



# CITY OF GUSTAVUS

## CITY COUNCIL REGULAR WORK SESSION

Monday, June 02, 2025 at 6:00 PM  
Gustavus City Hall

### COUNCIL MEMBERS

Mayor Sally McLaughlin  
Vice Mayor Shelley Owens  
Council Members: Susan Warner, Geoff Fosse,  
Jim Kearns, Lucas Beck, Mike Taylor

### CITY HALL

City Administrator – Kathy Leary  
City Clerk – Liesl Barker  
City Treasurer – Ben Sadler  
Phone: 907-697-2451 | [clerk@gustavus-ak.gov](mailto:clerk@gustavus-ak.gov)

## AGENDA

### VIRTUAL MEETING INFORMATION

<https://tinyurl.com/mtfzkvtd>

**ID:** 515 501 9406      **PASSCODE:** 8521      **TEL:** 253-215-8782

### SUBJECTS INCLUDE:

- [i.](#) Review proposed Endowment Fund changes
- ii. Discuss Tax Structure
- [iii.](#) Discuss Tax Delinquency
- iv. Discuss Strategic Plan
- [v.](#) Discuss Draft Project Development Forms
- [vi.](#) Review 06-09-2025 draft General Meeting Agenda and Packet

**POSTED ON:** May 28, 2025 at P.O, Library, City Hall & <https://cms.gustavus-ak.gov/>

**The public is invited to attend Public comment is not typically taken at Work Sessions. Public comment is taken at Special and General Meetings or an e-mail may be sent to the clerk for distribution to City Council [clerk@gustavus-ak.gov](mailto:clerk@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.*

### MISSION STATEMENT

The City of Gustavus is a distinctive Alaskan City that provides high quality public services in a thoughtful, cost effective and professional manner to sustain a safe, beautiful tolerant environment to live, work, and play with respect for individual freedom and each other.

**SUGGESTED**  
**CITY OF GUSTAVUS, ALASKA**  
**RESOLUTION CY25-**

**A RESOLUTION ESTABLISHING POLICY AND PROCEDURE CLARIFICATION, CHANGES  
AND IMPLEMENTATION OF THE GUSTAVUS ENDOWMENT FUND**

**WHEREAS**, in 2004, the newly incorporated City of Gustavus (COG) received \$963,000.00 from the National Park Service in compensation for losses due to the closure of certain fisheries in Glacier Bay National Park; and

**WHEREAS**, the City established the Gustavus Endowment Fund to receive and manage this money and established a yearly method to provide funding for the benefit of the citizens of Gustavus who propose and implement projects for the community; and

**WHEREAS**, Policy and Procedure for Awarding Grants from the Endowment Fund Earnings (Policy) was established during this time; and

**WHEREAS**, in the older documents, there have been several changes to the original Policy including sections that were directed mainly towards City Council information and use, and sections comprised of information for applicants of the yearly grant awards; and

**WHEREAS**, the Mayor established a Special Policy Advisory Committee (Committee) to clarify, simplify, and organize the Policy; and

**WHEREAS**, the Committee chose to divide the old Policy and Procedure into two (2) sections. The first section serving as information more pertinent to the Council and the second section pertinent to those citizens applying for grant monies. The Committee refined and simplified the Application Packet, renamed the original Working Group the “Endowment Fund Gustavus Special Advisory Committee” (EFGSAC), as per COG Ordinance and Policy, and included a scoring sheet for both EFGSAC and Gustavus City Council to use in their deliberations and choice of qualified applicants; and

**WHEREAS**, the new Policy and Procedure documents will be divided into two Policy titles: “Policy and Procedure for Determining Annual Grant Amounts, Announcement of Funds Availability and Funds Transfer Section I” and “Policy and Procedure for Applying For and Awarding Grants from the Endowment Fund Earnings Section II”.

**NOW THEREFORE BE IT RESOLVED**, the Gustavus City Council accepts the drafts entitled “Policy and Procedure for Determining Annual Grant Award Amounts, Announcement of Funds Availability and Funds Transfer, Section I” and Policy and Procedure for Applying For and Awarding Grants from The Endowment Fund Earnings, Section II,” as presented with this Resolution to be final.

PASSED and APPROVED by a duly constituted quorum of the Gustavus City Council this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
Sally A. McLaughlin, Mayor

\_\_\_\_\_  
Liesl M. Barker, City Clerk

**CITY OF GUSTAVUS, ALASKA**

**Policies and Procedures**

**~~TITLE: POLICY AND PROCEDURE FOR AWARDING GRANTS FROM THE  
ENDOWMENT FUND EARNING, DETERMINING ANNUAL GRANT AMOUNTS,  
ANNOUNCEMENT OF FUND AVAILABILITY, AND FUNDS TRANSFER~~**  
**SECTION I**

**POLICY:**

It is the policy of the City of Gustavus to maintain the integrity and purchasing power of the Endowment Fund (Fund) equal to, or greater than, its original 2004 purchasing power through application of earnings first toward inflation proofing and then to disperse extra earnings in the form of grants supporting qualified, **local** projects offering broad value to the community.

The Mayor is accountable for assuring that steps in this procedure are completed and documented.

**PROCEDURE:**

The following steps shall be followed by the Mayor or his/her designee:

1. Inflation-Adjusted Principal Value determination. By July 31<sup>st</sup> of each year, calculate the inflation-adjusted value as of June 30<sup>th</sup> of the original principal of the Fund, further adjusted as necessary per additions made over time to the principal, using the following steps applying the Anchorage Consumer Price Index (CPI) as posted in July for the first half of the calendar year by the Alaska Department of Labor at <http://labor.alaska.gov/research/cip/cip.htm>:
  - a. Determine the latest CPI index for Anchorage from the posted table
  - b. Determine the multiplier value by dividing the current CPI index by the 2004 index value of 165.6 (average value for first half of 2004)
  - c. Multiply the original value of the Fund (\$963,000.00) by the multiplier determined in step b
  - d. The result of the calculation in step c is the inflation-adjusted value of the original principal.

Example: calculation of inflation-adjusted value as of June 30, 2015:

June 30, 2015, CPI = 217.111

Multiplier value =  $(217.111)/(165.6) = 1.311$

Inflation-Adjusted Principal Value for July 1, 2015, is

$(963,000) = \$1,262,000$  (rounded to four significant figures).

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POLICY AND PROCEDURE SECTION 1

Item #i.

This process will be duplicated for any additions to the fund principal, except that the CPI Index for the year(s) of the addition(s) will be used in the calculation.

2. Present Market Value determination. Determine the present market value of the Fund as reported by the Fund manager for June 30<sup>th</sup> of the present year.
  - a. Example: The present market value of the fund for June 30, 2015, was \$1,403,944.00.
3. Excess earnings determination. Calculate the excess earnings in the Fund, from which distributions may be made, by subtracting the inflation adjusted principal from the present market value of the fund.
  - a. Example: The excess earnings available as of June 30, 2015, were:
    - i.  $\$1,403,944 - \$1,262,000.00 = \$141,944$
4. Available funding for fiscal year. Calculate the funding available as 3% of the average market value of the Fund at June 30<sup>th</sup> of the last five (5) years.
  - a. Example: Three percent (3%) of the average annual market value for five (5) years through June 30, 2015, is calculated as:

June 2015:	\$1,403,944
June 2014:	\$1,391,960
June 2013:	\$1,265,225
June 2012:	\$1,188,172
June 2011:	\$1,282,926
3% of Average	\$ 38,466

5. Grant Funding availability determination. The maximum amount available for granting in the present year is 3% of Average market Value or the present year Excess Earnings, whichever is less. Un-awarded/unexpended grant funds from previous years over \$1000 will be returned to the Endowment Fund account to earn interest for future awards. The example for 2015: Three percent (3%) of the five-year Average Market Value is \$38,466. The Excess Earnings amount is \$141,944. The lesser of the two is \$38,466. No un-awarded grant funds remain from previous years so \$38,466 may be made available.
6. Announcement of grant application period. The City Council shall, on ~~September 1st~~ **July 1** of each year, or as early thereafter as possible, post an announcement to the Gustavus public of the availability of Endowment Fund Grants with the total amount available. The

announcement shall include eligibility requirements, selection criteria, an application procedure and outline, and a deadline of **October 31<sup>st</sup>**.

- ~~7. Transfer of new grant funds from Fund. On **December 1<sup>st</sup>**, the City Treasurer will transfer the year's determined available grant funding from the Endowment Fund to the Endowment Fund Grant checking account.~~
7. Grant Application closing. On October 31<sup>st</sup> of each year, close the application period. In **early November**, Applicants will be sent an email confirming receipt of their application and eligibility determination and the date of the Endowment Fund Working Group work session with applicants.
8. Transfer of new grant funds from Fund. On **December 1<sup>st</sup>**, the City Treasurer will transfer the year's determined available grant funding from the Endowment Fund to the Endowment Fund Grant checking account.

**5\_21-2025 FINAL DRAFT ENDOWMENT FUND  
POLICY AND PROCEDURE SECTION II**

Item #i.

**Broad type is suggested edits.** Strikethroughs are deleted.

CITY OF GUSTAVUS, ALASKA

Policies and Procedures

TITLE: POLICY AND PROCEDURE FOR **APPLYING FOR AND** AWARDING  
GRANTS

**FROM THE ENDOWMENT FUND EARNINGS**

**SECTION II**

**POLICY:**

The goal of Endowment Fund grants is to improve the quality of life for Gustavus residents and to help realize the goals expressed in the city's Vision Statement by encouraging and supporting citizen led, community-based projects. Priority for Endowment Fund grant awards shall be given to qualifying projects conducted by Gustavus-based groups or individuals. City department proposals for projects that are outside those functions authorized for the city through code ordinance (in accordance with Ordinance Title, Section 4.13.110 and 4.13.1200) shall have higher priority than those for code authorized functions. Priority may also be given to projects for which the Fund grant may be leveraged to match grants from outside agencies. Fund grants shall not be made to for-profit enterprises, although a non-profit organization may contract with a for profit business for services, such as construction, in support of the Endowment funded project.

The Mayor shall ensure that the steps outlined in this procedure are completed and documented.

**PROCEDURE:**

**91.** Eligibility for Award. Grants may be awarded to city departments, **local** non-governmental organizations or other local entities. To be eligible, the applicants:

- a. Must be **a local, domiciled Gustavus resident(s)** of Gustavus
- b. Must not be delinquent on any City taxes, forms or payments
- e. ~~Must be at least sixteen years of age at least one of the project's administrators)~~

**c. ~~d.~~ At least one (1) of the project's administrators must be at least eighteen (18) years of age.**

**d. ~~e.~~ Must be proposing a discrete single, specific local project that benefits the community of Gustavus.**

**e. ~~f.~~ Fund grants Grant funds shall not be made for operating expenses of the City or other organizations.**

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POLICY AND PROCEDURE SECTION II**

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- f. ~~g.~~ **Grant Funds shall not be made for awarded to for-profit enterprises although a non-profit organization may contract with a for-profit for services.**
- g. **Projects must be completed by the end of the next calendar year (unless an extension is granted) and applicants may not receive an Endowment Fund Grant (EFG) for more than three (3) consecutive years funding cycles.** ~~Effective the calendar year, the Grant must be used within one calendar year of award.~~
- h. ~~Within one (1) calendar year of award.~~

92. **Grant Application Preliminary Review. On Applicants interested in a preliminary review shall submit their application to City Hall by September 30<sup>th</sup>. By October 14<sup>th</sup> the City Treasurer and City Manager Administrator will determine if the applicants have met the criteria outlined in the grant application packet. If not, the application will be returned with suggestions and the applicant will have the opportunity to correct and resubmit the application. All reviewed applications will be available for pickup at City Hall when applicant is notified by the City Treasurer.**

**All applications are due by October 31<sup>st</sup>.**

3. ~~9.~~ **EFG Special Advisory Committee.** ~~(EFGSAC)~~ will be established at the October General Meeting.
- a. ~~The Group~~ **EFGSAC** will consist of the **City Treasurer, serving in an advisory capacity only;** and
  - b. **A minimum of three (3) and maximum of Council Members seven (7) Gustavus community members, who have applied to the City, have been selected by the Mayor, and approved by the City Council.**
  - c. **No member of the Working Group-EFGSAC shall apply for the Grant in the same year they are serving on the EFGSAC.**

At this meeting, the ~~Group~~ **EFGSAC** will set a date for a special work session where Applicants with qualifying applications will be invited, ~~via email, so in order for Group members might to ask clarifying questions of the Applicant.~~ Each Applicant will be given five (5) minutes to give a short presentation **to give a five (5) minute presentation in person or virtually and answer any questions about** their project. Applicants who are unable to attend due to special circumstances may request a separate meeting with the Group to present their project.

4. ~~10.~~ **Proposals will be scored by the Group EFGSAC based on the criteria outlined in the Application packet:**

- a. ~~Project Description (value: up to 25 points) Need for project, broad community benefit and value, demonstrated ability to effectively manage the~~



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project, ~~link to community values as outlined in the City Vision Statement.~~

- b. ~~Project Goals and Objectives (value: up to 25 points) Defined objectives with milestones that demonstrate progress, realistic and achievable timeline~~
- c. ~~Budget (value: up to 25 points) detailed expenditures, well researched planned and presented.~~

**Before meeting, the EFGSAC will receive notification of the total amount of funds available for distribution, a copy of each application, and the scoring criteria.** The average of the **EFGSAC member's total scores** ~~three~~ scores will be used as the **application's** final score. Applications must receive a minimum average of 50 points in this process to be considered for award.

**5. 12. Grant Awards.** ~~Schedule Council selection and award of grant funding~~**Endowment Fund Grants will be awarded at** for the General Meeting in December. If the Council wishes to amend the recommendations of the ~~working Group~~**EFGSAC** they must consider the **each recommendations award** made recommended by the Group **using the same scoring criteria** rubric received ~~and used by the EFGSAC.~~ and a copy of all previous years' awards and grant awardees. **Each recommended award will be voted on by the Council.**

**6. 5.** If the City does not receive any qualifying applications **or none are recommended by the EFGSAC** ~~working Group,~~ **or if awarded by** the Council declines to grant to any of the year's applicants, the annual grant funds shall **be carried forward to the next funding cycle.** ~~Endowment Fund account to earn interest for future awards.~~

**7. 13. Award Notices.** ~~Issue notice to g~~ Grantees (if any) **shall be notified of their award** within one week after the General Meeting in December. **The notification will include** ~~regarding selection with~~ directions for receiving payments, reporting requirements, and a **reminder of a the one-year** deadline for the grant to be completed. ~~Issue Letters~~ **will be issued sent** to unsuccessful grant applicants notifying them of award decisions and thanking them for their applications.

**8. 14. Payments.** ~~Payments for grant projects to awardees will be made by disbursement~~ disbursed from the Endowment Fund checking account to the grantee, or direct to a third party, ~~for work approved in Endowment Fund Grant Application with proof of payment~~ **expenses for reimbursement or advance payment. Payments shall be made within two (2) weeks of an approved request.** properly completed Grant Financial Progress Report. Payments may be made in advance in special ~~circumstances approved by the Treasurer.~~ **The Treasurer may approve advance payments in special circumstances. The last 10% of the grant shall not be paid until a final report has been accepted, unless the Treasurer has granted an exception.**



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**9.15. Monthly and Final Reports.** The grantee shall complete and submit a monthly progress report by the last day of each month until the final report is submitted. Reports shall include progress and expenditures for the previous month. The final report shall include a narrative of the project, copies of any materials or pictures the project team wants to share, the number of people **served** by the project or its various elements, and a description of the project's outcomes. This report will be shared with the public. ~~The last 10% of the grant shall not be paid until a final report has been accepted by the treasurer.~~

**10.16. Modifications.** **Minor grant modifications that do not alter the goal of the project or cause expenses to exceed the awarded total** will be considered. All modifications should be submitted to the City Grant Administrator. If a monetary modification is less than or equal to five (5) percent of the total grant award, the City Grant Administrator can determine whether to make the modification after consultation with the Mayor. If the modification request is greater than five (5) percent of the granted amount, Council action is necessary. Non-monetary modifications shall be considered on a case-by-case basis and shall be handled by the City Administrator in consultation with the Mayor.

**11.17. Unused Granted Funds.** Any unused funds from a closed grant **or completed** shall be retained in the fund grant checking account if under one thousand dollars (\$1,000) or returned to the Endowment Fund account if over one thousand dollars (\$1,000) and re-designated as available for future award.

**12. EFG Special Advisory Committee Continuity.** **To ensure continuity, at the Group's last meeting, EFGSAC members will recommend one or more of its members to apply to serve on the next year's Group.**

### **13. Definitions for P&P for Awarding Endowment Fund Grants**

**Capital Outlay** - money spent to acquire or upgrade the long-term assets of a project, which are defined as assets that are not intended to be sold. Capital outlays are expected to provide benefits beyond an accounting period

**Conflict of Interest** - refers to a situation where an individual's financial interests could potentially compromise their objectivity or integrity in a particular decision or situation, or a situation in which a person is in a position to derive substantial financial benefit from actions or decisions made in their official capacity

**Funding Cycles** - a funding cycle incorporates the application process, grant awards process and the completed grant project report

**Entity** - a person, city department, non-profit group, or ad hoc community group.

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**Expenditures** - An expenditure is any payment or cost incurred for goods or services. Examples could include paying for materials, buying supplies, or purchasing a new item necessary for the success of the project.

**Operating Expenses** - the funds a project needs to in order to run the daily operations, distinct from the costs directly tied to producing goods or services. These expenses include items like rent, utilities, salaries, marketing and insurance. Essentially, they are the costs needed to keep the business running.

**Operating Funds** - refers to the financial resources allocated for the ongoing day-to-day operations of an organization, whether it's a business, nonprofit, or government entity.

**Resident** – a local, domiciled resident (a Gustavus resident who maintains their primary home or residence in Gustavus)

**Scoring Criteria** – numerically weighted values used to determine the quality of evidence on the three areas described on the Endowment Grant application; Project Description, Project Goals and Objectives and Budget

**Scoping Document** - a project statement that defines what will be included and/or excluded for a project and the predicted timeline of that project.

**Scoring Guide** - a document that includes rows of specific criteria that carries a quantity of points and/or is used to make decisions to award grant funds

**Single specific** – only one clearly defined or identified project

### Gustavus Vision Statement

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POLICY AND PROCEDURE SECTION II

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**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 and promotes personal development and initiative,**
- **where all members take social responsibility and actively participate in decisions affecting growth development, regulation and enforcement,**
- **in which people can retain a closeness with, and caring for, each other individually and collectively, and work together to accomplish community goals while preserving community traditions.**

## GUSTAVUS ENDOWMENT FUND GRANT (EFG) APPLICATION PACKET

### IMPORTANT DATES

Grant Applications Open	July 1 <sup>st</sup>
Applications Submitted to City for Review	October 31 <sup>st</sup> before 4pm
<b>EFG Advisory Committee Established</b>	<b>Sept. 30</b>
<b>City Preliminary Review Complete</b>	<b>October General Meeting</b>
<b>Completed Application Due</b>	<b>October 14<sup>th</sup></b>
	October 31 <sup>st</sup>
EFG Advisory Committee Meeting	TBA
Applicants to meet with EFG Advisory Committee	TBA
<b>Committee meets with City Council</b>	<b>Dec. Work Session</b>
	(1 <sup>st</sup> Tuesday in December)
<b>Awards Announced and Funded</b>	<b>Dec. General Meeting</b>
	(2 <sup>nd</sup> Tuesday in December)
Grant Period Begins	<b>January 1<sup>st</sup></b>
Grant Completion & Final Report Due <b>Following Year</b>	December 31 <sup>st</sup>

### ELIGIBILITY REQUIREMENTS

Grants may be awarded to city departments, **local** non-governmental organizations or other local entities. To be eligible, the applicants:

1. Must be **local, domiciled Gustavus resident(s)** of Gustavus
2. Must not be delinquent on any City taxes, forms or payments
3. ~~Must be at least sixteen years of age at least one of the project's administrators)~~
3. **d-At least one (1) of the project's administrators must be at least eighteen (18) years of age.**
4. ~~e-~~Must be proposing a discrete **single, specific** local project **that benefits the community of Gustavus.**
5. ~~f-Fund grants~~ **Grant funds shall not be made for operating expenses of the City or other organizations.**
6. ~~g-Grant Funds shall not be made for~~ **awarded to for-profit enterprises although a non-profit organization may contract with a for-profit for services.**
7. **Projects must be completed by the end of the next calendar year (unless an extension is granted) and applicants may not receive an Endowment Funt Grant (EFG) for more than three (3) consecutive years funding cycles. Effective the calendar year, the Grant must be used within one calendar year of award.**

### FUNDING AVAILABILITY

1. A total of \$ \_\_\_\_\_ is available for this grant year. Applicants may request up to the total amount.
2. EF funds are **usually** paid via a reimbursement process or direct to a third-party. **Payment may be made in advance directly to the applicant. Please contact the Treasurer regarding required documentation.**
3. Funds must be spent prior to the expiration of the grant period, unless an extension has been granted.

## HOW TO APPLY

1. An outline for the grant application is attached and may also be found on the City website at <https://cms.gustavus-ak.gov>. Sample applications may also be found on the website.
2. Completed applications, including any supporting documents such as letters of support, must be submitted to the City Grant Administrator **or City Treasurer: [treasurer@gustavus-ak.gov](mailto:treasurer@gustavus-ak.gov)** no later than 4:00 p.m. on ~~October 31st~~ **September 30<sup>th</sup> for a Grant Application Preliminary Review.**
3. ~~The preferred process for application format submissions is typed, PDF format, and emailed to the City Treasurer.~~  
**By October 14<sup>th</sup>, the City Administrator and Treasurer will return your application by email with any suggested recommendations for meeting the eligibility criteria.**
4. **The cut-off for final submission of all applications is October 31<sup>st</sup>. Please submit your final draft of the application to City Hall by that date. In the first week of November, applicants will receive an email confirming receipt of their application**
5. **An Advisory Committee of community members will review your application. You will be notified about the date and time for the Committee meeting. Please attend either in person or virtually. You will be given five (5) minutes to present your project and answer any questions. Applicants who are unable to attend due to special circumstances may request a separate meeting with the Advisory Committee to present their project.**
6. ~~In the first week of November, Applicants will receive an email confirming receipt of their application and eligibility determination.~~

## SELECTION PROCESS

Proposals will be scored by the Advisory Committee, consisting of **3-7 community members and the City Treasurer who will serve in an advisory capacity. Scoring will be** based on the following criteria:

### **Project Description and Need (Out of 50 total points)**

Well defined need for project (0-11 pts)

Broad community benefit and definition of who benefits (0-10 pts)

Link to City Vision Statement (0-5 pts)

Description of why the project is needed now? (0-2 pts)

Defined objectives with milestones that demonstrate progress (0-8 pts)

Realistic and achievable timelines (0-7 pts)

Success of the project is defined and realistic (0-3 pts)

Obstacles are defined and accounted for (0-2 pts)

Are the project's benefits long-lasting? (0-2 pts)

### **Budget (Out of 25 total points)**

Well researched and explained (0-15 pts)

Detailed and comprehensive expenditures (0-7 pts)

Considers matching funds partnerships and possibility of partial funding (0-3 pts)

**The average of the Committee member's total scores will be the application's final score from the Committee.** Proposals must receive a **final** score of at least 50 points to be considered for the award.

