



Tuesday, May 14, 2024
WS from 6 - 7 PM / Regular Meeting at 7 PM

Location: Borough Assembly Chambers

WORK SESSION (6:00 - 7:00 PM)

- [a.](#) Presentation of FY 2023 Audit

1. CALL TO ORDER

- a. PLEDGE OF ALLEGIANCE led by Assembly Member Powell
b. ROLL CALL

2. CEREMONIAL MATTERS - None.

3. PERSONS TO BE HEARD

4. AMENDMENTS TO THE AGENDA

5. CONFLICT OF INTEREST

7. BOROUGH MANAGER'S REPORT

- [a.](#) Library Director Report
[b.](#) Nolan Center Director Report
[c.](#) Economic Development Department Report
[d.](#) Infrastructure Report / Update
e. Borough Manager's Report (verbal)

6. CONSENT AGENDA

MOTION ONLY: *Move to Approve the Consent Agenda, as submitted.*

- [a.](#) Minutes from the April 23, 2024 Regular Assembly Meeting

8. BOROUGH CLERK'S REPORT

- [a.](#) Clerk's Report

9. MAYOR AND ASSEMBLY BUSINESS

10. MAYOR AND ASSEMBLY APPOINTMENTS - None.

11. PUBLIC HEARING - None.

12. UNFINISHED BUSINESS

13. NEW BUSINESS

- a. Approval of FY 2025 Wrangell Public Schools Budget and Local Funding Contribution in the Amount of \$1,300,000
- b. **ORDINANCE No. 1056** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING SECTION 11.04.020 TITLED "TRAFFIC FINE SCHEDULE – ADOPTION OF STATE BAIL FORFEITURE SCHEDULES BY REFERENCE", IN THE WRANGELL MUNICIPAL CODE
- c. **RESOLUTION No. 05-24-1862** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, ACCEPTING GRANT AGREEMENT AMENDMENT 2 FROM THE UNITED STATES DEPARTMENT OF COMMERCE, ECONOMIC DEVELOPMENT ADMINISTRATION (EDA) GRANT AGREEMENT FOR ADDITIONAL FUNDS IN THE AMOUNT OF \$2,144,677 TO FINANCE REPAIRS, RENOVATIONS AND IMPROVEMENTS TO THE WATER TREATMENT PLANT OWNED AND OPERATED BY THE CITY AND BOROUGH OF WRANGELL, ALASKA, AND RELATED MATTERS
- d. Approval of Change Order No. 5 to Ketchikan Ready Mix & Quarry, Inc. in the amount of \$154,640 for the Alder Top Village Subdivision Site Work Project
- e. Approval of First Modification to Wrangell Marine Service Center Lease for Mill Dock #1 from Wind and Tide LLC, dba Peninsula Seafoods, requested by Jeff Grannam
- f. **RESOLUTION No. 05-24-1863** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA AMENDING THE FY 2024 BUDGET BY TRANSFERRING \$13,000 FROM THE GENERAL FUND RESERVES TO THE GENERAL FUND CIP FUND AND AUTHORIZING ITS EXPENDITURE FOR THE AIRPORT AIRFELD LIGHTING BACK-UP POWER CONNECTION PROJECT
- g. **RESOLUTION No. 05-24-1864** OF THE CITY AND BOROUGH OF WRANGELL, ALASKA AMENDING THE MARKETING AND COMMUNITY DEVELOPMENT COORDINATOR JOB DESCRIPTION WITHIN THE ECONOMIC DEVELOPMENT DEPARTMENT

14. **ATTORNEY'S FILE** – Available for Assembly review in the Borough Clerk's office

15. **EXECUTIVE SESSION**

- a. Discuss with Borough Attorney the petition received by the International Brotherhood of Electrical Workers (IBEW) petitioning to Unionize the Wrangell Police Department

16. **ADJOURNMENT**

City and Borough of Wrangell, Alaska

Basic Financial Statements, Required
Supplementary Information,
Supplementary Information and Single
Audit Reports
Year Ended June 30, 2023

City and Borough of Wrangell, Alaska

Basic Financial Statements, Required Supplementary Information,
Supplementary Information
and Single Audit Reports
Year Ended June 30, 2023

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Tel: 907-278-8878
Fax: 907-278-5779
www.bdo.com

3601 C Street, Suite 600
Anchorage, AK 99503

Item a.

Independent Auditor's Report

Honorable Mayor and Borough Assembly
City and Borough of Wrangell, Alaska

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City and Borough of Wrangell, Alaska (the Borough), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Borough, as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Wrangell Public Schools (the "School District"), a discretely presented component unit, as of June 30, 2023. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the School District, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Borough, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Borough's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Borough's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information and the schedules of the Borough's information on the net pension and OPEB liability and asset and Borough contributions to the pension and OPEB plans, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statement, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statement in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit for the year ended June 30, 2023 was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough's basic financial statements. The accompanying combining and individual fund financial statements and schedules, and Schedule of Expenditures of Federal Awards, as required by Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* for the year ended June 30, 2023, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended June 30, 2023 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules, and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2023.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Borough as of and for the year ended June 30, 2022 (not presented herein), and have issued our report thereon dated July 18, 2023, which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. The individual fund financial statements and schedules for the year ended June 30, 2022 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2022 financial statements. The information was subjected to the auditing procedures applied in the audit of the 2022 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2022.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 1, 2024 on our consideration of the Borough's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Borough's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough's internal control over financial reporting and compliance.

BDO USA, P.C.

Anchorage, Alaska
April 1, 2024

Basic Financial Statements

City and Borough of Wrangell, Alaska

Statement of Net Position

June 30, 2023	Primary Government			Component Unit
	Govern- mental Activities	Business- type Activities	Total	Wrangell Public Schools
Assets and Deferred Outflows of Resources				
Assets				
Cash and investments	\$ 25,494,726	\$ 9,696,950	\$ 35,191,676	\$ 2,415,646
Receivables, net of allowance for doubtful accounts:				
Property and sales taxes	917,215	-	917,215	-
Accounts	232,236	773,934	1,006,170	323,113
Grants and shared revenues	1,470,109	124,364	1,594,473	-
Leases	1,195,643	-	1,195,643	-
Accrued interest	143,955	43	143,998	-
Internal balances	346,500	(346,500)	-	-
Prepaid items	483	-	483	172,517
Inventories	62,068	243,837	305,905	25,518
Restricted cash and investments	3,529,850	1,308,408	4,838,258	-
Net other postemployment benefits asset	1,746,434	813,402	2,559,836	1,373,054
Capital assets:				
Land, land improvements and construction in progress	5,155,936	3,729,312	8,885,248	-
Other capital assets, net of depreciation	27,443,380	39,680,430	67,123,810	85,145
Total Assets	67,738,535	56,024,180	123,762,715	4,394,993
Deferred Outflows of Resources				
Related to pensions	605,834	282,166	888,000	579,070
Related to other postemployment benefits	184,463	85,914	270,377	-
Total Deferred Outflows of Resources	790,297	368,080	1,158,377	579,070
Total Assets and Deferred Outflows of Resources	\$ 68,528,832	\$ 56,392,260	\$ 124,921,092	\$ 4,974,063

City and Borough of Wrangell, Alaska

Statement of Net Position, continued

	Primary Government			Component Unit
	Govern- mental Activities	Business- type Activities	Total	Wrangell Public Schools
<i>June 30, 2023</i>				
Liabilities, Deferred Inflows of Resources, and Net Position				
Liabilities				
Accounts payable	\$ 419,677	\$ 317,372	\$ 737,049	\$ 168,529
Accrued payroll and related liabilities	-	-	-	149,232
Customer utility deposits	-	122,909	122,909	-
Accrued interest payable	12,917	1,167	14,084	-
Unearned revenue	240,403	1,447,568	1,687,971	35,625
Noncurrent liabilities:				
Due within one year:				
Accrued leave	309,272	135,983	445,255	-
Bonds	95,000	-	95,000	-
Loans	-	14,366	14,366	-
Due in more than one year:				
Bonds, including unamortized premium	3,434,850	-	3,434,850	-
USDA Rural Development loan	-	78,653	78,653	-
ADEC loans	-	248,774	248,774	-
Net pension liability	4,305,641	2,005,349	6,310,990	2,648,596
Total Liabilities	8,817,760	4,372,141	13,189,901	3,001,982
Deferred Inflows of Resources				
Related to leases	1,143,663	-	1,143,663	-
Related to other postemployment benefits	168,633	78,540	247,173	162,418
Total Deferred Inflows of Resources	1,312,296	78,540	1,390,836	162,418
Total Liabilities and Deferred Inflows of Resources	10,130,056	4,450,681	14,580,737	3,164,400
Net Position				
Net investment in capital assets	32,599,316	43,067,949	75,667,265	85,145
Restricted	12,148,218	-	12,148,218	-
Unrestricted	13,651,242	8,873,630	22,524,872	1,724,518
Total Net Position	58,398,776	51,941,579	110,340,355	1,809,663
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 68,528,832	\$ 56,392,260	\$ 124,921,092	\$ 4,974,063

See accompanying notes to basic financial statements.

City and Borough of Wrangell, Alaska

Statement of Activities

Year Ended June 30, 2023	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit Wrangell Public Schools
		Fees, Fines & Charges for Services	Operating Grants & Contri- butions	Capital Grants & Contri- butions	Primary Government		Total	
					Govern- mental Activities	Business- type Activities		
Functions								
Primary Government								
Governmental activities:								
General government	\$ 1,460,423	\$ 79,368	\$ 310,161	\$ -	\$ (1,070,894)	\$ -	\$ (1,070,894)	
Public safety	1,917,506	126,762	641,865	-	(1,148,879)	-	(1,148,879)	
Public works	2,000,133	323,266	(23,667)	-	(1,700,534)	-	(1,700,534)	
Parks and recreation	612,029	80,820	(1,236)	657,306	124,861	-	124,861	
Community services	1,777,629	288,376	317,562	134,865	(1,036,826)	-	(1,036,826)	
Education	1,927,217	-	1,093,907	-	(833,310)	-	(833,310)	
Interest	58,556	-	-	-	(58,556)	-	(58,556)	
Total governmental activities	9,753,493	898,592	2,338,592	792,171	(5,724,138)	-	(5,724,138)	
Business-type activities:								
Electric utility	4,252,840	4,598,932	84,843	-	-	430,935	430,935	
Water utility	938,438	902,631	504,867	157,057	-	626,117	626,117	
Sanitation utility	813,106	897,288	300,203	-	-	384,385	384,385	
Port	3,274,824	1,744,643	201,304	-	-	(1,328,877)	(1,328,877)	
Sewer utility	580,293	695,592	3,707	253,126	-	372,132	372,132	
Total business-type activities	9,859,501	8,839,086	1,094,924	410,183	-	484,692	484,692	
Total Primary Government	\$ 19,612,994	\$ 9,737,678	\$ 3,433,516	\$ 1,202,354	(5,724,138)	484,692	(5,239,446)	

City and Borough of Wrangell, Alaska
Statement of Activities, continued

Year Ended June 30, 2023	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit Wrangell Public Schools
		Fees, Fines & Charges for Services	Operating Grants & Contri- butions	Capital Grants & Contri- butions	Primary Government		Total	
					Govern- mental Activities	Business- type Activities		
Component Unit								
Wrangell Public Schools								
	\$ 4,431,561	\$ 3,553	\$ 865,405	\$ 34,317			\$ (3,528,286)	
General Revenues								
Taxes:								
Property taxes				\$ 1,692,193	\$ -	\$ 1,692,193	-	
Sales taxes				4,051,189	-	4,051,189	-	
Payments in lieu of taxes				493,042	-	493,042	-	
Other taxes				101,757	-	101,757	-	
Contributions from primary government				-	-	-	1,617,629	
Grants and entitlements not restricted to a specific purpose				434,471	-	434,471	3,303,572	
E-rate				-	-	-	153,624	
Investment income				1,326,268	610	1,326,878	19,803	
Other				170,389	-	170,389	41,689	
Transfers				673,000	(673,000)	-	-	
Total General Revenues and Transfers				8,942,309	(672,390)	8,269,919	5,136,317	
Change in Net Position				3,218,171	(187,698)	3,030,473	1,608,031	
Net Position, beginning				55,180,605	52,129,277	107,309,882	201,632	
Net Position, ending				\$ 58,398,776	\$ 51,941,579	\$ 110,340,355	\$ 1,809,663	

See accompanying notes to basic financial statements.

City and Borough of Wrangell, Alaska

Governmental Funds Balance Sheet

June 30, 2023	Major Funds					Nonmajor Funds	Total Govern- mental Funds
	General	Permanent Fund Special Revenue	Secure Rural Schools Special Revenue	Parks and Recreation Special Revenue			
Assets							
Cash and investments	\$ 7,856,611	\$ 9,461,814	\$ 1,608,324	\$ 966,332	\$ 5,601,645	\$ 25,494,726	
Restricted cash and investments	3,529,850	-	-	-	-	3,529,850	
Receivables, net of allowance for doubtful accounts:							
Property and sales taxes	743,719	-	-	-	173,496	917,215	
Accounts	99,328	14,484	-	-	118,424	232,236	
Grants	670,143	-	277,717	522,249	-	1,470,109	
Leases	1,036,310	159,333	-	-	-	1,195,643	
Accrued interest	143,861	94	-	-	-	143,955	
Interfund loan receivable	346,500	-	-	-	-	346,500	
Prepaid items	483	-	-	-	-	483	
Inventory	-	-	-	-	62,068	62,068	
Total Assets	\$ 14,426,805	\$ 9,635,725	\$ 1,886,041	\$ 1,488,581	\$ 5,955,633	\$ 33,392,785	
Liabilities, Deferred Inflows of Resources, and Fund Balances							
Liabilities							
Accounts payable	\$ 275,641	\$ -	\$ 38,609	\$ 54,384	\$ 51,043	\$ 419,677	
Unearned revenue	81,513	-	-	148,540	10,350	240,403	
Total Liabilities	357,154	-	38,609	202,924	61,393	660,080	
Deferred Inflows of Resources							
Delinquent property taxes	48,083	-	-	-	-	48,083	
Related to land sales	-	-	-	-	6,258	6,258	
Related to leases	1,000,620	143,043	-	-	-	1,143,663	
Total Deferred Inflows of Resources	1,048,703	143,043	-	-	6,258	1,198,004	
Total Liabilities and Deferred Inflows of Resources	1,405,857	143,043	38,609	202,924	67,651	1,858,084	
Fund Balances							
Nonspendable	346,983	-	-	-	62,068	409,051	
Restricted	3,529,850	9,492,682	1,847,432	-	808,104	15,678,068	
Committed	-	-	-	1,285,657	2,217,665	3,503,322	
Assigned	-	-	-	-	2,800,145	2,800,145	
Unassigned	9,144,115	-	-	-	-	9,144,115	
Total Fund Balances	13,020,948	9,492,682	1,847,432	1,285,657	5,887,982	31,534,701	
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 14,426,805	\$ 9,635,725	\$ 1,886,041	\$ 1,488,581	\$ 5,955,633	\$ 33,392,785	

See accompanying notes to basic financial statements.

City and Borough of Wrangell, Alaska
Reconciliation of Governmental Funds Balance Sheet
to Statement of Net Position
June 30, 2023

Total fund balances for governmental funds \$ 31,534,701

Total net position reported for governmental activities in the Statement of Net Position is different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets, net of accumulated depreciation consist of:

Land and land improvements	\$ 3,650,856	
Construction in progress	1,505,080	
Infrastructure	23,541,405	
Buildings	48,623,687	
Improvements other than buildings	6,834,181	
Machinery and equipment	5,526,868	
Accumulated depreciation	<u>(57,082,761)</u>	
Total capital assets		32,599,316

Other postemployment benefits (OPEB) plans have been funded in excess of the required contributions. These assets are not financial resources and therefore are not reported in the funds.

Net OPEB asset 1,746,434

Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds. These assets consist of delinquent property taxes receivable and deferred land sales.

54,341

Long-term liabilities, including accrued leave and net pension liability are not due and payable in the current period and therefore are not reported as fund liabilities. These liabilities consist of:

Accrued leave	(309,272)	
Bonds, including unamortized premium	(3,529,850)	
Net pension liability	(4,305,641)	
Accrued interest payable	<u>(12,917)</u>	
Total long-term liabilities		(8,157,680)

Deferred outflows and deferred inflows of resources related to pensions and other postemployment benefits are applicable to future periods, and therefore are not reported in the funds.

Deferred outflows of resources related to pensions	605,834	
Deferred outflows of resources related to OPEB	184,463	
Deferred inflows of resources related to OPEB	<u>(168,633)</u>	
Total deferred pension and OPEB items		<u>621,664</u>

Total Net Position of Governmental Activities \$ 58,398,776

See accompanying notes to basic financial statements.

City and Borough of Wrangell, Alaska

Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balances

Year Ended June 30, 2023	Major Funds					Nonmajor Funds	Total Govern- mental Funds
	General	Permanent Fund Special Revenue	Secure Rural Schools Special Revenue	Parks and Recreation Special Revenue			
Revenues							
Taxes	\$ 5,512,363	\$ -	\$ -	\$ -	\$ 904,291	\$ 6,416,654	
Intergovernmental	1,432,488	-	1,091,177	662,551	273,910	3,460,126	
Charges for services	167,835	-	-	65,076	132,914	365,825	
Sales and leases	104,309	28,246	-	-	-	132,555	
Investment income	678,730	568,305	-	76,098	3,135	1,326,268	
Land sales and improvements	-	170,389	-	-	315,078	485,467	
Fines and forfeitures	14,668	-	-	-	-	14,668	
Other	19,522	-	-	15,744	296,490	331,756	
Total Revenues	7,929,915	766,940	1,091,177	819,469	1,925,818	12,533,319	
Expenditures							
Current:							
General government	1,783,835	-	-	-	254,680	2,038,515	
Public safety	2,232,682	-	-	-	-	2,232,682	
Public works	1,512,712	-	-	-	-	1,512,712	
Parks and recreation	-	-	-	659,642	-	659,642	
Community services	783,835	-	-	-	747,479	1,531,314	
Education	-	-	876,259	-	741,489	1,617,748	
Debt service:							
Interest	-	-	-	-	45,639	45,639	
Capital outlay	-	-	593,113	745,654	76,267	1,415,034	
Total Expenditures	6,313,064	-	1,469,372	1,405,296	1,865,554	11,053,286	
Excess of Revenues Over (Under)							
Expenditures	1,616,851	766,940	(378,195)	(585,827)	60,264	1,480,033	
Other Financing Sources (Uses)							
Transfers in	-	-	-	443,885	2,495,643	2,939,528	
Transfers out	(2,231,175)	-	(35,353)	-	-	(2,266,528)	
Proceeds from bonds issued	3,100,000	-	-	-	-	3,100,000	
Premium on bonds issued	429,850	-	-	-	-	429,850	
Net Other Financing Sources (Uses)	1,298,675	-	(35,353)	443,885	2,495,643	4,202,850	
Net Change in Fund Balances	2,915,526	766,940	(413,548)	(141,942)	2,555,907	5,682,883	
Fund Balances, beginning	10,105,422	8,725,742	2,260,980	1,427,599	3,332,075	25,851,818	
Fund Balances, ending	\$ 13,020,948	\$ 9,492,682	\$ 1,847,432	\$ 1,285,657	\$ 5,887,982	\$ 31,534,701	

See accompanying notes to basic financial statements.

City and Borough of Wrangell, Alaska

Reconciliation of Change in Fund Balances of Governmental Funds to Statement of Activities Year Ended June 30, 2023

Net change in fund balances - total governmental funds \$ 5,682,883

The change in net position reported for governmental activities in the Statement of Activities is different because:

Governmental funds report capital outlays as expenditures. However on the Statement of Activities, depreciation expense is recognized to allocate the cost of these items over their estimated useful lives. This is the amount by which depreciation (\$1,673,117) exceeded capital outlays (\$1,642,500). (30,617)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.
Increase in other long-term receivables (75,343)

The issuance of bonds provides current financial resources in governmental funds. Also, governmental funds report the effect of bond premiums when the debt is first issued, whereas this amount is deferred and amortized in the Statement of Activities. This is the change in bond-related transactions:

Proceeds from issuance of bonds	\$ (3,100,000)	
Proceeds from bond premium	(429,850)	
Accrued interest expense	(12,917)	
		(3,542,767)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Increase in accrued leave	\$ (41,194)	
Decrease in net pension liability and related accounts	776,457	
Increase in net OPEB asset and related accounts	448,752	
		1,184,015

Change in Net Position of Governmental Activities \$ 3,218,171

See accompanying notes to basic financial statements.

City and Borough of Wrangell, Alaska

Enterprise Funds Statement of Net Position

June 30, 2023	Major Funds				Nonmajor Fund	Total Enterprise Funds
	Electric Utility	Water Utility	Sanitation Utility	Port	Sewer Utility	
Assets and Deferred Outflows of Resources						
Current Assets						
Cash and investments	\$ 3,193,193	\$ 972,212	\$ 744,693	\$ 3,507,023	\$ 1,279,829	\$ 9,696,950
Receivables, net of allowance for doubtful accounts:						
Accounts	516,606	46,378	37,400	136,580	36,970	773,934
Grants	-	124,364	-	-	-	124,364
Accrued interest	-	5	-	32	6	43
Inventories	243,837	-	-	-	-	243,837
Total Current Assets	3,953,636	1,142,959	782,093	3,643,635	1,316,805	10,839,128
Noncurrent Assets						
Restricted cash and investments	-	616,500	-	691,908	-	1,308,408
Net other postemployment benefits asset	298,594	103,732	95,425	230,922	84,729	813,402
Capital assets, net	1,579,326	5,362,657	815,741	33,296,486	2,355,532	43,409,742
Total Noncurrent Assets	1,877,920	6,082,889	911,166	34,219,316	2,440,261	45,531,552
Total Assets	5,831,556	7,225,848	1,693,259	37,862,951	3,757,066	56,370,680
Deferred Outflows of Resources						
Related to pensions	103,581	35,984	33,103	80,106	29,392	282,166
Related to other postemployment benefits	31,538	10,957	10,079	24,391	8,949	85,914
Total Deferred Outflows of Resources	135,119	46,941	43,182	104,497	38,341	368,080
Total Assets and Deferred Outflows of Resources	\$ 5,966,675	\$ 7,272,789	\$ 1,736,441	\$ 37,967,448	\$ 3,795,407	\$ 56,738,760

City and Borough of Wrangell, Alaska
Enterprise Funds
Statement of Net Position, continued

<i>June 30, 2023</i>	Major Funds				Nonmajor Fund	Total Enterprise Funds
	Electric Utility	Water Utility	Sanitation Utility	Port	Sewer Utility	
Liabilities, Deferred Inflows of Resources, and Net Position						
Current Liabilities						
Accounts payable	\$ 15,682	\$ 185,543	\$ 21,447	\$ 57,236	\$ 37,464	\$ 317,372
Customer utility deposits	109,005	13,904	-	-	-	122,909
Accrued interest payable	-	1,138	-	-	29	1,167
Unearned revenue	39,689	626,279	9,795	763,986	7,819	1,447,568
Accrued leave	32,755	28,367	19,780	39,234	15,847	135,983
Current portion of interfund loan	-	38,500	-	-	-	38,500
Current portion of loans	-	12,618	-	-	1,748	14,366
Total Current Liabilities	197,131	906,349	51,022	860,456	62,907	2,077,865
Long-term Liabilities, net of current portion						
USDA Rural Development loan	-	-	-	-	78,653	78,653
ADEC loans	-	248,774	-	-	-	248,774
Interfund loan	-	308,000	-	-	-	308,000
Net pension liability	736,151	255,742	235,259	569,311	208,886	2,005,349
Total Long-term Liabilities	736,151	812,516	235,259	569,311	287,539	2,640,776
Total Liabilities	933,282	1,718,865	286,281	1,429,767	350,446	4,718,641
Deferred Inflows of Resources						
Related to other postemployment benefits	28,832	10,016	9,214	22,297	8,181	78,540
Net Position						
Net investment in capital assets	1,579,326	5,101,265	815,741	33,296,486	2,275,131	43,067,949
Unrestricted	3,425,235	442,643	625,205	3,218,898	1,161,649	8,873,630
Total Net Position	5,004,561	5,543,908	1,440,946	36,515,384	3,436,780	51,941,579
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 5,966,675	\$ 7,272,789	\$ 1,736,441	\$ 37,967,448	\$ 3,795,407	\$ 56,738,760

See accompanying notes to basic financial statements.

City and Borough of Wrangell, Alaska

Enterprise Funds Statement of Revenues, Expenses and Changes in Net Position

Year Ended June 30, 2023	Major Funds				Nonmajor Fund	Total Enterprise Funds
	Electric Utility	Water Utility	Sanitation Utility	Port	Sewer Utility	
Operating Revenues						
Charges for services	\$ 4,514,535	\$ 868,285	\$ 897,288	\$ 1,744,643	\$ 692,230	\$ 8,716,981
Operating Expenses						
Personnel services	707,264	329,127	275,246	620,536	159,442	2,091,615
Commodities	3,179,162	231,992	66,867	184,652	172,930	3,835,603
Contractual services	115,388	19,394	327,125	252,578	94,221	808,706
Intergovernmental	13,929	1,137	24,899	13,966	6,290	60,221
Depreciation	237,097	356,081	118,969	2,203,092	145,872	3,061,111
Total Operating Expenses	4,252,840	937,731	813,106	3,274,824	578,755	9,857,256
Income (Loss) from Operations	261,695	(69,446)	84,182	(1,530,181)	113,475	(1,140,275)
Nonoperating Revenues (Expenses)						
Investment income	-	131	-	1	478	610
Interest expense	-	(707)	-	-	(1,538)	(2,245)
Other grant revenue	-	500,328	296,027	71,587	-	867,942
State PERS relief	84,843	4,539	4,176	10,106	3,707	107,371
State fisheries business tax	-	-	-	119,611	-	119,611
Other revenues	84,397	34,346	-	-	3,362	122,105
Net Nonoperating Revenues (Expenses)	169,240	538,637	300,203	201,305	6,009	1,215,394
Income (Loss) Before Transfers and Capital Contributions	430,935	469,191	384,385	(1,328,876)	119,484	75,119
Transfers out	(90,000)	(278,000)	-	-	(305,000)	(673,000)
Capital contributions	-	157,057	-	-	253,126	410,183
Change in Net Position	340,935	348,248	384,385	(1,328,876)	67,610	(187,698)
Net Position, beginning	4,663,626	5,195,660	1,056,561	37,844,260	3,369,170	52,129,277
Net Position, ending	\$ 5,004,561	\$ 5,543,908	\$ 1,440,946	\$ 36,515,384	\$ 3,436,780	\$ 51,941,579

See accompanying notes to basic financial statements.

City and Borough of Wrangell, Alaska

Enterprise Funds Statement of Cash Flows

Year Ended June 30, 2023	Major Funds				Nonmajor Fund	Total
	Electric Utility	Water Utility	Sanitation Utility	Port	Sewer Utility	Enterprise Funds
Cash Flows from (for) Operating Activities						
Receipts from customers and users	\$ 4,285,852	\$ 927,622	\$ 602,503	\$ 1,829,641	\$ 687,493	\$ 8,333,111
Payments for interfund services used	(13,929)	(1,137)	(24,899)	(13,966)	(6,290)	(60,221)
Payments to suppliers	(3,529,857)	(131,525)	(400,570)	(492,201)	(271,257)	(4,825,410)
Payments to employees	(895,683)	(311,534)	(293,213)	(694,683)	(248,020)	(2,443,133)
Net cash flows from (for) operating activities	(153,617)	483,426	(116,179)	628,791	161,926	1,004,347
Cash Flows from (for) Noncapital Financing Activities						
State fish taxes received	-	-	-	119,611	-	119,611
Operating grants	-	1,065,312	296,027	151,815	-	1,513,154
Transfers out	(90,000)	(278,000)	-	-	(305,000)	(673,000)
Net cash flows from (for) noncapital financing activities	(90,000)	787,312	296,027	271,426	(305,000)	959,765
Cash Flows for Capital and Related Financing Activities						
Purchase of property, plant and equipment	(114,693)	(1,278,480)	(308,958)	(163,697)	(268,929)	(2,134,757)
Capital contributions received	-	157,057	-	-	253,126	410,183
Principal paid on interfund loans	-	(38,500)	-	(20,728)	-	(59,228)
Principal payments on long-term debt	-	(12,432)	-	-	(3,352)	(15,784)
Interest payments on long-term debt	-	(707)	-	-	(1,538)	(2,245)
Net cash flows for capital and related financing activities	(114,693)	(1,173,062)	(308,958)	(184,425)	(20,693)	(1,801,831)
Cash Flows from Investing Activities						
Investment income received	-	131	-	1	479	611
Net Increase (Decrease) in Cash and Investments	(358,310)	97,807	(129,110)	715,793	(163,288)	162,892
Cash and Investments, beginning	3,551,503	1,490,905	873,803	3,483,138	1,443,117	10,842,466
Cash and Investments, ending	\$ 3,193,193	\$ 1,588,712	\$ 744,693	\$ 4,198,931	\$ 1,279,829	\$ 11,005,358
Reconciliation of Cash and Investments to Statement of Net Position						
Cash and investments	\$ 3,193,193	\$ 972,212	\$ 744,693	\$ 3,507,023	\$ 1,279,829	\$ 9,696,950
Restricted cash and investments	-	616,500	-	691,908	-	1,308,408
Total Cash and Investments	\$ 3,193,193	\$ 1,588,712	\$ 744,693	\$ 4,198,931	\$ 1,279,829	\$ 11,005,358

City and Borough of Wrangell, Alaska

Enterprise Funds

Statement of Cash Flows, continued

Year Ended June 30, 2023	Major Funds				Nonmajor	Total Enterprise Funds
	Electric Utility	Water Utility	Sanitation Utility	Port	Sewer Utility	
Reconciliation of Income (Loss) from Operations to Net Cash						
Flows from (for) Operating Activities						
Income (loss) from operations	\$ 261,695	\$ (69,446)	\$ 84,182	\$ (1,530,181)	\$ 113,475	\$ (1,140,275)
Adjustments to reconcile income (loss) from operations to net cash flows from (for) operating activities:						
Depreciation	237,097	356,081	118,969	2,203,092	145,872	3,061,111
Noncash expense - PERS relief	84,843	4,539	4,176	10,106	3,707	107,371
Miscellaneous nonoperating revenues	84,397	34,346	-	-	3,362	122,105
(Increase) decrease in assets:						
Accounts receivable, net	(216,858)	25,530	26,542	49,020	13,900	(101,866)
Inventories	(70,995)	-	-	-	-	(70,995)
Net other postemployment benefits asset	195,970	(13,360)	12,909	51,096	64,939	311,554
(Increase) decrease in deferred outflows of resources:						
Related to pensions	3,349	(16,445)	(9,680)	(19,131)	2,968	(38,939)
Related to other postemployment benefits	(11,459)	(7,288)	(5,681)	(12,941)	(2,873)	(40,242)
Increase (decrease) in liabilities:						
Accounts payable	(164,312)	119,861	(6,578)	(54,971)	(4,106)	(110,106)
Accrued leave	(1,448)	8,172	4,097	3,459	(3,773)	10,507
Unearned revenue	(103,745)	-	(321,327)	35,978	(20,281)	(409,375)
Interest payable	-	(3,298)	-	-	(1,718)	(5,016)
Customer utility deposits	7,523	2,759	-	-	-	10,282
Net pension liability	49,495	130,269	84,847	177,755	1,086	443,452
Increase (decrease) in deferred inflows of resources:						
Related to pensions	(273,823)	(50,036)	(59,981)	(156,144)	(82,866)	(622,850)
Related to other postemployment benefits	(235,346)	(38,258)	(48,654)	(128,347)	(71,766)	(522,371)
Net Cash Flows from (for) Operating Activities	\$ (153,617)	\$ 483,426	\$ (116,179)	\$ 628,791	\$ 161,926	\$ 1,004,347

See accompanying notes to basic financial statements.

Notes to Basic Financial Statements
Year Ended June 30, 2023

1. Summary of Significant Accounting Policies

Reporting Entity

The City of Wrangell (City) was incorporated in 1903 as a home rule municipality under the laws of the State of Alaska. It operated as a home rule city until May 30, 2008, at which time it was incorporated and certified as a unified home rule borough by the State of Alaska. On May 30, 2008, the City and Borough of Wrangell (the Borough) was created and the City of Wrangell was dissolved. The City and Borough of Wrangell immediately succeeded to all rights, powers, duties, assets, and liabilities of the former City of Wrangell.

The Borough operates under an assembly-manager form of government and performs municipal duties allowed by Alaska statutes and as directed by its residents.

As required by generally accepted accounting principles, these financial statements present City and Borough of Wrangell (the primary government) and its component unit. The component unit discussed below is included in the Borough's reporting entity because of the significance of its operational or financial relationship with the Borough.

The component unit column in the basic financial statements includes the financial data of the Borough's component unit. It is discretely presented in a separate column to emphasize that it is a legally separate organization from the Borough.

Wrangell Public Schools

Wrangell Public Schools is responsible for elementary and secondary education within the Borough. The voters elect the members of the School Board; however, the School District is fiscally dependent upon the Borough because the Borough Assembly approves the total annual budget of the School District, levies the necessary taxes and approves the issuance of bonds for School construction.

Complete financial statements of the component unit can be obtained from their administrative office at the address below:

Wrangell Public Schools
P.O. Box 2319
Wrangell, AK 99929

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Notes to Basic Financial Statements

The accounting policies of the Borough conform to accounting principles generally accepted in the United States of America as applicable to governments. The following is a summary of the more significant policies:

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the Borough and its component unit. In general, the effect of interfund activity has been removed from these statements to minimize the double-counting of internal activities. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely primarily on fees and charges to external parties.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) fees, fines and charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Borough generally considers all revenues except reimbursement grants to be available if they are collected within 60 days after year end. Reimbursement grants are considered available if they are collected within one year of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, pension benefits, and other postemployment benefits are recorded only when due.

Notes to Basic Financial Statements

Property and sales taxes, intergovernmental revenues, charges for services, sales and leases, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue in the current period. All other revenue items are considered to be measurable and available only when received by the government.

The Borough reports the following major funds based on the required quantitative calculations:

Major governmental funds:

The *General Fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be reported in another fund.

The *Permanent Fund Special Revenue Fund* accounts for monies set aside to help provide future economic stability to the citizens of Wrangell.

The *Secure Rural Schools Special Revenue Fund* accounts for the funding received from U.S. Department of Agriculture through the Schools and Roads - Grants to States program, which is used to fund local public education and maintain streets and roads.

The *Parks and Recreation Special Revenue Fund* accounts for the operation and maintenance of the swimming pool, recreational activities, and parks.

Major proprietary funds:

The *Electric Utility Enterprise Fund* is used to account for the operations of the electric utility.

The *Water Utility Enterprise Fund* is used to account for the operations of the Borough water system.

The *Sanitation Utility Enterprise Fund* is used to account for the operations of the sanitation utility.

The *Port Enterprise Fund* is used to account for the operations of the municipal dock, boat harbors, and travel lift.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are allocated administration fees and charges between the enterprise funds and the various other funds and departments. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. In addition, general revenues include all taxes, investment income, and State and federal entitlement revenues.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Enterprise Funds are charges to customers for sales and services. Operating expenses for the Enterprise Funds include the costs of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Notes to Basic Financial Statements

Central Treasury

A central treasury is used to account for cash from most funds of the Borough to maximize interest income. Investments are stated at fair value. Investment earnings are allocated to most funds based on their respective cash balances. The School District maintains separate cash accounts from the Borough.

Cash and Cash Equivalents

For purposes of the statements of cash flows, the proprietary funds consider all cash accounts to be cash and cash equivalents. The central treasury, which holds cash and investments, is used essentially as a cash management pool by each fund.

Inventories

Inventories are valued at cost in governmental funds and at the lower of cost or market in the proprietary funds. Cost is determined by the first-in, first-out method. The cost is recorded as an expenditure or expense at the time individual inventory items are consumed.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. These prepaid assets do not reflect current available resources; thus, an equivalent portion of fund balance in classified is nonspendable in the governmental fund financial statements. Prepaid items are recorded as expenditure/expenses when consumed rather than when purchased.

Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

Grants and Other Intergovernmental Revenues

In applying the measurable and available concepts to grants and intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts are considered “earned”; therefore, revenues are recognized based upon expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the measurable and available criteria are met.

Property Taxes

Property taxes are assessed on real property on January 1 of each year. Mill rates are established annually by Borough ordinance. Taxes are levied on July 1 of each year and are due in two equal installments on August 15 and December 15. Property taxes are recorded as revenue when measurable and available. Borough statutes call for annual foreclosures on property for delinquent taxes.

Notes to Basic Financial Statements

Leases - Lessor

The Borough has leased to third-parties multiple nonfinancial assets. The Borough recognizes a lease receivable and a deferred inflow of resources in both the government-wide and governmental fund financial statements where applicable.

At the commencement of the lease, the Borough initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the Borough determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts. The Borough uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee. The Borough monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Interfund Transactions

During the course of normal operations, the Borough has numerous transactions between funds, including expenditures and transfers of resources to provide services, construct assets, and service debt. The accompanying financial statements generally reflect such transactions as transfers. Operating subsidies are also recorded as transfers.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Infrastructure assets (e.g. roads, sidewalks, etc.) were capitalized and included in capital assets for the first time during 2006. Capital assets are defined by the Borough as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the useful life of the asset are not capitalized.

Property, plant, and equipment of the Borough is depreciated using the straight-line method over the following estimated useful lives:

Infrastructure	50 years
Buildings	20-40 years
Improvements other than buildings	20-50 years
Machinery and equipment	3-8 years

Notes to Basic Financial Statements

Deferred Outflows of Resources

A deferred outflow of resources is an item that will result in a future decrease or consumption of equity. In the government-wide and proprietary fund financial statements, deferred outflows are comprised entirely of pension and other postemployment benefits related transactions.

Long-term Liabilities

In the government-wide and the proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest rate method.

Compensated Absences

The Borough allows employees to accumulate earned but unused vacation and sick leave benefits. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental fund financial statements only if they have matured (e.g., the employee has terminated employment). Because the Borough does not have a policy to pay unpaid accumulated sick leave upon termination, there is typically no liability for unpaid accumulated sick leave. One exception is that any employees who have accumulated sick leave in excess of 480 hours as of fiscal year end must make an election the following month to either convert the excess over 480 hours to vacation leave or convert half of the excess to vacation leave and cash out the other half. A liability for unpaid sick leave is therefore reported which represents only this excess over 480 hours that some employees have accumulated as of June 30.

Deferred Inflows of Resources

A deferred inflow of resources is an item that will result in a future increase or acquisition of equity. In the governmental funds, deferred inflows are reported in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period and taxes collected in advance of their levy date.

In the government-wide and proprietary fund financial statements, deferred inflows are reported in connection with certain other postemployment benefits related transactions and leases. Those items deferred under modified accrual in the governmental funds as “unavailable for taxes and land sales” are reversed to revenue at the full-accrual level.

Pensions and Other Postemployment Benefits

Substantially all employees of the Borough participate in the Public Employees' Retirement System (PERS) administered by the State of Alaska.

For purposes of measuring the net pension liability, net OPEB asset and liability, deferred outflows of resources and deferred inflows of resources related to pensions and OPEB, and other postemployment benefits expense and pension expense, information about the fiduciary net position of the Public Employees' Retirement System (PERS) and additions to/from PERS's fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Notes to Basic Financial Statements

Fund Balances

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources:

Nonspendable fund balance - This classification includes amounts that cannot be spent because they are either (a) not in spendable form—prepaid items or inventories; or (b) legally or contractually required to be maintained intact.

Restricted fund balance - This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance - These amounts can only be used for specific purposes pursuant to constraints imposed by formal ordinances of the Borough Assembly. Those committed amounts cannot be used for any other purpose unless the Borough Assembly removes the specified use by taking the same type of action imposing the commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned fund balance - This classification reflects the amounts constrained by the Borough's "intent" to be used for specific purposes but are neither restricted nor committed. The Borough Assembly and Borough Manager have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed.

Unassigned fund balance - This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

As previously mentioned, sometimes the Borough will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted resources are available for use, it is the Borough's policy to use externally restricted resources first, then unrestricted resources - committed, assigned, and unassigned - in order as needed.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for expenditures are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund and Special Revenue Funds. Any encumbrances outstanding at year end are reported as appropriate constraints of fund balances if they meet the definitions and criteria as outlined above.

Unearned Grant Revenue

Amounts received from grantor agencies, which are restricted as to use and have not been expended for the intended use are shown as unearned revenue.

Notes to Basic Financial Statements

Comparative Data

Comparative data for the prior year have been presented in some of the accompanying individual financial statements in order to provide an understanding of changes in the Borough's financial position and operations. Certain amounts in the prior year data have been reclassified to conform to the current year's presentation.

2. Stewardship, Compliance and Accountability

Budgetary Accounting

An operating budget is adopted each fiscal year for the General Fund and most Special Revenue Funds on the same modified accrual basis used to reflect actual revenues and expenditures. Appropriations for these funds lapse at year end to the extent that they have not been expended or encumbered. Budgetary control is exercised at the department level. The Borough Manager is authorized to transfer budget amounts between line items within any department; however, any supplemental appropriations that amend the total expenditures of any department or fund require Assembly approval. The budgeted financial statements presented in this report reflect the final budget authorization, including Assembly amendments made during the year.

Excess of Expenditures over Appropriations

For the year ended June 30, 2023, expenditures exceeded appropriations in the General Fund for the following functions: General Government by \$374,138.

3. Cash and Investments

The City and Borough of Wrangell utilizes a central treasury that is available for use by all funds. Each fund's portion of the central treasury is displayed on the balance sheet as "cash and investments" or in the case of "negative cash," is included in "due to other funds." The Borough also restricts cash for unearned revenue in the Port and Water Utility Enterprise Funds, and the General Fund. In 2020, the Borough received a grant from the State of Alaska for the Meyers Chuck Harbor project. However, the funds were used on the Shoemaker Harbor instead. As a result, the Borough has restricted cash in the amount of \$691,908 in the Port Enterprise fund for use on the Meyers Chuck Harbor project. The Borough also restricted cash in the amount of \$616,500 for a federal advance grant in the Water Utility Enterprise Fund for the reservoir bypass project and restricted cash in the amount of \$3,529,850 in the General Fund for unspent bond proceeds remaining at year end June 30, 2023.

Reconciliation of Deposit and Investment Balances

The following is a reconciliation of the Borough's deposit and investment balances to the financial statements as of June 30, 2023.

	Pooled Cash and Investments	Permanent Fund Special Revenue Fund	Totals
Bank deposits	\$ 422,047	\$ 535,976	\$ 958,023
Investments	30,146,073	8,925,838	39,071,911
Total Cash and Investments	\$ 30,568,120	\$ 9,461,814	\$ 40,029,934

Notes to Basic Financial Statements

	Government- wide Statement of Net Position
Cash and investments	\$ 35,191,676
Restricted cash and investments	4,838,258
Total Cash and Investments	\$ 40,029,934

Investment Policy

The Borough's general investment policy authorizes investments in:

1. Treasury bonds, bills, notes or other general obligation evidence of indebtedness of the United States or an agency or instrumentality of the United States, or of the State of Alaska, or of other states of the United States, or of this Borough, of other cities of the State, and of boroughs of this State;
2. Fully insured or fully collateralized certificates of deposit, savings deposits, and other interest-bearing deposit accounts in member banks insured by the Federal Deposit Insurance Corporation (FDIC) or the Federal Savings and Loan Insurance Corporation (FSLIC); and/or
3. Repurchase agreements where the general checking balance at the end of each business day is used to buy a security from the bank and held overnight.

