemic of sufficient severity and magnitude to warrant an emergency declaration. Eligible expenditures dating from January 20, 2020, can be reimbursed, with an expansion of eligible activities implemented September 15, 2020.

If FEMA can reimburse for expenditures instead, these CARES Act funds could then be re-programmed for other eligible expenses before the new deadline of December 31, 2021. At the time of this writing, staff are working through the reimbursement process with FEMA. Currently, it appears only about \$9400 are possibly eligible (generally, COVID-19 response expenses of the Emergency Operations Center and overtime wages for regular/permanent employees), and this amount may continue to be reduced as the process progresses.

The national disaster declaration will likely continue for the foreseeable future, so additional eligible expenditures may still occur.

#### *ARP (American Rescue Plan) Act of 2021*

The ARP Act was signed into law on March 11, 2021. New guidance is being released weekly on the various funding programs authorized under this act and their allowed uses. This Act is wide-ranging and only aspects specific to the City of Gustavus are included here. The information at the time of this writing includes the following:

- Funds to help state, local, and tribal governments bridge budget shortfalls and mitigate the fiscal shock.
  - Some funds to municipalities will be able to be used to offset lost revenue. This is in contrast to the CARES Act funds which did not allow this use. As a result, ARP Act funds are included in the FY22 budget to offset a predicted slower 2021 summer season than a typical year.
- Funds will be distributed by the U.S. Treasury to states to pass-through to municipalities. State of Alaska will likely distribute these funds using a formula similar to how Community Assistance Program funds are allocated. Estimates are varying at this point, but the \$99,000 included in the current budget is on the conservative end of the information being received.
- Funds for businesses and economic recovery will be available but whether this will be direct assistance or through municipalities is unclear. If it is through municipalities, there will likely be additional City of Gustavus grant programs forthcoming to distribute the funds.
- Coronavirus Capital Projects Fund

- The City of Gustavus will be investigating this program as a funding source for projects outlined in the separate City of Gustavus Capital Improvement Plan document.

Additional guidance and details will be forthcoming as the ARP Act is implemented at the national and state level. Municipal funds likely would come in two installments, one year apart. The current deadline for funds to be spent is December 31, 2024.

## A. Revenues

### 1. Sales Tax

Sales tax makes up the bulk of locally generated revenue. The current sales tax rate is 3% (Ordinance FY11-02 amending municipal code section 04.15.030). Sales tax revenue has been increasing, with FY20 initially trending to at least match the FY19 receipts but ultimately falling short at least partially due to the pandemic. FY21 was initially budgeted dramatically lower based on the “winter-level” of tax revenue due to the impacts of COVID-19, but a partial summer tourist season did occur, resulting in revenues exceeding the initial budget. For FY22, sales tax is budgeted higher than FY21 with the reports of seasonal businesses planning on opening but lower than a more typical year due to the continued uncertainties of pandemic effects.

Beginning in FY19, the 2% seller’s discount was assigned to room or retail tax income as appropriate instead of being its own line-item. In the past, 2% seller’s discount counted against retail tax income regardless, or showed up separately as Seller’s Discount line-item (but did not include all discounts). This line-item still appears on the 5-year budget comparison for FY18, so it is mentioned here.

### 2. Online Sales Tax

The FY21 budget included a new line-item “Remote Sellers Retail Tax”. In late FY20, the City of Gustavus joined the Alaska Municipal League (AML) Remote Seller Sales Tax Commission (Resolutions CY20-09 and CY20-10) and created municipal code section 11 (Ordinance FY20-16). Through this ordinance, vendors making sales from outside of Alaska and shipping to addresses within Alaska that meet an annual threshold of either a minimum of \$100,000 in sales or at least 200 collective transactions will collect the applicable sales tax of the addressee and remit it to a central clearinghouse, AML’s commission. The commission forwards the tax payments on to the taxing entity, in this case the City of Gustavus, less a 15-20% fee. While the city currently receives sales tax payments from a few internet vendors, it was anticipated that participation in this commission would greatly increase our sales tax collection from online sales shipped to Gustavus, and this has occurred. This commission is part of a nationwide shift in taxing online sales following a decision by the United States Supreme Court in *South Dakota v. Wayfair* that allows for the amendment of the sales tax code to account for remote sellers who do not have a physical presence in either the state or city but do have a taxable connection with the state of Alaska and the City of Gustavus.

### 3. Room Tax

The current room tax is 4% (municipal code section 04.14.030). Room tax revenue had been increasing over recent years until FY19, which likely was partly affected by the closure of a sizeable Gustavus business at the end of the 2017 tourist season. FY20 room tax receipts were just over \$78,000, indicating a possible return to the increasing trend as before. Room tax revenue for FY21 was budgeted dramatically lower based on the “winter-level” of tax revenue due to the impacts of COVID-19. This initial FY21 budget was exceeded with the opening of some lodges in summer 2020. For FY22, the budget for room tax is just over half of FY20 due

to the continued uncertainties of pandemic effects but with the optimistic reports of increased bookings at local accommodations.

#### 4. Fish Box Tax

The fish box tax revenue had been decreasing and then plateaued for FY19 and FY20. The current fish box tax is \$10/box packaged and transported out of town (municipal code section 04.16.030). Fish box tax revenue projected for FY21 was budgeted at zero based on the “winter-level” of tax revenue due to the impacts of COVID-19, but with the charter fishing fleet operating partially in 2020, this initial budget was exceeded. For FY22, the budget is for revenue mid-way between FY21 and prior years’ levels due to the continued uncertainties of pandemic effects.

Beginning in the summer of 2019, fish box stickers were not year-specific. This transition was to reduce the waste of having surplus stickers on hand at the end of each year. At this time, businesses are still returning all surplus stickers at the end of the year. It is possible, but unlikely, that a company could purchase fish box tax stickers for more than one year at a time, altering the annual revenue.

#### 5. Other City-Generated Revenue Sources

The **Disposal and Recycling Center (DRC) and Community Chest** combined revenues have varied from \$82,000 to \$95,000 over the five fiscal years prior to the pandemic. The current fee schedule for the DRC was adopted May 8, 2017 with Resolution CY17-06. The DRC and Community Chest revenue for FY22 has been budgeted lower than a typical year with predicted lower volume of solid waste being processed and the Community Chest at below normal revenue.

The **Gustavus Volunteer Fire Department (GVFD)** resumed billing for ambulance transport at the end of FY18. As a result, citizen enrollment in the ambulance subscription program (ASP) has also increased. With active ambulance billing occurring, this revenue source has been budgeted the same as FY21. Ambulance transports are entered as invoices with discounts for ASP Enrollment and Medicare write-offs. Accounts Receivable amounts have increased. GVFD income includes all invoiced charges to date (but not necessarily collected yet) due to the accrual accounting method.

**Gravel pit** material sales had been increasing but slightly dropped in FY20. The FY20 budgeted revenue was more than double the FY19 budget due to an increase in the price of pit run material from \$2.00/cubic yard to \$4.00/cubic yard, effective February 12, 2019. For FY21, the budget remained the same even with an increase in the price of pit run material from \$4.00/cubic yard to \$6.00/cubic yard, effective February 10, 2020. A corresponding expense line-item was created in FY21 called the Gravel Pit Fund that moves some of the gravel pit revenue to a new, dedicated savings account to help fund the anticipated increased costs of operating the gravel pit in the near future. FY22 budgeted revenue is slightly higher than FY21 due to FY21’s higher receipts. A distribution to the Gravel Pit Fund is included again.

**Business license** fees collected had been slightly increasing over the past five fiscal years prior to the pandemic. Due to the uncertainty of COVID-19 impacts and with some internet businesses now reporting through the Online Sales Tax program, the budgeted revenue remains slightly decreased.

**Marine Facility** motorized vessel registration fees increased February 10, 2020, to raise funds for the new cost of transporting the steel mooring float to and from the state dock to its winter mooring near Pleasant Island twice annually beginning fall 2020. Commercial vessel fee revenue is budgeted slightly lower than a typical year due to the continued uncertainties from

the pandemic. The FY22 Marine Facilities expense budget reflects the increased contractual services expense for the corresponding float transport costs.

The **Gustavus Public Library** budgeted income is slightly lower for FY22 with anticipated reduced fundraising and donations during/following the pandemic. The city budget's fundraising line-item is almost solely for library activities beginning with FY19.

## 6. Federal Revenue

### i. Payment in Lieu of Taxes (PILT)

The amount of PILT revenue is unpredictable until late in the budgeting process. PILT was fully funded for FY22 on December 27, 2020, with the Consolidated Appropriations Act, 2021 (P.L. 116-260). The FY22 city budget roughly matches the FY21 actual amount received. The FY22 PILT application was submitted 3/24/21, and the FY22 PILT revenue amount is still unknown at the time of this writing.

For more information on PILT, see the U.S. Department of the Interior website

(<https://www.doi.gov/pilt>) or the State of Alaska website:

<https://www.commerce.alaska.gov/web/dcra/grantandfunding/PaymentinLieuofTaxes.aspx>

### ii. National Forest Receipts (NFR)

NFR revenue received by the City of Gustavus can only be used for road expenses. NFR revenue had dwindled to virtually nothing in FY17 and was assumed to be zero for FY18 until the city unexpectedly received FY18 funds of \$53,927.79 in the final week of the fiscal year. NFR revenue will continue to be unpredictable for the foreseeable future. In the past, the City of Gustavus was able to retain unused NFR funds from year to year in a dedicated savings account as encumbered funds used only for road maintenance. Now, the NFR funds received are not enough to pay for the full road maintenance budget each year, and the city had been supplementing current year NFR funds with the encumbered savings. The road maintenance budget for FY21 used up the remainder of this encumbered fund savings along with current year NFR funds. A separate unencumbered savings account was established in 2018 with 2-3 years of road maintenance funds, but using savings long-term is unsustainable. Given the unpredictability, the budget line for this revenue source is set low at \$35,000 for FY22. The FY21 application was submitted 8/6/20, and FY21 NFR funds were deposited 4/26/21 for \$38,572.14.

In spring of 2019, extensive work with State of Alaska DOT Information Systems and Services Division was completed to calculate mileage of the roads maintained by the City of Gustavus as part of a larger project to help verify mileage communities were submitting to the State of Alaska Department of Department of Commerce, Community, and Economic Development (DCCED) under the National Forest Receipts program. Total mileage for City of Gustavus changed from 31.21 to 24.61 miles, which will likely lead to reduced NFR receipts.

For more information on NFR, see the State of Alaska website:

<https://www.commerce.alaska.gov/web/dcra/grantandfunding/NationalForestReceipts.aspx>

## 7. State Revenue

### i. Community Assistance Program

The State of Alaska budget outlook remains grim, although before COVID-19 hit, there were indications the state was coming out of its recession. The Community Assistance Program (CAP), formerly known as Community Revenue Sharing, has seen decreased funding over the past few fiscal years but continues to be fought for by Alaska municipalities. The City of Gustavus is eligible for an estimated \$77,598.84 of FY22 funding as of 3/9/21. Future funding

of this program is uncertain as the Governor has vetoed full funding for this program in the past. If the CAP reduction becomes the new norm, this revenue will need to be generated elsewhere or expenses reduced.

For more information on CAP, see the State of Alaska website:

<https://www.commerce.alaska.gov/web/dcra/GrantandFunding/CommunityRevenueSharing.aspx>

## ii. Shared Fisheries Business Tax

The Shared Fisheries Business Tax is variable. The FY22 budgeted revenue is decreased from previous years due to decreased receipts in recent years and uncertainties in the regional commercial fisheries. The FY21 application was supported by Resolution CY20-26, adopted 12/14/20, with funds of \$1045.27 received in FY21 as of 5/4/21.

For more information on the Shared Fisheries Business Tax, see the State of Alaska website:

<https://www.commerce.alaska.gov/web/dcra/grantandfunding/SharedFisheriesBusinessTax.aspx>

## iii. Liquor Share Tax

On 4/1/19, the City of Gustavus received its first Liquor Share Tax distribution. The regularity and amount of liquor share tax remains unclear, so this item is budgeted at zero.

State of Alaska Statute 04.11.610, Refund to Municipalities, states:

(a) Biennial license fees, excluding annual wholesale fees and biennial wholesale license fees, collected within a municipality shall be refunded semi-annually to the municipality.

(b) If the officers of a municipality fail to actively enforce local ordinances, laws of the United States and the state, and the regulations relating to the manufacture and sale of alcoholic beverages in the state, the commissioner of commerce, community, and economic development may deny the refund provided for under (a) of this section until the board finds the enforcement of the ordinances, laws, and regulations is resumed.

In the past, directors of the State of Alaska Alcohol & Marijuana Control Office have interpreted (b) to mean that only municipalities with law enforcement agencies would be provided with this refund. The current state administration interprets “officers of a municipality” broadly to include elected officials or city administrators and has started providing refunds to municipalities in which licenses exist. Retroactive refunds will not be issued.

## 8. Interest

Since FY19, this line-item only includes the interest received on the checking account at First National Bank Alaska.

## 9. Grants and Scholarships

Incoming grants and scholarships are tracked in various ways in the city’s accounting software. For grant funds that are deposited and then used over time, a separate class or fund is created in the accounting software, and this revenue and the expenses paid by it are not included in the operating budget. For scholarships or grants that are reimbursements for costs already incurred, the funds are included in the operating budget and are deposited as a credit toward that expense budget line-item. A summary of grants and scholarships this fiscal year to date is included in this document. The CARES Act funds were issued as a grant and initially resided in their own Alaska Municipal League Investment Pool (AMLIP) account.

## 10. Prior-Year Cash Balance

In past years, surplus funds from the prior fiscal year were not incorporated into the next fiscal year's budget. These funds simply remained in the checking account or were eventually transferred to one of the city's savings or investment accounts. Beginning with the FY20 budget, prior-year funds were included up to the amount necessary to balance the current budget. However, none of these surplus funds were actually used in FY20 due to changes in revenues and expenses and the assistance of CARES Act funds for some payroll. Due to the impacts of COVID-19, the FY21 initial budget relied on these saved surplus funds from prior years to balance the budget. At the time of this writing, zero prior year funds have actually been needed thus far in FY21, and it will be unclear until the fiscal year is close to complete whether any will be needed or how much. The initial FY21 budget listed \$217,000 needed from saved surpluses. At the time of this writing, an amended budget line-item is being introduced to reduce this to less than \$60,000, and it is expected it will be even less than that.

## B. Expenditures

### 1. Payroll

The FY22 budget returns to a more typical year for existing employees. A temporary half-time Library Assistant position was included in the budget for half the year for a cataloging project and other duties. An operator position for the Disposal & Recycling Center (DRC) was considered to prepare for the DRC Manager/Operator's upcoming retirement but was postponed to a future year, and an Emergency Medical Services (EMS) Coordinator was considered. Wage increases for the City Administrator, DRC Manager/Operator, and DRC Assistants were included.

### 2. Cost-of-Living Adjustment

The City of Gustavus annually reviews the consumer price index change for Urban Alaska (formerly Municipality of Anchorage) and determines if a cost-of-living pay adjustment will be adopted for the coming year. For the first time ever this year, the consumer price index for Urban Alaska did not increase, so no wage increase for all regular position employees was adopted, although it is certainly arguable that the cost-of-living in Gustavus rose in the last year due to increased electricity rates and changes in shopping patterns due to the COVID-19 pandemic.

### 3. Group Health Plan & Health Insurance Stipend

A group health plan option was explored in late FY18 and coverage began 6/1/19 for enrolled employees. Premier Blue Cross/Blue Shield offered a range of plans through our current insurance agent. The premiums for the 2021 plan have not yet been announced for the policy year 6/1/21-5/31/22. For new regular/permanent employees wishing to enroll, the employee is responsible for 20% of the premium cost.

Employees can opt out with proof of insurance. For those opting out, a taxable health insurance stipend of \$200/month is offered to offset the expense of being added to their spouse's health insurance. This amount is based on analyzing the federal employee group health coverage costs for employee only vs. employee and spouse (using Blue Cross & Blue Shield Basic plan as a comparison), which is an extra \$239.56/month (formerly \$212/month when the stipend was first approved). The latest benefits policy and procedure was adopted May 11, 2020 (Resolution CY20-15).

### 4. Increased 457(b) Enrollment

FY18 saw a change to full participation by eligible employees in the 457(b) retirement benefit the City of Gustavus offers.



## 5. Managed IT Services

In April 2018, the City of Gustavus entered into a contract for managed information technology (IT) services. An IT contractor had not been used since the end of 2016. The professionalization of this vital city infrastructure was a welcome step and resulted in a new line-item in the FY19 budget. IT equipment purchases were made in FY19 and FY20 to get the city caught up, through the Administrative Department's equipment purchase budget line-item. FY22's budget remains the same, with less visits and work-up being performed but more equipment online, resulting in slightly higher monthly maintenance fees. This contracted service will be re-advertised in spring 2021, so FY22 monthly rates could change once a new contract is signed.