~~In early November, Applicants with qualifying applications will be invited via email to a special November work session where Work Group members might ask clarifying questions of the Applicant. Applicants are encouraged to attend (ideally in person, though audio teleconference **virtual attendance** is also available) and be prepared to respond to council ~~committee member~~ questions. Each Applicant will be given five minutes to give a short presentation of their project. Applicants who are unable to attend due to special circumstances may request a separate meeting with the Work Group to present their project.~~

~~The EFG Work Group committee will present their recommendations to the full Council at the December Work Session. Applicants are encouraged to attend this meeting. **present your project (5 minutes)** and to answer any questions the full council may have. **If there are not questions for the Applicants, it will just be a listening session for the Applicants.**~~

~~The full council will vote to award funding at the December General Meeting. **If the council wishes to re-evaluate the recommendations of the Committee, they must use the same Scoring Criteria as the Committee.**~~

~~Final Council selection and award of grant funding will take place at the General Meeting the 2<sup>nd</sup> week of December.~~

### **APPLICATION MODIFICATION**

**Minor grant modifications that do not alter the goal of the project or cause expenses to exceed the awarded total will be considered. All modifications should be submitted to the City Administrator.**

### **REPORTING**

- a. Grant recipients are required to submit monthly progress reports until the final report is submitted. A final report is due by December 31<sup>st</sup> **of the following year.**
- b. A monthly progress report form will be included with the award letter. Monthly reports should describe the progress being made such as milestones met, objectives achieved, expenditures to date, etc.
- c. The final report will include a narrative of the project, copies of any materials or pictures the project team wants to share, the number of people ~~reached, or~~ served, by the project or its various elements, and a description of the project's outcomes. This report will be shared with the public.
- d. Ten percent (10%) of the grant funds will be withheld until the final report is received, **unless the Treasurer has granted an exception.**
- e. Unused materials, equipment, or items not used for the project purchased with grant funds, will require immediate reimbursement to the City.



**(Year) Endowment Fund Grant****Application Outline****1. Project Summary (1-2 paragraphs)**

Total Amount Requested \$ \_\_\_\_\_

Give a brief, general description of how the funds will be used.

**2. Brief Overview of Organization or Entity (1-2 pages)**

Provide details of your organization or group including:

- a. Contact Information and Tax ID
- b. Identification and qualification of key personnel involved with implementing the project
- c. Organization's or group's relevant experience with the project
- d. Partnerships and relationships with other key organizations or people involved with the project.

**3. Project Description (1-2 pages) (Selection criteria — up to 25 points)**

Explain the project using the following sections:

- a. Problem Statement—describe the need for the project including supporting documentation.
- b. Community Benefit—describe how this project will benefit Gustavus and its citizens. Who will it serve?
- c. Link to City's Goals—does this project **tie in to** the City's defined goals as stated in the Strategic Plan. How?
- d. Concluding Statement—summarize why this project should receive funding and why now? Have you demonstrated that you have the ability to **can** effectively manage the project?

**4. Project Goals and Objectives (1-3 pages) (Selection criteria — up to 25 points)**

Provide a timeline for the project. Include milestones with dates you intend to use to track progress for each goal, objective or action as appropriate. Identify required funding for each section of the project's development. How will success be measured? What activities, services or capital will result? What are the obstacles (besides funding)?

**5. Budget (1-2 pages) (Selection criteria — up to 25 points)**

**Narrative**—Provide 1-2 paragraphs describing funding partnerships, intended match use, other avenues of funding that have been explored, revenue generating aspects of the project and disposition of revenue, and strategy for funding project elements such as reimbursement, need for advance payment, etc.

**Partial Funding**—There is often not enough money available to fully **fund** all approved applications. If your proposal was partially funded, could you still be successful in any aspects of your project?

**Budget Detail**—Utilizing a Table or Spreadsheet, provide an itemized list of expenditures and the source(s) of purchase that will be funded by the requested grant, and how much match (funding from other sources). Group and prioritize in consideration of partial funding.



## Endowment Fund Grant Application

Individual Project Applicant — Please enter your information	
Name:	
Address:	
Contact Phone Number:	
Contact E-mail Address:	
Organization & Project Contact Information—Please enter your information (this portion does not need to be filled out for individual applicants.)	
Organization Name:	
EIN Number:	
Executive Director:	
Contact Name:	
Contact Title:	
Organization Address:	
Contact Phone Number:	
Contact E-mail Address:	
Website Address:	

Project Information Overview—Please provide the following information	
Date:	
Project Title:	
Duration of Project or Tentative Start and End Dates:	
List Committed and Potential/Anticipated Partners/Collaborators on Project, if any:	
Approximate Amount to be Requested :	
If applicable, Estimated Amount Committed, Requested or to be Requested from Other Sources:	
Estimated Total Project Amount:	

**Project Overview:** *Describe your project. Explain the current situation, the need for your project, and who in the community will benefit. How does this project tie into the City's Vision Statement?*

**Please answer the following questions:**

**Why is the project needed now?**

**Are the results long lasting?**

**Are there any obstacles and how do you plan to account for them?**

**Will the project need long term funding such as maintenance, supplies and upkeep and how will that be addressed at the end of the grant cycle?**

**Other information:** Please provide any additional information that you believe we should know about the project, yourself or your organization, (you are not required to fill out anything here).

## PROJECT INFORMATION, BUDGET AND TIMELINE

Please list the start and end date of major milestones and the responsible party. Please include additional pages if necessary.

[illegible]

**Additional Budget Information:**

Provide 1-2 paragraphs describing any possible funding partners or avenues for additional funding (e.g., matching funds, fundraising, private donations) that you have explored. Are there any aspects of the project that could be completed if were awarded partial funding?



**Budget Detail – Using the table below provide an itemized list of expenditures and what will be funded by the requested grant.**

[illegible]

Matching Funding(if applicable):

Sources of other funds –name and list each source of revenue	Expense/Purchase	Amount
<b>TOTAL</b>		\$



**Scoring Criteria**

<b>Project Description and Need (Out of 50 total points)</b>	
	<b>Score</b>
Well defined need for project (0-11 pts)	
Broad community benefit and definition of who benefits (0-10 pts)	
Link to City Vision Statement (0-5 pts)	
Description of why project is needed now? (0-2 pts)	
Defined objectives with milestones that demonstrate progress (0-8 pts)	
Realistic and achievable timelines (0-7 pts)	
Success of the project is defined and realistic (0-3 pts)	
Obstacles are defined and accounted for (0-2 pts)	
Are the project's results long-lasting? (0-2 pts)	
<b>Budget (Out of 25 total points)</b>	
	<b>Score</b>
Well researched and explained (0-15 pts)	
Detailed and comprehensive expenditures (0-7 pts)	
Considers matching funds partnerships and possibility of partial funding (0-3pts)	
	<b>Total</b>

**Section 4.15.100 Delinquency—Failure to submit return or to remit taxes—Assessments.**

- (a) Whenever the city administrator or city treasurer reasonably believes a return contains inaccurate reporting or whenever any seller has become delinquent in the submission of the required monthly return or in remitting sales taxes, there shall be mailed to the delinquent seller's last known address a written demand by certified mail, return receipt, requesting the submission of the corrected or required sales tax return and remittance within ten (10) days. In the event of non-compliance with such demand, the city administrator or city treasurer makes a sales tax assessment against the taxable revenue received by the seller during the monthly period in question. A copy of the assessment shall be sent to the seller at its last known address by certified mail, return receipt, which time the seller shall make available for examination the books, papers, records, and other requested documents at the city hall unless the city administrator or city treasurer authorizes the examination be conducted at a different location. The seller shall have a right to a hearing before the city administrator or city treasurer with documents pertaining to the revenue of the period involved in the assessment. The seller may exercise his right to a hearing by delivering to the city clerk within fifteen (15) days of the date the notice was mailed, a written request for a hearing. The city clerk shall establish a date and time for a hearing to be held within ten (10) days of receipt of the request, unless a later time is mutually agreeable. The person conducting the hearing shall issue an amended assessment if it is determined an amendment should be made. The amended assessment, or the original assessment, if no amendment is made within five (5) days of the hearing, shall be the final assessment for the purpose of determining the seller's liability to the city. If no timely request for a hearing is made, the original assessment shall be the final assessment thirty (30) days after the mailing of the notice of the original assessment unless the seller has submitted an accurate return within the thirty (30) days.
- (b) The city may file a civil action for collection of any taxes, penalty, or interest due before or after making a demand or assessment under subsection (a) of this section.

(Ord. No. FY20-14 , § 3, 4-13-2020)

## CITY OF GUSTAVUS POLICIES AND PROCEDURES

### Project Planning

#### POLICY

Project planning and development is a process of:

- identifying a need, issue, or worthy opportunity;
- collaborating within a department or committee and with other stakeholders to define project parameters and to assign and track tasks;
- **Should align with the city's priorities, and broader objectives, ensuring resources are effectively allocated;**
- generating and evaluating alternative strategies; and
- recommending one or more solutions.

In our community, many projects emanate from the Gustavus Community Strategic Plan, or from Department Heads, the Council or a committee, **the Capital Improvement Plan, or other project proposal.** ~~Annual Work Plan.~~

It is the policy of the City of Gustavus to follow careful planning procedures in order to:

- avoid financial, social, and environmental pitfalls;
- enable planning participants to identify a range of opportunities and solutions;
- include a set amount of time for public comment;
- capture the best value possible from the project;
- represent the City well to funding agencies; and
- implement objectives in a smooth and timely manner.

#### PROCEDURE

The following forms outline the basic procedures for project planning in the City of Gustavus:

Attachment ~~A~~ **C**: **City of Gustavus Project ~~Nomination~~ Development form; Short Form**

Attachment B: **City of Gustavus Project ~~Seoping and~~ Development Form; Long Form**

~~Attachment C A: Project Planning and Approval Process Flow Chart~~

~~For all projects of \$5,000 or greater, please complete either attachment ~~A or B or C~~ depending on the complexity of the project. More complex projects should utilize Attachment B. The Council may request the completion of the Attachment B at any time. Not all questions on the forms may be applicable to a given project. Planners shall address all relevant questions.~~

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**All projects may start as a Project Development Short Form, however the Project**

Attachment: P/P Project Planning

City of Gustavus, Alaska  
Resolution CY18-14  
Page 2 of 9

Development Long Form will be used ~~in~~ for more complex projects. Complex projects criteria may include projects with multiple phases, many years include long term plans, require significant funding or will have great-broad impact.

If your project is to be submitted for Capital Improvement Plan (CIP) consideration, please keep in mind that the CIP will not be published until the end of September. Legislative funding (if any) would not be available until July of next year (or later) for state funding and October of next year (or later) for federal funding.

~~If outside funding is necessary, please see Policy on Submission of Grant Proposals and Capital Requests of \$5,000 or Greater.~~

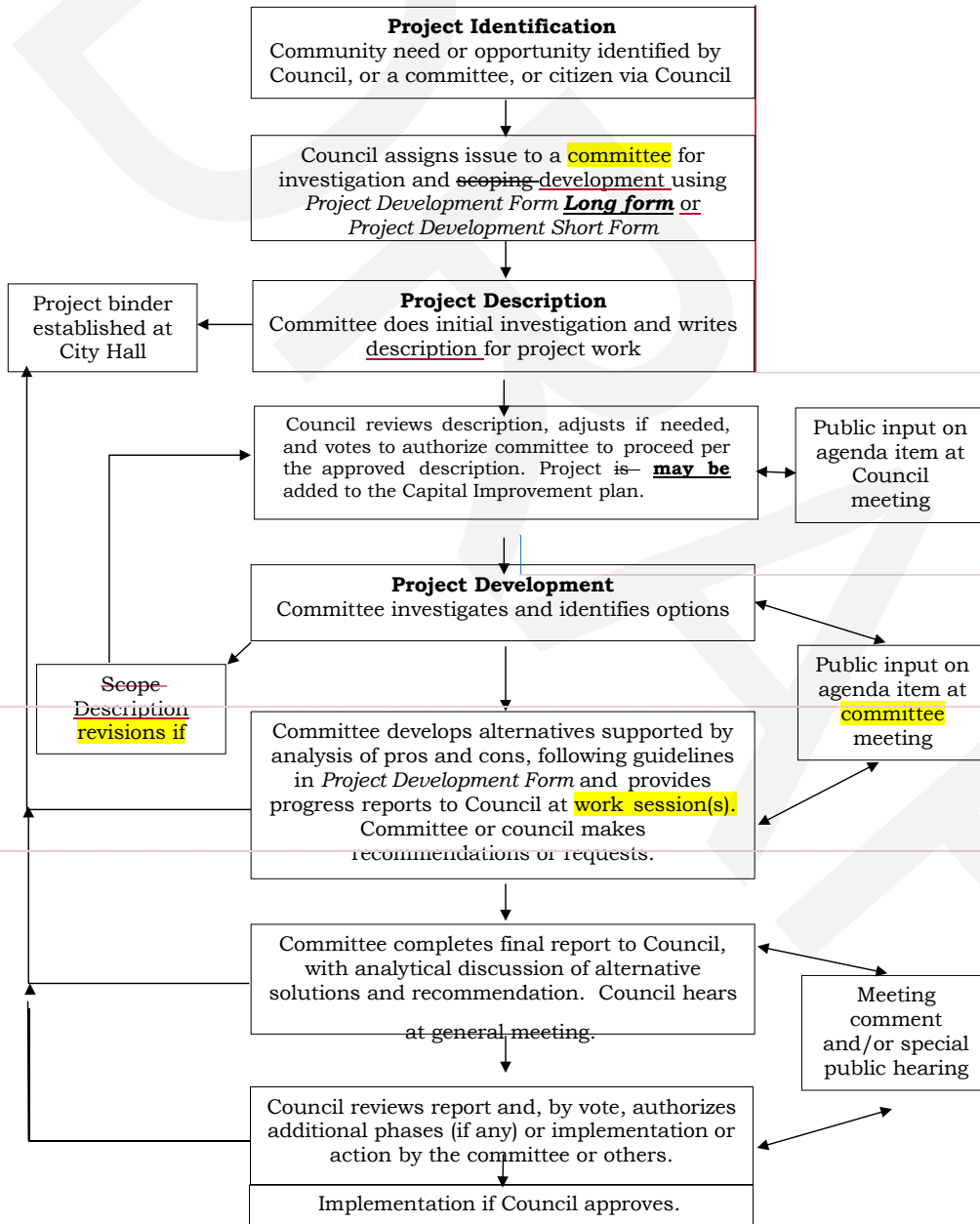
**The City Clerk will attach all public comments received on Project Development Forms along with the plan for presentation to the City Council for approval.**

These procedures do not address project management.

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**Project Planning: Attachment A –  
Project Planning and Approval Process Flow Chart**  
(We are deleting this entire page)



**Commented [LB1]:** Project added to CIP - I added work maybe but I believe this should be done after approved after implementation is approved...?

**Commented [KL2R1]:** It can be after or along with CIP discussion

**Commented [LB3]:** Should this be broader than just committee; or are we going to actually assign committees to all project development processes (seems excessive)

**Commented [KL4R3]:** No. I tried to update that since we are updating ordinances to remove reference to committees. This won't seem to allow me to enable editing.

**Commented [LB5]:** Description revisions if.....if what???

**Commented [KL6R5]:** ...made by council?

**Commented [LB7]:** Progress reports at work session? Do we want to keep that or make it GM?

**Commented [KL8R7]:** We need to discuss how a committee may play into this whole process anymore.

**Project Planning: Attachment B**  
**City of Gustavus**  
**PROJECT DEVELOPMENT LONG FORM**

**If your project is less than \$15,001 see Project Development Short Form.**

**The Project Development Long Form is to be used ~~in~~ for more complex projects. Complex projects ~~criteria may~~ include projects with multiple phases, many years ~~include long term plans~~, require significant funding or will have ~~great-broad~~ impact.**

**If your project is not complex fill out the Project Development Short Form. For further information please read the policy and procedure.**

This form is to be used to document project planning and approval in order to assure that: project options are well-considered; the best option is put forward; initial and continuing costs and funding are addressed; and that Council approval has been given for implementation. Use this Project Development Long Form with the Project Planning and Approval Process ~~Flow Chart~~.

Answer the questions that pertain to your proposed project. Attach additional narrative pages if necessary. Type in the electronic form using as much space as you feel is necessary.

**Part 1. Project Identification**

Name of project: \_\_\_\_\_

Committee:\_\_\_\_\_ Committee Contact:\_\_\_\_\_

E-mail:\_\_\_\_\_ Phone: \_\_\_\_\_

Date of form submission: \_\_\_\_\_

**Part 2. Project Description** refers to a project's size, goals, and requirements. It identifies what the project is supposed to accomplish and the estimated budget (of time and money) necessary to achieve these goals.

1. What is the project?

- What are the project's goals ~~and objectives~~? Goals are general guidelines that explain what you want to achieve.
- What are the project's objectives? Objectives define strategies or implementation steps to attain the identified goals. These should be specific and measurable and have defined completion dates.
- Who/ what will be aided by this project? Who are the targeted stakeholders/customers?
- ~~Is a preliminary survey necessary to identify the number of potential customers/users? If so, how will you design and conduct the survey?~~
- **How will you identify they number of potential customers/users/affected parties?**
- What is NOT covered by this project? What are its boundaries?

2. Why is the project needed?

Attachment: P/P Project Planning

City of Gustavus, Alaska  
 Resolution CY25-xx  
 Page 5 of 9

- What community problem, need, or opportunity will it address?
- What health, safety, environmental, compliance, infrastructure, or economic problems or opportunities does it address?

3. Where did the idea for this project originate?(Public comments, Council direction, committee work?)

4. Is this project part of a larger plan? ~~(For example, the Gustavus Community Strategic Plan, or committee Annual Work Plan?)~~

5. What is your timeline for project planning?

- By when do you hope to implement the project?
- Will the planning or final project occur in phases or stages?

6. What is your budget for the planning process? Will you be using a consultant?

7. What is your rough estimate of the total cost of the planning and final product? At the least, please list cost categories. See Part 4. (Ques. 4-8) and Part 5(Budget) for guidance.

### Parts 3.6. Project Investigation and Development

Parts 3.-6. refer to social, environmental, and financial impacts of various options. These questions will help you document your consideration of alternatives and your choice of the option providing the best value for the community. Your goal is to generate alternatives and make a recommendation from among them. Return to Part 3., "Summary" after completing Parts 4.-6.

#### Summary:

1. What alternative approaches or solutions were considered? Make a business case for your top two or three options by discussing how effectively each would fulfill the project goals, and by comparing the economic, social, and environmental costs vs. benefits of each one.

2. What solution was chosen as the best and why is it the best?

3. Identify your funding source(s) .

- How will the project be funded initially, and for its operating life?
- Is there a matching fund requirement? Please provide details.

### Part 4. Environmental, Social, Financial Impacts

1. Project Impacts/Benefits Checklist

Will this project affect:	No	Yes (+/-)	Maybe
<b>Environmental quality?</b> <b>Indicate No or Maybe with an X.</b> <b>Indicate Yes with + if impact is beneficial;</b> <b>Indicate Yes with - if impact is harmful</b>			
<b>00. Climate change</b>			
<b>01. Streams/groundwater quality</b>			
<b>02. Air quality</b>			
<b>03. Soils/land quality</b>			

<b>04.</b> Fish/wildlife habitat, populations			
<b>05.</b> PFAS soil or water contamination			
<b>06.</b> Plant Resources (timber, firewood, berries,			
<b>07.</b> Invasive or pest species			
<b>08.</b> Natural beauty of landscape or			
<b>09.</b> Neighborhood character			
<b>10.</b> Noise or other environmental impacts			
<b>11.</b> Environmental sustainability			
Will this project affect:	No	Yes (+/-)	Maybe
<b>12.</b> Hazardous substances use			
<b>13.</b> Community waste stream			
<b>14.</b> Light pollution at night			
Recreational opportunities?			
<b>15.</b> Public land use and access			
<b>16.</b> Trails/waterways			
<b>17.</b> Parks			
<b>18.</b> Public assembly/activities			
<b>a.</b> Education/training/knowledge & skill			
<b>b.</b> Public safety?			
<b>c.</b> Public health?			
<b>d.</b> Medical services?			
<b>e.</b> Emergency response?			
<b>f.</b> Economic performance & sustainability?			
<b>19.</b> Employment of residents			
<b>a.</b> Short-term (i.e. construction)			
<b>b.</b> Long-term (operating and maintenance)			
<b>20.</b> Cost of living reduction			
<b>21.</b> Return on investment			
<b>22.</b> Visitor			
<b>23.</b> Competitive business environment			
<b>24.</b> Support for existing businesses			
<b>25.</b> New business opportunities			
<b>26.</b> Economic sustainability			
<b>27.</b> Attractiveness of City			
City government performance?			
<b>28.</b> Infrastructure			
<b>29.</b> Existing services			
<b>30.</b> New services			
<b>31.</b> Cost of City services			
<b>32.</b> Tax income to City			
Transportation?			
<b>33.</b> Air			
<b>34.</b> Water			
<b>35.</b> Roads			

<b>Communications?</b>			
<b>36.</b> Internet			
<b>37.</b> Phone			
<b>38.</b> TV/radio			
<b>Other?</b> (type in)			

2. How does this project provide benefits or add value in multiple areas? (e.g., benefits both to the environment and to business performance.)
3. Are other projects related to or dependent on this project?
  - Is this project dependent on other activities or actions?
  - If yes, describe projects, action or activities specifying phases where appropriate.
4. Will the project require additional infrastructure, activity, or staffing outside the immediate department or activity? (E.g., will the construction of a new facility require additional roads or road maintenance or more internal City staffing?)
5. If the soil or water is **affected negatively what mitigation measures do you propose?**
6. What regulatory permits will be required and how will they be obtained?
7. What are the estimated initial (e.g., construction or purchase) and continuing operational costs of the project?
8. Is an engineering design or construction estimate necessary?
9. Will operation of the project generate any revenue for the City such as sales, user fees, or new taxes? If so, how will the new revenue be collected?
10. **If this impacts a neighborhood or subdivision, how will you notify the affected parties?**

#### Part 5. Project Budget

Proposed Budget Line Items

Construction project Budget estimate	Cost	Operational budget estimate (annual)	Cost
Administrative	\$	Personnel	\$
Project management	\$	Benefits	\$
Land, structures, ROW, easements	\$	Training	\$
Engineering work	\$	Travel	\$
Permitting, inspection	\$	Equipment	\$
Site work	\$	Contractual	\$
Demolition and construction	\$	Supplies	\$
Waste disposal	\$	Utilities	\$
Equipment	\$	Insurance	\$
Freight	\$	Repair & maintenance	\$
Contingencies	\$	Other (list)	\$

Other (list)	\$	Other (list)	\$
Other (list)		Total direct costs	\$
		Indirect costs	\$
		Income (fees, taxes)	\$
		Balance: costs-income	\$

#### Part 6. Jobs and Training (required by some granting agencies)

1. What service jobs will be needed for operation and maintenance?
2. How many full-time, permanent jobs will this project create or retain?  
\_\_\_\_\_ Create/retain in 1-3 years  
\_\_\_\_\_ Create/retain in 3-5 years
3. What training is necessary to prepare local residents for jobs on this project?
4. How many local businesses will be affected by this project and how?

#### Part 7. Business Plan (Upon Council request)

Upon Council request, please prepare a business plan for the operating phase of your leading option(s). Plans will differ according to the nature of the project.

There are a number of good Internet sites that will assist you in developing a business plan.