The Borough's Permanent Fund investment policy authorizes investments according to the following guidelines:

1. Fund level investment guidelines. The fund will use low cost, efficient investment vehicles, such as index mutual funds and/or ETFs. The fund will achieve its objective via long-term, unlevered investments. The fund is prohibited from engaging in short sales and margin transactions.
2. Product level investment guidelines. The Borough Assembly will take a conservative posture on derivative securities in order to maintain a risk averse nature. Since it is anticipated that new derivative products will be created each year, it is not the intention of the Borough policy to list specific derivatives that are prohibited from investment; rather, it will form a general policy on derivatives. The Borough Assembly recognizes that derivatives may be utilized within products as a portfolio management tool. All derivative exposure must be fully collateralized. Direct leverage or borrowing for the purpose of magnifying returns is prohibited.

Investments may be placed with or through member banks insured by the FDIC or FSLIC and broker dealers that are members of the New York Stock Exchange (NYSE), members of the Securities Investor Protection Corporation (SIPC) and registered broker dealers in Alaska.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

Notes to Basic Financial Statements

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. To limit its exposure to custodial credit risk, Borough policy requires that all deposits and investments be fully insured or collateralized. As of June 30, 2023, the Borough had balances of \$708,023 not covered by FDIC insurance or a third-party collateralization agreement.

Fair Value Measurement

The Borough categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Investment maturities in general investments at June 30, 2023 are as follows:

Investment Type	Amount	Investment Maturities (In Years)			
		Less Than 1	1-5	6-10	More than 10
Money market funds	\$ 14,066,313	\$ 14,066,313	\$ -	\$ -	\$ -
Certificates of deposit	4,267,730	735,021	3,532,709	-	-
U.S. Treasuries	2,256,178	-	2,256,178	-	-
Corporate bonds	7,568,114	489,090	7,079,024	-	-
U.S. agencies	651,573	17,636	633,937	-	-
Municipal bonds	49,796	49,796	-	-	-
Total subject to interest rate risk	28,859,704	\$ 15,357,856	\$ 13,501,848	\$ -	\$ -
Domestic equity funds	476,906				
U.S. fixed income funds	289,952				
International fixed income funds	64,392				
International equity funds	128,851				
Infrastructure funds	64,603				
Real estate funds	38,992				
Domestic fixed income	3,219				
Fixed Income	64,605				
Alternative funds	116,189				
Commodities funds	38,660				
Total General Investments	\$ 30,146,073				

Notes to Basic Financial Statements

General investments are classified in the fair value hierarchy as follows at June 30, 2023:

<i>Investment Type</i>	Level 1	Level 2	Level 3	Fair Value
Certificates of deposit	\$ -	\$ 4,267,730	\$ -	\$ 4,267,730
U.S. treasuries	2,256,178	-	-	2,256,178
U.S. agencies	-	651,573	-	651,573
Municipal bonds	-	49,796	-	49,796
U.S. fixed income funds	289,952	-	-	289,952
International fixed income funds	64,392	-	-	64,392
Domestic equity funds	476,906	-	-	476,906
International equity funds	128,851	-	-	128,851
Infrastructure funds	64,603	-	-	64,603
Real estate funds	38,992	-	-	38,992
Domestic fixed income	3,219	-	-	3,219
Fixed income	64,605	-	-	64,605
Corporate bonds	-	7,568,114	-	7,568,114
Alternative funds	116,189	-	-	116,189
Commodities funds	38,660	-	-	38,660
Total Investments at Fair Value	\$ 3,542,547	\$ 12,537,213	\$ -	16,079,760
Investments at amortized cost - Money market funds				14,066,313
Total General Investments				\$ 30,146,073

The Borough has investments in money market funds that are not held at fair value, but instead are recorded at amortized cost, as of June 30, 2023.

Credit Risk

The Borough’s general investments in U.S. Treasuries were rated Aaa by Moody’s. The Borough’s U.S. Agencies were rated as follows by Moody’s: \$451,731 rated Aaa; \$107,128 rated Aa1; \$48,764 rated Aa2; \$43,950 rated Aa3. The Borough’s investments in municipal bonds were rated as Aaa by Moody’s. The Borough’s investments in certificates of deposits, U.S. fixed income funds, domestic fixed income, fixed income, and international fixed income funds were unrated.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of an entity’s investment in a single issuer. GASB Statement No. 40 requires disclosure when the amount invested in a single issuer exceeds 5 percent or more of total investments. Investments issued or explicitly guaranteed by the U.S. government, as well as mutual funds and other pooled investments, are exempted from this requirement.

At June 30, 2023, the Borough did not have any amounts invested with a single issuer in excess of 5 percent of total investments.

Notes to Basic Financial Statements

Investment maturities in Permanent Fund Special Revenue Fund investments at June 30, 2023 are as follows:

<i>Investment Type</i>	Investment Maturities (in Years)				
	Fair Value	Less Than 1	1-5	6-10	More Than 10
Money market funds	\$ 31,443	\$ 31,443	\$ -	\$ -	\$ -
Total subject to interest rate risk	31,443	\$ 31,443	\$ -	\$ -	\$ -
Domestic equity funds	3,297,488				
U.S. fixed income funds	2,004,824				
International fixed income funds	445,231				
International equity funds	890,917				
Infrastructure funds	446,689				
Real estate funds	269,606				
Domestic fixed income	22,255				
Fixed income	446,700				
Alternative funds	803,373				
Commodities funds	267,312				
Total Permanent Fund Investments	\$ 8,925,838				

In addition to the investments disclosed above, the Permanent Fund Special Revenue Fund holds \$535,973 in cash. When combined with the investment held in the Permanent Fund Special Revenue Fund at fair value, the total balance of cash and investments is \$9,461,814.

Fair Value Measurement

Permanent Fund investments are classified in the fair value hierarchy as follows at June 30, 2023:

<i>Investment Type</i>	Level 1	Level 2	Level 3	Fair Value
U.S. fixed income funds	\$ 2,004,824	\$ -	\$ -	\$ 2,004,824
International fixed income funds	445,231	-	-	445,231
Domestic equity funds	3,297,488	-	-	3,297,488
International equity funds	890,917	-	-	890,917
Infrastructure funds	446,689	-	-	446,689
Real estate funds	269,606	-	-	269,606
Domestic fixed income	22,255	-	-	22,255
Fixed income	446,700	-	-	446,700
Alternative funds	803,373	-	-	803,373
Commodities funds	267,312	-	-	267,312
Total Investments at Fair Value	\$ 8,894,395	\$ -	\$ -	8,894,395
Investments at amortized cost - Money market funds				31,443
Total Permanent Fund Investments				\$ 8,925,838

Notes to Basic Financial Statements

Credit Risk

The Borough’s Permanent Fund investments in U.S. fixed income funds and international fixed income funds were unrated.

4. Accounts Receivable and Valuation Allowances

The Borough maintains accounts receivable balances of which a portion is reserved as an allowance for doubtful receivables. At June 30, 2023, receivables for the Borough’s individual major funds and nonmajor funds in the aggregate, including applicable allowances for uncollectible accounts, were as follows:

<i>June 30, 2023</i>	Major Governmental Funds				Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Permanent Fund	Secure Rural Schools	Parks and Recreation		
Property taxes	\$ 49,736	\$ -	\$ -	\$ -	\$ -	49,736
Sales taxes	693,983	-	-	-	173,496	867,479
Accounts	99,398	14,484	-	-	118,424	232,306
Grants	670,143	-	277,717	522,249	-	1,470,109
Leases	1,036,310	159,333	-	-	-	1,195,643
Interest	143,861	94	-	-	-	143,955
Total receivables	2,693,431	173,911	277,717	522,249	291,920	3,959,228
Less allowance for doubtful accounts	(70)	-	-	-	-	(70)
Net Receivables	\$ 2,693,361	\$ 173,911	\$ 277,717	\$ 522,249	\$ 291,920	\$ 3,959,158

<i>June 30, 2023</i>	Major Enterprise Funds				Nonmajor Enterprise Fund	Total Enterprise Funds
	Electric Utility	Water Utility	Sanitation Utility	Port		
Grants	\$ -	\$ 124,364	\$ -	\$ -	\$ -	124,364
Accounts	530,338	46,378	37,400	170,838	36,970	821,924
Accrued interest	-	5	-	32	6	43
Total receivables	530,338	170,747	37,400	170,870	36,976	946,331
Less allowance for doubtful accounts	(13,732)	-	-	(34,258)	-	(47,990)
Net Receivables	\$ 516,606	\$ 170,747	\$ 37,400	\$ 136,612	\$ 36,976	\$ 898,341

Notes to Basic Financial Statements

5. Leases Receivable

During the current year, the Borough, as lessor, entered into several multiple-year lease agreements to third parties for various nonfinancial assets. The lengths of the lease terms vary, and the Borough used their incremental borrowing rate of 6% when there was no stated interest rate in the lease contracts. The Borough received payments totaling \$159,039 for the fiscal year ended June 30, 2023. The Borough recognized \$124,263 in lease revenue and \$62,419 in interest revenue for the fiscal year ended June 30, 2023. As of June 30, 2023, the Borough's receivable for lease payments was \$1,195,643. The Borough recognized a deferred inflow of resources associated with the leases of \$1,143,663 on June 30, 2023, that will be recognized as revenue over the remainder of the lease terms.

6. Capital Assets

Capital asset activity for the year ended June 30, 2023 was as follows:

	Balance July 1, 2022	Additions and Reclass- ifications	Deletions and Reclass- ifications	Balance June 30, 2023
Governmental Activities				
<i>Capital assets not being depreciated:</i>				
Land and land improvements	\$ 3,650,856	\$ -	\$ -	\$ 3,650,856
Construction in progress	145,500	1,359,580	-	1,505,080
Total capital assets not being depreciated	3,796,356	1,359,580	-	5,155,936
<i>Capital assets being depreciated:</i>				
Infrastructure	23,450,938	90,467	-	23,541,405
Buildings	48,623,687	-	-	48,623,687
Improvements other than buildings	6,723,298	110,883	-	6,834,181
Machinery and equipment	5,445,298	81,570	-	5,526,868
Total capital assets being depreciated	84,243,221	282,920	-	84,526,141
Less accumulated depreciation for:				
Infrastructure	6,140,957	608,359	-	6,749,316
Buildings	40,166,859	688,219	-	40,855,078
Improvements other than buildings	5,030,658	208,662	-	5,239,320
Machinery and equipment	4,071,170	167,877	-	4,239,047
Total accumulated depreciation	55,409,644	1,673,117	-	57,082,761
Total capital assets being depreciated, net	28,833,577	(1,390,197)	-	27,443,380
Governmental Activities Capital Assets, net	\$ 32,629,933	\$ (30,617)	\$ -	\$ 32,599,316

City and Borough of Wrangell, Alaska

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Notes to Basic Financial Statements

	Balance July 1, 2022	Additions and Reclass- ifications	Deletions and Reclass- ifications	Balance June 30, 2023
Business-type Activities				
<i>Capital assets not being depreciated:</i>				
Land and land improvements	\$ 959,233	\$ -	\$ -	\$ 959,233
Construction in progress	1,088,457	1,681,622	-	2,770,079
Total capital assets not being depreciated	2,047,690	1,681,622	-	3,729,312
<i>Capital assets being depreciated:</i>				
Buildings	9,372,469	142,017	-	9,514,486
Improvements other than buildings	91,205,438	15,090	(24,159)	91,196,369
Machinery and equipment	5,929,423	296,028	24,159	6,249,610
Total capital assets being depreciated	106,507,330	453,135	-	106,960,465
Less accumulated depreciation for:				
Buildings	8,315,498	188,075	-	8,503,573
Improvements other than buildings	50,877,423	2,614,716	-	53,492,139
Machinery and equipment	5,026,003	258,320	-	5,284,323
Total accumulated depreciation	64,218,924	3,061,111	-	67,280,035
Total capital assets being depreciated, net	42,288,406	(2,607,976)	-	39,680,430
Business-type Activity Capital Assets, net	\$ 44,336,096	\$ (926,354)	\$ -	\$ 43,409,742

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Notes to Basic Financial Statements

Depreciation expense was charged to the functions as follows for the year ended June 30, 2023:

Governmental Activities	
General government	\$ 11,485
Public safety	163,409
Public works	826,236
Parks and recreation	45,688
Community services	316,830
Education	309,469
<hr/>	
Total Depreciation Expense - Governmental Activities	\$ 1,673,117
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Business-type Activities	
Electric utility	\$ 237,097
Water utility	356,081
Sanitation utility	118,969
Port	2,203,092
Sewer utility	145,872
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Total Depreciation Expense - Business-type Activities	\$ 3,061,111

7. Interfund Balances and Transfers

A schedule of interfund balances and transfers for the year ended June 30, 2023, follows:

Interfund Loans	
Due to General Fund from:	
Water Enterprise Fund for long-term capital advances	\$ 346,500
<hr/>	
Transfers	
From General Fund to:	
Parks and Recreation Special Revenue Fund for capital costs	\$ 443,885
Nonmajor governmental funds to cover operating costs	254,166
Nonmajor governmental funds for capital costs	1,533,124
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Total transfers from the General Fund	2,231,175
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From Secure Schools Special Revenue Fund to:	
Nonmajor governmental funds to cover debt service costs	35,353
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From Electric Utility Enterprise Fund to:	
Nonmajor governmental funds to cover capital costs	90,000
<hr/>	
From Water Utility Enterprise Fund to:	
Nonmajor governmental funds to cover capital costs	278,000
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From nonmajor enterprise fund to:	
Nonmajor governmental funds to cover capital costs	305,000
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Total Transfers to Other Funds	\$ 2,939,528

Notes to Basic Financial Statements

8. Long-term Liabilities

The following is a summary of long-term liability transactions of the Borough for the year ended June 30, 2023:

Governmental Activities	Balance July 1, 2022	Additions	Retired	Balance June 30, 2023	Due Within One Year
\$3,100,000 General Obligation bonds due in semi-annual installments of \$95,000 to \$240,000 through 2042, plus interest at 5%	\$ -	\$ 3,100,000	\$ -	\$ 3,100,000	\$ 95,000
Unamortized premium on bonds	-	429,850	-	429,850	-
GO bonds, including premium	-	3,529,850	-	3,529,850	95,000
Accrued leave	268,078	248,878	207,684	309,272	309,272
Net pension liability	3,601,027	704,614	-	4,305,641	-
Total Governmental Activities	\$ 3,869,105	\$ 4,483,342	\$ 207,684	\$ 8,144,763	\$ 404,272

Other long-term liabilities related to governmental activities, such as accrued leave, are generally liquidated by the General Fund.

On February 15, 2023 the Borough issued general obligation bonds to finance major renovations of the schools and other related capital improvements. The bonds were issued in the amount of \$3,100,000 and at a premium of \$429,850. Interest rate is 5% and payment are made semiannually. During the year ended June 30, 2023, no principal payments were made and interest payments were made in the amount of \$45,639.

Annual debt service requirements to maturity for the bonds as follows:

Governmental Activities			
Year Ending June 30,	Principal	Interest	Total
2024	\$ 95,000	\$ 152,625	\$ 247,625
2025	95,000	147,875	242,875
2026	100,000	143,000	243,000
2027	105,000	137,875	242,875
2028	115,000	132,375	247,375
2029-2033	660,000	568,250	1,228,250
2034-2038	845,000	380,625	1,225,625
2039-2042	1,085,000	141,375	1,226,375
	\$ 3,100,000	\$ 1,804,000	\$ 4,904,000

City and Borough of Wrangell, Alaska

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Notes to Basic Financial Statements

Business-type Activities	Balance July 1, 2022	Additions	Retired	Balance June 30, 2023	Due Within One Year
Loans Payable from Direct Borrowings:					
\$91,000 USDA Sewer loan due in semi-annual installments of \$1,623 including interest at 1.875% through 2057	\$ 83,753	\$ -	\$ 3,352	\$ 80,401	\$ 1,748
\$57,251 ADEC Water Utility loan due in annual installments of \$2,667 to \$3,334, including interest of 1.5% through 2038	47,114	-	2,628	44,486	2,667
\$542,249 ADEC Water Utility loan due in annual installments of \$10,101 to \$13,207, including interest of 1.5% through 2041	226,710	-	9,804	216,906	9,951
Total direct borrowings	357,577	-	15,784	341,793	14,366
Accrued leave	125,476	97,269	86,762	135,983	135,983
Net pension liability	1,561,897	443,452	-	2,005,349	-
Total Business-type Activities	\$ 2,044,950	\$ 540,721	\$ 102,546	\$ 2,483,125	\$ 150,349

Annual debt service requirements to maturity for the loans payable from direct borrowings, follow:

Business-type Activities <i>Year Ending June 30,</i>	Loans Payable from Direct Borrowings		
	Principal	Interest	Total
2024	\$ 14,366	\$ 3,289	\$ 17,655
2025	14,588	5,198	19,786
2026	14,813	4,973	19,786
2027	15,043	4,744	19,787
2028	15,275	4,511	19,786
2029-2033	79,996	18,933	98,929
2034-2038	86,383	12,548	98,931
2039-2043	62,898	6,153	69,051
2044-2048	13,173	3,057	16,230
2049-2053	14,461	1,769	16,230
2054-2058	10,797	405	11,202
	\$ 341,793	\$ 65,580	\$ 407,373

Notes to Basic Financial Statements

9. Net Position

In the Statement of Net Position, net position is reported in the following categories:

	Governmental Activities	Business-type Activities	Total
Net investment in capital assets	\$ 32,599,316	\$ 43,067,949	\$ 75,667,265
Restricted:			
Schools	808,104	-	808,104
Economic stability	9,492,682	-	9,492,682
Schools and roads	1,847,432	-	1,847,432
Total restricted	12,148,218	-	12,148,218
Unrestricted	13,651,242	8,873,630	22,524,872
Total Net Position	\$ 58,398,776	\$ 51,941,579	\$ 110,340,355

10. Fund Balances

Fund balances, reported in the Borough’s individual major funds and nonmajor funds in the aggregate on the governmental funds balance sheet are subject to the following constraints at June 30, 2023:

	Major Governmental Funds					Nonmajor Funds	Totals
	General	Permanent Fund Special Revenue	Secure Rural Schools Special Revenue	Parks and Recreation Special Revenue			
Nonspendable:							
Interfund loans	\$ 346,500	\$ -	\$ -	\$ -	\$ -	\$ -	346,500
Prepaid items	483	-	-	-	-	-	483
Inventory	-	-	-	-	-	62,068	62,068
Total nonspendable	346,983	-	-	-	-	62,068	409,051
Restricted:							
Unspent bond proceeds	3,529,850	-	-	-	-	-	3,529,850
Economic stability	-	9,492,682	-	-	-	-	9,492,682
Schools and roads	-	-	1,847,432	-	-	-	1,847,432
Schools	-	-	-	-	-	808,104	808,104
Total restricted	3,529,850	9,492,682	1,847,432	-	-	808,104	15,678,068
Committed:							
Community services	-	-	-	-	-	469,793	469,793
Schools and roads	-	-	-	1,285,657	-	-	1,285,657
Land development	-	-	-	-	-	1,747,872	1,747,872
Total committed	-	-	-	1,285,657	-	2,217,665	3,503,322
Assigned - Projects	-	-	-	-	-	2,800,145	2,800,145
Unassigned	9,144,115	-	-	-	-	-	9,144,115
Total Fund Balances	\$ 13,020,948	\$ 9,492,682	\$ 1,847,432	\$ 1,285,657	\$ 5,887,982	\$ 31,534,701	

Notes to Basic Financial Statements

11. Municipal Landfill Closure and Post-closure Liability

On January 15, 1998, the Borough entered into an agreement with a company to transport and dispose of municipal solid waste. State and federal laws and regulations require the Borough to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure.

The Borough has been successful in obtaining grants to assist with closing the landfill and the closure was completed at the end of fiscal year 2012. Management believes that the ongoing monitoring costs will be minimal; therefore, no liability has been reflected in these financial statements.

12. Restrictions of Sales Tax Revenues

According to section 5.08.070 of the Wrangell Municipal Code, 20% of the total amount of sales tax collected shall be used for any of the following purposes: (1) to pay principal and interest for any bond indebtedness relating to education and health of the Borough; and (2) to fund the Wrangell Public School District, and improve or maintain school facilities.

The remaining 80% of the total amount of sales tax collected shall be used for any General Fund purpose for which moneys of the Borough may be disbursed for any purpose.

13. School Support

The Borough provided \$1,617,748 in National Forest Receipts funding and sales tax to the School District for the year ended June 30, 2023. Support provided to the School District does not include debt service payments on school facilities or capital expenditures.

14. Pension and Other Postemployment Benefits Plans***(a) Defined Benefit (DB) Pension Plan******General Information About the Plan***

The Borough participates in the Alaska Public Employees' Retirement System (PERS). PERS is a cost-sharing multiple-employer plan which covers eligible State and local government employees, other than teachers. The Plan was established and is administered by the State of Alaska Department of Administration. Benefit and contribution provisions are established by State law and may be amended only by the State Legislature.

The Plan is included in an annual comprehensive financial report that includes financial statements and other required supplemental information. That report is available via the internet at <https://drb.alaska.gov/docs/reports/#pers>. Actuarial valuation reports, audited financial statements, and other detailed plan information are also available on this website.

The Plan provides for retirement, death and disability, and postemployment healthcare benefits. There are three tiers of employees, based on entry date. For all tiers within the Defined Benefit (DB) plan, full retirement benefits are generally calculated using a formula comprised of a multiplier times the average monthly salary (AMS) times the number of years of service. The multiplier is increased at longevity milestone markers for most employees. Peace/Fire employees accrue benefits at an accelerated rate. The tiers within the Plan establish differing criteria regarding normal retirement age, early retirement age, and the criteria for calculation of AMS, COLA

Notes to Basic Financial Statements

adjustments, and other postemployment benefits (OPEB). A complete benefit comparison chart is available at the website noted above.

The PERS DB Plan was closed to new entrants effective July 1, 2006. New employees hired after that date participate in the PERS Defined Contribution (DC) Plan described later in these notes.

Historical Context and Special Funding Situation

In April 2008, the Alaska Legislature passed legislation converting the previously existing PERS plan from a DB agent-multiple-employer plan to a DB cost-sharing plan with an effective date of July 1, 2008. In connection with this conversion, the State of Alaska passed additional legislation which statutorily capped the employer contribution rate, established a state funded “on-behalf” contribution (subject to funding availability), and required that employer contributions be calculated against all PERS eligible wages, including wages paid to participants of the PERS Tier IV defined contribution plan described later in these notes. The Alaska Legislature has the power and authority to change the aforementioned statute through the legislative process.

Alaska Statute 39.35.280 requires the State of Alaska to contribute to the Plan an amount such that, when combined with the employer contribution, is sufficient to pay the Plan’s past service liability contribution rate as adopted by the Alaska Retirement Management Board (ARM Board). As such, the Plan is considered to be in a special funding situation as defined by GASB, and management has recorded all pension related liabilities, deferred inflows/outflows of resources, and disclosures on this basis.

The Borough recorded the related on-behalf contributions as revenue and expense or expenditures as prescribed by GAAP, pursuant to the relevant basis of accounting based on fund type.

Employee Contribution Rates

Regular employees are required to contribute 6.75% of their annual covered salary. Police officers and firefighters are required to contribute 7.50% of their annual covered salary.

Employer and Other Contribution Rates

There are several contribution rates associated with the pension contributions and related liabilities. These amounts are calculated on an annual basis.

Employer Effective Rate: This is the contractual employer pay-in rate. Under current legislation, the amount calculated for the statutory employer effective contribution rate is 22% on eligible wages. This 22% rate is calculated on all PERS participating wages, including those wages attributable to employees in the DC plan. Contributions derived from the DC employee payroll is referred to as the Defined Benefit Unfunded Liability or DBUL contribution.

ARM Board Adopted Rate: This is the rate formally adopted by the Alaska Retirement Management Board. This rate is actuarially determined and used to calculate annual Plan funding requirements, without regard to the statutory rate cap or the GASB accounting rate. Effective July 1, 2015, the Legislature requires the ARM Board to adopt employer contribution rates for past service liabilities using a level percent of pay method over a closed 25-year term which ends in 2039. This change results in lower ARM Board Rates than previously adopted.

Notes to Basic Financial Statements

State Contribution Rate: This is the rate paid in by the State as an on-behalf payment under the current statute. The statute requires the State to contribute, based on funding availability, an on-behalf amount equal to the difference between the ARM Board Rate and the Employer Effective Rate. In the governmental fund financial statements, on-behalf contribution amounts have been recognized as additional revenues and expenditures. In the proprietary funds and government-wide financial statements, the on-behalf amounts reflect revenue and expense only during the measurement period in which the Plan recognizes the payments, resulting in a significant timing difference between the cash transfers and revenue and expense recognition.

Contribution rates for the year ended June 30, 2023 were determined in the June 30, 2021 actuarial valuations. The Borough’s contribution rates for the 2023 fiscal year were as follows:

	ARM Board Adopted Rate	State Contribution Rate
Defined benefit plans:		
Pension	18.38%	2.79%
Postemployment healthcare (ARHCT)	-%	-%
Defined contribution - Pension	6.41%	-%
Total Contribution Rates	24.79%	2.79%

Alaska Statute 39.35.255(a) capped the employer rate at 22% with the State of Alaska making a nonemployer contribution for the difference between actuarially required contribution and the cap. For the fiscal year, the employer rate is 22.00% for pension and 0.00% for ARHCT. The contribution requirements for the Borough are established and may be amended by the ARMB. Additionally, there is a Defined Benefit Unfunded Liability (DBUL) amount levied against the DCR Plan payroll. The DBUL amount is computed as the difference between (a) amount calculated for the statutory employer contribution rate of 22.00% on eligible salary less (b) total of the employer contribution for (1) defined contribution employer matching amount, (2) major medical, (3) occupational death and disability, and (4) health reimbursement arrangement. The difference is deposited based on an actuarial allocation into the defined benefit plan’s pension and healthcare funds.

In 2023, the Borough was credited with the following contributions to the pension plan:

	Measurement Period July 1, 2021 to June 30, 2022	Borough Fiscal Year July 1, 2022 to June 30, 2023
Employer contributions (including DBUL)	\$ 587,192	\$ 707,567
Nonemployer contributions (on-behalf)	305,408	112,525
Total Contributions	\$ 892,600	\$ 820,092

In addition, employee contributions to the Plan totaled \$94,078 during the Borough’s fiscal year.

Notes to Basic Financial Statements

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2023, the Borough reported a liability for its proportionate share of the net pension liability (NPL) that reflected a reduction for State pension support provided to the Borough. The amount recognized by the Borough for its proportional share, the related State proportion, and the total portion of the net pension liability that was associated with the Borough were as follows:

Borough proportionate share of NPL	\$ 6,310,990
State's proportionate share of NPL associated with the Borough	1,745,376
Total Net Pension Liability	\$ 8,056,366

The total pension liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022 to calculate the net pension liability as of that date. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, including the State, actuarially determined. At the June 30, 2022 measurement date, the Borough's proportion was 0.12382 percent, which was a decrease of (0.01692) from its proportion measured as of June 30, 2021.

For the year ended June 30, 2023, the Borough recognized pension expense of \$635,796 and on-behalf revenue of \$114,017 for support provided by the State. At June 30, 2023, the Borough reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ 180,433	\$ -
Borough contributions subsequent to the measurement date	707,567	-
Total Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions	\$ 888,000	\$ -

The \$707,567 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,

2024	\$ (21,451)
2025	(54,983)
2026	(131,993)
2027	388,860
Total Amortization	\$ 180,433

Notes to Basic Financial Statements

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2021, using the actuarial assumptions listed below, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2022:

Actuarial cost method	Entry Age Normal
Amortization method	Unfunded Accrued Actuarial Liability, level percent of pay basis
Inflation	2.50% per year
Salary increases	For peace officers/firefighters, increases range from 8.50% to 3.85% based on service. For all others, increases range from 6.75% to 2.85% based on service.
Allocation methodology	Amounts for the June 30, 2022 measurement date were allocated to employers based on the ratio of the present value of projected future contributions for each employer to the total present value of projected future contributions for the Plan for the fiscal years 2023 to 2039. The liability is expected to go to zero at 2039.
Investment rate of return	7.25%, net of pension plan investment expenses. This is based on an average inflation rate of 2.50% and a real rate of return of 4.75%.
Mortality Peace officer/ firefighter	Pre-commencement mortality rates were based on the Pub-2010 Safety Employee table, amount-weighted, and projected with MP-2021 generational improvement. Deaths are assumed to result from occupational causes 70% of the time. Post-commencement mortality rates for healthy retirees were based on the Pub-2010 Safety Retiree table, amount-weighted, and projected with MP-2021 generational improvement. Post-commencement mortality rates for disabled retirees were based on the Pub-2010 Safety Disabled Retiree table, amount-weighted, and projected with MP-2021 generational improvement. Post-commencement mortality rates for beneficiaries were based on the Pub-2010 Contingent Survivor table, amount-weighted, and projected with MP-2021 generational improvement. These rates are applied only after the death of the original member.
All others	Pre-commencement mortality rates were based on the Pub-2010 General Employee table, amount-weighted, and projected with MP-2021 generational improvement. Deaths are assumed to result from occupational causes 35% of the time. Post-commencement mortality rates for healthy retirees were based on 98% of male and 106% of female rates of the Pub-2010 General Retiree table, amount-weighted, and projected with MP-2021 generational improvement. Post-commencement mortality rates for disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree table, amount-weighted, and projected with MP-2021 generational improvement. Post-commencement mortality rates for beneficiaries were based on 102% of male and 108% of female rates of the Pub-2010 Contingent Survivor table, amount-weighted, and projected with MP-2021 generational improvement. These rates are applied only after the death of the original member.
Other	See the experience study report dated July 15, 2022.

Notes to Basic Financial Statements

The total pension liability was determined by an actuarial valuation as of June 30, 2021, rolled forward to the measurement date of June 30, 2022 and adjusted to reflect updated assumptions. The updated demographic and economic assumptions were adopted by the Board in June 2022 based on the results of an actuarial experience study for the period July 1, 2017 to June 30, 2021. The new assumptions were adopted to better reflect expected future experience and are effective June 30, 2022.

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return, excluding the inflation component of 2.88%, for each major asset class included in the pension plan’s target asset allocation as of June 30, 2022 are summarized in the following table:

Asset Class	Target Allocation	Range	Long-Term Expected Real Rate of Return
Domestic equity	27%	+/- 6%	6.51 %
Global equity (non-U.S.)	18%	+/- 4%	5.70 %
Aggregate bonds	21%	+/- 10%	0.31 %
Opportunistic	6%	+/- 4%	- %
Real assets	14%	+/- 7%	3.71 %
Private equity	14%	+/- 6%	9.61 %
Cash equivalents	-%	-%	(0.50) %

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The discount rate used changed from the prior measurement date. The projection of cash flows used to determine the discount rate assumed that employer and State contributions will continue to follow the current funding policy, which meets State statutes. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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Notes to Basic Financial Statements

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the Borough’s proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the Borough’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

	Proportional Share	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Borough’s proportionate share of the net pension liability	0.12382%	\$ 8,495,947	\$ 6,310,990	\$ 4,468,618

Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in the separately issued PERS financial report.

(b) Defined Contribution (DC) Pension Plan

Employees hired after July 1, 2006 participate in PERS Tier IV, a DC plan. This Plan is administered by the State of Alaska, Department of Administration in conjunction with the DB plan noted above. Benefit and contribution provisions are established by State law and may be amended only by the State Legislature. The Alaska Retirement Management Board may also amend contribution requirements. Included in the Plan are individual pension accounts, a retiree medical insurance plan and a separate Health Reimbursement Arrangement account that will help retired members pay medical premiums and other eligible medical expenses not covered by the medical plan. This Plan is included in the annual comprehensive financial report for PERS, and at the following website, as noted above. <https://drb.alaska.gov/docs/reports/#pers>.

Contributions to the DC plan consist solely of employer and employee contributions with no special funding or other nonemployer contributions. In addition, actual remittances to the PERS system require that the Borough contribute at 22%. After deducting the DC plan contributions (and related OPEB contributions), the remaining remittance (the DBUL) is deposited into the DB plan as noted earlier.

Benefit Terms

Employees are immediately vested in their own contributions and vest 25% with two years of service, plus an additional 25% per year thereafter for full vesting at five years of service. Nonvested employer contributions are forfeited upon termination of employment from the Plan. Such forfeitures were applied in the year ended June 30, 2023 to cover a portion of the Borough’s employer match contributions. For the year ended June 30, 2023, forfeitures reduced pension expense by \$12,832.

Employee Contribution Rate

Employees are required to contribute 8% of their annual covered salary. This amount goes directly to the individual’s account.

Notes to Basic Financial Statements

Employer Contribution Rate

For the year ended June 30, 2023, the Borough was required to contribute 5% of covered salary into the Plan.

The Borough and employee contributions to PERS for pensions for the year ended June 30, 2023 were \$138,937 and \$222,298, respectively. The Borough contribution amount was recognized as pension expense/expenditures.

(c) Defined Benefit OPEB Plans

As part of its participation in PERS, the Borough participates in the following cost-sharing multiple-employer defined benefit OPEB plans: Alaska Retiree Healthcare Trust (ARHCT), Retiree Medical Plan (RMP) and Occupational Death and Disability Plan (ODD).

The ARHCT, a healthcare trust fund, provides major medical coverage to retirees of the DB plan. The ARHCT is self-funded and self-insured. The ARHCT was closed to all new members effective July 1, 2006. Benefits vary by Tier level. The RMP provides major medical coverage to retirees of the PERS DC Plan (Tier IV). The RMP is self-insured. Members are not eligible to use the Plan until they have at least 10 years of service and are Medicare age eligible. The ODD provides death benefits for beneficiaries of plan participants and long-term disability benefits to all active members within PERS. The Plans are administered by the State of Alaska, Department of Administration. The OPEB plans are included in the annual comprehensive financial report for PERS, at the following website <https://drb.alaska.gov/docs/reports/#pers>.

Employer Contribution Rate

Employer contribution rates are actuarially determined and adopted by and may be amended by the Board. Employees do not contribute.

Employer contribution rates for the year ended June 30, 2023 were as follows:

	Other	Peace/Fire
Alaska Retiree Healthcare Trust	-%	-%
Retiree Medical Plan	1.10%	1.10%
Occupational Death and Disability	0.30%	0.68%
Total Contribution Rates	1.40%	1.78%

In 2023, the Borough was credited with the following contributions to the OPEB plans:

	Measurement Period July 1, 2021 to June 30, 2022	Borough Fiscal Year July 1, 2022 to June 30, 2023
Employer contributions - ARHCT	\$ 94,116	\$ -
Employer contributions - RMP	24,436	30,566
Employer contributions - ODD	9,290	6,697
Total Contributions	\$ 127,842	\$ 37,263

Notes to Basic Financial Statements

OPEB Liabilities, OPEB Asset, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB Plans

At June 30, 2023, the Borough reported an asset for its proportionate share of the net OPEB asset (NOA) that reflected a reduction for State OPEB support provided to the Borough. The amount recognized by the Borough for its proportional share, the related State proportion, and the total were as follows:

Borough's proportionate share of NOA - ARHCT	\$ 2,420,354
Borough's proportionate share of NOA - RMP	58,584
Borough's proportionate share of NOA - ODD	80,898
Total Borough's Proportionate Share of Net OPEB Asset	\$ 2,559,836
State's proportionate share of the ARHCT NOA associated with the Borough	691,816
Total Net OPEB Asset	\$ 3,251,652

The total OPEB liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022 and adjusted to reflect updated assumptions to calculate the net OPEB assets as of that date. The Borough's proportion of the net OPEB assets was based on a projection of the Borough's long-term share of contributions to the OPEB plans relative to the projected contributions of all participating entities, actuarially determined.

	June 30, 2021 Measurement Date Employer Proportion	June 30, 2022 Measurement Date Employer Proportion	Change
Borough's proportionate share of the net OPEB assets:			
ARHCT	0.14131%	0.12301%	(0.01830)%
RMP	0.12211%	0.16869%	0.04658 %
ODD	0.13788%	0.18454%	0.04666 %

For the year ended June 30, 2023, the Borough recognized OPEB expense (benefit) of \$(835,488). Of this amount, \$(235,005) was recorded as on-behalf revenue and expense for support provided by the ARHCT plan. OPEB expense (benefit) and on-behalf revenue is listed by plan in the table below:

Plan	OPEB Expense /benefit)	On-behalf Revenue
ARHCT	\$ (883,867)	\$ (235,005)
RMP	43,885	-
ODD	4,494	-
Total	\$ (835,488)	\$ (235,005)

City and Borough of Wrangell, Alaska

Item a.

Notes to Basic Financial Statements

At June 30, 2023, the Borough reported deferred outflows of resources and deferred inflows of resources related to OPEB plans from the following sources:

<i>Deferred Outflows of Resources</i>	ARHCT	RMP	ODD	Total
Difference between expected and actual experience	\$ -	\$ 2,903	\$ -	\$ 2,903
Changes in assumptions	-	11,343	-	11,343
Difference between projected and actual investment earnings	137,315	8,356	2,740	148,411
Changes in proportion and differences between Borough contributions and proportionate share of contributions	59,960	4,668	5,829	70,457
Borough contributions subsequent to the measurement date	-	30,566	6,697	37,263

Total Deferred Outflows of Resources Related to OPEB Plans	\$ 197,275	\$ 57,836	\$ 15,266	\$ 270,377
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<i>Deferred Inflows of Resources</i>	ARHCT	RMP	ODD	Total
Difference between expected and actual experience	\$ (17,131)	\$ (2,302)	\$ (26,539)	\$ (45,972)
Changes in assumptions	(111,073)	(70,245)	(515)	(181,833)
Changes in proportion and differences between Borough contributions and proportionate share of contributions	-	(3,583)	(15,785)	(19,368)

Total Deferred Inflows of Resources Related to OPEB Plans	\$ (128,204)	\$ (76,130)	\$ (42,839)	\$ (247,173)
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Amounts reported as deferred outflows of resources related to OPEB plans resulting from Borough contributions subsequent to the measurement date will be recognized as an increase in the net OPEB assets in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<i>Year Ending June 30,</i>	ARHCT	RMP	ODD	Total
2024	\$ (91,306)	\$ (8,171)	\$ (6,680)	\$ (106,157)
2025	(48,156)	(8,579)	(6,817)	(63,552)
2026	(108,485)	(9,869)	(7,252)	(125,606)
2027	317,018	1,550	(3,652)	314,916
2028	-	(10,532)	(4,523)	(15,055)
Thereafter	-	(13,259)	(5,346)	(18,605)
Total Amortization	\$ 69,071	\$ (48,860)	\$ (34,270)	\$ (14,059)

Notes to Basic Financial Statements

Actuarial Assumptions

The total OPEB liability for each plan for the measurement period ended June 30, 2022 was determined by actuarial valuations as of June 30, 2021, using the following actuarial assumptions, applied to all periods included in the measurement, and rolled forward to the measurement date of June 30, 2022:

Actuarial cost method	Entry Age Normal
Amortization method	Unfunded Accrued Actuarial Liability, level percent of pay basis
Inflation	2.50% per year
Salary increases	For peace officers/firefighters, increases range from 8.50% to 3.85% based on service. For all others, increases range from 6.75% to 2.85% based on service.
Allocation methodology	Amounts for the June 30, 2022 measurement date were allocated to employers based on the ratio of the present value of projected future contributions for each employer to the total present value of projected future contributions to the Plan for fiscal years 2023 to 2039.
Investment rate of return	7.25%, net of postemployment healthcare plan investment expenses. This is based on an average inflation rate of 2.50% and a real rate of return of 4.75%.
Healthcare cost trend rates (ARHCT and RMP Plans)	Pre-65 medical: 7.0% grading down to 4.5% Post-65 medical: 5.5% grading down to 4.5% Prescription drug: 7.5% grading down to 4.5% Rx/EGWP: 7.5% grading down to 4.5% Initial trend rates are from FY 2023 Ultimate trend rates reached in FY 2050
Mortality Peace officer/firefighter (ARHCT and RMP Plans)	Pre-commencement mortality rates were based on the Pub-2010 Safety Employee table, headcount-weighted, and projected with MP-2021 generational improvement. Post-commencement mortality rates for healthy retirees were based on the Pub-2010 Safety Retiree table, headcount-weighted, and projected with MP-2021 generational improvement. Post-commencement mortality rates for disabled retirees were based on the Pub-2010 Safety Disabled Retiree table, headcount-weighted, and projected with MP-2021 generational improvement. Post-commencement mortality rates for beneficiaries were based on the Pub-2010 Contingent Survivor table, headcount-weighted, and projected with MP-2021 generational improvement. These rates are applied only after the death of the original member.
(ODD Plan)	Pre-commencement mortality rates were based on the Pub-2010 Safety Employee table, amount-weighted, and projected with MP-2021 generational improvement. Post-commencement mortality rates for healthy retirees were based on the Pub-2010 Safety Retiree table, amount-weighted, and projected with MP-2021

Notes to Basic Financial Statements

generational improvement. Post-commencement mortality rates for disabled retirees were based on the Pub-2010 Safety Disabled Retiree table, amount-weighted, and projected with MP-2021 generational improvement. Post-commencement mortality rates for beneficiaries were based on the Pub-2010 Contingent Survivor table, amount-weighted, and projected with MP-2021 generational improvement. These rates are applied only after the death of the original member.

All others
(ARHCT and RMP Plans)

Pre-commencement mortality rates were based on the Pub-2010 General Employee table, headcount-weighted, and projected with MP-2021 generational improvement. Post-commencement mortality rates for healthy retirees were based on 101% of male and 110% of female rates of the Pub-2010 General Retiree table, headcount-weighted, and projected with MP-2021 generational improvement. Post-commencement mortality rates for disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree table, headcount-weighted, and projected with MP-2021 generational improvement. Post-commencement mortality rates for beneficiaries were based on 101% of male and 108% of female rates of the Pub-2010 Contingent Survivor table, headcount-weighted, and projected with MP-2021 generational improvement. These rates are applied only after the death of the original member.

(ODD Plan)

Pre-commencement mortality rates were based on the Pub-2010 General Employee table, amount-weighted, and projected with MP-2021 generational improvement. Post-commencement mortality rates for healthy retirees were based on 98% of male and 106% of female rates of the Pub-2010 General Retiree table, amount-weighted, and projected with MP-2021 generational improvement. Post-commencement mortality rates for disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree table, amount-weighted, and projected with MP-2021 generational improvement. Post-commencement mortality rates for beneficiaries were based on 102% of male and 108% of female rates of the Pub-2010 Contingent Survivor table, amount-weighted, and projected with MP-2021 generational improvement. These rates are applied only after the death of the original member.

(ARHCT and ODD Plans)

Deaths are assumed to result from occupational causes 35% of the time.

Participation (ARHCT)

100% of system paid members and their spouses are assumed to elect the healthcare benefits paid as soon as they are eligible. 20% of nonsystem paid members and their spouses are assumed to elect the healthcare benefits as soon as they are eligible.

Other

See the experience study report dated July 15, 2022.

Notes to Basic Financial Statements

The total OPEB liability for each plan was determined by actuarial valuations as of June 30, 2021, rolled forward to the measurement date of June 30, 2022 and adjusted to reflect updated assumptions. The updated demographic and economic assumptions were adopted by the Board in June 2022 based on the results of an actuarial experience study for the period from July 1, 2017 to June 30, 2021. The new assumptions were adopted to better reflect expected future experience and are effective June 30, 2022. The actuarial assumptions used in the June 30, 2021 actuarial valuation are the same as those used in the June 30, 2020 valuation with the following exceptions:

1. Per capita claims costs were updated to reflect recent experience.
2. The amount included in the Normal Cost for administrative expenses was updated to reflect the most recent two years of actual administrative expenses paid for postretirement healthcare plan assets.

Long-Term Expected Rate of Return

The long-term expected rate of return on OPEB plan investments for each plan was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of postretirement healthcare plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The best estimates of arithmetic rates of return, excluding the inflation component of 2.88% for each major asset class included in the OPEB plan's target asset allocation as of June 30, 2022 are summarized in the following table:

Asset Class	Target Allocation	Range	Long-Term Expected Real Rate of Return
Domestic equity	27%	+/- 6%	6.51 %
Global equity (non-U.S.)	18%	+/- 4%	5.70 %
Aggregate bonds	21%	+/- 10%	0.31 %
Opportunistic	6%	+/- 4%	- %
Real assets	14%	+/- 7%	3.71 %
Private equity	14%	+/- 6%	9.61 %
Cash equivalents	-%	-%	(0.50)%

Discount Rate

The discount rate used to measure the total OPEB liability for each plan as of June 30, 2022 was 7.25%. The discount rate used changed from the prior measurement date. The projection of cash flows used to determine the discount rate assumed that employer and State contributions will continue to follow the current funding policy which meets State statutes. Based on those assumptions, the fiduciary net position for each plan was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability for each plan.