## 6. Social Service: Gustavus Children's Enhancement Program

In FY18, the City of Gustavus updated municipal code Title 6 (Ordinance FY18-09, adopted 2/12/18) to include the option to fund limited social services. With this step and the resulting policy and procedure (Resolution CY18-17, adopted May 14, 2018), the Gustavus Children's Enhancement Program (a.k.a. The Rookery at Gustavus) may request up to 20% of their operating budget from the City of Gustavus to keep their services available and affordable. This was a new category in the city's budget. The Rookery did not request funds for FY21 or FY22 and has been closed since spring 2020 due to the pandemic and Chatham School District now offering preschool in the building the Rookery had been using.

## 7. Economic Development Service: Gustavus Visitors Association

In FY18, the City of Gustavus updated municipal code Title 6 (Ordinance FY18-09, adopted 2/12/18) to formalize the option to fund economic development services. With this step and the resulting policy and procedure (Resolution CY18-16, adopted May 14, 2018), the Gustavus Visitors Association (GVA) may request up to 50% of the previous fiscal year's City of Gustavus room tax revenue to supplement their operating budget. Municipal code Title 4 was also updated (Ordinance FY18-11, adopted 3/12/18) to reflect GVA's change in fiscal year dates to match the City of Gustavus's fiscal year.

## 8. Repair and Replacement Annual Contributions

As part of a more comprehensive capital improvement plan initiative that took place during FY18, repair and replacement budget line-items were created for all of the departments to funnel some funds each year toward long-term asset replacement and other capital projects. This was a new line-item in the FY19 budget and will be included in each year's budget. These funds are deposited in a dedicated Alaska Municipal League Investment Pool (AMLIP) account [AMLIP Repair & Replacement (R&R)]. FY22 budget was decreased slightly due to some assets having their full replacement cost or down-payment now set aside.

## 9. Review Services and Audit

The City of Gustavus has not received enough state or federal funds to trigger a mandatory audit since FY15. The City Council and Treasurer agreed in January 2018 it was in the best interest of the city to have some sort of outside accounting review after the completion of FY18. Review services were conducted January 2019 by the same accounting firm that has completed the city's audits in the past. The City Council considered budgeting for a full audit in FY21 after the completion of FY20, as that will mark five years since the last audit, at an estimated cost of \$30,000. Instead, the council has opted to wait-and-see if the City of Gustavus triggers a mandatory audit due to federal funds expended in FY21 before deciding to fund an audit. If the mandatory audit threshold is reached, a budget amendment could occur to complete an audit in FY22.

### 10. Insurance Premium Increases:

The city's general liability and property insurance costs are expected to increase again (by less than 10%) for the coming fiscal year, but final premium amounts have not yet been announced. These amounts are still unknown at the time of this writing, so a 10% increase has been incorporated for General Liability, Building Insurance, and Equipment Insurance, assuming the actual rates should come in less than that based on current information.

### 11. Vehicle Mileage

Beginning in FY19, the Marine Facilities Coordinator was included with other departments for vehicle mileage reimbursement. This position requires extensive driving, visiting the dock 1-2 times per day, retrieving supplies, and purchasing construction materials for various projects. Mileage reimbursement is also given to other employees using their personal vehicles for mail and freight delivery and hauling solid waste. This line-item is similar for FY22.

### 12. Contractual Services

The FY22 budget includes funds in the Marine Facilities budget for transport of the steel mooring float and wooden floats. The DRC budget includes funds in contractual services for two water sampling events. No Household Hazardous Waste event is budgeted, as had been done for FY18 and FY20 (although FY20 was canceled due to COVID-19), but if the summer 2021 revenue is much higher than expected, this is a popular event that could be considered for budget amendment in time for it to occur in spring 2022. The Administrative budget includes funds for social media archiving (required for records retention) and new meeting software to streamline the process for posting notices, generating meeting packets, and taking meeting minutes. The library's contractual budget includes funds for custodial service. The GVFD's contractual work for building maintenance was included in this line-item in the past, but beginning with FY21, this expense is listed under Building: Maintenance & Repair.

### 13. Professional Services

The FY22 budget increases the line-item for Professional Services (attorney) due to an ongoing electrical rate case the City of Gustavus has brought forward. Other ongoing issues that may involve the attorney include establishment of the electrical intertie, PFAS water contamination in the community, and possible borough formation in Icy Strait.

### 14. Equipment

GVFD's equipment purchase budget is generally used as a match for equipment grants received.

## C. Proposed Rate Changes

None at this time.

## D. Long-Term Finances

### 1. Reserve Funds

In late FY18, the persistent high carryover of funds from one fiscal year to the next was addressed along with a reapportioning of the reserve accounts held by the city to establish designated accounts for capital improvements, asset repair and replacement, and unencumbered funds for road maintenance. Along with this redistribution of funds between accounts, an Unrestricted Fund Balance Policy and Procedure was created to guide the use of future carryover funds. See FY18-16NCO for the account designations and Resolution CY18-18 for adoption of the Unrestricted Fund Balance Policy and Procedure. As part of this policy, the unrestricted fund balance will be maintained around 25% of the fiscal year's operating expenses. At this time, the unrestricted fund balance resides in the city's First National Bank Alaska checking account. See the policy document for details.

## 2. Long-Term Debt

The City of Gustavus currently has no debt obligation.

### E. Fiscal Year 2022

#### 1. Road Maintenance Budget

The road maintenance budget was increased for FY22 to provide funds for more proactive work on the city roads. Continued uncertainty with National Forest Receipts (NFR) funding means the City Council must continue to plan to use saved funds for Road Maintenance, until the operating budget is adjusted to fund this expense. A separate “AMLIP Road Maint – Unencumbered” account was created with FY18-16NCO to ensure this vital expense can be covered in the short-term (2-3 years) while a new sustainable plan is made to fund this expense. Previously saved NFR funds that were in savings have been expended.

On December 2, 2020, the City of Gustavus experienced a flood event damaging roads and properties in town, especially downstream of the gravel pits through the Wilson Road neighborhoods. A state disaster was declared for the region, followed by a federal disaster declaration on February 17, 2021. Road repair and flood mitigation occurred immediately after the event, and these expenditures (\$55,096) are being submitted to FEMA for reimbursement. This flood response expense is included in the amended FY21 budget along with projected disaster relief funds. An additional \$105,000 in proposed drainage improvement and road repair projects has also been submitted to FEMA for approval, and if funded, would be completed as a capital project (see the project description in the separate Capital Improvement Plan document).

#### 2. Disposal & Recycling Budget

Additional freight costs could be incurred in the future as the market for mixed plastics and mixed paper recyclables changes or disappears due to changes in the world economy. At this time, it is unclear what the ramifications will be. The Solid Waste Management Plan revision to be presented in 2021 may provide more insight into this.

#### 3. Lands Budget

At the time of this writing, the future of the gravel pits is uncertain. Regardless of the decisions that are made, it is expected that there will be increased expenditures for this department for the foreseeable future. Some discussion of this occurs in the separate Capital Improvement Plan document.

### F. Discussion of Possible New Revenues

None at this time.

A seasonal fuel excise tax was introduced 3/9/20, but this tax was subsequently withdrawn from the proposed ordinance largely due to the unfolding COVID-19 impacts.

### G. Summary

The promising revenue trends of the past few years for the local economy, with positive growth in room and retail tax returns, were all upended by the COVID-19 pandemic. The City of Gustavus remains in good monetary standing, thanks to the surpluses of prior years and with the help of the CARES Act and ARP Act. The summer 2021 tourist season will hopefully demonstrate our local businesses were able to survive this unprecedented disruption and begin to recover.



**City of Gustavus**

PO Box 1

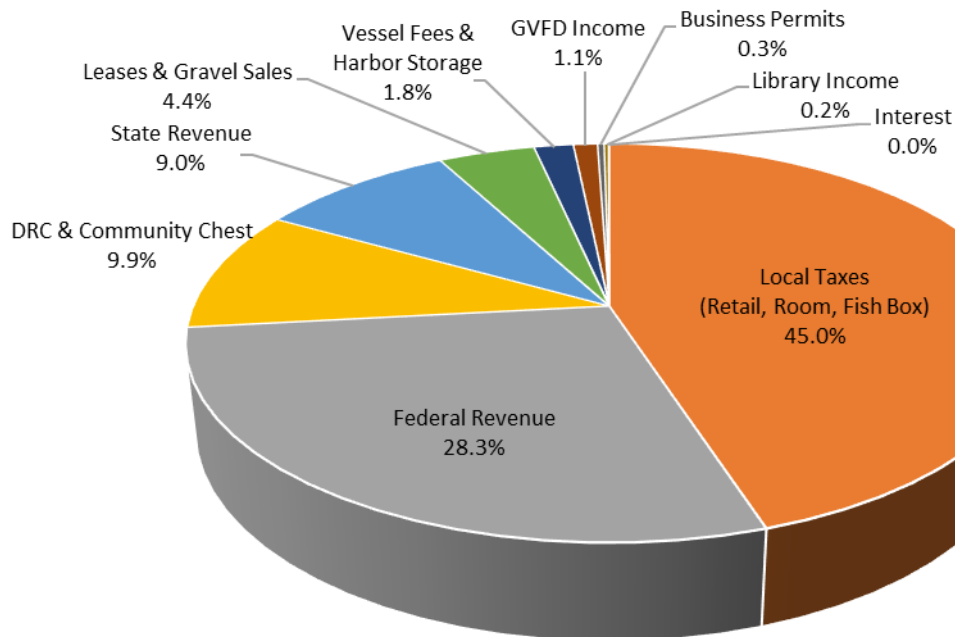
Gustavus, Alaska 99826

Phone: (907) 697-2451

# City of Gustavus Financial Summary Fiscal Year 2022

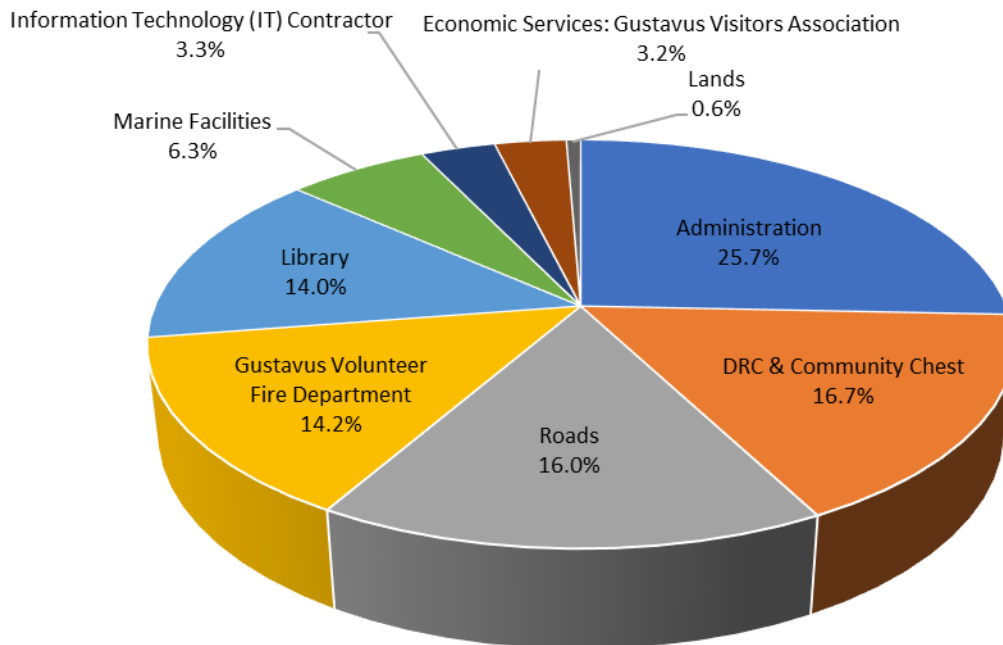
## May 2021

### FY22 Budgeted General Fund Revenues



Note: \$65,000 of funds from savings for road maintenance are not included here.  
DRC is the Disposal and Recycling Center. GVFD is the Gustavus Volunteer Fire Department.

### FY22 Budgeted General Fund Expenses



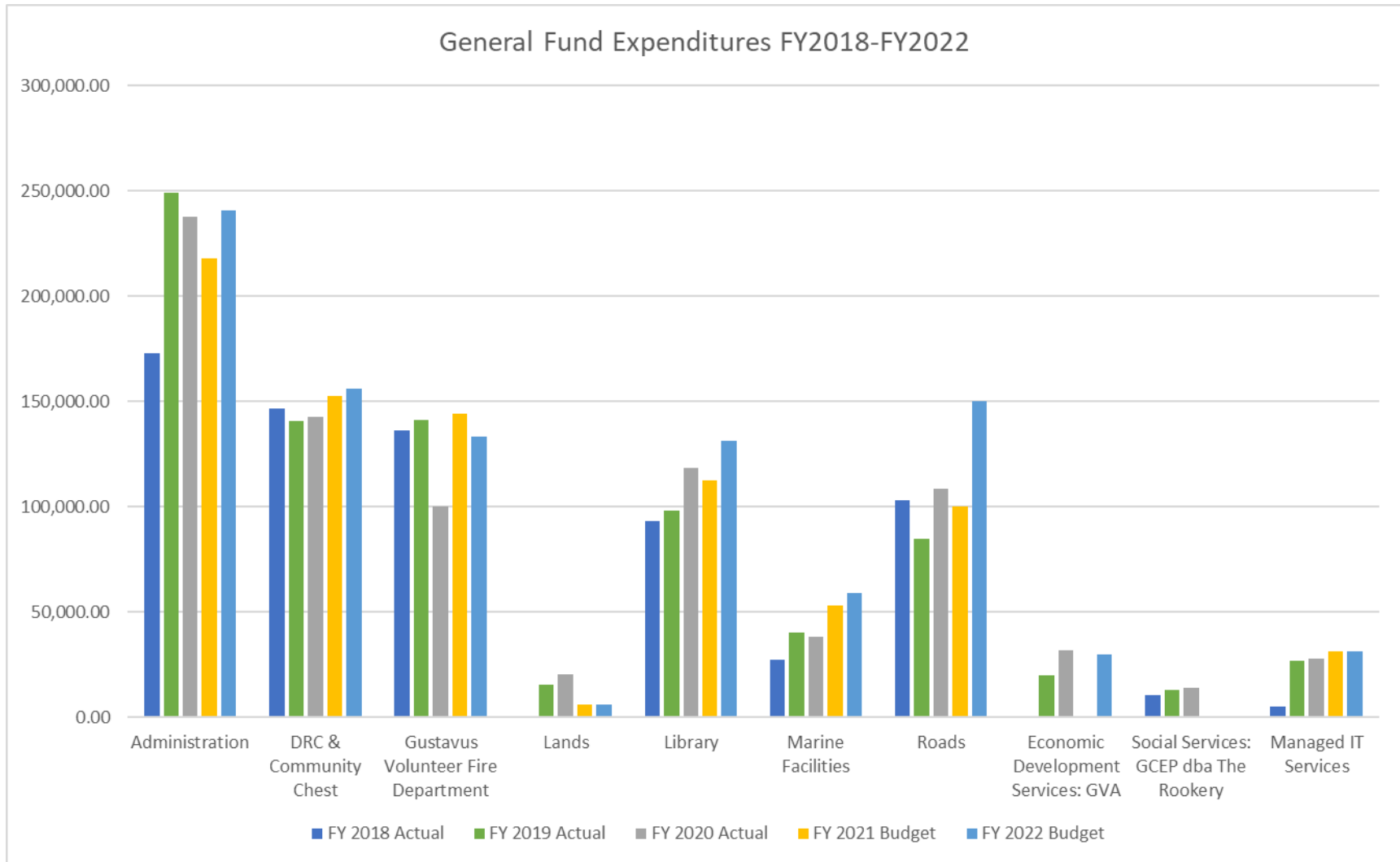
## City of Gustavus General Fund Revenue &amp; Expenditure Recap FY18-FY22