One example (05/2018) is: <http://va-interactive.com/tools/business-plan.html> -

<https://www.sba.gov/business-guide/plan-your-business/write-your-business-plan>

Basic components of a business plan:

- The Product/Service
- The Market
- The Marketing Plan
- The Competition
- Operations
- The Management Team
- Personnel

**Commented [LB9]:** No longer a useful site

**Commented [KL10R9]:** This might help.  
<https://www.sba.gov/business-guide/plan-your-business/write-your-business-plan>

Or we can just suggest that there are many sites and even AI to assist in developing a plan. We could even remove the component list on this form.

#### Part 8. Record of Project Planning and Development Meetings

1. Please document the manner in which public input was received.
  - Public comment on agenda item at committee or Council meeting
  - Special public hearing **if applicable**
  - Dates and attendance for the above.
  - Written comment from the public (please attach)

**Commented [LB11]:** Part 8 Rename section ? - use this section to track public notification methods and input? This could be a narrative section. The table below is to be used by clerk to track when project was brought before council and any action taken. That is separate from part 8.

**Commented [KL12]:** If this is not a requirement, we should state - if applicable. Or remove chart and just have a brief narrative. I think this is here because of previous committees that no longer exist.

#### FOR CLERK OFFICE USE ONLY

- ~~2. Please use the following chart to document committee meetings, Council reports, and so on. Did the committee make recommendations or requests? Did the Council make requests of the committee?~~

#### Meeting Record

Attachment: P/P Project Planning

City of Gustavus, Alaska  
Resolution CY25-xx  
Page 9 of 9

<del>Event (meeting of committee, Council report, public- hearing, etc.)</del> <b>Council Meeting or Public Hearing</b>	Date	Agenda Posted (date)	Minutes or record Attached? (yes/no)	Outcome: <del>rec. to Council, requested action of Council, etc.</del> <b>Approved, sent to committee, postponed, etc.</b>	Number of attendees

**Part 9. Feedback to the Council**

~~With the understanding that this form must be adapted to a variety of projects, please provide  
feedback on how the form worked for your committee. Thank you for your suggestions.~~

**Footer (to be added)**

Submitted by: \_\_\_\_\_ Meeting Date: XX-XX-202X Approved \_\_\_\_ Not Approved \_\_\_\_

Attachment: P/P Project Planning

City of Gustavus, Alaska  
Resolution CY25-xx  
Page 10 of



## Project Planning: Attachment-C-A

## City of Gustavus

## PROJECT NOMINATION DEVELOPMENT SHORT FORM

# City of Gustavus Capital Improvement Plan Project Nomination Short Form

Project Eligibility: **All projects may start as a Project Development Short Form. Project Development Long Form will be used in more complex projects. Complex projects are to include projects with multiple phases, many years, or will have great impact. For more information please see the policy and procedure.**

Does the proposed project represent a ~~major~~ nonrecurring expense? YES ☐ NO ☐

**If no, please fill out the additional Project Budget section of this form.**

Will the proposed project result in a fixed asset (e.g., land, major equipment, building or other structure, road or trail) with an anticipated life of at least two years? YES ☐ NO ☐

Will the project provide broad community benefit? YES ☐ NO ☐

If you were able to answer ~~YES to all three~~ **any of the** questions, please provide the following additional information:

1. Project title (~~Suggested heading in CIP~~):

Project description and benefit. Describe the project in half a page or less, including specific features, stages of construction, etc. Explain how the project will benefit the Gustavus community. **How will you identify the number of potential customers/users/affected parties?**

2. Plans and progress. Describe in one or two paragraphs what has been accomplished so far (if anything). This may include feasibility study, conceptual design, final design/engineering/permitting, fundraising activity, and total funds raised to date.

3. Project cost:

A. TOTAL COST (including funds already secured) = \$\_\_\_\_

B. For construction projects, break out preconstruction costs (feasibility/design/permitting):

Preconstruction costs = \$\_\_\_\_\_ Construction costs = \$\_\_\_\_\_

4. Timeline: Indicate when you hope to complete each phase of the project.

~~Please keep in mind that the CIP will not be published until the end of September. Legislative funding (if any) would not be available until July of next year (or later) for state funding and October of next year (or later) for federal funding.~~

Attachment: P/P Project Planning

City of Gustavus, Alaska  
Resolution CY25-xx  
Page 11 of

**Commented [LB13]:** How do we want to rephrase this since they can answer no to q1 and still fill out the form

**Commented [KL14R13]:** Suggest - If you answered yes to any of the above questions, please provide the following additional information.

**Commented [LB15]:** Not sure if this is the section to add from the first page of the long form about community effects.

- A. For projects that consist of land or equipment purchase only, state when the purchase would be made:

\_\_\_\_\_

For construction projects:

- B. Preconstruction phase to be completed by\_\_\_\_\_.

- C. Construction phase to be completed by\_\_\_\_\_.

5. Provide a quality digitized photo, drawing, map, or other graphic image of your project if possible.
6. Date and name of person submitting form.

**Project Budget – Only complete if there will be a major reoccurring expense.**

Proposed Budget Line Items

Construction project Budget estimate	Cost	Operational budget estimate (annual)	Cost
Administrative	\$	Personnel	\$
Project management	\$	Benefits	\$
Land, structures, ROW, easements	\$	Training	\$
Engineering work	\$	Travel	\$
Permitting, inspection		Equipment	\$
Site work	\$	Contractual	\$
Demolition and construction	\$	Supplies	\$
Waste disposal	\$	Utilities	\$
Equipment	\$	Insurance	\$
Freight	\$	Repair & maintenance	\$
Contingencies	\$	Other (list)	\$
Other (list)	\$	Other (list)	\$
Other (list)		Total direct costs	\$
		Indirect costs	\$
		Income (fees, taxes)	\$
		Balance: costs-income	\$

**Footer (to be added)**

Submitted by: \_\_\_\_\_ Meeting Date: XX-XX-202X Approved \_\_\_\_\_ Not Approved \_\_\_\_\_

Attachment: P/P Project Planning

City of Gustavus, Alaska  
Resolution CY25-xx  
Page 12 of

DRAFT

Attachment: P/P Project Planning

City of Gustavus, Alaska  
Resolution CY25-xx  
Page 13 of



# CITY OF GUSTAVUS CITY COUNCIL GENERAL MEETING

Monday, June 09, 2025 at 7:00 PM  
Gustavus City Hall

Item #vi.

## COUNCIL MEMBERS

Mayor Sally McLaughlin  
Vice Mayor Shelley Owens  
Council Members: Susan Warner, Geoff Fosse,  
Jim Kearns, Lucas Beck, Mike Taylor

## CITY HALL

City Administrator – Kathy Leary  
City Clerk – Liesl Barker  
City Treasurer – Ben Sadler  
Phone: 907-697-2451 | [clerk@gustavus-ak.gov](mailto:clerk@gustavus-ak.gov)

## AGENDA

### VIRTUAL MEETING INFORMATION

**ID:** 515 501 9406

**PASSCODE:** XXXXXXXX

**TEL:** 253-215-8782

### ROLL CALL

**Reading of the City of Gustavus Mission Statement**

### APPROVAL OF MINUTES

- [1.](#) 05-12-2025 General Meeting Minutes

### MAYOR'S REQUEST FOR AGENDA CHANGES

### COMMITTEE / STAFF REPORTS

2. Conservation Lands Advisory Committee Quarterly Report
3. Gustavus Visitors Association Quarterly Report
4. Library Quarterly Report
5. City Treasurer Monthly Report
6. City Administrator Monthly Report

### PUBLIC COMMENT ON NON-AGENDA ITEMS

### CONSENT AGENDA

- [7.](#) FY25-XX Ordinance providing for the amendment of Title 4 Chapter 13 Section 110 Grant Awards
- [8.](#) FY25-XXNCO Ordinance providing for the amendment of the City held accounts in fiscal year 2026
- [9.](#) FY25-XXNCO Ordinance providing for the amendment of the City held accounts in fiscal year 2026

### ORDINANCE FOR PUBLIC HEARING

- [10.](#) FY25-25 Providing for the amendment of Title 1 Chapter 2 Section 030 ordinance procedure (Introduction 05-12-2025)
- [11.](#) FY25-26NCO Ordinance providing for the establishment and adoption of the budget for Fiscal Year 2026 (Introduction 05-12-2025)

### UNFINISHED BUSINESS

### NEW BUSINESS

12. Motion to Write-Off Ambulance Bad Debt from fiscal year 2023 for a total of \$1,965.00.

13. Approve Gravel Pit Scoping Document

14. Approve Gravel Pit Contract

15. CY25-XX Resolution pertaining to the authorized investments of and establishing appropriate benchmarks to measure performance of the City's Endowment Funds

16. CY25-XX Resolution establishing policy and procedure for city committees and repealing resolution CY19-20 City Advisory Committees

### **CITY COUNCIL REPORTS**

17. Mayor Monthly Report

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

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

### **EXECUTIVE SESSION**

### **ADJOURNMENT**

**POSTED ON:** Month Day, 202X 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.*

### **MISSION STATEMENT**

The City of Gustavus is a distinctive Alaskan City that provides high quality public services in a thoughtful, cost effective and professional manner to sustain a safe, beautiful tolerant environment to live, work, and play with respect for individual freedom and each other.



# CITY OF GUSTAVUS CITY COUNCIL GENERAL MEETING

Monday, May 12, 2025 at 7:00 PM  
Gustavus City Hall

Item #vi.

## COUNCIL MEMBERS

Mayor Sally McLaughlin  
Vice Mayor Shelley Owens  
Council Members: Susan Warner, Geoff Fosse,  
Jim Kearns, Lucas Beck, Mike Taylor

## CITY HALL

City Administrator – Kathy Leary  
City Clerk – Liesl Barker  
City Treasurer – Ben Sadler  
Phone: 907-697-2451 | [clerk@gustavus-ak.gov](mailto:clerk@gustavus-ak.gov)

## MINUTES - PENDING

### VIRTUAL MEETING INFORMATION

<https://tinyurl.com/mr2ptp8y>

ID: 515 501 9406

PASSCODE: 2145

TEL: 253-215-8782

### ROLL CALL

#### PRESENT

Mayor Sally McLaughlin  
Vice Mayor Shelley Owens  
Council Member Susan Warner  
Council Member Lucas Beck  
Council Member Mike Taylor  
Council Member James Kearns

#### ABSENT

Council Member Geoff Fosse (unexcused)



### Reading of the City of Gustavus Mission Statement

Mission Statement read by Council Member Kearns.

### APPROVAL OF MINUTES

- 04-14-2025 General Meeting Minutes

Motion made by Vice Mayor Owens to approve by unanimous consent the 04-14-2025 Meeting Minutes.

Seconded by Council Member Warner

Public Comment: None

Council Comment: None

Hearing no objections, the 04-14-2025 General Meeting Minutes were approved by unanimous consent.

### MAYOR'S REQUEST FOR AGENDA CHANGES

City of Gustavus, Alaska  
City Council General Meeting Minutes - PENDING  
May 12, 2025  
Page 1 of 9

There were no agenda changes.

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

### **COMMITTEE / STAFF REPORTS**

2. Policy Advisory Committee (Endowment Fund) Monthly Report

Policy Advisory Committee member, Lucas Beck provided an oral report. The Policy Advisory Committee, secretary, Sandi Marchbanks submitted a written report.

Council Clarifying Questions: None

3. Disposal and Recycling Center Quarterly Report

Disposal and Recycling Center Manager/Operator, Ian Barrier submitted a written report and provided an oral summary.

Clarifying Questions:

Council Member Warner

Mayor McLaughlin

4. Marine Facilities Quarterly Report

Marine Facilities Coordinator, Kenn Magowan submitted a written report and provided an oral summary.

Clarifying Questions: None

5. City Treasurer Monthly Report

City of Gustavus City Treasurer, Ben Sadler provided monthly financial documents and gave an oral summary.

Clarifying Questions:

Council Member Warner

6. City Administrator Monthly Report

City of Gustavus City Administrator, Kathy Leary provided a written report and provided an oral report.

Clarifying Questions:

Vice Mayor Owens

Council Member Taylor

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

Justin Marchbanks - request for City Council to take action on businesses not remitting taxes

### **CONSENT AGENDA**

None

**ORDINANCE FOR PUBLIC HEARING**

7. FY25-14 Ordinance to repeal and replace 2.40.150 Committees (Introduced 4/14/2024)

Point of order by Clerk Barker - A summary is provided, then public hearing, then the motion. - Well taken.

Mayor McLaughlin opened the public hearing at 7:30 PM.

Public Testimony: None

Mayor McLaughlin closed the public hearing at 7:30 PM.

Motion made by Council Member Warner to approve FY25-14 Ordinance to repeal and replace 2.40.150 Committees.

Seconded by Vice Mayor Owens

Council Debate: None

Voting Yea: Mayor McLaughlin, Vice Mayor Owens, Council Member Warner, Council Member Beck, Council Member Taylor, Council Member Kearns

6 yea/ 0 nay

Motion Passed.

8. FY25-15 Amendment of Title 1 Chapter 1 Section 020 Definitions (Introduced 04-14-2025)

Mayor McLaughlin opened the public hearing at 7:32 PM.

Public Testimony: None

Mayor McLaughlin closed the public hearing at 7:32 PM.

Motion made by Council Member Kearns to approve FY25-15 Amendment of Title 1 Chapter 1 Section 020 Definitions.

Seconded by Council Member Taylor

Council Debate: None

Voting Yea: Mayor McLaughlin, Vice Mayor Owens, Council Member Warner, Council Member Beck, Council Member Taylor, Council Member Kearns

6 yea/ 0 nay

Motion Passed.

9. FY25-16 Amendment of Title 2 Chapter 10 Section 020 Qualifications (Introduced 04-14-2025)

Mayor McLaughlin opened the public hearing at 7:33 PM.

Public Testimony: None

Mayor McLaughlin closed the public hearing at 7:34 PM.

Motion made by Council Member Beck to approve FY25-16 Amendment of Title 2 Chapter 10 Section 020 Qualifications.

Seconded by Vice Mayor Owens



Council Debate: None

Voting Yea: Mayor McLaughlin, Vice Mayor Owens, Council Member Warner, Council Member Beck, Council Member Taylor, Council Member Kearns

6 yea/ 0 nay

Motion Passed.

10. FY25-17 Amendment of Title 2 Chapter 20 Section 020 Qualifications of Council Members (Introduced 04-14-2025)

Mayor McLaughlin opened the public hearing at 7:35 PM.

Public Testimony: None

Mayor McLaughlin closed the public hearing at 7:35 PM.

Motion made by Council Member Kearns to approve FY25-17 Amendment of Title 2 Chapter 20 Section 020 Qualifications of Council Members.

Seconded by Council Member Warner

Council Debate: None

Voting Yea: Mayor McLaughlin, Vice Mayor Owens, Council Member Warner, Council Member Beck, Council Member Taylor, Council Member Kearns

6 yea/ 0 nay

Motion Passed.

11. FY25-18 Amendment of Title 6 Chapter 01 Section 030 Library Advisory Committee (Introduced 04-14-2025)

Mayor McLaughlin opened the public hearing at 7:37 PM.

Public Testimony: None

Mayor McLaughlin closed the public hearing at 7:37 PM.

Motion made by Vice Mayor Owens to approve FY25-18 Amendment of Title 6 Chapter 01 Section 030 Library Advisory Committee.

Seconded by Council Member Beck

Council Debate: None

Voting Yea: Mayor McLaughlin, Vice Mayor Owens, Council Member Warner, Council Member Beck, Council Member Taylor, Council Member Kearns

6 yea/ 0 nay

Motion Passed.

12. FY25-19 Amendment of Title 6 Chapter 03 Section 050 Staff (Introduced 04-14-2025)

Mayor McLaughlin opened the public hearing at 7:38 PM.

Public Testimony: None

Mayor McLaughlin closed the public hearing at 7:38 PM.

Motion made by Council Member Kearns to approve FY25-19 Amendment of Title 6 Chapter 03 Section 050 Staff.

Seconded by Council Member Warner

Council Debate: None

Voting Yea: Mayor McLaughlin, Vice Mayor Owens, Council Member Warner, Council Member Beck, Council Member Taylor, Council Member Kearns

6 yea/ 0 nay

Motion Passed.

13. FY25-20 Repeal of Title 6 Chapter 04 Section 030 Roads Advisory Committee (Introduced 04-14-2025)

Mayor McLaughlin opened the public hearing at 7:40 PM.

Public Testimony: None

Mayor McLaughlin closed the public hearing at 7:40 PM.

Motion made by Council Member Taylor to approve FY25-20 Repeal of Title 6 Chapter 04 Section 030 Roads Advisory Committee.

Seconded by Council Member Warner

Council Debate: None

Voting Yea: Mayor McLaughlin, Vice Mayor Owens, Council Member Warner, Council Member Beck, Council Member Taylor, Council Member Kearns

6 yea/ 0 nay

Motion Passed.

14. FY25-21 Repeal of Title 6 Chapter 08 Section 040 Environmental Advisory Committee (Introduced 04-14-2025)

Mayor McLaughlin opened the public hearing at 7:41 PM.

Public Testimony: None

Mayor McLaughlin closed the public hearing at 7:41 PM.

Motion made by Council Member Kearns to approve FY25-21 Repeal of Title 6 Chapter 08 Section 040 Environmental Advisory Committee.

Seconded by Council Member Warner

Council Debate: None

Voting Yea: Mayor McLaughlin, Vice Mayor Owens, Council Member Warner, Council Member Beck, Council Member Taylor, Council Member Kearns

6 yea/ 0 nay

Motion Passed.

15. FY25-22 Repeal of Title 8 Chapter 02 Section 040 Marine Facilities Advisory Committee (Introduced 04-14-2025)

Mayor McLaughlin opened the public hearing at 7:42 PM.

Public Testimony: None

Mayor McLaughlin closed the public hearing at 7:43 PM.

Motion made by Council Member Beck to approve FY25-22 Repeal of Title 8 Chapter 02 Section 040 Marine Facilities Advisory Committee.

Seconded by Council Member Warner

Council Debate: None

Voting Yea: Mayor McLaughlin, Vice Mayor Owens, Council Member Warner, Council Member Beck, Council Member Taylor, Council Member Kearns

6 yea/ 0 nay

Motion Passed.

16. FY25-23 Amendment of Title 10 Chapter 01 Section 010 Definitions (Introduced 04-14-2025)

Mayor McLaughlin opened the public hearing at 7:43 PM.

Public Testimony: None

Mayor McLaughlin closed the public hearing at 7:44 PM.

Motion made by Council Member Warner to approve FY25-23 Amendment of Title 10 Chapter 01 Section 010 Definitions.

Seconded by Vice Mayor Owens

Council Debate: None

Voting Yea: Mayor McLaughlin, Vice Mayor Owens, Council Member Warner, Council Member Beck, Council Member Taylor, Council Member Kearns

6 yea/ 0 nay

Motion Passed.

17. FY25-24NCO Amendment of the City held accounts in fiscal year 2025 (Introduced 04-14-2025)

Mayor McLaughlin opened the public hearing at 7:45 PM.

Public Testimony: None

Mayor McLaughlin closed the public hearing at 7:46 PM.

Motion made by Council Member Kearns to approve FY25-24NCO Amendment of the City held accounts in fiscal year 2025.

Seconded by Council Member Taylor

Council Debate:

City Administrator Leary

Council Member Kearns

Voting Yea: Mayor McLaughlin, Vice Mayor Owens, Council Member Warner, Council Member Beck, Council Member Taylor, Council Member Kearns

6 yea/ 0 nay

Motion Passed.

## UNFINISHED BUSINESS

Item #vi.

None

## NEW BUSINESS

18. CY25-10 A resolution amending policy and procedure for a regular position employee performance evaluation  
Motion made by Council Member Kearns to approve CY25-10 A resolution amending policy and procedure for a regular position employee performance evaluation.  
Seconded by Council Member Warner  
Public comment: None  
Council debate: None  
Voting Yea: Mayor McLaughlin, Vice Mayor Owens, Council Member Warner, Council Member Beck, Council Member Taylor, Council Member Kearns  
6 yea/ 0 nay  
Motion Passed.
19. FY25-25 Providing for the amendment of 1.02.030 ordinance procedure (Public Hearing 06-09-2025)  
Motion made by Vice Mayor Owens to introduce FY25-25 Providing for the amendment of 1.02.030 ordinance procedure.  
Seconded by Council Member Kearns  
Public Comment: None  
Council Debate: None  
Voting Yea: Mayor McLaughlin, Vice Mayor Owens, Council Member Warner, Council Member Beck, Council Member Taylor, Council Member Kearns  
6 yea/ 0 nay  
Motion Passed.
20. FY25-26NCO Budget for Fiscal Year 2026 (Public Hearing 06-09-2025)  
Motion made by Council Member Taylor to introduce FY25-24NCO Budget for Fiscal Year 2026.  
Seconded by Vice Mayor Owens  
Motion by Mayor McLaughlin to amend motion to read "to introduce FY25-26NCO Budget for Fiscal Year 2026" by unanimous consent.  
Seconded by Kearns  
Hearing no objections the motion passed by unanimous consent.  
Back to main motion as amended  
Public Comment: None  
Council Debate:

Council Member Warner

City Treasurer Sadler

Vice Mayor Owens

Mayor McLaughlin

Voting Yea: Mayor McLaughlin, Vice Mayor Owens, Council Member Warner,  
Council Member Beck, Council Member Taylor, Council Member Kearns

6 yea/ 0 nay

Motion Passed.

### **CITY COUNCIL REPORTS**

Vice Mayor Owens- Provided a brief summary of the CERT training she attended.

#### **21. Mayor Monthly Report**

Mayor McLaughlin submitted a written report and provided an oral summary.

Clarifying Questions:

Council Member Warner

Mayor McLaughlin

Council Member Kearns

Council Member Taylor

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

Council Member Taylor - appreciation of local business' letter about taxes

Council Member Warner - Beach Meadows Photo Contest

City Administrator Leary - business taxes

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

None

### **EXECUTIVE SESSION**

None

### **ADJOURNMENT**

With no further business and hearing no objections, the meeting was adjourned at 8:15 PM.

**POSTED ON:** May 7, 2025 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.*

MISSION STATEMENT

*The City of Gustavus is a distinctive Alaskan City that provides high quality public services in a thoughtful, cost effective and professional manner to sustain a safe, beautiful tolerant environment to live, work, and play with respect for individual freedom and each other.*

\_\_\_\_\_  
Sally A. McLaughlin, Mayor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Attest: Liesl M. Barker, City Clerk

\_\_\_\_\_  
Date

**CITY OF GUSTAVUS  
ORDINANCE FY25-XX**

**AN ORDINANCE FOR THE CITY OF GUSTAVUS PROVIDING FOR THE AMENDMENT OF  
TITLE 4 CHAPTER 13 SECTION 110 GRANT AWARDS.**

**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 provisions 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 4 Chapter 13 Section 110 to be amended as follows :

**Bold and Underlined** items are additions. Strikeout items are deletions.

TITLE 4 – Revenue and Finance

Chapter 4.13 – Gustavus Endowment Fund

Section 4.13.110 – Grant awards

- (a) The city council will develop and maintain an Endowment Fund Grant Policy and Procedure which will include a means of determining the amount available for dispersal, grant application process and form, application schedule, evaluation criteria, payment process and other pertinent information to further address the following:
- (b) By July 31 of each year, the city council shall determine the average annual market value (AAMV) of the fund. Up to three (3) percent of the AAMV of the fund may be added to the portion of the fund designated "available for grants," provided that the inflation adjusted principal of the fund is maintained.
- (c) Eligible recipients: Grants may be awarded to city departments, non-governmental organizations within the City of Gustavus, or other local entities whose proposals the city council deems worthy based on criteria outlined in in the Endowment Fund Grant Policy and Procedure. At least one applicant for each project must be at least ~~sixteen~~ **(16) eighteen (18)** years of age and a Gustavus resident. All applicants must be current on city taxes (if applicable).
- (d) Eligible purposes: Capital outlays, grant matching funds, and projects of broad community value may be funded in accordance with the Endowment Fund Grant Policy and Procedure.
- (e) Solicitation of proposals: The city council shall establish a procedure and timeline for soliciting proposals for community needs desiring funding. Proposals should, at minimum, include a written justification of need, explanation of benefits, and itemized

budget showing how the funds will be spent in accordance with the Endowment Fund Grant Policy and Procedure.