Notes to Basic Financial Statements

Sensitivity of the Net OPEB Assets to Changes in the Discount Rate

The following presents the Borough’s proportionate share of the net OPEB asset calculated using the discount rate of 7.25%, as well as what the Borough’s proportionate share of the respective plan’s net OPEB asset (liability) would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	Proportional Share	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Borough’s proportionate share of the net OPEB asset (liability):				
ARHCT	0.12301%	\$ 1,438,038	\$ 2,420,354	\$ 3,244,110
RMP	0.16869%	\$ (10,776)	\$ 58,584	\$ 111,477
ODD	0.18454%	\$ 76,205	\$ 80,898	\$ 84,568

Sensitivity of the Net OPEB Assets to Changes in the Healthcare Cost Trend Rates

The following presents the Borough’s proportionate share of the net OPEB asset calculated using the healthcare cost trend rates as summarized in the 2021 actuarial valuation reports as well as what the Borough’s proportionate share of the respective plan’s net OPEB asset (liability) would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

	Proportional Share	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Borough’s proportionate share of the net OPEB asset (liability):				
ARHCT	0.12301%	\$ 3,341,015	\$ 2,420,354	\$ 1,320,902
RMP	0.16869%	\$ 118,741	\$ 58,584	\$ (22,442)
ODD	0.18454%	\$ n/a	\$ n/a	\$ n/a

OPEB Plan Fiduciary Net Position

Detailed information about each OPEB plan’s fiduciary net position is available in the separately issued PERS financial report.

(d) Defined Contribution OPEB Plans

PERS DC Pension Plan participants (PERS Tier IV) also participate in the Health Reimbursement Arrangement Plan (HRA Plan). The HRA Plan allows for medical care expense to be reimbursed from individual savings accounts established for eligible persons. The HRA Plan became effective July 1, 2006 at which time contributions by employers began.

Notes to Basic Financial Statements

Contribution Rate

AS 39.30.370 establishes this contribution amount as “three percent of the average annual employee compensation of *all employees of all employers* in the plan”. As of July 1, 2022, for actual remittance, this amount is calculated as a flat rate for each full-time or part-time employee per pay period and approximates \$2,237 per year for each full-time employee, and \$1.43 per hour for part-time employees.

Annual Postemployment Healthcare Cost

In fiscal year 2023, the Borough contributed \$93,145 in DC OPEB costs. This amount has been recognized as expense/expenditures.

15. Risk Management

The Borough faces a considerable number of risks of loss, including (a) damage to and loss of property and contents, (b) employee torts, (c) professional liability; i.e., errors and omissions, (d) environmental damage, (e) workers' compensation; i.e., employee injuries, and (f) medical insurance costs of employees. Commercial policies, transferring the risk of loss, except for relatively small deductible amounts, are purchased for employee medical costs. The Borough is a member of Alaska Public Entity Insurance (APEI), a governmental insurance pool. APEI provides insurance coverage for property and contents damage, torts, general and automobile liability, public officials and employees' liability, law enforcement professional liability and workers' compensation. The Borough has no coverage for potential losses from environmental damages. APEI is a public entity risk pool organized to share risks among its members. The Association's bylaws provide for the assessment of supplemental contributions from members in the event that losses and expenses for any coverage year exceed the annual contributions and income earned on such contributions for the year. Such supplemental contributions shall be based upon each member's annual deposit contribution in comparison to the aggregate annual deposit contributions of all members. The Association made no supplemental assessments during the year ended June 30, 2023. Coverage limits and the deductibles on the policies have stayed relatively constant for the last several years.

16. Contingencies**Grants**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by the grantor agencies, principally the federal and State governments. Any disallowed claims, including amounts already collected, would become a liability.

17. Subsequent Events

In preparing these financial statements, the Borough has evaluated all other events and transactions for potential recognition or disclosure through April 1, 2024, the date the financial statements were issued.

Notes to Basic Financial Statements

18. Related Party Transactions

In the normal course of business, the Borough may contract for goods or services from vendors whose shareholders, officers, or employees may also be associated with the Borough as an official, assembly member, or employee. The Borough made payments to Southeast Alaska Power Agency for power purchases during 2023 which were in aggregate \$2,814,040.

19. New Accounting Pronouncements

The Governmental Accounting Standards Board (GASB) has issued several new accounting standards with upcoming implementation dates (effective dates are adjusted for the issuance of GASB Statement No. 95 - *Postponement of the Effective Dates of Certain Authoritative Guidance*). The following new accounting standards were implemented by the Borough for 2023 reporting:

GASB Statement No. 91 - *Conduit Debt Obligations* - Effective for year-end June 30, 2023. This Statement provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with commitments extended by issuers, arrangements associated with conduit debt obligations, and related note disclosures. This Statement clarifies the definition of a conduit debt obligation and establishes standards for related accounting and financial reporting. The Borough evaluated the impacts of GASB Statement 91 and determined there to be no impacts to the Borough's financial statements for the current fiscal year.

GASB Statement No. 94 - *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* - Effective for year-end June 30, 2023. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs), and also provide guidance for accounting and financial reporting for availability payment arrangements (APA). The Borough evaluated the impacts of GASB Statement 94 and determined there to be no impacts to the Borough's financial statements for the current fiscal year.

GASB Statement No. 96 - *Subscription-Based Information Technology Arrangements* - Effective for year-end June 30, 2023. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. This Statement, among other things, defines a SBITA, establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability, provides capitalization criteria for outlays other than subscription payments, and requires note disclosures regarding a SBITA. The Borough evaluated the impacts of GASB Statement 96 and determined there to be no impacts to the Borough's financial statements for the current fiscal year.

GASB Statement No. 99 - *Omnibus 2022* - Provisions of this Statement address requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, classification of certain provisions in Statement No. 34, as amended, and terminology updates related to Statement No. 53 and Statement No. 63, which are effective upon issuance. The effective date for the provisions of this Statement related to leases, PPPs, and SBITAs are to be implemented for year-end June 30, 2023. The effective date for the provisions of this Statement related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement No. 53, are to be implemented for year-end June 30, 2024. The Borough evaluated the impacts of GASB Statement 99 and determined there to be no impacts to the Borough's financial statements for the current fiscal year.

Notes to Basic Financial Statements

The GASB has issued new accounting standards with upcoming implementation dates. Management has not fully evaluated the potential effects of these statements, and actual impacts have not yet been determined. The statements are as follows:

GASB Statement No. 100 - *Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62* - Effective for year-end June 30, 2024. Earlier application is encouraged. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

GASB Statement No. 101 - *Compensated Absences* - Effective for year-end June 30, 2025. Earlier application is encouraged. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

GASB Statement No. 102 - *Certain Risk Disclosures* - Effective for year-end June 30, 2025. Earlier application is encouraged. The objective of this Statement is to provide users of the government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The disclosures will provide users with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact.

Required Supplementary Information

City and Borough of Wrangell, Alaska
General Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual

<i>Year Ended June 30, 2023</i>	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Taxes:				
Real property taxes	\$ 1,760,817	\$ 1,780,087	\$ 1,760,035	\$ (20,052)
Property tax penalties and interest	11,144	20,000	10,631	(9,369)
Payments in lieu of taxes	507,616	505,000	493,042	(11,958)
Marijuana taxes	6,364	4,000	6,364	2,364
Sales taxes	3,005,000	3,308,000	3,242,291	(65,709)
Total taxes	5,290,941	5,617,087	5,512,363	(104,724)
Intergovernmental:				
State of Alaska:				
Jail contract	566,958	465,000	425,875	(39,125)
Community assistance	424,620	365,000	424,620	59,620
Library grants	-	27,228	34,096	6,868
State PERS relief	200,000	160,000	66,118	(93,882)
Other grant revenue	22,000	63,906	232,659	168,753
Total State of Alaska	1,213,578	1,081,134	1,183,368	102,234
Federal government -				
ARPA grant revenue - General Fund portion	242,992	242,992	249,120	6,128
Total intergovernmental	1,456,570	1,324,126	1,432,488	108,362
Charges for services:				
Cemetery services	6,590	11,238	7,887	(3,351)
DMV services	100,000	70,000	109,085	39,085
Police services	1,638	3,000	2,212	(788)
911 surcharge	-	45,000	48,651	3,651
Total charges for services	108,228	129,238	167,835	38,597
Sales and leases:				
Court rental	62,400	62,400	61,231	(1,169)
Tideland leases	43,000	42,222	41,670	(552)
Material sales	569	2,000	569	(1,431)
Cemetery plot sales	1,249	2,162	839	(1,323)
Total sales and leases	107,218	108,784	104,309	(4,475)
Fines and forfeitures	9,727	6,000	14,668	8,668
Investment income	301,801	78,520	678,730	600,210
Other revenues:				
Licenses and permits	2,405	1,800	2,469	669
Copies	2,500	-	1,136	1,136
Donations	6,500	6,500	10,070	3,570
Miscellaneous	107,211	80,500	5,847	(74,653)
Total other revenues	118,616	88,800	19,522	(69,278)
Total Revenues	7,393,101	7,352,555	7,929,915	577,360

City and Borough of Wrangell, Alaska

General Fund

Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual, continued

Year Ended June 30, 2023	Original Budget	Final Budget	Actual	Variance with Final Budget
Expenditures				
General government:				
Administration	\$ 452,273	\$ 463,793	\$ 475,441	\$ (11,648)
Clerk and Assembly	243,565	227,434	275,541	(48,107)
Finance	707,217	718,470	1,032,853	(314,383)
Total general government	1,403,055	1,409,697	1,783,835	(374,138)
Public safety:				
Fire	316,940	351,865	331,285	20,580
Police	1,117,941	1,373,762	1,269,647	104,115
Corrections and dispatch	448,789	422,747	485,361	(62,614)
Building	153,310	323,164	146,389	176,775
Total public safety	2,036,980	2,471,538	2,232,682	238,856
Public works:				
General	511,343	536,949	464,914	72,035
Garage	202,875	293,802	307,139	(13,337)
Streets	441,571	483,986	481,977	2,009
Capital facilities	174,791	252,325	258,682	(6,357)
Total public works	1,330,580	1,567,062	1,512,712	54,350
Community services:				
Cemetery	4,357	3,974	27,240	(23,266)
Economic development and planning	211,387	170,859	250,019	(79,160)
Community organization	50,000	50,000	50,000	-
Library	289,035	880,070	456,576	423,494
Total community services	554,779	1,104,903	783,835	321,068
Total Expenditures	5,325,394	6,553,200	6,313,064	240,136
Excess of Revenues Over Expenditures	2,067,707	799,355	1,616,851	817,496
Other Financing Sources (Uses)				
Transfers in	-	678,621	-	(678,621)
Transfers out	(1,884,653)	(2,207,270)	(2,231,175)	(23,905)
Proceeds from bonds issued	-	-	3,100,000	3,100,000
Premium on bonds issued	-	-	429,850	429,850
Net Other Financing Sources (Uses)	(1,884,653)	(1,528,649)	1,298,675	2,827,324
Net Change in Fund Balance	\$ 183,054	\$ (729,294)	2,915,526	\$ 3,644,820
Fund Balance, beginning			10,105,422	
Fund Balance, ending			\$ 13,020,948	

See accompanying notes to Required Supplementary Information.

City and Borough of Wrangell, Alaska
Permanent Fund Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual

<i>Year Ended June 30, 2023</i>	Original and Final Budget	Actual	Variance with Budget
Revenues			
Investment income	\$ 264,329	\$ 568,305	\$ 303,976
Lease revenue	35,880	28,246	(7,634)
Land and lot sales	-	170,389	170,389
Total Revenues	300,209	766,940	466,731
Excess of Revenues			
Over (Under) Expenditures	300,209	766,940	466,731
Other Financing Uses - transfers out	(250,000)	-	250,000
Net Change in Fund Balance	<u>\$ 50,209</u>	766,940	<u>\$ 716,731</u>
Fund Balance, beginning		<u>8,725,742</u>	
Fund Balance, ending		<u>\$ 9,492,682</u>	

See accompanying notes to Required Supplementary Information.

City and Borough of Wrangell, Alaska
Secure Rural Schools Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual

<i>Year Ended June 30, 2023</i>	Original and Final Budget	Actual	Variance with Budget
Revenues			
Intergovernmental - national forest receipts	\$ 1,571,998	\$ 1,091,177	\$ (480,821)
Expenditures			
Education - contributions to school district	876,140	876,259	(119)
Capital outlay	998,692	593,113	405,579
Total Expenditures	1,874,832	1,469,372	405,460
Excess of Revenues Over (Under) Expenditures	(302,834)	(378,195)	(75,361)
Other Financing Uses			
Transfers out	-	(35,353)	(35,353)
Net Change in Fund Balance	<u>\$ (302,834)</u>	(413,548)	<u>\$ (110,714)</u>
Fund Balance, beginning		<u>2,260,980</u>	
Fund Balance, ending		<u>\$ 1,847,432</u>	

See accompanying notes to Required Supplementary Information.

City and Borough of Wrangell, Alaska
Parks and Recreation Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual

<i>Year Ended June 30, 2023</i>	Original and Final Budget	Actual	Variance with Budget
Revenues			
Intergovernmental:			
State PERS relief	\$ 10,504	\$ 5,245	\$ (5,259)
Other grant revenue	981,712	657,306	(324,406)
Charges for services - user fees	77,600	65,076	(12,524)
Investment income	50,000	76,098	26,098
Other:			
Donations and contributions	7,550	4,157	(3,393)
Rental revenue	12,500	11,587	(913)
Total Revenues	1,139,866	819,469	(320,397)
Expenditures			
Parks and recreation:			
Personnel services	415,302	354,633	60,669
Commodities	174,300	126,852	47,448
Contractual services	214,976	157,835	57,141
Intergovernmental	26,400	20,322	6,078
Capital outlay	2,213,291	745,654	1,467,637
Total Expenditures	3,044,269	1,405,296	1,638,973
Excess of Revenues Over (Under) Expenditures	(1,904,403)	(585,827)	1,318,576
Other Financing Sources			
Transfers in	1,904,403	443,885	(1,460,518)
Net Change in Fund Balance	\$ -	(141,942)	\$ (141,942)
Fund Balance, beginning		1,427,599	
Fund Balance, ending		\$ 1,285,657	

See accompanying notes to Required Supplementary Information.

City and Borough of Wrangell, Alaska
Public Employees' Retirement System - Pension Plan
Schedule of the Borough's Proportionate Share of the Net Pension Liability

Years Ended June 30,	2023	2022	2021	2020	2019	2018	2017	2016	2015
Borough's Proportion of the Net Pension Liability	0.12382%	0.14074%	0.11320%	0.10645%	0.11124%	0.10179%	0.12813%	0.12944%	0.09481%
Borough's Proportionate Share of the Net Pension Liability	\$ 6,310,990	\$ 5,162,924	\$ 6,680,252	\$ 5,827,496	\$ 5,527,598	\$ 5,261,718	\$ 7,161,690	\$ 6,277,982	\$ 4,421,796
State of Alaska Proportionate Share of the Net Pension Liability	1,745,376	700,042	2,763,265	2,319,355	1,601,473	1,960,717	901,438	1,682,286	3,807,733
Total Net Pension Liability	\$ 8,056,366	\$ 5,862,966	\$ 9,443,517	\$ 8,146,851	\$ 7,129,071	\$ 7,222,435	\$ 8,063,128	\$ 7,960,268	\$ 8,229,529
Borough's Covered Payroll	\$ 3,740,679	\$ 3,638,702	\$ 3,782,294	3,516,156	3,289,940	3,185,949	3,146,642	3,219,425	3,598,834
Borough's Proportionate Share of the Net Pension Liability as a Percentage of Payroll	168.71%	141.89%	176.62%	165.73%	168.02%	165.15%	227.60%	195.00%	122.87%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	67.97%	76.46%	61.61%	63.42%	65.19%	63.37%	59.55%	63.96%	62.37%

Schedule of the Borough's Contributions

Years Ended June 30,	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contributions	\$ 707,567	\$ 587,192	\$ 552,368	\$ 510,456	\$ 508,139	\$ 525,495	\$ 537,369	\$ 343,399	\$ 340,908
Contributions Relative to the Contractually Required Contribution	707,567	587,192	552,368	510,456	508,139	525,495	537,369	343,399	340,908
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Borough's Covered Payroll	\$ 4,127,891	\$ 3,740,679	\$ 3,638,702	\$ 3,782,294	\$ 3,516,156	\$ 3,289,940	\$ 3,185,949	\$ 3,146,642	\$ 3,219,425
Contributions as a Percentage of Covered Payroll	17.14%	15.70%	15.18%	13.50%	14.45%	15.97%	16.87%	10.91%	10.59%

See accompanying notes to Required Supplementary Information.

City and Borough of Wrangell, Alaska
Public Employees' Retirement System - ARHCT OPEB Plan
Schedule of the Borough's Proportionate Share of the Net OPEB Liability (Asset)

<i>Years Ended June 30,</i>	ARHCT					
	2023	2022	2021	2020	2019	2018
Borough's Proportion of the Net OPEB Liability (Asset)	0.12301%	0.14131%	0.11312%	0.10664%	0.11123%	0.10186%
Borough's Proportionate Share of the Net OPEB Liability (Asset)	\$ (2,420,354)	\$ (3,625,053)	\$ (512,271)	\$ 158,227	\$ 1,141,549	\$ 860,457
State of Alaska Proportionate Share of the Net OPEB Liability (Asset)	(691,816)	(474,726)	(212,422)	62,826	332,145	320,648
Total Net OPEB Liability (Asset)	\$ (3,112,170)	\$ (4,099,779)	\$ (724,693)	\$ 221,053	\$ 1,473,694	\$ 1,181,105
Borough's Covered Payroll	\$ 1,456,890	\$ 1,529,297	\$ 1,717,381	2,228,533	2,085,158	3,185,949
Borough's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Payroll	-166.13%	-237.04%	-29.83%	7.10%	54.75%	27.01%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)	128.51%	135.54%	106.15%	98.13%	88.12%	89.68%

Schedule of the Borough's Contributions

<i>Years Ended June 30,</i>	ARHCT					
	2023	2022	2021	2020	2019	2018
Contractually Required Contributions	\$ -	\$ 94,116	\$ 118,568	\$ 187,978	\$ 165,982	\$ 136,960
Contributions Relative to the Contractually Required Contributions	-	94,116	118,568	187,978	165,982	136,960
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Borough's Covered Payroll	\$ 1,357,337	\$ 1,456,889	\$ 1,529,297	\$ 1,717,381	\$ 2,228,533	\$ 2,085,158
Contributions as a Percentage of Covered Payroll	0.00%	6.46%	7.75%	10.95%	7.45%	6.57%

See accompanying notes to Required Supplementary Information.

City and Borough of Wrangell, Alaska
Public Employees' Retirement System - RMP OPEB Plan
Schedule of the Borough's Proportionate Share of the Net OPEB Liability (Asset)

<i>Years Ended June 30,</i>	RMP					
	2023	2022	2021	2020	2019	2018
Borough's Proportion of the Net OPEB Liability (Asset)	0.16869%	0.12211%	0.15283%	0.13726%	0.10645%	0.10277%
Borough's Proportionate Share of the Net OPEB Liability (Asset)	\$ (58,584)	\$ (32,776)	\$ 10,841	\$ 32,838	\$ 13,546	\$ 5,359
State of Alaska Proportionate Share of the Net OPEB Liability (Asset)	-	-	-	-	-	-
Total Net OPEB Liability (Asset)	\$ (58,584)	\$ (32,776)	\$ 10,841	\$ 32,838	\$ 13,546	\$ 5,359
Borough's Covered Payroll	\$ 2,283,789	\$ 2,109,405	\$ 2,064,913	\$ 1,287,623	\$ 1,204,782	\$ 3,185,949
Borough's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Payroll	-2.57%	-1.55%	0.53%	2.55%	1.12%	0.17%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)	120.08%	115.10%	0.00%	83.17%	88.71%	93.98%

Schedule of the Borough's Contributions

<i>Years Ended June 30,</i>	RMP					
	2023	2022	2021	2020	2019	2018
Contractually Required Contributions	\$ 30,566	\$ 24,436	\$ 26,766	\$ 27,263	\$ 16,108	\$ 12,409
Contributions Relative to the Contractually Required Contributions	30,566	24,436	26,766	27,263	16,108	12,409
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Borough's Covered Payroll	\$ 2,770,554	\$ 2,283,789	\$ 2,109,405	\$ 2,064,913	\$ 1,287,623	\$ 1,204,782
Contributions as a Percentage of Covered Payroll	1.10%	1.07%	1.27%	1.32%	1.25%	1.03%

See accompanying notes to Required Supplementary Information.

City and Borough of Wrangell, Alaska
Public Employees' Retirement System - ODD OPEB Plan
Schedule of the Borough's Proportionate Share of the Net OPEB Liability (Asset)

<i>Years Ended June 30,</i>	ODD					
	2023	2022	2021	2020	2019	2018
Borough's Proportion of the Net OPEB Liability (Asset)	0.18454%	0.13788%	0.17568%	0.14984%	0.10645%	0.10277%
Borough's Proportionate Share of the Net OPEB Liability (Asset)	\$ (80,898)	\$ (60,768)	\$ (47,890)	\$ (36,328)	\$ (20,674)	\$ (14,582)
State of Alaska Proportionate Share of the Net OPEB Liability (Asset)	-	-	-	-	-	-
Total Net OPEB Liability (Asset)	\$ (80,898)	\$ (60,768)	\$ (47,890)	\$ (36,328)	\$ (20,674)	\$ (14,582)
Borough's Covered Payroll	\$ 2,283,789	\$ 2,109,405	\$ 2,064,913	\$ 1,287,623	\$ 1,204,782	\$ 3,185,949
Borough's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Payroll	-3.54%	-2.88%	-2.32%	-2.82%	-1.72%	-0.46%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)	348.80%	374.22%	283.80%	297.43%	270.62%	212.97%

Schedule of the Borough's Contributions

<i>Years Ended June 30,</i>	ODD					
	2023	2022	2021	2020	2019	2018
Contractually Required Contributions	\$ 6,697	\$ 9,290	\$ 4,801	\$ 7,705	\$ 6,118	\$ 2,473
Contributions Relative to the Contractually Required Contributions	6,697	9,290	4,801	7,705	6,118	2,473
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Borough's Covered Payroll	\$ 2,770,554	\$ 2,283,789	\$ 2,109,405	\$ 2,064,913	\$ 1,287,623	\$ 1,204,782
Contributions as a Percentage of Covered Payroll	0.24%	0.41%	0.23%	0.37%	0.17%	0.21%

See accompanying notes to Required Supplementary Information.

Notes to Required Supplementary Information
June 30, 2023

1. Budgetary Comparison Schedules

The budgetary comparison schedules are presented on the modified accrual basis of accounting.

2. Public Employees' Retirement System Pension Plan

Schedule of the Borough's Proportionate Share of the Net Pension Liability

This table is presented based on the Plan measurement date. For June 30, 2023, the Plan measurement date is June 30, 2022.

Changes in Assumptions:

The total pension liability was determined by an actuarial valuation as of June 30, 2021, rolled forward to the measurement date of June 30, 2022 and adjusted to reflect updated assumptions. The updated demographic and economic assumptions were adopted by the Board in June 2022 based on the results of an actuarial experience study for the period July 1, 2017 to June 30, 2021. The new assumptions were adopted to better reflect expected future experience and are effective June 30, 2022.

In 2022, the discount rate was lowered from 7.38% to 7.25%.

Amounts reported reflect a change in assumptions between 2016 and 2017 in the method of allocating the net pension liability from actual contributions to present value of projected future contributions.

GASB requires ten years of information be presented. However, until a full ten years of information is available, the Borough will present only those years for which information is available.

Schedule of the Borough's Contributions

This table is based on the Borough's contributions for each fiscal year presented. These contributions have been reported as a deferred outflow of resources on the Statement of Net Position.

GASB requires ten years of information be presented. However, until a full ten years of information is available, the Borough will present only those years for which information is available.

Notes to Required Supplementary Information, continued
June 30, 2023

3. Public Employees' Retirement System OPEB Plans

Schedule of the Borough's Proportionate Share of the Net OPEB Asset and Liability

This table is presented based on the Plan measurement date. For June 30, 2023, the Plan measurement date is June 30, 2022.

Changes in Assumptions:

The total OPEB liability for each plan was determined by actuarial valuations as of June 30, 2021, rolled forward to the measurement date of June 30, 2022 and adjusted to reflect updated assumptions. The updated demographic and economic assumptions were adopted by the Board in June 2022 based on the results of an actuarial experience study for the period from July 1, 2017 to June 30, 2021. The new assumptions were adopted to better reflect expected future experience and are effective June 30, 2022. The actuarial assumptions used in the June 30, 2021 actuarial valuation are the same as those used in the June 30, 2020 valuation with the following exceptions:

1. Per capita claims costs were updated to reflect recent experience.
2. The amount included in the Normal Cost for administrative expenses was updated to reflect the most recent two years of actual administrative expenses paid for postretirement healthcare plan assets.

In 2022, the discount rate was lowered from 7.38% to 7.25%.

In 2019, an Employer Group Waiver Plan (EGWP) was implemented effective January 1, 2019. This arrangement replaced the Retiree Drug Subsidy (RDS) under Medicare Part D and resulted in largest projected subsidies to offset the cost of prescription drug coverage.

GASB requires ten years of information be presented. However, until a full 10 years of information is available, the Borough will present only those years for which information is available.

Schedule of the Borough's Contributions

This table is based on the Borough's contributions for each fiscal year presented. These contributions have been reported as a deferred outflow of resources on the Statement of Net Position.

GASB requires ten years of information be presented. However, until a full ten years of information is available, the Borough will present only those years for which information is available.

Supplementary Information

City and Borough of Wrangell, Alaska

Governmental Funds Schedule of Expenditures

<i>Year Ended June 30, 2023</i>	General	Secure Rural Schools Special Revenue	Parks and Recreation Special Revenue	Nonmajor Funds	Total
Expenditures					
Personnel services	\$ 4,270,559	\$ -	\$ 354,633	\$ 256,060	\$ 4,881,252
Commodities	677,965	-	126,852	258,754	1,063,571
Contractual service	1,538,982	-	157,835	440,522	2,137,339
Intergovernmental	(174,442)	-	20,322	26,728	(127,392)
Department specific expenditures	-	876,259	-	761,584	1,637,843
Debt service interest	-	-	-	45,639	45,639
Capital outlay	-	593,113	745,654	76,267	1,415,034
Total Expenditures	\$ 6,313,064	\$ 1,469,372	\$ 1,405,296	\$ 1,865,554	\$ 11,053,286

City and Borough of Wrangell, Alaska
Nonmajor Governmental Funds
Combining Balance Sheet

	Special Revenue Funds			Capital Project Funds				Total Nonmajor Govern- mental Funds
	Transient Tax	Nolan Center	WPSD Local Contributions	Residential Construc- tion	Industrial Construc- tion	Mill Property Development	Misc- ellaneous	
<i>June 30, 2023</i>								
Assets								
Cash and investments	\$ 477,397	\$ 108,277	\$ 634,608	\$ 2,498,015	\$ 455,229	\$ 1,298,901	\$ 129,218	\$ 5,601,645
Receivables:								
Sales taxes	-	-	173,496	-	-	-	-	173,496
Accounts	8,976	109,190	-	-	-	-	258	118,424
Inventory	-	62,068	-	-	-	-	-	62,068
Total Assets	\$ 486,373	\$ 279,535	\$ 808,104	\$ 2,498,015	\$ 455,229	\$ 1,298,901	\$ 129,476	\$ 5,955,633
Liabilities, Deferred Inflows of Resources, and Fund Balances								
Liabilities								
Accounts payable	\$ 16,580	\$ 29,379	\$ -	\$ 5,084	\$ -	\$ -	\$ -	\$ 51,043
Unearned revenue	-	10,350	-	-	-	-	-	10,350
Total Liabilities	16,580	39,729	-	5,084	-	-	-	61,393
Deferred Inflows of Resources								
Related to land sales	-	-	-	-	6,258	-	-	6,258
Fund Balances								
Nonspendable - inventory	-	62,068	-	-	-	-	-	62,068
Restricted- schools	-	-	808,104	-	-	-	-	808,104
Committed:								
Community services	469,793	-	-	-	-	-	-	469,793
Land development	-	-	-	-	448,971	1,298,901	-	1,747,872
Assigned:								
Projects	-	177,738	-	2,492,931	-	-	129,476	2,800,145
Total Fund Balances	469,793	239,806	808,104	2,492,931	448,971	1,298,901	129,476	5,887,982
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 486,373	\$ 279,535	\$ 808,104	\$ 2,498,015	\$ 455,229	\$ 1,298,901	\$ 129,476	\$ 5,955,633

City and Borough of Wrangell, Alaska
Nonmajor Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances

	Special Revenue Funds				Debt Service Fund	Capital Project Funds				Total Nonmajor Governmental Funds
	Transient Tax	Nolan Center	COVID-19 Response	WPSD Local Contributions		Residential Construction	Industrial Construction	Mill Property Development	Miscellaneous	
<i>Year Ended June 30, 2023</i>										
Revenues										
Taxes	\$ 95,393	\$ -	\$ -	\$ 808,898	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 904,291
Intergovernmental	2,591	158,909	109,680	-	2,730	-	-	-	-	273,910
Charges for services	-	132,914	-	-	-	-	-	-	-	132,914
Investment income	-	549	-	-	-	-	2,586	-	-	3,135
Land sales and improvements	-	-	-	-	-	315,078	-	-	-	315,078
Other	-	292,001	-	-	-	-	4,489	-	-	296,490
Total Revenues	97,984	584,373	109,680	808,898	2,730	315,078	7,075	-	-	1,925,818
Expenditures										
General government	-	-	5,372	7,783	-	214,839	20,452	6,234	-	254,680
Community services	80,692	666,787	-	-	-	-	-	-	-	747,479
Education	-	-	-	741,489	-	-	-	-	-	741,489
Debt service- interest	-	-	-	-	45,639	-	-	-	-	45,639
Capital outlay	49,380	-	-	-	-	-	-	25,000	1,887	76,267
Total Expenditures	130,072	666,787	5,372	749,272	45,639	214,839	20,452	31,234	1,887	1,865,554
Excess of Revenues Over (Under) Expenditures	(32,088)	(82,414)	104,308	59,626	(42,909)	100,239	(13,377)	(31,234)	(1,887)	60,264
Other Financing Sources										
Transfers in	-	197,260	33,887	23,020	35,353	2,206,123	-	-	-	2,495,643
Net Change in Fund Balances	(32,088)	114,846	138,195	82,646	(7,556)	2,306,362	(13,377)	(31,234)	(1,887)	2,555,907
Fund Balances (Deficit), beginning	501,881	124,960	(138,195)	725,458	7,556	186,569	462,348	1,330,135	131,363	3,332,075
Fund Balances, ending	\$ 469,793	\$ 239,806	\$ -	\$ 808,104	\$ -	\$ 2,492,931	\$ 448,971	\$ 1,298,901	\$ 129,476	\$ 5,887,982

Special Revenue Funds

Transient Tax

This fund accounts for transient occupancy tax revenue, which is used to develop and implement a visitor industry program.

Parks and Recreation

This fund accounts for the operations and maintenance of the swimming pool recreational activities and parks.

Nolan Center

This fund accounts for the operating activities of the museum, civic center, Nolan center and theater.

Permanent Fund

This fund accounts for monies set aside to help provide future economic stability to the citizens of Wrangell.

Secure Rural Schools

This fund is established to provide for the receipt and subsequent use of National Forest Receipt monies.

WPSD Local Contributions

This fund is used to account for the portion of sales tax revenue that is designated for the Wrangell Public School District.

COVID-19 Response

This fund is used to account for the Borough's financial resources received and expended related to the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

City and Borough of Wrangell, Alaska
Transient Tax Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual

Years Ended June 30,	2023			2022
	Budget	Actual	Variance with Budget	Actual
Revenues				
Transient and excise taxes	\$ 112,000	\$ 95,393	\$ (16,607)	\$ 119,921
Advertising and promotion	-	-	-	125
Intergovernmental	8,000	2,591	(5,409)	6,127
Total Revenues	120,000	97,984	(22,016)	126,173
Expenditures				
Community services:				
Commodities	9,420	2,229	7,191	3,542
Contractual services	75,405	78,463	(3,058)	34,825
Capital outlay	100,000	49,380	50,620	-
Total Expenditures	184,825	130,072	54,753	38,367
Excess of Revenues Over (Under) Expenditures	(64,825)	(32,088)	32,737	87,806
Other Financing Uses				
Transfers out	(112,000)	-	112,000	(24,000)
Net Change in Fund Balance	<u>\$ (176,825)</u>	<u>(32,088)</u>	<u>\$ 144,737</u>	<u>63,806</u>
Fund Balance, beginning		<u>501,881</u>		<u>438,075</u>
Fund Balance, ending		<u>\$ 469,793</u>		<u>\$ 501,881</u>

City and Borough of Wrangell, Alaska
Parks and Recreation Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual

Years Ended June 30,	2023							2022	
	Actual						Variance		
	Budget	Swimming Pool	Parks	Recreational Activity	Walker Foundation	Interfund Eliminations	Total	with Budget	Actual
Revenues									
Intergovernmental:									
State PERS relief	\$ 10,504	\$ 5,245	\$ -	\$ -	\$ -	\$ -	\$ 5,245	\$ (5,259)	\$ 13,227
Other grant revenue	981,712	-	-	-	657,306	-	657,306	(324,406)	122,906
Charges for services - user fees	77,600	51,189	1,570	12,317	-	-	65,076	(12,524)	69,238
Investment income (loss)	50,000	76,098	-	-	-	-	76,098	26,098	(161,278)
Other:									
Donations and contributions	7,550	4,137	20	-	-	-	4,157	(3,393)	5,230
Rental revenue	12,500	2,751	5,090	3,746	-	-	11,587	(913)	9,865
Total Revenues	1,139,866	139,420	6,680	16,063	657,306	-	819,469	(320,397)	59,188
Expenditures									
Parks and recreation:									
Personnel services	415,302	240,129	16,054	98,450	-	-	354,633	60,669	357,836
Commodities	174,300	92,099	28,149	6,604	-	-	126,852	47,448	306,826
Contractual services	214,976	139,715	8,046	10,074	-	-	157,835	57,141	176,286
Intergovernmental	26,400	20,322	-	-	-	-	20,322	6,078	-
Capital outlay	2,213,291	14,694	23,857	-	707,103	-	745,654	1,467,637	-
Total Expenditures	3,044,269	506,959	76,106	115,128	707,103	-	1,405,296	1,638,973	840,948
Excess of Revenues Over (Under) Expenditures	(1,904,403)	(367,539)	(69,426)	(99,065)	(49,797)	-	(585,827)	1,318,576	(781,760)
Other Financing Sources (Uses)									
Transfers in	1,904,403	1,554,684	390,315	577,622	159,649	(2,238,385)	443,885	(1,460,518)	763,253
Transfers out	-	(2,238,385)	-	-	-	2,238,385	-	-	(10,104)
Net Other Financing Sources (Uses)	1,904,403	(683,701)	390,315	577,622	159,649	-	443,885	(1,460,518)	753,149
Net Change in Fund Balance	\$ -	\$ (1,051,240)	\$ 320,889	\$ 478,557	\$ 109,852	\$ -	(141,942)	\$ (141,942)	(28,611)
Fund Balance, beginning							1,427,599		1,456,210
Fund Balance, ending							\$ 1,285,657		\$ 1,427,599

City and Borough of Wrangell, Alaska
Nolan Center Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual

Years Ended June 30,	2023								2022	
	Actual							Variance		
	Budget	Nolan Center	Museum	Civic Center	Theater	Other	Interfund Eliminations	Total	with Budget	Actual
Revenues										
Intergovernmental:										
State PERS relief	\$ 6,000	\$ 4,044	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,044	\$ (1,956)	\$ 5,996
Other grant revenue	320,000	20,000	-	-	-	134,865	-	154,865	(165,135)	2,195
Charges for services:										
Admissions	70,000	-	27,390	-	19,744	-	-	47,134	(22,866)	5,084
Concessions	115,000	-	56,070	-	29,710	-	-	85,780	(29,220)	33,375
Investment income	85,000	549	-	-	-	-	-	549	(84,451)	521
Other:										
Donations and contributions	2,000	250,000	4,350	-	-	-	-	254,350	252,350	-
Rental revenue	13,000	-	-	36,697	-	-	-	36,697	23,697	2,947
Miscellaneous	550	-	-	954	-	-	-	954	404	-
Total Revenues	611,550	274,593	87,810	37,651	49,454	134,865	-	584,373	(27,177)	50,118
Expenditures										
Community services:										
Personnel services	243,823	5,243	101,591	117,678	26,176	-	-	250,688	(6,865)	147,889
Commodities	787,500	57,357	30,490	4,876	11,728	144,291	-	248,742	538,758	46,187
Contractual services	121,375	118,642	1,892	-	-	-	-	120,534	841	174,108
Intergovernmental	49,929	26,728	-	-	-	-	-	26,728	23,201	-
Capital outlay	-	-	-	-	-	-	-	-	-	-
Department specific expenditures	18,000	-	-	-	20,095	-	-	20,095	(2,095)	19,696
Total Expenditures	1,220,627	207,970	133,973	122,554	57,999	144,291	-	666,787	553,840	387,880
Excess of Revenues										
Over (Under) Expenditures	(609,077)	66,623	(46,163)	(84,903)	(8,545)	(9,426)	-	(82,414)	526,663	(190,912)
Other Financing Sources (Uses)										
Transfers in	609,077	199,470	-	-	-	-	(2,210)	197,260	(411,817)	266,519
Transfers out	-	(2,210)	-	-	-	-	2,210	-	-	-
Net Other Financing Sources (Uses)	609,077	197,260	-	-	-	-	-	197,260	(411,817)	266,519
Net Change in Fund Balance	\$ -							114,846	\$ 114,846	75,607
Fund Balance, beginning								124,960		49,353
Fund Balance, ending								\$ 239,806		\$ 124,960

City and Borough of Wrangell, Alaska
Permanent Fund Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual

<i>Years Ended June 30,</i>	2023			2022
	Budget	Actual	Variance with Budget	Actual
Revenues				
Investment income (loss)	\$ 264,329	\$ 568,305	\$ 303,976	\$ (905,482)
Lease revenue	35,880	28,246	(7,634)	10,980
Land and lot sales	-	170,389	170,389	-
Total Revenues	300,209	766,940	466,731	(894,502)
Excess of Revenues Over (Under) Expenditures	300,209	766,940	466,731	(894,502)
Other Financing Uses				
Transfers out	(250,000)	-	250,000	-
Net Change in Fund Balance	\$ 50,209	766,940	\$ 716,731	(894,502)
Fund Balance, beginning		8,725,742		9,620,244
Fund Balance, ending		\$ 9,492,682		\$ 8,725,742

City and Borough of Wrangell, Alaska
Secure Rural Schools Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual

Years Ended June 30,	2023			2022
	Budget	Actual	Variance with Budget	Actual
Revenues				
Intergovernmental - national forest receipts	\$ 1,571,998	\$ 1,091,177	\$ (480,821)	\$ 1,171,312
Expenditures				
Education - contributions to school district	876,140	876,259	(119)	1,303,068
Capital outlay	998,692	593,113	405,579	40,449
Total Expenditures	1,874,832	1,469,372	405,460	1,343,517
Excess of Revenues				
Over (Under) Expenditures	(302,834)	(378,195)	(75,361)	(172,205)
Other Financing Uses				
Transfers out	-	(35,353)	(35,353)	-
Net Change in Fund Balance	\$ (302,834)	(413,548)	\$ (110,714)	(172,205)
Fund Balance, beginning		2,260,980		2,433,185
Fund Balance, ending		\$ 1,847,432		\$2,260,980

City and Borough of Wrangell, Alaska
WPSD Local Contributions Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual

Years Ended June 30,	2023			2022
	Budget	Actual	Variance with Budget	Actual
Revenues				
Sales taxes	\$ -	\$ 808,898	\$ 808,898	\$ 725,458
Expenditures				
General government - commodities	-	7,783	(7,783)	-
Education - contributions to school district	741,489	741,489	-	-
Total Expenditures	741,489	749,272	(7,783)	-
Excess of Revenues				
Over (Under) Expenditures	(741,489)	59,626	801,115	-
Other Financing Sources				
Transfers in	662,000	23,020	(638,980)	-
Net Change in Fund Balance	<u>\$ (79,489)</u>	82,646	<u>\$ 162,135</u>	725,458
Fund Balance, beginning		<u>725,458</u>		<u>-</u>
Fund Balance, ending		<u>\$ 808,104</u>		<u>\$ 725,458</u>

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Debt Service Fund

The Debt Service Fund accounts for the accumulation of monies for payments of various general obligation bonds. Servicing of this debt requires various annual and semi-annual payments of principal and interest. Financing is provided by transfers, determined annually by budget, from other funds, and by the State of Alaska debt reimbursement program.

City and Borough of Wrangell, Alaska
Debt Service Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual

<i>Years Ended June 30,</i>	2023			2022	
	Budget	Actual	Variance with Budget	Actual	
Revenues					
Intergovernmental - State of Alaska	\$ -	\$ 2,730	\$ 2,730	\$ -	
Expenditures					
Debt service- Interest	-	45,639	(45,639)	-	
Excess of Revenues					
Over (Under) Expenditures	-	(42,909)	(42,909)	-	
Other Financing Sources					
Transfers in	-	35,353	35,353	-	
Net Change in Fund Balance	<u>\$ -</u>	<u>(7,556)</u>	<u>\$ (7,556)</u>	-	
Fund Balance, beginning		<u>7,556</u>		<u>7,556</u>	
Fund Balance, ending		<u>\$ -</u>		<u>\$ 7,556</u>	

Capital Project Funds

Residential Construction

This fund accounts for residential water, sewer, and street projects, which are financed by revenues derived from sales of residential property.

Industrial Construction

This fund accounts for industrial water, sewer, and street projects, which are financed by revenues derived from sales of industrial property.

Mill Property Development

This fund accounts for the funding and interest earnings associated with a U.S. Department of Agriculture grant for the purpose of economic assistance within the Borough.

Miscellaneous Capital Projects

This fund was established to account for various capital projects and equipment purchases. It is funded primarily by grants and operating transfers from other funds.

City and Borough of Wrangell, Alaska

Capital Project Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

<i>Year Ended June 30, 2023</i>	Residential Construc- tion	Industrial Construc- tion	Mill Property Development	Misc- ellaneous	Totals
Revenues					
Land sales and improvements	\$ 315,078	\$ -	\$ -	\$ -	\$ 315,078
Investment income	-	2,586	-	-	2,586
Miscellaneous reimbursement	-	4,489	-	-	4,489
Total Revenues	315,078	7,075	-	-	322,153
Expenditures					
General government - contractual services	214,839	20,452	6,234	-	241,525
Capital outlay	-	-	25,000	1,887	26,887
Total Expenditures	214,839	20,452	31,234	1,887	268,412
Excess of Revenues Over (Under) Expenditures	100,239	(13,377)	(31,234)	(1,887)	53,741
Other Financing Sources					
Transfers in	2,206,123	-	-	-	2,206,123
Net Change in Fund Balances	2,306,362	(13,377)	(31,234)	(1,887)	2,259,864
Fund Balances, beginning	186,569	462,348	1,330,135	131,363	2,110,415
Fund Balances, ending	\$ 2,492,931	\$ 448,971	\$ 1,298,901	\$ 129,476	\$ 4,370,279

Enterprise Funds

Electric Utility

This fund accounts for the electric utility revenues and the associated costs of generation, distribution, and administration.