			Actual	Actual	Actual	FY21 Budget	Actual-to-date	FY22 Budget
			Jul '17 - Jun 18	Jul '18 - Jun 19	Jul '19 - Jun 20	Jul '20 - Jun 21	Jul '20 - 5/4/21	Jul '21 - Jun 22
Ordinary Income/Expense								
Income								
	Admin Fees		0.00	30.00				
	Business License Fees		3,900.20	4,150.00	3,575.00	3,000.00	3,275.00	3,000.00
	Donations		1,467.00	1,117.50	2,531.00	1,000.00	384.00	800.00
	DRC Income							
	Community Chest Sales		15,277.00	16,243.60	10,743.49	11,000.00	6,088.30	13,500.00
	Landfill Fees paid @ City Hall		28,483.47	31,295.99	30,052.18		12,343.19	
	Landfill Fees/Sales		45,722.65	46,888.90	46,595.27	45,000.00	37,502.47	69,000.00
	Recyclable Material Sales		6,354.27	7,776.65	3,612.62	2,600.00	3,407.86	3,600.00
	DRC Income - Other		0.00	0.00	0.00	0.00	0.00	0.00
	Total DRC Income		95,837.39	102,205.14	91,003.56	58,600.00	59,341.82	86,100.00
	Federal Revenue							
	American Rescue Plan Act of 2021							99,000.00
	Disaster Assistance (FEMA road funds)							
	Natl Forest Receipts-Encumbered		53,927.79	45,494.92	44,228.25		38,572.14	35,000.00
	Payment In Lieu of Taxes		107,545.26	107,167.43	115,419.89	115,000.00	113,760.06	113,000.00
	Total Federal Revenue		161,473.05	152,662.35	159,648.14	115,000.00	152,332.20	247,000.00
	Fundraising		1,155.00	556.00	1,441.00	800.00	960.00	600.00
	GVFD Income							
	Ambulance Billing		5,742.10	9,659.71	9,964.55	9,000.00	5,761.29	9,000.00
	ASP		1,360.00	625.00	805.00	600.00	1,195.00	600.00
	Training			30.00	2,610.00	150.00	0.00	150.00
	GVFD Income - Other			390.00				
	Total GVFD Income		7,102.10	10,704.71	13,379.55	9,750.00	6,956.29	9,750.00
	Interest Income		875.84	698.82	362.22	350.00	159.42	350.00
	Lands Income							
	Gravel Pit Gravel Sales		9,906.00	11,360.00	17,552.00	22,000.00	27,354.00	25,000.00
	Total Lands Income		9,906.00	11,360.00	17,552.00	22,000.00	27,354.00	25,000.00
	Lease Income		13,470.35	12,720.35	13,125.67	12,720.35	6,562.32	13,125.67
	Library Income		1,597.28	1,174.70	727.60	500.00	341.50	500.00
	Marine Facilities Income							
	Facilities Usage Fees		4,965.00	1,170.00	1,845.00	1,000.00	1,960.00	1,000.00
	Commercial Vessel Registration		9,000.00	9,210.00	8,275.00	2,500.00	7,000.00	8,000.00
	Private Vessel Registration		5,450.00	4,940.00	5,095.00	5,000.00	2,465.00	5,000.00
	Storage Area Fee		1,210.00	1,790.00	2,115.00	1,700.00	1,390.00	1,700.00
	Marine Facilities Income - Other		13.23	1.00				
	Total Marine Facilities Income		20,638.23	17,111.00	17,330.00	10,200.00	12,815.00	15,700.00
	Other Income				3,777.00			
	State Revenue							
	Community Assistance Program		88,824.00	85,461.43	82,845.41	55,506.42	75,180.66	77,598.84
	Liquor Share Tax			3,350.00				
	Shared Fisheries Business Tax		1,921.08	1,884.12	541.68	1,700.00	1,045.27	500.00
	Total State Revenue		90,745.08	90,695.55	83,387.09	57,206.42	76,225.93	78,098.84
	Tax Income							
	Retail Tax Income		356,826.45	392,649.12	375,941.24	185,000.00	236,255.51	325,000.00
	Remote Sellers Retail Tax		0.00	0.00	12.49	20,000.00	13,947.87	20,000.00
	Room Tax Income		75,150.61	70,505.72	78,574.79	4,500.00	20,635.52	40,000.00
	Fish Box Tax		13,535.69	12,350.00	12,190.00	0.00	4,060.00	7,500.00
	Penalties & Interest		5,449.72	25,160.35	4,212.74		1,434.51	
	Tax Exempt Cards		200.00	320.00	250.00	300.00	260.00	300.00
	Seller's Compensation Discount		-788.30					
	Total Sales Tax Income		450,374.17	500,985.19	471,181.26	209,800.00	276,593.41	392,800.00
	Total Income		858,541.69	906,171.31	879,021.09	500,926.77	623,300.89	872,824.51
	Gross Profit		858,541.69	906,171.31	879,021.09	500,926.77	623,300.89	872,824.51

			Actual	Actual	Actual	FY21 Budget	Actual-to-date	FY22 Budget
			Jul '17 - Jun 18	Jul '18 - Jun 19	Jul '19 - Jun 20	Jul '20 - Jun 21	Jul '20 - 5/4/21	Jul '21 - Jun 22
<b>Expense</b>								
	Administrative Costs		3,300.02	28,578.93	2,013.88	2,000.00	2,133.70	2,000.00
	Advertising		75.00	503.57	150.00	100.00	0.00	100.00
	Bad Debt		620.61		2,598.10			
	Bank Service Charges		2,223.32	2,719.62	2,973.90	2,275.00	3,004.95	4,750.00
	Building							
	Insurance		5,326.35	6,942.37	8,092.42	10,650.90	10,379.34	11,710.00
	Maintenance & Repair		16,462.30	9,570.61	15,887.18	10,000.00	4,607.41	9,300.00
	<b>Total Building</b>		<b>21,788.65</b>	<b>16,512.98</b>	<b>23,979.60</b>	<b>20,650.90</b>	<b>14,986.75</b>	<b>21,010.00</b>
	Contractual Services							
	Ambulance Billing Expense		400.00	1,371.10	1,340.34	1,200.00	639.35	1,300.00
	Gravel Pit Survey				13,347.89			
	Managed IT Services		4,930.00	27,040.00	26,870.00	31,200.00	21,560.00	31,200.00
	Contractual Services - Other		43,114.94	23,106.57	26,286.91	40,000.00	19,072.00	40,300.00
	<b>Total Contractual Services</b>		<b>48,444.94</b>	<b>51,517.67</b>	<b>67,845.14</b>	<b>72,400.00</b>	<b>41,271.35</b>	<b>72,800.00</b>
	Dues/Fees		5,950.98	7,477.94	7,637.99	8,300.00	6,515.43	9,900.00
	Economic Development Services							
	GVA		0.00	20,000.00	32,000.00	0.00	17,000.00	30,000.00
	<b>Total Economic Development Services</b>		<b>0.00</b>	<b>20,000.00</b>	<b>32,000.00</b>	<b>0.00</b>	<b>17,000.00</b>	<b>30,000.00</b>
	Election Expense		212.17	276.70	202.16	250.00	87.34	250.00
	Equipment							
	Equipment Fuel		1,240.30	1,553.87	1,467.32	1,530.00	891.78	1,700.00
	Equipment Purchase		15,165.12	9,731.03	9,031.83	3,900.00	849.37	7,900.00
	Insurance		185.42	226.00	234.24	242.49	242.49	265.00
	Maintenance & Repair		2,477.50	2,860.03	3,288.32	4,000.00	2,935.80	4,000.00
	Equipment - Other		0.00		6,471.60			
	<b>Total Equipment</b>		<b>19,068.34</b>	<b>14,370.93</b>	<b>20,493.31</b>	<b>9,672.49</b>	<b>4,919.44</b>	<b>13,865.00</b>
	Events & Celebrations (inc. holiday gift)		2,500.00	2,995.00	3,852.85	3,925.00	3,587.70	3,925.00
	Freight/Shipping		17,871.54	19,762.81	23,707.22	20,950.00	13,915.91	26,250.00
	Fundraising Expenses		1,437.64	0.00	936.27	800.00	8.00	250.00
	General Liability		4,424.75	3,827.10	10,890.44	11,317.32	11,575.44	12,730.00
	Gravel Pit Fund					6,000.00	6,000.00	6,000.00
	Library Materials		295.59	317.81	599.80	600.00	456.55	2,700.00
	Marine Facilities							
	Insurance		1,654.51	1,625.46	1,851.36	2,368.37	2,368.37	2,368.37
	Maintenance & Repairs		5,073.80	2,538.69	27.40	1,000.00	2,484.02	3,000.00
	<b>Total Marine Facilities</b>		<b>6,728.31</b>	<b>4,164.15</b>	<b>1,878.76</b>	<b>3,368.37</b>	<b>4,852.39</b>	<b>5,368.37</b>
	Occupational Health		0.00	0.00	0.00		0.00	500.00
	Payroll Expenses							
	Wages		257,967.85	327,183.30	306,984.71	355,750.17	215,048.47	372,432.47
	Payroll Taxes		24,880.21	31,022.95	29,098.50	31,957.12	21,360.35	33,480.63
	Paid Time Off (PTO)		12,427.32	12,469.46	8,973.84		9,808.94	
	Sick Leave						1,976.06	
	Health Insurance (company paid)		3,679.98	17,093.92	13,755.50	16,800.00	4,774.72	13,953.60
	Health Insurance Stipend		17,683.22	10,107.50	12,310.15	13,500.00	11,671.91	13,500.00
	457(b) Employer Contribution		10,300.95	19,321.35	17,711.64	21,874.18	13,461.20	22,218.18
	Workers Comp Insurance		13,059.33	6,019.58	7,900.59	8,417.89	5,643.60	8,438.97
	Payroll Expenses - Other (inc. PTO accr		115.72	2,362.87	8,329.28	170.00	-13,391.69	230.00
	<b>Total Payroll Expenses</b>		<b>340,114.58</b>	<b>425,580.93</b>	<b>405,064.21</b>	<b>448,469.36</b>	<b>270,353.56</b>	<b>464,253.85</b>
	Professional Services		25,506.70	26,707.42	14,570.00	10,000.00	10,805.15	15,000.00
	Public Relations		1,006.65	728.34	211.74	500.00		250.00
	Repair & Replacement Fund			20,095.76	25,354.66	24,772.13	24,772.13	16,545.71

		Actual	Actual	Actual	FY21 Budget	Actual-to-date	FY22 Budget
		Jul '17 - Jun 18	Jul '18 - Jun 19	Jul '19 - Jun 20	Jul '20 - Jun 21	Jul '20 - 5/4/21	Jul '21 - Jun 22
	Road Maintenance						
	Grading	42,605.75	34,129.50	35,512.50		29,275.50	
	Snow Plowing	23,592.50	4,668.98	35,061.55		29,775.10	
	Road Maintenance - Other	37,001.99	46,198.50	37,779.58	100,000.00	100,584.84	150,000.00
	Total Road Maintenance	103,200.24	84,996.98	108,353.63	100,000.00	159,635.44	150,000.00
	Social Services						
	GCEP dba The Rookery	10,540.00	12,964.00	13,890.00	0.00		0.00
	Total Social Services	10,540.00	12,964.00	13,890.00	0.00	0.00	0.00
	Stipend				3,000.00	1,500.05	3,000.00
	Supplies	17,062.52	17,404.31	14,934.01	11,600.00	11,688.28	20,000.00
	Telecommunications	21,430.16	19,194.90	19,824.34	20,790.00	14,728.37	21,540.00
	Training	8,887.29	10,634.69	8,422.94	5,250.00	2,153.50	5,000.00
	Travel	13,759.65	15,913.45	7,816.87	7,000.00	0.00	5,000.00
	Utilities						
	Electricity	8,579.05	8,482.45	7,763.45	9,300.00	7,517.27	9,300.00
	Fuel Oil	4,117.02	7,871.66	7,650.35	6,500.00	9,549.27	7,900.00
	Total Utilities	12,696.07	16,354.11	15,413.80	15,800.00	17,066.54	17,200.00
	Vehicle						
	Fuel	840.80	497.34	341.77	700.00	388.45	750.00
	Insurance	3,488.84	3,503.26	3,445.93	3,635.67	3,561.22	3,635.67
	Maintenance & Repair	971.92	832.66	0.00	2,000.00	63.98	1,000.00
	Mileage Reimbursement	266.03	1,557.09	1,301.75	1,700.00	1,843.46	1,950.00
	Total Vehicle	5,567.59	6,390.35	5,089.45	8,035.67	5,857.11	7,335.67
	Total Expense	694,713.31	829,990.45	840,705.07	817,826.24	648,875.08	937,523.60
	Net Ordinary Income	163,828.38	76,180.86	38,316.02	-316,899.47	-25,574.19	-64,699.09
	Other Income/Expense						
	Other Income						
	Encumbered Funds for Road Maintenance	48,922.45	39,502.06	60,303.38	38,000.00	37,881.13	
	Other Savings for Road Maintenance				62,000.00	62,118.87	65,000.00
	Prior-Year Cash Balance				217,000.00		
	Total Other Income	48,922.45	39,502.06	60,303.38	317,000.00	100,000.00	65,000.00
	Net Other Income	48,922.45	39,502.06	60,303.38	317,000.00	100,000.00	65,000.00
	Net Income	212,750.83	115,682.92	98,619.40	100.53	74,425.81	300.91