- (f) (f) Awards of grants: The city council, after due public input, shall decide by roll call vote which, if any, of the submitted proposals receive funding and in what amount, up to the total "available for grants." Any amount "available for grants" but not appropriated shall be carried forward as "available for grants" the following year. The council shall notify the investment advisor, if any, of the timeline for withdrawals from the fund.
- (g) Payments: The treasurer may make withdrawals from the fund as needed to pay for appropriated grants. Payment may be reimbursable or direct-to-third party basis as needed to assure the grant is used for the intended purpose. Payments may be made in advance in special circumstances.
- (h) Follow-up report: The grantee shall submit to the council, no later than one (1) year after the date of the award, a report describing the progress of award expenditure and evaluation of results. This report shall include, if necessary, a request for grant extension beyond one (1) year.
- (i) Retracting awards: Awards not paid out of the fund after one (1) year may be retracted by the city council for failure to 1) proceed in a timely fashion, 2) submit an acceptable and timely follow-up report, or 3) failure to obtain a grant extension. Retracted awards are returned to the amount "available for grants."
- (j) Inappropriate expenditure: If expenditures for the project are determined to be inappropriate or excessive, the grant award may be retracted and recipients required to repay expenses immediately.

Section 4. Effective Date. This ordinance becomes effective upon its adoption by the Gustavus City Council.

**Date Introduced: June 9, 2025**

**Date of Public Hearing: July 14, 2025**

**PASSED** and **APPROVED** by the Gustavus City Council this XX<sup>th</sup> day of XXXX, 20XX

---

Sally A. McLaughlin, Mayor

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Attest: Liesl M. Barker, City Clerk



**CITY OF GUSTAVUS, ALASKA  
ORDINANCE FY25-XXNCO**

**AN ORDINANCE FOR THE CITY OF GUSTAVUS PROVIDING FOR THE AMENDMENT OF  
THE CITY HELD ACCOUNTS IN FISCAL YEAR 2026**

**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 2026, the following City held account balance transfers are to be made for the reasons stated.

**Section 3.** For the current fiscal year, 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 Capital Current <i>Funding for first year Gravel Pit single operator model project</i>	\$ 375,713.19		\$ 415,713.19	\$ 40,000.00
AMLIP Capital Improv Long-Term	\$ 649,319.31		\$ 609,319.31	\$ <40,000.00>
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:** June 09, 2025

**DATE OF PUBLIC HEARING:** July 14, 2025

**PASSED** and **APPROVED** by the Gustavus City Council this \_\_<sup>th</sup> day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
Sally McLaughlin, Mayor

\_\_\_\_\_  
Attest: Ben Sadler, City Treasurer

\_\_\_\_\_  
Attest: Liesl Barker, City Clerk

**CITY OF GUSTAVUS, ALASKA  
ORDINANCE FY25-XXNCO**

**AN ORDINANCE FOR THE CITY OF GUSTAVUS PROVIDING FOR THE AMENDMENT OF  
THE CITY HELD ACCOUNTS IN FISCAL YEAR 2026**

**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 2026, the following City held account balance transfers are to be made for the reasons stated.

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

<b>CITY HELD ACCOUNTS</b>	<b>Amounts Account Balance*</b>	<b>Amended Balance</b>	<b>Change</b>
AMLIP Capital Improv Current <small>*Approximate, this is a dynamic value.</small>	\$ 375,713.19	\$ 264,126.19	\$ <111,587.00>
AMLIP Capital Improv Long-Term <small>*Approximate, this is a dynamic value.</small>	\$ 649,319.31	\$ 876,250.03	\$ 226,930.72
AMLIP Reserve <small>*Approximate, this is a dynamic value.</small>	\$ 1,269,302.38	\$ 1,153,958.66	\$ <115,343.72>

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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:** June 9, 2025

**DATE OF PUBLIC HEARING:** July 14, 2025

**PASSED** and **APPROVED** by the Gustavus City Council this \_\_<sup>th</sup> day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
Sally McLaughlin, Mayor

\_\_\_\_\_  
Attest: Ben Sadler, City Treasurer

\_\_\_\_\_  
Attest: Liesl Barker, City Clerk

**CITY OF GUSTAVUS  
ORDINANCE FY25-25**

**AN ORDINANCE FOR THE CITY OF GUSTAVUS PROVIDING FOR THE AMENDMENT OF  
TITLE 1 CHAPTER 2 SECTION 030 ORDINANCE PROCEDURE.**

**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 provisions 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 1 Chapter 02 Section 030 to be amended as follows :

**Bold and Underlined** items are additions. Strikeout items are deletions.

TITLE 1- General Provisions

Chapter 1.02- Ordinances

Section 1.02.030 – Ordinance Procedure

**Section 1.02.030 Ordinance procedure.**

- (a) An ordinance may be presented for consideration only by a member of the city council or a committee selected by the city council for the purpose of writing and/or amending a particular ordinance or section of ordinance, or by the mayor at any regular or special meeting of the city council.
- (b) Upon presentation of an ordinance, copies shall be ~~furnished~~ supplied to each city council member and to the mayor. Upon presentation, an ordinance shall be rejected, deferred, referred to committee, or accepted as being introduced.
- (c) ~~Promptly after introduction, the city council shall publish the ordinance and a notice setting out the time and place for a public hearing on the ordinance. The public hearing of an ordinance shall follow publication by at least five (5) days; it may be held at a regular or special city council meeting and may be postponed from time to time.~~

**After introduction, a summary of the ordinance and the time and place of the hearing shall be published by the clerk. The notice shall be published not less than five days prior to the date of public hearing in accordance with AS29.25.020 and 29.71.800. When following the titling procedure established in 1.02.040 a-d the title will fulfill the summary requirements.**

- (d) At the public hearing, copies of the ordinance shall be distributed to all persons present who request them, or the ordinance shall be read in full. At the public hearing, all interested persons shall have an opportunity to be heard; the city council may develop rules regulating the public hearings that do not unduly restrict the opportunity to be heard.

- (e) After the public hearing, the city council shall consider the ordinance and may adopt it with or without amendment.
- (f) If a proposed ordinance is amended by the city council after the public hearing and the amendment(s) are so substantial that they change the ordinance's basic character, the proposed ordinance shall be treated as a newly-introduced proposed ordinance and shall follow all the steps required for adoption of an ordinance.
- (g) ~~The city council shall type or print and make available copies of adopted ordinances for distribution to three (3) locations that are open to the public; other copies shall be available at cost of copying as determined by the city council by resolution.~~

**The clerk shall make printed copies of adopted ordinances available to be public upon request. Each ordinance after adoption shall be codified.**

- (h) Ordinances take effect upon adoption or at a later date specified in the ordinance.
- (i) As used in this section, the term "publish" means that the proposed ordinance and notice of hearing shall be posted within the city in three (3) locations open to the public, one (1) of which shall be the city office(s), for a period of not less than five (5) days.

Section 4. Effective Date. This ordinance becomes effective upon its adoption by the Gustavus City Council.

**Date Introduced: May 12, 2025**

**Date of Public Hearing: June 9, 2025**

**PASSED** and **APPROVED** by the Gustavus City Council this XX<sup>th</sup> day of XXXX, 20XX

\_\_\_\_\_  
Sally A. McLaughlin, Mayor

\_\_\_\_\_  
Attest: Liesl M. Barker, City Clerk

**CITY OF GUSTAVUS, ALASKA  
ORDINANCE FY25-26NCO  
AN ORDINANCE FOR THE CITY OF GUSTAVUS PROVIDING FOR THE ESTABLISHMENT  
AND ADOPTION OF THE BUDGET FOR FISCAL YEAR 2026**

**BE IT ENACTED BY THE GUSTAVUS CITY COUNCIL 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, 2025 through June 30, 2026 and is made a matter public record.

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

**DATE INTRODUCED:** *May 12, 2025*

**DATE OF PUBLIC HEARING:** *June 9, 2025*

**PASSED** and **APPROVED** by the Gustavus City Council this XX day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
Sally A. McLaughlin, Mayor

\_\_\_\_\_  
Attest: Ben Sadler, City Treasurer

\_\_\_\_\_  
Attest: Liesl M. Barker, City Clerk



**City of Gustavus**

PO Box 1

Gustavus, Alaska 99826

Phone: (907) 697-2451

# City of Gustavus Budget Fiscal Year 2026

FY25-26 NCO Attachment

Approved by the Gustavus City Council XXXX, 2025

## FY 2026 City of Gustavus Operating Budget

This document contains the City of Gustavus operating budget for fiscal year 2026 (FY26: July 1, 2025, through June 30, 2026). 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.

### 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 continued to increase, with revenues as of May 6, 2025, showing FY25 at \$651,236.89.

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 no longer appears on the 5-year budget comparison.

#### 2. Remote Sellers 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.

Funding through the remote sellers has continued to outperform estimates, building on the growth trend for this funding line. In FY21 the City received \$17,803.44, with this amount increasing exponentially each subsequent year and in FY24 the City of Gustavus collected \$76,295.46 through the Remote Sales Tax program. The ARSSTC has informed participating municipalities that the upward trend has started to taper off, but that in FY25 there was still a steady stream of new businesses being added to the program.

#### 3. Room Tax

The current room tax is 4% (municipal code section 04.14.030). In FY24 the City received \$105,378.58, \$4336.39 less than in FY23, but a 60.4% increase from a decade earlier in FY14. FY25 will exceed the budgeted amount of \$100,000.00.

#### 4. Fish Box Tax

The current fish box tax is \$10/box packaged and transported out of town (municipal code section 04.16.030).

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.

In FY23 the City treasurer changed the “commission” based payment system that had been going on for years to a pay in advance system as outlined in the City ordinance 4.16.030 (b). Some businesses are continuing to return stickers at the end of the summer season, while others have started retaining stickers to use over multiple years.

## 5. Other City-Generated Revenue Sources

The **Disposal and Recycling Center (DRC) and Community Chest** combined revenues have risen from \$91,000 in FY20 to \$119,000 in FY24. The current fee schedule for the DRC was adopted May 8, 2017, with Resolution CY17-06. In FY23, the DRC increased landfill fees by 5%, which was reflected in the FY23 revenues for the department. The DRC and Community Chest revenue in FY23 and FY24 came in significantly higher than expected, and this was reflected in the FY25 budget. In FY26 the budgeted revenues were again increased to reflect the increased waste being brought in from the NPS at Glacier Bay National Park.

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 since FY23. Ambulance transports are entered as invoices with discounts for ASP Enrollment and Medicare write-offs.

**Gravel pit** material sales had been increasing after a slight drop in FY20. In 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. FY23 revenues showed a significant increase from previous years, from \$3600 in FY11, to \$44,640 in FY23. This trend continued in FY24.

In FY21 a corresponding expense line-item was created called the Gravel Pit Fund that moves some of the gravel pit revenue to a dedicated savings account to help fund the anticipated increased costs of operating the gravel pit. However, the City administration is currently changing the model by which material is extracted and accounted for to a one operator model. At this time, it is unclear how this will affect the City’s gravel pit revenue, but it should increase the life of the current gravel pit(s) for an unknown period of time.

**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. Due to difficulties in moving the steel float in the Fall of 2022, alternative strategies were developed that resulted in moving the steel float into the Salmon River for winter storage. Although the float is now being stored in the Salmon River and is moved at much less expense than was previously estimated, vessel rates have remained the same since the changes went into effect. In FY26 the cost of moving the floats to and from the harbor is \$9400.

The **Gustavus Public Library** budgeted income is higher starting in FY24 because the City added the PLA grant and the OWL Grant to the expected revenue as these are used to offset the cost of library materials and internet charges.



## 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 funded at the 2024 for FY25 through March 14, 2025 under the American Relief Act, (P.L. 118-158). The FY26 city budget matches the FY25 budgeted amount of \$150,000.00.

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)

National Forest Receipts, also known as the Secure Rural Schools Reauthorization Act, has been unpredictable since at least FY17 when the amount awarded was virtually nothing, but rebounded the next year to \$54,000. The City originally encumbered NFR funding to be used exclusively for road maintenance, as prescribed for by the program. In FY21 the City used up all of it's prior year's encumbered funds in our road maintenance savings account. In 2018 an AMLIP account was established to cover road maintenance costs for 2-3 years, but it was considered unsustainable to fund road maintenance through prior year's saving, and this account was closed in FY24. Since then, subsequent funding for road maintenance has been paid for through the general fund and offset by the NFR payments. In FY24 the City received approximately \$45,000 but in FY25 the City only received \$1130.27. As of 05/06/2025 the Secure Rural Schools Act has not been funded for FY26.

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 Community Assistance Program (CAP), formerly known as Community Revenue Sharing, has continued to be funded by the State Legislature. The City of Gustavus is eligible for a portion of the FY26 funding, although future funding of this program is uncertain as the Governor has vetoed full funding for this program in the past. The 2020 Census established population for Gustavus at 655, a significant increase from 2019 (538), accounted for increased funding through the CAP program. In FY25 the City received \$82,906.22, approximately \$600 less than in FY24.

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. Due to decreased receipts in recent years and uncertainties in the regional commercial fisheries, this amount had dropped in FY23 and FY24, but increased again in FY25.

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>

## 8. Interest

Since FY19, this line-item only included the interest received on the checking account at First National Bank Alaska. Starting in FY25 the City began using interest from some AMLIP (Reserve, Long Term Projects, and Current Projects) accounts to balance the Budget.

## 9. 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 used in any of the years since incorporating this method for balancing the budget. In FY25 the City started using AMLIP interest to balance the budget and only used PYC to cover the Emergency and Disaster Line in the budget. For FY26 the Council chose to remove this item, and thus no PYC is reflected in the budget, but could still be used for budget amendments once it is clear how much is available.

## B. Expenditures

### 1. Payroll

The FY26 budget significantly reduces payroll from FY25 levels. The two salaried positions with the City, the City Administrator and the Fire Chief, were both reduced by one quarter. These cuts resulted in approximately \$48,886 difference from FY25. Neither the Library Assistant nor Library Intern position were requested or funded in FY26. The Library Administration Director position was lowered by 65 hours annually per the LAD's request again for FY26. The DRC lowered the number of hours for the operator and increased the hours for the assistant. This increased the DRC payroll by approximately \$5000. Marine Facilities hours were also increased from 864 to 1040 for an increase in payroll of approximately \$5000.

### 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. The consumer price index for Urban Alaska decreased slightly to reflect a 2.3% wage increase for all regular position employees.

### 2. 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. At the beginning of FY24 the City joined the Alaska Municipal Health Trust (AMHT). Although premiums are slightly higher, \$821.03 compared to \$788.50, the addition of prescription drugs and vision made the AMHT plan a better option for employees. The City pays 80% of this with the employee being responsible for the other 20%. For FY26, premiums were budgeted the same as FY25, as rates have not been established at this time.

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 \$276/month (formerly \$212/month when the stipend was first approved). The latest benefits policy and procedure was adopted May 11, 2020 (Resolution CY20-15).

### 3. 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.

In FY23 and FY24 the IT contract was extended for an additional year. In FY25 the City Council waived the clause stating that only two extensions could be granted before needing to go out as an RFP. The cost of this service has not increased since the original contract was entered into.

#### 4. 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. For FY26, the GVA requested \$15,200.00.

#### 5. 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 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 and the FY23 budget increased to account for some deferred maintenance. For FY25, the City evaluated what was being set aside and decided that the Library, which had previously used \$56,500, needs to start putting away more to get up to the amount needed to cover costs based on the formula that the R&R account is predicated on. The DRC and Library amounts increased in FY25 to cover additions to their facilities.

#### 6. Review Services and Audit

In FY23 the City of Gustavus received enough state or federal funds to trigger a mandatory audit; the last full audit had been done in FY15. The audit was performed by Altman Rogers accounting firm in January & February 2024. The City had no findings reported on the FY23 audit.

#### 7. Insurance Premium Increases:

The city's general liability and property insurance costs are expected to increase again 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, and Worker's Comp, assuming the actual rates should come in less than that based on current information.

#### 8. 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 increased slightly for FY26.

## 9. Contractual Services

The FY26 budget includes funds in the Marine Facilities budget for transport of the steel mooring float and wooden floats. The DRC budget includes funds for contractual services, although no services have been predicted for FY26. The Library and Admin contractual budgets include funds for custodial service. The GVFD's contractual budget includes funding for an ambulance billing service, and a Medical Director to cover the new cost to the City following the prior volunteer provider's retirement. The City again chose to fund a City Engineer for FY26.

## 10. Medical Director

In FY25 Dr Rod Vaught, who was the City's volunteer Medical Director, opted to fully retire. This position is crucial to the City's ability to offer the level of ambulance service we have offered up until now. The City formally entered into a contract with a new Medical Director starting in January 2025. The new expenses include site visits, travel, and malpractice insurance.

## 11. Professional Services

The FY23 budget increased the line-item for Professional Services (attorney) due to ongoing issues that involved the attorney including ordinance revisions, enforcement advice, and legal issues concerning PFAS, etc. In FY24 we reduced this to a reasonable amount based on the previous year's expenses. For FY25 this amount was left the same due to possible legal issues pertaining to the formation of a Xunaa borough. In FY26 this amount has again been increased to cover the additional costs of the Local Boundary Commission's decision to grant the Xunaa borough petition.

## 12. Equipment

GVFD's equipment purchase budget is generally used as a match for equipment grants received. DRC's equipment budget is mostly for fuel and routine maintenance. City Hall did not include any funds for new equipment for FY26. The Library and Marine Facilities asked for a small amount to replace any equipment if needed.

## 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. All unrestricted funds reside in the city's First National Bank Alaska checking account. See the policy document for details.

At the end of FY23 the City updated its City Banking policy, see Resolution CY23-08, as well as the policy which governs the City's reserve accounts, see Resolution CY23-10.

## Long-Term Debt

The City of Gustavus currently has no debt obligation.

## E. Fiscal Year 2026

### 1. Road Maintenance Budget

Starting in FY22 all road maintenance has been paid for from the operating budget. Continued uncertainty with National Forest Receipts (NFR) funding means the City Council must continue to draw from other sources such as tax revenue, and federal and state funds to cover the cost of maintaining Gustavus's roads. In FY24 the "Road Maintenance Unencumbered funds" account was closed, and the remaining savings were moved to the "Reserve" account. Previously encumbered NFR funds that were in savings were expended prior to FY22.

Starting in FY25 the City went to a new road maintenance contract model, allowing the contractor more freedom to make decisions regarding what to do and when based on prior experience. This increased the road maintenance budget to \$215,000 and set the terms for renewal to biannually.

### 2. Disaster and Emergency Budget

After the experiences of the two natural disasters (2020 flood and the COVID pandemic), the Mayor proposed a new line item that would provide access to funds without delay. Initial funding for this line item came from reimbursement funds from FEMA. The \$50,000 budgeted in FY23 was moved forward to FY24, and has again been moved forward to FY25.

This item was removed from the FY26 budget.

### 3. Disposal & Recycling Budget

The DRC increased landfill fees by 5% beginning in FY23. The increase was seen as necessary to cover increases in operating expenses. No increase was suggested for FY26.

### 4. 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. Starting in FY21 \$6000 was set aside each year. In FY25 it was proposed that the City set aside at least half of the proceeds from gravel pit sales to the gravel pit savings account to help cover the future costs of gravel pit upgrades. In FY26 the City is hoping to move to a new single operator model. Due to this change no money is budgeted to be set aside for FY26.

In FY24 the City has also added the purchase of the center tract of the Salmon River Boat Harbor to the Capital Improvement Plan. At this time the City is negotiating with the State of Alaska about the purchase of this tract of land.

## F. Discussion of Possible New Revenues

The City Council briefly discussed proposing raising Retail and/or Room Tax, or amending the City's tax ordinance which states that any item subject to one tax will not be subject to the other tax at the FY26 budget work session. The Mayor asked that the Council be prepared to continue the discussion through the summer to see if it would be feasible to do so to replace drying up Federal funds the City has traditionally relied upon.

## G. Summary

The last four fiscal years have seen an increase each year in revenues and expenses, peaking in FY25. For FY26 the budget was reduced by approximately \$81,000. Significant cuts to payroll, and dropping the "Emergency & Disaster" line item from the General Fund budget, were the biggest contributors to the difference.

With Federal and State funds not being a certainty for the near future, and economic shifts changing the financial landscapes around the world, the City of Gustavus may need to increase its revenues through taxation or other revenue generating means, to make up for the loss of outside source funding, or decrease the services it is currently offering to make up for budget shortfalls.