Water Utility

This fund accounts for the activities associated with operating the Borough water systems.

Sanitation Utility

This fund accounts for user fees for refuse collection and landfill operations for the residents of the Borough.

Port

This fund accounts for the activities of the municipal dock and boat harbors.

Sewer Utility

This fund accounts for the activities associated with operating the Borough's sewer system.

City and Borough of Wrangell, Alaska

Electric Utility Enterprise Fund Schedule of Revenues and Expenses

<i>Year Ended June 30, 2023</i>	General and Administrative	Generation	Distribution	Interfund Eliminations	Total
Operating Revenues					
Residential	\$ 1,937,560	\$ -	\$ -	\$ -	\$ 1,937,560
Commercial	2,452,516	-	-	-	2,452,516
Fuel surcharge	99,203	-	-	-	99,203
Labor charges	300	-	-	-	300
Other	24,956	-	-	-	24,956
Total Operating Revenues	4,514,535	-	-	-	4,514,535
Operating Expenses					
Personnel services	170,468	57,379	479,417	-	707,264
Commodities	9,451	3,135,951	33,760	-	3,179,162
Contractual service	55,071	60,059	258	-	115,388
Intergovernmental	-	-	13,929	-	13,929
Depreciation	-	237,097	-	-	237,097
Total Operating Expenses	234,990	3,490,486	527,364	-	4,252,840
Excess of Revenues Over (Under) Expenses	4,279,545	(3,490,486)	(527,364)	-	261,695
Nonoperating Revenues					
State PERS relief	84,843	-	-	-	84,843
Late fees	19,095	-	-	-	19,095
Material sales	6,312	-	-	-	6,312
Equipment and pole rental	58,990	-	-	-	58,990
Net Nonoperating Revenues	169,240	-	-	-	169,240
Transfer in	98,717	-	-	(98,717)	-
Transfer out	(188,717)	-	-	98,717	(90,000)
Change in Net Position	\$ 4,358,785	\$ (3,490,486)	\$ (527,364)	\$ -	340,935
Net Position, beginning					4,663,626
Net Position, ending					\$ 5,004,561

City and Borough of Wrangell, Alaska

Electric Utility Enterprise Fund Schedule of Operating Expenses

Year Ended June 30,	2023
General and Administrative	
Salaries	\$ 160,502
Employee benefits	(169,926)
Allocated overhead - finance	97,072
Allocated salaries - public works	82,820
Materials and supplies	9,130
Repairs and maintenance	321
Professional services	1,135
Travel and training	735
Insurance	45,666
Telephone	7,535
Total General and Administrative	234,990
Generation	
Salaries	33,125
Overtime salaries	3,756
Employee benefits	18,214
Allocated salaries - public works	2,284
Materials and supplies	5,575
Repairs and maintenance	6,562
Gas and oil	303,878
Diesel fuel	5,896
Travel and training	2,203
Insurance	11,119
Utilities	185
O.S.H.A. requirements	46,552
Tyee hydro power purchases	2,814,040
Total Generation	3,253,389
Distribution	
Salaries	286,416
Overtime salaries	16,776
Employee benefits	176,225
Materials and supplies	21,789
Repairs and maintenance	4,763
Professional services	258
Transformers	7,208
Allocated vehicle charges - garage	13,929
Total Distribution	527,364
Depreciation	237,097
Total Operating Expenses	\$ 4,252,840

City and Borough of Wrangell, Alaska

Water Utility Enterprise Fund Schedule of Revenues and Expenses

<i>Year Ended June 30, 2023</i>	General and Administrative	Treatment	Distribution	Total
Operating Revenues				
Water sales	\$ 868,285	\$ -	\$ -	\$ 868,285
Operating Expenses				
Personnel services	35,904	232,957	60,266	329,127
Commodities	-	216,542	15,450	231,992
Contractual service	8,047	11,347	-	19,394
Intergovernmental	-	1,137	-	1,137
Depreciation	-	356,081	-	356,081
Total Operating Expenses	43,951	818,064	75,716	937,731
Excess of Revenues Over (Under) Expenses	824,334	(818,064)	(75,716)	(69,446)
Nonoperating Revenues (Expenses)				
Investment income	131	-	-	131
Interest expense	(707)	-	-	(707)
Other grant revenue	500,328	-	-	500,328
State PERS relief	4,539	-	-	4,539
Material sales	81	-	-	81
Other revenue	34,265	-	-	34,265
Net Nonoperating Revenues (Expenses)	538,637	-	-	538,637
Capital contributions	157,057	-	-	157,057
Transfer out	(278,000)	-	-	(278,000)
Change in Net Position	<u>\$ 1,242,028</u>	<u>\$ (818,064)</u>	<u>\$ (75,716)</u>	348,248
Net Position, beginning				<u>5,195,660</u>
Net Position, ending				<u>\$ 5,543,908</u>

City and Borough of Wrangell, Alaska

Water Utility Enterprise Fund Schedule of Operating Expenses

Year Ended June 30,	2023
General and Administrative	
Allocated overhead - finance	\$ 35,904
Insurance	8,047
Total General and Administrative	43,951
Treatment	
Salaries	102,891
Overtime salaries	25,323
Employee benefits	84,716
Allocated salaries - public works	20,026
Materials and supplies	51,103
Repairs and maintenance	26,064
Professional services	6,865
Travel and training	431
Telephone	4,052
Allocated vehicle charges - garage	1,137
Chlorination - electricity	139,375
Total Treatment	461,983
Distribution	
Salaries	624
Employee benefits	428
Allocated salaries - public works	59,213
Repairs and maintenance	15,451
Total Distribution	75,716
Depreciation	356,081
Total Operating Expenses	\$ 937,731

City and Borough of Wrangell, Alaska

Sanitation Utility Enterprise Fund

Schedule of Revenues and Expenses

<i>Year Ended June 30, 2023</i>	General and Administrative	Collection	Landfill	Total
Operating Revenues				
User fees	\$ 845,707	\$ -	\$ 51,581	\$ 897,288
Operating Expenses				
Personnel services	35,904	113,380	125,962	275,246
Commodities	-	45,465	21,402	66,867
Contractual service	12,212	-	314,913	327,125
Intergovernmental	-	22,442	2,457	24,899
Depreciation	-	-	118,969	118,969
Total Operating Expenses	48,116	181,287	583,703	813,106
Excess of Revenues Over (Under) Expenses	797,591	(181,287)	(532,122)	84,182
Nonoperating Revenues				
Other grant revenue	296,027	-	-	296,027
State PERS relief	4,176	-	-	4,176
Net Nonoperating Revenues	300,203	-	-	300,203
Change in Net Position	\$ 1,097,794	\$ (181,287)	\$ (532,122)	384,385
Net Position, beginning				1,056,561
Net Position, ending				\$ 1,440,946

City and Borough of Wrangell, Alaska

Sanitation Utility Enterprise Fund Schedule of Operating Expenses

<i>Year Ended June 30,</i>	<i>2023</i>
General and Administrative	
Allocated overhead - finance	\$ 35,904
Insurance	12,212
Total General and Administrative	
	48,116
Collection	
Salaries	78,383
Overtime salaries	1,438
Employee benefits	33,560
Materials and supplies	14,187
Repairs and maintenance	31,277
Allocated vehicle charges - garage	22,442
Total Collection	
	181,287
Landfill	
Salaries	74,817
Overtime salaries	2,118
Employee benefits	49,026
Telephone	1,527
Utilities	4,468
Monitoring and testing	1,490
Disposal costs	284,569
Hazardous waste	22,860
Materials and supplies	11,047
Repairs and maintenance	3,391
Facilities repairs and maintenance	6,964
Allocated vehicle charges - garage	2,457
Total Landfill	
	464,734
Depreciation	
	118,969
Total Operating Expenses	
	\$ 813,106

City and Borough of Wrangell, Alaska

Port Enterprise Fund Schedule of Revenues and Expenses

Year Ended June 30, 2023	General and Administrative	Small Boat Harbor	Municipal Dock	Travel Lift	Interfund Eliminations	Total
Operating Revenues						
Municipal Dock	\$ -	\$ -	\$ 319,173	\$ -	\$ -	\$ 319,173
Small Boat Harbor	-	808,852	-	-	-	808,852
Travel lift	-	-	-	616,618	-	616,618
Total Operating Revenues	-	808,852	319,173	616,618	-	1,744,643
Operating Expenses						
Personnel services	207,887	228,890	24,486	159,273	-	620,536
Commodities	20,472	81,163	30,409	52,608	-	184,652
Contractual service	81,351	87,640	40,334	43,253	-	252,578
Intergovernmental	-	13,966	-	-	-	13,966
Depreciation	-	940,874	911,924	350,294	-	2,203,092
Total Operating Expenses	309,710	1,352,533	1,007,153	605,428	-	3,274,824
Excess of Revenues Over (Under) Expenses	(309,710)	(543,681)	(687,980)	11,190	-	(1,530,181)
Nonoperating Revenues						
Investment income	1	-	-	-	-	1
Other grant revenue	71,587	-	-	-	-	71,587
State PERS relief	10,106	-	-	-	-	10,106
State fisheries business tax	-	119,611	-	-	-	119,611
Net Nonoperating Revenues	81,694	119,611	-	-	-	201,305
Transfer in	-	2,112,631	1,032,901	2,076,900	(5,222,432)	-
Transfer out	(5,222,432)	-	-	-	5,222,432	-
Change in Net Position	<u>\$ (5,450,448)</u>	<u>\$ 1,688,561</u>	<u>\$ 344,921</u>	<u>\$ 2,088,090</u>	<u>\$ -</u>	<u>(1,328,876)</u>
Net Position, beginning						<u>37,844,260</u>
Net Position, ending						<u>\$ 36,515,384</u>

City and Borough of Wrangell, Alaska

Port Enterprise Fund Schedule of Operating Expenses

Year Ended June 30, 2023

General and Administrative

Salaries	\$	162,018
Overtime salaries		885
Employee benefits		6,896
Allocated overhead - finance		38,088
Materials and supplies		4,772
Repairs and maintenance		13,024
Gas and oil		105
Facilities repairs and maintenance		2,572
Professional services		5,902
Travel and training		6,613
Telephone		10,093
Insurance		49,168
Publications		9,574

Total General and Administrative 309,710

Small Boat Harbor

Salaries		146,979
Overtime salaries		5,825
Employee benefits		76,085
Materials and supplies		10,708
Repairs and maintenance		16,170
Diesel fuel		810
Facilities repairs and maintenance		48,474
Professional services		2,940
Travel and training		494
Bad debt		34,893
Utilities		40,116
Allocated vehicle charges - garage		13,966
Disposal Costs		9,196
Miscellaneous expense		5,003

Total Small Boat Harbor 411,659

City and Borough of Wrangell, Alaska
Port Enterprise Fund
Schedule of Operating Expenses, continued

<i>Year Ended June 30,</i>	2023
Municipal Dock	
Salaries	\$ 16,067
Overtime salaries	3,168
Employee benefits	5,251
Materials and supplies	2,772
Repairs and maintenance	218
Facilities repairs and maintenance	27,418
Professional services	32,463
Insurance	5,289
Utilities	2,583
Total Municipal Dock	95,229
Travel Lift	
Salaries	109,127
Overtime salaries	5,488
Employee benefits	44,659
Materials and supplies	3,449
Repairs and maintenance	27,363
Diesel fuel	9,862
Facilities repairs and maintenance	11,933
Professional services	655
Travel and training	300
Insurance	20,303
Utilities	14,175
Disposal Costs	7,820
Total Travel Lift	255,134
Depreciation	2,203,092
Total Operating Expenses	\$ 3,274,824

City and Borough of Wrangell, Alaska

Sewer Utility Enterprise Fund Schedule of Revenues and Expenses

<i>Year Ended June 30, 2023</i>	General and Administrative	Treatment	Collection	Total
Operating Revenue				
Sewer Charges	\$ 692,230	\$ -	\$ -	\$ 692,230
Operating Expenses				
Personnel services	35,904	112,924	10,614	159,442
Commodities	-	15,827	157,103	172,930
Contractual service	8,108	86,113	-	94,221
Intergovernmental	-	6,290	-	6,290
Depreciation	-	145,872	-	145,872
Total Operating Expenses	44,012	367,026	167,717	578,755
Excess of Revenues Over (Under) Expenses	648,218	(367,026)	(167,717)	113,475
Nonoperating Revenues (Expenses)				
Investment income	478	-	-	478
State PERS relief	3,707	-	-	3,707
Interest on bonds	(1,538)	-	-	(1,538)
Other revenue	3,362	-	-	3,362
Net Nonoperating Revenues (Expenses)	6,009	-	-	6,009
Capital contributions	253,126	-	-	253,126
Transfer out	(305,000)	-	-	(305,000)
Change in Net Position	\$ 602,353	\$ (367,026)	\$ (167,717)	67,610
Net Position, beginning				3,369,170
Net Position, ending				\$ 3,436,780

City and Borough of Wrangell, Alaska

Sewer Utility Enterprise Fund Schedule of Operating Expenses

Year Ended June 30,	2023
General and Administrative	
Allocated overhead - finance	\$ 35,904
Insurance	8,108
Total General and Administrative	
	44,012
Treatment	
Salaries	121,695
Overtime salaries	5,241
Employee benefits	(14,012)
Materials and supplies	14,218
Facilities repairs and maintenance	1,609
Professional services	17,554
Travel and training	542
Telephone	6,760
Utilities	61,257
Allocated vehicle charges - garage	6,290
Total Treatment	
	221,154
Collection	
Salaries	119
Overtime salaries	119
Allocated salaries - public works	10,185
Employee benefits	192
Materials and supplies	7,995
System repairs and maintenance	149,107
Total Collection	
	167,717
Depreciation	
	145,872
Total Operating Expenses	
	\$ 578,755

City and Borough of Wrangell, Alaska
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Provided to Subre- cipients	Total Federal Expenditures
Department of Agriculture				
Passed through State of Alaska Department of Commerce, Community, and Economic Development - Forest Service Schools and Roads Cluster - School and Roads - Grants to States - National Forest Receipts				
	10.665	None	\$ -	\$ 1,152,719
School and Roads - Grants to States - Birdfest				
	10.665	None	-	2,591
Total Forest Service Schools and Road Cluster				
			-	1,155,310
Department of Commerce				
Investments for Public Works and Economic Development Facilities				
	11.300	N/A	-	49,451
Department of the Treasury				
Passed through State of Alaska Department of Commerce, Community, and Economic Development: ARPA-Coronavirus State and Local Fiscal Recovery Funds				
COVID-19 Coronavirus Local Fiscal Recovery Fund				
	21.027	AK0147	-	256,524
ARPA Local Government Lost Revenue Relief				
	21.027	22-LGLR-40	-	321,246
ARPA-Coronavirus State and Local Fiscal Recovery Funds				
	21.027	None	-	485,984
Total Assistance Listing Number 21.027				
			-	1,063,754
Institute of Museum and Library Services				
Passed through Wrangell Cooperative Association - Native American and Native Hawaiian Library Services - IMLS Library Grant				
	45.311	ARPNA-250541-OMLS-22	-	14,040
Library Services - IMLS Library Grant				
	45.311	NG-01-13-0078-13	-	9,978
Total Assistance Listing Number 45.311				
			-	24,018
Department of Homeland Security				
SHSP 2020 Homeland Security Grant Program				
	97.067	N/A	-	207,604
Federal Highway Administration				
Federal Lands Access Program				
	20.224	N/A	-	85,639
Federal Emergency Management				
Passed through State of Alaska Department of Homeland Security: Disaster Grants - Public Assistance				
	97.036	DR-4533-AK	-	109,680
Department of Housing and Urban Development				
Passed through State of Alaska Department of Commerce, Community, and Economic Development: Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii				
Wrangell Recreation Facility HVAC Upgrades				
	14.228	20-CDBG-02	-	543,585
Wrangell High School and Middle School Fire Alarm System Replacement				
	14.228	21-CDBG-02	-	283,297
Total Assistance Listing Number 14.228				
			-	826,882
Total Expenditures of Federal Awards			\$ -	\$ 3,522,338

See accompanying notes to the Schedule of Expenditures of Federal Awards.

Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2023

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal award activity of City and Borough of Wrangell, Alaska under programs of the federal government for the year ended June 30, 2023. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of City and Borough of Wrangell, Alaska, it is not intended to and does not present the financial position, changes in net position, or cash flows of City and Borough of Wrangell, Alaska.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

3. Indirect Cost Rate

The City and Borough of Wrangell, Alaska has elected not to use the 10-percent de minimus indirect cost rate allowed under the Uniform Guidance.

4. National Forest Receipts

In accordance with the provisions of GASB Statement Number 33, National Forest Receipts are recorded directly to revenue and any unspent amounts are reported as restricted fund balance. The unspent balance reported in the Secure Rural Schools Special Revenue Fund includes interest earnings as well as unspent grant proceeds. At June 30, 2023, there were no unspent interest earnings and unspent grant funds were \$1,847,432.

Single Audit Reports



Tel: 907-278-8878
 Fax: 907-278-5779
 www.bdo.com

3601 C Street, Suite 600
 Anchorage, AK 99503

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Honorable Mayor and Borough Assembly
 City and Borough of Wrangell, Alaska

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of City and Borough of Wrangell, Alaska (the Borough) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements and have issued our report thereon dated April 1, 2024. Our report included a reference to other auditors who audited the financial statements of Wrangell Public Schools, as described in our report on the Borough's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported separately by those auditors.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Borough's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control. Accordingly, we do not express an opinion on the effectiveness of the Borough's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings and questioned costs, we did identify certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2023-002 to be a material weakness.

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A *significant deficiency* is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2023-001 to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Borough's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City and Borough of Wrangell's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Borough's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Borough's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

BDO USA, P.C.

Anchorage, Alaska
April 1, 2024



Tel: 907-278-8878
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 www.bdo.com

3601 C Street, Suite 600
 Anchorage, AK 99503

Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

Honorable Mayor and Borough Assembly
 City and Borough of Wrangell, Alaska

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited City and Borough of Wrangell, Alaska's (the Borough) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Borough's major federal programs for the year ended June 30, 2023. The Borough's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Borough complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Borough and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Borough's compliance with the compliance requirements referred to above.

Other Matter - Federal Expenditures Not Included in the Compliance Audit

The Borough's basic financial statements include the operations of the Wrangell Public Schools, a discretely presented component unit. Our audit of compliance, described in the "Opinion on Each Major Federal Program", does not include the operations of Wrangell Public Schools because they engaged other auditors to perform an audit of compliance; however, they did not meet the threshold for an audit in accordance with the Uniform Guidance.

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Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Borough's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Borough's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Borough's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Borough's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Borough's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Borough's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.



Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

BDO USA, P.C.

Anchorage, Alaska
April 1, 2024

City and Borough of Wrangell, Alaska

Item a.

**Schedule of Findings and Questioned Costs
Year Ended June 30, 2023**

Section I - Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? X yes no
(none reported)

Significant deficiency(ies) identified? X yes reported

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified? yes X no
(none reported)

Significant deficiency(ies) identified? yes X reported

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? yes X no

Identification of major federal programs:

<i>Assistance Listing Number</i>	<i>Name of Federal Program or Cluster</i>
14.228	Community Development Block Grants / State's Program and Non-Entitlement Grants in Hawaii
21.027	Coronavirus State and Local Fiscal Recovery Funds
97.067	Homeland Security Grant Program

Dollar threshold used to distinguish between a type A and type B programs: \$ 750,000

Auditee qualified as low-risk auditee? yes X no

Schedule of Findings and Questioned Costs, continued

Section II - Financial Statement Findings Required to be Reported in Accordance with Government Auditing Standards

Finding 2023-001 **General Ledger Reconciliation and External Financial Reporting - Internal Control Over Financial Reporting - Significant Deficiency**

Criteria *Government Accounting Standards* states management is responsible for establishing and maintaining effective internal control to help ensure that appropriate goals and objectives are met; using resources efficiently; economically, effectively, and equitably, and safeguarding resources; following laws and regulations; and ensuring that financial information is reliable and properly reported. Internal controls over financial reporting should allow management to prevent or detect and correct misstatements on a timely basis.

Condition The Borough’s internal control over financial reporting did not prevent, or detect and correct, errors in certain account balances in a timely manner. Most of these items were identified by management but not fully reconciled. Adjustments were necessary in order to present the financial statements in accordance with U.S. generally accepted accounting principles (GAAP). Specifically, adjustments were required to properly state pole rental revenue, grant revenue and receivables, and accounts payable.

Cause The Borough was not fully staffed throughout the year.

Effect or Potential Effect Individual accounts were misstated, requiring entries to be made to correct year-end balances for proper reporting in accordance with GAAP. Misstatements may exist and go undetected in the general ledger and financial statements when reconciliations are not performed throughout the year.

Recommendation The Borough should consider at least quarterly reconciliations of significant cycles, such as accounts payable and grants, to ensure year-end close processes can proceed in a timelier manner.

Views of Responsible Officials Management concurs with the finding. Management will implement a monthly close process as well as a quarterly financial review process. This process will be used to identify and review complex financial statement accounts and formulate adjustments as required through-out the year to comply with U.S. GAAP. Adjusting journal entries will be reviewed for proper internal control.

Schedule of Findings and Questioned Costs, continued

Finding 2023-002 Journal Entry Review and Approval, and Support - Internal Control Over Financial Reporting - Material Weakness

Criteria *Government Accounting Standards* states management is responsible for establishing and maintaining effective internal control to help ensure that appropriate goals and objectives are met; using resources efficiently, economically, effectively, and equitably, and safeguarding resources; following laws and regulations; and ensuring that financial information is reliable and properly reported. Internal controls over financial reporting should allow management to prevent or detect and correct misstatements on a timely basis.

Condition The Borough’s internal controls over financial reporting did not ensure proper review and approval of manual journal entries throughout the year. Within the Borough’s IT environment, certain management personnel have administrative-level access. These conditions give rise to a heightened risk of management override with manual adjustments.

Cause The Borough was not fully staffed throughout the year to allow for review of each manual journal.

Effect or Potential Effect Journal entries were identified as having been posted to the general ledger without proper review and approval or supporting documentation. Misstatements may exist and go undetected in the general ledger and financial statements.

Recommendation The Borough should ensure every journal entry is reviewed and approved prior to posting, and should consider a sequential listing of manual entries be maintained to ensure this review is complete absent IT controls.

Views of Responsible Officials Management concurs with the finding. Management will implement a journal entry creation and review process. Journal entries will have serial numbers and appropriate documentation will be attached to support the entry. Entries will be prepared by one accountant and reviewed by another accountant for errors and appropriateness. The create and review will be documented with a dated stamp or signature by the both the creator and the reviewer.

Section III - Federal Award Findings and Questioned Costs

No were no findings and questioned costs for federal awards (as defined in Section 2 CFR 200.516(a) that are required to be reported.

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**CITY AND BOROUGH OF WRANGELL'S SINGLE AUDIT
RESPONSES (UNAUDITED)**



**CITY AND BOROUGH
OF WRANGELL**

INCORPORATED MAY 30, 2008

P.O. BOX 531 (907)-874-2381
Wrangell, AK 99929 FAX (907)-874-3952

**City and Borough of Wrangell, Alaska
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2023**

Financial Statement Findings

Finding 2022-001 General Ledger Reconciliation and External Financial Reporting - Internal Control Over Financial Reporting - Material Weakness

Finding The Borough's internal control over financial reporting did not prevent, or detect and correct, errors in certain account balances. During our audit, we identified adjustments that were necessary in order to present the financial statements in accordance with U.S. generally accepted accounting principles (GAAP). Specifically, adjustments were required to properly state opening net position, cash, and fund balance.

Status Finding partially resolved, see Finding 2023-001 (significant deficiency)

Finding 2022-002 Journal Entry Review and Approval, and Support- Internal Control Over Financial Reporting - Material Weakness

Finding The Borough's internal controls over financial reporting do not ensure proper review and approval of manual journal entries, or the retention of appropriate supporting documentation. Furthermore, within the Borough's IT environment there is a lack of appropriate segregation of duties restricting access for management personnel. These conditions give rise to a heightened risk of management override through the use of manual adjustments.

Status Finding not resolved in 2023, see Finding 2023-002

Finding 2022-003 Bank Reconciliation Review and Approval - Internal Control Over Financial Reporting - Significant Deficiency

Finding The Borough's internal controls related to bank reconciliations were not enforced throughout the period. Bank reconciliation testing identified multiple discrepancies between the bank reconciliation and the ending cash balance for fiscal year 2021 which resulted in significant adjustments to book cash.

Status Finding considered resolved.



CITY AND BOROUGH OF WRANGELL

INCORPORATED MAY 30, 2008

P.O. BOX 531 (907)-874-2381
Wrangell, AK 99929 FAX (907)-874-3952

City and Borough of Wrangell, Alaska

Summary Schedule of Prior Audit Findings, continued Year Ended June 30, 2023

Federal Award Findings

Finding 2022-004 **Deadline for Federal Single Audit - Noncompliance and Internal Control Over Compliance - Significant Deficiency**

Information on 10.665 Schools and Roads Grants to States
Federal Program 21.027 Coronavirus State and Local Fiscal Recovery Funds

Finding The single audit report and Form SF-SAC were not submitted within nine months of the fiscal year end.

Status Finding considered resolved.



CITY AND BOROUGH OF WRANGELL

INCORPORATED MAY 30, 2008

P.O. BOX 531 (907)-874-2381
Wrangell, AK 99929 FAX (907)-874-3952

City and Borough of Wrangell, Alaska

Corrective Action Plan Year Ended June 30, 2023

Name of Contact Person: Mason F. Villarma
Borough Manager
mvillarma@wrangell.com
907-874-2381

Financial Statement Findings

Finding 2023-001 - General Ledger Reconciliation and External Financial Reporting - Internal Control Over Financial Reporting - Significant Deficiency

Corrective Action Plan

At the transaction-level and at the fiscal year-end reporting stage, the Borough will implement specific procedure to ensure compliance with U.S. GAAP. Specifically, the Borough will perform an opening balance reconciliation to prior year-end balances whereby the Finance Director will ensure all proposed adjustments have been made and that the trial balance is at par with the external auditor's records. A copy of this reconciliation will be submitted to the external auditors. Additionally, the Borough will ensure to close the prior year books and records preventing any potential back posting to the general ledger. The Borough Manager will sign off on the period close once performed by the Finance Director.

Expected Completion Date:
Already implemented.

Finding 2023-002 - Journal Entry Review and Approval, and Support - Internal Control Over Financial Reporting - Material Weakness

Corrective Action Plan

In order to create a stronger set of internal controls, the Borough will adopt a journal entry preparation and review process whereby the preparer of the entry stamps/signs and dates the entry made. Subsequently, the entry will be printed to PDF and reviewed by the *Finance Director*. The *Finance Director* will sign and date the journal entry "approved" and place it in the current fiscal year journal entry file. The Borough will verify proper segregation of duties has been followed throughout this process. Additionally, supporting documentation will be kept with each journal entry as justification of the change.

Expected Completion Date:
Already implemented.

CITY & BOROUGH OF WRANGELL

LIBRARY REPORT

5/6/2024



Item a.

MEMORANDUM

TO: HONORABLE MAYOR AND MEMBERS OF THE ASSEMBLY OF CITY AND BOROUGH OF WRANGELL

CC: MASON VILLARMA, BOROUGH MANAGER

FROM: SARAH SCAMBLER, LIBRARY DIRECTOR

SUBJECT: MONTHLY LIBRARY REPORT

MEETING DATE: 5/14/2024

EVENTS

This was another busy month for the library! **Story time** has wrapped up for the season. We were lucky to have two wonderful guest readers in for our final few sessions. Mark Robinson from the Wrangell Sentinel joined us again, as well as Corree Delabruue from the US Forest Service.



EVENTS CONTINUED...



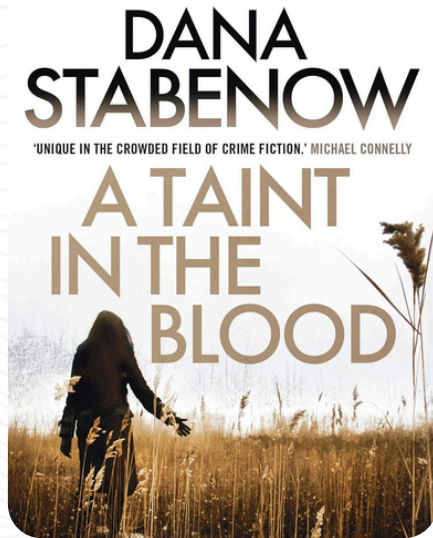
The first week of April was spring break! The library hosted **spring break activities** each afternoon from 2-4. Activities included various paper crafts, beading, friendship bracelet making, exploring the library's STEM kits and more! We had over 80 participants in this series. Due to the program's success, we plan on doing a weekly session over the summer with similar activities.



On April 9th the library partnered with the school to host a **Family Literacy Night**. Attendees had the opportunity to participate in 3 different activity stations and win prizes. In the photo to the right you can see a group of kids and volunteers learning how to make "Zines", or mini magazines. Other activities included a library scavenger hunt and headband making.



EVENTS CONTINUED...



April's book club pick was a hit!

In this spell-binding novel, *A Taint in the Blood*, Kate's confrontation with thirty years of secrets and regret--and murder--in one of Alaska's most powerful families shows award-winning crime writer Dana Stabenow at the top of her game.

Our monthly meeting at the library was held April 13th from 2-3:30. We had 11 participants in attendance.

LIBRARY'S NEW LOOK!

We'd like to give a HUGE shoutout and thank you to the members of the Friends of the Library who came out on April 20th to help with the library grounds cleanup. Several old and overgrown bushes were pulled out, the beds were weeded, our new flower planters (courtesy of the Friends of the Library) were installed, and everything is looking fresh! A special thank you to Lori Bauer for procuring, fostering, and planting our flowers, and to Jeff and Kay Jabusch for thatching our entire lawn.



The library's entry way also got a facelift with new entry carpet, door hardware, and bulletin boards. Stop by and take a look. It's really looking fabulous up here!

SUMMER READING PROGRAM

The library is gearing up for the 2024 Summer Reading Program! We are excited to announce that donations to the program can now be made online! Simply scan the QR code that will take you to The Friends of the Library's new Paybee account! Paybee is a platform for nonprofit fundraising that enables organizations to raise money and interact with supporters through a simple, adaptable payment platform. Payments are secure and go directly to the Friends of the Library's bank account.

Kids can now register for this year's Summer Reading Program! Registration forms can be found on our website or at the library. The first day to test this year will be May 28th.



Thank you to the Assembly for your continued support for the library!

Sincerely,

SARAH SCAMBLER
LIBRARY DIRECTOR

CITY & BOROUGH OF WRANGELL

Nolan Center Directors REPORT

May 14th 2024



Item b.

CITY & BOROUGH OF WRANGELL
GATEWAY TO THE STIKINE

Nolan Center

MEMORANDUM

TO: HONORABLE MAYOR AND MEMBERS OF THE
ASSEMBLY OF CITY AND BOROUGH OF WRANGELL

CC: MASON VILLARMA, BOROUGH MANAGER

FROM: Jeanie Arnold Nolan Center Director

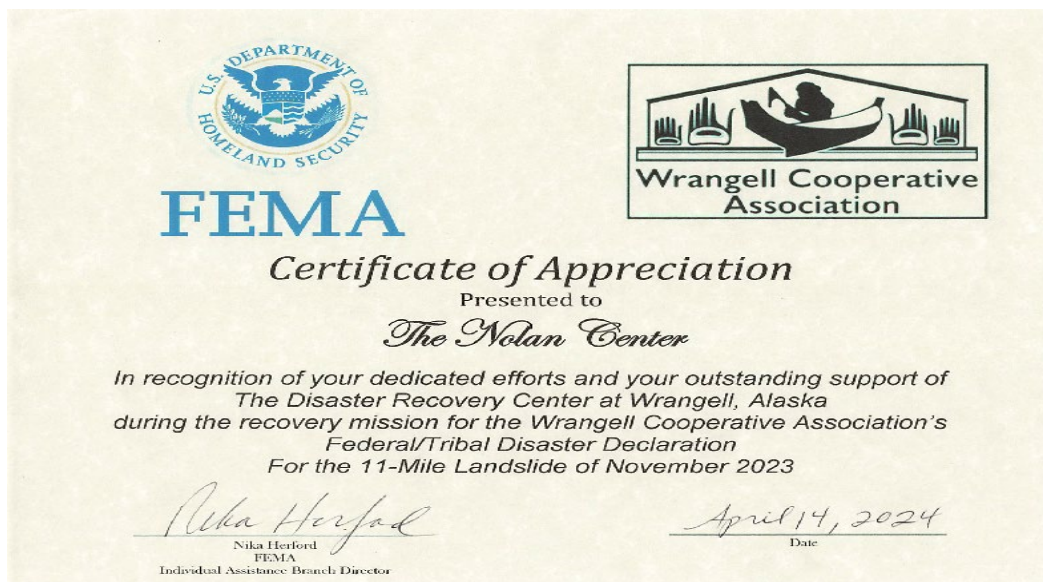
SUBJECT: MONTHLY Nolan Center REPORT

DATE: May 14th, 2024

April Events

FEMA

The Nolan Center was proud to house FEMA's Disaster Recovery Center during the recovery mission for the Wrangell Cooperative Association's Federal/Tribal Disaster Declaration for the 11 Mile landslide in November. Over 20 staff from FEMA were able to set up tables and be a resource for Families and individuals who were affected by the Slide.



Salvation Army Chili Cookoff

On Sat April 13th the Salvation Army hosted a community-wide Chili Cookoff at the Nolan Center. Wrangell chefs brought over 15 kinds of chili to be judged and offered to the community for tasting. The Winner was awarded a \$250 IGA gift card!



Movies

The Nolan Center hosted new movies *Dune 2* and *Ghostbusters Frozen Empire* and free “retro” movies *The Princess Bride* (sponsored by Island of Faith Lutheran Church) and *Migration* that coincided with Bird Fest.

SEARHC Dental & Medical Training

This month The Nolan Center was happy to host SEARHC Dental training for 8 days for new employee training.

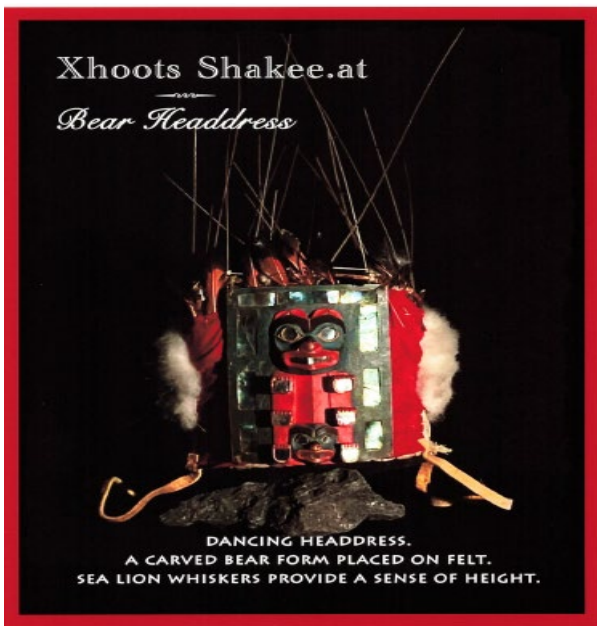
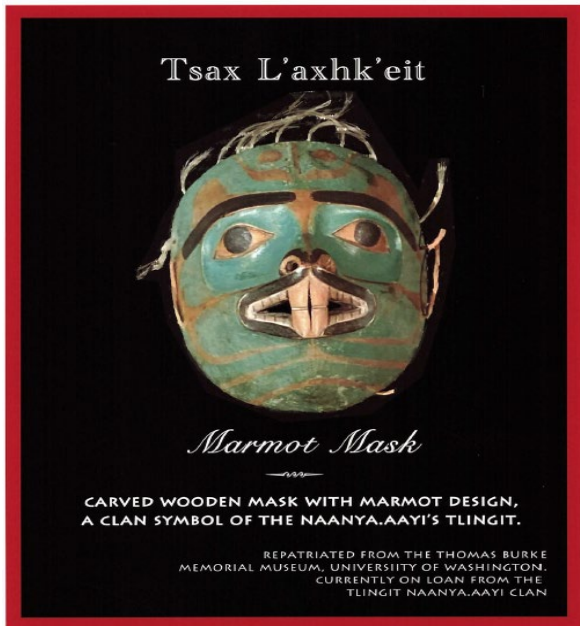
Bird fest

Bird Fest kicked off Towards the end of the month with several fun events hosted at the Nolan Center. The students of Evergreen Elementary School have been making Bird-centered art with Art teacher Tawney Crowley for the past few months and with the help of the Forrest Service brought it down to display in the lobby during the week of Bird Fest. The April Community Market coincided with Bird Fest. The Civic Center was filled with local artists and community members showcasing their talents. Outside the Forest Service hosted a workshop on building birdhouses, always a popular event during Bird Fest.



Upcoming Exhibit

The Nolan Center staff has been working hard the past few months in conjunction with local tribal members and Friends of the Museum President Michael Bania to prepare a new display for the Lobby for our summer visitors and local Wrangell Community. It is a collection of Repatriated Artifacts brought back to the Wrangell Tribe September 2023. Staff are hoping to have the exhibit ready to be previewed by Clan leaders for final approval the second week of May and will be unveiled to the public shortly after. A formal reception and invitation will be extended to the entire community.



M/V Chugach update

Wrangell District Ranger Tory Houser has begun the process of identifying what needs to be done to uncover the M/V Chugach for summer visitors. She will be in touch with City Manager Mason Villarma with updates.

Friends of the Museum

Volunteers with Friends of the Museum, community volunteers, and City workers came out on April 18th to participate in The Nolan Center Garden clean-up day. It was a small but mighty crew who put in a lot of effort to clear out dead brush and get our garden beds looking good for spring and summer.



Sincerely,

Jeanie Arnold, Nolan Center Director

CITY & BOROUGH OF WRANGELL

Economic Development Report

May 7, 2024



CITY & BOROUGH OF WRANGELL
GATEWAY TO THE STIKINE

Item c.

**TO: HONORABLE MAYOR AND MEMBERS OF THE
ASSEMBLY OF CITY AND BOROUGH OF WRANGELL**

**CC: MASON VILLARMA, BOROUGH MANAGER
PLANNING AND ZONING COMMISSION
ECONOMIC DEVELOPMENT BOARD
WRANGELL CONVENTION AND VISITORS BUREAU**

FROM: KATE THOMAS, ECONOMIC DEVELOPMENT DIRECTOR

General Administration

- Facilitated April Planning and Zoning Meeting
- Facilitated April Wrangell Convention and Visitors Bureau Meeting
- Conducted quarterly review of Annual Workplan and documented progress
- Provided input with supporting documentation to Manager regarding evaluation procedures
- Analyzed budget detail and reviewed planned expenditures for the remainder of the year
- Attend the WPSD and Assembly joint workshop on upcoming budget
- Completed revision of Marketing and Community Development Coordinator

Economic Development

- Attended Grant Management training through the Thriving Communities program
- Started to develop the framework for a workforce development program
- Contacted the National Outdoor Leadership School to solicit them to set up a satellite campus in Wrangell for their ocean-based expedition program in the state
- Attended the Tongass Forest Plan revision cooperating agency meeting
- Participated in the Alaska Municipal League interagency transportation workshop
- Began planning for the USDOT Thriving Communities site visit scheduled for June 11-13
- Met with USFS Information Officer about the Tongass Christmas Tree
- Established an Economic Focus Group concept and initiated meetings with hospitality providers to better understand our niche selling points and opportunities for growth
- Continued planning efforts for the statewide recreation conference which will be held in Wrangell on September 18-19
- Met with Phillip Mach of Trident Seafoods to discuss future opportunities

- Met with WCA on Bridge Property developments leading to Chief Shakes tribal house
- Met with local business owners to discuss current climate and future opportunities
- Promoted Small Business Administration loan program

Planning and Zoning

- Discussed Comprehensive Plan needs with Beth McKibben at R&M Consulting
- Began planning for the Emergency Addressing project including research, outreach to Denali Borough, and facilitation of Wrangell stakeholder meeting with Police, Fire, Utilities, Public Works, Capital Facilities, AP&T and GCI
- Submitted quarterly report to the state for the Borough's SHSP grant
- Reviewed Denali Grant Funding Opportunity Announcement, drafted and submitted a grant application for \$150,000 to fund the Comprehensive Plan
- Met with Petersburg Planning Director
- Reviewed and organized GIS data for transition to ArcGIS Pro
- Conducted research on Borough Entitlement Lands, and began outlining a plan of action for zoning, surveying and productive use of those lands
- Began review of Monofil permitting needs to expand current location, or develop a new
- Completed draft MOA for Petroglyph Beach Land Use agreement
- Met with staff at Alder Top Village to discuss protective land covenants to accompany the sale agreement for all properties of the subdivision

Tourism Management

- Scheduled and facilitated tourism stakeholder meeting
- Met with Nolan Center Director on Tourism Initiatives
- Revised the Visitor Survey, identified partners and developed a schedule to draw more surveys to better inform our tourism management plan this fall
- Met with Prince of Wales Chamber of Commerce to discuss cooperative marketing and partnership opportunities in tourism

Marketing and Communications

- Met with Wander, our mobile mapping application to request an extension of our license agreement due to unmet deliverables in the first year of service. They agree to extend our license for an additional six months.
- Completed 2024/2025 Travel Guide, including Tlingit Land Acknowledgement approved by WCA
- Published Birdfest schedule and promotions, including KSTK on-air time
- Met with the Passport Unlimited program to learn about their corporate employee travel discount program
- Completed onboarding of Customer Relationship Management system, currently working towards implementation

- Completed web audit for Nolan Center, Economic Development, and Harbor Departments, currently working towards incorporating all requested revisions and updates
- Worked operations support for NCAA tournament to learn more about production
- Engaged committee group in first round of Borough Branding project
- Issued Trip Giveaway from Seattle Boat Show
- Finalized advertisements for Travel Guide of Alaska, including Breath of the Bear
- Installed new street banners downtown and facilitated ceremony with WCA
- Posted Borough social media, establishing a routine of cyclical information sharing such as jobs, meetings and events
- Conducted a media day at the Water Treatment plant, documenting the projects progress
- Obtained aerial footage of LeConte glacier
- Began distribution of Travel Guides
- Obtained aerial footage of Deep Water Port property, specifically the marine infrastructure such as the bulkhead
- Established a small design group to help with idea generation for marketing efforts
- Met with Alaska Business Magazine and Alaska Journal of Commerce to promote Port development opportunities at the former sawmill
- Finalized draft Communications Plan for implementation borough-wide
- Established marketing objectives and deliverables for the Alder Top Land sale
- Reviewed and finalized creative content for the Travel Alaska the statewide Destination Marketing Organization to ensure Wrangell is better represented on their site
- Met with Outside magazine to engage them in sponsored content to promote Wrangell as a viable place to live and work, and visit for outdoor recreation opportunities

Community Development

- Participated in See Stories with Laura Davies Class
- Facilitated USCGC John McCormick community event
- Attended Nolan Center grounds cleanup day
- Attended the USCG spring Port safety and Mass Emergency meeting
- Spoke on-air during the KSTK Pledge drive to share more about Borough Initiatives with the community
- Met with the Chamber of Commerce to discuss partner opportunities

CITY & BOROUGH OF WRANGELL

[INSERT DEPARTMENT] REPORT

[INSERT ASSEMBLY MEETING DATE]



CITY & BOROUGH OF WRANGELL
GATEWAY TO THE STIKINE

Item d.

MEMORANDUM

TO: HONORABLE MAYOR AND MEMBERS OF THE
ASSEMBLY OF CITY AND BOROUGH OF WRANGELL

CC: MASON VILLARMA, BOROUGH MANAGER

FROM: AMBER AL-HADDAD, CAPITAL FACILITIES DIRECTOR

SUBJECT: MONTHLY CAPITAL FACILITIES DEPARTMENT REPORT

DATE: May 10, 2024

CAPITAL PROJECTS

The Capital Facilities Department provides for the planning and management of CIP capital projects and major maintenance to City and Borough of Wrangell infrastructure. The department currently has thirty-seven (37) separate projects with a value of approximately \$45,000,000 in a variety of stages including funding seeking, planning, design, and construction. Capital projects for which State or Federal funding applications have been made are additional, and the Borough's projects for which funding requests are pending are listed at the end of this report. Highlights of projects which have received funding are provided below.