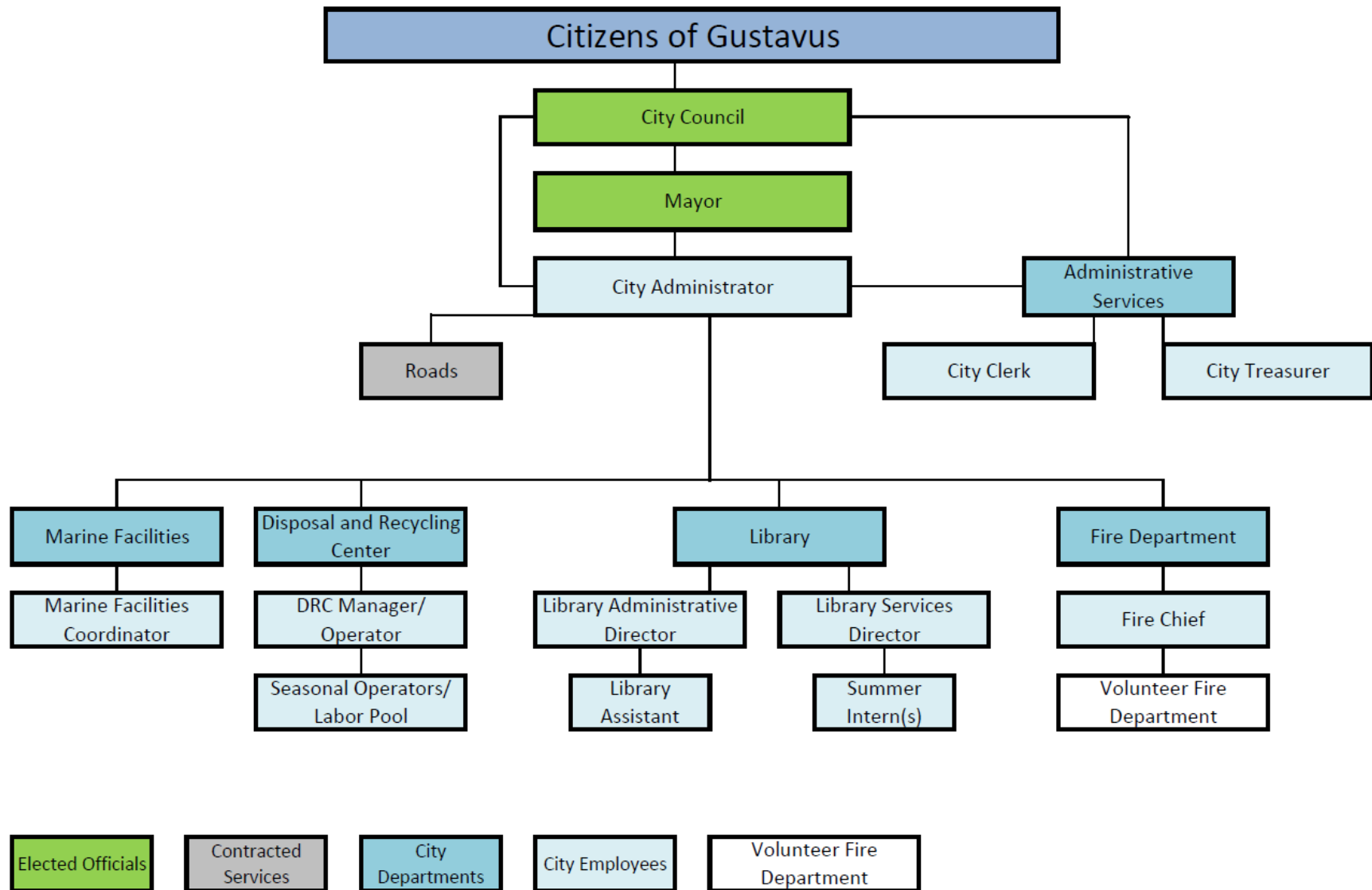




## City of Gustavus Payroll Summary FY21-FY22

FY22:	FTE	Hourly Wage (with no COLA)	Hrs/year	Wage Total	457(b) Employer Contribution (LFG)	Health Ins. Stipend (\$200/mo stipend)	Payroll Taxes (6.2% SS, 1.45% Med., 1% AK unemp. up to \$199.50)	Payroll Total	Group Health Plan (\$646/mo; city cap at \$700/mo until 80%/20% split is met)	Workers' Comp. Insurance	Direct Deposit Fees & FICA	Dept. Total	FY21 Budget for Comparison	FY20 Budget for Comparison
<b>Admin. Dept.</b>										\$375.01	\$230.00	\$168,762.86	\$159,697.31	\$170,414.67
Administrator	0.75	\$41.55	1560	\$64,818.00	\$4,537.26	\$2,400.00	\$5,688.78	\$77,444.04						
Clerk	0.75	\$25.35	1560	\$39,546.00	\$2,768.22	\$2,400.00	\$3,620.14	\$48,334.36						
Treasurer	0.525	\$31.48	1092	\$34,376.16	\$2,406.33	\$2,400.00	\$3,196.96	\$42,379.45						
<b>DRC</b>										\$2,547.30		\$98,391.46	\$96,266.70	\$101,353.22
Manager	0.66	\$29.03	1366	\$39,654.98	\$2,775.85	\$2,200.00	\$3,613.76	\$48,244.59						
Assistants		\$20.00	1248	\$24,960.00			\$2,159.04	\$27,119.04						
Assistants		\$19.00	700	\$13,300.00			\$1,150.45	\$14,450.45						
Assistants		\$18.50	300	\$5,550.00			\$480.08	\$6,030.08						
<b>Fire Chief</b>	salaried	\$69,250.83	---	\$69,250.83	\$4,847.56		\$5,868.03	\$79,966.42	\$7,752.00	\$4,778.24		\$92,496.66	\$93,144.65	\$86,678.67
<b>Library</b>										\$152.12		\$81,526.61	\$76,284.43	\$74,149.31
Lib. Admin. Dir.	0.625	\$20.00	1300	\$26,000.00	\$1,820.00	\$2,400.00	\$2,511.33	\$32,731.33						
Lib. Services Dir.	0.625	\$20.00	1300	\$26,000.00	\$1,820.00		\$2,327.73	\$30,147.73	\$6,201.60					
Lib. Assistant	0.25	\$18.50	520	\$9,620.00			\$935.43	\$10,555.43						
Summer Intern(s)		\$10.00	160	\$1,600.00			\$138.40	\$1,738.40						
<b>Marine Facilities</b>										\$586.30		\$23,076.26	\$23,076.26	\$30,257.76
MF Coord.	0.41	\$20.89	850	\$17,756.50	\$1,242.96	\$1,700.00	\$1,790.50	\$22,489.96						
<b>Totals:</b>				\$353,582.47	\$22,218.18	\$13,500.00	\$31,850.10	\$421,150.75	\$13,953.60	\$8,438.97	\$230.00	\$464,253.85	\$448,469.35	\$462,853.63
New regular (permanent) employees enrolling in Group Health Plan pay 20% of premium, per Resolution CY20-15.														
MF FY22 Notes: Marine Facilities Coordinator hours estimated at 36 hrs/wk 7/1-9/11, then 10 hrs/wk Sept. 12-Dec. 31 and 4/3-5/14, then 36 hrs/wk 5/15-6/30.														
Admin FY22 Notes: The total administrative payroll will not exceed the amount budgeted for FY22 or the hourly equivalent of 2.2 full-time positions (FTE), unless an amended budget is approved by the City Council.														
Lib. Assistant: Hours allocated are for a half-time 6-month temporary position.														
<b>FY21:</b>	FTE	Hourly Wage (with 1.4% COLA)	Hrs/year	Wage Total	457(b) Employer Contribution (LFG)	Health Ins. Stipend (\$200/mo stipend)	Payroll Taxes (6.2% SS, 1.45% Med., 1% AK unemp. up to \$199.50)	Payroll Total	Group Health Plan (\$760.33/mo; city cap at \$700/mo until 80%/20% split is met)	Workers' Comp. Insurance	Direct Deposit Fees & FICA	Dept. Total	FY20 Budget for Comparison	
<b>Admin. Dept.</b>										\$353.93	\$170.00	\$159,697.31	\$170,414.67	
Administrator	0.75	\$36.55	1560	\$57,018.00	\$3,991.26	\$2,400.00	\$5,050.31	\$68,459.57						
Clerk	0.75	\$25.35	1560	\$39,546.00	\$2,768.22	\$2,400.00	\$3,620.14	\$48,334.36						
Treasurer	0.525	\$31.48	1092	\$34,376.16	\$2,406.33	\$2,400.00	\$3,196.96	\$42,379.45						
<b>DRC</b>										\$2,547.30		\$96,266.71	\$101,353.22	
Manager	0.75	\$27.53	1447.5	\$39,849.68	\$2,789.48	\$2,200.00	\$3,629.70	\$48,468.86						
Assistants		\$19.00	2192	\$41,648.00			\$3,602.55	\$45,250.55						
Assistants		\$18.75	0	\$0.00			\$0.00	\$0.00						
Assistants		\$18.50	0	\$0.00			\$0.00	\$0.00						
<b>Fire Chief</b>	salaried	\$69,250.83	---	\$69,250.83	\$4,847.56		\$5,868.03	\$79,966.42	\$8,400.00	\$4,778.24		\$93,144.66	\$86,678.67	
<b>Library</b>										\$152.12		\$76,284.44	\$74,149.31	
Lib. Admin. Dir.	0.625	\$21.18	1300	\$27,534.00	\$1,927.38	\$2,400.00	\$2,636.90	\$34,498.28						
Lib. Services Dir.	0.625	\$20.89	1300	\$27,157.00	\$1,900.99		\$2,422.44	\$31,480.43	\$8,400.00					
Summer Asst.		\$13.45	120	\$1,614.00			\$139.61	\$1,753.61						
<b>Marine Facilities</b>										\$586.30		\$23,076.26	\$30,257.76	
MF Coord.	0.41	\$20.89	850	\$17,756.50	\$1,242.96	\$1,700.00	\$1,790.50	\$22,489.96						
<b>Totals:</b>				\$355,750.17	\$21,874.18	\$13,500.00	\$31,957.14	\$423,081.49	\$16,800.00	\$8,417.89	\$170.00	\$448,469.38	\$462,853.63	
DRC FY21 notes: Reduced hours assuming reduced waste volume due to lodges being closed.														
MF FY21 Notes: Marine Facilities Coordinator hours estimated at 36 hrs/wk 7/1-9/12, then 10 hrs/wk Sept. 13-Dec. 31 and 4/1-5/15, then 36 hrs/wk 5/16-6/30.														
Admin FY21 Notes: The total administrative payroll will not exceed the amount budgeted for FY21 or the hourly equivalent of 2.2 full-time positions (FTE), unless an amended budget is approved by the City Council.														
Group Health Insurance premiums increased beginning 6/1/20, reaching the threshold that the city pays per the Benefits P&P for two of the employees, a \$4157 increase from FY20.														

## City of Gustavus Organizational Chart



## Summary of Incoming and Outgoing Grants/Scholarships/Contracts as of 5/4/2021

Incoming Grants/Scholarships/Contracts to City of Gustavus FY21							
Dept.	Purpose	Date Received	Amount Awarded	QB Class Name	Amount Spent to Date	Remaining Funds	Notes
Multi	COVID-19 Response	multiple	\$567,579.85	CARES (CFDA# 21.019)	\$539,705.32	\$27,874.53	some funds were received/expended in FY20
	Safety Equipment	12/8/2020	\$100.00	---	\$100.00	\$0.00	APEI End of Year Safety Gift Pack
DRC	Safety Equipment	5/11/2020	\$100.00	---	\$100.00	\$0.00	APEI bonus for submitting insurance renewal early
Library	Telecommunications	N/A	\$18,900.00	---	N/A	N/A	USAC E-Rate federal internet subsidy paid directly to library internet vendor through monthly billings
	Reading with Rachel	8/3/2020	\$554.00	Reading with Rachel	\$554.00	\$0.00	Grant from Jon & Julie Howell
	Library Programs	8/12/2020	\$393.59	---	\$393.59	\$0.00	Alaska SLICE outreach program reimbursement
	Telecommunications	8/20/2020	\$1,500.00	SoA OWL Internet Subsidy	\$1,250.00	\$250.00	Alaska OWL monthly internet subsidy
	Library Materials	8/25/2020	\$7,000.00	FY21 PLA Grant	\$5,996.63	\$1,003.37	State of AK Public Library Assistance (PLA) grant
	Library Training	Spring 2021	\$300.00	---	\$0.00	\$300.00	Alaska State Library Continuing Education (CE) & Professional Development (PD) Grant - training reimbursement
GVFD	GVFD Equipment	Spring 2021	in-kind	Tsunami Siren Grant CY20	\$36,000.00	\$0.00	State of AK Div. of Homeland Sec. & Emergency Mgmt.
	Point-of-Entry COVID-19 Testin	monthly	\$111,822.00	COVID-19 Screeners (C0620-52)	\$123,682.00	(\$11,860.00)	State of AK DHSS - invoiced monthly for reimbursement
	GVFD Equipment	fall 2020	\$15,000.00	---	\$15,000.00	\$0.00	SEREMS Code Blue Grant 2020 - GVFD pays at least 10% match
	GVFD Training	2021	\$1,000.00	---	\$0.00	\$1,000.00	SEREMS Mini-Grant used for ETT online class
	Community Testing/Vaccines	2021	\$25,390.21	--	\$12,232.71	\$13,157.50	State of AK DHSS Community Funding for COVID-19
			\$749,639.65				
Outgoing Grants from City of Gustavus - Endowment Fund Grant (EFG)							
Resolution	Grantee	Date Awarded	Amount Awarded	QB Class Name	Amount Disbursed to Date	Remaining Funds	Notes
CY20-27	Gust. Hist. Archives & Ant.	12/14/2020	\$4,937.00	2021 EFG - GHAA	\$4,443.30	\$493.70	grant ends 12/15/21
CY20-27	Tidelines Institute (formerly The Arete Project)	12/14/2020	\$38,316.17	2021 EFG - Arete Project	\$0.00	\$38,316.17	grant ends 12/15/21

## Summary of CARES Act as of 5/4/2021

<b>CARES Act Funds for City of Gustavus (COG)</b>		
Original spending deadline December 30, 2020. Extended to 12/31/21.		
<b>CARES Act Income</b>		
deposited 6/18/20	\$381,144.53	first payment
deposited 11/10/20 (available after 80% of 1st payment spent)	\$125,268	second payment
deposited 11/19/20 (available after 80% of first 2 payments used)	\$125,268	third payment
interest earned on deposits	\$16.76	
<b>Total CARES Act funds available</b>	<b>\$631,697.29</b>	
<b>CARES Act Expenditures</b>		
<b>March 1, 2020-May 3, 2021 actual expenditures</b>	<b>\$603,823</b>	
The total highlighted in green *includes* the following subitems:		
REESP: direct distribution to Gustavus residents	---	\$199,998
COG eligible payroll & benefits (Fire Chief plus eligible hours of other staff)	---	\$131,134
economic assistance grants to local businesses/non-profits	---	\$53,899
Gustavus Visitors Association	---	\$38,266
generator for testing/emergency tent	---	\$29,257
Marketing Gustavus: Small Business Web Development grants	---	\$18,473
Gustavus School cleaning equipment, cleaning supplies, PPE	---	\$16,500
stipend for emergency responders during pandemic	---	\$2,800
winter food supply: root cellar construction at Gustavus Community Center	---	\$5,000
winter food supply: canned salmon	---	\$2,323
winter food supply: community food distribution (vacuum sealer & bags)	---	\$1,542
winter food supply: community food distribution (meat grinder & attachments)	---	\$853
winter food supply: community food distribution (halibut)	---	\$162
other COG eligible purchases, including facility improvements	---	\$103,615
<b>Earmarked but unspent:</b>		
remaining COG facility improvements	\$27,874	
<b>Total of Actual + Earmarked Expenses:</b>	<b>\$631,697</b>	
Some CARES Act expenditures are being reviewed with FEMA to see if any are eligible for reimbursement by FEMA. If so, those CARES Act funds could then be re-programmed for other eligible expenses by 12/31/21.		

## Gustavus Endowment Fund

Within the finances of the City of Gustavus, there is established a separate fund known as the Gustavus Endowment Fund. The Endowment Fund is regulated by City of Gustavus Municipal Code Chapter 4.13. The purpose for establishment of the fund is to preserve in trust, for the benefit of present and future generations of Gustavus residents, monies dedicated to the community of Gustavus in compensation for the loss of commercial fishing in Glacier Bay. The first deposit to the fund was \$963,000.00 that the city received from the Gustavus Community Association (GCA) who had received the money from the National Park Service. The Gustavus City Council may make deposits to the principal of this fund in the same manner as it makes other appropriations. Any funds received by the city from any non-city-tax source may be deposited into the fund. Funds once dedicated are intended to be held in the fund for perpetuity.

The long-term goals of the fund are 1) to maintain the inflation-adjusted value of the original principal, as added to per section 4.13.030 (b) and (c); and 2) to generate at least a three (3) percent total return after inflation on investments of the fund.

If endowment fund earnings allow and the Gustavus City Council determines it to be fiscally responsible, an annual grant cycle makes funding available for community projects. See the Policy and Procedure (P&P) for Awarding Grants from the Endowment Fund Earnings (most recently revised version at the time of this writing is Resolution CY19-14).

The following table includes the calculations used by the P&P to determine the annual grant cycle fund amount. The 3% of Average amount listed, if it is less than the Excess Earnings Determination, is the amount made available through the Endowment Fund Grant process, along with any unused endowment fund grant funds from previous years.

Original Value of the Endowment Fund			Anchorage Consumer Price Index (CPI) for first half of 2004		
	\$963,000			165.6	
End of Fiscal Year Date	Endowment Fund Market Value	Anchorage CPI for first half of year ( <a href="http://live.laborstats.alaska.gov/cpi/index.cfm">http://live.laborstats.alaska.gov/cpi/index.cfm</a> )	Multiplier Value (Anchorage CPI for current year div. by CPI for 2004 = 165.6, rounded to 3 decimals)	Inflation-Adjusted Value of Original Principal = Original Value \$963,000 x Multiplier Value	Excess Earnings Determination = Actual Market Value - Inflation-Adjusted Principal
June 30, 2010	\$985,038.74	194.834	1.177	\$1,133,451.00	(\$148,412.26)
June 30, 2011	\$1,161,681.00	200.278	1.209	\$1,164,267.00	(\$2,586.00)
June 30, 2012	\$1,188,171.67	205.215	1.239	\$1,193,157.00	(\$4,985.33)
June 30, 2013	\$1,265,224.55	210.853	1.273	\$1,225,899.00	\$39,325.55
June 30, 2014	\$1,391,960.13	214.777	1.297	\$1,249,011.00	\$142,949.13
June 30, 2015	\$1,400,089.55	217.111	1.311	\$1,262,493.00	\$137,596.55
June 30, 2016	\$1,398,474.52	216.999	1.310	\$1,261,530.00	\$136,944.52
June 30, 2017	\$1,429,287.74	218.616	1.320	\$1,271,160.00	\$158,127.74
June 30, 2018	\$1,438,854.93	223.099	1.347	\$1,297,161.00	\$141,693.93
June 30, 2019	\$1,466,213.91	228.858	1.382	\$1,330,866.00	\$135,347.91
June 30, 2020	\$1,473,942.38	225.049	1.359	\$1,308,717.00	\$165,225.38
	5-Year Average	3% of Average			
FY10-FY14	\$1,198,415.22	\$35,952.46			
FY11-FY15	\$1,281,425.38	\$38,442.76			
FY12-FY16	\$1,328,784.08	\$39,863.52			
FY13-FY17	\$1,377,007.30	\$41,310.22			
FY14-FY18	\$1,411,733.37	\$42,352.00			
FY15-FY19	\$1,426,584.13	\$42,797.52			
FY16-FY20	\$1,441,354.70	\$43,240.64			

## Current Banking Assets

The balance sheet assets as of 5/4/21 are as below:

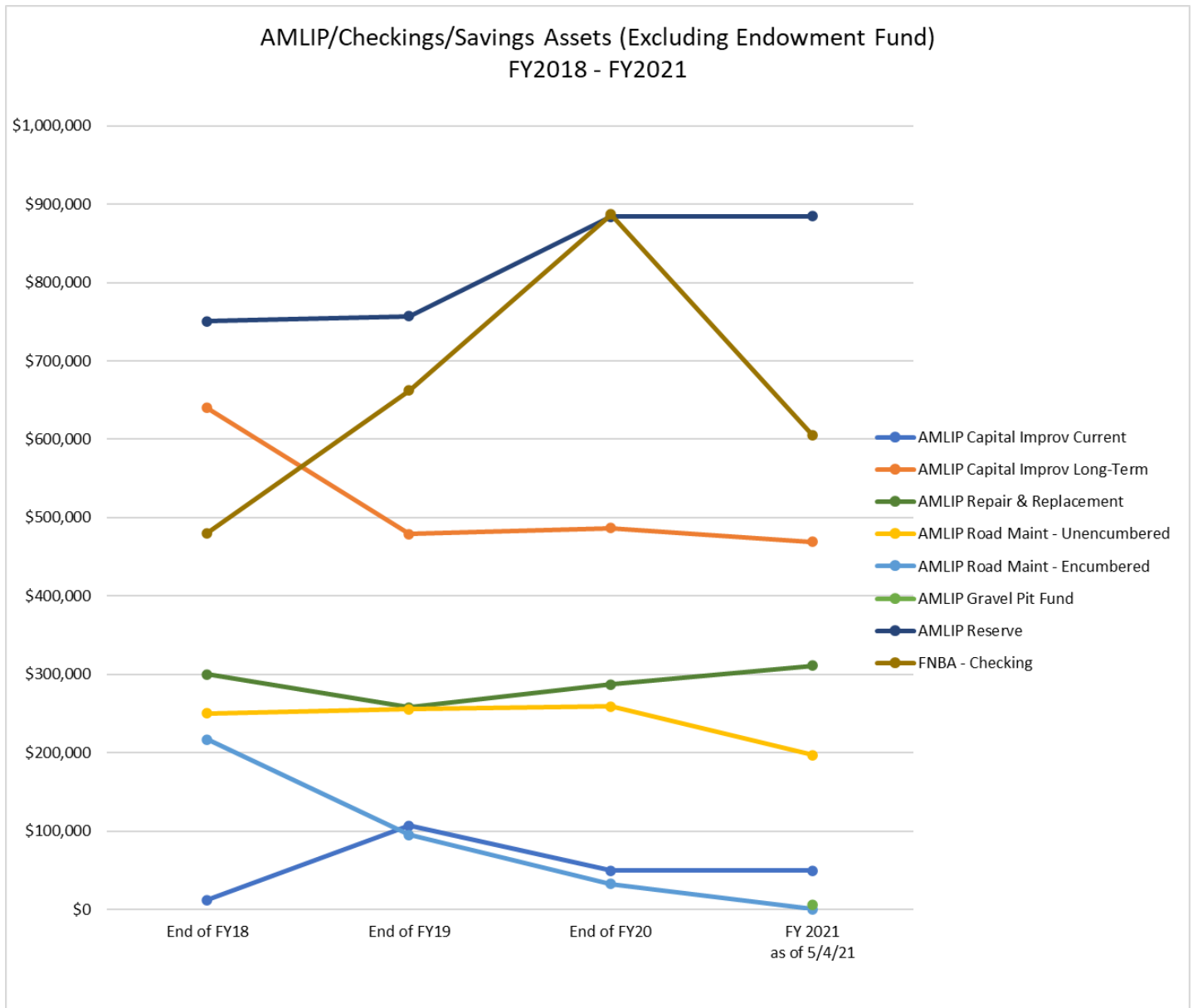
### City of Gustavus Balance Sheet As of May 4, 2021

	May 4, 21
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
AMLIP Capital Improv Current (0630598.1)	49,356.66
AMLIP Capital Improv Long-Term (0630598.2)	469,082.94
AMLIP Repair & Replacement (0630598.3)	310,893.09
AMLIP Road Maint - Unencumbered (0630598.4)	197,150.68
AMLIP Gravel Pit Fund (0630598.8)	6,000.00
AMLIP Reserve (0630598.12)	884,409.55
AMLIP CARES Act Relief Funds (0630598.13)	3.05
APCM.Endowment Fund	1,580,433.60
FNBA - Checking	604,726.01
FNBA Endowment Fund - Checking	38,935.43
Petty Cash	89.28
<b>Total Checking/Savings</b>	<b>4,141,080.29</b>

The Alaska Municipal Investment Pool (AMLIP) accounts were restructured in June 2018 with FY18-16NCO. Generally, the account uses are as follows:

- *AMLIP Capital Improv Current*: funds for approved and funded capital projects that have not yet been initiated
- *AMLIP Capital Improv Long-Term*: funds for capital projects in the future
- *AMLIP Repair & Replacement*: funds for repair and replacement of fixed assets, following recommended best-practices savings schedule. Funded through operating budget line-item. See the Capital Improvement Plan document for additional information.
- *AMLIP Road Maint – Unencumbered*: funds set aside for use on road maintenance once the AMLIP Road Maint – Encumbered account was depleted in FY21 and until a long-term funding source for roads was established
- *AMLIP Gravel Pit Fund*: fund established in FY21 for use on expenses associated with the gravel pits. Funded through operating budget line-item.
- *AMLIP Reserve*: funds from prior years' surpluses with no prescribed use
- *AMLIP CARES Act Relief Funds*: CARES Act funds initially resided in this account. Remaining unspent funds are currently in FNBA - Checking
- *APCM.Endowment Fund*: see previous page for discussion of this account.
- *FNBA – Checking*: general operating banking account; includes unrestricted funds along with restricted funds such as grants, capital project funds, current year National Forest Receipts, or other road funds
- *FNBA Endowment Fund – Checking*: funds from the Endowment Fund for disbursement through the annual Endowment Fund Grant program
- *Petty Cash*: funds for cash transactions (receipts and expenditures)

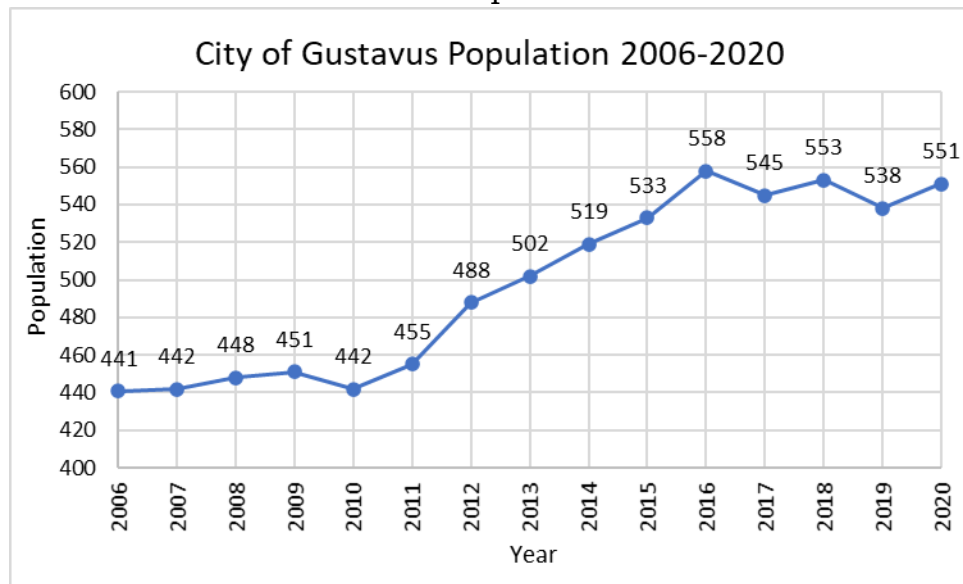
The account balances over time since restructuring are shown here (except for the Endowment Fund due to its high value – see page 22 for its account history):



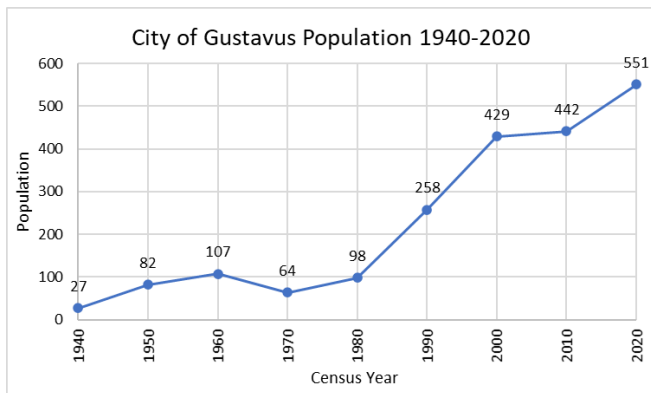
Note: *AMLIP Road Maint – Encumbered*: held prior years’ National Forest Receipts funds that could only be used by the city on roads. Fund depleted in FY21.



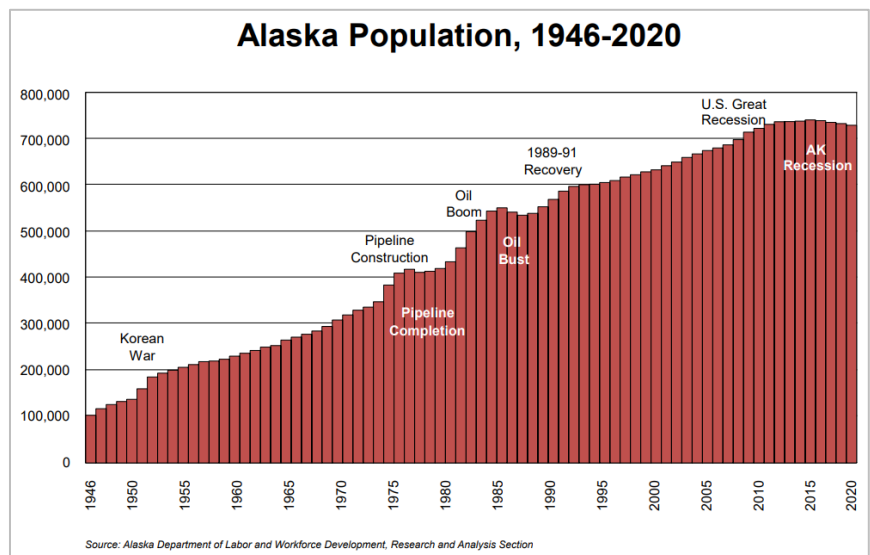
## City of Gustavus and State of Alaska Population Trends



Population data for 2010 are from the U.S. Census Bureau. Population data from all other years are the annually certified population from the State of Alaska Department of Commerce, Community, and Economic Development (DCCED) based on estimates prepared by the State of Alaska Demographer at the Department of Labor and Workforce Development (<https://live.laborstats.alaska.gov/pop/index.cfm>). The Alaska Marine Highway System initiated car ferry service to Gustavus at the end of 2010 after the completion of the Gustavus Causeway.



U.S. Census Bureau data for Gustavus, Alaska, 1940-2010. 2020 data point is from the same source as explained for the graph above as census data are not yet finalized.



Graph copied from the State of Alaska Department of Labor and Workforce Development Research and Analysis Section's website on March 23, 2021 (<http://live.laborstats.alaska.gov/pop/estimates/data/TotalPopGraph.pdf>).



**City of Gustavus**

PO Box 1

Gustavus, Alaska 99826

Phone: (907) 697-2451

# City of Gustavus General Fund Fiscal Year 2022

## May 2021

## City of Gustavus General Fund FY22 Budget

		Admin	DRC	GVFD	Lands	Library	Marine Fac.	Road Maint.	Other	General Fund
		(General Fund)	(General Fund)	(General Fund)	(General Fund)	(General Fund)	(General Fund)	(General Fund)	(General Fund)	TOTAL
		Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22
<b>Ordinary Income/Expense</b>										
<b>Income</b>										
	Business License Fees								3,000.00	3,000.00
	Donations					800.00				800.00
	DRC Income									
	Community Chest Sales		13,500.00							13,500.00
	Landfill Fees/Sales		69,000.00							69,000.00
	Recyclable Material Sales		3,600.00							3,600.00
	Total DRC Income		86,100.00							86,100.00
	Federal Revenue									
	American Rescue Plan Act of 2021								99,000.00	99,000.00
	Natl Forest Receipts-Encumbered							35,000.00		35,000.00
	Payment In Lieu of Taxes								113,000.00	113,000.00
	Total Federal Revenue							35,000.00	212,000.00	247,000.00
	Fundraising					600.00				600.00
	GVFD Income									
	Ambulance Billing			9,000.00						9,000.00
	ASP			600.00						600.00
	Training			150.00						150.00
	Total GVFD Income			9,750.00						9,750.00
	Interest Income								350.00	350.00
	Lands Income									
	Gravel Pit Gravel Sales				25,000.00					25,000.00
	Total Lands Income				25,000.00					25,000.00
	Lease Income				13,125.67					13,125.67
	Library Income					500.00				500.00
	Marine Facilities Income									
	Facilities Usage Fees						1,000.00			1,000.00
	Commercial Vessel Registration						8,000.00			8,000.00
	Private Vessel Registration						5,000.00			5,000.00
	Storage Area Fee						1,700.00			1,700.00
	Total Marine Facilities Income						15,700.00			15,700.00
	State Revenue									
	Community Assistance Program								77,598.84	77,598.84
	Shared Fisheries Business Tax								500.00	500.00
	Total State Revenue								78,098.84	78,098.84
	Tax Income									
	Retail Tax Income								325,000.00	325,000.00
	Remote Sellers Retail Tax								20,000.00	20,000.00
	Room Tax Income								40,000.00	40,000.00
	Fish Box Tax								7,500.00	7,500.00
	Tax Exempt Cards								300.00	300.00
	Total Tax Income								392,800.00	392,800.00
	Total Income		86,100.00	9,750.00	38,125.67	1,900.00	15,700.00	35,000.00	686,248.84	872,824.51
	Gross Profit		86,100.00	9,750.00	38,125.67	1,900.00	15,700.00	35,000.00	686,248.84	872,824.51

		Admin	DRC	GVFD	Lands	Library	Marine Fac.	Road Maint.	Other	General Fund
		(General Fund)	(General Fund)	(General Fund)	(General Fund)	(General Fund)	(General Fund)	(General Fund)	(General Fund)	TOTAL
		Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22
<b>Expense</b>										
	Administrative Costs	2,000.00								2,000.00
	Advertising	100.00								100.00
	Bank Service Charges	3,500.00	1,200.00	25.00		25.00				4,750.00
	Building									
	Insurance	725.00	1,065.00	2,445.00		3,350.00	4,125.00			11,710.00
	Maintenance & Repair	2,500.00	1,200.00	3,000.00		2,500.00	100.00			9,300.00
	Total Building	3,225.00	2,265.00	5,445.00		5,850.00	4,225.00			21,010.00
	Contractual Services									
	Ambulance Billing Expense			1,300.00						1,300.00
	Managed IT Services								31,200.00	31,200.00
	Contractual Services - Other	9,500.00	7,700.00	1,500.00		6,600.00	15,000.00			40,300.00
	Total Contractual Services	9,500.00	7,700.00	2,800.00		6,600.00	15,000.00		31,200.00	72,800.00
	Dues/Fees	2,400.00	2,000.00	100.00		5,400.00				9,900.00
	Economic Development Services									
	GVA								30,000.00	30,000.00
	Total Economic Development Services								30,000.00	30,000.00
	Election Expense	250.00								250.00
	Equipment									
	Equipment Fuel		1,700.00							1,700.00
	Equipment Purchase	2,500.00	1,000.00	2,000.00		2,300.00	100.00			7,900.00
	Insurance		265.00							265.00
	Maintenance & Repair		4,000.00							4,000.00
	Total Equipment	2,500.00	6,965.00	2,000.00		2,300.00	100.00			13,865.00
	Events & Celebrations	3,500.00	250.00			175.00				3,925.00
	Freight/Shipping	750.00	24,000.00	350.00		950.00	200.00			26,250.00
	Fundraising Expenses					250.00				250.00
	General Liability	12,730.00								12,730.00
	Gravel Pit Fund				6,000.00					6,000.00
	Library Materials									
	Donated/Fundraised					700.00				700.00
	Non-Fiction Add/Replacement					1,000.00				1,000.00
	Library Materials - Other					1,000.00				1,000.00
	Total Library Materials					2,700.00				2,700.00
	Marine Facilities									
	Insurance						2,368.37			2,368.37
	Maintenance & Repairs						3,000.00			3,000.00
	Total Marine Facilities						5,368.37			5,368.37
	Occupational Health		500.00							500.00