**City of Gustavus**

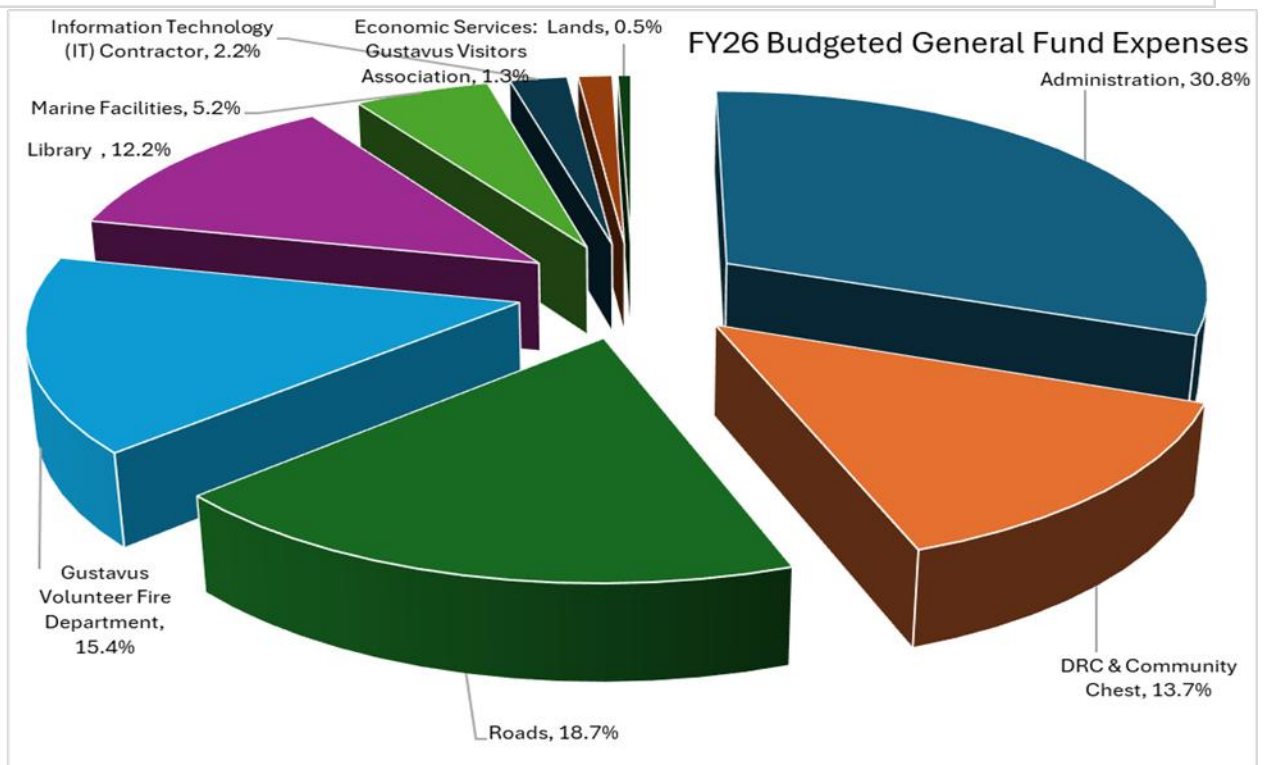
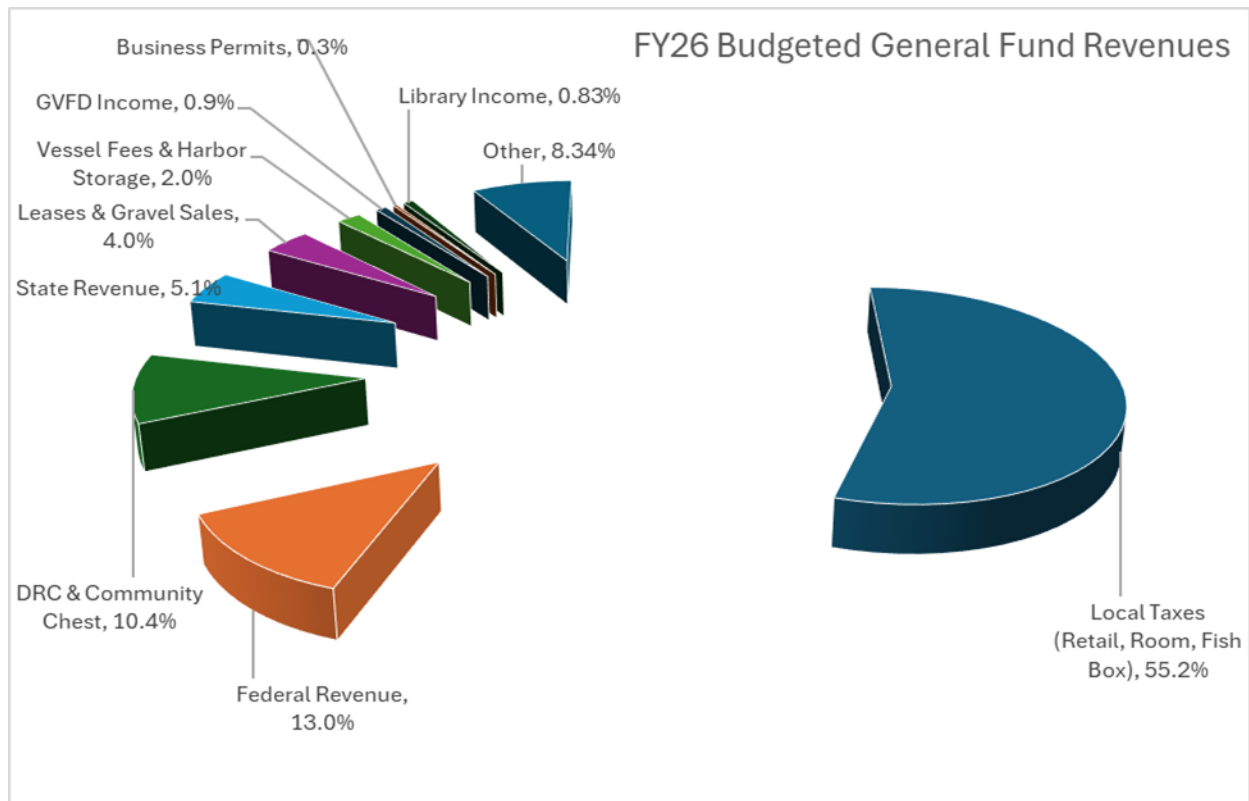
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# City of Gustavus Financial Summary Fiscal Year 2026

## May 2025

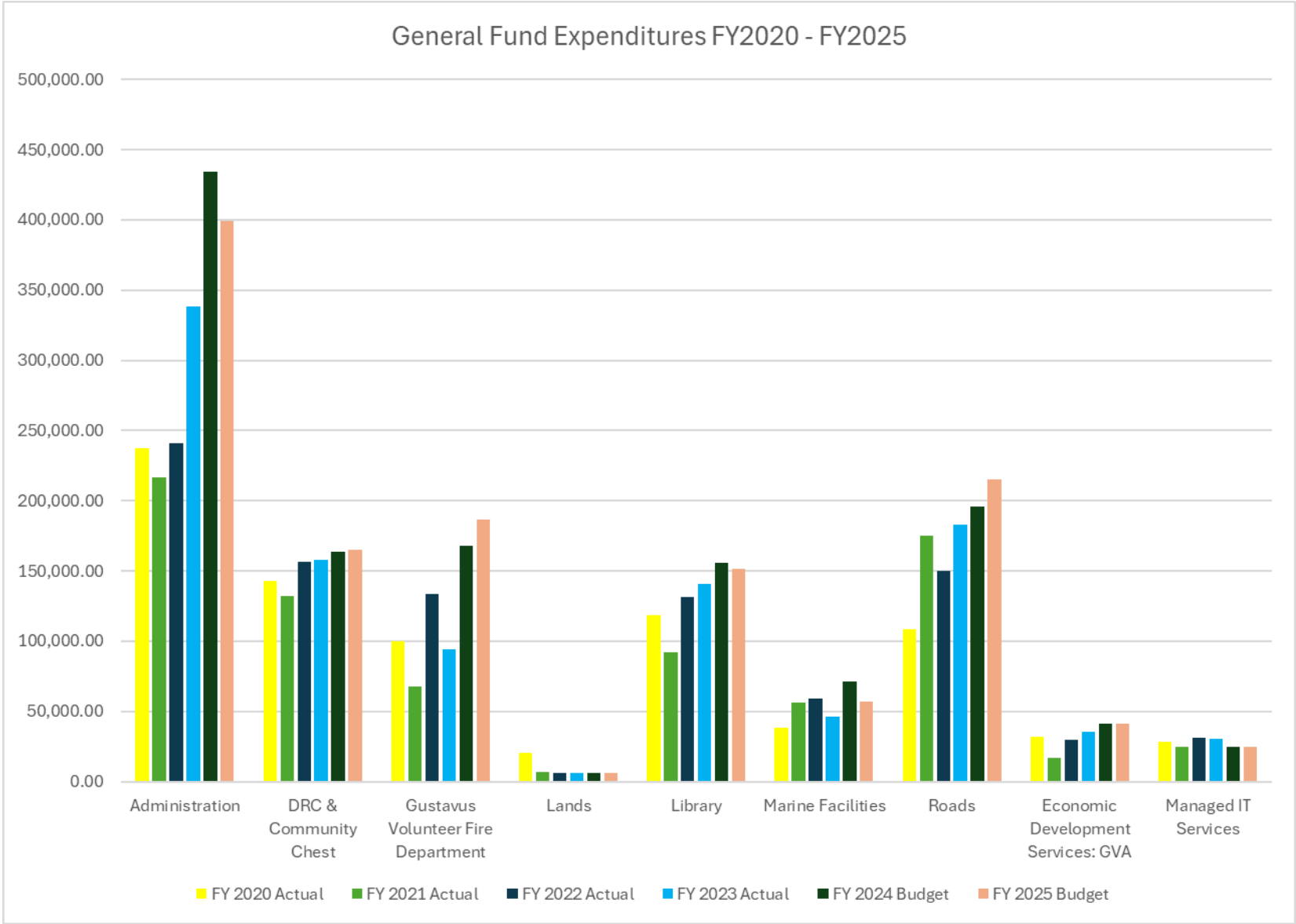




	Actual	Actual	Actual	Actual	Actual	Budget
	Jul '20 - Jun 21	Jul '21 - Jun 22	Jul '22 - Jun 23	Jul '23 - Jun 24	FY25 to date	FY26
<b>Ordinary Income/Expense</b>						
<b>Income</b>						
Admin Fees	0.00	11.75	0.00		32.00	
Business License Fees	4,150.00	3,200.00	3,375.00	3,300.00	3,150.00	3,500.00
Donation - Inter-library Loans	20.00					
Donations	384.00	2,830.00	1,333.18	613.00	1,615.50	500.00
<b>DRC Income</b>						
Community Chest Sales	8,501.45	13,199.64	12,759.35	12,240.50	11,374.00	13,000.00
C Chest Sales @ City Hall				695.00	801.20	
Landfill Fees paid @ City Hall	14,478.75	38,784.36	31,203.79	45,389.99	41,775.32	
Landfill Fees/Sales	54,013.65	57,616.60	61,591.19	58,420.99	49,733.52	100,000.00
Recyclable Material Sales	7,890.72	5,105.03	8,505.48	2,505.21	14,932.54	7,000.00
DRC Income - Other				0.00	0.00	
Total DRC Income	84,884.57	114,705.63	114,059.81	119,251.69	118,616.58	120,000.00
<b>Federal Revenue</b>						
ARPA		102,543.96	65,189.08	33,904.06		
Lost Rev ARPA			127,621.58	0.00		
FEMA			220,016.00	5,459.67		
Natl Forest Receipts-Encumbered	38,572.14	47,599.28	48,254.84	45,016.82	1,130.27	0.00
Payment In Lieu of Taxes	113,760.06	121,077.96	130,512.17	152,913.58	160,917.19	150,000.00
Total Federal Revenue	152,332.20	271,221.20	591,593.67	237,294.13	162,047.46	150,000.00
Fundraising	960.00	440.00	175.00	313.00	429.00	500.00
Grant Income					10,665.42	15,000.00
<b>GVFD Income</b>						
Ambulance Billing	7,237.45	7,313.60	13,196.10	2,819.13	11,031.78	9,000.00
ASP	1,420.00	1,235.61	1,650.00	1,310.00	940.00	1,000.00
Training	0.00	170.00	350.00	120.00	420.00	150.00
GVFD Income - Other		1,845.00	0.00			
Total GVFD Income	9,617.45	10,564.21	15,196.10	4,249.13	12,391.78	10,150.00
Interest Income	189.43	347.56	736.97	477.10	263.08	88,876.46
<b>Lands Income</b>						
Gravel Pit Gravel Sales	27,354.00	27,690.00	44,640.00	39,936.00	32,274.00	30,000.00
Gravel Pit Bond			-1,800.00	0.00	0.00	
Total Lands Income	27,354.00	27,690.00	42,840.00	39,936.00	32,274.00	30,000.00
Lease Income	13,125.67	14,011.93	14,268.47	9,190.32	11,850.59	16,000.00
Library Income	521.50	2,583.50	1,162.00	1,418.90	665.05	1,000.00
<b>Marine Facilities Income</b>						
Facilities Usage Fees	2,635.00	3,000.00	2,955.00	2,405.00	2,310.00	2,600.00
Commercial Vessel Registration	18,000.00	15,530.00	12,300.00	13,680.00	5,000.00	12,500.00
Private Vessel Registration	5,505.00	5,290.00	5,730.00	4,455.00	2,110.00	5,000.00
Storage Area Fee	2,100.00	910.00	2,750.00	2,340.00	2,310.00	2,600.00
Marine Facilities Income - Other	0.00			0.00	0.00	
Total Marine Facilities Income	28,240.00	24,730.00	23,735.00	22,880.00	11,730.00	22,700.00
Other Income	0.00	7.00	0.00			
<b>State Revenue</b>						
Community Assistance Program	75,180.66	77,370.21	90,577.16	83,489.34	82,906.22	58,200.33
Liquor Share Tax						
Shared Fisheries Business Tax	1,045.27	896.34	484.52	503.10	557.43	231.87
Total State Revenue	76,225.93	78,266.55	91,061.68	83,992.44	83,463.65	58,432.20
<b>Tax Income</b>						
Retail Tax Income	245,690.61	431,644.90	455,011.12	437,610.13	467,956.40	450,000.00
Remote Sellers Retail Tax	17,803.44	47,042.78	65,704.18	76,295.46	68,261.99	75,000.00
Room Tax Income	24,926.88	81,730.82	109,714.97	105,378.58	100,352.61	100,000.00
Fish Box Tax	8,560.00	9,860.00	14,080.00	11,730.00	3,160.00	9,000.00
Penalties & Interest	2,080.38	6,187.66	4,592.58	3,016.71	11,255.89	3,000.00
Tax Exempt Cards	280.00	290.00	340.00	310.00	250.00	300.00
Total Tax Income	299,341.31	576,756.16	649,442.85	634,340.88	651,236.89	637,300.00
Total Income	691,832.06	1,120,876.74	1,548,979.73	1,157,256.59	1,089,733.58	1,153,958.66
Gross Profit	691,832.06	1,120,876.74	1,548,979.73	1,157,256.59	1,089,733.58	1,153,958.66

	Actual	Actual	Actual	Actual	Actual	Budget
	Jul '20 - Jun 21	Jul '21 - Jun 22	Jul '22 - Jun 23	Jul '23 - Jun 24	FY25 to date	FY26
<b>Expense</b>						
Administrative Costs	2,133.70	1,340.40	9,206.56	46,235.50		0.00
Advertising	0.00	830.91	0.00	0.00	0.00	0.00
Bad Debt				4,332.00		0.00
Bank Service Charges	3,901.08	6,541.54	5,865.26	10,485.14	9,959.58	11,550.00
Building						
Insurance	10,379.34	11,086.66	12,789.74	15,336.68	15,777.35	20,300.00
Maintenance & Repair	6,066.42	10,483.06	6,461.81	6,141.08	2,533.87	4,000.00
Total Building	16,445.76	21,569.72	19,251.55	21,477.76	18,311.22	24,300.00
Cash Short/Over						
Contractual Services	0.00					
Ambulance Billing Expense	722.55	373.30	1,027.27	526.18	1,101.52	1,000.00
City Engineer				9,999.60	6,700.00	10,000.00
Managed IT Services	24,608.00	24,565.00	30,160.00	26,220.00	22,935.00	25,020.00
Medical Director						10,600.00
Contractual Services - Other	28,914.00	68,504.46	44,537.62	35,303.89	32,194.04	25,988.00
Total Contractual Services	54,244.55	93,442.76	75,724.89	72,049.67	62,930.56	72,608.00
Dues/Fees	7,910.38	9,333.55	12,211.29	11,889.57	9,434.51	11,850.00
Economic Development Services						
GVA	17,000.00	30,000.00	35,600.00	41,400.00	27,200.00	15,200.00
Total Economic Development Services	17,000.00	30,000.00	35,600.00	41,400.00	27,200.00	15,200.00
Election Expense	87.34	129.92	150.99	81.56	-57.81	250.00
Emergency & Disaster						0.00
Equipment						
Equipment Fuel	1,211.88	2,387.54	3,113.31	2,792.96	1,711.08	2,900.00
Equipment Purchase	5,505.80	23,296.83	9,524.55	7,882.15	7,527.40	4,800.00
Insurance	242.49	237.99	317.77	298.09	316.11	377.00
Maintenance & Repair	6,914.64	4,717.89	388.63	7,010.51	1,581.37	1,900.00
Equipment - Other	0.00	-1,081.00	0.00			
Total Equipment	13,874.81	29,559.25	13,344.26	17,983.71	11,135.96	9,977.00
Events & Celebrations (inc. holiday gift	3,587.70	3,570.51	4,294.03	3,898.54	3,763.32	1,200.00
Freight/Shipping	14,901.65	32,181.86	28,547.31	29,904.80	26,449.90	30,250.00
Fundraising Expenses	8.00	700.00	0.00	500.00	511.82	500.00
General Liability	11,575.44	20,444.25	17,776.53	15,513.93	17,922.94	19,625.00
Gravel Pit Fund	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00	0.00
Library Materials	598.71	2,212.84	2,659.33	5,723.99	8,862.24	10,500.00
Marine Facilities						
Insurance	2,368.37	2,486.20	2,578.53	5,804.01	6,641.26	3,300.00
Maintenance & Repairs	3,787.33			476.00		500.00
Total Marine Facilities	6,155.70	2,486.20	2,578.53	6,280.01	6,641.26	3,800.00
Occupational Health	0.00			0.00	0.00	500.00
Payroll Expenses						
Wages	266,397.49	342,421.77	423,676.00	401,386.36	340,546.24	408,912.40
Payroll Taxes	27,311.14	33,090.96	40,887.75	39,510.80	32,737.89	39,239.25
Paid Time Off (PTO)	21,077.99	18,851.63	15,427.85	12,798.95	16,907.08	22,878.92
Sick Leave	2,703.10	2,822.85	6,214.41	6,568.08	4,279.62	7,883.30
Health Insurance (company paid)	5,466.72	3,847.96	21,602.70	35,206.70	28,999.36	23,645.52
Health Insurance Stipend	14,035.37	10,569.16	11,209.09	6,720.00	8,500.00	12,000.00
457(b) Employer Contribution	17,510.95	14,378.02	18,947.32	17,436.97	20,523.56	28,532.75
Workers Comp Insurance	5,643.60	8,927.58	6,165.44	6,218.05	9,473.37	11,358.61
Payroll Expenses - Other (inc. PTO)	-2,506.72	-3,331.17	4,392.95	4,643.10	-15,429.58	230.00
Total Payroll Expenses	357,639.64	431,578.76	548,523.51	530,489.01	446,537.54	554,680.75

	Actual	Actual	Actual	Actual	Actual	Budget
	Jul '20 - Jun 21	Jul '21 - Jun 22	Jul '22 - Jun 23	Jul '23 - Jun 24	FY25 to date	FY26
Professional Services	15,801.65	11,527.50	8,675.00	5,930.00	24,008.57	30,000.00
Public Relations	314.86		899.00	1,075.57	227.00	500.00
Relocation		1,000.00	0.00			0.00
Repair & Replacement Fund	24,772.13	16,545.71	16,545.71	16,545.71	18,554.91	18,554.91
Road Maintenance	0.00					
Grading	35,160.50	103,761.44	101,580.20	110,099.26		
Snow Plowing	29,775.10	72,814.50	65,000.00	67,855.40		
Road Maintenance - Other	109,879.84	79,719.60	16,181.70	2,415.94	179,309.30	215,000.00
Total Road Maintenance	174,815.44	256,295.54	182,761.90	180,370.60	179,309.30	215,000.00
Social Services	0.00					
GCEP dba The Rookery				0.00	0.00	8,000.00
Total Social Services	0.00			0.00	0.00	8,000.00
Stipend	3,000.53	3,000.15	3,750.04	2,999.55	1,005.00	4,000.00
Supplies	11,245.58	24,891.71	23,665.48	23,180.56	17,875.58	21,250.00
Telecommunications	17,136.62	18,305.79	20,514.08	13,723.46	19,604.63	21,521.00
Training	1,971.00	10,929.20	6,888.26	8,517.68	5,519.91	19,004.00
Travel	0.00	796.00	13,536.36	20,219.58	16,057.16	19,638.00
Utilities						
Electricity	9,095.45	9,811.21	10,486.90	11,982.65	7,685.40	10,200.00
Fuel Oil	7,165.81	8,623.76	15,497.95	9,045.59	8,400.72	7,500.00
Total Utilities	16,261.26	18,434.97	25,984.85	21,028.24	16,086.12	17,700.00
Vehicle						
Fuel	490.99	416.51	1,016.41	633.09	732.14	1,500.00
Insurance	3,561.22	3,568.25	3,438.58	3,225.58	3,844.19	5,500.00
Maintenance & Repair	63.98	1,798.88	642.69	2,692.40	436.01	3,000.00
Mileage Reimbursement	1,843.46	1,944.76	1,162.81	1,144.10	1,118.74	2,000.00
Total Vehicle	5,959.65	7,728.40	6,260.49	7,695.17	6,131.08	12,000.00
Total Expense	787,343.18	1,061,377.44	1,091,215.21	1,125,531.31	959,982.30	1,153,958.66
Net Ordinary Income	-90,957.12	59,499.30	457,764.52	31,725.28	129,751.28	0.00
Other Income/Expense						0.00
Other Income						
Encumbered Funds for Road Maintenance	62,118.87	115,000.00	115,000.00			
Other Savings for Road Maintenance	37,881.13					0.00
Prior-Year Cash Balance	0.00					
Total Other Income	100,000.00	115,000.00	115,000.00	0.00	0.00	0.00
Net Other Income	100,000.00	115,000.00	115,000.00	0.00	0.00	0.00
Net Income	9,042.88	174,499.30	572,764.52	31,725.28	129,751.28	0.00

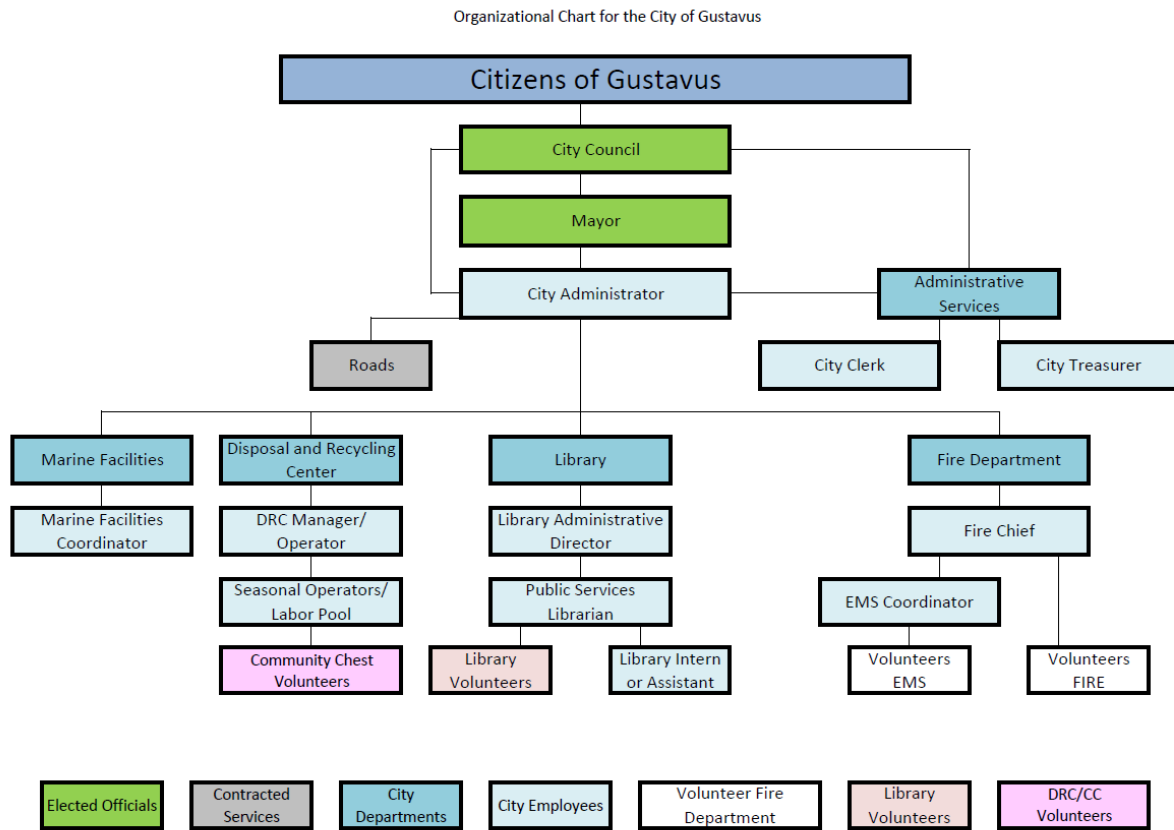


## City of Gustavus Payroll Summary FY25 - FY26

FY26: 2.3%				457(b) Employer Contribution (LFG)	Health Ins. Stipend (\$200/mo stipend)	Payroll Taxes (6.2% SS, 1.45% Med., 1% AK unemp. up to \$240.21)	Payroll Total	Group Health Plan (\$725/mo; 80%/20% split)	Workers' Comp. Insurance	Direct Deposit Fees & FICA	Dept. Total	FY25 Budget for Comparison	FY24 Budget for Comparison
FTE	Hourly Wage	Hrs/year	Wage Total										
<b>Admin. Dept.</b>													
Administrator	0.8	\$28.12	1820	\$51,178.40	\$3,582.49	\$2,400.00	\$4,613.02	\$61,773.91					
Clerk	0.75	\$36.15	1560	\$56,394.00	\$3,947.58		\$4,856.34	\$65,197.92	\$7,881.84	\$647.59	\$230.00	\$221,315.53	\$243,461.58
Treasurer													\$234,430.55
											\$3,383.46	\$102,772.53	\$97,403.79
<b>DRC</b>													
Operator	0.9	\$27.97	1800	\$50,346.00	\$3,524.22		\$4,320.57	\$58,190.79	\$7,881.84				
Assistants		\$20.00	1400	\$28,000.00			\$2,422.00	\$30,422.00					
Assistants		\$18.50	144	\$2,664.00			\$230.44	\$2,894.44					
											\$6,346.70	\$105,641.69	\$120,271.52
<b>Fire Chief</b>													
EMS Coord.	0.5	\$29.16	1040	\$30,326.40	\$2,122.85	\$1,200.00	\$2,814.38	\$36,463.63					\$90,831.17
											\$202.10	\$89,863.49	\$100,208.66
<b>Library</b>													
Lib. Adm Director	0.75	\$27.44	1495	\$41,022.80	\$2,871.60	\$2,400.00	\$3,781.73	\$50,076.13					
Public Service Lib	0.625	\$24.55	1300	\$31,915.00	\$2,234.05	\$2,400.00	\$3,036.21	\$39,585.26					
Summer Intern(s)			100	\$0.00			\$0.00	\$0.00					
											\$778.76	\$33,566.41	\$27,792.25
<b>Marine Facilities</b>													
MFC Coord.	5	\$26.04	1040	\$27,081.60	\$1,895.71	\$1,200.00	\$2,610.34	\$32,787.65					\$34,730.65
<b>Totals:</b>											\$553,159.64	\$589,137.80	\$558,068.40

Changed DRC Operator & Assistant hours  
 Changed LIB Services Director to 25 hours a week  
 Returned MFC to 1040 hours  
 Added COLA 2.3%  
 Estimated 10% increase for Workers Comp per PWI  
 Lowered both Salary positions by 1/4

FY25:				457(b) Employer Contribution (LFG)	Health Ins. Stipend (\$200/mo stipend)	Payroll Taxes (6.2% SS, 1.45% Med., 1% AK unemp. up to \$240.21)	Payroll Total	Group Health Plan (\$657/mo; city cap at \$700/mo until 80%/20% split is met)	Workers' Comp. Insurance	Direct Deposit Fees & FICA	Dept. Total	FY24 Budget for Comparison	FY23 Budget for Comparison
FTE	Hourly Wage	Hrs/year	Wage Total										
<b>Admin. Dept.</b>													
Administrator	0.8	\$27.49	1820	\$50,031.80	\$3,502.23	\$2,400.00	\$4,519.16	\$60,453.19					
Clerk	0.75	\$35.34	1560	\$55,130.40	\$3,859.13		\$4,752.91	\$63,742.44	\$7,881.84	\$588.72	\$230.00	\$234,430.55	\$226,641.50
Treasurer													\$123,151.07
											\$3,075.87	\$97,403.79	\$96,278.87
<b>DRC</b>													
Operator	0.9	\$25.84	2080	\$53,747.20	\$3,762.30		\$4,598.98	\$62,108.48	\$7,881.84				
Assistants		\$20.00	1120	\$22,400.00			\$1,937.60	\$24,337.60					
Assistants		\$19.00	0	\$0.00			\$0.00	\$0.00					
Assistants		\$18.50	0	\$0.00			\$0.00	\$0.00					
											\$5,769.72	\$120,271.52	\$90,831.17
<b>Fire Chief</b>													
EMS Coord.	0.5	\$28.00	1040	\$29,120.00	\$2,038.40	\$1,200.00	\$2,715.63	\$35,074.03					\$116,452.96
											\$183.69	\$100,208.66	\$101,797.16
<b>Library</b>													
Lib. Adm Director	0.75	\$26.82	1495	\$40,095.90	\$2,806.71	\$2,400.00	\$3,705.86	\$49,008.47					
Lib. Serv. Dir	0.75	\$26.82	1560	\$41,839.20	\$2,928.74	\$2,400.00	\$3,848.56	\$51,016.50					
Summer Intern(s)		\$13.50	0	\$0.00			\$0.00	\$0.00					
											\$707.96	\$27,792.25	\$34,730.65
<b>Marine Facilities</b>													
MFC Coord.	0.5	\$25.45	864	\$21,988.80	\$1,539.22	\$1,400.00	\$2,156.27	\$27,084.29					\$28,428.08
<b>Totals:</b>											\$589,137.81	\$558,068.40	\$601,223.62



Last Updated May, 2025

## 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  
\$963,000

Anchorage Consumer Price Index (CPI) for first half of 2004  
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, 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
June 20, 2021	\$1,637,337.02	232.679	1.405	\$1,353,078.97	\$284,258.05
June 30, 2022	\$1,441,014.78	252.271	1.523	\$1,467,010.71	(\$25,995.93)
June 30, 2023	\$1,472,739.49	257.938	1.558	\$1,499,965.54	(\$27,226.05)
June 30, 2024	\$1,569,382.07	264.376	1.596	\$1,537,403.91	\$31,978.16

	5-Year Average	3% of Average
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
FY17-FY21	✓ \$1,489,127.20	\$44,673.82
FY18-FY22	✓ \$1,491,472.60	\$44,744.18
FY19-FY23	✓ \$1,498,249.52	\$44,947.49
FY20-FY24	✓ \$1,518,883.15	\$45,566.49



## Current Banking Assets

The balance sheet assets as of 5/06/2025 are as below:

### City of Gustavus Balance Sheet

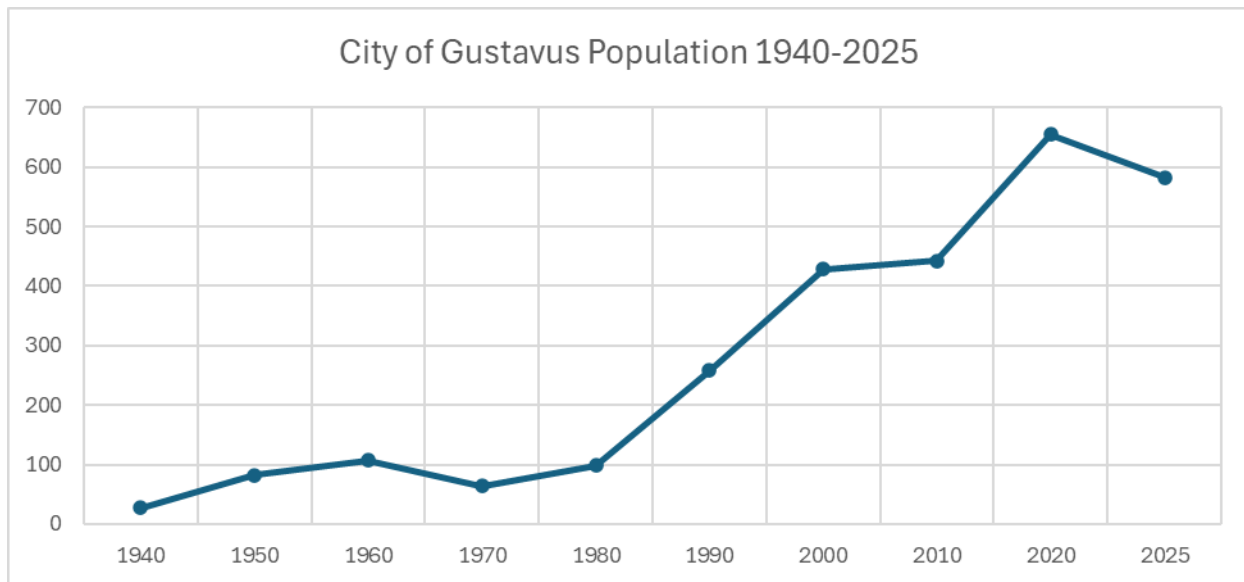
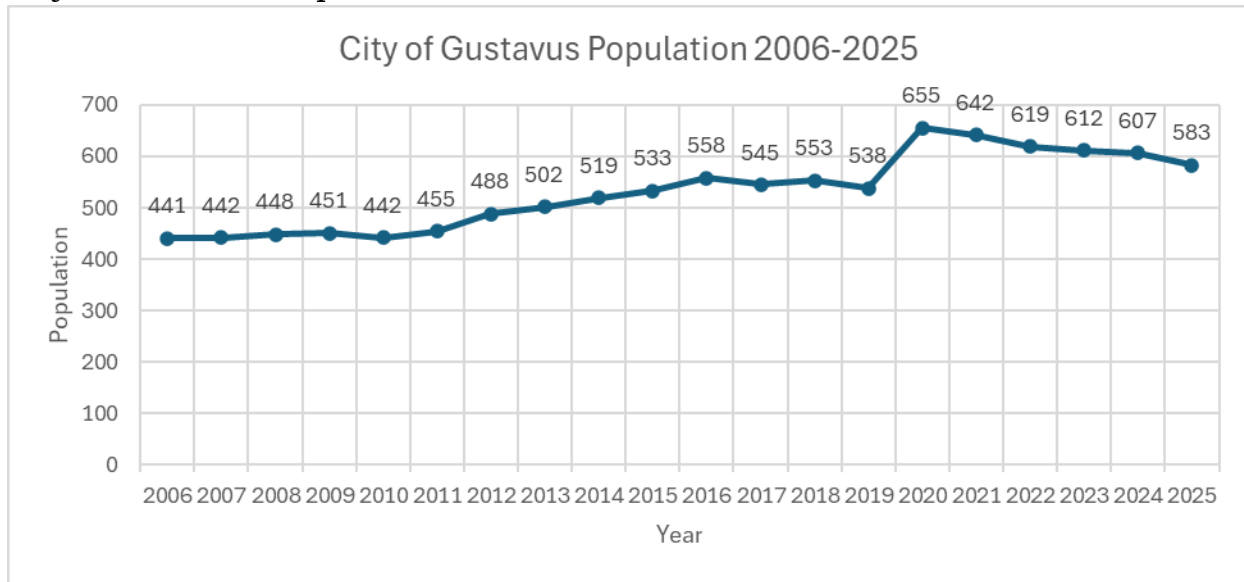
As of May 6, 2025

	May 6, 25
<b>ASSETS</b>	
<b>Current Assets Checking/Savings</b>	
AMLIP Capital Improv Current (0630598.1)	374,333.61
AMLIP Capital Improv Long-Term (0630598.2)	663,108.48
AMLIP Repair & Replacement (0630598.3)	396,047.62
AMLIP Gravel Pit Fund (0630598.8)	32,789.08
AMLIP Reserve (0630598.12)	1,264,816.22
APCM.Endowment Fund	1,630,026.01
FNBA - Checking	157,124.83
FNBA Endowment Fund - Checking	34,363.93
Petty Cash	447.34
<b>Total Checking/Savings</b>	<b>4,553,057.12</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
- *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 Gravel Pit Fund*: fund established in FY21 for use on expenses associated with the gravel pits. Funded through operating budget line-item.
- *AMLIP Reserve*: was updated in FY24 to be used as savings and should hold the equivalent of the current fiscal years budget.
- *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)

## City of Gustavus Population Trends



*Population data is from multiple sources including U.S. Census Bureau.*



**City of Gustavus**

PO Box 1

Gustavus, Alaska 99826

Phone: (907) 697-2451

City of Gustavus  
General Fund  
Fiscal Year 2026

May 2025

## 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 Treasurer generates the annual operating and capital improvement budgets in conjunction with the City Administrator 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 heads. 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 (0.8 FTE)  
City Treasurer (0.75 FTE)

### Mission:

To serve the Community of Gustavus.

## FY22-FY26 General Fund: Administration Expenditures

Expense	Actual	Actual	Actual	Budget	Budget
	JUL '21 - Jun 22	Jul '22 - Jun 23	JUL '23 - Jun 24	Jul '24 - Jun 25	Jul '25 - Jun 26
Administrative Costs	1,340.40	9,206.56	46,235.50		0.00
Advertising	472.24	0.00			
Bank Service Charges	4,767.56	3,670.59	8,369.00	10,000.00	8,500.00
Building - Insurance	1,635.57	1,367.94	1,167.54	3,834.00	4,200.00
Building - Maintenance			414.00		
Contractual Services	8,657.39	28,016.57	17,957.66	6,226.00	15,000.00
Contractual - City Engineer			2,589.60	10,000.00	10,000.00
Contractual - IT Services				25,020.00	25,020.00
Dues/Fees	3,468.60	3,760.27	7,766.33	8,000.00	9,000.00
Election Expense	129.92	150.99	81.56	250.00	250.00
Emergency & Disaster				50,000.00	0.00
Equipment - Purchase	576.75	1,919.99	1,622.14	2,500.00	0.00
Events & Celebrations	3,412.62	4,149.35	3,773.54	3,800.00	600.00
Freight/Shipping	792.45	524.99	834.60	800.00	800.00
General Liability	17,480.61	17,776.53	15,513.93	17,841.00	19,625.00
Payroll Expenses	194,855.31	227,404.62	236,544.24	243,461.59	221,315.53
Professional Services	11,527.50	8,675.00	5,930.00	15,000.00	10,000.00
Public Relations		899.00	1,075.57	700.00	500.00
Relocation	1,000.00				
Repair & Replacement Annual Contribution	1,000.00	0.00	1,000.00	1,000.00	1,000.00
Supplies	2,966.79	4,834.01	3,256.80	3,500.00	3,500.00
Telecommunications	7,004.02	8,214.03	4,155.11	5,000.00	8,500.00
Training	2,247.72	3,096.50	2,068.54	4,000.00	4,000.00
Travel	154.00	9,932.23	16,182.92	10,000.00	10,000.00
Utilities - Electricity	3,505.20	3,313.21	3,092.11	3,000.00	2,500.00
Utilities - Fuel Oil			2,413.11		
Vehicle	332.17	208.01	190.84	500.00	500.00
<b>Total Expense</b>	<b>267,326.82</b>	<b>337,120.39</b>	<b>382,234.64</b>	<b>424,432.59</b>	<b>354,810.53</b>

## 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 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 (.9 FTE)

Up to three Temporary Labor Pool Employees (0.75 FTE all together)

DRC - Occasional volunteers

Community Chest – three to five active volunteers and 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.

## FY22-FY26 General Fund: Disposal &amp; Recycling Center Expenditures

Expense	Actual	Actual	Actual	Actual	Budget	Budget
	Jul '20 - Jun 21	JUL '21 - Jun 22	JUL '22 - Jun 23	JUL '23 - Jun 24	Jul '24 - Jun 25	Jul '25 - Jun 26
Bank Service Charges	1,466.54	1,723.98	2,169.67	2,066.14	3,000.00	3,000.00
Building - Insurance	1,791.28	2,110.20	2,580.43	1,651.59	1,900.00	2,100.00
Building - Maintenance				1,295.16	600.00	500.00
Contractual Services	6,740.00	38,552.07	575.00	9,831.00	5,000.00	1,000.00
Dues/Fees	1,180.10	1,180.10	1,251.60	1,006.60	1,200.00	1,200.00
Equipment - Fuel	8,200.87	6,557.66	7,830.31	2,627.98	2,200.00	2,650.00
Equipment - Purchase				2,485.12	4,400.00	1,000.00
Equipment - Insurance				298.09	342.80	377.00
Equipment - Maintenance & Repair				6,710.51	4,400.00	1,800.00
Events & Celebrations	0.00	0.00	0.00		500.00	200.00
Freight/Shipping	13,088.48	26,476.80	24,273.74	27,583.66	32,000.00	28,000.00
Occupational Health	0.00				500.00	500.00
Payroll Expenses	87,726.45	92,782.01	106,116.83	87,335.28	97,403.79	102,772.53
Repair & Replacement Annual Contribution	2,150.79	2,100.79	2,100.79	2,100.79	2,767.46	2,767.46
Supplies	3,154.69	4,287.87	4,044.95	3,118.41	4,500.00	3,900.00
Telecommunications	2,190.62	2,276.71	2,102.10	1,090.39	1,200.00	1,200.00
Training	1,392.00	125.00	0.00		1,200.00	1,200.00
Travel	0.00	0.00	0.00	1,075.05	1,200.00	1,200.00
Utilities - Electricity				2,157.12	1,900.00	1,400.00
Utilities - Fuel Oil	2,685.95	2,557.18	4,736.51	1,376.99	1,400.00	1,000.00
Vehicle	149.62	127.78	98.45		200.00	200.00
<b>Total Expense</b>	<b>131,917.39</b>	<b>180,858.15</b>	<b>157,880.38</b>	<b>153,809.88</b>	<b>167,814.05</b>	<b>157,966.99</b>

## 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 Public Services Librarian oversees operations, services, and creation and implementation of the daily programs that get patrons in the door. The Public Services Librarian 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 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 (0.75 FTE)

Public Services Librarian (0.625 FTE)

Summer Intern (0 Hours) for FY26

25 desk volunteers, 7 maintenance/projects volunteers

### 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.

### FY22-FY26 General Fund: Gustavus Public Library Expenditures

Expense	Actual	Actual	Actual	Budget	Budget
	Jul '21 -Jun 22	Jul '22 - Jun 23	JUL '23 - Jun 24	Jul '24 - Jun 25	Jul '25 - Jun 26
Bank Service Charges	25.00	25.00	25.00	25.00	25.00
Building - Insurance	6,932.64	4,999.15	4,847.72	5,000.00	5,300.00
Building - Maintenance			1,524.00		500.00
Contractual Services	6,300.00	5,920.00	3,539.58	3,588.00	3,588.00
Dues/Fees	4,584.85	5,160.60	1,088.86	1,200.00	1,200.00
Equipment - Purchase	372.92	401.44	0.00	500.00	500.00
Events & Celebrations	157.89	144.68	125.00	400.00	400.00
Freight/Shipping	712.19	800.10	935.75	1,000.00	1,000.00
Fundraising Expenses	700.00	0.00	500.00	500.00	500.00
Library Materials	2,212.84	2,659.33	12,973.67	11,000.00	10,500.00
Payroll Expenses	64,837.92	90,583.05	86,988.49	100,208.66	89,863.49
Repair & Replacement Annual Contribution	4,299.27	4,299.27	4,299.27	5,641.80	5,641.80
Supplies - General	5,718.40	3,213.84	3,157.29	2,700.00	3,500.00
Supplies - Program	2,003.24	3,166.06	2,265.39	2,050.00	1,550.00
Supplies - Donated/Fundraised	0.00	1,000.00	478.77	800.00	
Telecommunications	4,560.71	6,579.97	6,338.06	6,745.00	6,745.00
Training	229.99	716.00	349.00	1,000.00	800.00
Travel	278.00	2,309.35	168.60	1,500.00	1,300.00
Utilities - Electricity			3,708.01	3,400.00	3,400.00
Utilities - Fuel Oil	7,268.23	10,014.22	3,030.17	4,000.00	4,000.00
<b>Total Expense</b>	<b>111,194.09</b>	<b>141,992.06</b>	<b>136,342.63</b>	<b>151,258.46</b>	<b>140,313.29</b>

## 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 Fire Chief and an EMS Coordinator (added in FY23) who currently oversee 19 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.

The EMS Coordinator's primary responsibilities are EMS preparedness and training. The EMS Coordinator is supervised by the Fire Chief with direction from the City Administrator and/or Mayor, with advice from the Medical Director.

### Personnel:

Fire Chief (.75 FTE)  
 Assistant Chief (Volunteer)  
 Fire Captain (Volunteer)  
 EMS Coordinator (.5 FTE)  
 Medical Director (Contractual)  
 19 volunteers within the 3 divisions

### Mission:

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

## FY22-FY26 General Fund: Gustavus Volunteer Fire Department Expenditures

Expense	Actual	Actual	Actual	Budget	Budget
	JUL '21 - JUN 22	JUL '22 - JUN 23	JUL '23 - Jun 24	Jul '24 - Jun 25	Jul '25 - Jun 26
Bad Debt	0.00	0.00	4,332.00		
Advertising	100.00	0.00			
Bank Service Charges	25.00	0.00	25.00	25.00	25.00
Building - Insurance			3,603.82	4,141.48	4,200.00
Building - Maintenance	6,948.83	5,796.93	2,907.92	2,765.00	3,000.00
Contractual Services	6,500.00	80.00	3,395.65	2,000.00	
Ambulance Billing Expense	373.30	1,027.27	526.18	1,300.00	1,000.00
Medical Director					8,000.00
Malpractice Insurance					1,400.00
Site Visits					1,200.00
Dues/Fees	100.00	2,038.82	2,027.78	4,687.78	450.00
Equipment - Fuel			164.98		250.00
Equipment - Purchase	12,440.54	3,441.92	3,672.52	2,991.00	2,800.00
Equipment - Maintenance & Repair			300.00		100.00
Freight/Shipping	357.25	664.15	500.96	600.00	250.00
Payroll Expenses	55,662.50	59,399.93	94,222.51	120,271.52	105,641.69
Repair & Replacement Annual Contribution	1,663.38	1,663.38	1,663.38	1,663.38	1,663.38
Stipend	3,000.15	3,750.04	2,019.60	4,500.00	4,000.00
Supplies	7,841.65	6,580.07	8,632.66	7,500.00	7,800.00
Telecommunications	4,224.35	4,061.98	2,859.90	4,700.00	4,800.00
Training	7,801.49	3,075.76	6,100.14	7,000.00	8,504.00
Travel	364.00	1,294.78	2,793.01	7,000.00	7,138.00
Utilities - Electricity			2,720.10	2,500.00	2,500.00
Utilities - Fuel Oil	4,994.36	7,656.91	2,225.32	2,500.00	2,500.00
Vehicle - Fuel			568.41	1,200.00	1,500.00
Vehicle - Insurance			3,225.58	4,181.00	5,500.00
Vehicle - Maintenance & Repair			2,692.40	5,000.00	3,000.00
Vehicle - Milage Reimbursement	5,794.28	5,097.68	37.45		100.00
<b>Total Expense</b>	<b>118,191.08</b>	<b>105,629.62</b>	<b>151,217.27</b>	<b>186,526.16</b>	<b>177,322.07</b>

## Marine Facilities Department

## General Fund

### Marine Facilities Department:

The City of Gustavus Marine Facilities Department oversees and maintains the City's float system 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 float and 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.

Personnel:

Marine Facilities Coordinator/Harbormaster (0.5 FTE)

## FY22-FY26 General Fund: Marine Facilities Expenditures

Expense	Actual	Actual	Actual	Budget	Budget
	Jul '21 - Jun 22	Jul '22 - Jun 23	JUL '23 - Jun 24	Jul '24 - Jun 25	Jul '25 - Jun 26
Administrative Costs	0.00	0.00			
Advertising	258.67	0.00			
Building (Fuel Farm, Shed, Outhouses)	3,942.48	4,507.10	4,066.01	4,973.19	4,500.00
Contractual Services	8,700.00	10,076.05	6,400.00	10,000.00	6,400.00
Equipment - Purchase	1,463.38	529.99	102.37	500.00	500.00
Freight/Shipping	268.17	44.28	49.83	200.00	200.00
Marine Facilities: Insurance	2,486.20	2,578.53	5,804.01	2,965.31	3,300.00
Marine Facilities: Maint & Repairs			476.00		500.00
Payroll Expenses	23,441.02	18,747.15	23,786.29	27,792.25	33,566.41
Repair & Replacement Annual Contribution	7,482.27	7,482.27	7,482.27	7,482.27	7,482.27
Supplies	2,073.76	676.55	2,326.86	1,000.00	1,000.00
Telecommunications	240.00	276.00		276.00	276.00
Training	525.00	0.00			
Electricity	110.00	264.00	305.31	400.00	400.00
Vehicle	1,474.17	856.35	980.49	1,200.00	1,200.00
<b>Total Expense</b>	<b>52,465.12</b>	<b>46,038.27</b>	<b>51,779.44</b>	<b>56,789.02</b>	<b>59,324.68</b>

## 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. City Council members and the City Administrator are responsible for the project scoping and management for capital improvement projects 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. For FY26 no National Forests Receipts were included in the budget as Congress failed to pass the Secure Rural Schools Act.

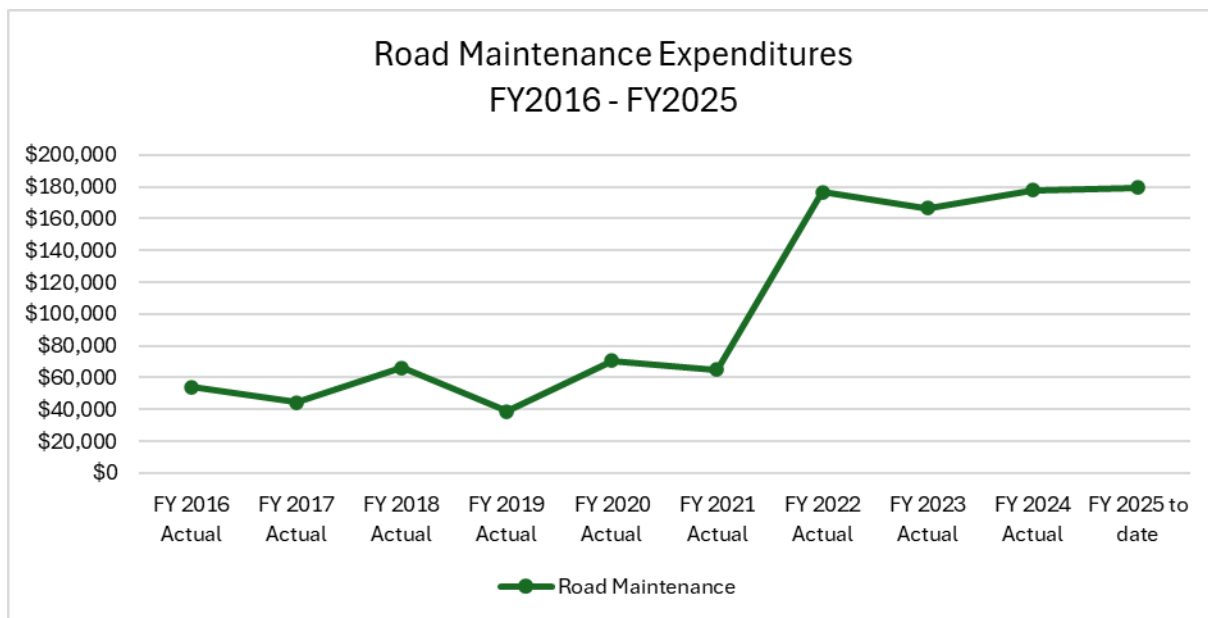
### Personnel:

None

### 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 FY25 to date



Note: This graph does not include other road maintenance expenses associated with Capital Projects.

## FY22-FY26 General Fund: Roads Expenditures

Expense	Actual	Actual	Actual	Actual	Budget
	Jul '21 - Jun 22	Jul '22 - Jun 23	Jul '23 - Jun 24	Jul '24 - Jun 25	Jul '25 - Jun 26
Dues Fees					
Road Maintenance					215000
Snow Plowing	72,814.50	65,000.00	67,855.40		
Grading	103,761.44	101,580.20	110,099.26		
Hauling Pit Run Material					
Brushing					
Other	79,719.60	16,181.70	2,415.94	179,340.80	-
Total Road Maintenance	256,295.54	182,761.90	180,370.60	179,340.80	215,000.00

## 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 being leased to the Gustavus Bike Shop for \$2000.00 annually), 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. L3Harris also leases area from the City of Gustavus for 628.00 annually.

The city also owns the “gravel pits”, a parcel of land at the conjunction of Wilson Road and Rink Creek Road. Until FY26 Pit run gravel material extraction contracts have been awarded each year to contractors extracting and selling material. For FY26 the City is moving to a single operator model for gravel extraction. The details are currently still being worked out.

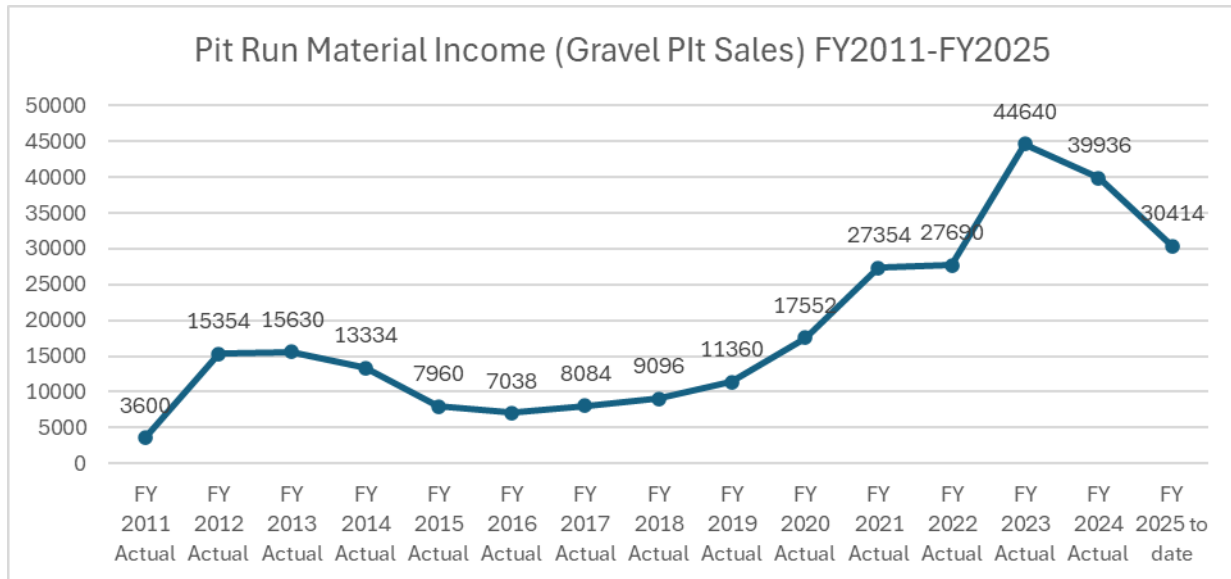
Various City Council members are responsible for the project scoping and management for capital improvement projects and long-term planning for the Lands Department. The treasurer is responsible for the advertisement, execution, and administration of City contracts and for collection of gravel pit and 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 FY25 to date



**FY22-FY26 General Fund: Lands Expenditures**

	Actual	Actual	Actual	Actual	Budget
	Jul '21 - Jun 22	Jul '22 - Jun 23	Jul '23 - Jun 24	Jul '24 - Jun 25	Jul '25 - Jun 26
<b>Expense</b>					
Administrative Costs	0.00	0.00	0.00	0.00	0.00
Contractual Services	0.00	0.00	0.00	0.00	0.00
Gravel Pit Fund	6,000.00	6,000.00	6,000.00	6,000.00	0.00
Professional Services	0.00	0.00	0.00	0.00	0.00
<b>Total Expense</b>	6,000.00	6,000.00	6,000.00	6,000.00	0.00





## City of Gustavus

## Project Scoping Document Nomination Short Form

Project eligibility

Does the proposed project represent a major, nonrecurring expense? YES ☒ NO ☐

Will the proposed project result in a fixed asset (e.g., land, major equipment, building or other structure, road or trail) with an anticipated life of at least two years? YES ☒ NO ☐

Will the project provide broad community benefit? YES ☒ NO ☐

*If you were able to answer YES to all three questions, please provide the following additional information:*

1. Project title (Suggested heading in CIP): [Gravel Pit Single Operator Model](#)
2. Project description and benefit. Describe the project in half a page or less, including specific features, stages of construction, etc. Explain how the project will benefit the Gustavus community.

This project provides for the first-year funding (and potentially longer) for the new operational standard at the gravel pit. It extends the life of the operation by implementing an alternative system, for a single, exclusive operator which was necessary to address the limited amount of gravel remaining. The current rate and methods of extraction is not sustainable. The way to prolong the life of the gravel pit at this time is to expand into the available sections between ponds and surrounding areas, which is not possible with several operators staging material, not all of whom are extracting to a sufficient depth.

The new model is for the operator to mine and stack gravel and other materials that the operator will sell to the various gravel users, including the City. Although the City is not subject to the \$4.00 per cubic yard royalty fee, the new contract includes a \$10.00/yard operator fee for gravel for City needs, which includes clearing and grubbing that previously was included as a standalone project. The expectation is that these costs will be mitigated through receipt of the \$4.00 per yard royalty fee from other users, but it is unknown how much that will yield in the first year. Additionally, gravel expenses are not included in the FY26 operating budget and gravel receipts historically have been included as general revenue in the budget, rather than encumbered for gravel pit operations or roads.

Containing this endeavour to a specific project allows us to monitor its progress. After that, we should be better able to gauge the costs for FY27 once we have a known quantity of gravel revenue. Because the easy to access material is almost gone, until we acquire more land, we have to mitigate this by deeper extraction methods. To achieve deeper mining of gravel the operator will need to purchase a long reach excavator. It is inevitable that the costs are going to increase.

Additionally, the roads contract will be renegotiated and extended or put out to bid again. The single operator gravel pit contract specifies that there will be a negotiation each year of the 5-year contract.

The project provides the opportunity to continue providing gravel for the community and for the operation of City responsibilities such as roads.

3. Plans and progress. Describe in one or two paragraphs what has been accomplished so far (if anything). This may include feasibility study, conceptual design, final design/engineering/permitting, fundraising activity, and total funds raised to date.

The City, in consultation with John Barry of Neval Engineering, issued an RFP for a single operator to extract material from the city's gravel pits. Fairweather Construction was the sole bidder. The City then refined the terms of the Materials Extraction Contract with Fairweather Construction. The contract will be effective June 1, 2025.

4. Project cost:

A. TOTAL COST (including funds already secured) = \$40,000

B. For construction projects, break out preconstruction costs (feasibility/design/permitting):

Preconstruction costs = \$\_\_\_\_\_ Construction costs = \$\_\_\_\_\_

5. Timeline: Indicate when you hope to complete each phase of the project.

Please keep in mind that the CIP will not be published until the end of September.

Legislative funding (if any) would not be available until July of next year (or later) for state funding and October of next year (or later) for federal funding.

Although we updated and the Council already approved a longer-term more comprehensive gravel pit CIP project for CAPSIS, in which this single operator model was detailed, this project is not CAPSIS related. Rather, it is a project to fund, at a minimum, the first year of the new gravel pit model until we can determine if it will be advantageous to the community and the City and the approximate revenue to expect from gravel sales.

The single operator Materials Extraction Contract will be in effect beginning June 1, 2025.

A. For projects that consist of land or equipment purchase only, state when the purchase would be made: \_\_\_\_\_

For construction projects:

B. Preconstruction phase to be completed by \_\_\_\_\_.

C. Construction phase to be completed by \_\_\_\_\_.

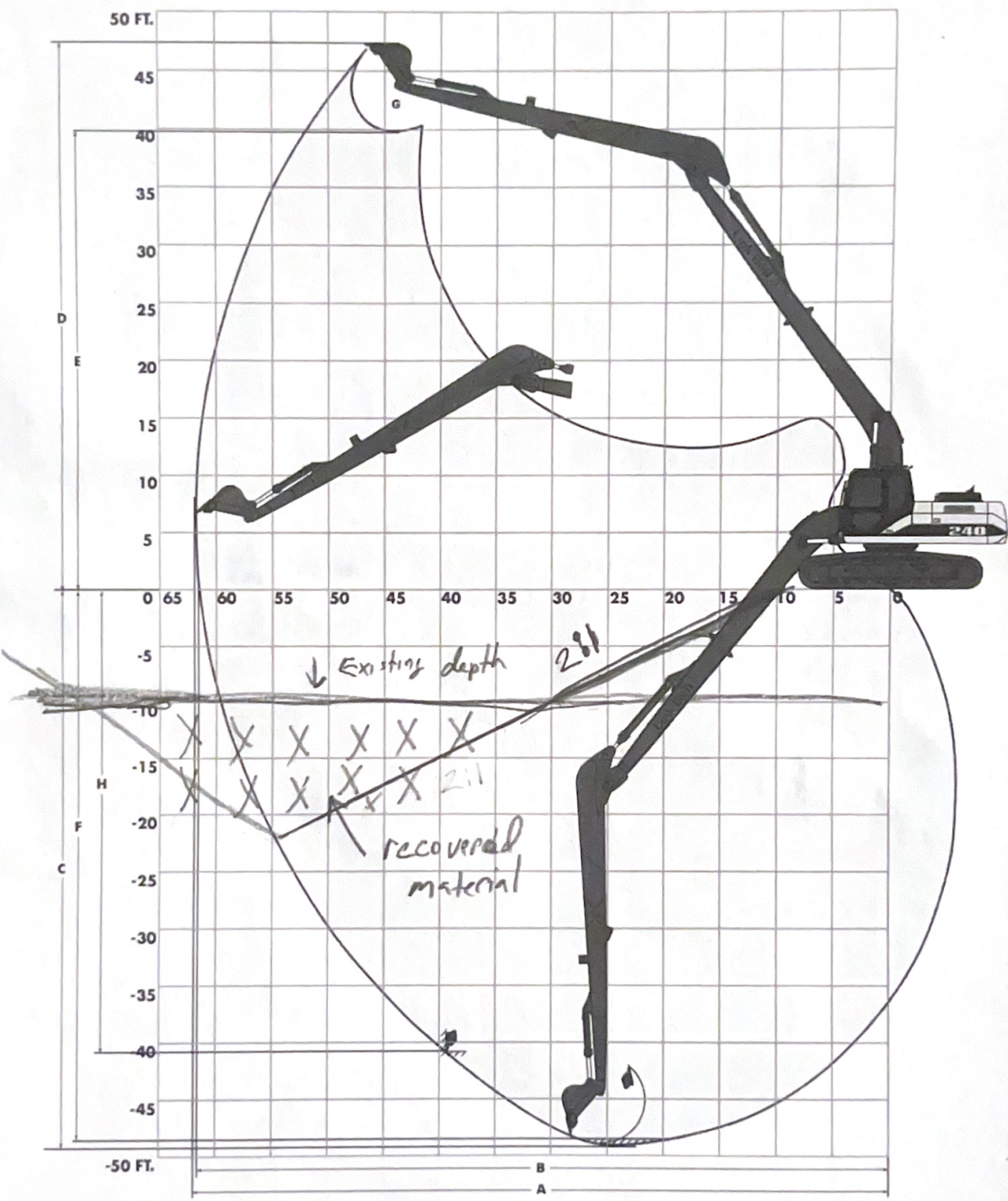
6. Provide a quality digitized photo, drawing, map, or other graphic image of your project if possible.

Attached:

- Drawing of extend excavator arm and expected depth
- Aerial view of the current gravel pit configuration.



Working Ranges





**CITY OF GUSTAVUS, ALASKA****MATERIAL EXTRACTION CONTRACT**

Issuance Date: June 10, 2025

Expiration Date: June 30, 2030

CoG FY26-01

Federal Tax I.D.: 27-0085777

Under AS 38.05.110-38.05.120 and AS 38.05.810(a) and City of Gustavus Ordinance Title 4 and City of Gustavus Ordinance Title 10 and the regulations implementing these statutes, the City of Gustavus, the seller, agrees to sell to **Fairweather Construction**, the buyer, whose address is shown in Paragraph 16 of this Material Extraction Contract, and said buyer, as the single exclusive gravel pit operator, agrees to purchase the material designated in this contract, subject to the provisions that follow:

**1. Description: Location, Material, and Price:**

(a) The material extraction area covered by this contract consists of 40.47 acres designated by the boundaries of Lot 11, Section 31, T39S, R59E, CRM.

(b) The material to be removed is sand and gravel. The price the City will be paid for removal of the material will be determined by the City on an annual basis coinciding with the City's fiscal year budgeting process. The fiscal year 2026 price will be \$4.00 per cubic yard.

Material sold by the buyer to the City from the stockpile will be \$10.00 per cubic yard.

Material sold by the buyer to gravel users from the stockpile will be \$14.00 per cubic yard which includes the \$4.00 per cubic yard royalty to be paid to the City.

**2. Payments and Deposits.** No part of the materials sold under this contract may be extracted from the gravel pit area by the buyer except in accordance with the following terms:

(a) The buyer shall remit an earnest money deposit in the amount of \$1000.00 at the time the buyer signs this contract. The deposit will be applied, in whole or in part to the final payment that becomes due under this contract.

(b) Additional periodic installment payments as required in paragraph 2(c) must be made for material removed as of the date payment becomes due.

(c) Each periodic installment payment becomes due and payable quarterly, without prior notice to the buyer, for the value of material removed as of that date. The installment must be based on records required in Paragraph 3 of this contract and must be submitted to the City no later than the last day of the month following the close of the quarter (March 31, June 30, September 30, December 31).

(d) A final accounting and payment for material removed, and a completion statement, must be submitted no later than thirty (30) working days following contract completion, or when the buyer has completed removal under the contract, or following termination of the contract by the City or by operation of law. Whether completion is

satisfactory will be decided by the representative of the City of Gustavus within 90 working days after receiving the final accounting report and completion statement.

(e) If the buyer fails to make a payment provided for in this contract, the City may under paragraph 8(b) of this contract, order all material extraction suspended immediately. Materials extracted by the buyer during any period of suspension are considered taken in trespass and are to be charged to and paid for by the buyer at triple (3X) the unit contract price. Resumption of the lawful taking of materials may be authorized, in writing, by the City of Gustavus only after the payments in arrears plus the penalty provided for in paragraph 2(f) have been paid.

(f) Late Payment Penalty: Interest at the rate set by City of Gustavus Ordinance Section 04.15.070(d) will be assessed on a past-due account until payment is received by the City.

(g) All payments and deposits must be remitted to the City of Gustavus and must be made payable to the City of Gustavus.

(h) Special Provisions. The following special provisions also apply to payments and deposits under this contract.

(1) Whether or not any material is removed during a particular reporting period, the buyer agrees to submit an Accounting Voucher to the City of Gustavus, PO Box 1, Gustavus, Alaska 99826, quarterly by the last day of the month following the dates: March 31, June 30, September 30, December 31 and date of expiration or upon removal of total contract entitlement, whichever is earliest.

### **3. Sale of Extracted Material**

(a) The buyer is responsible for the sale of the material extracted from the gravel pits that is available to the gravel users in an accessible stockpile, which includes communicating with the purchasing party, invoicing and collection of payments due. It will be at the discretion of the buyer to allow gravel users to load their own trucks, or the buyer loads the trucks.

(b) The buyer will annually negotiate with the City a unit price per yard as stockpiled for sand and gravel. This will be the unit price charged to any party that purchases materials from the buyer. The annual unit price negotiation will ensure that the buyer is selling materials at a fair price to the other parties that may be in competition with the buyer. This annual negotiation will be based on the mining plan for that year and considers the activities expected to be necessary for that year's mining, such as tree removal, topsoil stripping, proportions of shallow and deep mining, re-mining of old ponds, causeway extraction, and reclamation.

(c) The buyer and the City will annually negotiate the hourly rates the City will pay the buyer for project work not directly involved with digging and stockpiling gravel or ordinary clearing and reclamation, such as moving or adding culverts, rehabilitation beyond 2-1 sloping with top soil and moving streams. The FY 2026 hourly equipment rates are stated in Exhibit 3, the proposal submitted to the City for the Gravel Pit Single Operator Request for Proposal by Fairweather Construction on May 5, 2025. The timing of this negotiation will coincide with the City's fiscal year budgeting process.

(d) The buyer will not pay the City for any overburden material removed. The buyer will not charge the City or any other contractor for the unscreened overburden. Unscreened overburden will be used for reclamation of the finished gravel pit perimeter. Overburden screened by the buyer can be used by the contractor for any purpose including selling it to customers. Logs cut to clear land for excavation areas will be owned by the buyer at no charge.

### **3. Method of Volume Determination.**

(a) The method of volume determination for purposes of payment under this contract, along with any special provisions applicable to volume determination, is: Vehicle Bed conversion to loose cubic yards, reported in cubic yards sold.

(b) The buyer shall keep accurate and up-to-date records of all materials removed. These records are subject to verification by check measure and inspection of the buyer's books by the City at any time without notice.

(c) All measurements are to be made by or under the direct supervision of buyer personnel acceptable to the City, including an Alaska registered professional engineer where the City deems appropriate, with quantities reconciled annually and certified by that person.

(d) The trucks operated by the buyer and gravel users must have the truck volumes measured and verified prior to removing material from the site.

### **4. Operating Requirements.**

(a) Boundary Lines and Survey Monuments. No boundary mark of the sale area nor any survey line or witness tree for any survey corner or monument may be severed or removed, nor may any survey corner or monument be damaged or destroyed. Any violation of this clause requires the buyer to bear the expense of re-establishing the line, corner, or monument by an Alaska registered professional surveyor in a manner approved by the City.

(b) Standard of Operations. The buyer shall properly locate the buyer's operations and buyer's improvements within the sale area, and may not commit waste, of any kind or any nature, whether ameliorated or otherwise. In addition to complying with all federal, state, and local laws, regulations, ordinances, and orders, the buyer shall maintain the land in a reasonably neat and clean condition, and shall take all precautions to prevent or suppress grass, brush, or forest fires, and to prevent erosion or destruction of the land. There shall be no importation of any kind of material to the area, this contract is for exportation of material only. The City may in its sole discretion terminate this agreement upon any violation of this provision.

(c) Erosion Control and Protection of Waters. Road construction or operations in connection with this contract must be conducted so as to not cause any damage to streams, lakes, or other waters and land adjacent to them. Vegetation and materials shall not be deposited into any stream or other waters. Locations and improvements necessary for stream crossings for haul roads must be approved in advance in writing by the representative for the City of Gustavus. All roads to be abandoned must be treated with measures necessary to prevent erosion in a manner

acceptable to the City. Any damage resulting from failure to perform these requirements must be repaired by the buyer to the satisfaction of the City. Waters include waters defined in 5 AAC 95.010, Protection of Fish and Game Habitat.

(d) Fire Protection. The buyer shall take all necessary precautions for the prevention of wildfires and is responsible for the suppression, and must bear the suppression costs, of all destructive or uncontrolled fires occurring in or outside the sale area resulting from any of the buyer's operations under this contract. The buyer shall comply with all laws, regulations and ordinances promulgated by all governmental agencies responsible for fire protection in the area.

(e) Roads. No additional roads to extraction ponds will be built without written approval by the Mayor or City Administrator of the proposed location and construction standards of the road from the City.

(f) Supervision. The buyer shall maintain supervision at all times when operations are in progress to ensure that the provisions of this contract and all applicable federal, state, and local laws, regulations, and ordinances governing the operations are enforced. At all times when operations are in progress, the buyer, or a person authorized by the buyer to assume the responsibilities imposed by this contract, shall be present on the sale area.

(g) Agents. The provisions of this contract apply with equal force upon an agent, employee, or any invitee, volunteer, or any other person authorized by the buyer to be in or around the sale area and/or assisting with or performing any of the operations relating to extraction of the materials sold under this contract. The buyer shall defend, indemnify and hold harmless the City for all acts or omissions of any kind and any nature, including death, arising out of or in connection with any act or omission by the buyer and/or any agent, employee, or any invitee, volunteer, or any other person authorized by the buyer to be in or around the sale area.

(h) Location. The buyer is responsible for the accurate location of operations under this contract, including any survey that may be necessary for accurate location unless otherwise specified in this contract. Buyer shall be solely responsible for the costs of any survey.

(i) Access. The City of Gustavus makes no representations that it will construct or maintain access to or within the city land.

(j) Special Provisions. The following special provisions also apply to operations under this contract:

(1) The buyer shall not conduct any milling or processing, such as crushing, conveying, etc., except for the use of a scalping screen to remove large rocks, wood and trash. The buyer shall comply with the Mine Safety and Health Administration, United States Department of Labor Program Policy Manual, Volume 1, Interpretation and Guidelines on Enforcement of the 1977 Act; Section 4 .... Mines Subject to the Act; I.4-3 Jurisdiction Over Borrow Pits; Section 6(b)(7) in the MSHA/OSHA Interagency Agreement.

Refer to Exhibit 2 for the MSHA description of a "Borrow Pit" that is under the jurisdiction of OSHA. The buyer will not conduct any activities that would cause the

jurisdiction to change from a borrow pit under OSHA jurisdiction to a sand and gravel operation under MSHA jurisdiction.

(2) Material extraction and preparation shall at all times be conducted adhering to sound engineering principles. The buyer shall collaborate annually with the City to develop and update the mining and reclamation plan for mining beginning in 2026. The plan will maximize the extraction of the gravel resource and leave the areas where mining is completed in the best practical condition for aquatic wildlife habitat. This includes mining in previously mined areas to extract recoverable gravel left behind by operations where deep gravel mining techniques were not practiced. For the 2025 season the mining plan will be conducted in the same manner as it has occurred historically by Fairweather Construction at a location designated by the City's engineer that is acceptable to the buyer.

(3) The buyer will:

(A) Procure, operate and maintain in good operating order a deep digging, long reach excavator, capable of digging to a depth of 20 feet, by March, 31, 2026 and continue throughout the term of this contract.-

(B) Between April and October, maintain two gravel stockpiles, with a minimum of 200 cubic yards each that is accessible by 10 cubic yard trucks and loading equipment.

(C) The buyer will maintain the access roads to the stockpiles in good order.

(4) Final pit slopes shall be no greater than 2:1. Drainage from the pit must meet state water quality standards before it enters any waters of the state. These conditions will be considered as part of the annual mine plan update.

(5) The City reserves the right to restrict hours of usage in its sole discretion, upon two (2) day written notice to the buyer, unless the City, in its sole discretion, deems an emergency situation such that two-day written notice would not be practical or feasible.

(6) Trees, stumps, brush, overburden and any other debris derived from pit expansion shall be disposed of or burned in a manner considered suitable by the Mayor, or designee, of the City of Gustavus. The buyer will comply with all City and State permits, laws and regulations.

(7) If any of the topsoil (organic and mineral) disturbed by the mining operation is not promptly redistributed to an area being reclaimed, it must be segregated, protected from erosion and from contamination by acidic or toxic materials and preserved in a condition suitable for later use. Stripped vegetation shall be stacked and stored or used immediately, subject also to Section (j)(4) for reclamation purposes. The buyer may sell excess topsoil that is not needed for reclamation.

(8) Materials excavated under this agreement shall be stockpiled in a separate area and shall not be mingled or mixed with any other material so as not to be readily measured in the pile.



(9) If potential cultural or paleontological archeological resources are discovered, they should not be disturbed and the DNR Office of History and Archeology should be contacted.

(10) The buyer shall furnish certificates of insurance, according to the attached insurance requirements, Exhibit 1, to the Gustavus City Treasurer prior to beginning operations under this authorization, and must provide for thirty (30) days prior written notice of cancellation, non-renewal and/or material change. Failure to furnish satisfactory evidence of insurance or lapse of policy shall be a material breach and grounds for immediate termination of the contract in the sole discretion of the City. The buyer shall cease and desist operations if they are operating under a workers' compensation insurance exemption and are then observed to be utilizing a worker. Operations may not resume until proof of workers' compensation insurance is furnished to the City Treasurer.

(11) The City is responsible for assuring that gravel users who operate their own trucks and loading equipment on the gravel pit roads and stockpiles have insurance and a deposit or bond, or both, as required.

(12) Gravel users who haul gravel for resale or other compensation must have a Gustavus Business Permit and represent and warrant that it is in good standing with the City of Gustavus including but not limited to the timely payment of all taxes, fees, and compliance with all applicable ordinances. The buyer will alert the City, if other than Gustavus Business Permit holders are purchasing and hauling material. Buyer will charge city sales tax to haulers who are purchasing material not for resale.

(13) The gravel users must report accurate load sheets to the buyer no later than the last day of the month following the close of the quarter (March 31, June 30, September 30, December 31).

## **5. Indemnity of City and Bonding.**

(a) The buyer shall defend, indemnify and hold the seller harmless from:

(1) All claims and demands for loss or damage, including property damage, personal injury, wrongful death, and wage or employment claims, arising out of or in connection with the use or occupancy of the land or operations by the buyer or the buyer's successors, or at the buyer's invitation; and

(2) Any accident or fire on the land; and

(3) Any nuisance on the lands; and

(4) Any failure of the buyer to keep the land in a safe and lawful condition consistent with applicable laws, regulations, ordinances, or orders; and

(5) Any assignment, sublease, or conveyance, attempted or successful, by the buyer that is contrary to the provision of this contract;

(6) Any environmental spill, discharge, or contamination of any kind and any nature involving any hazardous materials as hazardous materials are defined in any federal or state law.

The buyer will keep all goods, materials, furniture, fixtures, equipment, machinery, and other property on the land at the buyer's sole risk, and will defend, indemnify and hold the City of Gustavus harmless from any claim of loss or damage to them by any cause by any person.

(b) A buyer shall be required to file a bond designed to ensure the buyer's performance and to help protect the City of Gustavus against any liability that may arise as a result of the activities of the buyer. A bond in the amount of \$1,000.00 must be filed with the City at the time of execution of this contract to ensure the buyer's performance and financial responsibility.

## **6. Improvements and Occupancy.**

(a) Any improvements or facilities including buildings, suction dredges, bridges, roads, etc. constructed by the buyer in connection with this contract and within the contract area must be in accordance with plans pre-approved in writing by the City of Gustavus.

(b) The buyer must, within 60 days after contract completion or termination of the contract by the City or by operation of law, remove the buyer's equipment and other personal property from the contract area. After removal, the buyer must leave the land in a safe and clean condition that is acceptable to the City of Gustavus in its sole discretion.

(c) If any of the buyer's property having an appraised value in excess of \$10,000, as determined by the City, is not removed within the time allowed, that property may, upon 30 days' notice to the buyer, be sold at public auction under the direction of the City of Gustavus Municipal Code 10.12.010. The proceeds of the sale will inure to the buyer after satisfaction of the expense of the sale and deduction of all amounts then owed to the City, including legal fees and costs. If there are no other bidders at the sale, the City may bid on the property, and the City will acquire all rights, both legal and equitable that any other buyer could acquire through a sale and purchase.

(d) If any of the buyer's property having an appraised value of \$10,000 or less, as determined by the City, is not removed within the time allowed, title to that property shall automatically and immediately vest in the City.

(e) Special provisions, if any, applicable to improvements and occupancy under this contract are listed in paragraph 4(j) of this contract.

## **7. Inspection.**

(a) The City shall be accorded access, at all times, to the sale area and to the books and records of the buyer, the buyer's buyers, and any sub-buyers relating to operations under this contract for purposes of inspection to assure the faithful performance of the provisions of this contract and other lawful requirements.

(b) At all times when construction or operations are in progress, the buyer shall have a representative readily available to the area of operations who is authorized to receive, on behalf of the buyer, any notices and instructions given by the

City in regard to performance under this contract, and to take appropriate action as is required by this contract.

## **8. Termination and Suspension.**

(a) The City of Gustavus may terminate the buyer's rights under this contract if the buyer breaches the contract and fails to correct this breach within 30 days after written notice of the breach.

(b) If the buyer fails to comply with any of the provisions of this contract, the City may shut down the buyer's operations upon issuance of written notice, until corrective action, as specified by the City in its notice, is taken. If this corrective action is not taken within 30 days after written notice is served upon the buyer, the City may terminate the contract under paragraph 8(a) of this contract in the sole discretion of the City. The buyer's failure to take immediate corrective action when ordered to remedy dangerous conditions or unwarranted damage to natural resources may be corrected by the City to prevent danger or additional damage. Any cost incurred by the City as a result of this corrective action, or by the buyer's failure to take corrective action, shall be paid by the buyer.

(c) This contract may also be terminated by mutual agreement by both parties on terms agreeable to each in writing by both parties.

## **9. Inclusion of Applicable Laws and Regulations.**

The buyer shall comply with all laws and regulations applicable to operations under this contract, including the provisions of AS 27.19 and 11 AAC 97 regarding mining reclamation, the provisions of AS 41.15 for wildfire prevention and control, the provisions of AS 38.05.110 – 38.05.120, material sale regulations 11 AAC 71, state fish and game regulations pertaining to the protection of wildlife and wildlife habitat, and state regulations pertaining to safety, sanitation, and the use of explosives. These laws and regulations are, by this reference, made a part of this contract, and a violation of them is cause for termination or suspension of this contract in addition to any penalties prescribed by law. These laws and regulations control if the terms of this contract are in conflict with them in any regards.

**10. Assignment.** This contract may not be assigned by the buyer without the City's prior written consent to the assignment.

**11. Permits.** Any permits necessary for operations under this contract must be obtained by the City before commencing those operations.

**12. Passage of Title.** All right, title and interest in or to any material included in the contract shall remain in the City of Gustavus until it has been paid for; provided, however, that the right, title and interest in or to any material that has been paid for but not removed from the sale area by the buyer within the period of the contract or any extension thereof as provided for in this contract shall vest in the City of Gustavus.

**13. Expiration and Extension.** This contract expires on the date stated at the top of the contract unless an extension, amendment, or renewal is granted by the City. The request for renewal may begin three (3) months prior to existing contract.

**14. Warranties.** This contract is made without any warranties, express or implied, as to quantity, quality, merchantability, profitability, or fitness for a particular use, of the material to be removed from the area under contract.

**15. Valid Existing Rights.** This contract is entered into and made subject to all valid existing rights, including easements, rights-of-way, reservations, or other interests in land, in existence on the date the contract is entered into.

**16. Notices.** All notices and other writings required or authorized under this contract must be made by certified mail, postage prepaid, to the parties at the following address:

To the City: City of Gustavus  
PO Box 1  
Gustavus, Alaska 99826

To the Buyer: Fairweather Construction  
PO Box 116  
Gustavus, AK 99826

**17. Integration and Modification.** This contract, including all laws and documents that by reference are incorporated in it or made a part of it, contains the entire agreement between the parties. This contract may not be modified or amended except by a document signed by both parties to this contract. Any amendment or modification that is not in writing, signed by both parties and notarized is of no legal effect. The mayor, city council members, employees, and representatives of the City do not have any actual or apparent authority to orally modify any of the terms and conditions of this contract.

**18. Severability of Clauses of Sale Contract.** If any provision of this contract is adjudged to be invalid, that judgment does not affect the validity of any other provision of this contract, nor does it constitute any cause of action in favor of either party as against the other.

**19. Construction.** Words in the singular number include the plural, and words in the plural number include the singular.

**20. Headings.** The headings of the numbered pages in this contract shall not be considered in construing any provision of this contract.

**21. “Extracted”, “Extraction”, “Mining” and “Mined”.** In this contract, use of the terms “extracted”, “extraction”, “mining” and “mined” encompasses the severance or removal by the buyer of any materials covered by this contract.

**22. Waiver.** No agent, representative or employee of the City of Gustavus has authority to waive any provision of this contract unless expressly authorized to do so by the Mayor or Mayor’s designee of the City of Gustavus, Alaska.

BY SIGNING THIS CONTRACT, The City of Gustavus, Alaska, as seller, and the buyer, agree to be bound by its provisions as set out above.

BUYER:

CITY OF GUSTAVUS:

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Fairweather Construction

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Mayor, City of Gustavus, Alaska

**Exhibit 1****INSURANCE REQUIREMENTS**

During the term of the contract, the BUYER shall obtain and maintain in force the insurance coverage specified in this section with an insurance company rated “Excellent” or “Superior” by A.M. Best Company or specifically approved by the City Council.

**Limits:** The BUYER shall obtain insurance for not less than the following limits:

- Commercial General Liability: Coverage written on an occurrence basis with limits of not less than \$1,000,000.00 per occurrence;
- Comprehensive automobile liability: \$1,000,000.00 combined single limit;
- Workers’ Compensation: \$100,000 each accident, \$500,000 disease-policy limit, and \$100,000 disease-each employee.

**Automobile Liability Insurance:** All vehicles or all owned, non-owned, and hired vehicles must be insured when the BUYER is using them to do work under this Agreement. If the BUYER submits insurance covering only scheduled vehicles, then the BUYER must assure that any additional vehicles are insured before using them in the work under this Agreement.

**Workers’ Compensation:** Any employee of the BUYER must be covered by workers’ compensation insurance during the term of the Agreement. This policy must be endorsed with a waiver of subrogation in favor of the CITY. The BUYER is not required to provide a certificate of workers’ compensation covering the owner(s) of the BUYER’s business under the following circumstances:

*Corporations* – If the executive officer(s) claims an exemption, then the BUYER must provide an Executive Officer Waiver for each officer from the Alaska Department of Labor and also provide the corporate filing with the State showing the person(s) named on the waiver is an owner. Only the person or persons who have the State Executive Officer Waiver and who are an owner shall be permitted to do any work or be on the work site or work area. If the BUYER permits any other person on the work area or work site or to do any work, and that person is injured, the BUYER shall defend, indemnify, and hold harmless the City from any and all claims and liabilities for workers’ compensation benefits of any kind and any nature, including costs and legal fees.

*Sole Proprietors, Partnerships, or LLCs* – If the sole proprietor, partner, or member claims an exemption, then the BUYER must provide the City with the business permit filing with the State of Alaska showing the person(s) are the owner, sole proprietor, partner, or member. Only the person or persons who are an owner, sole proprietor, partner, or member shall be permitted to do any work or be on the work site or work area. If the BUYER permits any other person on the work area or work site or to do any work, and that person is injured, the BUYER shall defend, indemnify, and hold harmless the City from any and all claims and liabilities for workers’ compensation benefits of any kind and any nature, including costs and legal fees.

**Alternate Coverage:** A combination of primary and excess/umbrella policies may be used to fulfill the insurance requirements of this section.

**Additional Insured:** During the contract term, the BUYER shall add and maintain the CITY as an additional insured in the Buyer’s commercial general liability policy. This policy will provide primary coverage for the CITY, and it will provide that a policy treats each additional insured as though the insurer had issued separate policies.

**Certificate of Insurance:** Prior to commencing any work under this Agreement, the BUYER will provide a certificate of insurance in a form acceptable to the CITY showing that the BUYER has the required insurance coverage.

**Cancellation:** The BUYER must assure that the CITY receives notice if the Buyer's insurance is going to be canceled, not renewed, or changed. The certificate of insurance must say that the insurer will notify the CITY at least 30 days before the insurer cancels, refuses to renew, or materially changes the coverage.

**Increased Coverage:** If during the Agreement term the CITY requires higher limits of insurance than those listed in this section, and if the insurer increases the premium as a result of the higher limits of insurance, then the CITY will pay the BUYER the difference between the new and old premiums.

**Subcontracting:** The Buyer is responsible to the CITY to verify insurance on all subs and furnish copies of it to the CITY upon request. All subs must carry and show proof of the minimum limits of liability indicated above.

**CITY OF GUSTAVUS, ALASKA  
RESOLUTION CY25-XX**

**A RESOLUTION BY THE CITY OF GUSTAVUS PERTAINING TO THE AUTHORIZED  
INVESTMENTS OF AND ESTABLISHING APPROPRIATE BENCHMARKS TO MEASURE  
PERFORMANCE OF THE CITY'S ENDOWMENT FUNDS**

**WHEREAS**, pursuant to City of Gustavus Ordinance 04.13.050 (c) the Gustavus City Council shall annually approve an Asset Allocation Plan for investment of the City's Endowment Funds; and,

**WHEREAS**, pursuant to City of Gustavus Ordinance 04.13.060 (c) permits investment of the Endowment Funds in various asset classes and the Council believes that establishing asset allocation criteria for those various asset classes is in the best interest of the City of Gustavus; and,

**WHEREAS**, the annually approved Asset Allocation Plan will provide benchmarks to measure investment performance; and,

**WHEREAS**, the investment manager has recommended adding asset classes U.S. 1-5 Year Gov/Credit, U.S. Corporate High Yield, and Alternative Beta.

**NOW THEREFORE BE IT RESOLVED** that the Gustavus City Council adopts the Asset Allocation Plan for the upcoming FY26 as follows;

**ENDOWMENT FUND ASSET ALLOCATION PLAN AND PERFORMANCE MEASUREMENT  
TARGETS**

Section 1. The Asset Allocation Plan and Target weighting with range restrictions are as follows:

<u>ASSET CLASS</u>	<u>TARGET WEIGHTING</u>	<u>RANGE</u>
Cash	3%	0-10%
International Fixed Income	5%	0-10%
U.S. TIPS	4%	0-10%
U.S. Fixed Income	18%	10-30%
U.S. 1-5 Year Gov/Credit	14%	8-20%
U.S. Corporate High Yield Fixed Income	6%	0-12%
Real Estate Investment Trust	2%	0-5%
Infrastructure	5%	0-6%
Alternative Beta	10%	0-15%
Emerging Markets Equity	2%	0-5%
International Equity	4%	0-8%
U.S. Small Cap Equity	2%	0-5%
U.S. Mid Cap Equity	5%	0-10%
U.S. Large Cap Equity	20%	10-30%

SECTION 2. The performance of the Fund and investment managers will be measured as follows:



Performance Measurement of the **Cash** allocation will be measured against the Target weighting, using the Citi Group 90 Day T-Bill Index or substantially similar index.

Performance measurement of the **International Fixed Income** allocation will be measured against the Target weighting, using the Barclays Global Aggregate ex-USD Float Adjusted RIC Capped Index or substantially similar index.

Performance measurement of the **U.S. Treasury Inflation Protected Securities (TIPS)** allocation will be measured against the Target weighting, using the Barclays US TIPS 0-5 Year Index or substantially similar index.

Performance measurement of the **Fixed Income** allocation will be measured against the Target Weighting, using the Barclay's Capital Aggregate Bond Index, or substantially similar index, as the benchmark.

Performance measurement of the **1-5 Year Gov/Credit** allocation will be measured against the Target Weighting, using the Bloomberg Barclays US Gov/Credit Float Adjusted 1-5 Year Index, or substantially similar index, as the benchmark.

Performance measurement of the **Corporate High Yield** allocation will be measured against the Target Weighting, using the Bloomberg Barclays US High Yield Very Liquid Index, or substantially similar index, as the benchmark.

Performance measurement of the **Real-Estate Equities** allocation will be measured against the Target weighting, using the Standard & Poor's US REIT Index, or substantially similar index, as the benchmark.

Performance measurement of the **Infrastructure Equities** allocation will be measured against the Target weighting, using the STOXX Global Broad Infrastructure Index, or substantially similar index, as the benchmark.

Performance measurement of the **Alternative Beta** allocation will be measured against the Target Weighting, using the Wilshire Liquid Alternatives Index, or substantially similar index, as the benchmark.

Performance measurement of the **Emerging Markets** allocation will be measured against the Target weighting, using the MSCI Emerging Markets or substantially similar index as the benchmark.

Performance measurement of the **International Equity** allocations will be measured against the Target weighting, using the MSCI EAFE or substantially similar index as the benchmark.

Performance measurement of the **Small-Cap Equity** allocations will be measured against the Target Weighting, using the Standard & Poor's 600 Small-Cap Index, or substantially similar index, as the benchmark.

Performance measurement of the **Mid-Cap Equity** allocation will be measured against the Target Weighting, using the Standard & Poor's 400 Mid-Cap Index, or substantially similar index, as the benchmark.

Performance measurement of the **Large-Cap Domestic Equity** allocation will be measured against the Target Weighting, using Standard & Poor's 500 Index, or substantially similar index, for the benchmark.

**PASSED** and **APPROVED** by a duly constituted quorum of the Gustavus City Council this 9th day of June, 2025, and effective upon adoption.

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Sally A. McLaughlin, Mayor

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Attest: Liesl M Barker, City Clerk

**CITY OF GUSTAVUS, ALASKA****RESOLUTION CY25-XX****A RESOLUTION BY THE CITY OF GUSTAVUS ESTABLISHING POLICY AND PROCEDURE  
FOR CITY COMMITTEES AND REPEALING RESOLUTION CY19-20 CITY ADVISORY  
COMMITTEES**

**WHEREAS**, The City of Gustavus has the need to develop a new policy and procedure for city committees to provide continuity and compliance with the City of Gustavus Code of Ordinances; and,

**WHEREAS**, The City Council adopted a new Title 2, Section 2.40.150—Committees on May 12, 2025, which is a flexible tool providing the mayor and council with a variety of options to form committees suitable for executing diverse tasks; and,

**WHEREAS**, clear policies and procedures are needed to guide the establishment and operation of such committees, in accordance with city code and state statutes,

**NOW THEREFORE BE IT RESOLVED** that the City Council of Gustavus, Alaska repeals and replaces Resolution CY19-20 and Exhibit A “City of Gustavus Policy and Procedure for City Advisory Committees”.

**NOW THEREFORE BE IT FURTHER RESOLVED** that the City Council of Gustavus, Alaska adopts Resolution CY25-XX, which includes Attachment A, “City of Gustavus Policy and Procedure for City Committees” and Attachment B, “Application for Appointment to City Committees”.

**PASSED** and **APPROVED** by the Gustavus City Council this XX<sup>th</sup> day of \_\_\_\_\_, 2025, and effective upon adoption.

\_\_\_\_\_  
Sally A. McLaughlin, Mayor

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Attest: Liesl M. Barker, City Clerk