Projects in Construction Phase

Port and Harbor Security System. The contractor obtained Substantial Completion on April 12, 2024. Staff are working to close out the project with the contractor and will follow-on project closeout with the State Homeland Security Program who funded this project in whole.

Swimming Pool Siding Replacement. The phenolic panels have arrived and the contractor is finishing their current project (elsewhere) before remobilizing to the Swimming Pool to complete this work. They anticipate a remobilization date of approximately May 13th.

UST (Underground Fuel/Storage Tank) Decommissioning and Environmental Investigations. The soil from the small amount of diesel contaminant discovered at the Public Safety Building has been shipped out of Wrangell for disposal. Once disposal is confirmed complete, the final environmental reports will be submitted with proof of disposal to DEC.

Wrangell Harbor Anodes. The contractor obtained Substantial Completion at the end of April. PND Engineers performed continuity tests as part of the substantial completion inspection. The project is complete and staff are working to close out the project with the contractor.



Motorized Transportation System (Mt. Dewey Trail Extension). The contractor continues construction of the main trail, and there are no issues to date.



Water Treatment Plant Improvements. Construction activities continue with footings and steel building frame erection, which is extremely programmatic due to the large under slab trenches that are being constructed. The trenches make it difficult to construct all footings and walls complete followed by the building erection, so it must be performed in a different sequence. The Contractor is on schedule and budget and there are no major concerns at this time.



Alder Top Village Subdivision, Ph I Development Site Clearing. The contractor achieved Substantial Completion on April 29th and we are working to close out the contract. Part of closeout is to approve a change order for the final unit quantity costs for excavation and shot rock work. The request for approval of this change order is on the Assembly agenda for May 14th.

Public Safety Building Rehabilitation - Preliminary Architectural Report (PAR) Development. We continue to work with our A&E team to complete the Preliminary Architectural Report for submission to USDA as part of a funding package request to rehabilitate the Public Safety Building. In the meantime, we have submitted a funding request to both the State Legislature (\$6.5M) and the Federal government through Congressional Appropriations (\$5.5M) for funding consideration for the building's rehabilitation project.

Projects Advancing to Competitive Construction Bidding Phase

City Park Pavilion Replacement (Wind Damaged Pavilion). No bids were received for the construction of this project. We have returned to the Department of Emergency management and requested a grant time extension to allow us time to develop an alternative plan for the work and/or to encourage contractor interest as we learned many of them were already committed to other projects and could not meet our timeline for substantial completion. Our time extension request is under review by the State granting agency.

Airport Runway Light Generator & Electrical Connectivity. One bid was received for the construction of this project. Administration is recommending award to Bunes Electric on May 14th, along with a separate agenda item for a budget amendment to fully fund the project based on the bid received.

Nolan Center Standby Generator Upgrades. The solicitation is being revised before release for competitive bidding.

Alder Top Village Subdivision Development, Ph II Roads and Utilities. Final design review is underway after receiving approvals for DEC for water and sewer design. Staff met with the engineering team this week to finalize comments for plans updates. We have requested an updated cost estimate for the next phase for review and approval of the necessary funds for that phase of the project.

Loading Dock - Solid Waste Transfer Station Upgrades. All tires have been relocated off site of the facility and the project is ready to move forward to construction bidding. Staff expects release of the contract documents the week of May 13-17.

High School Elevator Modernization. Elevator consultants completed the design-build specifications, which are being reviewed by School and Borough staff. Meanwhile, we reached out to TK Elevators and inquired as to their interest in managing the entire project, as was once discussed with the Assembly as an alternative method for construction procurement. TK will be reviewing the project to confirm their interest in negotiating a sole source contract. We should know by May 28th if they are interested in negotiating the prime contract.

9MW to 12MW Power Generation Improvements. A&E has finalized the design documents. Staff will work on contract document preparation and package the documents for construction bidding in the near future.

5th and 6th Avenue Roads Development (Industrial Park Subdivision). Engineering design is complete to the 95% level, and staff have returned comments. The US Army Corps of Engineers has issued the individual permit for road construction, and DOT issued our road approach permit, which requires a hard surface approach (asphalt or concrete). This requirement will add a significant cost to the project.

Projects in Planning and Design Phase

Power Plant Building Rehab Design. The 35% design was received in November, as scheduled, and staff have provided feedback to the engineers to allow them to continue with design toward the 65% design level.

Above Ground Tank Install (Fuel/Storage Tank), Public Safety Building and High School. Following the two tanks' decommissioning, the engineer from RESPEC has finalized the design documents for the installation of the two above ground storage tanks (ASTs). We plan to repurpose a 1,300-gal tank that used to serve the former Armory building as the future PSB AST. The High School tank will need to be purchased as new. Staff require a review of the design before releasing for design completion and solicitation document development.

6-Mile Deep Port Site Environmental Assessment (EA) Phase I and II. As part of the Borough's due diligence in purchasing the former pulp mill site at 6-mile, a Prospective Purchaser Agreement (PPA) was entered into with the State of Alaska DEC, through which we were able to limit our liability for environmental concerns since the site is known to have contamination from prior activities at the site. Through the PPA, we are to perform a Phase I and Phase II, as necessary, to establish a level of existing conditions before future activities occur.

The Phase I report is under review before advancing to the Phase II, which will require a work plan for site characterization to be developed and approved by DEC. This Phase II EA will be used as the EA required to determine NEPA in the 40-Acre Deep Water Port Development project, which is identified as a separate project with federal funding from the PIDP.

Environmental Assessments for Contaminated Sites (Three Sites). Following review of the work plans developed by Shannon & Wilson for the three contaminated Borough-owned land sites, those work plans were updated and submitted to DEC for review and approval. DEC has a backlog of projects to review and has suggested a timeline to

review of our three sites' plans by May or June. Approval of the work plans will confirm the further work to identify concerns of each of the sites:

- **Former Wilcox Automotive property on Front Street**
- **City Shop property on Case Avenue/Zimovia Highway**
- **Former Wrangell Medical Center at 310 Bennett Street.**

Sunset Gardens Cemetery Expansion and Columbarium. Conceptual site drawings have been modified based on staff input. R&M Engineering is preparing the grading and construction details, along with quantities, which will be used to develop a project budget.

Meyers Chuck Harbor Replacement Design. Staff held a meeting with the engineers to review the 90% design of the float procurement. 100% design is expected by May 17th, allowing Borough staff to review, make comments, and have PND Engineers modify, as needed, before putting the procurement solicitation out to bid.

1. The floats will be procured by the Borough, shipped to Wrangell, and decking installed by Harbor Department force account.
2. The construction of the harbor replacement will be procured under a separate contract.

Stikine Middle School Roof Replacement and High School Roof and Siding Replacement. Borough and School staff have identified the priorities for a \$4.2M project, inclusive of A&E design and construction services, utilizing the \$3.5M GO Bond funds, along with the \$694,000 CDBG grant funds, specific to the Middle School Roof Replacement. However, with the House Finance Committee recently adding \$26M to the School Major Maintenance List, funding projects 1-2, if this funding remains in a final version of the capital budget, Wrangell's \$10,500,000 project, #16 on the list, would be funded. Therefore, administration direction is to hold on the \$4.3M project in hopes of being able to pursue the larger \$10,500,000.

40-Acre Deep Water Port Development. \$421,000 has been awarded to Wrangell from the MARAD Port Infrastructure Development Program (PIDP) to go toward early planning and conceptual design of the 40-Acre Deep Water Port Development to meet our future marine transportation needs at the 6-mile, deep-water port site.

Two primary tasks are required to be completed before the grant agreement can be issued, and staff continue to work on those. One is the Title VI Civil Rights Assessment, and the other is the Environmental Assessment Phase II Work Plan, which requires further planning and review by DEC and which will be used by the federal agency to complete the NEPA process. No construction (i.e., activities that disturb the land) can

take place prior to NEPA completion or the Borough risks jeopardizing the entire Federal award.

Projects with Pending Funding Requests

Skeet Range Improvements, Phase II. Funding request submitted to the Alaska Dept. of Fish & Game Hunter Safety program on A local contribution of 10% of the project cost is required.

Wrangell Harbor Basin Float System Replacement. Funding Request of \$28M submitted to the RAISE program in April for the Wrangell Harbor Basin Revitalization project. Successful applicants are scheduled to be notified on June 27th.

State of Alaska Legislative Capital Projects Priorities for FY 2025

Below is a list of funding requests we submitted to the State. To date we have learned that the capital budget includes \$5,000,000 for the Dams Stabilization and Improvements project and \$200,000 (of the requested \$500,000) toward the Eastern Channel Emergency Access Route planning project. We will continue to follow these project funding opportunities through the legislative session.

- Dams Stabilization and Improvements - \$5,000,000 for design and construction
- Public Safety Building Rehabilitation - \$6,500,000 toward design, permitting, and construction.
- Wastewater Treatment Upgrades to Address Disinfection - \$14,000,000 toward an alternatives analysis, design, permitting, and construction.
- Eastern Channel Emergency Access Route - For planning and design only, estimated to cost approximately 10% of the capital cost, or \$500,000.
- Inner Harbor Replacement- \$12,000,000 toward design, permitting, and construction.

Congressional Direct Spending (CDS) Request for FFY 2025

Requests through Senator Murkowski

- Wastewater Treatment Plant Effluent Disinfection Facility - \$10,000,000 request
- Public Safety Building Renovations - \$6,500,000 if full funding is available; or a floor of a funding level at \$2,000,000, which would provide a sizeable portion to complement other funding.
- Zimovia Highway Sewer System Upgrades - \$2,500,000 request
- East Channel Emergency Access Route - \$7,500,000 if full funding is available; or a floor of a funding level at \$2,500,000, which would provide a sizeable portion to complement other funding.

Congressional Direct Spending (CDS) Request for FFY 2025

Requests through Representative Peltola

- Public Safety Building Renovations - \$6,500,000 if full funding is available; or a floor of a funding level at \$2,000,000, which would provide a sizeable portion to complement other funding.
- Inner Harbor Revitalization - \$9,000,000 request

Mt. Dewey Trail Extension to Petroglyph Beach Park. A \$618,320 funding request, as part of a "recreation economy for rural communities" funding bundle, was submitted through the Alaska Outdoor Alliance to Senator Murkowski's office for CDS appropriations consideration.

Sincerely,
Amber Al-Haddad
Capital Facilities Director

**Minutes of Regular Assembly Meeting
Held on April 23, 2024**

Mayor Patricia Gilbert called the Regular Assembly meeting to order at 7:00 p.m., April 23, 2024, in the Borough Assembly Chambers. Assembly Member Morrison led the pledge of allegiance.

PRESENT – GILBERT, MORRISON, OTTESEN, DALRYMPLE, ROBBINS

ABSENT – POWELL, DEBORD

Borough Manager Villarma and Clerk Lane were also present.

CEREMONIAL MATTERS

Gilbert presented certificates of service to Caitlin Cardinell for her service on the Wrangell Convention & Visitors Bureau and the Economic Development Board and to Mya De Long for her service on the Wrangell Convention & Visitors Bureau.

SEAPA Board Member Steve Prysunka gave a SEAPA report.

PERSONS TO BE HEARD – None.

AMENDMENTS TO THE AGENDA

Villarma requested that the sales tax discussion item (13d) be removed from new business, to be discussed under the manager's report. There were no objections from the assembly.

CONFLICT OF INTEREST – None.

CONSENT AGENDA

6a Minutes from the April 9, 2024, Regular Assembly Meeting

M/S: Morrison/Robbins to approve the Consent Agenda, as presented. Motion approved by polled vote.

BOROUGH MANAGER'S REPORT

Kate Thomas, Economic Development Director's report was provided.

Manager Villarma's report was given.

BOROUGH CLERK'S REPORT

Clerk Lane's report was provided.

MAYOR AND ASSEMBLY BUSINESS – None.

MAYOR AND ASSEMBLY APPOINTMENTS – None.

PUBLIC HEARING

11a RESOLUTION No. 04-24-1858 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, APPROVING THE AMENDED FEES AND RATES SCHEDULE AS PER WMC 5.14.025

Gilbert called the Public Hearing to order and asked for an administrative report. Villarma recapped the various increases to rates that were discussed during the Work Session.

Gilbert asked if there was anyone who wanted to speak on this item.

Hearing none, Gilbert closed the Public Hearing and asked for a motion.

M/S: Robbins/Dalrymple to approve Resolution NO. 04-24-1858.

Discussion was had regarding how long a power outage would have to be to have the fuel surcharge take affect; the agreement from the assembly was 72 hours; Manager Villarma was tasked with modifying the language in the fee and rate schedule to reflect this and also to reflect that the rate would be prorated for the consumer.

Motion approved by polled vote.

11b ORDINANCE No. 1054 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, ADDING SECTION 1.20.045 TITLED "DISPOSITION", ADDING SECTION 1.20.046 TITLED PAYMENT OF FINE WITHOUT COURT APPEARANCE AND AMENDING SECTION 1.20.050, MINOR OFFENSE FINE SCHEDULE, IN THE WRANGELL MUNICIPAL CODE

Gilbert called the Public Hearing to order and asked for an administrative report.

Villarma stated that this ordinance was so that Wrangell PD could submit citations electronically to the state; will streamline the process for submitting citations.

Gilbert asked if there was anyone who wanted to speak on this item.

Hearing none, Gilbert closed the Public Hearing and asked for a motion.

M/S: Ottesen/Morrison to approve Ordinance No. 1054. Motion approved by polled vote.

11c ORDINANCE No. 1055 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING SEVERAL SECTIONS IN CHAPTER 15.12 – ELECTRICITY, IN THE WRANGELL MUNICIPAL CODE

Gilbert called the Public Hearing to order and asked for an administrative report.

Villarma stated ordinance would remove fees from the code and place them in the combined fee and rate schedule.

Gilbert asked if there was anyone who wanted to speak on this item.

Hearing none, Gilbert closed the Public Hearing and asked for a motion.

M/S: Ottesen/Morrison to approve Ordinance No. 1055. Motion approved by polled vote.

UNFINISHED BUSINESS – None.

NEW BUSINESS

13a Approval of Lease to Trident Seafoods, A Portion of the Old Mill Dock Parcel 02-023-700, more specifically 20ft X 90ft Northwest from the Southernmost portion of the Old Mill Dock including the approach nearest the Trident Seafood Plant

M/S: Robbins/Morrison to Approve Lease to Trident Seafoods, a Portion of the Old Mill Dock in Parcel 02-023-700, more specifically 20ft x 90ft Northwest from the Southernmost Portion of the Old Mill Dock including the approach nearest the Trident Seafood Plant. Motion approved by pulled vote.

13b RESOLUTION No. 04-24-1859 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, ACCEPTING A STATE AND LOCAL CYBERSECURITY (SLCGP) GRANT IN THE

AMOUNT OF \$50,000 FROM THE U.S. DEPARTMENT OF HOMELAND SECURITY FOR THE PURPOSE OF COMPOSING A COMPREHENSIVE CYBERSECURITY PLAN

M/S: Ottesen/Robbins to approve Resolution No. 04-24-1859. Motion approved by polled vote.

13c RESOLUTION No. 04-24-1860 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA AMENDING ARTICLE 13 – TRAINING, OF THE IBEW COLLECTIVE BARGAINING AGREEMENT AND REPEALING RESOLUTUION NO 05-23-1781

M/S: Ottesen/Morrison to approve Resolution No. 04-24-1860. Motion approved by polled vote.

~~13d—Discussion and Possible Direction regarding Sales Tax (Item removed under amendments to the agenda)~~

13e Approval of Cooperating Agency Status for the Tongass National Forest Plan Revision and to appoint a Principal contact to serve as Primary Liaison

M/S: Morrison/Robbins to approve the Cooperating Agency status for the Tongass National Forest plan revision and to appoint a principal contact to serve as Primary Liaison.

Gilbert appointed Assembly Member Dalrymple to serve as Primary Liaison. There were no objections from the assembly.

Motion approved by polled vote.

13f Approval of Amendment to the BW Enterprises Contract for Landslide Debris Clearing and Removal, not to exceed \$700,000.

M/S: Ottesen/Morrison to approve a contract amendment for BW Enterprises for Landslide Debris Clearing and Removal, not to exceed \$700,000. Motion approved by polled vote.

13g RESOLUTION NO 04-24-1861 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FY 2024 BUDGET IN THE GENERAL FUND ADDING \$20,000 TO THE FINANCE DEPARTMENT INFORMATION TECHNOLOGY EXPENDITURES LINE ITEM FOR ACCOUNTING SOFTWARE AND IMPLEMENTATION

M/S: Ottesen/Morrison to approve Resolution No. 04-24-1861. Motion approved by polled vote.

13h Approval of a contract to purchase Tyler Technology ERP Pro cloud-based software as service and implementation services

M/S: Robbins/Morrison to approve the Tyler Technologies contract for cloud-based accounting software and implementation services in the total amount of \$123,676 and authorizing the purchase of \$69,316 for the financial management module during FY24 and \$54,324 for the customer relationship module during FY25. Motion approved by polled vote.

13i Approval of a Memorandum of Understanding (MOU) between the City and Borough of Wrangell and the USDA, Forest Service Wrangell Ranger District

M/S: Robbins/Morrison to approve a Memorandum of Understanding (MOU) between the City and Borough of Wrangell and the USDA, Forest Service Wrangell Ranger District. Motion approved by polled vote.

ATTORNEY'S FILE – Available for Assembly review in the Borough Clerk's office

EXECUTIVE SESSION – None.

Meeting adjourned at 8:48 p.m.

Patricia Gilbert, Borough Mayor

ATTEST: _____
Kim Lane, MMC, Borough Clerk

CITY & BOROUGH OF WRANGELL, ALASKA***BOROUGH CLERK'S REPORT***

SUBMITTED BY: Kim Lane, Borough Clerk

Upcoming Meetings & Other Informational dates:**Other City Boards/Commissions:**

May 21 – WCVB mtg at Noon in the Assembly Chambers

June 4 – Economic Development WS & mtg at 5:30pm in the Assembly Chambers

June 13 – Planning & Zoning Commission mtg at 5:30pm in the Assembly Chambers

Community Events:


May 21 & 22 – State of Alaska Small Business Loan and Commercial Loan Presentation (see below)

May 27 – Memorial Day - Closed

Meetings and Other events of the Borough Assembly:

Please see below for the list of upcoming meetings for the Assembly.

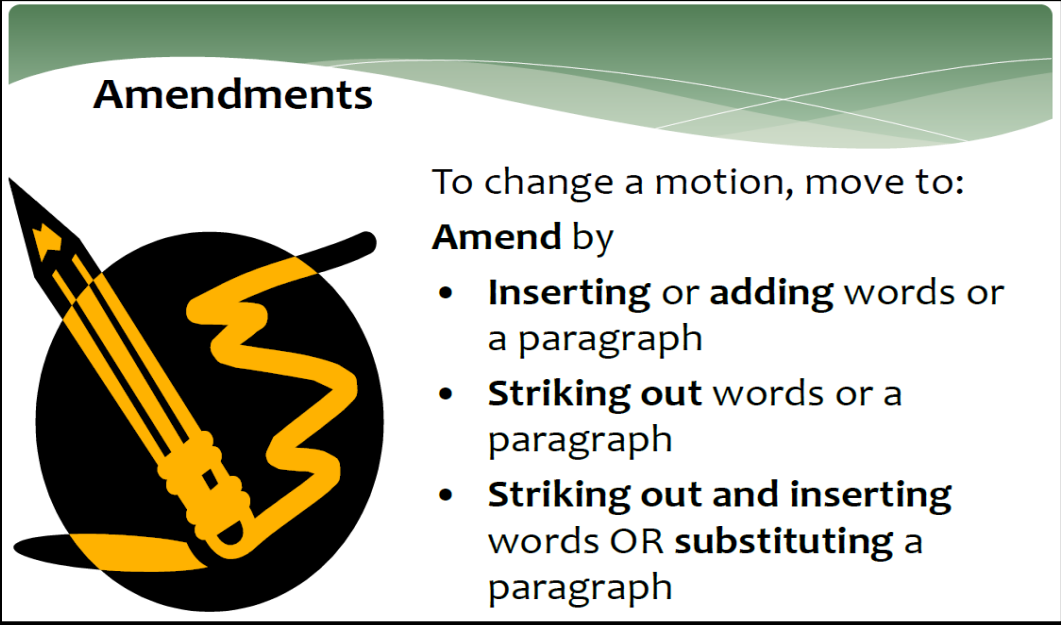
Upcoming 2024 Work Sessions (scheduled), Public Hearings (scheduled), Regular Assembly Meetings, and Other Meetings (scheduled)

Date	Time	Purpose
May 14 (WS - Audit Presentation)	6:00 pm	Regular Assembly Meeting
May 28 (no work session scheduled) (Mill Levy Adoption (tentative))	6pm	Regular Assembly Meeting
JUNE 5 (Wednesday) 	5:30pm	Budget Work Session ONLY (moved from May 16)
June 11 (WS - Thriving Communities – Mill Site)	6pm	Regular Assembly Meeting
June 25 (no work session scheduled) (FY2025 Budget PH & Adoption - tentative)	6pm	Regular Assembly Meeting
July 23 (no work session scheduled)	6pm	Regular Assembly Meeting
August 27 (no work session scheduled)	6pm	Regular Assembly Meeting
September 10 (no work session scheduled)	6pm	Regular Assembly Meeting
September 24 (no work session scheduled)	6pm	Regular Assembly Meeting
October 3 (Thursday)	5:30pm	SPECIAL Assembly Meeting to certify election
October 8 (no work session scheduled)	6pm	Regular Assembly Meeting
October 8 (no work session scheduled)	6pm	Regular Assembly Meeting
October 22 (no work session scheduled)	6pm	Regular Assembly Meeting
November 12 (no work session scheduled)	6pm	Regular Assembly Meeting
November 26 (will most likely cancel this meeting since it's two days before Thanksgiving (no work session scheduled))	6pm	Regular Assembly Meeting

Local Election information. The regular local election will be on October 1st this year. Since there is only one meeting scheduled in July, if there are to be any propositions on the ballot, the Ordinance will need to come before the assembly for consideration no later than the 1st meeting in June. This will allow for the first reading June 11th and the second reading and adoption June 25th.

Clerk's Training: I will be traveling to Calgary, CA from May 17th through May 25th for the International Institute of Municipal Clerks conference. Since the second meeting in May will be on the 28th, I will be here for that meeting. This training enables me to attend a variety of educational sessions and gives me access to a network of leading industry professionals and colleagues. The sessions are designed for Clerk skill-building, professional development, and enrichment. This training was approved in the FY2024 budget.

Parliamentary Tidbits... Here is an oldie but goodie....



Amendments

To change a motion, move to:

Amend by

- **Inserting or adding** words or a paragraph
- **Striking out** words or a paragraph
- **Striking out and inserting** words OR **substituting** a paragraph

Alaska Small Business Loan and Commercial Fishing Loan Presentation.

The State of Alaska, Division of Investments will be in Wrangell to meet with those who are interested in the programs they have to offer.

Drake Peterson, Investments Loan Officer will be in the Wrangell Borough Assembly Chambers at City Hall (205 Brueger Street) on:

Tuesday, May 21, 2024 from 9:00 am to 11:30 am and 2:00 pm - 4:00 pm.

and

Wednesday, May 22, 2024 from 9:00 am to 12:00 pm and 2:00 pm - 4:00 pm

Contact 1-800-478- LOAN or 907-465-2510 if you have questions.

State of Alaska Division of Investments



Small Business:

- Microloans
- Small Business Economic Development
- Rural Development Initiative
- Mariculture
- Commercial Charter Fisheries

Commercial Fishing:

- Permit Purchases
- Vessel Purchases & Upgrades
- Gear Purchases & Upgrades
- Engine Fuel Efficiency Upgrades
- Product Quality
- Improvements Quota Share Purchases
- Tax Obligation

**COMING TO
Wrangell, Alaska**

**Wrangell Assembly
Chambers**
📍 **205 Brueger St.**

Tuesday May 21
9am-11:30am & 2pm-4pm

Wednesday May 22
9am-12pm and 2pm-4pm

More Information
1(800)478-LOAN or (907)465-2510

**CITY & BOROUGH OF WRANGELL, ALASKA
BOROUGH ASSEMBLY AGENDA STATEMENT**

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	April 23, 2024
	<u>Agenda Section</u>	13

Approval of FY 2025 Wrangell Public Schools Budget and Local Funding Contribution in the Amount of \$1,300,000

SUBMITTED BY:

Mason Villarma, Borough Manager

FISCAL NOTE:

Expenditure Required: \$XXX Total	
Fiscal Year (25):	Amount: \$1.3M
Amount Budgeted:	
	FY: \$
Account Number(s):	
	XXXXX XXX XXXX
Account Name(s):	
	Enter Text Here
Unencumbered Balance(s) (prior to expenditure):	
	\$XXX

Reviews/Approvals/Recommendations

<input type="checkbox"/>	Commission, Board or Committee
Name(s)	
Name(s)	
<input type="checkbox"/>	Attorney
<input type="checkbox"/>	Insurance

ATTACHMENTS: 1) Wrangell Public School FY 2025 Budget 2) Transmittal Letter

RECOMMENDATION MOTION:
Move to Approve the FY 2025 Wrangell Public Schools Budget and Local Funding Contribution in the Amount of \$1,300,000.

SUMMARY STATEMENT:

By state statute the school district is required to submit a budget to the Assembly by May 1st. The Assembly has 30 days to approve the district budget and local contribution. The FY25 School Budget assumes revenue from the City & Borough of Wrangell (CBW) in the amount of **\$1.752M**.

The City and Borough of Wrangell’s minimum and maximum contribution thresholds as determined by the Alaska Department of Education and Early development is as follows (for local contribution alone):

Min: \$931,045
Max: \$1,752,087

The above maximum and minimum contributions reflect local borough funding sources. Any additional funding over the locally funded maximum would inherently be considered a federal pass-through of secure rural schools funding. That is not to say that the federal pass-through is only the amount more than the local cap.

The current draft of the FY2025 Annual Budget for the City and Borough of Wrangell reflects a \$1,300,000 contribution. Historic contributions can be referenced in the memo attached to this item. The funding source for the FY 2025 budget are proposed as follows:

\$750,000 WPSD Local Contribution Fund (originally derived from 20% of sales tax revenue)
\$550,000 Secure Rural Schools (SRS) Fund
\$1,300,000

Any additional contribution requested in excess of the \$1,300,000 presented in the Borough’s current FY2025 draft budgeted would come from the SRS Fund unrestricted fund balance.

Through conversations with our State lobbyist we believe that approximately \$440k will come in from the State of Alaska for a one time BSA increase of \$680. If this funding does not come through the Borough should consider other alternatives such as a supplemental increase from SRS Fund reserves, a property tax proposition to voters for supplemental funding for FY 2026, or consolidation of resources.

School funding is a national issue, but even a more prominent issue in our State. Said differently, it is not just a deficiency for our community. Management in good faith cannot propose a funding option that is unsustainable, without having a clear picture of what the Governor will approve as a BSA in his final budget.

For further clarity, below shows sales tax projections for FY25 as well as SRS Fund balance and impacts of the fund:

Sales Tax Projection: FY 2025 = \$3,750,000
*20% to WPSD = \$750,000

SRS Fund Balance

FY 24 Beginning Reserve:	\$1.847M
<u>FY24 Revenues</u>	
School Condition Assessment Reimbursement	= +\$267K
SRS Proceeds FY24	= +\$837K
FY24 Expenses	
FY24 Local Contribution from SRS	= -\$900K
FY24 Capital Expenses	= -\$553K
<u>FY24 Debt Service for GO Bonds</u>	<u>= -\$250K</u>
FY24 Ending Reserve:	= \$1.250M
FY25 Beginning Reserve:	= \$1.250M
FY25 Revenues	
SRS Proceeds (Projected)	= +\$800k
FY25 Expenses	
FY25 Debt Service for GO Bonds	= -\$250k
<u>FY 25 Local Contribution from SRS</u>	<u>= -\$550k</u>
FY25 Ending Reserve	= \$1.250M

Administration recommends the Assembly make the motion as written. Once discussion has taken place, the Assembly can amend the motion if necessary.



April 18, 2024

City and Borough of Wrangell
Attn: Borough Assembly
PO Box 531
Wrangell, AK 99929

The Wrangell Public Schools Board of Directors approved the Fiscal Year 2024-25 (FY25) Budget by resolution on April 15, 2024. Pursuant to Alaska Statute 14.14.060(c) the Wrangell Public Schools FY25 Approved Budget is hereby submitted to the City and Borough of Wrangell.

Please feel free to contact us with any questions.

A handwritten signature in black ink, appearing to read 'Kristy Andrew', with a stylized flourish at the end.

Kristy Andrew
Business Manager
kandrew@wpsd.us
907.885.5226

Wrangell Public Schools

Fiscal Year 2024-2025

Basic Need Calculation

Basic Need Calculation			
Base	<i>K-6 ADM</i>	<i>7-12 ADM</i>	Total ADM
Evergreen Elementary	<i>130.00</i>	-	130.00
Stikine Middle School	<i>22.00</i>	<i>43.00</i>	65.00
Wrangell High School	-	<i>65.00</i>	65.00
Total	<i>152.00</i>	<i>108.00</i>	260.00
School Size Adjustment	<i>220.26</i>	<i>164.76</i>	385.02
<i>Special Education Intensive Count</i>			<i>8.00</i>
Other Factor Adjustments	Factor		ADM
+ Hold Harmless (if applicable)	-		385.02
x District Cost Factor	1.159		446.24
x Special Needs Factor	1.200		535.49
x Vocational/Technical Factor	1.015		543.52
+ Correspondence 90%	-		543.52
+ Intensive Services Factor	104.000		647.52
Total Adjusted ADM			647.52
Base Student Allocation (BSA)			5,960
Funding			
Base Need Total			3,859,208
- Required Local Effort			(862,086)
- Deductible Impact Aid			(416)
+ Quality Schools			10,360
Projected State Entitlement (Foundation)			3,007,066

Local Effort Calculation

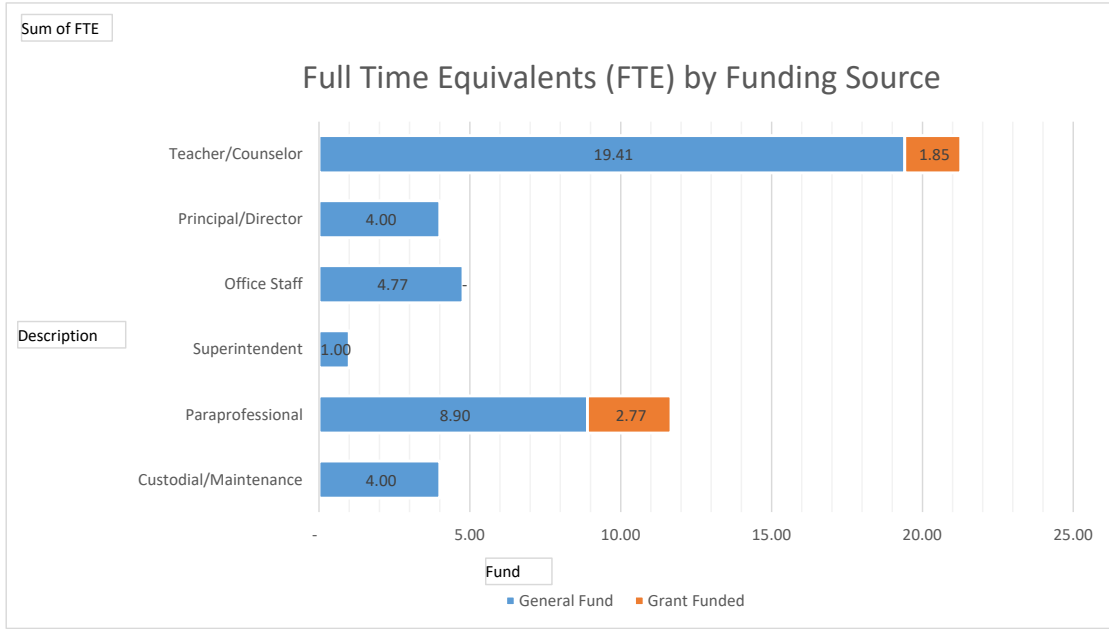
2023 Full Value Determination		325,315,436
Prior Year Basic Need		4,004,543
Projected Basic Need		3,859,208
Full Value x 0.00265	<i>Whichever is lesser.</i>	862,086
45% Prior Year Basic Need		1,802,044
Minimum Required Local Contribution		862,086
Full Value x 0.00200	<i>Whichever is greater.</i>	650,631
23% of Projected Base Need + Quality Schools		890,001
Additional Allowable Local Contribution		890,001
Maximum Allowable Local Contribution	<i>Minimum + Additional Allowable</i>	1,752,087

Estimate updated December 14, 2023

Wrangell Public Schools FY25 Approved Budget Charts

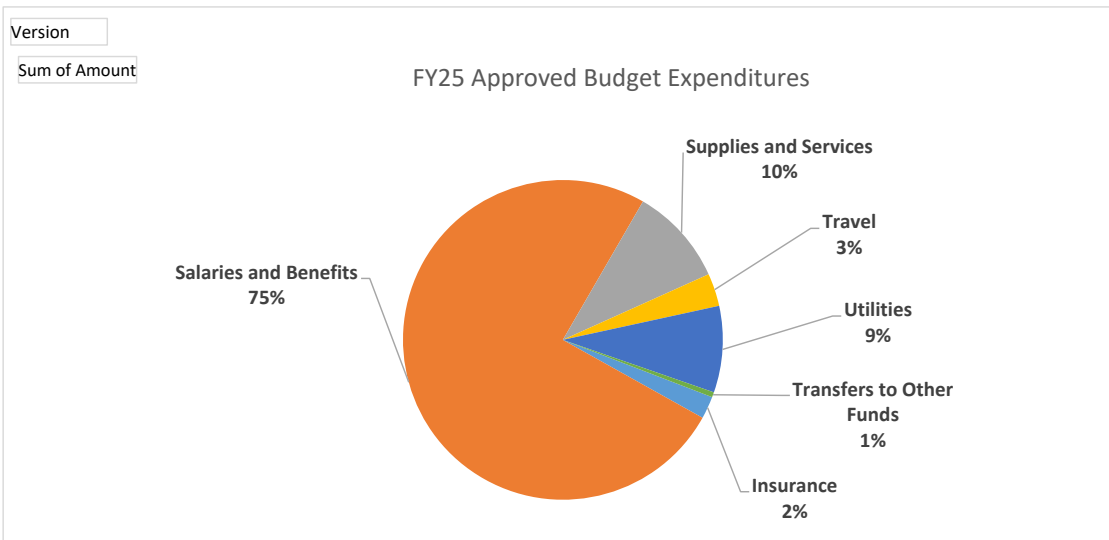
Staffing

The FY25 Staffing Assumptions include 50 Employees, for a total of 45.93 FTE (Full Time Equivalents). 7 employees (4.62 FTE), however, are at least partially funded out of Grants.



Expenditure Breakdown

Salaries and Benefits	4,519,100
Supplies and Services	595,311
Travel (Staff and Students)	199,120
Insurance (Property/Liability/Cyber)	136,815
Utilities	525,846
Transfers to Other Funds	30,000
Total	6,006,192



Wrangell Public Schools

FY25 Approved Budget

General Fund Summary

Revenue	FY23 Actuals	FY24 Adopted	FY24 YTD + Enc.	FY24 Q3 Revision	FY25 Approved
011: Borough Direct Appropriations	741,489	700,000	700,000	700,000	862,086
030: Earnings On Investments	19,803	19,000	22,504	29,000	30,000
040: Other Local Revenue	37,362	30,000	350	600	1,000
044: Fees	4,327	-	37,381	32,000	38,000
047: Erate Revenue	153,624	123,100	92,601	123,100	123,100
050: Revenue From State Sources	-	10,035			-
051: Foundation Program	3,147,078	3,063,027	2,105,048	3,329,669	2,996,706
052: Quality Schools	10,493	-		10,750	10,360
056: Trs On-Behalf Revenue	197,052	226,875	150,798	252,785	325,280
057: Pers On-Behalf Revenue	20,201	22,966	15,850	24,124	41,204
090: State HB281	144,325	-	227,000	227,000	-
091: PFD Raffle	1,108	1,065		1,065	1,065
100: Direct Federal Sources	-	1,000		1,000	-
110: Impact Aid	568	-	155		-
190: Federal Sources Thru Other Intermediaries	876,140	900,000	901,708	900,000	890,001
250: Transfers From Other Funds					-
150: Federal Sources Thru The State Of Alaska	-	-			-
Total Revenue	5,353,570	5,097,068	4,253,395	5,631,093	5,318,802

Expenditures	FY23 Actuals	FY24 Adopted	FY24 YTD + Enc.	FY24 Q3 Revision	FY25 Approved
100: Instruction	2,026,628	2,092,393	2,093,413	2,230,444	2,297,527
160: Vocational Education	95,414	97,710	107,287	108,393	110,904
200: Special Education	425,147	502,011	448,244	459,669	568,344
220: Special Ed Support Services	40,613	78,520	51,083	72,149	92,821
300: Support Services Students	118,913	123,410	123,348	124,073	130,645
350: Support Services Instruction	91,439	113,131	28,222	85,473	91,267
360: Instructional Related Technology	192,711	179,404	125,331	179,404	184,786
400: School Administration	28,581	34,345	37,570	36,085	344,423
450: School Admin Support Services	216,978	230,160	227,952	239,714	248,078
510: District Administration	209,793	206,050	215,604	221,274	272,092
511: Board of Education	58,213	76,260	72,949	77,123	82,565
550: District Admin Support Services	267,175	221,133	232,173	165,990	212,994
560: Administrative Technology Services	159,575	172,160	168,546	172,428	180,141
600: Operations & Maintenance Of Plant	831,065	899,094	895,014	891,011	928,895
700: Student Activities	185,864	173,005	205,222	224,203	230,710
Total Expenditure	4,948,109	5,198,786	5,031,957	5,287,432	5,976,192
Excess (Deficiency) of Revenues Over Expenditures	405,461	(101,717)		343,661	(657,390)
Transfers Out to Other Funds	263,000	20,000	21,738	51,738	30,000
Net Change in Fund Balance	145,225*	(121,717)		291,923	(687,390)
<i>* Adjusted to match Audited Change in Fund Balance</i>					
Fund Balance, Beginning of Year	809,841	571,814		955,306	1,247,229
Fund Balance, End of Year	955,066	450,097		1,247,229	559,840

Wrangell Public Schools
FY25 Approved Budget
General Fund Expenditures by Location

Wrangell High School	FY23	FY24	FY24	FY24	FY25
	Actuals	Adopted	YTD + Enc.	Q3 Revision	Approved
100: Instruction					
315: Teacher	415,850	409,520	411,450	411,451	419,842
317: Certified Substitutes	3,083	-	1,416	1,900	1,900
323: Aides	28,938	39,903	51,880	52,035	41,477
329: Substitutes/Temporaries	3,606	8,000	5,639	8,000	8,000
361: Insurance - Life & Health	131,856	139,100	133,390	134,000	143,171
362: Unemployment Insurance	351	2,250	2,130	2,250	2,075
363: Worker'S Comp	3,826	2,250	2,414	2,414	2,359
364: FICA	6,797	6,520	7,888	7,889	7,249
365: TRS	50,583	51,440	50,420	50,420	51,393
366: PERS	6,204	8,780	11,545	11,546	9,125
367: TRS On-Behalf	43,928	49,390	51,984	51,984	65,591
368: PERS On-Behalf	1,349	1,120	1,613	1,614	1,974
369: Other	6,131	2,450	4,414	4,414	3,767
410: Professional & Technical	783	-	-	-	-
420: Staff Travel	25,468	10,000	901	10,000	10,712
425: Student Travel	-	-	1,034	-	-
440: Other Purchased Services	752	2,500	1,932	2,500	2,575
450: Supplies, Materials & Media	17,751	15,000	5,570	15,000	15,450
471: Textbooks	7,897	9,000	-	9,000	9,000
475: Technology Supplies	7,958	18,300	29,268	48,300	19,749
490: Other Expenses	243	500	794	500	515
491: Dues & Fees	-	-	150	-	-
510: Equipment	-	-	-	-	-
160: Vocational Education					
315: Teacher	55,467	55,180	55,173	55,173	55,173
317: Certified Substitutes	-	-	143	200	200
323: Aides	-	-	-	-	-
329: Substitutes/Temporaries	1,148	1,200	(52)	-	-
361: Insurance - Life & Health	92	100	92	100	92
362: Unemployment Insurance	44	300	260	300	257
363: Worker'S Comp	477	300	298	298	294
364: FICA	136	860	884	884	837
365: TRS	6,861	6,930	6,930	6,930	6,930
366: PERS	-	-	-	-	-
367: TRS On-Behalf	5,859	6,660	7,477	7,477	9,248
368: PERS On-Behalf	-	-	-	-	-
369: Other	2,603	3,600	2,645	2,645	2,520
410: Professional & Technical	-	-	-	-	-
420: Staff Travel	134	-	-	-	-
425: Student Travel	87	-	448	-	-
440: Other Purchased Services	-	-	-	-	-
450: Supplies, Materials & Media	1,600	1,500	1,312	1,500	1,545
490: Other Expenses	-	-	-	-	-
510: Equipment	-	-	-	-	-

Wrangell Public Schools
FY25 Approved Budget
General Fund Expenditures by Location

Wrangell High School	FY23	FY24	FY24	FY24	FY25
	Actuals	Adopted	YTD + Enc.	Q3 Revision	Approved
200: Special Education					
315: Teacher	60,715	59,810	59,809	59,809	59,809
317: Certified Substitutes	-	-	498	700	700
323: Aides	86,325	78,960	66,064	68,862	90,945
324: Support Staff	2,417	7,010	7,051	7,051	7,287
329: Substitutes/Temporaries	3,553	4,240	2,475	3,300	3,300
361: Insurance - Life & Health	16,714	20,630	20,218	20,230	21,452
362: Unemployment Insurance	121	810	626	810	721
363: Worker'S Comp	1,323	760	698	699	806
364: FICA	2,991	2,440	2,149	2,149	2,268
365: TRS	6,959	7,520	7,512	7,512	7,512
366: PERS	20,442	18,920	16,709	16,709	21,611
367: TRS On-Behalf	6,413	7,220	7,751	7,752	9,587
368: PERS On-Behalf	4,174	2,400	2,299	2,299	3,710
369: Other	8,589	5,270	4,546	4,546	6,022
410: Professional & Technical	-	-	-	-	-
420: Staff Travel	-	1,500	-	1,500	1,607
450: Supplies, Materials & Media	7,775	500	654	3,000	3,090
475: Technology Supplies	64	1,545	23	1,545	1,591
491: Dues & Fees	-	-	-	-	-
510: Equipment	-	-	-	-	-
220: Special Ed Support Services					
418: Other Professional Services	-	-	5,798	5,798	-
300: Support Services Students					
318: Counselor	54,322	56,520	56,520	56,520	58,189
323: Aides	-	-	-	-	-
329: Substitutes/Temporaries	547	-	(86)	-	-
361: Insurance - Life & Health	15,813	16,680	16,545	16,680	17,621
362: Unemployment Insurance	43	290	157	290	164
363: Worker'S Comp	464	290	288	289	297
364: FICA	1,071	820	802	803	825
365: TRS	7,044	7,100	7,099	7,099	7,308
366: PERS	-	-	-	-	-
367: TRS On-Behalf	5,738	6,820	7,325	7,326	9,328
368: PERS On-Behalf	-	-	-	-	-
369: Other	327	-	-	-	-
410: Professional & Technical	-	-	-	-	-
420: Staff Travel	-	-	-	-	-
450: Supplies, Materials & Media	913	200	4	200	206
490: Other Expenses	-	-	-	-	-
491: Dues & Fees	-	-	-	-	-