	Admin	DRC	GVFD	Lands	Library	Marine Fac.	Road Maint.	Other	General Fund
	(General Fund)	(General Fund)	(General Fund)	(General Fund)	(General Fund)	(General Fund)	(General Fund)	(General Fund)	TOTAL
	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22	Jul '21 - Jun 22
<b>Payroll Expenses</b>									
Wages	138,740.16	83,464.98	69,250.83		63,220.00	17,756.50			372,432.47
Payroll Taxes	12,505.88	7,403.33	5,868.03		5,912.89	1,790.50			33,480.63
Health Insurance (company paid)			7,752.00		6,201.60				13,953.60
Health Insurance Stipend	7,200.00	2,200.00			2,400.00	1,700.00			13,500.00
457(b) Employer Contribution	9,711.81	2,775.85	4,847.56		3,640.00	1,242.96			22,218.18
Workers Comp Insurance	375.01	2,547.30	4,778.24		152.12	586.30			8,438.97
Payroll Expenses - Other	230.00								230.00
<b>Total Payroll Expenses</b>	<b>168,762.86</b>	<b>98,391.46</b>	<b>92,496.66</b>		<b>81,526.61</b>	<b>23,076.26</b>			<b>464,253.85</b>
<b>Professional Services</b>	<b>15,000.00</b>								<b>15,000.00</b>
<b>Public Relations</b>	<b>250.00</b>								<b>250.00</b>
<b>Repair &amp; Replacement Fund</b>	<b>1,000.00</b>	<b>2,100.79</b>	<b>1,663.38</b>		<b>4,299.27</b>	<b>7,482.27</b>			<b>16,545.71</b>
<b>Road Maintenance</b>							150,000.00		<b>150,000.00</b>
<b>Stipend</b>			3,000.00						<b>3,000.00</b>
<b>Supplies</b>									
Donated/Fundraised					700.00				700.00
Program					3,050.00				3,050.00
Supplies - Other	2,000.00	4,100.00	5,250.00		2,700.00	2,200.00			16,250.00
<b>Total Supplies</b>	<b>2,000.00</b>	<b>4,100.00</b>	<b>5,250.00</b>		<b>6,450.00</b>	<b>2,200.00</b>			<b>20,000.00</b>
<b>Telecommunications</b>	<b>7,500.00</b>	<b>2,300.00</b>	<b>6,050.00</b>		<b>5,450.00</b>	<b>240.00</b>			<b>21,540.00</b>
<b>Training</b>	<b>750.00</b>	<b>750.00</b>	<b>3,000.00</b>		<b>500.00</b>				<b>5,000.00</b>
<b>Travel</b>	<b>1,500.00</b>	<b>500.00</b>	<b>1,500.00</b>		<b>1,500.00</b>				<b>5,000.00</b>
<b>Utilities</b>									
Electricity	2,000.00	1,900.00	2,000.00		3,400.00				9,300.00
Fuel Oil	900.00	1,000.00	2,000.00		4,000.00				7,900.00
<b>Total Utilities</b>	<b>2,900.00</b>	<b>2,900.00</b>	<b>4,000.00</b>		<b>7,400.00</b>				<b>17,200.00</b>
<b>Vehicle</b>									
Fuel			750.00						750.00
Insurance			3,635.67						3,635.67
Maintenance & Repair			1,000.00						1,000.00
Mileage Reimbursement	500.00	200.00	250.00			1,000.00			1,950.00
<b>Total Vehicle</b>	<b>500.00</b>	<b>200.00</b>	<b>5,635.67</b>			<b>1,000.00</b>			<b>7,335.67</b>
<b>Total Expense</b>	<b>240,617.86</b>	<b>156,122.25</b>	<b>133,315.71</b>	<b>6,000.00</b>	<b>131,375.88</b>	<b>58,891.90</b>	<b>150,000.00</b>	<b>61,200.00</b>	<b>937,523.60</b>
<b>Net Ordinary Income</b>	<b>-240,617.86</b>	<b>-70,022.25</b>	<b>-123,565.71</b>	<b>32,125.67</b>	<b>-129,475.88</b>	<b>-43,191.90</b>	<b>-115,000.00</b>	<b>625,048.84</b>	<b>-64,699.09</b>
<b>Other Income/Expense</b>									
<b>Other Income</b>									
Other Savings for Road Maintenance							65,000.00		65,000.00
Prior-Year Cash Balance									0.00
<b>Total Other Income</b>							<b>65,000.00</b>	<b>0.00</b>	<b>65,000.00</b>
<b>Net Other Income</b>							<b>65,000.00</b>	<b>0.00</b>	<b>65,000.00</b>
<b>Net Income</b>	<b>-240,617.86</b>	<b>-70,022.25</b>	<b>-123,565.71</b>	<b>32,125.67</b>	<b>-129,475.88</b>	<b>-43,191.90</b>	<b>-50,000.00</b>	<b>625,048.84</b>	<b>300.91</b>

## Administration

## General Fund

### Administration Department:

The Administration Department consists of three paid employees and a volunteer Mayor and City Council. The City Administrator works under the direction of the volunteer Mayor. Together, they are responsible for the overall management, administration, and direction of the city operations; the hiring, disciplining, and termination of city employees; the negotiation of city contracts within budget appropriations; policy advice to the City Council; and open communication with the community. The City Administrator generates the annual operating and capital improvement budgets in conjunction with the City Treasurer and presents them to the Mayor for approval.

The City Clerk is responsible for recording and maintaining the official records of the City and preparing agendas for and transcribing minutes of the City Council meetings. The clerk is the elections official for all local elections and absentee voting for state and federal elections. The clerk is a parliamentarian, administers the city records retention schedule, conducts daily business transactions with the public, and maintains the City of Gustavus social media presence. The clerk is a notary public.

The City Treasurer is responsible for all accounting, budgeting, and financial information services for the City of Gustavus. These services include procurement, accounts payable, retail, room, and fish box tax collection, collection of city leases and other fees such as transient moorage, gravel pit material sales, and ambulance fees. The treasurer is responsible for the advertisement, execution, and administration of City contracts within budget appropriations. The treasurer generates the annual operating and capital improvement budgets in conjunction with the Mayor, City Administrator, and department leads. The treasurer helps develop job announcements, onboards new employees, and maintains personnel files. The treasurer is a notary public.

### Personnel:

Volunteer Mayor  
Six Volunteer City Council Members  
City Administrator (0.75 FTE)  
City Clerk (0.75 FTE)  
City Treasurer (0.525 FTE)

### Mission:

To serve and collect.

### FY20 Statistics:

- Issued 143 business permits.

### FY21 Accomplishments:

- Managed receipt and expenditure of CARES Act funds of \$631,697, including extensive coordination with the Mayor and City Council, managing purchases with departments, accounting, and monthly reporting. Programs developed and administered include:
  - Resident Emergency Economic Stimulus Program: 388 recipients
  - Emergency Assistance & Economic Stimulus: 52 local businesses
  - Marketing Gustavus Web Development: 16 businesses

- Food Assistance Program: community halibut and canned salmon distribution; purchase of commercial meat grinder and vacuum sealer and development of program for community use of this equipment
- Worked with contractors and council members to respond to the December 2020 Flood event.
- Prepared state and federal FEMA application for reimbursement of recovery costs for the COVID-19 pandemic and the December flood event.
- Through multiple conversations within the Alaska Department of Transportation Alaska Marine Highway Service (DOT AMHS) leadership to communicate the necessity for reliable ferry service in Gustavus, created a relationship with Deputy Commissioner Carpenter that significantly contributed to a favorable 2021 port schedule for the community 3 trips per week per month.
- Working on a renovation project to restore the old Post Office building located within a Historic District to utilize for commercial use.
- Worked on multiple Request for Proposals (RFPs), reports, and efforts to get an evaluation and repair of the Gustavus Public Library roof.
- Working with a utility attorney, the City is close to an adjustment that will reduce electrical rates.
- Prepared necessary documents including ordinances, resolutions, and internal documents to gain membership in the Alaska Municipal League sponsored Remote Sellers Sales Tax (ARRST) to receive tax revenue from businesses operating outside of Gustavus.
- Working with Alaska Department of Natural Resources (ADNR) and ADOT, was able to receive long-term use of the submerged tidelands where the steel float is anchored at Bull Moose Cove and coordinated the seasonal rotation of the float. With our determined negotiation, ADOT accepted responsibility of the movement and worked with ADNR to develop transfer of the tideland to the City.
- Working with ADNR, convinced ADNR to inspect the Salmon River riverbank erosion near City Hall and the concerns of failure of the access road. Although no action has been taken, our concerns are on record and an active case is ongoing.
- Working with the ADNR Fish & Wildlife (Habitat) division, making progress to open the “fish ponds” at the gravel pits to additional excavation.
- Continued working with the Mayor/Vice Mayor and City Attorney to implement a strategy to protect the City while representing the community in the many facets of the PFAS (per- and polyfluoroalkyl substances) issue (77 Same Old Road; ADOT Airport/ditches; new site west of Salmon River).
  - Working with Alaska Department of Environmental Conservation (ADEC) and ADOT to address the airport PFAS plume and the current and future impacts.
  - Working with state Senator Kiehl who ensured that SB176 included language that protected local fire departments and municipalities from criminal prosecution for using AFFF in the execution of their duties. This bill is to be introduced this session (spring 2021).
  - Working with ADOT, enhanced communication about the airport project and PFAS ditch concerns.
  - Working with ADEC for a newly identified contaminated site, City Hall, and a possible plume. This issue is still in the investigation phase with initial testing occurring spring 2021.
- Facilitated the completion of the boundary survey for the gravel pits and City Hall. Important follow up with DNR that otherwise would have had the survey lost or misplaced resulting in significant delays from the surveyor leaving employer.

- Working with gravel pits contractors to review operations, established the estimated material limits of the existing pits and the need to take action to provide improved material and adequate long-term supply.
- Identified existing capital projects and sources of supplemental funding for the city through COVID-19 and Federal Agency grant opportunities.
- Attended/participated in approximately 42 COVID-19 webinars and briefings.
- In concert with the Library Services Director, established the COVID-19 Resource Center to assist the public with questions concerning COVID-19 funding opportunities.
- Assisted the Mayor in producing letters, informational documents, and response to inquiries concerning the city's response to proposed COVID-19 actions by the state.
- Assisted the Mayor in providing state legislative committee members with correspondence addressing pandemic impacts and identifying needs for the community.
- Assisted the Mayor with correspondence to a variety of legislative members and state agencies to thank or discuss failures in proposed or actual actions such as using the \$1,250,000 COVID-19 funds to **substitute** the state budget (e.g. Community Assistance Program) in lieu of **supplementing** those funds to assist communities facing economic challenges from the pandemic.
- Submitted a Village Safe Water grant for a required study/engineers report for a safe water system for the community.
- Working with the Mayor, provided testimony for state and federal hearings (e.g. budget (2), AMHS (3), PFAS (2), and state budget (2)). This includes getting language proposed in legislation that protects the City against prosecution for the previous use of aqueous film forming foam (AFFF) in a fire response by the Gustavus Volunteer Fire Department (Alaska SB121, and formerly 2020 SB176 and HB240).
- Working with the Fire Chief and the Mayor, coordinated efforts with Glacier Bay National Park & Preserve on COVID-19 impacts and planning.
- Assisted with establishment and management of the contracted Point-of-Entry COVID-19 screening program, including contract development and extensions, job description, onboarding employees, and monthly payroll and billing.
- Investigating the potential and feasibility of a City Water Facility.
- Continuation of amendments to the Cooperative Resource Management Agreement (CRMA) and improvements for the beach.
- Processed multiple RFPs and Request for Quotations (RFQs) such as the library roof repair, Managed IT Services, and road maintenance/snow plowing.
- Continuing efforts to produce an updated Strategic Plan.
- Provided edits and worked with Council members' edits to multiple City Ordinance Titles and Policies and Procedures.
- Completed Solid Waste Management Plan drafts.
- FY2022 budget and CY2021 Capital Improvement Plan (CIP) updates.
- Conducted one-on-one budget reviews with Council members.
- Facilitated budget Town Hall.
- Ongoing procurement LIDAR (Light Detection and Ranging) survey.
- The City Clerk will continue to work towards a Master Municipal Clerk Certification. In addition, the clerk has completed several FEMA Incident Management courses and attended a Government Social Media Conference.
- Newly Elected Officials training was taken virtually by several council members.
- Improved community outreach by utilizing the News Group email list, creating City of Gustavus and Emergency Operations Facebook sites, as well as conducting meetings using the Zoom platform.



- Purchased and implemented meeting management software.
- Updated Title 5 - Elections
- Continued work with contractor for city-wide Managed Information Technology (IT) Services to complete an IT overhaul of city devices and protocols.
- Solicited members for the Roads Advisory Committee (no responses received)
- Continued COVID-19 webpage updates on the city website.

### FY22 Goals:

- Implementation of American Rescue Plan Act programs and associated reporting
- Completion of CARES Act expenditures and associated reporting
- Completion of FEMA COVID-19 reimbursement process
- Completion of FEMA flood disaster reimbursement process
- Continuing support of Point-of-Entry testing program and monthly invoicing
- Continuous improvement of administrative policies and procedures
- Completion of updated Strategic Plan
- Completion of the Solid Waste Management Plan (SWMP)
- Resolving gravel pit supply
- Continuing work on City projects such as Code updates
- City Clerk continuing work toward becoming a Master Municipal Clerk
- Standard operating procedures created for clerk position
- Cross-training by all administrative staff
- Create a position classification and wage schedule for all regular staff

### FY18-FY22 General Fund: Administration Expenditures

Expense	Actual	Actual	Actual	Budget	Budget
	Jul '17 - Jun 18	Jul '18 - Jun 19	Jul '19 - Jun 20	Jul '20 - Jun 21	Jul '21 - Jun 22
<b>Administrative Costs</b>	3,023.52	14,279.14	2,013.88	2,000.00	2,000.00
<b>Advertising</b>	75.00	503.57	150.00	100.00	100.00
<b>Bad Debt</b>	620.61	0.00	0.00	0.00	0.00
<b>Bank Service Charges</b>	1,251.31	1,636.57	1,727.30	1,200.00	3,500.00
<b>Building</b>	1,209.94	2,290.29	641.71	3,160.79	3,225.00
<b>Contractual Services</b>	6,070.40	8,151.98	7,920.65	7,500.00	9,500.00
<b>Dues/Fees</b>	1,686.00	2,360.29	2,629.30	2,000.00	2,400.00
<b>Election Expense</b>	212.17	276.70	202.16	250.00	250.00
<b>Equipment</b>	5,253.84	4,555.16	6,792.27	0.00	2,500.00
<b>Events &amp; Celebrations</b>	2,500.00	2,995.00	3,542.49	3,500.00	3,500.00
<b>Freight/Shipping</b>	595.80	717.94	999.78	750.00	750.00
<b>General Liability</b>	4,424.75	3,827.10	10,890.44	11,317.32	12,730.00
<b>Payroll Expenses</b>	96,180.13	157,007.34	164,640.32	159,697.31	168,762.86
<b>Professional Services</b>	25,506.70	25,187.42	14,570.00	10,000.00	15,000.00
<b>Public Relations</b>	1,006.65	728.34	211.74	500.00	250.00
<b>Repair &amp; Replacement Annual Contribution</b>	0.00	1,000.00	1,000.00	1,000.00	1,000.00
<b>Supplies</b>	2,177.79	1,800.76	1,609.37	1,500.00	2,000.00
<b>Telecommunications</b>	6,792.56	6,310.75	6,592.44	7,000.00	7,500.00
<b>Training</b>	2,231.00	1,886.00	3,862.00	750.00	750.00
<b>Travel</b>	10,585.88	10,322.36	4,816.53	2,500.00	1,500.00
<b>Utilities</b>	1,384.41	2,857.55	2,615.66	2,800.00	2,900.00
<b>Vehicle</b>	81.12	237.10	159.83	250.00	500.00
<b>Total Expense</b>	172,869.58	248,931.36	237,587.87	217,775.42	240,617.86

# Disposal and Recycling Center

# General Fund

## Disposal and Recycling Center:

The Manager/Operator is responsible for the overall management of the Disposal and Recycling Center (DRC), the hiring of temporary labor pool employees, project scoping and management for DRC capital improvement projects, creating purchase orders, ordering supplies, managing the point-of-sale and customer billing systems, long-term planning for the DRC facility, and management of the Community Chest, the community's thrift store. The Manager/Operator generates the annual departmental operating budget in conjunction with the City Treasurer. The Manager/Operator also performs the duties listed below for the temporary labor pool employees in the capacity of a short-term, replacement operator.

The DRC temporary labor pool employees perform the majority of the day-to-day operations of the DRC, including receiving and processing recyclable and non-recyclable solid waste from commercial and household customers, collecting customer payments, operating the food waste composting program, and performing equipment and building maintenance.

## Personnel:

Manager/Operator (0.66 FTE)

Up to five Temporary Labor Pool Employees (1.08 FTE all together)

DRC - Occasional volunteers

Community Chest – three to five active volunteers and approximately a dozen additional supporting volunteers

## Mission:

The mission of the Gustavus Disposal & Recycling Center and Community Chest is to reuse locally or to recycle as much material from the community's waste stream as possible. What cannot be reused or recycled is disposed of in a safe, legal, and environmentally responsible manner.

## FY20 Statistics:

- 58% of waste was diverted from landfilling
- 96,747 pounds of recyclables exported; 58,481 pounds of food waste composted
- 5,110 customer transactions
- 827 hours volunteer labor and revenue of \$10,743 from the Community Chest

## FY21 Accomplishments:

- Completion of the 5-year operating permit renewal with the Alaska Department of Environmental Conservation
- Completion of the In-flow Storage Area Project
- Installation of new scale and commercial scale house software
- New fencing, lighting and other building maintenance projects at the Community Chest
- New water system for employees in the Changing Room/ Office

## FY22 Goals:

- Establishment of the DRC Operator as a new, regular position for FY23.
- Purchase of 20' Household Hazardous Waste (HHW) Facility, per the Capital Improvement Plan

- Completion of the New Composting Facility Project
- Initial work of the design phase for the New Main Building project

## FY18-FY22 General Fund: Disposal &amp; Recycling Center Expenditures

		Actual	Actual	Actual	Budget	Budget
		Jul '17 - Jun 18	Jul '18 - Jun 19	Jul '19 - Jun 20	Jul '20 - Jun 21	Jul '21 - Jun 22
<b>Expense</b>						
	<b>Administrative Costs</b>	25.00	0.00	0.00	0.00	0.00
	<b>Bank Service Charges</b>	947.01	1,033.05	1,196.60	1,025.00	1,200.00
	<b>Building</b>	1,017.89	1,730.76	1,996.14	2,171.27	2,265.00
	<b>Contractual Services</b>	22,553.55	2,660.20	4,655.65	13,500.00	7,700.00
	<b>Dues/Fees</b>	402.00	543.00	541.00	800.00	2,000.00
	<b>Equipment</b>	3,789.24	7,544.61	12,416.20	6,742.49	6,965.00
	<b>Events &amp; Celebrations</b>	226.50	227.78	135.29	250.00	250.00
	<b>Freight/Shipping</b>	16,493.93	17,993.46	20,999.54	19,000.00	24,000.00
	<b>Fundraising Expenses</b>	0.00	0.00	0.00	0.00	0.00
	<b>Occupational Health</b>	0.00	0.00	0.00	0.00	500.00
	<b>Payroll Expenses</b>	92,358.76	94,669.13	90,520.88	96,266.70	98,391.46
	<b>Repair &amp; Replacement Annual Contribution</b>	0.00	3,350.26	2,150.79	2,150.79	2,100.79
	<b>Supplies</b>	4,672.56	3,839.01	3,653.72	3,100.00	4,100.00
	<b>Telecommunications</b>	1,818.34	1,990.73	2,168.05	2,300.00	2,300.00
	<b>Training</b>	375.00	1,100.00	0.00	500.00	750.00
	<b>Travel</b>	0.00	1,383.89	0.00	2,000.00	500.00
	<b>Utilities</b>	1,804.29	2,523.88	2,349.82	2,700.00	2,900.00
	<b>Vehicle</b>	184.91	196.47	147.86	200.00	200.00
<b>Total Expense</b>		146,668.98	140,786.23	142,931.54	152,706.25	156,122.25

## Gustavus Public Library

## General Fund

### Gustavus Public Library:

The Gustavus Public Library provides the public with a wide selection of materials including nonfiction and fictional books for all ages, fiction and nonfiction DVDs, magazines, kits, and audio material. The library's collection includes items specifically requested by community members, along with books by local and regional authors, books about Alaska and Southeast Alaska, and a selection of recently released materials researched and selected by the library directors. The library also offers public computers and 24/7 WiFi for internet access, as well as free access to e-books and audiobooks. The e-book collection is available for checkout by members of the public who have been issued a library card. The library offers diverse programs and events for all ages, including a Summer Reading program, and supports students at the Gustavus School, homeschooling families, and adult students through services like test proctoring. The library is open five to six days a week, utilizing a strong core of volunteers to support its daily operation.

The Library Administrative Director is responsible for the overall management of the Gustavus Public Library, project scoping and management for library capital improvement projects, creating purchase orders, ordering supplies, and long-term planning for the library. This position assists the Library Services Director with training and coordinating volunteers. The Library Administrative Director generates the annual departmental operating budget in conjunction with the City Treasurer. She also performs the duties listed below for the volunteer desk sitters.

The Library Services Director oversees operations, services, and creation and implementation of the daily programs that get patrons in the door. The Library Services Director focuses on developing these programs for diverse age groups and interests. This position is responsible for training and supervising volunteers, writing news articles and monthly newsletters, and communicating with the public through email and social media. She collaborates with the Library Administrative Director on matters of general library operations and administration (such as budgeting and ordering library materials), and forms partnerships with other organizations, such as the Gustavus School and National Park Service, to develop library programs that meet the current needs and interests of the community.

The Library Assistant will aid in the day-to-day operation of the library. The position will be supervised by the Library Administrative Director and works with the Library Services Director and volunteers. This position is budgeted as a temporary position, employed half-time for six months to assist with a library cataloging project and other tasks.

The volunteer desk sitters are responsible for recording library use statistics, checking out materials to patrons, checking in and shelving materials, collecting money for copies and faxes, and aiding patrons as they are able.

### Personnel:

Library Administrative Director (0.625 FTE)

Library Services Director (0.625 FTE)

Library Assistant (0.25 FTE)

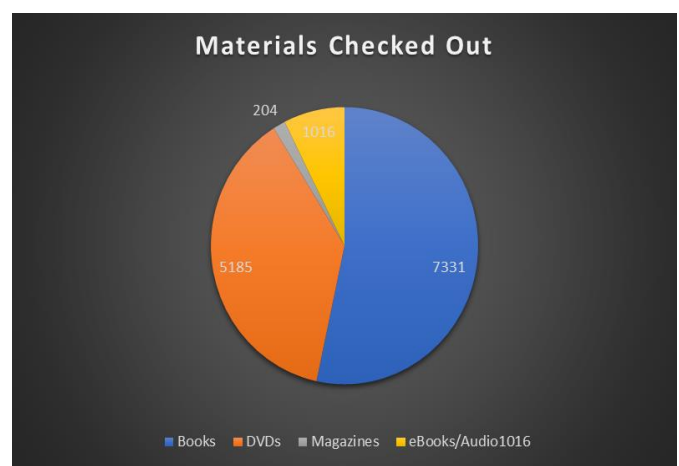
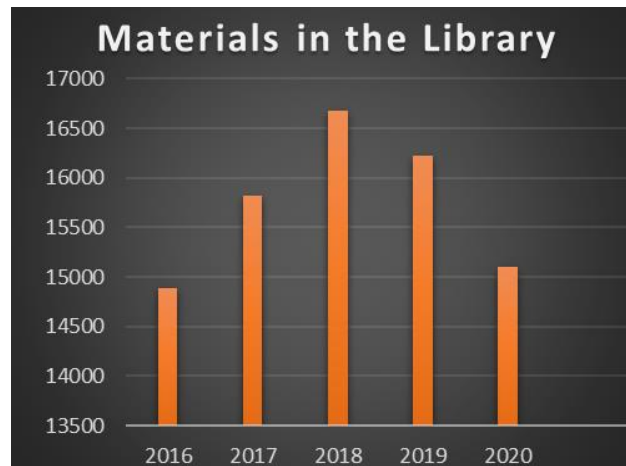
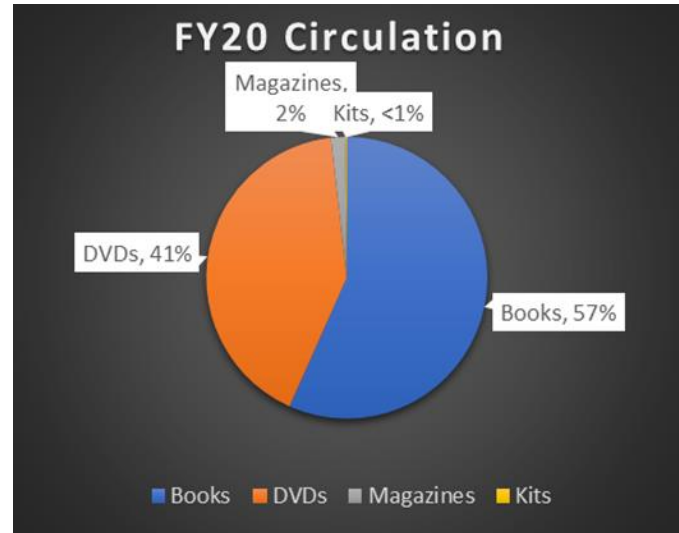
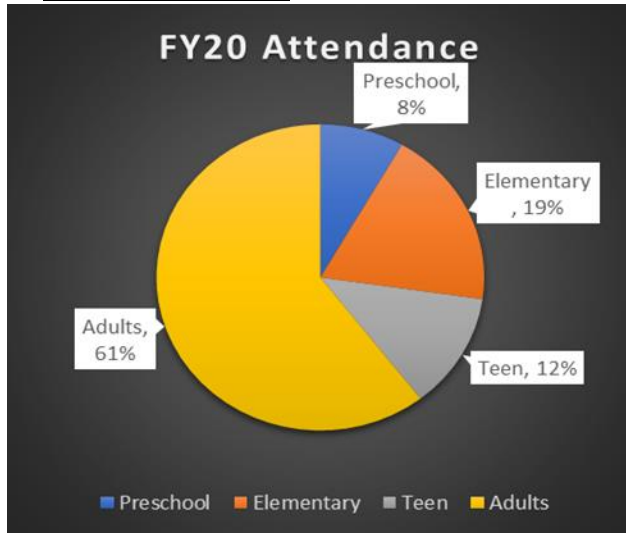
8 desk volunteers, 1 maintenance/projects volunteer

Summer Reading Intern(s): 160 hours

### Mission:

The mission of the Gustavus Public Library is to provide community members and visitors of all ages with a welcoming and supportive environment to freely access information, materials, and programming; to support literacy and life-long learning, facilitate connection to place and culture, and meet the recreational, social, intellectual, and cultural needs of the community.

### FY20 Statistics:



### FY21 Accomplishments:

- Expanded programming for patrons, including reviving the book club.
- Increased services for teens in collaboration with the Gustavus School.
- Refreshed the materials in the juvenile non-fiction animal and world culture sections.
- Hosted 31 events, meetings, and classes at the library to date (July 2020-March 2021).
- Provided 19 virtual programs (activity kits), used by 564 patrons.
- Had 813 visitors in the library to date (July 2020-March 2021).
- Provided curbside services all year.
- Provided 348 separate Interlibrary Loans to date (July 2020-March 2021).
- Over 2,650 separate uses on the WiFi.
- Checked out a total of 6,763 library materials to date (July 2020-March 2021).

- Completed a major weed of items that were not being checked out to make more room for new and more recently utilized materials.
- Developed and implemented an illness plan before the mandated COVID-19 closure.
- Continued to provide check-out service, WiFi, virtual programs, and virtual assistance to patrons throughout the COVID-19 closure.
- Met the increasing need for Interlibrary Loan services.
- Developed protocols and improve cleaning to ensure staff, volunteers, and patrons feel safe at the library.
- Improved the cleanliness, organization, and signage at the library to discourage illness spread and promote good hygiene practices.
- Improved virtual presence through social media, website, and virtual materials.
- Updated Policies and Procedures

### FY22 Goals:

- Roof repair and replacement to be completed (roll over from last year).
- Track and fulfill the community's growing requests for specific materials and services at the library.
- Refresh outdated materials in the non-fiction sections of the library.
- Work towards solutions to meet needs for additional space for patrons and materials.
- Continue updating the database of library statistics.
- Develop programming (virtual or otherwise) that meets the current needs of community members of all ages and adapt programming as the pandemic continues to change/improve.
- Develop lasting and meaningful relationships with community partners to improve services offered at the library.
- Continue to improve virtual presence through social media, website, and virtual materials.
- More in-depth tracking of program and volunteer statistics.

### FY18-FY22 General Fund: Gustavus Public Library Expenditures

		Actual	Actual	Actual	Budget	Budget
		Jul '17 - Jun 18	Jul '18 - Jun 19	Jul '19 - Jun 20	Jul '20 - Jun 21	Jul '21 - Jun 22
<b>Expense</b>						
	<b>Bank Service Charges</b>	25.00	25.00	25.00	25.00	25.00
	<b>Building</b>	16,862.78	6,292.35	15,686.65	5,244.54	5,850.00
	<b>Contractual Services</b>	3,328.47	0.00	1,381.48	3,500.00	6,600.00
	<b>Dues/Fees</b>	3,724.98	4,459.65	4,417.69	5,250.00	5,400.00
	<b>Equipment</b>	1,683.00	651.26	552.89	830.00	2,300.00
	<b>Events &amp; Celebrations</b>	0.00	0.00	175.07	175.00	175.00
	<b>Freight/Shipping</b>	444.14	624.81	892.50	650.00	950.00
	<b>Fundraising Expenses</b>	150.02	0.00	936.27	800.00	250.00
	<b>Library Materials</b>	295.59	317.81	599.80	600.00	2,700.00
	<b>Payroll Expenses</b>	52,412.60	67,270.75	68,048.47	76,284.43	81,526.61
	<b>Repair &amp; Replacement Annual Contribution</b>	0.00	4,028.00	10,267.13	4,299.27	4,299.27
	<b>Supplies</b>	2,673.64	2,235.29	2,808.07	1,500.00	3,400.00
	<b>Supplies - Program</b>	0.00	726.02	1,059.35	1,000.00	3,050.00
	<b>Telecommunications</b>	5,768.39	4,831.05	5,114.56	5,450.00	5,450.00
	<b>Training</b>	112.50	112.50	0.00	0.00	500.00
	<b>Travel</b>	98.37	5.39	637.43	0.00	1,500.00
	<b>Utilities</b>	5,634.27	6,797.85	6,069.22	6,900.00	7,400.00
<b>Total Expense</b>		93,213.75	98,377.73	118,671.58	112,508.24	131,375.88

# Gustavus Volunteer Fire Department

# General Fund

## Gustavus Volunteer Fire Department:

The Gustavus Volunteer Fire Department (GVFD) provides Emergency Medical Services (EMS) and responds to fire calls within the City of Gustavus and has a memorandum of agreement to respond within Glacier Bay National Park upon request. Emergency services are provided by the city with an equipped ambulance, fire engine, and two water tenders that are stocked with proper equipment to tackle most emergencies.

GVFD is composed of a full-time Fire Chief who currently oversees 25 volunteers that bring a variety of skills to the department. The GVFD volunteers are organized into three categories: Dispatchers, EMS, and Fire. The volunteers started the Gustavus Volunteer Fire Department Association, a non-profit social organization that was formed in 2016 to coordinate volunteer fundraisers and to help support the GVFD volunteers.

The Fire Chief is responsible for the overall management of the GVFD, project scoping and management for GVFD capital improvement projects, creating purchase orders, ordering supplies, maintaining equipment, emergency planning for the community, and long-term planning for the GVFD. The fire chief generates the annual departmental operating budget in conjunction with the City Treasurer. The fire chief develops and conducts weekly evening trainings for the volunteers, alternating between EMS and fire.

## Personnel:

Fire Chief (1 FTE)  
 Assistant Chief (Volunteer)  
 Fire Captain (Volunteer)  
 EMS Captain (Volunteer)  
 25 volunteers within the 3 divisions

## Mission:

To serve our community before, during, and after an emergency.

## Calendar Year 2020 Statistics:

- 40 incidents: 33 EMS calls, 7 fire calls

## FY21 Accomplishments:

- The Emergency Operations Center (EOC) been open since March 2020 for the COVID-19 pandemic and opened for the December 2020 Southeast floods.
- Worked closely with staff and the Mayor regarding resolutions declaring an emergency, mandating social distancing, and regarding travel into and out of Gustavus in response to COVID-19.
- Networked with other EMS leaders in Southeast Alaska to compare strategies, source supplies, and share knowledge regarding COVID-19 preparation and response.
- Worked closely the Alaska Department of Health & Social Services (DHSS), Alaska Department of Homeland Security & Emergency Management (DHS&EM), SEARHC Gustavus Clinic, and the community members to mitigate the threat of COVID-19.
- Answered countless inquiries regarding travel into Gustavus. Organized volunteers to respond to citizens and businesses regarding travel and summer operations.

- Created and managed ongoing contracted Point-of-Entry COVID-19 screening program, including contract development and extensions, job description, hiring, onboarding employees, and day-to-day support.
- Distributed stipend checks for volunteer responders. This helps with fuel, car parts, etc.

#### FY22 Goals:

- Continue management of ongoing contracted Point-of-Entry COVID-19 program
- Continue to build wildland firefighting team and resources
- Create a local emergency planning group
- Recruit and retain volunteers
- Bring in the best training possible for the volunteers
- Promote more community training and awareness programs

#### FY18-FY22 General Fund: Gustavus Volunteer Fire Department Expenditures

		Actual	Actual	Actual	Budget	Budget
		Jul '17 - Jun 18	Jul '18 - Jun 19	Jul '19 - Jun 20	Jul '20 - Jun 21	Jul '21 - Jun 22
Expense						
	Administrative Costs	25.00	0.00	0.00	0.00	0.00
	Bad Debt	0.00	0.00	2,598.10	0.00	0.00
	Bank Service Charges	0.00	25.00	25.00	25.00	25.00
	Building	1,953.17	3,798.98	1,919.71	6,222.55	5,445.00
	Contractual Services	8,162.52	9,294.39	2,529.13	2,000.00	1,500.00
	Ambulance Billing Expense	400.00	1,371.10	1,340.34	1,200.00	1,300.00
	Dues/Fees	138.00	90.00	50.00	250.00	100.00
	Equipment	8,242.26	1,451.96	631.99	2,000.00	2,000.00
	Freight/Shipping	155.04	329.09	736.01	350.00	350.00
	Fundraising Expenses	1,287.62	0.00	0.00	0.00	0.00
	Payroll Expenses	83,972.32	86,839.40	60,703.78	93,144.66	92,496.66
	Repair & Replacement Annual Contribution	0.00	4,235.23	4,454.47	9,839.80	1,663.38
	Stipend	0.00	0.00	0.00	3,000.00	3,000.00
	Supplies	6,231.28	7,073.25	4,404.61	4,000.00	5,250.00
	Telecommunications	7,050.87	5,822.37	5,709.29	5,800.00	6,050.00
	Training	6,168.79	7,536.19	4,560.94	4,000.00	3,000.00
	Travel	3,075.40	4,201.81	2,362.91	2,500.00	1,500.00
	Utilities	3,873.10	4,174.83	4,379.10	3,400.00	4,000.00
	Vehicle	5,301.56	5,002.48	3,787.70	6,585.67	5,635.67
<b>Total Expense</b>		<b>136,036.93</b>	<b>141,246.08</b>	<b>100,193.08</b>	<b>144,317.68</b>	<b>133,315.71</b>



## Marine Facilities Department

## General Fund

### Marine Facilities Department:

The City of Gustavus Marine Facilities Department oversees and maintains the wooden floats at the Gustavus Public Dock (maintained by Alaska State DOT) and the Salmon River Boat Harbor (SRBH), including the boat launch and attached floats. The Gustavus Dock float system is used extensively during the summer months by the local charter fleet, commercial fishermen, sightseeing vessels, and private citizens. The tidally-influenced Salmon River Boat Harbor offers a boat launch used by private citizens, charter and commercial operators, and landing crafts delivering freight. There is also a barge landing, short and long-term pay storage areas, short-term parking, a kayak storage area, and a number of privately maintained floats in various stages of usability/disrepair. Waterless restrooms were constructed at the beach in 2014 and at the Salmon River Park in 2016. These are maintained by the Marine Facilities Department. The Marine Facility Department also walks the Gustavus beach and Salmon River Boat Harbor collecting trash and keeping the areas free of debris.

The City of Gustavus has established fees for commercial vessels (\$500 per year), private vessels (\$60 per year), long-term storage (\$150 per year/\$20 per month), and transient fees for daily use /moorage for unregistered vessels (fees vary).

The Marine Facilities Coordinator (MFC) monitors the Gustavus Dock and Salmon River Boat Harbor 6 days a week in the summer months with additional intermittent duties in both the spring and fall shoulder seasons. These include but are not limited to beach projects, float maintenance, and infrastructure improvements. The latter include the Gustavus Public Library, Gustavus Volunteer Fire Department, and City Hall improvements.

The MFC collects transient moorage fees, encourages vessel owners to obtain registration stickers, and encourages users to follow City of Gustavus policies per Title 8 of the Gustavus Municipal Code. The MFC also assists in the spring and fall with the moving of the steel mooring float to/from the anchorage near Pleasant Island and the moving of the wooden floats to/from the boat harbor. The MFC is responsible for tracking use at the Gustavus Dock and boat harbor and recording statistics listed later in this narrative, as well as any other requested by the City Council or its agents (e.g. the Gustavus Marine Facilities Committee and the City Administrator). The MFC also works with state, federal, and local government entities to ensure a safe and environmentally-friendly environment in and on the waterways adjacent to Gustavus and Glacier Bay National Park.

The City Treasurer and the Marine Facilities Coordinator are responsible for the project scoping and management for capital improvement projects, creating purchase orders, ordering supplies, and long-term planning for Gustavus's Marine Facilities. The City Treasurer generates the annual departmental operating budget in conjunction with the Mayor and the Marine Facilities Coordinator.

The Marine Facilities Advisory Committee was reinvigorated in FY20 and consists of a Council member, Marine Facilities Coordinator (non-voting member), and four citizens. A master plan for the Marine Facilities is being developed and will be linked to amendments in Title 8.

Additional planning for the Salmon River Boat Harbor includes coordinating a fish waste recycling program in conjunction with the DRC in an effort to reduce illegal dumping of fish carcasses and enhance the DRC's composting program (see the Capital Improvement Plan).

## Personnel:

Marine Facilities Coordinator/Harbormaster (0.41 FTE)

## Mission (Municipal Code Section 8.01.010):

- To provide for the safe and efficient use, and orderly management and control of all harbor facilities owned, managed or operated by the City of Gustavus, including but not limited to the Small Vessel Float System and its interface with the State of Alaska-owned Gustavus Multi-Modal Marine Facility, and the City of Gustavus-owned Salmon River Small Boat Harbor Facility.
- To protect and preserve the lives, health, safety, and well-being of persons who use, work or maintain property at the city-owned and maintained harbor facilities.
- To protect public property.
- To prevent fire or health hazards and abate nuisances.
- To prevent the use of the harbor facilities for derelict vessels and property.
- To ensure adequate financial resources are available to acquire, plan, design, construct, equip, operate, maintain, or replace harbor facilities through the assessment of user fees or through other means.
- To maintain a user-friendly facility.

## CY20 Statistics:

- 82 pounds of recyclables and 363 pounds of trash removed from the beach receptacles.
- 92 motorized vessels and 24 commercial vessels were registered.

## CY20 Accomplishments:

- Instituted new procedures for dealing with the seasonal moving of the steel float.
- Implemented a system for lifting and lowering the gangway to the floats.
- Completion of contracted repairs to the SRBH boat launch.
- Continued beach improvements.
- Maintained a COVID-19-safe environment at all Gustavus Marine Facilities.
- Continued maintenance of Gustavus Marine Facilities.

## CY21 Goals:

- Find permanent uses for City-owned floats no longer used at the Gustavus Public Dock.
- Continue Salmon River Boat Harbor Clean-up project.
- Continue planning process for the SRBH Fish Waste Disposal station in conjunction with DRC Compost capital project (previously slated to be completed in CY2020)
- Continue maintenance of Gustavus Marine Facilities.

## FY18-FY22 General Fund: Marine Facilities Expenditures

		Actual	Actual	Actual	Budget	Budget
		Jul '17 - Jun 18	Jul '18 - Jun 19	Jul '19 - Jun 20	Jul '20 - Jun 21	Jul '21 - Jun 22
<b>Expense</b>						
	<b>Administrative Costs</b>	0.00	240.00	0.00	0.00	0.00
	<b>Building</b>	744.87	2,400.60	3,735.39	3,851.75	4,225.00
	<b>Contractual Services</b>	3,000.00	3,000.00	1,600.00	13,500.00	15,000.00
	<b>Equipment</b>	100.00	167.94	99.96	100.00	100.00
	<b>Freight/Shipping</b>	182.63	97.51	79.39	200.00	200.00
	<b>Marine Facilities: Insurance, Maint &amp; Repairs</b>	6,728.31	4,164.15	1,878.76	3,368.37	5,368.37
	<b>Payroll Expenses</b>	15,190.77	19,794.31	21,150.76	23,076.26	23,076.26
	<b>Repair &amp; Replacement Annual Contribution</b>	0.00	7,482.27	7,482.27	7,482.27	7,482.27
	<b>Supplies</b>	1,307.25	1,729.98	1,093.89	500.00	2,200.00
	<b>Telecommunications</b>	0.00	240.00	240.00	240.00	240.00
	<b>Vehicle</b>	0.00	954.30	994.06	1,000.00	1,000.00
<b>Total Expense</b>		27,253.83	40,271.06	38,354.48	53,318.65	58,891.90

## Roads Department

## General Fund

### Roads Department:

The City of Gustavus provides road maintenance and snow plowing services for 24 miles of dirt/gravel roads within the city limits through annual contracts to local businesses. The City Council Roads liaison and City Administrator are responsible for the project scoping and management for capital improvement projects, creating purchase orders, issuing orders for snow plowing, and long-term planning for the Roads Department. The City Treasurer generates the annual departmental operating budget in conjunction with the Mayor and the City Administrator.

The State of Alaska DOT/PF is responsible for maintenance and plowing of all paved roads within the City limits, the public dock, and the Gustavus Airport. Glacier Bay National Park plows and maintains the road to Bartlett Cove beginning at the Park boundary.

Road maintenance was heavily subsidized by National Forest Receipts (NFR) in the past. The annual distribution of these encumbered funds has dwindled to anywhere from almost nothing to less than half of the road maintenance budget in recent years. In FY21, the City of Gustavus finally expended encumbered funds that were held in reserve from past years' NFR towards road maintenance. Going forward, this department will need to be funded within the operating budget or by using savings, with supplementation from current year NFR funds as they occur.

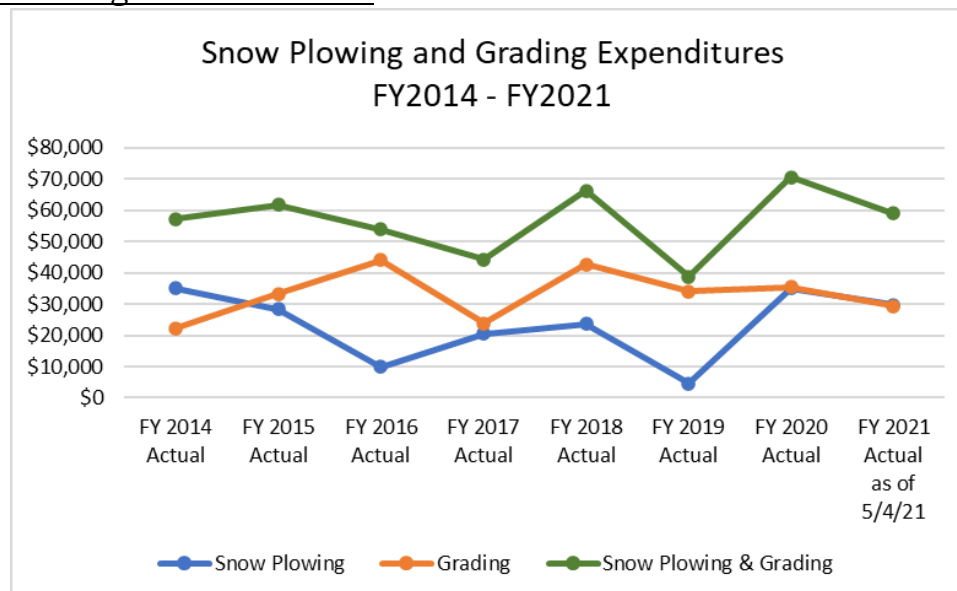
### Personnel:

Volunteer City Council Member(s)

### Mission:

To provide maintenance services within the city limits for all constructed, publicly dedicated roadways except those maintained by the State of Alaska Department of Transportation and Public Facilities or by the U.S. Department of the Interior, National Park Service.

### Statistics through FY21-to-date:



Note: this graph does not include other road maintenance expenses such as hauling pit run material, brushing, or special projects (e.g. washout repair, signage, ditch cleaning).

**FY21 Accomplishments:**

- Six snowfall events requiring plowing, half of which occurred in March
- Purchase of stockpile of 715 cu yds of 6" rock
- Improvements to Dickey Drive turnaround
- Rink Creek Road ditch cleaning
- December 2020 flood repair and mitigation work at the gravel pits and at city roads all around town, especially the Wilson Road neighborhoods

**FY22 Goals:**

- Seeking FEMA reimbursement for December flood response and additional FEMA funding for flood mitigation work as outlined in the separate Capital Improvement Plan document
- Increased proactive road maintenance projects, as allowed by the increased FY22 budget
- Funding of a capital project to create an overall city road improvements strategy after consultation with a roads engineer and using the newly acquired LIDAR mapping, per Capital Improvement Plan
- Funding of engineering for Good River bridge repairs and bank stabilization, per Capital Improvement Plan

**FY18-FY22 General Fund: Roads Expenditures**

		Actual	Actual	Actual	Budget	Budget
		Jul '17 - Jun 18	Jul '18 - Jun 19	Jul '19 - Jun 20	Jul '20 - Jun 21	Jul '21 - Jun 22
Expense						
	<b>Dues Fees</b>	0.00	25.00	0.00	0.00	0.00
	<b>Contractual Services</b>	0.00	0.00	0.00	0.00	0.00
	<b>Equipment</b>	0.00	0.00	0.00	0.00	0.00
	<b>Freight/Shipping</b>	0.00	0.00	0.00	0.00	0.00
	<b>Road Maintenance</b>					
	<b>Snow Plowing</b>	23,592.50	4,668.98	35,061.55		
	<b>Grading</b>	42,605.75	34,129.50	35,512.50		
	<b>Hauling Pit Run Material</b>	21,732.00	13,982.00	10,205.33		
	<b>Brushing</b>	12,449.99	15,267.50	211.25		
	<b>Other</b>	2,820.00	16,949.00	27,363.00	100,000.00	150,000.00
	<b>Total Road Maintenance</b>	103,200.24	84,996.98	108,353.63	100,000.00	150,000.00
	<b>Vehicle:Mileage</b>	0.00	0.00	100.00	0.00	0.00
<b>Total Expense</b>		103,200.24	85,021.98	108,453.63	100,000.00	150,000.00

## Lands Department

## General Fund

### Lands Department:

The City of Gustavus owns several parcels of land within the City of Gustavus, apart from the land that the City departmental facilities are located on. Only lands generating revenue for the Lands Department are discussed here. The city owns a parcel of land near the school gym that includes the old Post Office/Preschool building (currently used for City storage) and equipment used by AT&T and ACS that pay a lease annually (\$6157 and \$3658.20, respectively). GCI has an annual lease of \$2905.15 for a Rural Earth Station. A new lease is in development in the same area for L3Harris.

The city also owns the “gravel pits”, a parcel of land at the conjunction of Wilson Road and Rink Creek Road. Pit run gravel material extraction contracts are awarded each year to contractors extracting and selling material. The City also retains one of the gravel pit ponds for the road maintenance contractor to extract material for the City roads.

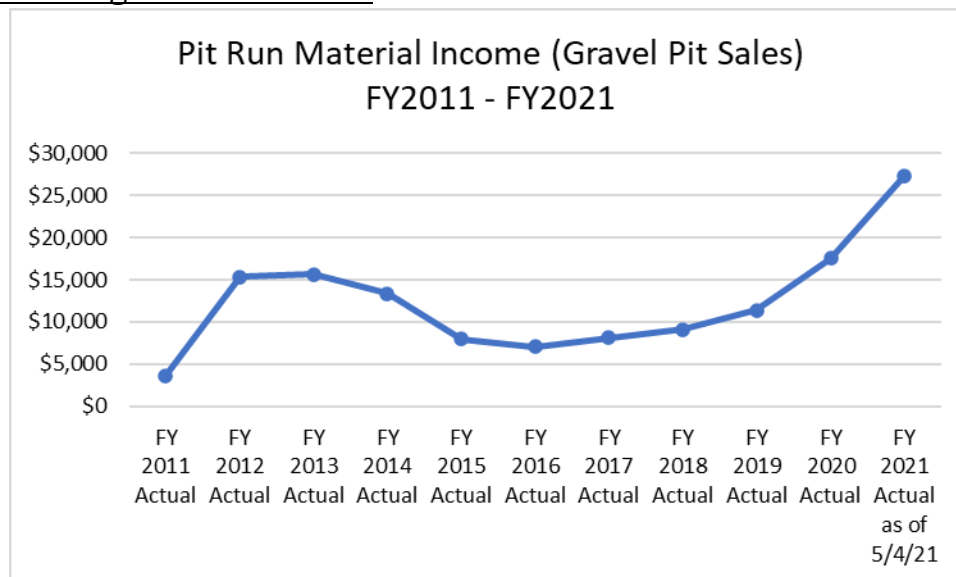
Various City Council members are responsible for the project scoping and management for capital improvement projects and long-term planning for the Lands Department. The treasurer is responsible for the advertisement, execution, and administration of City contracts and for collection of gravel pit and lease income. The treasurer generates the annual operating and capital improvement budgets in conjunction with the Mayor and City Administrator.

Platting authority in Gustavus is done by the State of Alaska for the unorganized borough.

### Personnel:

None

### Statistics through FY21-to-date:



### FY21 Accomplishments:

- Formal acquisition of the Salmon River Park/City Hall/firehall parcel and adjoining parcel to the north

- Formation of a Gravel Pit Fund savings account, with a line-item in the operating budget diverting some revenue to savings
- Working with gravel pits contractors to review operations, established the estimated material limits of the existing pits and the need to take action to provide improved material and adequate long-term supply.

#### FY22 Goals:

- LIDAR (Light Detection and Ranging) mapping completion, per Capital Improvement Plan
- Formulation of a plan for the future of pit run material in Gustavus

#### FY18-FY22 General Fund: Lands Expenditures

		Actual	Actual	Actual	Budget	Budget
		Jul '17 - Jun 18	Jul '18 - Jun 19	Jul '19 - Jun 20	Jul '20 - Jun 21	Jul '21 - Jun 22
<b>Expense</b>						
	<b>Administrative Costs</b>	0.00	13,832.01	0.00	0.00	0.00
	<b>Contractual Services</b>	0.00	0.00	24,500.00	0.00	0.00
	<b>Gravel Pit Fund</b>	0.00	0.00	0.00	6,000.00	6,000.00
	<b>Professional Services</b>	0.00	1,520.00	0.00	0.00	0.00
<b>Total Expense</b>		0.00	15,352.01	24,500.00	6,000.00	6,000.00