Wrangell Public Schools
FY25 Approved Budget
General Fund Expenditures by Location

Wrangell High School	FY23	FY24	FY24	FY24	FY25
	Actuals	Adopted	YTD + Enc.	Q3 Revision	Approved
350: Support Services Instruction					
318: Counselor	-	-			-
323: Aides	11,987	12,980	5,116	5,117	9,381
324: Support Staff	729	-			-
329: Substitutes/Temporaries	1,558	2,000			-
361: Insurance - Life & Health	12,714	12,080		80	-
362: Unemployment Insurance	11	70	0	70	-
363: Worker'S Comp	115	70	0	1	-
364: FICA	-	190			-
365: TRS	(221)	-			-
366: PERS	2,637	2,860			-
367: TRS On-Behalf	-	-			-
368: PERS On-Behalf	552	370			-
369: Other	1,065	800	20	20	-
410: Professional & Technical	-	-			-
418: Other Professional Services	-	-	370		-
420: Staff Travel	-	-			-
433: Communications	-	-			-
440: Other Purchased Services	-	-			-
450: Supplies, Materials & Media	1,014	2,500	1,363	2,500	2,575
475: Technology Supplies	3,811	2,060	3,303	2,060	2,122
490: Other Expenses	1,200	750		750	773
491: Dues & Fees	-	-	385		-
510: Equipment	-	1,000		1,000	1,000
400: School Administration					
313: Principal	-	-			59,850
361: Insurance - Life & Health	-	-			21,847
362: Unemployment Insurance	-	-	256		266
363: Worker'S Comp	-	-			305
364: FICA	-	-			852
365: TRS	-	-			8,169
366: PERS	-	-			-
367: TRS On-Behalf	6,088	7,545	8,072	8,073	9,594
368: PERS On-Behalf	-	-			-
369: Other	-	-			-
420: Staff Travel	-	-	584		-
433: Communications	611	1,200	827	1,200	1,236
440: Other Purchased Services	-	-			-
450: Supplies, Materials & Media	1,728	1,760	1,047	1,760	1,813
475: Technology Supplies	-	-			-
490: Other Expenses	-	-	100		-
491: Dues & Fees	385	1,000		1,000	1,030
510: Equipment	-	-	2,420		-

Wrangell Public Schools
FY25 Approved Budget
General Fund Expenditures by Location

Wrangell High School	FY23	FY24	FY24	FY24	FY25
	Actuals	Adopted	YTD + Enc.	Q3 Revision	Approved
450: School Admin Support Services					
324: Support Staff	28,493	29,880	27,126	27,118	31,037
329: Substitutes/Temporaries	1,029	1,200	5,123	6,700	6,700
361: Insurance - Life & Health	11,756	22,190	32,922	33,190	35,117
362: Unemployment Insurance	22	150	149	150	143
363: Worker'S Comp	244	150	164	165	158
364: FICA	749	440	680	680	450
366: PERS	5,998	6,580	6,070	6,070	6,909
368: PERS On-Behalf	1,304	840	841	841	1,477
369: Other	2,403	1,840	1,662	1,663	1,903
410: Professional & Technical	410	-			-
433: Communications	1,599	3,000	2,154	3,000	3,090
440: Other Purchased Services	1,863	3,000	1,020	3,000	3,090
450: Supplies, Materials & Media	63	1,000	126	1,000	1,030
475: Technology Supplies	-	-			-
490: Other Expenses	-	-	120		-
491: Dues & Fees	-	-			-
510: Equipment	-	-			-
600: Operations & Maintenance Of Plant					
325: Maintenance/Custodial	32,489	28,200	33,153	33,105	35,627
329: Substitutes/Temporaries	3,317	6,000			-
361: Insurance - Life & Health	141	160	121	160	132
362: Unemployment Insurance	27	240	165	240	180
363: Worker'S Comp	293	920	883	884	965
364: FICA	700	510	516	517	564
365: TRS	-	-			-
366: PERS	7,610	6,210	7,325	7,326	7,838
367: TRS On-Behalf	-	-			-
368: PERS On-Behalf	1,443	790	1,026	1,027	1,696
369: Other	6,154	5,550	5,532	5,532	5,686
410: Professional & Technical	1,206	4,700	3,478	6,500	6,695
420: Staff Travel	-	-			-
430: Utilitiy Services	20,502	20,300	20,427	20,300	20,909
433: Communications	-	-			-
435: Energy	-	-			-
436: Electricity	119,663	109,319	173,953	134,319	122,910
438: Energy	(16,189)	19,075			-
440: Other Purchased Services	250	-	200		-
442: Site & Builidng Repair	-	400		400	412
443: Equipment Repair	3,062	3,500	2,360	3,500	3,605
446: Property Insurance	33,766	43,000	34,281	34,300	36,015
450: Supplies, Materials & Media	5,577	4,000	3,245	4,000	4,120
452: Maint/Const Supplies/Materials	10,076	8,000	3,294	8,000	8,240
453: Janitorial Supplies	6,357	2,200	359	2,200	2,266
457: Small Tools & Equipment	2,966	1,000	1,155	1,000	1,030
458: Vehicle Gasoline, Diesel & Oil	-	-			-
490: Other Expenses	-	-	500		-
491: Dues & Fees	500	-			-
510: Equipment	-	-			-

Wrangell Public Schools
FY25 Approved Budget
General Fund Expenditures by Location

Wrangell High School	FY23	FY24	FY24	FY24	FY25
	Actuals	Adopted	YTD + Enc.	Q3 Revision	Approved
700: Student Activities					
316: Extra Duty Pay	10,923	10,680	13,336	13,336	12,043
317: Certified Substitutes	-	-			
321: Director	12,546	10,000	10,167	10,167	8,500
329: Substitutes/Temporaries	33,642	41,750	32,358	42,000	42,000
361: Insurance - Life & Health	434	140		140	-
362: Unemployment Insurance	49	320	267	320	224
363: Worker'S Comp	532	320	281	281	237
364: FICA	5,382	3,740	3,365	3,366	2,421
365: TRS	1,901	1,350	1,239	1,239	1,100
366: PERS	933	1,360	464	465	1,483
367: TRS On-Behalf	1,471	1,290	1,596	1,597	1,957
368: PERS On-Behalf	569	180	65	66	292
369: Other	140	380	129	130	377
410: Professional & Technical	-	-			-
420: Staff Travel	753	4,000	21,339	23,000	24,285
425: Student Travel	91,856	70,000	90,381	97,000	103,600
440: Other Purchased Services	3,882	1,500	5,435	1,500	1,545
450: Supplies, Materials & Media	2,435	2,500	5,057	2,500	2,575
490: Other Expenses	1,990	5,000	150	5,000	5,150
491: Dues & Fees	1,424	-	1,580		-
510: Equipment	-	-			-
Total Wrangell High School	1,665,406	1,698,996	1,726,176	1,776,827	1,907,568

Wrangell Public Schools
FY25 Approved Budget
General Fund Expenditures by Location

Stikine Middle School	FY23	FY24	FY24	FY24	FY25
	Actuals	Adopted	YTD + Enc.	Q3 Revision	Approved
100: Instruction					
315: Teacher	252,170	255,900	242,677	242,677	251,487
317: Certified Substitutes	-	-	38	100	100
323: Aides	-	-			-
329: Substitutes/Temporaries	4,393	5,500	732	1,000	1,000
361: Insurance - Life & Health	44,150	43,920	44,822	44,920	47,821
362: Unemployment Insurance	199	1,320	1,125	1,320	1,159
363: Worker'S Comp	2,166	1,320	1,275	1,275	1,313
364: FICA	4,032	3,820	3,670	3,671	3,702
365: TRS	31,258	32,140	30,480	30,481	31,587
366: PERS	-	-			-
367: TRS On-Behalf	26,638	30,870	31,759	31,759	40,694
368: PERS On-Behalf	-	-			-
369: Other	7,222	7,200	5,976	5,976	5,976
420: Staff Travel	-	4,000		4,000	4,285
440: Other Purchased Services	743	2,000	1,764	2,000	2,060
450: Supplies, Materials & Media	2,531	4,000	642	4,000	4,120
471: Textbooks	7,357	8,000		8,000	8,000
475: Technology Supplies	3,802	18,500	1,804	18,500	19,055
490: Other Expenses	-	-			-
491: Dues & Fees	25	-	114		-
510: Equipment	-	-			-
160: Vocational Education					
315: Teacher	15,848	15,770	23,645	23,646	23,645
317: Certified Substitutes	-	-			-
329: Substitutes/Temporaries	-	-	(252)		-
361: Insurance - Life & Health	26	30	40	40	40
362: Unemployment Insurance	12	80	110	80	110
363: Worker'S Comp	134	80	126	127	126
364: FICA	-	230	359	359	358
365: TRS	1,960	1,980	2,970	2,970	2,970
366: PERS	-	-			-
367: TRS On-Behalf	1,674	1,910	3,064	3,065	3,790
368: PERS On-Behalf	-	-			-
369: Other	744	-	1,080	1,080	1,080
410: Professional & Technical	-	-			-
420: Staff Travel	-	-			-
425: Student Travel	-	-			-
440: Other Purchased Services	-	-			-
450: Supplies, Materials & Media	86	1,000		1,000	1,030
490: Other Expenses	-	-			-
510: Equipment	-	-			-

Wrangell Public Schools
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General Fund Expenditures by Location

Stikine Middle School	FY23	FY24	FY24	FY24	FY25
	Actuals	Adopted	YTD + Enc.	Q3 Revision	Approved
200: Special Education					
315: Teacher	9,903	9,740	9,736	9,737	9,736
317: Certified Substitutes	-	-			-
323: Aides	-	-			-
329: Substitutes/Temporaries	1,503	4,240	1,028	1,300	1,300
361: Insurance - Life & Health	1,933	3,030	2,984	3,030	3,177
362: Unemployment Insurance	9	130	49	130	43
363: Worker'S Comp	97	70	55	55	50
364: FICA	202	470	216	217	137
365: TRS	1,133	1,230	1,223	1,223	1,223
366: PERS	-	-			-
367: TRS On-Behalf	1,046	1,180	1,262	1,262	1,561
368: PERS On-Behalf	-	-			-
369: Other	60	-			-
410: Professional & Technical	-	-			-
420: Staff Travel	-	700		700	750
450: Supplies, Materials & Media	1,733	600	533	3,000	3,090
475: Technology Supplies	-	-			-
490: Other Expenses	-	-			-
510: Equipment	-	-			-
220: Special Ed Support Services					
315: Teacher	-	-			-
323: Aides	-	-			-
410: Professional & Technical	-	-			-
418: Other Professional Services	-	-	738	750	-
420: Staff Travel	-	-			-
450: Supplies, Materials & Media	-	-			-
510: Equipment	-	-			-
300: Support Services Students					
318: Counselor	21,125	21,980	21,980	21,981	22,629
323: Aides	-	-			-
329: Substitutes/Temporaries	53	-	(34)		-
361: Insurance - Life & Health	5,637	6,490	6,434	6,490	6,852
362: Unemployment Insurance	16	110	61	110	64
363: Worker'S Comp	179	110	112	113	115
364: FICA	278	320	312	312	321
365: TRS	2,432	2,770	2,761	2,761	2,842
366: PERS	-	-			-
367: TRS On-Behalf	2,232	2,660	2,849	2,849	3,627
368: PERS On-Behalf	-	-			-
369: Other	127	-			-
410: Professional & Technical	-	-			-
450: Supplies, Materials & Media	552	250		250	258
490: Other Expenses	-	-			-
491: Dues & Fees	-	-			-

Wrangell Public Schools
FY25 Approved Budget
General Fund Expenditures by Location

Stikine Middle School	FY23 Actuals	FY24 Adopted	FY24 YTD + Enc.	FY24 Q3 Revision	FY25 Approved
350: Support Services Instruction					
318: Counselor	-	-			-
329: Substitutes/Temporaries	-	-			-
361: Insurance - Life & Health	512	-			-
365: TRS	221	-			-
410: Professional & Technical	-	-			-
418: Other Professional Services	-	-	370		-
420: Staff Travel	-	-			-
433: Communications	-	-			-
440: Other Purchased Services	-	-			-
450: Supplies, Materials & Media	-	500	111	500	515
475: Technology Supplies	2,359	3,556	3,303	3,556	3,663
490: Other Expenses	1,800	1,800		1,800	1,854
491: Dues & Fees	-	-			-
510: Equipment	-	-			-
400: School Administration					
313: Principal	-	-			39,900
361: Insurance - Life & Health	-	-			14,565
362: Unemployment Insurance	-	-	171		177
363: Worker'S Comp	-	-			204
364: FICA	-	-			568
365: TRS	-	-			5,446
366: PERS	-	-			-
367: TRS On-Behalf	5,004	5,030	5,381	5,382	6,396
368: PERS On-Behalf	-	-			-
369: Other	-	-			-
420: Staff Travel	-	-			-
433: Communications	535	1,200	683	1,200	1,236
440: Other Purchased Services	-	-			-
450: Supplies, Materials & Media	481	600	88	600	618
475: Technology Supplies	-	-			-
490: Other Expenses	-	500		500	515
491: Dues & Fees	-	-			-
510: Equipment	-	-			-

Wrangell Public Schools
FY25 Approved Budget
General Fund Expenditures by Location

Stikine Middle School	FY23	FY24	FY24	FY24	FY25
	Actuals	Adopted	YTD + Enc.	Q3 Revision	Approved
450: School Admin Support Services					
324: Support Staff	25,678	22,290	33,666	33,667	32,934
329: Substitutes/Temporaries	1,334	1,000			-
361: Insurance - Life & Health	31,688	35,110	14,504	15,110	12,343
362: Unemployment Insurance	21	120	154	120	150
363: Worker'S Comp	224	120	172	172	168
364: FICA	303	330	484	484	474
365: TRS	-	-			-
366: PERS	5,727	4,910	7,446	7,446	7,320
367: TRS On-Behalf	-	-			-
368: PERS On-Behalf	1,156	630	1,031	1,031	1,568
369: Other	2,275	1,370	2,064	2,064	2,019
410: Professional & Technical	-	-			-
433: Communications	1,067	1,400	1,307	1,400	1,442
440: Other Purchased Services	148	1,630	1,276	1,630	1,679
450: Supplies, Materials & Media	331	500	97	500	515
475: Technology Supplies	-	-			-
490: Other Expenses	-	-	99		-
510: Equipment	-	-			-
600: Operations & Maintenance Of Plant					
325: Maintenance/Custodial	34,530	35,630	35,905	35,910	36,680
329: Substitutes/Temporaries	-	560			-
361: Insurance - Life & Health	10,272	10,640	10,853	10,890	11,584
362: Unemployment Insurance	27	260	152	260	169
363: Worker'S Comp	296	1,140	820	820	910
364: FICA	584	560	479	479	532
365: TRS	-	-			-
366: PERS	7,729	7,840	7,876	7,876	8,070
367: TRS On-Behalf	-	-			-
368: PERS On-Behalf	1,618	1,000	1,113	1,114	1,746
369: Other	3,117	2,190	2,201	2,202	2,248
410: Professional & Technical	198	5,800	3,513	6,640	7,828
420: Staff Travel	-	-	1,333		-
430: Utility Services	11,153	10,400	10,392	10,400	10,712
433: Communications	-	-			-
436: Electricity	14,249	14,000	13,992	14,000	14,420
438: Energy	55,916	39,000	29,760	31,000	40,170
440: Other Purchased Services	-	500		500	515
442: Site & Building Repair	4,302	4,000	4,415	4,000	4,120
443: Equipment Repair	300	1,000		1,000	1,030
446: Property Insurance	12,186	15,500	18,166	18,200	19,110
450: Supplies, Materials & Media	261	1,000	839	1,000	1,030
452: Maint/Const Supplies/Materials	1,067	2,000	4,122	3,860	2,060
453: Janitorial Supplies	1,246	1,100	191	1,100	1,133
457: Small Tools & Equipment	24	250	197	250	258
458: Vehicle Gasoline, Diesel & Oil	-	-			-
490: Other Expenses	-	-			-
491: Dues & Fees	-	-			-
510: Equipment	-	-			-

Wrangell Public Schools
FY25 Approved Budget
General Fund Expenditures by Location

Stikine Middle School	FY23 Actuals	FY24 Adopted	FY24 YTD + Enc.	FY24 Q3 Revision	FY25 Approved
700: Student Activities					
316: Extra Duty Pay	3,198	1,350	2,575	2,575	3,125
317: Certified Substitutes	-	-			
321: Director	-	-			-
329: Substitutes/Temporaries	6,075	5,150	5,738	7,500	7,500
361: Insurance - Life & Health	-	140		140	-
362: Unemployment Insurance	7	40	40	40	35
363: Worker'S Comp	78	40	42	43	38
364: FICA	749	350	436	437	341
365: TRS	402	310	229	230	275
366: PERS	149	-			-
367: TRS On-Behalf	338	300	334	334	501
368: PERS On-Behalf	-	-			-
369: Other	75	-			-
420: Staff Travel	-	-	512		-
425: Student Travel	360	-	7,375		-
440: Other Purchased Services	-	-			-
450: Supplies, Materials & Media	422	500		500	515
490: Other Expenses	-	1,500		1,500	1,545
491: Dues & Fees	-	-			-
Total Stikine Middle School	709,208	742,296	686,323	730,278	827,751

Wrangell Public Schools
FY25 Approved Budget
General Fund Expenditures by Location

Evergreen Elementary School	FY23	FY24	FY24	FY24	FY25
	Actuals	Adopted	YTD + Enc.	Q3 Revision	Approved
100: Instruction					
315: Teacher	502,737	521,070	560,908	560,908	570,062
317: Certified Substitutes	6,596	-	2,344	3,000	3,000
323: Aides	623	-	12,641	12,944	18,033
329: Substitutes/Temporaries	7,011	10,000	8,251	11,000	11,000
361: Insurance - Life & Health	150,286	149,530	164,008	164,530	174,718
362: Unemployment Insurance	397	2,610	2,824	2,610	2,825
363: Worker'S Comp	4,325	2,610	3,014	3,014	3,016
364: FICA	11,897	7,560	8,520	8,521	7,631
365: TRS	61,036	65,450	70,592	70,592	71,634
366: PERS	-	-	2,848	2,848	3,967
367: TRS On-Behalf	53,106	62,850	77,885	77,886	98,070
368: PERS On-Behalf	29	-	401	402	858
369: Other	3,103	-	4,093	4,094	4,405
420: Staff Travel	10,269	8,000	9,173	8,000	8,570
440: Other Purchased Services	1,667	6,000	1,824	6,000	6,180
450: Supplies, Materials & Media	10,790	6,000	3,681	6,000	6,180
471: Textbooks	19,305	20,000	792	20,000	21,000
475: Technology Supplies	24,874	35,700	9,164	35,700	36,771
490: Other Expenses	-	500	206	500	515
491: Dues & Fees	340	-	117	-	-
510: Equipment	-	-	-	-	-
200: Special Education					
315: Teacher	83,533	85,460	85,454	85,454	85,454
317: Certified Substitutes	38	-	19	25	25
323: Aides	34,281	95,340	66,929	62,664	108,230
324: Support Staff	-	-	-	-	-
329: Substitutes/Temporaries	12,369	10,000	4,676	6,000	6,000
361: Insurance - Life & Health	3,192	4,000	21,020	22,000	22,980
362: Unemployment Insurance	103	1,000	711	1,000	923
363: Worker'S Comp	1,122	950	802	802	1,040
364: FICA	2,331	3,000	2,655	2,656	2,939
365: TRS	10,341	10,740	10,733	10,734	10,733
366: PERS	6,557	20,980	13,792	13,792	25,267
367: TRS On-Behalf	8,824	10,310	11,075	11,075	13,698
368: PERS On-Behalf	1,578	2,660	1,918	1,919	5,466
369: Other	6,493	7,050	7,393	7,393	17,239
410: Professional & Technical	525	-	-	-	-
420: Staff Travel	-	700	-	700	750
450: Supplies, Materials & Media	7,281	8,000	4,283	3,100	3,193
475: Technology Supplies	-	896	275	896	923
490: Other Expenses	200	-	-	-	-
510: Equipment	-	-	-	-	-
220: Special Ed Support Services					
418: Other Professional Services	-	-	738	750	-

Wrangell Public Schools
FY25 Approved Budget
General Fund Expenditures by Location

Evergreen Elementary School	FY23	FY24	FY24	FY24	FY25
	Actuals	Adopted	YTD + Enc.	Q3 Revision	Approved
300: Support Services Students					
323: Aides	-	-			-
361: Insurance - Life & Health	-	-			-
362: Unemployment Insurance	-	-			-
363: Worker'S Comp	-	-			-
364: FICA	-	-			-
365: TRS	-	-			-
366: PERS	-	-			-
367: TRS On-Behalf	-	-			-
368: PERS On-Behalf	-	-			-
369: Other	-	-			-
410: Professional & Technical	-	-			-
420: Staff Travel	-	-			-
433: Communications	-	-			-
440: Other Purchased Services	-	-			-
450: Supplies, Materials & Media	-	-			-
475: Technology Supplies	-	-	220		-
490: Other Expenses	-	-			-
491: Dues & Fees	-	-			-
510: Equipment	-	-			-
350: Support Services Instruction					
323: Aides	10,609	-			-
329: Substitutes/Temporaries	5,394	5,000	2,130	2,800	2,800
361: Insurance - Life & Health	1,522	-			-
362: Unemployment Insurance	12	-	11		-
363: Worker'S Comp	125	-	11	11	-
364: FICA	819	-	163	163	-
365: TRS	-	-			-
366: PERS	2,334	-			-
367: TRS On-Behalf	-	-			-
368: PERS On-Behalf	488	-			-
369: Other	942	-			-
410: Professional & Technical	-	-			-
418: Other Professional Services	-	-	381	500	-
420: Staff Travel	-	-			-
433: Communications	-	-			-
440: Other Purchased Services	-	-			-
450: Supplies, Materials & Media	1,401	-	196		-
475: Technology Supplies	2,359	1,545	3,523	1,545	1,591
490: Other Expenses	3,000	2,000		2,000	2,060
510: Equipment	-	-			-

Wrangell Public Schools
FY25 Approved Budget
General Fund Expenditures by Location

Evergreen Elementary School	FY23 Actuals	FY24 Adopted	FY24 YTD + Enc.	FY24 Q3 Revision	FY25 Approved
400: School Administration					
313: Principal	-	-			108,000
323: Aides	-	-			-
329: Substitutes/Temporaries	-	-			-
361: Insurance - Life & Health	-	-			24,161
362: Unemployment Insurance	-	-	402		497
363: Worker'S Comp	-	-			551
364: FICA	-	-			1,566
365: TRS	-	-			13,565
366: PERS	-	-			-
367: TRS On-Behalf	9,825	11,510	12,369	12,370	17,312
368: PERS On-Behalf	-	-			-
369: Other	-	-			-
420: Staff Travel	1,401	1,600	3,541	1,600	1,714
433: Communications	602	1,200	837	1,200	1,236
440: Other Purchased Services	-	-			-
450: Supplies, Materials & Media	1,302	500	166	500	515
490: Other Expenses	-	700	625	700	721
491: Dues & Fees	618	-			-
510: Equipment	-	-			-
450: School Admin Support Services					
324: Support Staff	32,451	32,640	33,326	33,301	33,924
329: Substitutes/Temporaries	1,593	800	1,181	1,600	1,600
361: Insurance - Life & Health	37,028	35,110	35,113	35,110	37,474
362: Unemployment Insurance	26	170	156	170	152
363: Worker'S Comp	282	170	176	176	173
364: FICA	615	480	562	562	481
365: TRS	-	-			-
366: PERS	7,063	7,180	7,377	7,378	7,534
367: TRS On-Behalf	-	-			-
368: PERS On-Behalf	1,473	920	1,032	1,033	1,615
369: Other	2,838	2,010	2,041	2,042	2,080
410: Professional & Technical	-	-			-
433: Communications	1,111	2,400	1,434	2,400	2,472
440: Other Purchased Services	1,382	6,600	4,049	6,600	6,798
450: Supplies, Materials & Media	5,227	2,000	893	2,000	2,060
475: Technology Supplies	-	-			-
490: Other Expenses	-	-			-
491: Dues & Fees	-	-			-
510: Equipment	-	-			-

Wrangell Public Schools
FY25 Approved Budget
General Fund Expenditures by Location

Evergreen Elementary School	FY23	FY24	FY24	FY24	FY25
	Actuals	Adopted	YTD + Enc.	Q3 Revision	Approved
600: Operations & Maintenance Of Plant					
325: Maintenance/Custodial	30,206	35,630	40,068	40,218	38,922
329: Substitutes/Temporaries	1,699	500	229	300	300
361: Insurance - Life & Health	12,715	10,640	1,893	2,140	132
362: Unemployment Insurance	23	260	176	260	197
363: Worker'S Comp	250	1,140	194	195	217
364: FICA	182	560	565	565	617
365: TRS	-	-			-
366: PERS	6,196	7,840	8,822	8,823	8,563
367: TRS On-Behalf	-	-			-
368: PERS On-Behalf	1,317	1,000	1,247	1,247	1,853
369: Other	2,578	2,190	6,286	6,287	6,207
410: Professional & Technical	4,454	2,200	2,912	4,000	4,120
420: Staff Travel	-	-			-
430: Utility Services	16,962	17,800	18,215	17,800	18,334
433: Communications	-	-			-
435: Energy	-	-			-
436: Electricity	27,255	39,200	39,192	39,200	40,376
438: Energy	72,454	77,600	66,803	71,600	79,928
440: Other Purchased Services	279	-			-
442: Site & Building Repair	98	1,000		1,000	1,030
443: Equipment Repair	1,232	5,000	2,341	5,000	5,150
446: Property Insurance	21,373	26,500	29,640	29,700	31,185
450: Supplies, Materials & Media	2,014	2,500	2,819	2,500	2,575
452: Maint/Const Supplies/Materials	3,376	5,000	7,160	5,000	5,150
453: Janitorial Supplies	4,481	2,300	363	2,300	2,369
457: Small Tools & Equipment	175	500	391	500	515
458: Vehicle Gasoline, Diesel & Oil	-	-			-
490: Other Expenses	50	-	50		-
491: Dues & Fees	-	-			-
510: Equipment	-	-			-
700: Student Activities					
316: Extra Duty Pay	350	230	225	225	225
317: Certified Substitutes	(125)	-			-
321: Director	-	-			-
329: Substitutes/Temporaries	-	-			-
361: Insurance - Life & Health	-	-			-
362: Unemployment Insurance	0	10	0	10	0
363: Worker'S Comp	2	10	1	2	1
364: FICA	4	10	0	1	0
365: TRS	16	28	28	29	28
366: PERS	-	-			-
367: TRS On-Behalf	37	27	29	30	36
368: PERS On-Behalf	-	-			-
369: Other	1	-			-
410: Professional & Technical	-	-			-
420: Staff Travel	-	-			-
425: Student Travel	-	-			-
440: Other Purchased Services	-	-			-
450: Supplies, Materials & Media	-	500		500	515
490: Other Expenses	-	1,500		1,500	1,545
491: Dues & Fees	-	-			-
Total Evergreen Elementary	1,390,652	1,515,177	1,517,320	1,586,202	1,876,038

Wrangell Public Schools
FY25 Approved Budget
General Fund Expenditures by Location

District-Wide	FY23	FY24	FY24	FY24	FY25
	Actuals	Adopted	YTD + Enc.	Q3 Revision	Approved
100: Instruction					
362: Unemployment Insurance		-	421		517
367: TRS On-Behalf	5,817	-	6,009	6,009	7,804
368: PERS On-Behalf	2,382	-	989	990	2,487
160: Vocational Education					
362: Unemployment Insurance		-	18		18
367: TRS On-Behalf	423	-	518	519	641
200: Special Education					
362: Unemployment Insurance		-	13		11
367: TRS On-Behalf	184	-	313	313	387
368: PERS On-Behalf	1	-	18	18	-
220: Special Ed Support Services					
314: Director/Coordinator	19,196	23,200	23,512	23,513	31,012
321: Director	3,867	-			-
323: Aides	-	-			-
324: Support Staff	9,180	7,010	7,051	7,051	7,287
329: Substitutes/Temporaries	-	-			-
361: Insurance - Life & Health	4,228	3,550	3,672	3,700	1,631
362: Unemployment Insurance	25	160	152	160	211
363: Worker'S Comp	276	160	145	145	195
364: FICA	505	440	410	411	555
365: TRS	2,922	2,920	2,953	2,954	6,578
366: PERS	1,617	1,550	1,568	1,569	1,603
367: TRS On-Behalf	2,577	2,800	3,695	3,696	5,773
368: PERS On-Behalf	617	200	219	219	347
369: Other	803	430	432	433	447
410: Professional & Technical	(5,379)	35,100		20,000	36,153
420: Staff Travel	-	-			-
450: Supplies, Materials & Media	178	1,000		1,000	1,030
475: Technology Supplies	-	-			-
491: Dues & Fees	-	-			-
510: Equipment	-	-			-
300: Support Services Students					
410: Professional & Technical	-	-			-
450: Supplies, Materials & Media	-	-			-
490: Other Expenses	-	-			-
491: Dues & Fees	-	-			-
350: Support Services Instruction					
410: Professional & Technical	-	2,500		2,500	2,575
420: Staff Travel	-	2,500		2,500	2,678
433: Communications	3,415	9,100	4,577	9,100	9,373
440: Other Purchased Services	143	-	1,868		-
450: Supplies, Materials & Media	137	1,000		1,000	1,030
475: Technology Supplies	15,460	44,200	1,023	44,200	45,526
490: Other Expenses	1,214	1,700		1,700	1,751
491: Dues & Fees	-	-			-
510: Equipment	-	-			-

Wrangell Public Schools
FY25 Approved Budget
General Fund Expenditures by Location

District-Wide	FY23 Actuals	FY24 Adopted	FY24 YTD + Enc.	FY24 Q3 Revision	FY25 Approved
360: Instructional Related Technology					
410: Professional & Technical	-	-			-
420: Staff Travel	-	-			-
433: Communications	125,843	150,000	122,565	150,000	154,500
440: Other Purchased Services	-	-			-
475: Technology Supplies	66,868	29,404	2,766	29,404	30,286
491: Dues & Fees	-	-			-
510: Equipment	-	-			-
450: School Admin Support Services					
324: Support Staff	-	-			-
329: Substitutes/Temporaries	-	-			-
361: Insurance - Life & Health	-	-			-
362: Unemployment Insurance	-	-	17		-
363: Worker'S Comp	-	-			-
364: FICA	-	-			-
365: TRS	-	-			-
366: PERS	-	-			-
367: TRS On-Behalf	-	-			-
368: PERS On-Behalf	7	-	141	141	-
369: Other	-	-			-
440: Other Purchased Services	-	-			-
550: District Admin Support Services					
447: Liability Insurance		-	33,941	34,000	35,700
560: Administrative Technology Services					
447: Liability Insurance		-	11,187	12,000	12,600

Wrangell Public Schools
FY25 Approved Budget
General Fund Expenditures by Location

District-Wide	FY23	FY24	FY24	FY24	FY25
	Actuals	Adopted	YTD + Enc.	Q3 Revision	Approved
600: Operations & Maintenance Of Plant					
325: Maintenance/Custodial	50,687	49,570	49,757	49,758	51,064
329: Substitutes/Temporaries	-	-			-
361: Insurance - Life & Health	11,524	11,570	11,567	11,570	12,354
362: Unemployment Insurance	38	250	208	250	232
363: Worker'S Comp	412	1,580	1,135	1,136	1,266
364: FICA	842	720	649	650	725
365: TRS	-	-			-
366: PERS	11,258	10,910	10,913	10,913	11,234
367: TRS On-Behalf	-	-			-
368: PERS On-Behalf	2,252	1,390	1,542	1,543	2,431
369: Other	4,480	3,040	3,050	3,051	3,130
410: Professional & Technical	-	5,400			-
420: Staff Travel	495	500		500	536
433: Communications	-	-			-
436: Electricity	-	-			-
438: Energy	-	-			-
440: Other Purchased Services	-	-			-
442: Site & Building Repair	-	-			-
443: Equipment Repair	663	-			-
445: Insurance And Bond Premiums	11,608	12,900	589	600	630
446: Property Insurance	-	-			-
450: Supplies, Materials & Media	66	1,000	381	1,000	1,030
452: Maint/Const Supplies/Materials	97	1,000		100	1,030
453: Janitorial Supplies	-	-			-
457: Small Tools & Equipment	-	-	809		-
458: Vehicle Gasoline, Diesel & Oil	1,418	500	2,320	500	515
475: Technology Supplies	-	-			-
491: Dues & Fees	20	1,000		1,000	1,030
510: Equipment	-	-			-

Wrangell Public Schools
FY25 Approved Budget
General Fund Expenditures by Location

District-Wide	FY23 Actuals	FY24 Adopted	FY24 YTD + Enc.	FY24 Q3 Revision	FY25 Approved
700: Student Activities					
410: Professional & Technical	-	-			-
420: Staff Travel	-	-			-
425: Student Travel	-	-			-
440: Other Purchased Services	-	-			-
450: Supplies, Materials & Media	156	5,000		5,000	5,150
452: Maint/Const Supplies/Materials	-	-			-
458: Vehicle Gasoline, Diesel & Oil	259	-	445		-
491: Dues & Fees	-	1,500		1,500	1,545
Total District-Wide	358,782	426,754	313,558	448,316	494,607

Wrangell Public Schools

FY25 Approved Budget

General Fund Expenditures by Location

Central Office	FY23	FY24	FY24	FY24	FY25
	Actuals	Adopted	YTD + Enc.	Q3 Revision	Approved
510: District Administration					
311: Superintendent	92,253	92,800	94,049	94,050	124,049
324: Support Staff	29,752	30,110	34,860	34,847	37,162
329: Substitutes/Temporaries	624	-	34	50	50
361: Insurance - Life & Health	20,741	19,030	21,150	21,930	14,287
362: Unemployment Insurance	92	620	524	620	777
363: Worker'S Comp	1,000	620	598	599	822
364: FICA	2,129	1,790	1,710	1,710	2,303
365: TRS	11,689	11,660	11,656	11,656	26,311
366: PERS	7,875	6,630	7,666	7,667	8,176
367: TRS On-Behalf	9,831	11,200	12,027	12,027	19,685
368: PERS On-Behalf	1,140	840	1,080	1,081	1,769
369: Other	3,657	1,850	2,136	2,137	2,278
410: Professional & Technical	1,224	10,000	2,435	5,500	10,300
420: Staff Travel	11,488	9,000	13,851	16,000	13,926
433: Communications	2,153	1,400	2,157	2,200	1,442
440: Other Purchased Services	11,019	4,500	3,842	3,500	4,635
450: Supplies, Materials & Media	1,701	1,000	917	1,000	1,030
491: Dues & Fees	1,425	3,000	4,912	4,700	3,090
510: Equipment	-	-	-	-	-
511: Board of Education					
324: Support Staff	25,461	28,100	28,156	28,146	30,405
361: Insurance - Life & Health	10,333	10,150	10,070	10,850	11,603
362: Unemployment Insurance	17	150	109	150	128
363: Worker'S Comp	189	150	132	133	155
364: FICA	456	410	382	383	413
365: TRS	-	-	-	-	-
366: PERS	6,545	6,190	6,272	6,272	6,689
367: TRS On-Behalf	-	-	-	-	-
368: PERS On-Behalf	1,031	790	873	873	1,447
369: Other	2,589	1,730	1,725	1,726	1,864
410: Professional & Technical	180	10,000	2,700	10,000	10,300
420: Staff Travel	10,691	10,000	8,225	10,000	10,712
433: Communications	-	-	-	-	-
450: Supplies, Materials & Media	720	500	447	500	515
475: Technology Supplies	-	3,090	105	3,090	3,183
491: Dues & Fees	-	5,000	13,752	5,000	5,150

Wrangell Public Schools

FY25 Approved Budget

General Fund Expenditures by Location

Central Office	FY23 Actuals	FY24 Adopted	FY24 YTD + Enc.	FY24 Q3 Revision	FY25 Approved
550: District Admin Support Services					
321: Director	78,405	-			-
324: Support Staff	31,163	43,220	28,648	28,648	28,973
329: Substitutes/Temporaries	124	100	431	600	600
361: Insurance - Life & Health	11,134	37,300	132	300	132
362: Unemployment Insurance	84	220	124	220	133
363: Worker'S Comp	916	220	137	137	148
364: FICA	2,375	630	415	416	420
366: PERS	23,616	9,510	6,350	6,350	6,293
368: PERS On-Behalf	4,969	1,210	888	889	1,379
369: Other	10,949	2,650	1,756	1,757	1,776
410: Professional & Technical	107,535	156,343	163,358	156,343	160,000
420: Staff Travel	10,099	9,000	6,613	9,000	9,641
433: Communications	2,363	2,000	2,768	2,000	2,060
440: Other Purchased Services	999	2,400	4,375	2,400	2,472
447: Liability Insurance	39,310	33,400			-
450: Supplies, Materials & Media	2,246	5,000	1,364	5,000	5,150
475: Technology Supplies	1,906	2,430	323	2,430	2,503
490: Other Expenses	3,236	3,000	1,528	3,000	3,090
491: Dues & Fees	7,808	800	4,630	800	824
495: Indirect Costs	(80,996)	(88,300)	(25,608)	(88,300)	(48,300)
510: Equipment	8,932	-			-
560: Administrative Technology Services					
321: Director	93,728	97,200	97,199	97,199	100,671
361: Insurance - Life & Health	23,001	24,150	10,603	11,150	12,354
362: Unemployment Insurance	73	490	409	490	462
363: Worker'S Comp	793	490	455	455	513
364: FICA	1,557	1,410	1,289	1,289	1,456
365: TRS	-	-			-
366: PERS	20,620	21,390	21,321	21,322	22,148
367: TRS On-Behalf	-	-			-
368: PERS On-Behalf	4,316	2,720	3,013	3,014	4,792
369: Other	8,324	5,960	5,958	5,959	6,171
410: Professional & Technical	-	-			-
418: Other Professional Services	-	-	9,976	10,000	-
420: Staff Travel	-	2,500	1,112	2,500	2,678
440: Other Purchased Services	-	-			-
450: Supplies, Materials & Media	300	3,000			3,090
475: Technology Supplies	6,768	11,300	4,097	4,300	11,639
490: Other Expenses	-	550	1,905	1,750	567
491: Dues & Fees	95	-	21		-
510: Equipment	-	1,000		1,000	1,000

Wrangell Public Schools

FY25 Approved Budget

General Fund Expenditures by Location

Central Office	FY23	FY24	FY24	FY24	FY25
	Actuals	Adopted	YTD + Enc.	Q3 Revision	Approved
600: Operations & Maintenance Of Plant					
321: Director	75,696	80,770	89,098	89,098	90,256
361: Insurance - Life & Health	21,616	22,540	18,776	22,540	37,485
362: Unemployment Insurance	60	410	345	410	378
363: Worker'S Comp	658	2,570	1,507	1,507	2,238
364: FICA	1,287	1,180	2,528	2,528	1,289
366: PERS	17,111	17,770	21,686	21,686	19,856
368: PERS On-Behalf	3,581	2,260	2,762	2,763	4,296
369: Other	6,895	4,960	5,462	5,462	5,533
410: Professional & Technical	-	-			-
420: Staff Travel	(24)	2,500		2,500	2,678
430: Utility Services	-	-			-
435: Energy	-	-			-
440: Other Purchased Services	-	-			-
445: Insurance And Bond Premiums	-	-	1,444	1,500	1,575
450: Supplies, Materials & Media	(24)	5,000		5,000	5,150
490: Other Expenses	-	-	829		-
491: Dues & Fees	-	-			-
510: Equipment	-	-			-
Total Central Office	821,612	815,563	788,580	745,809	870,228

Analysis of FY25 School Funding Options

Alaska Statute 14.17.410 requires Boroughs to make a local contribution to their school district within a range between the Required Minimum Local Contribution and the Maximum Allowable Local Contribution (“CAP”) as calculated in the Foundation formula based upon the second prior year Full Value Determination of the taxable and real property within the District. Wrangell Public Schools projected FY25 minimum local contribution is \$862,086 and the maximum allowable local contribution is \$1,752,087.

In recent years, the City & Borough has contributed significantly more than the minimum required to Wrangell Public Schools.

Fiscal Year	Local Contribution	Min	Max
2016	Actual \$ 1.516 M	\$ 535,855	\$ 1.459 M
2017	Actual \$ 1.516 M	\$ 546,583	\$ 1.446 M
2018	Actual \$ 1.516 M	\$ 614,056	\$ 1.587 M
2019	Actual \$ 1.432 M	\$ 574,661	\$ 1.599 M
2020	Actual \$ 1.300 M	\$ 610,329	\$ 1.630 M
2021	Actual \$ 1.425 M	\$ 583,830	\$ 1.477 M
2022	Actual \$ 1.300 M	\$ 705,883	\$ 1.621 M
2023	Actual \$ 1.617 M	\$ 741,489	\$ 1.671 M
2024	Actual \$ 1.650 M	\$ 674,458	\$ 1.650 M
2025	Requested \$ 1.752 M	\$ 931,045	\$ 1.793 M

The District began to struggle during the Covid pandemic, which caused a decline in Average Daily Membership (ADM – average number of students enrolled during the Foundation count period) from 306.4 in FY20 to 178.8 in FY21 which triggered a three year “hold-harmless” or “step down” provision of the foundation formula that provides a gradual decline to school funding. The “hold-harmless” provision is designed to give District’s time to make operational adjustments when facing a financial “cliff” due to rapidly declining enrollment. The District operated under hold-harmless funding during FY21-FY23.

The Borough has also stepped up to help the District providing funding well beyond the required local contribution. According to the Alaska Department of Education and Early Development (DEED), in FY23, 12 other local governments provided 95% or more the local funding “CAP” (Anchorage, Bristol Bay, Cordova, Denali, Juneau, Kenai, Ketchikan, Sitka, Skagway, Unalaska, Valdez and Yakutat).

Average Daily Membership has since recovered to a projected 260 (ADM) in FY25. Wrangell Public Schools has operated with budget deficits since the decline caused by the pandemic – relying on one-time Covid funding, a healthy fund balance to fund its operations and a high level of Borough funding. The FY25 projected Average Daily Membership is still 46 ADM short of the pre-pandemic level. It is thought that a good portion of the “Covid Decline” in ADM is due to an increase in Homeschool/Correspondence students within the Borough boundaries. For FY25 the District has budgeted a local contribution to the funding “CAP” and assumes no increased BSA (Base Student

Allocation – amount taken times Adjusted Average Daily Member for Foundation funding). It is still budgeted to operate at a deficit.

The Anchorage Superior Court recently ruled (April 12, 2024 – reported in the Anchorage Daily News) that a State Statute that allows correspondence schools to reimburse parents for thousands of dollars spent on private or religious educational institutions is unconstitutional. It's unclear what the final outcome of the legal process will be. If it holds, this decision could bring some homeschool students back to brick and mortar schools at least in the short term, generating additional foundation revenue and little additional cost to Wrangell Public Schools. If homeschooled students return to Wrangell Public Schools and bring the ADM to FY20 levels, as much as \$450k could be generated through the foundation formula – before any BSA increase. With more efficient use of the buildings and the return of homeschool students to Wrangell Public Schools, more of the electives the public desires might be offered.

Historically, Wrangell Public School expends 70-80% of their annual budget for salaries and benefits and another 15-18% for maintenance and operations. In-order to make a meaningful reduction to planned expenditures, a reduction in one or both of those categories would be required without negatively impacting the quality of the educational program. Quality education is important to a thriving community and stemming the decrease in population. Wrangell Public Schools currently operates in four buildings with the following Gross Square Footage (GSF) per the AK DEED webpage:

Wrangell Public Schools Facilities	
	GSF
Primary Building	12,240
Evergreen Elementary	24,533
Stikine Middle School	20,967
Wrangell High School	58,096
	115,836

AK DEED also provides guidelines to determine the size allowed for new schools to ensure adequate space for learning and equitable use of State dollars in new school construction. If space for a hypothetical school were calculated, using ADM figures in-line with Wrangell's ADM the following estimated school space is produced (for these purposes, DEED considers Elementary to be grades K-6 and secondary to be grades 7-12). The following was calculated by AK DEED during July of 2022.

New Buildings	GSF	ADM
Elementary (K-6) GSF	22,302	153
Secondary (7-12) GSF	31,586	106
Total GSF	53,888	259
K-12 Combined GSF	50,981	259

According to DEED allowable space guidelines, it is obvious that Wrangell Public Schools has substantially more space than DEED deems necessary. The proposed FY25 budget projects approximately \$248K for operations and maintenance of the Evergreen Elementary (both the primary and elementary buildings). Giving the keys to the elementary complex back to the Borough (along with the heating, maintenance and insurance costs) and moving the elementary grades to the middle school building could produce further efficiencies in personnel costs in the way of secretarial and administrative positions as well as more efficient delivery of IT services. If school operations were consolidated into the Stikine Middle School and Wrangell High School, the elementary buildings could be used for other purposes by the Borough such as a replacement for some of the public safety building functions and a subsidized day care space for a licensed operator.

The cost to move the classrooms from the elementary building would include local labor to move classroom equipment, furniture and materials and could include a few extra days of teacher time to organize, pack and unpack classroom materials as well as some modifications to toilet and water fountain height. Parking and playground access would need to be addressed. **However, these are one-time costs and the savings would continue for years to come.**

Alternatively, unused space at the school facilities could be utilized by the Borough. Senior citizens could meet in the lower level of Stikine Middle School where there is a full kitchen and subsidized day care space could be provided in the elementary building concurrently with school operations to better utilize the space.

And finally, if the community wishes to fund public education at the current level and if the Borough has insufficient financial resources to continue funding at the current level, a public vote for increased local school funding could be held. The community may also have strong opinions regarding consolidation – it is typically not well received.

By State law, the Borough must appropriate the required local contribution and provide for major maintenance for public school buildings. The School District facilities are owned by the Borough. However, the Assembly has no authority to govern the operations of the school system – that power rests with the local school board. The school district also bears responsibility to taxpayers to produce a quality education with efficient use of resources given.

Alaska school districts have struggled with reduced buying power and no BSA increase. However, the current FY25 State operating budget making its way through the Legislature includes a \$680 BSA increase. This is the same BSA increase that Governor Dunleavy supported for FY24. If enacted, the BSA increase (even though it's one time funding) would generate around \$440K more in foundation funding for Wrangell Public Schools than currently projected in their budget. This funding could offset a decrease in Borough funding to \$1.3M. According to the District's fund balance calculation, this will still leave the District with a very reasonable 6.49% of unreserved fund balance for unforeseen events.

Over the last decade, National Forest Receipts (NFR) funds have been used to provide a portion of the local contribution to the Wrangell Public Schools. National Forest Receipts distributed by the State to the Borough may be used for roads or schools. However, the statute does not state in what proportion the National Forest funding to the organized borough must be allocated to roads and

schools in any given funding cycle. The roads vs schools allocation is left to the borough. Alaska Statute 41.15.180 a) states: *When the Commissioner of Commerce, Community and Economic Development receives national forest income under 16 U.S.C. 500, the commissioner shall immediately pay to each organized borough in which national land is located a share of income from that forest; an organized borough's share of income from a national forest shall be proportional to the area of the national forest located within its boundaries.* AS 41.15.180 e) states: *A distribution made under (a) of this section shall be expended for public school and public roads.* Further, regulation 3AAC 132.100 states: *expenditures made for public schools must be for used on for the operation, maintenance, repair or construction of public schools and may be used as the local government contribution to public schools under AS 14.17.410.* Regulation 3 AAC 132.110 goes on to say that NFR receipts for “public roads must be used only for operation, maintenance, repair, or construction of public roads”.

Appropriating \$1.3 million while the BSA increase and the legality of State funded reimbursements for homeschoolers is decided is something to be considered regarding the Wrangell Public Schools FY25 budget. If the District requires further funding, an additional request may be made after these issues have been decided.

In addition, the City & Borough submitted a major maintenance CIP grant application which is currently ranked number 16 on the DEED major maintenance grant fund priority list. If the Legislature funds the project, it will total \$9,968,009 with \$6,479,206 (65%) funded by the state, and with a local match of \$3,488,803 (G.O. Bond funding voted 2022). If the Legislature does not fund the project, the bond funds (\$3.5M) will still be used on school major maintenance, If the City & Borough complies with the requirements of the DEED major maintenance grant program throughout the project and is subsequently awarded a CIP grant, the 65% state reimbursement could be allowed retroactively. Alternatively, the moratorium on the school bond debt reimbursement program will expire July 1, 2025 unless the Legislature takes action to extend the moratorium. Reimbursement rates through the school bond debt reimbursement program have historically ranged from 40%-60%.

The condition survey used to generate the CIP grant application identified several million dollars more in needed major maintenance than the \$9.9M project grant. An application for school bond debt reimbursement should be prepared for the FY25 funding cycle to cover the remaining unfunded major maintenance repairs.

Tammy Stromberg, Controller

**CITY & BOROUGH OF WRANGELL, ALASKA
BOROUGH ASSEMBLY AGENDA STATEMENT**

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	May 14, 2024
	<u>Agenda Section</u>	13

ORDINANCE No. 1056 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING SECTION 11.04.020 TITLED "TRAFFIC FINE SCHEDULE - ADOPTION OF STATE BAIL FORFEITURE SCHEDULES BY REFERENCE", IN THE WRANGELL MUNICIPAL CODE

SUBMITTED BY:

Kim Lane, Borough Clerk

FISCAL NOTE:

Expenditure Required:		
FY 20: \$	FY 21:	FY22:
Amount Budgeted:		
	FY22 \$0	
Account Number(s):		
Account Name(s):		
Unencumbered Balance(s) (prior to expenditure): See Agenda Statement		

Reviews/Approvals/Recommendations

<input type="checkbox"/>	
Name(s)	
Name(s)	
<input type="checkbox"/>	Attorney
<input type="checkbox"/>	Insurance

ATTACHMENTS: Ord 1056

RECOMMENDATION MOTION:
Move to approve first reading of Ordinance No. 1056 and move to a Second Reading with a Public Hearing to be held on May 28, 2024.

SUMMARY STATEMENT:

With the adoption of Ordinance No. 1054 that allows the Wrangell Police Department to run the TraCS software and have fines paid to the state court system instead of the Wrangell police department, this code section requires amending so that the wording falls in line with the new process..

Essentially, this ordinance will state that fines for state bail forfeiture by reference is amended so that the fine is paid to the state court instead of the Wrangell PD.

CITY AND BOROUGH OF WRANGELL, ALASKA
ORDINANCE NO. 1056

AN ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING SECTION 11.04.020 TITLED “TRAFFIC FINE SCHEDULE – ADOPTION OF STATE BAIL FORFEITURE SCHEDULES BY REFERENCE”, IN THE WRANGELL MUNICIPAL CODE

[The changes to the existing code are shown as follows: the words that are underlined are to be added and the words that are **[bolded and in brackets are to be deleted.]**

SEC. 1. Amendment. Section 11.04.020 titled Traffic fine schedule – Adoption of state bail forfeiture schedules by reference is hereby amended in the Wrangell Municipal Code as follows:

11.04.020 Traffic fine schedule – Adoption of state bail forfeiture schedules by reference.

The borough adopts as its traffic fine schedule the “Traffic Bail Forfeiture Schedule” and the “Oversize Vehicle Bail Forfeiture Schedule” in Administrative Rules 43.1 and 43.6 of the Alaska Rules of Court and any other bail forfeiture schedules relating to vehicles adopted by the Alaska Supreme Court. In addition, the borough adopts all amendments of those schedules that become effective after the effective date of the ordinance codified in this chapter. Citations for offenses listed on these schedules may be disposed of as provided in AS [12.25.195](#) through [12.25.230](#), without a court appearance, upon payment of the amounts listed plus the state surcharge required by AS [12.55.039](#) and AS [29.25.074](#). Fines must be paid to the **[police department] district court, first judicial district**. If a traffic offense is not listed on this fine schedule or another fine schedule ordinance, the defendant must appear in court to answer to the charges. Citations charging these offenses must meet the requirements of Minor Offense Rule 3 of the Alaska Rules of Court. If a person charged with one of these offenses appears in court and is found guilty, the penalty imposed for the offense may not exceed the amount listed for that offense on the schedule. The fines established in these fine schedules may not be reduced.

SEC. 3. Severability. If any provision of this ordinance, or any application thereof to any person or circumstances is held invalid, the remainder of this ordinance and the application to all other persons or circumstances shall not be affected thereby.

SEC. 4. Classification. This ordinance is of a permanent nature and shall be codified in the Wrangell Municipal Code.

SEC. 5. Effective Date. This ordinance shall be effective upon adoption.

PASSED IN FIRST READING: _____, 2024

PASSED IN SECOND READING: _____, 2024

Patricia Gilbert, Borough Mayor

ATTEST: _____
Kim Lane, MMC, Borough Clerk

**CITY & BOROUGH OF WRANGELL, ALASKA
BOROUGH ASSEMBLY AGENDA STATEMENT**

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	May 14, 2024
	<u>Agenda Section</u>	13

RESOLUTION No. 05-24-1862 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, ACCEPTING GRANT AGREEMENT AMENDMENT 2 FROM THE UNITED STATES DEPARTMENT OF COMMERCE, ECONOMIC DEVELOPMENT ADMINISTRATION (EDA) GRANT AGREEMENT FOR ADDITIONAL FUNDS IN THE AMOUNT OF \$2,144,677 TO FINANCE REPAIRS, RENOVATIONS AND IMPROVEMENTS TO THE WATER TREATMENT PLANT OWNED AND OPERATED BY THE CITY AND BOROUGH OF WRANGELL, ALASKA, AND RELATED MATTERS

SUBMITTED BY:

Amber Al-Haddad, Capital Facilities Director

FISCAL NOTE:

Expenditure Required: \$2,144,677	
FY 24:	\$2,144,677
Amount Budgeted:	
Account Number:	
72300 000 9999 00 73001	
Account Name:	
Water Treatment Plant Improvements Project CIP Account	

Reviews/Approvals/Recommendations

<input checked="" type="checkbox"/>	Commission, Board or Committee
Name(s)	Planning and Zoning Commission
Name(s)	
<input type="checkbox"/>	Attorney
<input type="checkbox"/>	Insurance

ATTACHMENTS: 1. Resolution No. 05-24-1862; 2. EDA Amendment 2 with associated Terms and Conditions; EDA Mortgage Agreement

RECOMMENDATION MOTION (*Consent Agenda Item*):
Move to Approve Resolution No. 05-24-1862.

SUMMARY STATEMENT:

In September 2019, the United States Economic Development Administration (EDA) approved a grant for Wrangell’s Water Treatment Plant Improvements DAF project, grant award #07 01 07472

in the amount of \$2,996,953. Resolution No 11-19-1500 of the Assembly of the City and Borough of Wrangell, Alaska, accepted the grant award from the EDA for the Water Treatment Plant Improvements project. For review as part of Resolution No 11-19-1500 were EDA's award letter, financial assistance award, special award conditions, and standard terms and conditions for construction projects, attached as Exhibit A to Resolution No. 11-19-1500.

With project cost escalation, the Borough sought additional grant funds from EDA and was granted an additional amount of funding in the amount of \$2,144,677, which is scheduled against the project construction expenditures as outlined in the attached Form CD-451 Amendment to Financial Assistance Award. With this award, EDA has granted a nine-month time extension. With this award, an additional modification to the project is the requirement of use of the Build America, Buy America (BABA) provisions of the Infrastructure and Investment Jobs Act, requiring all construction materials to comply with American iron, steel, manufactured products, and construction materials.

These award provisions are made as an amendment to the 2019 financial assistance award, special award conditions, and standard terms and conditions for construction projects, attached as Exhibit A to Resolution No. 11-19-1500 and attached again hereto.

Subject to the financial assistance award terms and conditions includes the requirement of a deed of trust encumbering the project and the land upon which the facility is located as set forth in a Mortgage Agreement as security for compliance with the terms of the EDA Grant Agreement. Execution of this Mortgage Agreement is required prior to the first disbursement by EDA. The document is provided herein for the purpose of highlighting the Agreement which will be executed by the Borough Manager.

Resolution 05-24-1862 seeks to authorize the Borough Manager to execute the EDA Amendment which will become a binding obligation of CBW in accordance with its terms when fully executed by the parties thereto. It further seeks to authorize the execution and deliver for and on behalf of the Borough any and all additional certifications, documents, including the deed of trust (or Mortgage Agreement) encumbering the Project and Project land as security for compliance with the terms of the EDA Grant Agreement.

CITY AND BOROUGH OF WRANGELL, ALASKA

RESOLUTION NO. 05-24-1862

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, ACCEPTING GRANT AGREEMENT AMENDMENT 2 FROM THE UNITED STATES DEPARTMENT OF COMMERCE, ECONOMIC DEVELOPMENT ADMINISTRATION (EDA) GRANT AGREEMENT FOR ADDITIONAL FUNDS IN THE AMOUNT OF \$2,144,677 TO FINANCE REPAIRS, RENOVATIONS AND IMPROVEMENTS TO THE WATER TREATMENT PLANT OWNED AND OPERATED BY THE CITY AND BOROUGH OF WRANGELL, ALASKA, AND RELATED MATTERS

WHEREAS, it has been determined by the City and Borough of Wrangell, Alaska (“CBW”) that its Water Treatment Plant (“Project”) needs necessary repairs, renovations, and improvements; and

WHEREAS, CBW applied for financial assistance from the United States Department of Commerce, Economic Department of Commerce, Economic Development Administration (“EDA”) to finance Project repairs, renovations and improvements; and

WHEREAS, in September 2019, CBW secured a grant award from EDA in the amount of \$2,996,953.00, to finance Project repairs, renovations and improvements, including construction of a new water treatment facility; and

WHEREAS, CBW accepted the EDA Grant Agreement pursuant to Resolution No. 11-19-1500, approved by the CBW Assembly on November 12, 2019; and

WHEREAS, CBW sought additional financial assistance from EDA to further finance Project repairs, renovations, and improvements; and

WHEREAS, EDA awarded CBW supplemental grant funds in the amount of \$ 2,144,677 pursuant to an EDA financial assistance award subject to terms and conditions therein stated; and

WHEREAS, EDA grant award terms and conditions require including a deed of trust encumbering the Project and Project land, and as otherwise set forth in a Mortgage Agreement; and

WHEREAS, it has been determined that it is in its best interest of CBW to accept the EDA supplemental grant funds pursuant to the terms of the EDA Grant Agreement, Amendment 2, which Amendment shall be in the form presented to and made part of the records of this meeting.

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AS FOLLOWS:

Section 1. That the Assembly of the City and Borough of Wrangell authorizes the Borough Manager to execute the EDA Agreement, Amendment 2 which will become a binding obligation of CBW in accordance with its terms when fully executed by the parties thereto. The form of EDA Amendment now before this Assembly, subject to appropriate insertions and revisions, be and the same hereby is in all respects authorized, approved and confirmed.

That the Borough Manager is further authorized to execute and deliver for and on behalf of CBW any and all additional certifications, documents, including a deed of trust encumbering the Project and Project land as security for compliance with the terms of the EDA Grant Agreement, as he may deem necessary or appropriate in order to implement and carry out the intent of this resolution.

Section 2. That the Assembly of the City and Borough Wrangell authorizes the Borough Manager to delegate responsibility to appropriate CBW staff to carry out technical financial and administrative activities associated with the EDA Agreement, Amendment 2.

Section 3. That this resolution does hereby incorporate by reference, as though fully set out herein, the EDA Agreement, Amendment 2 presented to this meeting.

Section 4. That this resolution shall become effectively immediately upon its passage and approval.

PASSED AND APPROVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, this 14th day of May 2024.

CITY AND BOROUGH OF WRANGELL, ALASKA

Patricia Gilbert, Borough Mayor

ATTEST: _____
Kim Lane, Borough Clerk



U.S. DEPARTMENT OF COMMERCE
Economic Development Administration
915 Second Avenue, Room 1890
Seattle, Washington 98174
Fax: 206.220.7669
Voice: 206.220.7660

Mr. Jeff Good
Borough Manager
Administration Department
City and Borough of Wrangell
P.O. Box 531
Wrangell, Alaska 99929-0531

RE: EDA Award No. 07-79-07638
Water Treatment Plant Improvement Project - Amendment 2

Dear Mr. Good:

EDA has reviewed the City and Borough of Wrangell’s June 23, 2023, request for additional funds, a change in scope, revision of specific award conditions (SACs), and a time extension of construction milestones and performance period. SACs 1 – *Authorized Scope of Work*, 7 – *Project Development Time Schedule*, 9 – *Allowable Costs and Authorized Budget*, and 25 – *USDA Companion Project*, have been revised, SAC 35 – *Security Agreement – Equipment* has been removed, and SACs 36 – *Required Use of American Iron, Steel, Manufactured Products, and Construction Materials for Infrastructure Projects*, and 37 – *Protection of Surface Water Resources* have been added per the attached CD-451.

Except as amended herein, all other terms and conditions of the Financial Assistance Award remain in full force and effect.

Your agreement to Amendment 2, should be indicated by the signature of the grantee principal official on the attached CD-451 “Amendment to Financial Assistance Award”. The attached CD-451 can be electronically signed in either of the following ways: (i) using a certified signature through Adobe or some other software, (ii) signing in ink and scanning the documents. The fully executed document should be returned electronically to Tobey Clarkin at TClarkin@eda.gov, with a copy to SPerson@eda.gov. If not signed and returned within 30 days of receipt, EDA may declare the award amendment null and void. Please retain a copy of the executed award amendment for your records.

Sincerely,

SHEBA PERSON-
WHITLEY

Digitally signed by SHEBA
PERSON-WHITLEY
Date: 2024.03.20 15:34:18
-07'00'

Sheba Person-Whitley
Regional Director

Attachment: CD-451 Amendment to Financial Assistance Award

Copy to: Shirley Kelly, Economic Development Representative

GRANT COOPERATIVE AGREEMENT

Item c.

AMENDMENT TO FINANCIAL ASSISTANCE AWARD

FEDERAL AWARD ID NUMBER

07-01-07472.01

CFDA NO. AND NAME

11.300 / Public Works and Economic Development Facilities Program

PROJECT TITLE

Wrangell Water Treatment Plant Improvement Project

RECIPIENT NAME

City and Borough of Wrangell

AMENDMENT NUMBER

2

STREET ADDRESS

P.O. Box 531

EFFECTIVE DATE

Date of Grants Officer's Signature

CITY, STATE, ZIP CODE

Wrangell, Alaska 99929-0531

EXTEND PERIOD OF PERFORMANCE TO
(IF APPLICABLE)

12/25/2025

COSTS ARE REVISED AS FOLLOWS:	PREVIOUS ESTIMATED COST	ADD	DEDUCT	TOTAL ESTIMATED COST
FEDERAL SHARE OF COST	\$ 2996953	\$ 2144677	\$	\$ 5141630
RECIPIENT SHARE OF COST	\$ 3972707	\$ 2857277	\$	\$ 6829984
TOTAL ESTIMATED COST	\$ 6969660	\$ 5001954	\$	\$ 11971614

REASON(S) FOR AMENDMENT.

Additional funds, revised scope of work, revision/addition/removal of specific award conditions, extension of construction milestones, and extension of performance period.

This Amendment Document (Form CD-451) signed by the Grants Officer constitutes an Amendment of the above-referenced Award, which may include an obligation of Federal funding. By signing this Form CD-451, the Recipient agrees to comply with the Amendment provisions checked below and attached, as well as previous provisions incorporated into the Award. If not signed and returned without modification by the Recipient within 30 days of receipt, the Grants Officer may unilaterally withdraw this Amendment offer and de-obligate any associated funds.

SPECIFIC AWARD CONDITION(S)

LINE ITEM BUDGET

OTHER(S): Exhibit A

SIGNATURE OF DEPARTMENT OF COMMERCE GRANTS OFFICER

SHEBA PERSON-WHITLEY

Digitally signed by SHEBA PERSON-WHITLEY
Date: 2024.03.20 15:31:07 -07'00'

DATE

03/20/24

PRINTED NAME, PRINTED TITLE, AND SIGNATURE OF AUTHORIZED RECIPIENT OFFICIAL

DATE

Exhibit A - Amendment 2 to the Specific Award Conditions (SACs)

Replace Specific Award Condition 1 in its entirety with the below:

1. This EDA Award supports the work described in the approved final scope of work, which is incorporated by reference into this Award, as the Authorized Scope of Work. All work on this project must be consistent with the Authorized Scope of Work, unless the Grants Officer has authorized a modification of the scope of work in writing through an amendment memorialized by a fully executed Form CD-451.

The Authorized Scope of Work for this project includes:

Installation of pre-packaged water treatment system including, rapid mix, flocculation, dissolved air flotation, and dual media filtration system to meet approximate 2.26 million gallon per day capacity. Construct approximately 9,500 square foot building to house the pre-package treatment system including site work, thermal and moisture protection, exterior doors, windows, and louver openings, and the standby diesel-powered generator with automatic transfer switch.

Replace Specific Award Condition 7 in its entirety with the below:

7. PROJECT DEVELOPMENT TIME SCHEDULE: The Recipient agrees to the following Project Development Time Schedule:

Task:	Schedule:
Return of Executed Financial Assistance Award	30 calendar days after receipt of Form CD-450/CD-451
Start of Construction	December 31, 2023
Construction Completion	June 25, 2025
Authorized Award End Date	December 25, 2025
Submission of Final Financial Documents (SF-425)	No later than 120 calendar days from Award End Date

Project Closeout – All project closeout documents, including final financial reports (Form SF 425 or any successor form) and any required program reports, shall be submitted to EDA not more than 120 calendar days after the date the Recipient accepts the completed project from the contractor(s).

The Recipient shall diligently pursue the development of the project so as to ensure completion within this time schedule and shall promptly notify EDA in writing of any event that could substantially delay meeting any of the prescribed time limits for the project as set forth above. The Recipient further acknowledges that failure to meet the development time schedule may result in EDA taking action to terminate the Award in accordance with the regulations set forth at 2 CFR §§ 200.338–200.342, as applicable.

Replace Specific Award Condition No. 9, Parts A. B. with the below:

A. Under the terms of the Award, the total approved/authorized budget is:

Federal Share (EDA Funds)	\$5,141,630
Non-Federal Matching Share	<u>\$6,829,984</u>
Total Project Cost	\$11,971,614

B. Under the terms of the Award, the total approved/authorized line-item budget is:

COST CLASSIFICATION	Previously Approved Under Amendment 1	Revised Approved
Administrative and legal expenses	\$153,517	\$55,000
Land, structures, rights-of-way, etc.	\$0	\$4,335
Relocation expenses and payments	\$0	\$0
Architectural and engineering fees	\$368,440	\$731,421
Other architectural and engineering fees	\$0	\$8,425
Project inspection fees	\$307,033	\$140,000
Site work	\$0	\$0
Demolition and removal	\$0	\$0
Construction	\$3,998,257	\$10,355,003
Equipment	\$1,850,000	\$0
Contingencies	\$0	\$677,430
Total Project Cost	\$6,969,660	\$11,971,614

Replace Specific Award Condition No. 25 with the below:

25. USDA COMPANION PROJECT: Prior to final disbursement and commissioning, the Recipient shall provide evidence satisfactory to the EDA, that the USDA Companion Project has been completed and the combined EDA project and USDA Companion Project is operational. The USDA Companion Project includes the following components:

Interior finishes of approximately 9,500 square foot building, fire protection and suppression systems, mechanical systems, plumbing works, HVAC, all electrical and control work, utilities, process piping, demolition of the existing site and buildings as necessary to accommodate repurposing structures, and exterior site improvements. This scope of work includes the renovating the roughing filter basin to become an EQ basin for filter backwash and sludge collection and further sewer service for backwash disposal to the Wastewater Treatment Plant, replacing the existing systems for chlorine generation and caustic feed, replacing booster pumps with the addition of variable frequency drives, converting the existing sand filters to clear wells for additional treated water storage, remodel the existing control building to accommodate the new electrical panels and for chemical storage, and commissioning the system complete with water treatment operator training.

Remove Specific Award Condition No. 35 – **SECURITY AGREEMENT – EQUIPMENT** in its entirety.

Add Specific Award Condition No. 36 below:

36. REQUIRED USE OF AMERICAN IRON, STEEL, MANUFACTURED PRODUCTS, AND CONSTRUCTION MATERIALS FOR INFRASTRUCTURE PROJECTS: The Build America, Buy America (BABA) provisions of the Infrastructure and Investment Jobs Act, Pub. L. 117-58, require Recipients of an award of Federal financial assistance for infrastructure to utilize American iron, steel, manufactured products, and construction materials for the Project. The Buy American preference of BABA requires that:

- (1) all iron and steel used in the Project be produced in the United States – this means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States;
- (2) all manufactured products used in the Project be produced in the United States – this means the manufactured product was manufactured in the United States; and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation; and
- (3) all construction materials be manufactured in the United States – this means that all manufacturing processes for the construction material occurred in the United States.

This preference only applies to articles, materials, and supplies that are consumed in, incorporated into, or affixed to the Project. It does not apply to tools, equipment, supplies, or furnishings that are not an integral part of the structure or permanently affixed to the Project.

When necessary, Recipients may apply in writing for a waiver from these requirements. EDA may, in its discretion, waive the application of the domestic content procurement preference in any case in which:

- (1) applying the domestic content procurement preference would be inconsistent with the public interest;
- (2) the types of iron, steel, manufactured products, or construction materials are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality; or
- (3) the inclusion of iron, steel, manufactured products, or construction materials produced in the United States will increase the cost of the overall Project by more than 25 percent.

Waiver requests are subject to public comment periods of no less than 15 days and must be reviewed by the Made in America Office. There may be instances where an award qualifies, in whole or in part, for an existing waiver described at [whitehouse.gov/omb/management/made-in-America](https://www.whitehouse.gov/omb/management/made-in-america).

For the purposes of this Specific Award Condition only:

- “Construction materials” includes an article, material, or supply—other than an item of primarily iron or steel; a manufactured product; cement and cementitious materials; aggregates such as stone, sand, or gravel; or aggregate binding agents or additives—that is or consists primarily of non-ferrous metals; plastic and polymer-based products (including polyvinylchloride, composite building materials, and polymers used in fiber optic cables); glass (including optic glass); lumber; or drywall.
- “Domestic content procurement preference” means all iron and steel used in the Project are produced in the United States; the manufactured products used in the Project are produced in the United States; or the construction materials used in the Project are produced in the United States.
- “Infrastructure” includes, at a minimum, the structures, facilities, and equipment for, in the United States, roads, highways, and bridges; public transportation; dams, ports, harbors, and other maritime facilities; intercity passenger and freight railroads; freight and intermodal facilities; airports; water systems, including drinking water and wastewater systems; electrical transmission facilities and systems; utilities; broadband infrastructure; and buildings and real property. Infrastructure includes facilities that generate, transport, and distribute energy.
- “Project” means the construction, alteration, maintenance, or repair of infrastructure in the United States.

Add Specific Award Condition No. 37 below:

37. PROTECTION OF SURFACE WATER RESOURCES: The project shall employ best management practices (BMPs) during construction to prevent any runoff from entering nearby and adjacent wetlands and waterways.

All other terms and conditions of the Financial Assistance Award remain in full force and effect.

(Large top margin left to accommodate recording information, as necessary)

[[[*Insert the “instrument prepared by” clause and contact information as required by local law*]]]

AGREEMENT AND MORTGAGE

WHEREAS, the City and Borough of Wrangell (hereinafter called Mortgagor) has applied to, received, and accepted from the United States Department of Commerce, Economic Development Administration (EDA), Seattle Regional Office, Jackson Federal Building, 915 Second Ave., Room 1890, Seattle, WA 98174 a grant under the Public Works and Economic Development Act of 1965 (41 U.S.C. § 3121 *et seq.*) (PWEDA) in the amount of \$5,141,630.00 Dollars (EDA Grant Amount) pursuant to a Financial Assistance Award dated 9/25/2019 and bearing EDA Award No. 07-01-07472, as amended (Award);

WHEREAS, pursuant to the application submitted by Mortgagor requesting said Award, which includes all forms, documentation, and any information submitted to EDA as part and in furtherance of the request for the Award, including any information submitted after the initial application (Grant Application) and pursuant to the Award, the Grant Amount is to be used for the purpose of acquiring or making improvements to the real property described in Exhibit A, attached hereto and made a part hereof (Project Property), consisting of:

Improvements to the water treatment plant to include installation of pre-packaged water treatment system including, rapid mix, flocculation, dissolved air flotation, and dual media filtration system to meet approximate 2.26 million gallon per day capacity. Construct a new 88'x108' metal building inclusive of all building systems, process piping, and Dissolved Air Flotation treatment system, including site work, thermal and moisture protection, exterior doors, windows, and louver openings, and the standby diesel-powered generator with automatic transfer switch, or other economic development purposes as may be approved by EDA in writing (Project);

WHEREAS, twenty (20) years from the date of recording of this Mortgage, as

determined by EDA, is the Estimated Useful Life, as defined in 13 C.F.R. § 314.1, of the improvements made to the Project Property pursuant to the Project;

WHEREAS, under government-wide regulations set out at 2 CFR part 200 and EDA's regulations governing the Award at 13 CFR Chapter III, any transfer or conveyance of Project Property or any portion thereof must have the prior written approval of EDA;

WHEREAS, in accordance with PWEDA, EDA is not authorized to permit transfer or conveyance of Project Property to parties that are not eligible to receive EDA grants unless EDA is repaid the Federal Share as defined at 13 CFR § 314.5 ("Federal Share") or unless the authorized purpose of the Award is to develop land in order to lease or sell it for a specific use, in which case EDA may authorize a lease or sale of the Project Property or a portion thereof if certain conditions are met;

WHEREAS, the aforesaid Award from EDA provides the purposes for which the Grant Amount may be used and provides, *inter alia*, that Mortgagor will not sell, lease, mortgage, or otherwise use or alienate any right to, or interest in the Project Property, or use the Project Property for purposes other than or different from those purposes set forth in the Award and the Grant Application made by Mortgagor therefor, such alienation or use being prohibited by 13 CFR part 314 and 2 CFR part 200; and

WHEREAS, Mortgagor and EDA desire to establish an obligation for and first priority lien on Project Property in favor of EDA in the event that the Project Property is used, transferred, or alienated in violation of the Award, 13 CFR Chapter III, or 2 CFR part 200;

NOW THEREFORE, Mortgagor does hereby grant and convey unto EDA, its successors and assigns, a mortgage and a lien on said Project Property to secure Mortgagor's obligation (i) to comply with the terms and conditions of the Award and the regulations set forth in 13 CFR Chapter III and 2 CFR part 200, and (ii) to use Project Property only for the purposes set forth therein for the Estimated Useful Life of Project Property. Mortgagor agrees that a debt, with interest thereon at the rate set forth in 31 U.S.C. § 3717, in the amount of the Federal Share, which amount shall be determined at the sole discretion of EDA in accordance with its authorities and regulations, such amount being either EDA's pro-rata share of the fair market value of the Project Property, as further set forth at 13 CFR § 314.5, as that provision may be amended from time to time, the Grant Amount, or the amount actually disbursed under the Award (Indebtedness), shall be due and payable by Mortgagor to EDA upon the termination of the Award, or any attempt to use, transfer, or alienate any interest in Project Property in violation of the Award or of the regulations set forth in 13 CFR Chapter III or 2 CFR part 200 and does, moreover, agree that such Indebtedness shall be extinguished only through the full payment thereof to the Federal Government.

Mortgagor further covenants and agrees as follows:

1. Lease of Project Property:

If the Grant Application provides for and the Award authorizes Mortgagor to lease Project Property, each lease arrangement shall be subject to the prior written approval of EDA. EDA must determine that the applicable lease arrangement is consistent with the Grant Application and authorized general and special purpose(s) of the Award; will provide adequate employment and economic benefits for the area in which Project Property is located; is consistent with EDA policies concerning, but not limited to, non-discrimination, non-relocation, and environmental requirements; and that the proposed lessee is providing adequate compensation, as defined in 13 CFR § 314.1, to Mortgagor for said lease. Any lease agreement entered into by Mortgagor of the Project Property shall be subordinate, junior, and inferior to this Agreement and Mortgage, and, at EDA's request, be expressly subordinated in writing and the written subordination recorded in the same manner as this Agreement and Mortgage.

2. Charges; Liens:

Mortgagor shall protect the title and possession of all Project Property; pay when due all taxes, assessments, mechanic and/or materialmen liens, and other charges, fines, and impositions now existing or hereafter levied or assessed upon Project Property; and preserve and maintain the priority of the lien hereby created on Project Property, including any improvements hereafter made a part of the realty.

3. Hazard Insurance:

Mortgagor shall insure and keep insured all improvements now or hereafter created upon Project Property against loss or damage by fire and windstorm and any other hazard or hazards included within the term "extended coverage." The amount of insurance shall be the full insurable value of said improvements but in no event less than the full replacement value of the improvements. Any insurance proceeds received by Mortgagor due to loss shall be applied to restoration or repair of any damaged Project Property, provided such restoration or repair is economically feasible and the security of this Agreement and Mortgage is not thereby impaired. If such restoration or repair is not economically feasible or if the security of this Agreement and Mortgage would be impaired, Mortgagor shall use said insurance proceeds to compensate EDA for its Federal Interest. EDA's Federal Interest, as defined at 13 C.F.R. § 314.2 ("Federal Interest") shall be satisfied when amount received is equal to the Federal Share as that term is defined at 13 CFR § 314.5 ("Federal Share").

4. Preservation and Maintenance of the Project Property:

Mortgagor shall keep Project Property in good condition and repair during the Estimated

Useful Life and shall not permit or commit any waste, impairment, or deterioration of Project Property, but shall give notice written thereof to EDA without delay.

5. Indemnification

To the extent permitted by law, Recipient agrees to indemnify and hold the Federal Government harmless from and against all liabilities that the Federal Government may incur as a result of providing an award to assist, directly or indirectly, in the preparation of the Project Property or construction, renovation, or repair of any facility on the Project Property, to the extent that such liabilities are incurred because of toxic or hazardous contamination of groundwater, surface water, soil, or other conditions caused by operations of the Recipient or any of its predecessors (other than the Federal Government or its agents) on the Project Property. *See also* 13 C.F.R. § 302.19 (“Indemnification”).

6. Inspection:

EDA may make or cause to be made reasonable entries upon and inspection of Project Property by EDA or an authorized representative of EDA.

7. Condemnation:

The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of Project Property, or any part thereof, or for any conveyance in lieu of condemnation shall be used by Mortgagor to compensate EDA for EDA’s Federal Share. EDA’s Federal Share of said condemnation proceeds shall be equal to that percentage which the Grant Amount bore to the total project costs under the Award for which the condemned property was acquired or improved. *See also* 13 CFR § 314.5 (“Federal Share”).

8. Recording of Agreement and Mortgage – Mortgagor’s Copy:

Mortgagor shall record this Agreement and Mortgage in accordance with the laws and rules of the County where Project Property is located, and shall ensure that the lien hereby granted is a first and prior lien on Project Property senior to all other interests save those which may arise by operation of law. EDA shall be furnished with the original, recorded Agreement and Mortgage as executed.

9. Notice:

Any notice from EDA to Mortgagor provided for in this Agreement and Mortgage shall be sent by certified mail to Mortgagor’s last known address or at such address as Mortgagor may designate to EDA, except for any notice given to Mortgagor in the manner as may be prescribed by applicable law as provided hereafter in this Mortgage. Likewise, any notice from Mortgagor

to EDA shall be sent by certified mail to EDA's address.

10. Remedies:

Upon Mortgagor's breach of any term or condition of the Award or any provision of this Agreement and Mortgage, then EDA, its designees, successors, or assigns may declare the Indebtedness immediately due and payable, and may enforce any and all remedies available including but not limited to foreclosure by an action brought either in a United States District Court or in any State Court having jurisdiction, but such action shall not be deemed to be a release or waiver of any other right or remedy to recover repayment thereof.

After any breach on the part of Mortgagor, EDA shall, upon bill filed or the proper legal proceedings being commenced for the foreclosure of this Agreement and Mortgage, be entitled, as a matter of right, to the appointment by any competent court, without notice to any party, of a receiver of the rents, issues, and profits of Project Property, with power to lease and control such Property, and with such other powers as may be deemed necessary.

Nothing contained in this Agreement shall be construed as an obligation or pledge of the Mortgagor to appropriate or expend general funds nor water enterprise funds to repay the Indebtedness.

11. Remedies Cumulative:

All remedies provided in this Agreement and Mortgage are distinct and cumulative to any other right or remedy under this Agreement and Mortgage, the Award, or related documents, or afforded by law or equity, and may be exercised concurrently, independently or successively.

12. Forbearance Not a Waiver:

Any forbearance by EDA in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver of or preclude the exercise of any right or remedy. The procurement of insurance or the payment of taxes or other liens or charges by EDA shall not be a waiver of EDA's rights under this Agreement and Mortgage.

13. Release:

EDA and the Mortgagor agree that, so long as the possession and use of Project Property by Mortgagor has been only for the purposes set forth in the Award and Grant Application, then after the Estimated Useful Life of the improvements to Project Property, Mortgagor may request a release of the Federal Interest in accordance with 13 CFR part 314, which will not be withheld except for good cause, as determined in EDA's sole discretion; provided, however, that in accordance with 13 CFR part 314, restrictions upon the religious use or discriminatory practices

in connection with the use of Project Property shall survive this Agreement and Mortgage and any release thereof, which shall be evidenced by a separate recorded covenant.

14. Governing Law; Severability:

This Agreement and Mortgage shall be governed by applicable federal law, if any, and if there is no applicable federal law by state law, and nothing contained herein shall be construed to limit the rights the EDA, its designees, successors, or assigns are entitled to under applicable federal or state law. In the event that any provision or clause of this instrument conflicts with applicable law, such conflict shall not affect other provisions of this instrument which can be given effect without the conflicting provision, and to this end the provisions of this instrument are declared to be severable.

15. Authority to Execute Agreement and Mortgage:

Recipient represents and warrants to and covenants with EDA that Recipient has been duly authorized by Recipient's governing body by all necessary action and has received all necessary third party consents to enter into this Agreement and Mortgage.

IN WITNESS WHEREOF, Mortgagor has hereunto set its hand and seal on this the ____ day of _____, 20__.

ATTEST:

Mortgagor

By: _____

By: _____

Title: _____

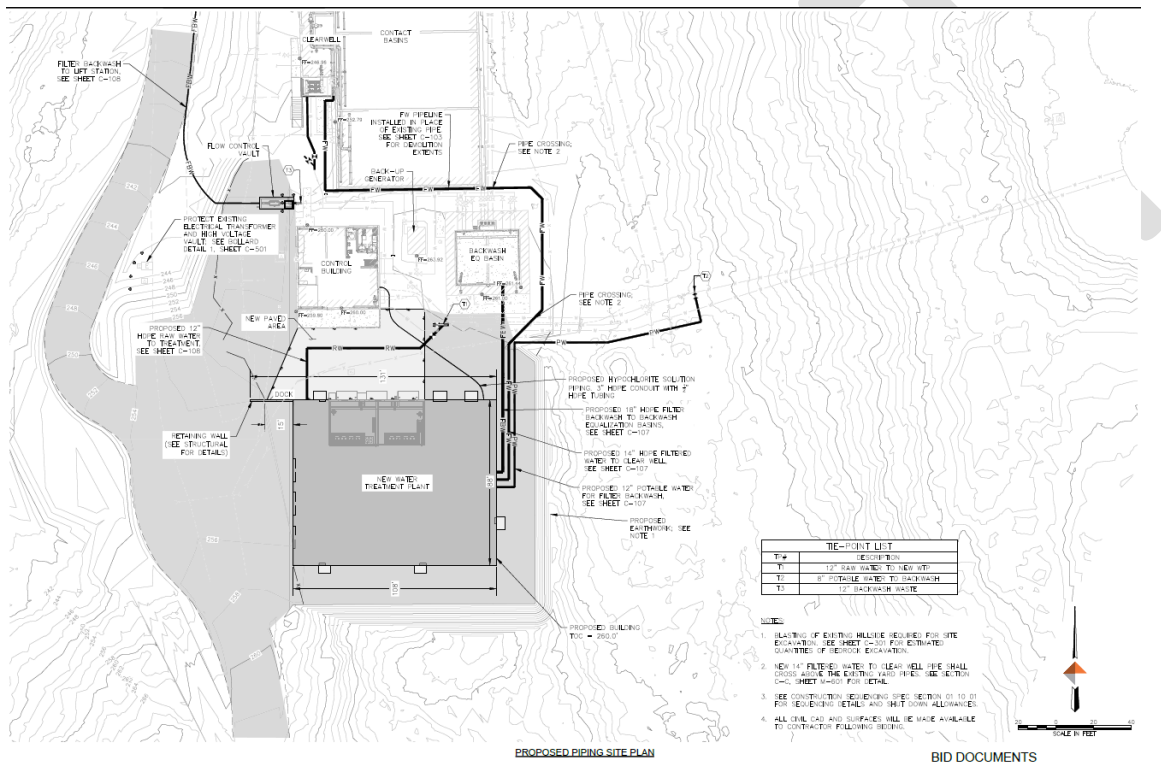
Its: _____

this space for acknowledgment

EXHIBIT A Property Description

City and Borough of Wrangell-owned real property described as a portion of Parcel 7, Alaska State Land Survey (ASLS) 84-83, according to the plat thereof filed January 30, 1986 as Plat No. 86-1, Wrangell Recording District, First Judicial District, State of Alaska.

The property is zoned Commercial, and contains the municipal-owned water treatment plan facility, inclusive of buildings, underground piping, water treatment equipment and associated appurtenances. A site plan of the property with infrastructure improved through this project is shown below.



**CITY & BOROUGH OF WRANGELL, ALASKA
BOROUGH ASSEMBLY AGENDA STATEMENT**

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	May 14, 2024
	<u>Agenda Section</u>	13

Approval of Change Order No. 5 to Ketchikan Ready Mix & Quarry, Inc. in the amount of \$154,640 for the Alder Top Village Subdivision Site Work Project

SUBMITTED BY:

Amber Al-Haddad, Capital Facilities Director

<u>FISCAL NOTE:</u>	
Expenditure Required: \$154,640	
Amount Budgeted:	
Account Number(s):	
	50000-000-9999-00-50001
Account Name(s):	
	Site Work Task under Alder Top Village Subdivision Development Project
Unencumbered Balance of Approved Funding, prior to expenditure:	

<u>Reviews/Approvals/Recommendations</u>	
<input type="checkbox"/>	Commission, Board or Committee
Name(s)	
Name(s)	
<input type="checkbox"/>	Attorney
<input type="checkbox"/>	Insurance

ATTACHMENTS: 1) Project Funding Overview, Including Change Order Report

RECOMMENDATION MOTION:

Move to Approve Change Order No. 5 to Ketchikan Ready Mix & Quarry, Inc. in the amount of \$154,640 for the Alder Top Village Subdivision Site Work project.

SUMMARY STATEMENT:

The City and Borough of Wrangell approved subdivision development funding for the Alder Top Village Subdivision with Ketchikan Ready Mix & Quarry, Inc. awarded the Site Work construction which included clearing and grubbing and base road construction.

Under the Ketchikan Ready Mix construction project, certain bid tasks are paid on the basis of lump sum values, while others are paid on the basis of unit prices for the number of units complete. In the case of unit price bid items, they are developed in that manner allowing for adjustments at the end of the project to account for the actual units complete. This project included several unit-price tasks that require adjustment for reduced or additional quantities of earth work.

Change Orders Nos 3 and 4 adjusted for previously recognized unit quantities calculated for both unsuitable excavation and for the shot rock embankment rock, and further quantities were expected through the end of the project.

Unsuitable soil material exported from the site and the shot rock material imported to the site for road development have been tracked by truck load count, both by the Contractor and by the Borough’s Construction Manager and is summarized below for Change Order 5 quantities.

<u>Bid Schedule Task</u>	<u>Unit Price</u>	<u>Adjusted Quantity</u>	<u>Cost Change</u>
• Unsuitable Excavation	\$12/cy	5,700 cy	\$68,400
• Shot Rock Embankment	\$22/cy	3,920 cy	\$86,240

Based on the unit quantity adjustments and applying the unit prices, the resulting cost change for the adjustments is in an additional project amount of \$154,640.

Recap of Project Expenditures to Date:

Engineering Design	\$136,112	
Archeological Monitoring	\$214,290	
Wetland Compensatory Mitigation	\$148,406	
Site Work Construction	<u>\$1,405,344</u>	(Change Order Report included in attached
Total Expenditures to Date	\$1,904,152	Project Funding Overview Report)

Project funding approved to date will be used to pay for this Change Order No 5 expenditure. The project is now complete.

Project Funding Approved to Date		AMOUNT	
RES 12-22-1736, Phase I and I Sewer		\$	305,000.00
	Water	\$	278,000.00
	Electric	\$	90,000.00
	Sales tax	\$	1,533,123
	Total Resolution Amount	\$	2,206,123.00
RES 03-23-1763	Compensatory Mitigation	\$	148,406.50
RES 07-23-1795	Construction	\$	213,812.00
RES 03-24-1847	Construction	\$	175,000.00
	Total Project Funding Approved to Date	\$	2,743,341.50
		\$	2,743,341.50
Ketchikan Ready Mix & Quarry Contract		AMOUNT	
Original Contract	Alder Top Village Subdivision Site Work Construction	\$	928,900.00
Change Order #1	No Cost Time Extension	\$	-
Change Order #2	No Cost Time Extension	\$	-
Change Order #3	Change Order to adjust for unit quantities of unsuitable excavation and various rock types	\$	255,000.00
Change Order #4	Change Order to adjust for unit quantities of unsuitable excavation and shotrock	\$	66,804.00
Change Order #5	Change Order to adjust for unit quantities of unsuitable excavation and shotrock	\$	154,640.00
	Total Construction Contract to Date	\$	1,405,344.00
		\$	(1,405,344.00)
True North Contract		AMOUNT	
	Original Contract	\$	118,290.00
	Amendment No 1	\$	96,000.00
	Total Archeological Monitoring Contract to Date	\$	214,290.00
		\$	(214,290.00)
Wetland Compensatory Mitigation		AMOUNT	
	Total Wetland Compensatory Mitigation to Date	\$	148,406.00
		\$	(148,406.00)
R&M Engineering Contract		AMOUNT	
	Original Contract	\$	109,616.00
	Amendment No 1 to Add for Electrical Design	\$	26,496.00
	Total Design and Permitting Contract to Date	\$	136,112.00
		\$	(136,112.00)
Project Funds Remaining for Phase II Utilities and Roadway Construction			\$ <u>839,189.50</u>

**CITY & BOROUGH OF WRANGELL, ALASKA
BOROUGH ASSEMBLY MEETING AGENDA STATEMENT**

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	May 14, 2024
	<u>Agenda Section</u>	13

Approval of First Modification to Wrangell Marine Service Center Lease for Mill Dock #1 from Wind and Tide LLC, dba Peninsula Seafoods, requested by Jeff Grannam

SUBMITTED BY:

Steve Miller, Port & Harbor Director

FISCAL NOTE:

Expenditure Required: \$XXX Total		
FY : \$	FY : \$: \$
Amount Budgeted:		
FY20 \$XXX		
Account Number(s):		
XXXXX XXX XXXX		
Account Name(s):		
Enter Text Here		
Unencumbered Balance(s) (prior to expenditure):		
\$XXX		

Reviews/Approvals/Recommendations

<input checked="" type="checkbox"/>	Port Commission
Name(s)	
Name(s)	
<input type="checkbox"/>	Attorney
<input type="checkbox"/>	Insurance

ATTACHMENTS: 1. Request to assign from Jeff Grannam, Wind and Tide LLC, dba Peninsula Seafoods 2. Proposed Modification 3. Original Lease agreement

RECOMMENDATION MOTION:

Move to approve Modification No. 1 to Wrangell Marine Service Center Lease for Mill Dock #1 from Wind and Tide LLC, dba Peninsula Seafoods, requested by Jeff Grannam, extending the lease to June 30, 2032.

SUMMARY STATEMENT:

Over the years there have been several requests for long-term leases in the Marine Service Center (MSC).

However, these requests were consistently denied. To secure funding a support letter was written for lenders, but it does not necessarily reflect the specific reason behind Peninsula Seafoods' request for a long-term lease.

At the last Port Commission meeting there was the question as to why Peninsula Seafoods currently holds a three-year term lease instead of a five-year lease. The reason for this three-year term is that all leases in the MSC are set to renew July 1st, 2027. This coordinated renewal timing allows for better management of the various leases within the MSC.

The Port Commission held a meeting on April 18 and approved extending the lease for Peninsula Seafoods an additional five years, to expire June 30, 2032.

Therefore, staff recommends to approve the longer-term lease for Peninsula Seafoods by 5 years, effectively granting Peninsula Seafoods an 8-year lease starting from June 30th, 2024. This adjustment will still align all MSC leases to renew in the year 2032. At that time Peninsula Seafoods can request to extend the lease

First Modification to the Facility Lease Agreement
in the Wrangell Marine Service Center (WMSC)
Mill Dock 1

This **first** modification to extend the Facility Lease Agreement for an additional five (5) above the original five years (originally ending June 30, 2027) is made and entered into as of _____, 2024 by and among:

Jeff Grannum, Wind and Tide LLC, dba Peninsula Seafoods, PO Box 2109 Port Angeles, WA 98362.

Now therefore, both parties agree as follows:

A. This modification changes Section 4, Duration, Conditions of Leasing, of the original agreement:

SECTION 4, CONDITIONS OF LEASING

a. Lease payments shall be 0.104 x the total square footage (stated below) and payable in advance on the 1st day of each month for FY 2022 (July 1, 2022 - June 30, 2023) and shall increase at a rate of 2% each FY thereafter as follows:

	2% increase each year	
July 1, 2022 – June 30, 2023	\$775.84	each month
July 1, 2023 – June 30, 2024	\$791.36	each month
July 1, 2024 – June 30, 2025	\$807.18	each month
July 1, 2025 – June 30, 2026	\$823.33	each month
July 1, 2026 – June 30, 2027	\$839.79	each month
<u>July 1, 2027 – June 30, 2028</u>	<u>\$856.59</u>	<u>each month</u>
<u>July 1, 2028 – June 30, 2029</u>	<u>\$873.72</u>	<u>each month</u>
<u>July 1, 2029 – June 30, 2030</u>	<u>\$891.20</u>	<u>each month</u>
<u>July 1, 2030 – June 30, 2031</u>	<u>\$909.02</u>	<u>each month</u>
<u>July 1, 2031 – June 30, 2032</u>	<u>\$927.20</u>	<u>each month</u>

Upon execution, this first modification will become an attachment to the original agreement, dated January 25, 2024.

Jeff Grannum, Wind and Tide LLC, dba Peninsula Seafoods

Date

Patricia Gilbert, Mayor

Date

(Attest) Kim Lane, Borough Clerk

Jeff Grannum

Peninsula Seafoods

C 503-758-4956

Grannum@peninsulaseafood.com

Steve

I am requesting an increase of the lease agreement for Lot 1# Mill Dock to 10 year increments. The purpose of my request is for expansion into a permanent structure that would be used for Seafood processing. It would create an opportunity for my business to grow, creating jobs and expanding markets for the fishing community. My intent is to create an operation that would run nearly 12 months out of the year. Please consider my thoughts and advise how/if we can move forward.

Additionally can you send me a map of the area that we are currently lease? (Peninsula and Sumner Straits)

Thank you,

Jeff Grannum

Jeff Grannum

Peninsula Seafoods

C 503-758-4956

Grannum@peninsulaseafood.com

**WRANGELL MARINE SERVICE CENTER (WMSC)
FACILITY LEASE AGREEMENT
ASSIGNMENT OF LEASE**

By Assignment, this Lease is entered into on January 25 2024, by and between the City and Borough of Wrangell (hereinafter “Lessor”), a municipal corporation, and Wind and Tide LLC, dba Peninsula Seafoods, (hereinafter “Lessee”), a business owner, doing business in the State of Alaska, for purpose of leasing borough-owned land in Wrangell. The parties hereby agree to the following conditions:

1. DURATION

This Lease shall be in effect from the date above until the 30th day of June, 2027.

2. LEASED PROPERTY

The property subject to this Lease is described as: Mill Dock, Lot #1 (7,460 sq. ft.).

3. PERMISSIBLE USES

A. Lessee shall utilize the property only for the purpose to Purchase, Procure, Pack and Ship Crab, Shrimp, Salmon, Halibut and Bottom fish as well as servicing the local fishing fleet in Wrangell with bait and ice.

Accessory uses of the property are allowed if pre-approved in advance in writing by the Borough Assembly and/or Port Commission.

B. Lessee agrees to abide by all Federal, State, and local laws in the operation and maintenance of the permitted commercial activity.

C. The Lessor does not warrant that the property is suitable for the purposes sought. Lessee assumes all risks associated with the location of the leased premises.

4. CONDITIONS OF LEASING

A. Lease payments shall 0.104 x the total square footage (stated below) and payable in advance on the 1st day of each month for FY 2022 (July 1, 2022 – June 30, 2023) and shall increase at a rate of 2% each FY thereafter as follows:

July 1, 2022 - June 30, 2023	\$775.84	each month
July 1, 2023 - June 30, 2024	\$791.36	each month
July 1, 2024 - June 30, 2025	\$807.18	each month
July 1, 2025 - June 30, 2026	\$823.33	each month
July 1, 2026 - June 30, 2027	\$839.79	each month

B. Lessee shall comply with all rules and yard Best Management Practices as set forth by the Harbor Department or Port Commission.

C. Lessee must sign and agree to fully comply with the WRANGELL MARINE SERVICE CENTER (WMSC) FACILITY USE AGREEMENT.

D. Lessee acknowledges Lessor is in the process of determining new Marine Service Center insurance requirements and the lease will be amended during the current term to comply with new standards.

5. RENEWAL

A. The Lease may be renewed at the option of the Lessor upon written request by the Lessee within at least sixty (60) days of the expiration of the current term, provided that the Lessee is current in the payment of all fees, and that the Lessee has been compliant with all yard rules and all provisions of this agreement as determined by the Port Commission.

B. The Lessor retains the right to renegotiate the terms and conditions, including lease payments, of this Lease for each renewal term.

6. OPERATION AND MAINTENANCE

A. Lessee shall at all times provide sufficient personnel to operate and maintain the leased premises. Lessee shall keep and maintain the leased premises in good, clean, safe, and sanitary condition.

B. Items stored on the leased premises must be directly related to the commercial business operating on the property.

C. Lessee shall be responsible for any and all special assessments for public improvements which may be made against the leased premises during the term of this Lease or any option to renew by the Lessee.

D. Lessee shall pay all property taxes owed on the leased premises in accordance with the Wrangell Municipal Code. Lessee shall also collect and remit sales tax in accordance with Wrangell Municipal Code.

E. Lessee shall promptly repair, rebuild, or restore the leased premises, facilities or surrounding property damaged or destroyed by any event whatsoever, except for events caused by the act, error, or omissions of Borough employees, contractors or representatives, or by inherent condition of normal wear and tear.

F. Lessor may, at all reasonable times and without prior notice, enter upon and inspect the leased premises. If the Lessor demonstrates that the Lessee has failed to perform maintenance or repair work required under the Lease, and if the Lessee, after prior notice of the deficiencies, fails to correct the deficiency or to begin corrective action within a reasonable time, the Lessor may enter any part of the Leased premises and perform the necessary work. The Lessee shall reimburse the Lessor for all reasonable expenses incurred by this work.

7. INDEMNITY AND INSURANCE

A. Lessee shall defend, indemnify, and hold harmless the Lessor from any and all claims or actions for injuries or damages sustained by any person or property arising, or in connection with, or incident to the operation of the leased premises.

B. Lessee shall provide adequate liability property and personal injury damage insurance as described below. The insurance shall not contain any exclusion for pollution, environmental impairment, or nuisance. The Lessor shall be listed as an additional insured on this policy. Proof of such insurance shall be provided to the Lessor as a condition of entering into the Lease. Lessee must notify the Lessor thirty (30) days in advance of any cancellation or alteration of such insurance. Failure to maintain insurance as specifically described in this section shall constitute default by Lessee.

C. Lessee shall keep the leased premises insured at Lessee's expense against fire and other risks covered by a standard fire insurance policy with an endorsement for extended coverage. Lessee covenants that it shall always maintain and pay the premiums on such policy or policies of casualty insurance to the building and leased premises designated the Lessor as loss payee, said policy to be in such amount and contain such terms as shall be from time to time determined sufficient by the Lessor. Lessee shall furnish the Lessor with a copy of said policy and all amendments or modifications thereto.

D. INSURANCE REQUIREMENTS

The Lessee shall not commence with use of the City and Borough's facility/land until the Lessee has obtained the insurance required under this contract. All coverage shall be with insurance carriers licensed and admitted doing business in the State of Alaska. All coverage shall be with carriers acceptable to the City and Borough of Wrangell. The required lines and limits of insurance are as follows:

1. **General Liability Insurance:** The User shall procure and maintain during the life of this agreement, General Liability Insurance on an "occurrence basis" with limits of liability not less than **\$1,000,000** per occurrence and/or aggregate combined single limit, personal injury, bodily injury, and property damage.
2. **Motor Vehicle Liability Insurance:** The user shall procure and maintain during the life of this agreement, Motor Vehicle Liability Insurance, including applicable no-fault coverages, with limits of liability of not less than \$1,000,000 per occurrence combined single limit. If the vehicle is a boom truck or is a boom truck combination, the policy must contain **LOAD/UNLOAD** coverage.
3. **Workers Compensation Insurance:** If the facility user has employees, they shall procure and maintain during the life of this agreement, Workers Compensation Insurance, including Employers' Liability Coverage, in accordance with all applicable statutes of the State of Alaska.
4. **Additional Insured:** General liability insurance and vehicle liability insurance, as described above, shall include an endorsement stating the following shall be an Additional Insured:

The City and Borough of Wrangell, its elected and appointed officials, all employees and volunteers, all boards, commissions and/or authorities and board members, including employees and volunteers thereof.

This coverage shall be primary to the Additional Insured's, and not contributing with any other insurance or similar protection available to the Additional Insured's, whether the other available coverage be primary, contributing or excess.

5. **Cancellation Notice:** General liability insurance and vehicle liability insurance, as described above, shall include an endorsement stating the following: "Sixty" (60) days advance written notice of cancellation, non-renewal, reduction and/or material change shall be sent to: Steve Miller, Port & Harbor Director, City and Borough of Wrangell, PO Box 531, Wrangell, AK 99929
6. **Proof of Insurance Coverage:** Prior to commencement of any seafood processing activities at the WMSC, the user shall provide the City and Borough of Wrangell

with certificates of insurance and/or policies, acceptable to the City and Borough of Wrangell, for each of the insurance policies described above.

8. ENVIRONMENTAL INDEMNITY

A. Lessee acknowledges and agrees that environmental contamination may exist on or adjacent to the leased premises. Lessor has not made, and Lessee has not relied on, any representations as to the presence, absence, nature, or extent of any such environmental contamination by Lessor. Lessee hereby expressly assumes the risk that any such environmental contamination may cause loss of or damage to Lessee's real and personal property and improvements and may render the leased premises unfit for Lessee's purposes.

B. Lessee shall use, store, handle, and deal with all Environmental Substances (as defined below) in compliance with all Environmental Laws (as defined below). Lessee shall take prompt and responsible action to correct any noncompliance reported by Lessee or alleged by DEC or EPA with any requirements of any Environmental Law or any contamination or pollution caused by a release (as defined below) of an Environmental Substance. Lessee shall obtain all necessary permits, licenses, and other authorizations issued pursuant to Environmental Laws required for Lessee to own or operate the leased premises. Operation of the leased premises shall be in compliance with any terms and/or conditions of such permits, license, and other authorizations. "Environmental Laws" means all federal, State, or local laws, statutes, ordinance, codes, rules, regulations, orders, decrees, and directives imposing liability or standards of conduct for or relating to the protection of health, safety, or the environment. "Environmental Substances" include without limitation any substance, material, waste, pollutants, contaminant or chemical, regardless of how it is referred to or defined, that is regulated in, or pursuant to, any Environmental Laws. "Release" includes an actual or potential discharge, deposit, spill, leak, pumping, pouring, emission, emptying, injection, escape, leaching, seepage, or disposal which is or may be in breach of any Environmental Law, regardless of cause. "Lessee" includes Lessee, any subsidiaries of the Lessee, any partnership or joint ventures involving the Lessee, Lessee's agents, representatives, employees, invitees, or contractors or any agents, representatives, employees, invitees, or contractors of Lessee's subsidiaries, partnerships, or joint ventures.

C. Lessee acknowledges and agrees that the creation, use, handling, storage, release, and disposal of waste, garbage, pollutants, and toxic or hazardous substances, and the investigation, remediation, and clean-up of environmental contamination, are governed by a wide variety of Environmental Laws. Lessee shall comply with all Environmental Laws and exercise the highest degree of care in the use, handling, and storage of hazardous substances and Environmental Substances and shall take all practicable measures to minimize the quantity and toxicity of hazardous substances and Environmental Substances used, handled, or stored on the leased premises.

D. Lessee shall defend, indemnify, and hold harmless Lessor from and against all claims, including nuisance described in 9 of this Lease, liabilities, suits, obligations, fines, judgments and penalties (and any other expenses, including attorneys' fees and other costs of litigation, raised, sought, or imposed by third parties in connection with Lessee's violation of any Environmental Laws or in connection with Lessee's creation, use, handling, storage, release, or disposal of any waste, garbage, pollutants, or toxic or hazardous substances (regardless of whether such creation, use, handling, storage, release, or disposal violated an Environmental Law) on the leased premises or in connection with Lessee's use of the leased premises or by any persons or entity associated with the Lessee as outlined in paragraph 8.B above.

E. Nothing in this Lease alters any obligation Lessor or Lessee may have to investigate, remediate, or clean up any environmental contamination that may exist on the leased premises.

9. WASTE AND NUISANCE PROHIBITED

During the term of this Lease, Lessee shall comply with all federal, State, and local laws affecting the leased premises, the breach of which might result in any penalty on Lessor or forfeiture of Lessor's title to the leased premises. Lessee shall not commit, or suffer to be committed, any waste on the leased premises, or any nuisance. Lessee shall not operate the leased premises in any manner which might constitute a nuisance.

10. ABANDONMENT OF LEASED PREMISES

Lessee shall not vacate or abandon the leased premises at any time during the term of this Lease. If Lessee shall abandon, vacate, or surrender the leased premises, or be dispossessed by process of law or otherwise, any personal property belonging to Lessee and left on the leased premises shall be deemed to be abandoned, and at the option of the Lessor, the personal property shall become the property of the Lessor, except such property as may be encumbered to the Lessor. Lessee agrees to defend, indemnify, and hold harmless the Lessor for any harm, damage, or injury to person or property, alleged to arise out of the actions of the Lessee in vacating or abandoning the leased premises, and as to any harm, damage, or injury to person or property arising out of the condition of the property at the time of vacating or abandoning the leased premises.

11. LIENS

Except with respect to activities for which Lessor is responsible, Lessee shall pay all claims for work done on and for services rendered or material furnished to the leased premises, and shall keep the leased premises free from any liens. If Lessee fails to pay such claims or to discharge any lien, the Lessor may do so and collect the cost as additional rent. Any amount so added shall bear interest at the highest legal rate as allowed by law from the date of payment by the Lessor. Any amount paid by the Lessor on behalf of the Lessee shall be payable on demand. Such action by the Lessor shall not constitute a waiver of any right or remedy which the Lessor may have on account of Lessee's default.

12. LESSOR'S RIGHTS UNDER THIS LEASE

A. The Lessor may sue periodically to recover damages during the period corresponding to the remainder of the Lease term, and no action for damages shall bar a later action for damages subsequently accruing.

B. If Lessee fails to perform any obligation under this Lease, the Lessor shall have the option to do so after twenty (20) days written notice to Lessee. All of the Lessor's expenditures to correct the default shall be reimbursed by Lessee on demand with interest at the highest legal rate of interest allowed by law from the date of payment by the Lessor. Such action by the Lessor shall not waive any other remedies available to the Lessor because of the default.

C. All remedies in this Lease shall be in addition to and shall not exclude any other remedy available to the Lessor under any applicable law.

13. GOVERNING LAW

The laws of the State of Alaska shall govern the construction and interpretation of this Lease. The Superior Court for the State of Alaska, First Judicial District at Wrangell, Alaska, shall be the exclusive court for jurisdiction and venue of any and all actions of any kind and any nature arising out of or related to this Lease. The parties agree that trial of any action filed shall be in Wrangell, Alaska.

14. DEFAULT

If the Lessor determines that the provisions of the Lease are not being met and attempts to resolve the dispute in a reasonable manner are unsuccessful, written notice shall be given to the Lessee stating the nature of the deficiency and the necessary corrective action. Lessee shall either take immediate corrective action or respond to the Lessor within ten (10) calendar days stating the reason for the noncompliance and a schedule for compliance. If the Lessor determines that this response is unacceptable, the Lessor shall give Lessee written notice of default and the Lease is terminated. Lessee shall have a reasonable amount of time to remove all personal property. If the personal property is not removed within the time stated in the notice of default, the Lessor may take possession of the property.

15. TERMINATION

Each party shall have the right to terminate this Lease upon providing written notice of the intent to terminate sixty (60) days prior to the date of termination.

16. NOTICE

All notices and requests concerning this lease shall be in writing and addressed as follows:

Lessee: Wind and Tide LLC, dba Peninsula Seafoods
 Jeff Grannum
 PO Box 2109
 Port Angeles, WA 98362

Lessor: City and Borough of Wrangell
 P.O. Box 531, Wrangell, AK 99929

17. MISCELLANEOUS

A. This lease cannot be assigned without prior written consent of Lessor and the other party.

B. The failure of either party at any time to enforce a provision of this lease shall in no way constitute a waiver of the provision, nor in any way affect the validity of the lease or any part of the lease, or any right of the party thereafter to enforce each and every provision hereof.

C. If any term of this lease is held to be invalid, void or unenforceable by a court of competent jurisdiction, the remaining provisions of the lease shall be valid and binding upon the parties.

D. The provisions of this lease are and will be for the benefit of the Lessor and Lessee only and are not for the benefit of any third party, no third party shall have the right to enforce the provisions of this lease.

The Lessee acknowledges that the Lessee has read and understands the terms of this lease and has had the opportunity to review this lease with counsel of his/her choice and is executing this lease of his/her own free will.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by the duly authorized representative(s) signing below.

Date: 1-25, 2024

City and Borough of Wrangell, Alaska
Lessor

By: Patricia Gilbert, Borough Mayor By: Mason Villarma, Interim Borough Manager

Patricia Gilbert
Patricia Gilbert
Borough Mayor

Mason F. Villarma
Mason Villarma
Interim Borough Manager

The foregoing instrument was acknowledged before me this 25th day of January 2024, by **Patricia Gilbert & Mason Villarma**, Borough Mayor & Interim Borough Manager, respectively, of the City and Borough of Wrangell, Alaska, an Alaska home rule municipal corporation, on behalf of the corporation.

Hein Lane
Notary Public for Alaska
Commission expires: 7-27-25

Date: 1-25, 2024

Jeff Grannum of:
Wind and Tide LLC, dba Peninsula Seafoods
Lessee

By Jeff Grannum
Name: _____
owner
Title: _____

The foregoing instrument was acknowledged before me this 25 day of January, 2024 by

Notary Public for _____

Commission expires: _____

**CITY & BOROUGH OF WRANGELL, ALASKA
BOROUGH ASSEMBLY AGENDA STATEMENT**

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u> May 14, 2024
	<u>Agenda Section</u> 13

RESOLUTION No. 05-24-1863 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA AMENDING THE FY 2024 BUDGET BY TRANSFERRING \$13,000 FROM THE GENERAL FUND RESERVES TO THE GENERAL FUND CIP FUND AND AUTHORIZING ITS EXPENDITURE FOR THE AIRPORT AIRFELD LIGHTING BACK-UP POWER CONNECTION PROJECT

SUBMITTED BY:

Amber Al-Haddad, Capital Facilities Director

<u>FISCAL NOTE:</u>	
Expenditure Required: \$13,000	
Fiscal Year (FY24):	\$13,000
Amount Budgeted:	
FY24:	\$ 30,000
Account Number(s):	
	11300 000 9999 00 11016
Account Name(s):	
	CIP Fund for Airport Airfield Lighting Back-Up Power Connection
Unencumbered Balance(s) (prior to expenditure):	
	\$29,830

<u>Reviews/Approvals/Recommendations</u>	
<input type="checkbox"/>	Commission, Board or Committee
Name(s)	
Name(s)	
<input type="checkbox"/>	Attorney
<input type="checkbox"/>	Insurance

ATTACHMENTS: 1. Resolution No. 05-24-1863.

RECOMMENDATION MOTION:
Move to Approve Resolution No. 05-24-1863.

SUMMARY STATEMENT:

The Wrangell Airport is without capability of powering their runway lights in the event of a power outage affecting their facility, which eliminates the ability of aircraft to land between the end of evening civil twilight and the beginning of morning civil twilight in the event of a power outage at the airport. The City and Borough of Wrangell has identified this shortfall in community service one of a critical nature in preparing for and responding to Medivac needs.

Resolution 12-21-1648 approved funding from the CARES Act grant for the purchase of a backup generator capable of powering the runway lights at the Wrangell DOT-owned airport facility. That resolution also indicated that the electrical connectivity to accommodate the generator at the site was included; however, due to the expiration of the grant, the electrical design work was not complete in time to be included.

While the generator has been purchased, the electrical construction work remains to be performed. The Borough worked with RESPEC for the design and DOT for the permitting of the work, both through DOT permit requirements, as well as FAA permit requirements, the last of which was recently received, allowing this project to move forward to competitive construction bidding.

On May 1st, one bid was received in response to the Invitation to Bid. The bid amount and including the engineering work and a project contingency of 10% put the project budget at approximately \$43,000. Given the approved budget is \$30,000, Resolution 05-24-1863 requests approval of an additional \$13,000 to allow the Borough to award the contract to the sole bidder.

RESOLUTION NO. 05-24-1863

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA AMENDING THE FY 2023 BUDGET BY AMENDING THE FY 2024 BUDGET BY TRANSFERRING \$13,000 FROM THE GENERAL FUND RESERVES TO THE GENERAL FUND CIP FUND AND AUTHORIZING ITS EXPENDITURE FOR THE AIRPORT AIRFELD LIGHTING BACK-UP POWER CONNECTION PROJECT

WHEREAS, the Wrangell Airport is without capability of powering their runway lights in the event of a power outage affecting their facility, which eliminates the ability of aircraft to land between the end of evening civil twilight and the beginning of morning civil twilight in the event of a power outage at the airport; and

WHEREAS, the City and Borough of Wrangell has identified this shortfall in community service one of a critical nature in preparing for and responding to Medivac needs related to community resiliency; and

WHEREAS, the State of Alaska, Department of Transportation, has agreed to reimburse the City and Borough of Wrangell for certain expenses related to the construction of the electrical connectivity work required to accommodate the backup generator at the runway lighting service equipment; and

WHEREAS, it is necessary to amend the FY 2024 Budget by transferring \$13,000 from the General Fund to cover additional costs related to the Airport Airfield Lighting Backup Power Connection project to advance the project.

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, that:

Section 1: The FY 2024 Budget is amended to reflect a transfer of funds, in the amount of \$13,000, from General Fund Reserves to the General Fund CIP Fund for the Airport Airfield Lighting Backup Power Connection project and authorizing its expenditures.

PASSED AND APPROVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA this 14th DAY OF MAY 2024.

CITY & BOROUGH OF WRANGELL, ALASKA

Patricia Gilbert, Borough Mayor

ATTEST: _____
Kim Lane, MMC, Borough Clerk

**CITY & BOROUGH OF WRANGELL, ALASKA
BOROUGH ASSEMBLY AGENDA STATEMENT**

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	May 14 th , 2024
	<u>Agenda Section</u>	13

RESOLUTION No. 05-24-1864 OF THE CITY AND BOROUGH OF WRANGELL, ALASKA AMENDING THE MARKETING AND COMMUNITY DEVELOPMENT COORDINATOR JOB DESCRIPTION WITHIN THE ECONOMIC DEVELOPMENT DEPARTMENT

SUBMITTED BY:

Kate Thomas, Economic Development Director

FISCAL NOTE:

Expenditure Required: \$XXX Total	
Fiscal Year (FY):	Amount: \$
Amount Budgeted:	
	FY: \$
Account Number(s):	
	XXXXX XXX XXXX
Account Name(s):	
	Enter Text Here
Unencumbered Balance(s) (prior to expenditure):	
	\$XXX

Reviews/Approvals/Recommendations

<input type="checkbox"/>	Commission, Board or Committee
Name(s)	
Name(s)	
<input type="checkbox"/>	Attorney
<input type="checkbox"/>	Insurance

ATTACHMENTS: 1. Resolution No. 05-24-1864, 2. Current job description, 3. Proposed job description

RECOMMENDATION MOTION:
Move to Approve Resolution No. 05-24-1864.

SUMMARY STATEMENT:
This position was established and implemented in March of 2023. After one-year of activity in this position, the department director reviewed the job description for revisions. The position description has been amended to reflect the duties, responsibilities, and qualifications more

accurately for the position. The person holding this position was engaged in the review and participated in the revision process. The Borough Manager has also had an opportunity to review the changes. There are no changes to the wage and grade table as a result of these changes. However, note that effective July 1, 2024, the position will move from Grade 15, to Grade 18 as per a previous Resolution approved by the Assembly.

CITY AND BOROUGH OF WRANGELL, ALASKA

RESOLUTION No. 05-24-1864

A RESOLUTION OF THE CITY AND BOROUGH OF WRANGELL, ALASKA AMENDING THE MARKETING AND COMMUNITY DEVELOPMENT COORDINATOR JOB DESCRIPTION WITHIN THE ECONOMIC DEVELOPMENT DEPARTMENT

WHEREAS, the Marketing and Community Development Coordinator job description requires amending; and

WHEREAS, the rate of pay for the position is currently at Grade 15 (range from \$21.10 to \$26.76 per hour) and with the adoption of Resolution No. 02-24-1844, as of July 1, 2024, will move to Grade 18 (range from \$26.00 to \$32.97 per hour); and

WHEREAS, there is no change to the Non-Union Wage & Grade Table; and

WHEREAS, the position has been reviewed and the job description has been amended to more accurately reflect the actual duties, responsibilities, and qualifications for the position.

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, that:

Section 1. The attached Exhibit "A" includes the job description which describes the duties, responsibilities, and qualifications for the permanent position of the Marketing and Community Development Coordinator.

Section 2. The job description for the Marketing and Community Development Coordinator will become effective immediately upon passage and approval of this resolution.

PASSED AND APPROVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA THIS 14th DAY OF MAY 2024.

CITY & BOROUGH OF WRANGELL

Patricia Gilbert, Borough Mayor

ATTEST: _____
Kim Lane, MMC, Borough Clerk

**CITY AND BOROUGH OF WRANGELL
EMPLOYEE POSITION DESCRIPTION**

Department: Economic Development Department
Position: Marketing and Community Development Coordinator
Supervisor: Economic Development Director
Classification: Full-Time Hourly Position (non-exempt)
Salary: Grade 15 (Grade 18 effective July 1, 2024)

SUMMARY

Under the supervision and direction of the Economic Development Director the Marketing and Community Development Coordinator assists in implementing the department's strategic goals and objectives. The position focuses on visitor industry policies, plans, projects, initiatives, and other community and economic development projects and initiatives within the department's strategic goals, objectives, and work plans.

DISTINGUISHING CAREER FEATURES

This is a community and economic development position emphasizing visitor industry management and marketing. Assists in developing, organizing, and implementing Travel Wrangell's destination marketing plan and associated promotional activities and the tourism management plan and best practices program. Coordinates marketing initiatives through creative outreach to travel writers, influencers, publications, consultants, and third-party media teams. The position cultivates relationships with local, state, and regional organizations, and attends tradeshows, conferences, and meetings representing Wrangell and the visitor industry. Works cooperatively with other departments to promote all economic aspects, assets, and strengths of the community.

ESSENTIAL DUTIES AND RESPONSIBILITIES

- a. Establishes relationships and communicates with industry stakeholders and local businesses.
- b. Assists with the implementation of community and economic development projects.
- c. Assists department director with administration of boards and commissions.
- d. Assists with the development, implementation, and management of the tourism management plan, marketing plan, and Tourism Best Management Practices (TBMP) program.
- e. Advises, manages, and provides staff support to the Wrangell Convention and Visitor Bureau (WCVB).
- f. Provides industry and visitor center support through front-facing visitor and stakeholder interactions.
- g. Implements the marketing and communications efforts of the Borough for economic development and visitor industry services, working cooperatively with the all-borough departments, boards and commissions, and industry businesses and organizations.
- h. Establishes creative content and promotional material for the City and Borough of Wrangell and visitor industry social media channels and other relevant platforms.

- i. Develops, maintains, and utilizes a database and communications management system for stakeholder and visitor outreach, inquiries, and analytical reporting.
- j. Develops surveys and analytical tools to track and monitor visitors, activities, inquiries, and key performance indicators.
- k. Assists with the development and design of marketing materials, including brochures, signs, travel planners, fliers, display advertising, and banners/popups.
- l. Directs the ad sales for new travel planners and other cooperative advertising efforts.
- m. Maintains, improves, and monitors the borough and travel websites and ensures they are engaging with residents, stakeholders, and visitors.
- n. Provides clerical and administrative assistance to the department with data input, financial reporting, public outreach, business support, and customer service.
- o. Represents the borough, the community of Wrangell, and the visitor industry at tradeshow, travel shows, conferences, and other industry meetings and events.
- p. Generates, organizes, and maintains a media library using user-generated content, professional service contracts, licensed and owned media, local photography, and videos.
- q. Monitors key performance indicators and evaluates the success of marketing campaigns and initiatives.
- r. Participates in developing department budgets and directs annual spending within the visitor industry.
- s. Monitors and evaluates performance metrics and key performance indicators against budget and analytics. Adapts plans to improve desired outcomes and conversation rates.
- t. Identifies and makes recommendations for new projects, programs, policies, and priorities in support of the department's strategic goals and objectives.
- u. Assists with evaluating contractor and consulting services and makes recommendations to the department director and associated boards and commissions.
- v. Assists with grant funding applications to support department programs and initiatives.

KNOWLEDGE AND SKILLS

- a. Local, regional, and state history, cultural heritage, landmarks, and attractions.
- b. Local, regional, state, and national print and digital publications and media outlets.
- c. Project management best practices and principles.
- d. Destination marketing best practices and promotional methods to enhance local business and program efforts.
- e. Social media platforms, functions, and etiquette to promote marketing campaigns including trends, content development, targeted advertisements, and scheduling.
- f. Social, legal, and political issues influencing state and local government and tourism programs including digital and print marketing, asset management, and licensing user-generated content.
- g. Organizational and project management skills necessary to align deliverables with goals, objectives, and policies.
- h. Interpersonal and communications skills required to build relationships with outside agencies, stakeholders, visitors, and residents.
- i. Public speaking skills required to deliver persuasive talks and presentations to large and varied audiences.

- j. Management and utilization of tools and equipment to develop media content including photography and videography.
- k. Technical skills necessary to comfortably develop creative content through the utilization of digital technology, equipment, and programs.
- l. Professional and creative writing competencies including copywriting, editing, and publishing skills.
- m. Familiarity with web-based CMSs such as Squarespace.
- n. Desktop computers and Microsoft programs including word processing, spreadsheets, and database software applications and programs.
- o. Graphic design standards and programs including Adobe Creative Suite (specifically InDesign, Lightroom, Photoshop), Canva, and other design software tools.

ABILITIES

- a. Communicate, concisely, and tactfully in both oral and written forms.
- b. Learn, understand, and apply the Borough's organizational policies, operations, and procedures.
- c. Understand and interpret regulations and guidelines related to assigned functions and responsibilities.
- d. Schedule, coordinate, and prioritize multiple projects and tasks as assigned and within the department's work plans.
- e. Secure cooperation and teamwork among boards, stakeholders, and committee members.
- f. Schedule, coordinate, and prioritize the work of self and others in a timely and proactive manner.
- g. Efficient and effective decision-making through critical thought and sound judgment.
- h. Requires sufficient ambulatory ability to move about to remote locations for field trips.
- i. Requires ability to work a flexible schedule to accommodate events and activities as well as travel to attend conferences and tradeshow.
- j. Auditory ability to carry on audience, ordinary, and telephonic conversation.
- k. Near and far visual acuity to read detailed maps, other printed material, computer screens and observe physical layouts.
- l. Manual and finger dexterity to write and operate computers and other office equipment.

EDUCATION AND EXPERIENCE

The position requires a high school degree; a bachelor's degree preferred or 3-5 years of working experience in a relevant field; Knowledge and/or experience of visitor marketing and destination branding, and community development project implementation. A minimum of 5 years of professional work experience is required.

LICENSES AND CERTIFICATIONS

Requires a valid Alaska Driver's License and reliable transportation. Ability to obtain a Transportation Worker Identification Card.

WORKING CONDITIONS

Work is performed mostly indoors of a primarily sedentary nature where minimal safety considerations exist. Work may at times take place in an outdoor setting on land or water, where moderate safety considerations exist.

City & Borough of Wrangell

Position Description

Position: Marketing and Community Development Coordinator	Type: Full time
Department/Site: City Hall/Nolan Center with remote possibilities	FLSA:
Evaluated by: Economic Development Director	Salary Grade:

Summary

Assists the Economic Development Director in implementing the Wrangell Convention and Visitor Bureau's marketing plan, other community promotional activities and assists with other community development activities.

Distinguishing Career Features

This is a community development position with an emphasis on tourism and marketing. Develops, organizes, and implements a tourism plan, social media presence, Tourism Best Management Practices program, and provides outreach to travel writers and influencers. The position will cultivate relationships with local, state and regional organizations, attend tradeshows, conferences and meetings representing Wrangell and the Visitor Industry. This position, under the Economic Development Department will also work on other community development projects assigned and will work cooperatively with other departments to market all economic aspects, assets, and strengths of the community.

Essential Duties and Responsibilities

- Must be knowledgeable about Wrangell, personable, and willing to visit and communicate with businesses.
- Assists with implementation of community development projects.
- Assists with the development and implementation of a tourism plan, marketing program and Tourism Best Management Program.
- Advises, manages, and provides staff support to the Wrangell Convention and Visitor Bureau.
- Implements the tourism marketing efforts of the city for business development and visitor services, working cooperatively with the Convention and Visitor Bureau, all departments, including Nolan Center, and visitor industry businesses and organizations.
- Build a social media presence, including but not limited to Facebook, Instagram, Twitter and Google directed at Visitor needs and interests
- Develop a database of visitor inquiries
- Develop surveys and analytical tools to track and monitor visitors, activities, inquiries and Key Performance Indicators
- Assists with the development and design of marketing materials, including brochures, signs, travel planners, fliers, display advertising, and banners/popups.
- Direct the ad sales for new travel planners and other cooperative advertising efforts.
- Enhance the travelwrangell.com website.
- Provide office assistance with data input, financial reporting, and customer service.
- Represent Wrangell and the Visitor Industry at tradeshows, travel shows, conferences and other industry meetings and events.
- Generate a photo, video and informational library using User Generated Content, professional services, personal/local photos and videos.

- Directs and participates in developing budgets for the Tourism program. Monitors and evaluates performance against established budgets. Identifies projects, programs, and priorities.
- Network and establish connections and partnerships with other community liaisons, local, state and regional organizations, and Destination Marketing Organizations.
- This position must be versatile and ready to assist with many different tasks and community development projects within the Economic Development Department.

Qualifications

▪ Knowledge and Skills

- Should be knowledgeable about Wrangell.
- Requires well-developed human relation skills to deliver persuasive talks and presentations to large and diverse audiences.
- Requires ability to plan and outline steps for project development and implement the requirements
- Requires knowledge of marketing and promotional methods to enhance local business and program efforts.
- Should have experience with Key Performance Indicators
- Knowledge of and skills in social media platforms including Facebook, Instagram, Twitter, and Google My Business and Analytics with a focus on strategic business promotion. Also requires understanding of professional social media etiquette.
- Should have experience with graphic design programs.
- Requires knowledge of how to gather content and ideas for postings, schedule postings, and create a calendar for planned events.
- Must be able and willing to take local photos and videos for posting.
- Should have copy writing, editing and publishing skills.
- Should be knowledgeable in Microsoft Office – specifically Word, Excel and Publisher.
- Requires knowledge of and sensitivity of the social, legal and political issues influencing tourism programs including online marketing, asset management, and UGC.
- Requires knowledge of research and analytics.
- Experience with identifying program funding needs and funding availability from various local, state or federal sources and applying as appropriate.

▪ Abilities

- Requires the ability to work independently and be self-motivated.
- Requires excellent interpersonal skills and the ability to communicate effectively with persons of diverse backgrounds.
- Requires the ability to write effectively.
- Requires the ability to use sound judgement when making decisions.
- Requires the ability to work productively and cooperatively and convey a positive image of Wrangell and its services.
- Requires computer skills.

▪ Physical Abilities

- Requires the ability to function primarily indoors in an office environment engaged in work of primarily a sedentary nature.
- Requires sufficient ambulatory ability to move about to remote locations and attend conferences and tradeshows.

- Requires auditory ability to carry on audience, ordinary, and telephonic conversation.
- Requires near and far visual acuity to read detailed maps, other printed material, computer screens, and observe physical layouts.
- Requires manual and finger dexterity to write and to operate microcomputers and other office equipment.

- **Education and Experience**

The position requires a high school degree; Associates degree or higher preferred; Knowledge and/or experience of visitor marketing and destination branding, and community development project implementation.

- **Licenses and Certificates**

Requires a valid Alaska Driver's License and reliable transportation.

- **Working Conditions**

Work is performed mostly indoors where minimal safety considerations exist.

This job/class description, describes the general nature of the work performed, representative duties as well as the typical qualifications needed for acceptable performance. It is not intended to be a complete list of all responsibilities, duties, work steps, and skills required of the job.

**CITY & BOROUGH OF WRANGELL, ALASKA
BOROUGH ASSEMBLY AGENDA STATEMENT**

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	May 14, 2024
	<u>Agenda Section</u>	15

Discuss with Borough Attorney the petition received by the International Brotherhood of Electrical Workers (IBEW) petitioning to Unionize the Wrangell Police Department

<u>SUBMITTED BY:</u>
Mason Villarma, Borough Manager

<u>FISCAL NOTE:</u>		
Expenditure Required:		
FY 20: \$	FY 21:	FY22:
Amount Budgeted:		
	FY22 \$0	
Account Number(s):		
Account Name(s):		
Unencumbered Balance(s) (prior to expenditure): See Agenda Statement		

<u>Reviews/Approvals/Recommendations</u>	
<input type="checkbox"/>	
Name(s)	
Name(s)	
<input type="checkbox"/>	Attorney
<input type="checkbox"/>	Insurance

ATTACHMENTS:

RECOMMENDATION MOTION:
I move, pursuant to AS 44.62.310 (c)(1) and (c)(3), that we recess into executive session and invite the Borough Manager and Attorney into the session, to discuss matters which if immediately known would clearly have an adverse effect on Borough finances and matters which by law are required to be confidential, specifically to have attorney-client privileged communications with the Borough Attorney regarding an Alaska Labor Relations Agency petition filed by the International Brotherhood of Electrical Workers to unionize Wrangell Police Department employees.

SUMMARY STATEMENT: