



City and Borough of Wrangell
2021-11-09 Borough Assembly Meeting
AGENDA

Tuesday, November 09, 2021
6:00 PM

Location: Borough Assembly Chambers

This meeting will be held in person. Face coverings are required at all times. If you cannot wear a face mask, face shields will be provided upon entering City Hall.

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

a. FY 2020 Audit Review

1. CALL TO ORDER

a. PLEDGE OF ALLEGIANCE led by Assembly Member Anne Morrison

b. CEREMONIAL MATTERS

2. ROLL CALL

3. PERSONS TO BE HEARD - *Section WMC 3.05.040 (C) states that: The chair may call to order any person who is breaching the peace or being disorderly by speaking without recognition, engaging in booing or catcalls, speaking vulgarities, name calling, personal attacks, or engaging in other conduct which is determined by the chair to be disruptive of the meeting. Any person so disrupting a meeting of the assembly may be removed and barred from further attendance at the meeting unless permission to return or remain is granted by a majority vote of the assembly.*

a. **CORRESPONDENCE:** Emailed from Geoffrey & Camie Gillen re: Discussion of Emergency Ord 1012 from the October 26th meeting

b. **CORRESPONDENCE:** Emailed from Bruce & Christie Jamieson on Res 10-21-1616 (Transboundary) from the Oct 26th meeting

4. AMENDMENTS TO THE AGENDA

5. CONFLICT OF INTEREST

6. CONSENT AGENDA

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

a. Minutes of the October 26, 2021 Regular Assembly Meeting

b. Minutes of the October 27, 2021 Special Assembly Meeting

c. **RESOLUTION No. 11-21-1629** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE ASSESSMENT VALUE FOR TAX YEAR 2021 FOR DARRELL WEBSTER '73 12X68 GREAT LAKES, DUE TO A MANIFEST CLERICAL ERROR

d. **RESOLUTION No. 11-21-1630** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE ASSESSMENT VALUE FOR TAX YEAR 2021 FOR KEVIN & MOIRA FISH, LOT B-1A, CAPPY SUBDIVISION, DUE TO A MANIFEST CLERICAL ERROR

- e. **RESOLUTION No. 11-21-1631** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE ASSESSMENT VALUE FOR TAX YEAR 2021 FOR DAVID DAVIDSON, LOT 11A-1, GREENVALLEY SUBD II SUBDIVISION, DUE TO A MANIFEST CLERICAL ERROR
- f. **RESOLUTION No. 11-21-1632** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE ASSESSMENT VALUE FOR TAX YEAR 2021 FOR ROYCE RATH LOT 5, BLOCK 1, USS 1593 SUBDIVISION, 520 EVERGREEN AVE, DUE TO A MANIFEST CLERICAL ERROR
- g. CORRESPONDENCE: Minutes from the September 13, 2021 Regular School Board Meeting

7. BOROUGH MANAGER'S REPORT

- a. Public Works Directors Report
- b. P&R September & October Director's Report
- c. Harbormaster Report November 2021

8. BOROUGH CLERK'S FILE

- a. Borough Clerk's Report

9. MAYOR AND ASSEMBLY BUSINESS

10. MAYOR AND ASSEMBLY APPOINTMENTS

- a. SEAPA Board Appointments (*2 voting members & 2 alternate members*)

11. PUBLIC HEARING

12. UNFINISHED BUSINESS

- a. Repeal of Emergency Ordinance No. 1012 (*requested by Assembly Member DeBord*)
- b. **EMERGENCY ORDINANCE No. 1012 (A)** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, REAFFIRMING THE DECLARATION OF EMERGENCY IN EMERGENCY ORDINANCES 976, 980, 985, 994, 1003, AND 1011, AMENDING EMERGENCY ORDINANCE NO 1012, TO INCLUDE PROVISIONS FOR ENTITIES WHO FOLLOW THEIR OWN MITIGATION PLAN AND ADOPTING INTERNATIONAL, INTERSTATE, AND INTRASTATE TRAVEL TESTING MEASURES

13. NEW BUSINESS

- a. Discussion concerning the Public Safety Building and Former Wrangell Medical Center Building Renovations Alternatives and a Third-Party Interest in the Former Wrangell Medical Center Building
- b. Approval of a Sole Source Purchase from Primozone, in conformance with Wrangell Municipal Code Section 5.10.050 in the amount of \$75,600 for the Purchase of a Closed Loop Cooling System
- c. **RESOLUTION NO. 11-21-1633** OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FY22 BUDGET OF THE WRANGELL MUNICIPAL LIGHT AND POWER DEPARTMENT (WML&P) BY TRANSFERRING \$153,085 FROM WML&P'S CASH RESERVSES TO THE P&L CAPITAL PROJECTS EQUIPMENT AND VEHICLES ABOVE \$5,000 ACCOUNT FOR THE PURPOSE OF CONTRACTING WITH ELECTRICAL POWER SYSTEMS,

INC. (EPS) TO DESIGN AND IMPLEMENT SAID DESIGN FOR A NEW CONTROLS SYSTEM FOR GENERATOR UNIT #5

- d. Approval of a Sole Source Professional Contract with Electric Power Systems, Inc. (EPS), in conformance with Wrangell Municipal Code, Section 5.10.050 in the amount of \$153,085 for the purpose of design and implementation of an Upgrade to Generator Unit #5's Control System
- e. **RESOLUTION NO. 11-21-1634** OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FY22 BUDGET OF THE WRANGELL MUNICIPAL LIGHT AND POWER DEPARTMENT (WML&P) BY TRANSFERRING \$269,083.44 FROM WML&P'S CASH RESERVSES TO THE P&L CAPITAL PROJECTS EQUIPMENT AND VEHICLES ABOVE \$5,000 ACCOUNT FOR THE PURPOSE OF CONTRACTING WITH MARINE SYSTEMS, INC. (MSI) TO OVERHAUL THE CENTER SECTION OF GENERATOR UNIT #5
- f. Approval of a Sole Source Professional Contract with Marine Systems, Inc. (MSI), in conformance with Wrangell Municipal Code, Section 5.10.050 in the amount of \$269,083.44 for the purpose of overhauling Generator Unit #5's Center Section
- g. Approval to Write Off Delinquent Accounts and Forward to Collection Agency
- h. **RESOLUTION No. 11-21-1635** OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, APPROVING THE TRANSFER OF \$10,000,000 FROM THE BOROUGH'S WELLS FARGO CHECKING ACCOUNT TO THE KEY BANK ALASKA MUNICIPAL LEAGUE INVESMENT POOL ACCOUNT
- i. **RESOLUTION No. 11-21-1636** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA AMENDING THE FY 2022 BUDGET IN THE PORTS AND HARBORS FUND TRANSFERRING \$115,000 FROM THE PORTS AND HARBORS FUND RESERVES TO THE BARGE RAMP FLOATATION TANK REPAIRS CAPITAL PROJECT ACCOUNT AND AUTHORIZING ITS EXPENDITURES
- j. **RESOLUTION No. 11-21-1637** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AUTHORIZING PARTICIPATION IN THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

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

15. EXECUTIVE SESSION

16. ADJOURNMENT

City and Borough of Wrangell, Alaska

Basic Financial Statements, Required
Supplementary Information,
Supplementary Information and Single
Audit Reports
Year Ended June 30, 2020

City and Borough of Wrangell, Alaska

Basic Financial Statements, Required Supplementary Information,
Supplementary Information
and Single Audit Reports
Year Ended June 30, 2020

City and Borough of Wrangell, Alaska

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Independent Auditor's Report

Honorable Mayor and Borough Assembly
 City and Borough of Wrangell

Report on the Financial Statements

We have audited the accompanying 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, 2020, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Wrangell Public Schools, the discretely presented component unit. Those statements were audited by other auditors whose report has been furnished to use, and our opinion, insofar as it relates to the amounts included in the discretely presented component unit, are based solely on the reports of the other auditor. We conducted our audit in accordance with 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above 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 City and Borough of Wrangell, Alaska, as of June 30, 2020, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 58 through 61, 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 on pages 62 and 63, be presented to supplement the basic financial statements. Such information, 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 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. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information

Our audit for the year ended June 30, 2020 was conducted for the purpose of forming opinions on the financial statements that collectively comprise City and Borough of Wrangell's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards, required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and the combining and individual fund financial statements and schedules listed in the table of contents for the year ended June 30, 2020, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules and the Schedule of Expenditures of Federal Awards are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements for the year ended June 30, 2020, 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, 2020.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of City and Borough of Wrangell as of and for the year ended June 30, 2019 (not presented herein), and have issued our report thereon dated June 19, 2020, which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information. The individual fund financial statements and schedules for the year ended June 30, 2019 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 2019 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2019 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, 2019.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 21, 2021, on our consideration of City and Borough of Wrangell'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 City and Borough of Wrangell'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 City and Borough of Wrangell's internal control over financial reporting and compliance.

BDO USA, LLP

Anchorage, Alaska
October 21, 2021

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Basic Financial Statements

City and Borough of Wrangell, Alaska

Exhibit A-1

Statement of Net Position

	Primary Government			Component Unit
	Govern- mental Activities	Business- type Activities	Total	Wrangell Public Schools
<i>June 30, 2020</i>				
Assets and Deferred Outflows of Resources				
Assets				
Cash and investments	\$ 26,223,062	\$ 7,150,377	\$ 33,373,439	\$ 1,705,571
Receivables, net of allowance for doubtful accounts:				
Property and sales taxes	815,408	-	815,408	-
Accounts	50,315	539,816	590,131	-
Grants and shared revenues	33,750	861,591	895,341	394,557
Land sales and improvements	17,882	-	17,882	-
Accrued interest	44,424	44	44,468	-
Internal balances	64,611	(64,611)	-	-
Prepaid items	78,351	-	78,351	-
Inventories	73,916	171,085	245,001	18,329
Restricted cash and investments	-	766,037	766,037	-
Net other postemployment benefits asset	24,716	11,612	36,328	164,046
Capital assets:				
Land, land improvements and construction in progress	1,685,340	11,654,348	13,339,688	-
Other capital assets, net of depreciation	31,086,925	36,472,221	67,559,146	74,780
Total Assets	60,198,700	57,562,520	117,761,220	2,357,283
Deferred Outflows of Resources				
Related to pensions	483,410	289,012	772,422	263,234
Related to other postemployment benefits	327,074	162,276	489,350	212,421
Total Deferred Outflows of Resources	810,484	451,288	1,261,772	475,655
Total Assets and Deferred Outflows of Resources	\$ 61,009,184	\$ 58,013,808	\$ 119,022,992	\$ 2,832,938

City and Borough of Wrangell, Alaska

Exhibit A-1, continued

Statement of Net Position, continued

	Primary Government			Component Unit
	Govern- mental Activities	Business- type Activities	Total	Wrangell Public Schools
<i>June 30, 2020</i>				
Liabilities, Deferred Inflows of Resources, and Net Position				
Liabilities				
Accounts payable	\$ 390,650	\$ 957,499	\$ 1,348,149	\$ 5,523
Customer utility deposits	-	86,140	86,140	-
Accrued interest payable	3,271	4,194	7,465	-
Accrued payroll and related liabilities	-	-	-	134,441
Unearned revenue	1,346,926	689,100	2,036,026	60,000
Noncurrent liabilities:				
Due within one year:				
Accrued leave	243,484	126,066	369,550	26,575
Bonds and loans	260,000	4,201	264,201	-
Due in more than one year:				
Unamortized bond premium	19,616	-	19,616	-
ADEC loan	-	49,358	49,358	-
USDA Rural Development loan	-	83,787	83,787	-
Net pension liability	3,743,571	2,083,925	5,827,496	3,333,952
Net other postemployment benefits liability	122,383	68,682	191,065	57,420
Total Liabilities	6,129,901	4,152,952	10,282,853	3,617,911
Deferred Inflows of Resources				
Related to pensions	102,881	42,038	144,919	207,598
Related to other postemployment benefits	132,587	64,179	196,766	177,241
Total Deferred Inflows of Resources	235,468	106,217	341,685	384,839
Total Liabilities and Deferred Inflows of Resources	6,365,369	4,259,169	10,624,538	4,002,750
Net Position				
Net investment in capital assets	32,492,649	47,989,223	80,481,872	164,046
Restricted	10,932,781	1,625	10,934,406	-
Unrestricted (deficit)	11,218,385	5,763,791	16,982,176	(1,333,858)
Total Net Position	54,643,815	53,754,639	108,398,454	(1,169,812)
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 61,009,184	\$ 58,013,808	\$ 119,022,992	\$ 2,832,938

See accompanying notes to Basic Financial Statements.

Exhibit A-2

City and Borough of Wrangell, Alaska

Statement of Activities

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Fees, Fines & Charges for Services	Operating Grants & Contri- butions	Capital Grants & Contri- butions	Primary Government		Component Unit
					Govern- mental Activities	Business- type Activities	Wrangell Public Schools
Year Ended June 30, 2020	Expenses					Total	
Functions							
Primary Government							
Governmental activities:							
General government	\$ 1,293,614	\$ 59,157	\$ 175,338	\$ 63,911	\$ (995,208)	\$ -	\$ (995,208)
Public safety	2,079,559	187,180	1,115,843	-	(776,536)	-	(776,536)
Public works	1,977,455	49,218	64,848	-	(1,863,389)	-	(1,863,389)
Parks and recreation	674,566	77,151	47,576	-	(549,839)	-	(549,839)
Library	270,655	-	18,000	-	(252,655)	-	(252,655)
Community services	1,105,380	165,305	151,760	-	(788,315)	-	(788,315)
Education	1,823,315	-	962,783	-	(860,532)	-	(860,532)
Total governmental activities	9,224,544	538,011	2,536,148	63,911	(6,086,474)	-	(6,086,474)
Business-type activities:							
Electric utility	4,100,655	4,034,898	41,649	-	-	(24,108)	(24,108)
Water utility	1,198,692	708,654	6,873	-	-	(483,165)	(483,165)
Sewer utility	655,402	595,479	11,994	-	-	(47,929)	(47,929)
Sanitation utility	647,626	626,355	8,702	-	-	(12,569)	(12,569)
Port	2,873,353	2,106,172	321,208	460,353	-	14,380	14,380
Total business-type activities	9,475,728	8,071,558	390,426	460,353	-	(553,391)	(553,391)
Total Primary Government	\$ 18,700,272	\$ 8,609,569	\$ 2,926,574	\$ 524,264	(6,086,474)	\$ (553,391)	(6,639,865)

Exhibit A-2, continued

City and Borough of Wrangell, Alaska

Statement of Activities, continued

		Program Revenues			Net (Expense) Revenue and Changes in Net Position			
		Fees, Fines & Charges for Services	Operating Grants & Contri- butions	Capital Grants & Contri- butions	Primary Government		Component Unit	
					Govern- mental Activities	Business- type Activities	Wrangell Public Schools	
Year Ended June 30, 2020	Expenses					Total		
Component Unit								
Wrangell Public Schools	\$ 4,986,806	\$ 28,375	\$ 408,544	\$ 9,500			\$ (4,540,387)	
General Revenues								
Taxes:								
Property taxes					\$ 1,841,191	\$ -	\$ 1,841,191	
Sales taxes					3,029,636	-	3,029,636	
Payments in lieu of taxes					503,436	-	503,436	
Other taxes					56,986	-	56,986	
Contributions from primary government					-	-	-	
Grants and entitlements not restricted to a specific purpose					746,856	-	746,856	
Investment income					638,311	1,797	640,108	
Other					262,645	-	262,645	
Total General Revenues					7,079,061	1,797	7,080,858	
Change in Net Position					992,587	(551,594)	440,993	
Net Position (Deficit), beginning					53,651,228	54,306,233	107,957,461	
Net Position (Deficit), ending					\$ 54,643,815	\$ 53,754,639	\$ 108,398,454	
							\$ (1,169,812)	

See accompanying notes to Basic Financial Statements.

Exhibit B-1

City and Borough of Wrangell, Alaska

Governmental Funds
Balance Sheet

	Major Funds						Total Govern- mental Funds
	General	Permanent Fund Special Revenue	Sales Tax Special Revenue	Secure Rural Schools Special Revenue	COVID-19 CARES Act Special Revenue	Nonmajor Funds	
<i>June 30, 2020</i>							
Assets							
Cash and investments	\$ 7,777,810	\$ 7,946,353	\$ 1,603,670	\$ 2,936,428	\$ 1,292,382	\$ 4,666,419	\$ 26,223,062
Receivables, net of allowance for doubtful accounts:							
Property and sales taxes	597,326	-	218,082	-	-	-	815,408
Accounts	50,315	-	-	-	-	-	50,315
Accrued interest	44,422	-	-	-	-	2	44,424
Grants and shared revenues	33,750	-	-	-	-	-	33,750
Land sales and improvements	-	-	-	-	-	17,882	17,882
Interfund loans receivable	64,611	-	-	-	-	-	64,611
Prepaid items	78,351	-	-	-	-	-	78,351
Inventory	-	-	-	-	-	73,916	73,916
Total Assets	\$ 8,646,585	\$ 7,946,353	\$ 1,821,752	\$ 2,936,428	\$ 1,292,382	\$ 4,758,219	\$ 27,401,719
Liabilities, Deferred Inflows of Resources, and Fund Balances							
Liabilities							
Accounts payable	\$ 153,603	\$ -	\$ -	\$ -	\$ 44,293	\$ 192,754	\$ 390,650
Unearned revenue	12,247	-	-	-	1,248,089	86,590	1,346,926
Total Liabilities	165,850	-	-	-	1,292,382	279,344	1,737,576
Deferred Inflows of Resources							
Delinquent property taxes	96,172	-	-	-	-	-	96,172
Land sale receivables not yet due	-	-	-	-	-	49,067	49,067
Total Deferred Inflows of Resources	96,172	-	-	-	-	49,067	145,239
Total Liabilities and Deferred Inflows of Resources	262,022	-	-	-	1,292,382	328,411	1,882,815
Fund Balances							
Nonspendable	142,962	-	-	-	-	73,916	216,878
Restricted	-	7,946,353	-	2,936,428	-	50,000	10,932,781
Committed	-	-	1,821,752	-	-	1,983,988	3,805,740
Assigned	-	-	-	-	-	2,345,484	2,345,484
Unassigned (deficit)	8,241,601	-	-	-	-	(23,580)	8,218,021
Total Fund Balances	8,384,563	7,946,353	1,821,752	2,936,428	-	4,429,808	25,518,904
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 8,646,585	\$ 7,946,353	\$ 1,821,752	\$ 2,936,428	\$ 1,292,382	\$ 4,758,219	\$ 27,401,719

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, 2020

Total fund balances for governmental funds \$ 25,518,904

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	\$ 1,186,678	
Construction in progress	498,662	
Infrastructure	23,450,938	
Buildings	48,398,906	
Improvements other than buildings	6,253,302	
Machinery and equipment	4,605,844	
Accumulated depreciation	<u>(51,622,065)</u>	
Total capital assets		32,772,265

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

Net OPEB asset	24,716
----------------	--------

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	96,172	
Deferred land sales and improvements receivable	<u>49,067</u>	
Total long-term assets		145,239

Long-term liabilities, including bonds payable 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:

General obligation bonds payable	(260,000)	
Unamortized bond premium	(19,616)	
Accrued interest on bonds	(3,271)	
Accrued leave	(243,484)	
Net pension liability	(3,743,571)	
Net OPEB liability	<u>(122,383)</u>	
Total long-term liabilities		(4,392,325)

Certain changes in net pension and OPEB items are deferred rather than recognized
immediately. These items are amortized over time.

Deferred outflows of resources related to pensions	483,410	
Deferred inflows of resources related to pensions	(102,881)	
Deferred outflows of resources related to OPEB	327,074	
Deferred inflows of resources related to OPEB	<u>(132,587)</u>	
Total deferred pension and OPEB items		575,016

Total Net Position of Governmental Activities \$ 54,643,815

See accompanying notes to basic financial statements.

City and Borough of Wrangell, Alaska

Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances

	Major Funds						Total Govern- mental Funds
	General	Permanent Fund Special Revenue	Sales Tax Special Revenue	Secure Rural Schools Special Revenue	COVID-19 CARES Act Special Revenue	Nonmajor Funds	
<i>Year Ended June 30, 2020</i>							
Revenues							
Property taxes, penalties and interest	\$ 1,783,083	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,783,083
Payments in lieu of taxes	503,436	-	-	-	-	-	503,436
Marijuana taxes, penalties and interest	1,925	-	-	-	-	-	1,925
Sales taxes, penalties and interest	2,060,152	-	969,484	-	-	-	3,029,636
Transient taxes	-	-	-	-	-	55,061	55,061
Intergovernmental	1,300,238	-	-	883,647	834,216	163,181	3,181,282
Charges for services	128,109	-	-	-	-	220,397	348,506
Sales and leases	126,227	-	-	-	-	-	126,227
Investment income	336,128	190,219	-	-	-	111,964	638,311
Land sales and improvements	-	-	-	-	-	38,008	38,008
Fines and forfeitures	4,302	-	-	-	-	-	4,302
Donations and contributions	-	-	-	-	-	100,090	100,090
Other	273,967	-	-	-	-	39,564	313,531
Total Revenues	6,517,567	190,219	969,484	883,647	834,216	728,265	10,123,398
Expenditures							
Current:							
General government	1,389,707	13,255	-	-	110,233	4,086	1,517,281
Public safety	2,230,318	-	-	-	668,028	-	2,898,346
Public works	1,403,380	-	-	-	26,613	-	1,429,993
Parks and recreation	-	-	-	-	22,783	687,607	710,390
Library	270,655	-	-	-	-	-	270,655
Community services	86,792	-	-	-	6,559	707,391	800,742
Education - contributions to school district	-	-	-	1,300,000	-	-	1,300,000
Debt service:							
Principal	-	-	-	-	-	250,000	250,000
Interest	-	-	-	-	-	18,250	18,250
Capital outlay	-	-	-	-	-	18,959	18,959
Total Expenditures	5,380,852	13,255	-	1,300,000	834,216	1,686,293	9,214,616
Excess of Revenues Over (under)							
Expenditures	1,136,715	176,964	969,484	(416,353)	-	(958,028)	908,782
Other Financing Sources (Uses)							
Transfers in	256,083	-	-	-	-	1,175,082	1,431,165
Transfers out	(942,568)	(250,000)	(232,514)	(6,083)	-	-	(1,431,165)
Net Other Financing Sources (Uses)	(686,485)	(250,000)	(232,514)	(6,083)	-	1,175,082	-
Net Change in Fund Balances	450,230	(73,036)	736,970	(422,436)	-	217,054	908,782
Fund Balances, beginning	7,934,333	8,019,389	1,084,782	3,358,864	-	4,212,754	24,610,122
Fund Balances, ending	\$ 8,384,563	\$ 7,946,353	\$ 1,821,752	\$ 2,936,428	\$ -	\$ 4,429,808	\$ 25,518,904

See accompanying notes to basic financial statements.

Exhibit B-4**City and Borough of Wrangell, Alaska**

**Reconciliation of Change in Fund Balances of Governmental Funds
to Statement of Activities
Year Ended June 30, 2020**

Net change in fund balances - total governmental funds \$ 908,782

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 (\$1,921,775) exceeded capital outlays (\$1,082,258). (839,517)

Revenues in the Statement of Activities that do not provide current financial
resources are not reported as revenues in the funds.

Decrease in other long-term receivables 58,109

The repayment of the principal of long-term debt consumes 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. In addition, accrued interest is not recorded in the fund
financial statements. This is the change in bond-related transactions:

Principal payments	\$ 250,000	
Amortization of bond premium	19,616	
Decrease in accrued interest	2,583	
		272,199

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.

Decrease in accrued leave	34,762	
Increase in net pension liability and related accounts	(278,400)	
Decrease in net OPEB liability/assets and related accounts	836,652	
		593,014

Change in Net Position of Governmental Activities \$ 992,587

See accompanying notes to basic financial statements.

Exhibit C-1

City and Borough of Wrangell, Alaska

Enterprise Funds
Statement of Net Position

	Major Funds				Nonmajor	Total
	Electric Utility	Water Utility	Port	Sewer Utility	Sanitation Utility	Enterprise Funds
<i>June 30, 2020</i>						
Assets and Deferred Outflows of Resources						
Current Assets						
Cash and investments	\$ 3,532,008	\$ 821,028	\$ 1,593,129	\$ 951,342	\$ 252,870	\$ 7,150,377
Receivables, net of allowance for doubtful accounts:						
Accounts	248,340	68,374	111,924	61,716	49,462	539,816
Grants	-	-	861,591	-	-	861,591
Accrued interest	-	5	32	7	-	44
Inventories	171,085	-	-	-	-	171,085
Total Current Assets	3,951,433	889,407	2,566,676	1,013,065	302,332	8,722,913
Noncurrent Assets						
Restricted cash and investments	-	-	690,725	75,312	-	766,037
Net other postemployment benefits asset	4,803	792	3,631	1,383	1,003	11,612
Capital assets, net	1,594,030	4,276,307	39,120,886	2,680,758	454,588	48,126,569
Total Noncurrent Assets	1,598,833	4,277,099	39,815,242	2,757,453	455,591	48,904,218
Total Assets	5,550,266	5,166,506	42,381,918	3,770,518	757,923	57,627,131
Deferred Outflows of Resources						
Related to pensions	137,050	21,800	78,854	30,233	21,075	289,012
Related to other postemployment benefits	64,787	11,673	51,357	20,024	14,435	162,276
Total Deferred Outflows of Resources	201,837	33,473	130,211	50,257	35,510	451,288
Total Assets and Deferred Outflows of Resources	\$ 5,752,103	\$ 5,199,979	\$ 42,512,129	\$ 3,820,775	\$ 793,433	\$ 58,078,419

Exhibit C-1, continued

City and Borough of Wrangell, Alaska

Enterprise Funds
Statement of Net Position, continued

	Major Funds			Nonmajor		Total
	Electric Utility	Water Utility	Port	Sewer Utility	Sanitation Utility	Enterprise Funds
<i>June 30, 2020</i>						
Liabilities, Deferred Inflows of Resources, and Net Position						
Current Liabilities						
Accounts payable	\$ 350,024	\$ 18,997	\$ 516,545	\$ 41,760	\$ 30,173	\$ 957,499
Accrued leave	52,142	20,068	21,248	23,857	8,751	126,066
Customer utility deposits	76,920	9,220	-	-	-	86,140
Accrued interest payable	-	2,507	-	1,687	-	4,194
Unearned revenue	-	-	689,100	-	-	689,100
Current portion of bonds and loans	-	2,550	-	1,651	-	4,201
Interfund loans payable	-	-	21,942	-	-	21,942
Total Current Liabilities	479,086	53,342	1,248,835	68,955	38,924	1,889,142
Long-term Liabilities, net of current portion						
USDA Rural Development loan	-	-	-	83,787	-	83,787
ADEC loan	-	49,358	-	-	-	49,358
Interfund loans payable	-	-	42,669	-	-	42,669
Net pension liability	956,072	156,162	577,445	230,870	163,376	2,083,925
Net other postemployment benefits liability	23,164	6,717	18,892	11,518	8,391	68,682
Total Long-term Liabilities	979,236	212,237	639,006	326,175	171,767	2,328,421
Total Liabilities	1,458,322	265,579	1,887,841	395,130	210,691	4,217,563
Deferred Inflows of Resources						
Related to pensions	18,869	3,795	7,423	6,788	5,163	42,038
Related to other postemployment benefits	24,718	5,253	18,204	9,234	6,770	64,179
Total Deferred Inflows of Resources	43,587	9,048	25,627	16,022	11,933	106,217
Net Position						
Net investment in capital assets	1,594,030	4,224,399	39,120,886	2,595,320	454,588	47,989,223
Restricted	-	-	1,625	-	-	1,625
Unrestricted	2,656,164	700,953	1,476,150	814,303	116,221	5,763,791
Total Net Position	4,250,194	4,925,352	40,598,661	3,409,623	570,809	53,754,639
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 5,752,103	\$ 5,199,979	\$ 42,512,129	\$ 3,820,775	\$ 793,433	\$ 58,078,419

See accompanying notes to basic financial statements.

Exhibit C-2

City and Borough of Wrangell, Alaska

Enterprise Funds

Statement of Revenues, Expenses and Changes in Net Position

Year Ended June 30, 2020	Major Funds				Nonmajor Fund	Total Enterprise Funds
	Electric Utility	Water Utility	Port	Sewer Utility	Sanitation Utility	
Operating Revenues						
Charges for services	\$ 3,978,386	\$ 708,360	\$ 2,106,172	\$ 595,479	\$ 626,355	\$ 8,014,752
Operating Expenses						
Salaries and employee benefits	752,135	243,462	568,675	202,126	192,206	1,958,604
Other operating expenses	3,028,457	308,423	388,508	192,101	379,288	4,296,777
Depreciation	304,402	646,215	1,916,170	259,560	76,132	3,202,479
Total Operating Expenses	4,084,994	1,198,100	2,873,353	653,787	647,626	9,457,860
Loss from Operations	(106,608)	(489,740)	(767,181)	(58,308)	(21,271)	(1,443,108)
Nonoperating Revenues (Expenses)						
Investment income	-	124	1,236	437	-	1,797
Interest expense	(15,661)	(592)	-	(1,615)	-	(17,868)
State PERS relief	41,649	6,873	31,489	11,994	8,702	100,707
State raw fish tax	-	-	284,469	-	-	284,469
State fisheries business tax	-	-	5,250	-	-	5,250
Other revenues	56,512	294	-	-	-	56,806
Net Nonoperating Revenues	82,500	6,699	322,444	10,816	8,702	431,161
Loss Before Capital Contributions	(24,108)	(483,041)	(444,737)	(47,492)	(12,569)	(1,011,947)
Capital contributions	-	-	460,353	-	-	460,353
Change in Net Position	(24,108)	(483,041)	15,616	(47,492)	(12,569)	(551,594)
Net Position, beginning	4,274,302	5,408,393	40,583,045	3,457,115	583,378	54,306,233
Net Position, ending	\$ 4,250,194	\$ 4,925,352	\$ 40,598,661	\$ 3,409,623	\$ 570,809	\$ 53,754,639

See accompanying notes to basic financial statements.

Exhibit C-3

City and Borough of Wrangell, Alaska

Enterprise Funds
Statement of Cash Flows

	Major Funds				Nonmajor Fund	Total
	Electric Utility	Water Utility	Port	Sewer Utility	Sanitation Utility	Enterprise Funds
<i>Year Ended June 30, 2020</i>						
Cash Flows from Operating Activities						
Receipts from customers and users	\$ 4,060,252	\$ 681,921	\$ 1,445,836	\$ 568,804	\$ 617,483	\$ 7,374,296
Payments for interfund services used	(238,594)	(70,658)	(59,088)	(25,492)	(55,127)	(448,959)
Payments to suppliers	(3,016,261)	(223,152)	(291,694)	(175,960)	(314,273)	(4,021,340)
Payments to employees	(823,263)	(254,251)	(611,875)	(219,102)	(204,698)	(2,113,189)
Net cash flows provided by (used for) operating activities	(17,866)	133,860	483,179	148,250	43,385	790,808
Cash Flows from Noncapital Financing Activities						
State fish taxes received	-	-	289,719	-	-	289,719
Cash Flows for Capital and Related Financing Activities						
Purchase of property, plant and equipment	(524,261)	(93,646)	(1,615,537)	-	-	(2,233,444)
Principal payments on long-term debt	-	(2,858)	(21,942)	(1,631)	-	(26,431)
Interest payments on long-term debt	(15,661)	(592)	-	(1,615)	-	(17,868)
Net cash flows used by capital and related financing activities	(539,922)	(97,096)	(1,637,479)	(3,246)	-	(2,277,743)
Cash Flows from Investing Activities						
Investment income received	-	124	1,304	436	-	1,864
Net Increase (Decrease) in Cash and Investments	(557,788)	36,888	(863,277)	145,440	43,385	(1,195,352)
Cash and Investments, beginning	4,089,796	784,140	3,147,131	881,214	209,485	9,111,766
Cash and Investments, ending	\$ 3,532,008	\$ 821,028	\$ 2,283,854	\$ 1,026,654	\$ 252,870	\$ 7,916,414
Reconciliation of Cash and Investments to Statement of Net Position						
Cash and investments:	\$ 3,532,008	\$ 821,028	\$ 1,593,129	\$ 951,342	\$ 252,870	\$ 7,150,377
Restricted cash and investments	-	-	690,725	75,312	-	766,037
Total Cash and Investments	\$ 3,532,008	\$ 821,028	\$ 2,283,854	\$ 1,026,654	\$ 252,870	\$ 7,916,414

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Exhibit C-3

City and Borough of Wrangell, Alaska

Enterprise Funds
Statement of Cash Flows

	Major Funds				Nonmajor Fund	Total
	Electric Utility	Water Utility	Port	Sewer Utility	Sanitation Utility	Enterprise Funds
<i>Year Ended June 30, 2020</i>						
Cash Flows from Operating Activities						
Receipts from customers and users	\$ 4,060,252	\$ 681,921	\$ 1,445,836	\$ 568,804	\$ 617,483	\$ 7,374,296
Payments for interfund services used	(238,594)	(70,658)	(59,088)	(25,492)	(55,127)	(448,959)
Payments to suppliers	(3,016,261)	(223,152)	(291,694)	(175,960)	(314,273)	(4,021,340)
Payments to employees	(823,263)	(254,251)	(611,875)	(219,102)	(204,698)	(2,113,189)
Net cash flows provided by (used for) operating activities	(17,866)	133,860	483,179	148,250	43,385	790,808
Cash Flows from Noncapital Financing Activities						
State fish taxes received	-	-	289,719	-	-	289,719
Cash Flows for Capital and Related Financing Activities						
Purchase of property, plant and equipment	(524,261)	(93,646)	(1,615,537)	-	-	(2,233,444)
Principal payments on long-term debt	-	(2,858)	(21,942)	(1,631)	-	(26,431)
Interest payments on long-term debt	(15,661)	(592)	-	(1,615)	-	(17,868)
Net cash flows used by capital and related financing activities	(539,922)	(97,096)	(1,637,479)	(3,246)	-	(2,277,743)
Cash Flows from Investing Activities						
Investment income received	-	124	1,304	436	-	1,864
Net Increase (Decrease) in Cash and Investments	(557,788)	36,888	(863,277)	145,440	43,385	(1,195,352)
Cash and Investments, beginning	4,089,796	784,140	3,147,131	881,214	209,485	9,111,766
Cash and Investments, ending	\$ 3,532,008	\$ 821,028	\$ 2,283,854	\$ 1,026,654	\$ 252,870	\$ 7,916,414
Reconciliation of Cash and Investments to Statement of Net Position						
Cash and investments:	\$ 3,532,008	\$ 821,028	\$ 1,593,129	\$ 951,342	\$ 252,870	\$ 7,150,377
Restricted cash and investments	-	-	690,725	75,312	-	766,037
Total Cash and Investments	\$ 3,532,008	\$ 821,028	\$ 2,283,854	\$ 1,026,654	\$ 252,870	\$ 7,916,414

Exhibit C-3, continued

City and Borough of Wrangell, Alaska

Enterprise Funds
Statement of Cash Flows, continued

	Major Funds				Nonmajor Fund	Total
	Electric Utility	Water Utility	Port	Sewer Utility	Sanitation Utility	Enterprise Funds
Reconciliation of Loss from Operations to Net Cash						
Flows from Operating Activities						
Loss from operations	\$ (106,608)	\$ (489,740)	\$ (767,181)	\$ (58,308)	\$ (21,271)	\$ (1,443,108)
Adjustments to reconcile loss from operations to net cash flows provided by (used for) operating activities:						
Depreciation	304,402	646,215	1,916,170	259,560	76,132	3,202,479
Noncash expense - PERS relief	41,649	6,873	31,489	11,994	8,702	100,707
Decrease in allowance for doubtful accounts	15,645	-	-	-	-	15,645
Miscellaneous nonoperating revenues	56,512	294	-	-	-	56,806
(Increase) decrease in assets:						
Accounts receivable	3,707	(27,658)	23,163	(26,675)	(8,872)	(36,335)
Inventories	(741)	-	-	-	-	(741)
Net other postemployment benefits asset	(4,803)	(792)	(3,631)	(1,383)	(1,003)	(11,612)
(Increase) decrease in deferred outflows of resources:						
Related to pensions	13,629	2,249	10,305	3,925	2,848	32,956
Related to other postemployment benefits	(3,793)	(626)	(2,868)	(1,092)	(792)	(9,171)
Increase (decrease) in liabilities:						
Accounts payable	(225,657)	14,613	40,080	(9,351)	9,888	(170,427)
Accrued leave	(4,314)	237	4,960	2,266	1,466	4,615
Unearned revenue	-	-	(683,499)	-	-	(683,499)
Customer utility deposits	6,002	925	-	-	-	6,927
Net pension liability	39,643	6,542	29,972	11,417	8,283	95,857
Net other postemployment benefits liability	(124,700)	(20,579)	(94,280)	(35,913)	(26,054)	(301,526)
Increase (decrease) in deferred inflows of resources:						
Related to pensions	818	135	618	236	171	1,978
Related to other postemployment benefits	(29,257)	(4,828)	(22,119)	(8,426)	(6,113)	(70,743)
Net Cash Flows provided by (used for) Operating Activities	\$ (17,866)	\$ 133,860	\$ 483,179	\$ 148,250	\$ 43,385	\$ 790,808

See accompanying notes to basic financial statements.

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements Year Ended June 30, 2020

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 their operational or financial relationships with the Borough.

The component unit column in the financial statements include 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 respective administrative office at the address below:

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

Related Organization

Thomas Bay Power Authority (TBPA), a related organization, was formed as a joint venture between the cities (now boroughs) of Petersburg and Wrangell. The function of TBPA in recent years was to operate and maintain the Tyee Lake Hydroelectric Project under contract to the Southeast Alaska Power Agency (SEAPA). TBPA had been overseen by a Commission composed of three appointed members from each community, with a seventh "at large" member chosen by the Commission.

In 2014 the two Boroughs surrendered the O&M contract to SEAPA. TBPA is now "dormant" until such time as the two communities agree on a specific task.

City and Borough of Wrangell, Alaska

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 units. 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 are recorded only to the extent they have matured.

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.

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

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 *Sales Tax Special Revenue Fund* accounts for sales tax revenue collected by the Borough from purchases made within the Borough from consumers and business owners. The Borough has elected to report this fund as major due to the fund's significance to the public.

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 *COVID-19 CARES Act Special Revenue 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.

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

The *Sewer Utility Enterprise Fund* is used to account for the operations of the wastewater utility. The Borough has elected to report this fund as major due to the fund's significance to the public.

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

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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 and Medical Center maintain 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.

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.

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

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.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

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

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 Enterprise 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 straight-line method.

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

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 Enterprise Fund Financial Statements, deferred inflows are reported in connection with taxes paid in advance and certain pension, and other postemployment benefits related transactions. Those items deferred under modified accrual in the governmental funds as “unavailable” 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, deferred outflows of resources and deferred inflows of resources related to pensions, other postemployment benefits 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.

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.

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

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.

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.

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.

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

2. Stewardship, Compliance and Accountability

Budgetary Accounting

An operating budget is adopted each fiscal year for the General Fund, most Special Revenue Funds, and the Debt Service Fund 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, 2020, expenditures exceeded appropriations in the General Fund Public Works department by \$62,986, and in the Permanent Fund by \$13,255.

Deficit Fund Balance

The Borough had no individual fund with deficit fund balance at June 30, 2020.

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 maintains water and sewer bond redemption and reserve accounts as required by the bond covenants.

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, 2020.

	Pooled Cash and Investments	Permanent Fund Special Revenue Fund	Totals
Bank deposits	\$ 12,397,910	\$ 317,747	\$ 12,715,657
Investments	13,795,213	7,628,606	21,423,819
Total Cash and Investments	\$ 26,193,123	\$ 7,946,353	\$ 34,139,476

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

	Government- wide Statement of Net Position
Cash and investments	\$ 33,373,439
Restricted cash and investments	766,037
Total Cash and Investments	\$ 34,139,476

Investment Policy

The Borough's general investment policy authorizes investments in:

1. Treasury bonds, bills, notes or other general obligation evidences 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-only, 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 this 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.

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

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, 2020 are as follows:

Investment Type	Fair Value	Investment Maturities (In Years)			
		Less Than 1	1-5	6-10	More than 10 Years
Money market funds	\$ 955,861	\$ 955,861	\$ -	\$ -	\$ -
Certificates of deposit	5,424,686	2,710,398	2,714,288	-	-
U.S. Treasuries	5,511,584	3,076,159	2,435,425	-	-
U.S. government agencies	150,119	-	150,119	-	-
Municipal bonds	657,732	135,431	345,299	108,680	68,322
U.S. fixed income funds	449,747	48,805	110,941	290,001	-
International fixed income funds	55,671	-	-	55,671	-
Total subject to interest rate risk		\$ 6,926,654	\$ 5,756,072	\$ 454,352	\$ 68,322
U.S. equity funds	361,720				
International equity funds	162,099				
Infrastructure funds	32,717				
Real estate funds	16,647				
Commodities funds	16,630				
Total General Investments	\$ 13,795,213				

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

General investments are classified in the fair value hierarchy as follows at June 30, 2020:

<i>Investment Type</i>	Level 1	Level 2	Level 3	Fair Value
Certificates of deposit	\$ -	\$ 5,424,686	\$ -	\$ 5,424,686
U.S. Treasuries	5,511,584	-	-	5,511,584
U.S. government agencies	-	150,119	-	150,119
Municipal bonds	-	657,732	-	657,732
U.S. fixed income funds	449,747	-	-	449,747
International fixed income funds	55,671	-	-	55,671
U.S. equity funds	361,720	-	-	361,720
International equity funds	162,099	-	-	162,099
Infrastructure funds	32,717	-	-	32,717
Real estate funds	16,647	-	-	16,647
Commodities funds	16,630	-	-	16,630
Total Investments at Fair Value	\$ 6,606,815	\$ 6,232,537	\$ -	\$ 12,839,352
Investments at amortized cost:				
Money market funds				\$ 955,861
Total Investments				\$ 13,795,213

The Borough has investments in money market funds and certificates of deposit that are not held at fair value, but instead are recorded at amortized cost, as of June 30, 2020.

Credit Risk

The Borough's general investments in U.S. Treasuries and U.S. government agencies were rated Aaa by Moody's. The Borough's investments in municipal bonds were rated as follows by Moody's: \$144,692 rated Aaa; \$334,731 rated Aa1; \$78,012 rated Aa2; \$100,297 rated Aa3. The Borough's investments in certificates of deposits, U.S fixed income funds and international fixed income funds were unrated.

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City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

Investment maturities in Permanent Fund Special Revenue Fund investments at June 30, 2020 are as follows:

Investment Type	Fair Value	Investment Maturities (in Years)			
		Less Than 1	1-5	6-10	More Than 10 Years
Money market funds	\$ 55,823	\$ 55,823	\$ -	\$ -	\$ -
U.S. fixed income funds	3,109,701	337,456	767,084	2,005,161	-
International fixed income funds	384,924	-	-	384,924	-
Total subject to interest rate risk		\$ 393,279	\$ 767,084	\$ 2,390,085	\$ -
U.S. equity funds	2,501,052				
International equity funds	1,120,806				
Infrastructure funds	226,216				
Real estate funds	115,100				
Commodities funds	114,984				
Total Permanent Fund Investments	\$ 7,628,606				

In addition to the investments disclosed above, the Permanent Fund Special Revenue Fund holds \$317,747 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 \$7,946,353.

Fair Value Measurement

Permanent fund investments are classified in the fair value hierarchy as follows at June 30, 2020:

Investment Type	Level 1	Level 2	Level 3	Fair Value
U.S. fixed income funds	\$ 3,109,701	\$ -	\$ -	\$ 3,109,701
International fixed income funds	384,924	-	-	384,924
U.S. equity funds	2,501,052	-	-	2,501,052
International equity funds	1,120,806	-	-	1,120,806
Infrastructure funds	226,216	-	-	226,216
Real estate funds	115,100	-	-	115,100
Commodities funds	114,984	-	-	114,984
Total Investments at Fair Value	\$ 7,572,783	\$ -	\$ -	\$ 7,572,783
Investments at amortized cost -				
Money market funds				55,823
Total Investments				\$ 7,628,606

Credit Risk

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

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

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, 2020, receivables for the Borough's individual major funds and nonmajor funds in the aggregate, including applicable allowances for uncollectible accounts, are as follows:

<u>Major Governmental Funds</u>						
<i>June 30, 2020</i>	General	Sales Tax Special Revenue	Nonmajor Governmental Funds	Total Governmental Funds		
Property taxes	\$ 134,081	\$ -	\$ -	\$ 134,081		
Sales taxes	463,245	218,082	-	681,327		
Accounts	50,385	-	-	50,385		
Grants and shared revenues	33,750	-	-	33,750		
Land sales and improvements	-	-	17,882	17,882		
Accrued interest	44,422	-	2	44,424		
Total receivables	725,883	218,082	17,884	961,849		
Less allowance for doubtful accounts	(70)	-	-	(70)		
Net Receivables	\$ 725,813	\$ 218,082	\$ 17,884	\$ 961,779		

<u>Major Enterprise Funds</u>						
<i>June 30, 2020</i>	Electric Utility	Water Utility	Port	Sewer Utility	Nonmajor Enterprise Fund Sanitation Utility	Total Enterprise Funds
Grants	\$ -	\$ -	\$ 861,591	\$ -	\$ -	\$ 861,591
Accounts	280,366	68,374	141,924	61,716	49,462	601,842
Accrued interest	-	5	32	7	-	44
Total receivables	280,366	68,379	1,003,547	61,723	49,462	1,463,477
Less allowance for doubtful accounts	(32,026)	-	(30,000)	-	-	(62,026)
Net Receivables	\$ 248,340	\$ 68,379	\$ 973,547	\$ 61,723	\$ 49,462	\$ 1,401,451

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

5. Capital Assets

Capital asset activity for the year ended June 30, 2020 was as follows:

	Balance July 1, 2019	Additions and Reclass- ifications	Deletions and Reclass- ifications	Balance June 30, 2020
Governmental Activities				
<i>Capital assets not being depreciated:</i>				
Land and land improvements	\$ 1,186,678	\$ -	\$ -	\$ 1,186,678
Construction in progress	-	434,307	64,355	498,662
Total capital assets not being depreciated	1,186,678	434,307	64,355	1,685,340
<i>Capital assets being depreciated:</i>				
Infrastructure	23,301,828	149,110	-	23,450,938
Buildings	48,384,677	38,603	(24,374)	48,398,906
Improvements other than buildings	6,293,283	-	(39,981)	6,253,302
Machinery and equipment	4,145,606	460,238	-	4,605,844
Total capital assets being depreciated	82,125,394	647,951	(64,355)	82,708,990
Less accumulated depreciation for:				
Infrastructure	4,244,090	632,594	-	4,876,684
Buildings	37,586,997	923,952	-	38,510,949
Improvements other than buildings	4,424,492	192,493	-	4,616,985
Machinery and equipment	3,444,711	172,736	-	3,617,447
Total accumulated depreciation	49,700,290	1,921,775	-	51,622,065
Total capital assets being depreciated, net	32,425,104	(1,273,824)	(64,355)	31,086,925
Governmental Activities Capital Assets, net	\$ 33,611,782	\$ (839,517)	\$ -	\$ 32,772,265

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

	Balance July 1, 2019	Additions and Reclass- ifications	Deletions and Reclass- ifications	Balance June 30, 2020
Business-type Activities				
<i>Capital assets not being depreciated:</i>				
Land and land improvements	\$ 959,233	\$ -	\$ -	\$ 959,233
Construction in progress	8,733,807	2,097,948	(136,640)	10,695,115
Total capital assets not being depreciated	9,693,040	2,097,948	(136,640)	11,654,348
<i>Capital assets being depreciated:</i>				
Buildings	9,083,955	136,640	-	9,220,595
Improvements other than buildings	79,527,395	93,648	-	79,621,043
Machinery and equipment	5,454,005	41,849	-	5,495,854
Total capital assets being depreciated	94,065,355	272,137	-	94,337,492
<i>Less accumulated depreciation for:</i>				
Buildings	7,528,260	410,053	-	7,938,313
Improvements other than buildings	42,866,205	2,485,049	-	45,351,254
Machinery and equipment	4,268,327	307,377	-	4,575,704
Total accumulated depreciation	54,662,792	3,202,479	-	57,865,271
Total capital assets being depreciated, net	39,402,563	(2,930,342)	-	36,472,221
Business-type Activity Capital Assets, net	\$ 49,095,603	\$ (832,394)	\$ (136,640)	\$ 48,126,569

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City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

Depreciation expense was charged to the functions as follows for the year ended June 30, 2020:

Governmental Activities	
General government	\$ 14,806
Public safety	85,348
Public works	915,888
Parks and recreation	39,174
Community services	337,161
Education	529,398

Total Depreciation Expense - Governmental Activities	\$ 1,921,775
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Business-type Activities	
Electric utility	\$ 304,402
Water utility	646,215
Sewer utility	259,560
Sanitation utility	76,132
Port	1,916,170

Total Depreciation Expense - Business-type Activities	\$ 3,202,479
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6. Interfund Balances and Transfers

A schedule of interfund balances and transfers for the year ended June 30, 2020, follows:

Interfund Loans

Due to General Fund from:	
Port Enterprise Fund for long-term capital advances	\$ 64,611

Total Amount Due to General Fund	\$ 64,611
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City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

Transfers

From General Fund to nonmajor governmental funds to cover operating costs	\$ 942,568
From Sales Tax Special Revenue Fund to:	
Nonmajor governmental funds to cover debt service costs	189,114
Nonmajor governmental funds for pool operating costs	29,000
Nonmajor governmental funds for Nolan Center operating costs	14,400
Total transfers from Sales Tax Special Revenue Fund	232,514
From Permanent Fund Special Revenue Fund to the General Fund for operating costs	250,000
From Secure Rural Schools Special Revenue Fund to General Fund to cover operating costs	6,083
Total Transfers to Other Funds	\$ 1,431,165

7. Long-term Liabilities

The following is a summary of long-term liability transactions of the Borough for the year ended June 30, 2020:

Governmental Activities	Balance July 1, 2019	Additions	Retired	Balance June 30, 2020	Due Within One Year
General Obligation Bonds:					
\$1,280,000 refunding 2015A Series One School bond, with one remaining annual installment of \$235,000, plus semi-annual interest payments of 2.5% per annum	\$ 460,000	\$ -	\$ 225,000	\$ 235,000	\$ 235,000
\$220,000 2011 school bonds, with one remaining annual installment of \$25,000 through 2021, plus semi-annual interest payments of 4.0% per annum	50,000	-	25,000	25,000	25,000
Accrued leave	278,246	243,484	278,246	243,484	243,484
Total Governmental Activities	788,246	\$ 243,484	\$ 528,246	503,484	\$ 503,484
Plus unamortized bond premium	39,232			19,616	
	\$ 827,478			\$ 523,100	

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

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

Business-type Activities	Balance July 1, 2019	Additions	Retired	Balance June 30, 2020	Due Within One Year
Loans Payable from Direct Borrowings:					
\$91,000 Sewer loan due in semi-annual installments of \$1,651 to \$3,173 including interest at 1.875% through 2057	\$ 87,069	\$ -	\$ 1,631	\$ 85,438	\$ 1,651
\$57,251 Water Utility loan due in annual installments of \$2,550 to \$3,285, including interest of 1.5% through 2038	54,766	-	2,858	51,908	2,550
\$200,000 Port loan from the General Fund to be paid with 50% of port development fees	86,553	-	21,942	64,611*	21,942
Accrued leave	121,451	126,066	121,451	126,066	126,066
Total Business-type Activities	\$ 349,839	\$ 126,066	\$ 147,882	\$ 328,023	\$ 152,209

*This interfund loan has been eliminated from long-term debt and loans receivable on the government-wide Statement of Net Position.

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

Annual debt service requirements to maturity for all of the above obligations, except the accrued leave and the Port loan, follow:

Governmental Activities Year Ending June 30,	General Obligation Bonds		
	Principal	Interest	Total
2021	\$ 260,000	\$ 6,875	\$ 266,875
Business-type Activities			
Year Ending June 30,	Loans Payable from Direct Borrowings		
	Principal	Interest	Total
2021	\$ 4,201	\$ 2,379	\$ 6,580
2022	4,271	2,309	6,580
2023	4,341	2,239	6,580
2024	4,413	2,167	6,580
2025	4,486	2,094	6,580
2026-2030	23,568	9,332	32,900
2031-2035	25,582	7,318	32,900
2036-2040	21,053	5,179	26,232
2041-2045	12,453	3,777	16,230
2046-2050	13,671	2,559	16,230
2051-2055	15,008	1,222	16,230
2056-2057	4,299	87	4,386
	\$ 137,346	\$ 40,662	\$ 178,008

8. 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	\$ 32,492,649	\$ 47,989,223	\$ 80,481,872
Restricted:			
Barnes Endowment	50,000	-	50,000
Economic stability	7,946,353	-	7,946,353
Schools and roads	2,936,428	-	2,936,428
Harbor improvements	-	1,625	1,625
Total restricted	10,932,781	1,625	10,934,406
Unrestricted	11,218,385	5,763,791	16,982,176
Total Net Position	\$ 54,643,815	\$ 53,754,639	\$ 108,398,454

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

9. 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, 2020:

	Major Governmental Funds					
	General	Permanent Fund Special Revenue	Sales Tax Special Revenue	Secure Rural Schools Special Revenue	Nonmajor Funds	Totals
Nonspendable:						
Interfund loans	\$ 64,611	\$ -	\$ -	\$ -	\$ -	\$ 64,611
Prepaid items	78,351	-	-	-	-	78,351
Inventory	-	-	-	-	73,916	73,916
Total nonspendable	142,962	-	-	-	73,916	216,878
Restricted:						
Economic stability	-	7,946,353	-	-	-	7,946,353
Schools and roads	-	-	-	2,936,428	-	2,936,428
Barnes Endowment	-	-	-	-	50,000	50,000
Total restricted	-	7,946,353	-	2,936,428	50,000	10,932,781
Committed:						
Community services	-	-	-	-	370,136	370,136
Education and health	-	-	1,821,752	-	-	1,821,752
Swimming pool	-	-	-	-	1,279,285	1,279,285
Land development	-	-	-	-	334,567	334,567
Total committed	-	-	1,821,752	-	1,983,988	3,805,740
Assigned:						
Projects	-	-	-	-	114,217	114,217
Economic recovery	-	-	-	-	2,229,586	2,229,586
Debt service	-	-	-	-	1,681	1,681
Total assigned	-	-	-	-	2,345,484	2,345,484
Unassigned (deficit)	8,241,601	-	-	-	(23,580)	8,218,021
Total Fund Balances	\$ 8,384,563	\$ 7,946,353	\$ 1,821,752	\$ 2,936,428	\$ 4,429,808	\$ 25,518,904

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

10. Municipal Landfill Closure and Postclosure Liability

On January 15, 1998, the Borough entered into an agreement with 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.

11. Restrictions of Sales Tax Revenues

According to the Municipal Code, 28% of sales tax revenue is to be used (1) to pay principal and interest for any bond indebtedness relating to education and health of the Borough; (2) to operate and maintain school facilities; and (3) to construct and maintain sewers within the Borough and other purposes relating to the health and sanitation of the Borough.

Four percent of the total sales tax revenue is to be used to plan, design, construct, and/or improve streets and sidewalks, such as pavement of gravel streets or the replacement of previously paved streets.

The remaining 68% of the current sales tax is available for any General Fund purpose as authorized by law or charter.

12. School Support

The following is a summary of the total support provided by the Borough to the School District for the year ended June 30, 2020. Support provided to the School District does not include debt service payments on school facilities or capital expenditures.

Secure Rural Schools Special Revenue Fund -	
National Forest Receipts	\$ 1,300,000

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City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

13. Retirement Plans

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 a comprehensive annual financial report that includes financial statements and other required supplemental information. That report is available via the internet at <http://doa.alaska.gov/dr/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. Police/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 adjustments, and other postemployment benefits (OPEB). A complete benefit comparison chart is available at the website noted above.

(a) Defined Benefit (DB) Pension Plan

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.

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.

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

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.

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, 2020 were determined in the June 30, 2017 actuarial valuations. The Borough's contribution rates for the 2020 fiscal year were as follows:

	Employer Effective Rate	ARM Board Adopted Rate	State Contribution Rate
Pension	15.72%	23.73%	6.62%
Postemployment healthcare (ARHCT)	6.28%	4.89%	0.00%
Total Contribution Rates	22.00%	28.62%	6.62%

In 2020, the Borough was credited with the following contributions to the pension plan.

	Measurement Period July 1, 2018 to June 30, 2019	Borough Fiscal Year July 1, 2019 to June 30, 2020
Employer contributions (including DBUL)	\$ 508,139	\$ 510,456
Nonemployer contributions (on-behalf)	209,381	262,713
Total Contributions	\$ 717,520	\$ 773,169

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

In addition, employee contributions to the Plan totaled \$118,512 during the Borough's fiscal year.

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

At June 30, 2020, 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	\$ 5,827,496
State's proportionate share of NPL associated with the Borough	2,319,355
Total Net Pension Liability	\$ 8,146,851

The total pension liability for the June 30, 2019 measurement date was determined by an actuarial valuation as of June 30, 2018 rolled forward to June 30, 2019 to calculate the net pension liability as of that date. The Borough's proportion of the net pension liability is based on the ratio of the present value of projected future contributions for each employer to the present value of project future contributions to the Plan for the fiscal years 2020 to 2039. At the June 30, 2019 measurement date, the Borough's proportion was 0.10645 percent, which was a decrease of 0.004790 percent from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the Borough recognized pension expense of \$1,745,176 and on-behalf revenue of \$315,072 for support provided by the State. At June 30, 2020, 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
Difference between expected and actual experience	\$ -	\$ (86,270)
Changes in assumptions	178,412	-
Net difference between projected and actual earnings on pension plan investments	83,554	-
Changes in proportion and differences between Borough contributions and proportionate share of contributions	-	(58,649)
Borough contributions subsequent to the measurement date	510,456	-
Total Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions	\$ 772,422	\$ (144,919)

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

The \$510,456 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 ended June 30, 2021. 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,

2021	\$ 126,202
2022	(61,689)
2023	23,707
2024	28,827
2025	-
Thereafter	-
Total Amortization	\$ 117,047

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2018, using the actuarial assumptions listed below, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2019:

Actuarial cost method	Entry age normal; level percentage of payroll
Amortization method	Level percentage of pay, closed
Inflation	2.50%
Salary increases	For peace officer/firefighter, increases range from 7.75% to 2.75% based on service. For all others, increases range from 6.75% to 2.75% based on service.
Investment rate of return	7.38%, net of pension plan investment expenses. This is based on an average inflation rate of 2.50% and a real rate of return of 4.88%.
Mortality	Pre-termination and post-termination mortality rates were based upon the 2013-2017 actual mortality experience. Pre-termination mortality rates were based on 100% of the RP-2014 table with MP-2017 generational improvement. Post-termination mortality rates were based on 91% of male and 96% of female rates of the RP-2014 table with MP-2017 generational improvement. Deaths are assumed to be occupational 75% of the time for peace officer/firefighters, 40% of the time for all others.

The actuarial assumptions used in the June 30, 2018 actuarial valuation (latest available) were based on the results of an actuarial experience study for the period from July 1, 2013 to June 30,

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

2017. As a result of this experience study, the ARM Board adopted updated actuarial assumptions for the June 30, 2018 actuarial valuation to better reflect expected future experience.

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 2.50%, for each major asset class included in the pension plan's target asset allocation as of June 30, 2019 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Broad domestic equity	24%	8.16%
Global equity (non-U.S.)	22%	7.51%
Intermediate treasuries	10%	1.58%
Opportunistic	10%	3.96%
Real assets	17%	4.76%
Absolute return	7%	4.76%
Private equity	9%	11.39%
Cash equivalents	1%	0.83%

Discount Rate

The discount rate used to measure the total pension liability was 7.38%. This is a reduction in the discount rate used since the prior measurement date, which was 8.00%. 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.

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 7.38%, 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 (6.38%)	Current Discount Rate (7.38%)	1% Increase (8.38%)
Borough's proportionate share of the net pension liability	0.10645%	\$ 7,691,273	\$ 5,827,496	\$ 4,266,645

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

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 participation accounts. Each participation account is self-directed with respect to investment options. This Plan is included in the comprehensive annual financial report for PERS, and at the following website, as noted above. <http://doa.alaska.gov/drb/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, 2020 to cover a portion of the Borough's employer match contributions. For the year ended June 30, 2020, no forfeitures were applied to reduced pension expense.

Employee Contribution Rate

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

Employer Contribution Rate

For the year ended June 30, 2020, 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, 2020 were \$103,268 and \$165,229, 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 is self-insured and provides major medical coverage to retirees of the PERS DC Plan (Tier IV). Members are not eligible to use the Plan until they have

City and Borough of Wrangell, Alaska

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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 comprehensive annual financial report for PERS, at the following website, as noted above. <http://doa.alaska.gov/drb/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, 2020 were as follows:

	Other	Police/Fire
Alaska Retiree Healthcare Trust	6.28%	6.28%
Retiree Medical Plan	1.32%	1.32%
Occupational Death and Disability Benefits	0.26%	0.72%
Total Contribution Rates	7.86%	8.32%

In 2020, the Borough was credited with the following contributions to the OPEB plans:

	Measurement Period July 1, 2018 to June 30, 2019	Borough Fiscal Year July 1, 2019 to June 30, 2020
Employer contributions - ARHCT	\$ 165,982	\$ 187,978
Employer contributions - RMP	16,108	27,263
Employer contributions - ODD	6,118	7,705
Total Contributions	\$ 188,208	\$ 222,946

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

At June 30, 2020, the Borough reported a liability for its proportionate share of the net OPEB liabilities (NOL) 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 NOL - ARHCT	\$ 158,227
Borough's proportionate share of NOL - RMP	32,838
Total Borough's Proportionate Share of Net OPEB Liabilities	\$ 191,065
State's proportionate share of the ARHCT NOL associated with the Borough	62,826
Total Net OPEB Liabilities	\$ 253,891

City and Borough of Wrangell, Alaska

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At June 30, 2020, the Borough reported an asset for its proportionate share of the net OPEB asset (NOA) associated with the Borough's participation in the ODD Plan. The amount recognized by the Borough for its proportionate share was \$36,328.

The total OPEB liabilities (asset) for the June 30, 2019 measurement date was determined by an actuarial valuation as of June 30, 2018 rolled forward to June 30, 2019 to calculate the net OPEB liabilities (asset) as of that date. The Borough's proportion of the net OPEB liabilities (asset) is based on the ratio of the present value of projected future contributions for each employer to the present value of project future contributions to the Plans for the fiscal years 2020 to 2039.

	June 30, 2018 Measurement Date Employer Proportion	June 30, 2019 Measurement Date Employer Proportion	Change
Borough's proportionate share of the net OPEB liabilities (asset):			
ARHCT	0.11123%	0.10664%	(0.00459)%
RMP	0.10645%	0.13726%	(0.03081)%
ODD	0.10645%	0.14984%	(0.04339)%

For the year ended June 30, 2020, the Borough recognized OPEB expense of \$(1,156,601). Of this amount, \$(406,047) was recorded for on-behalf revenue and expense for support provided by the ARHCT plan. OPEB expense and on-behalf revenue is listed by plan in the table below:

Plan	OPEB expense	On-behalf revenue
ARHCT	\$ (1,216,322)	\$ (406,047)
RMP	50,531	-
ODD	9,190	-
Total	\$ (1,156,601)	\$ (406,047)

At June 30, 2020, 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
Changes in assumptions	\$ 209,964	\$ 15,894	\$ -	\$ 225,858
Changes in proportion and differences between Borough contributions and proportionate share of contributions	36,848	2,756	942	40,546
Borough contributions subsequent to the measurement date	187,978	27,263	7,705	222,946
Total Deferred Outflows of Resources Related to OPEB Plans	\$ 434,790	\$ 45,913	\$ 8,647	\$ 489,350

City and Borough of Wrangell, Alaska

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<i>Deferred Inflows of Resources</i>	ARHCT	RMP	ODD	Total
Difference between expected and actual experience	\$ (106,325)	\$ (2,433)	\$ (11,326)	\$ (120,084)
Changes in assumptions	-	-	(695)	(695)
Difference between projected and actual investment earnings	(69,286)	(362)	(240)	(69,888)
Changes in proportion and differences between Borough contributions and proportionate share of contributions	-	(728)	(5,371)	(6,099)
Total Deferred Inflows of Resources Related to OPEB Plans	\$ (175,611)	\$ (3,523)	\$ (17,632)	\$ (196,766)

Amounts reported as deferred outflows of resources related to OPEB plans resulting from Borough contributions subsequent to the measurement date will be recognized as a reduction in the net OPEB liabilities (asset) in the year ended June 30, 2021. 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
2021	\$ 86,631	\$ 1,623	\$ (2,514)	\$ 85,740
2022	(53,855)	1,623	(2,514)	(54,746)
2023	16,669	2,493	(2,182)	16,980
2024	21,754	2,478	(2,175)	22,057
2025	-	2,145	(2,286)	(141)
Thereafter	-	4,766	(5,018)	(252)
Total Amortization	\$ 71,199	\$ 15,128	\$ (16,689)	\$ 69,638

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City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

Actuarial Assumptions

The total OPEB liability for each plan for the measurement period ended June 30, 2019 was determined by actuarial valuations as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement, and rolled forward to the measurement date of June 30, 2019:

Actuarial cost method	Entry age normal; level percentage of payroll
Amortization method	Level percentage of payroll, closed
Inflation	2.50%
Salary increases	Graded by service, from 7.75% to 2.75% for Peace Officer/ Firefighter. Graded by service from 6.75% to 2.75% for all others
Investment return of return	7.38%, 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 4.88%.
Healthcare cost trend rates (ARHCT Plan and RMP)	Pre-65 medical: 7.5% grading down to 4.5% Post-65 medical: 5.5% grading down to 4.5% Prescription drug: 8.5% grading down to 4.5% EGWP: 8.5% grading down to 4.5%
Mortality	Pre-termination and post-termination mortality rates were based upon the 2013-2017 actual mortality experience. Post-termination mortality rates were based on 91% of the male rates and 96% of the female rates of the RP-2014 healthy annuitant table project with MP-2017 generational improvement. The rates for pre- termination mortality were 100% of the RP-2014 employee table with MP-2017 generational improvement.
Participation (ARHCT)	100% system paid of members and their spouses are assumed to elect the healthcare benefits paid as soon as they are eligible. 10% of non-system paid members and their spouses are assumed to elect the healthcare benefits as soon as they are eligible.

The actuarial assumptions used in the June 30, 2018 actuarial valuation were based on the results of an actuarial experience study for the period from July 1, 2013 to June 30, 2017. As a result of this experience study, the ARM Board adopted updated actuarial assumptions for the June 30, 2018 actuarial valuation to better reflect expected future experience.

In addition to the changes in assumptions resulting from the experience study, the following assumption changes have been made since the prior valuation:

1. 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 larger projected subsidies to offset the cost of prescription drug coverage.
2. Based on recent experience, the healthcare cost trend assumptions were updated
3. Per capita claims costs were updated to reflect recent experience.
4. Healthcare cost trends were updated to reflect a Cadillac Tax load.

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

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 2.50% for each major asset class included in the OPEB plan's target asset allocation as of June 30, 2019 are summarized in the following table:

<i>Asset Class</i>	<i>Target Allocation</i>	<i>Long-Term Expected Real Rate of Return</i>
Broad domestic equity	24%	8.16%
Global equity (non-U.S.)	22%	7.51%
Intermediate treasuries	10%	1.58%
Opportunistic	10%	3.96%
Real assets	17%	4.76%
Absolute return	7%	4.76%
Private equity	9%	11.39%
Cash equivalents	1%	0.83%

Discount Rate

The discount rate used to measure the total OPEB liability for each plan as of June 30, 2019 was 7.38%. This is a reduction in the discount rate used since the prior measurement date, which was 8.00%. 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 of 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.

Sensitivity of the Net OPEB Liability (Asset) to Changes in the Discount Rate

The following presents the Borough's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 7.38%, as well as what the Borough's proportionate share of the respective plan's net OPEB liability (asset) 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:

	<i>Proportional Share</i>	<i>1% Decrease (6.38%)</i>	<i>Current Discount Rate (7.38%)</i>	<i>1% Increase (8.38%)</i>
Borough's proportionate share of the net OPEB liability (asset):				
ARHCT	0.10664%	\$ 1,272,739	\$ 158,227	\$ (758,581)
RMP	0.13726%	\$ 82,477	\$ 32,838	\$ (4,534)
ODD	0.14984%	\$ (34,459)	\$ (36,328)	\$ (37,838)

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

Sensitivity of the Net OPEB Liability (Asset) to Changes in the Healthcare Cost Trend Rates

The following presents the Borough's proportionate share of the net OPEB liability (asset) calculated using the healthcare cost trend rates as summarized in the 2019 actuarial valuation reports as well as what the Borough's proportionate share of the respective plan's net OPEB liability (asset) 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 liability (asset):				
ARHCT	0.10664%	\$ (865,808)	\$ 158,227	\$ 1,407,936
RMP	0.13726%	\$ (10,099)	\$ 32,838	\$ 91,614
ODD	0.14984%	\$ 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 is established under AS 39.30.300. 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.

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, 2019, for actual remittance, this amount is calculated as a flat rate for each full-time or part-time employee per pay period and approximates \$2,121 per year for each full-time employee, and \$1.36 per hour for part-time employees.

Annual Postemployment Healthcare Cost

In fiscal year 2020, the Borough contributed \$73,721 in DC OPEB costs. These amounts have been recognized as expense/expenditures.

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

14. 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, 2018. Coverage limits and the deductibles on the policies have stayed relatively constant for the last several years.

15. 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.

Environmental Remediation

The City and Borough of Wrangell foreclosed on a piece of property in 2004 for the owner's failure to pay property taxes. This property was previously used as a junk yard and is classified as contaminated by both the Alaska Department of Environmental Conservation (ADEC) and the U.S. Environmental Protection Agency (EPA). Both ADEC and EPA have met with the Borough in regards to cleaning this site up to a residential level. As of June 30, 2018, the debris has been removed and the EPA and ADEC have completed their assessment. Clean-up costs have been estimated in the \$4 million range. In September 2015, the ADEC announced that it would step in and manage the project with funding under the State's Oil and Hazardous Substance Release Prevention and Response Fund. Management believes that the State funding will cover the costs of clean up and that the Borough will only provide limited administrative support. No liability has been recorded in these financial statements in connection with this issue.

16. Subsequent Events

In preparing these financial statements, the Borough has evaluated all other events and transactions for potential recognition or disclosure through October 21, 2021, the date the financial statements were issued.

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

17. Coronavirus Pandemic

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China and the risks to the international community as the virus spread globally beyond its point of origin. In March 2020, the WHO classified the coronavirus as a pandemic, based on the rapid increase in exposure globally.

The Borough’s operations are heavily dependent upon the ability to collect sales taxes and assess fees for services. Additionally, the Borough also receives significant grant funding from the federal government and State of Alaska. The coronavirus pandemic has adversely impacted economic and financial market conditions, both globally and locally. It is possible that the coronavirus pandemic will adversely impact the Borough’s tax revenue base, demand for services, access to federal and state grant funding, as well as depress the value of the Borough’s investments in marketable securities. It is also possible the Borough will incur additional, previously unbudgeted expenditures as a result of the pandemic. Furthermore, it is possible that the coronavirus pandemic may adversely impact the Borough’s operations by limiting or restricting the Borough’s ability to deploy its workforce effectively.

Management has and is continuing to evaluate the impact of COVID-19. The full impact of COVID-19 and the scope of any adverse impact on the Borough’s financial condition, results from operations and liquidity cannot be fully determined at this time.

18. Economic Relief Legislation

On March 27, 2020, the “Coronavirus Aid, Relief and Economic Security (CARES) Act” was signed into law. The CARES Act, among other things, appropriated funds for the Coronavirus Relief Fund to be used to make payments for specified uses to States and certain local governments. The Borough received \$2,061,747 in payments from the Coronavirus Relief Fund (CRF), passed through the State of Alaska, for the year ended June 30, 2020. The Borough applied \$826,272 in CRF funding toward eligible expenditures in fiscal year 2020. Subsequent to year end, the Borough received an additional \$1,789,356 through the CRF. The Borough continues to examine the impact that the CARES Act may have. In addition, the Consolidated Appropriations Act, 2021 and the American Rescue Plan Act of 2021 were signed into law on December 27, 2020 and March 11, 2021, respectively. Both Acts appropriated funds for States and certain local governments. Currently, the Borough is unable to determine the full impact the economic relief legislation will have on the Borough’s financial condition, results of operations, or liquidity.

19. New Accounting Pronouncements

The Governmental Accounting Standards Board has issued several 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. 84 - Fiduciary Activities - Effective for year-end June 30, 2021. This Statement addresses criteria for identifying and reporting fiduciary activities.

GASB Statement No. 87 - Leases - Effective for year-end June 30, 2021, This Statement addresses accounting and financial reporting for certain lease assets and liabilities for leases that previously were classified as operating leases. This Statement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset.

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

GASB Statement No. 89 - Accounting for Interest Cost Incurred before the End of a Construction Period - Effective for year-end June 30, 2021. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus.

GASB Statement No. 90 - Majority Equity Interests - an amendment of GASB Statements No. 14 and No. 61 - Effective for year-end June 30, 2021. This Statement addresses accounting and financial reporting for a majority equity interest in a legally separate organization. It provides a definition of a majority equity interest and provides guidance for further presentation as either an investment or a component unit, based on specific criteria.

GASB Statement No. 91 - Conduit Debt Obligations - Effective for year-end June 30, 2022. 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 obligations, and related note disclosures. This Statement clarifies the definition of a conduit debt obligation and establishes standards for related accounting and financial reporting.

GASB Statement No. 92 - Omnibus 2020 - Provisions of this Statement related to the effective date of Statement No. 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance. The effective date for all other provisions of the Statement are to be implemented for year-end June 30, 2021. This Statement addresses a variety of topics such as leases, the applicability of Statement No. 73 and Statement No. 74 for reporting assets accumulated for postemployment benefits, the applicability of Statement No. 84 to postemployment benefit arrangements, the measurements of liabilities and assets related to asset retirement obligations in a government acquisition, reporting of public entity risk pools, referencing to nonrecurring fair value measurements, and terminology used to refer to derivative instruments.

GASB Statement No. 93 - Replacement of Interbank Offered Rates - The provisions of this Statement, except for paragraph 11b, are required to be implemented for year-end June 30, 2022. The requirements in paragraph 11b are required to be implemented for year-end June 30, 2023. This Statement addresses accounting and financial reporting implications that result from the replacement of an interbank offered rate (IBOR).

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 provides guidance for accounting and financial reporting for availability payment arrangements (APA).

In light of the COVID-19 Pandemic, on May 8, 2020, the GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*, to provide relief to governments. This Statement, which was effective upon issuance, postpones the effective dates of certain provisions in the above noted pronouncements for one year, except for Statement No. 87 and provisions related to leases in Statement No. 92 which are postponed for eighteen months. Certain other provisions of Statement No. 92 are excluded from Statement No. 95. Additionally, Statement No. 95 excludes provisions in Statement No. 93 related to lease modifications and excludes Statement No. 94 since the GASB considered the pandemic in determining effective dates. Earlier application of the standards is encouraged and is permitted to the extent specified in each pronouncement as originally issued.

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

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, provides capitalization criteria for outlays other than subscription payments, and requires note disclosures regarding a SBITA.

GASB Statement No. 97 - Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - an Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32 - Effective for year-end June 30, 2022, except the portion of the pronouncement related to component unit criteria, which is effective for year-end June 30, 2020. This statement modifies certain guidance contained in Statement No. 84 and enhances the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans that meet the definition of a pension plan and for benefits provided through those plans.

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Required Supplementary Information

Exhibit D-1

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, 2020</i>	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Taxes	\$ 4,160,995	\$ 4,172,091	\$ 4,348,596	\$ 176,505
Intergovernmental	1,250,776	1,251,776	1,300,238	48,462
Charges for services	502,500	152,500	128,109	(24,391)
Sales and leases	114,900	114,900	126,227	11,327
Fines and forfeitures	15,000	15,000	4,302	(10,698)
Investment income	35,000	35,000	336,128	301,128
Other	9,380	358,380	273,967	(84,413)
Total Revenues	6,088,551	6,099,647	6,517,567	417,920
Expenditures				
General government	1,545,801	1,582,841	1,389,707	193,134
Public safety	2,851,279	2,619,901	2,230,318	389,583
Public works	862,444	1,340,394	1,403,380	(62,986)
Library	309,564	309,564	270,655	38,909
Community services	312,320	139,530	86,792	52,738
Total Expenditures	5,881,408	5,992,230	5,380,852	611,378
Excess of Revenues Over Expenditures	207,143	107,417	1,136,715	1,029,298
Other Financing Sources (Uses)				
Transfers in	250,000	250,000	256,083	6,083
Transfers out	(942,569)	(942,569)	(942,568)	1
Net Other Financing Sources (Uses)	(692,569)	(692,569)	(686,485)	6,084
Net Change in Fund Balance	\$ (485,426)	\$ (585,152)	450,230	\$ 1,035,382
Fund Balance, beginning			7,934,333	
Fund Balance, ending			\$ 8,384,563	

See accompanying notes to Required Supplementary Information.

Exhibit D-2

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, 2020</i>	Original and Final Budget	Actual	Variance with Budget
Revenues			
Investment income	\$ 250,000	\$ 190,219	\$ (59,781)
Lease revenue	16,440	-	(16,440)
Total Revenues	266,440	190,219	(76,221)
Expenditures - general government	-	13,255	(13,255)
Excess of Revenues Over Expenditures	266,440	176,964	(89,476)
Other Financing Uses - transfers out	(250,000)	(250,000)	-
Net Change in Fund Balance	\$ 16,440	(73,036)	\$ (89,476)
Fund Balance, beginning		8,019,389	
Fund Balance, ending		\$ 7,946,353	

See accompanying notes to Required Supplementary Information.

Exhibit D-3**City and Borough of Wrangell, Alaska**

**Sales Tax Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual**

<i>Year Ended June 30, 2020</i>	Original and Final Budget	Actual	Variance with Budget
Revenues			
Sales tax	\$ 2,670,000	\$ 969,484	\$ (1,700,516)
Miscellaneous reimbursement	85,000	-	(85,000)
Investment income	56,190	-	(56,190)
Total Revenues	2,811,190	969,484	(1,841,706)
Expenditures - contributions to school district	5,000	-	5,000
Excess of Revenues Over (Under) Expenditures	2,806,190	969,484	(1,836,706)
Other Financing Uses - transfers out	(2,099,250)	(232,514)	1,866,736
Net Change in Fund Balance	<u>\$ 706,940</u>	736,970	<u>\$ 30,030</u>
Fund Balance, beginning		<u>1,084,782</u>	
Fund Balance, ending		<u>\$ 1,821,752</u>	

See accompanying notes to Required Supplementary Information.

Exhibit D-4

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>Years Ended June 30, 2020</i>	Original and Final Budget	Actual	Variance with Budget
Revenues			
Intergovernmental - national forest receipts	\$ -	\$ 883,647	\$ 883,647
Investment income	15,000	-	(15,000)
Total Revenues	15,000	883,647	868,647
Expenditures			
Education - contributions to school district	1,400,000	1,300,000	100,000
Excess of Revenues Under Expenditures	(1,385,000)	(416,353)	968,647
Other Financing Uses - transfers out	-	(6,083)	(6,083)
Net Change in Fund Balance	<u>\$ (1,385,000)</u>	(422,436)	<u>\$ 962,564</u>
Fund Balance, beginning		<u>3,358,864</u>	
Fund Balance, ending		<u>\$ 2,936,428</u>	

See accompanying notes to Required Supplementary Information.

Exhibit E-1

City and Borough of Wrangell, Alaska
Public Employees' Retirement System - Pension Plan

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

<i>Years Ended June 30,</i>	2020	2019	2018	2017	2016	2015
Borough's Proportion of the Net Pension Liability	0.10645%	0.11124%	0.10179%	0.12813%	0.12944%	0.09481%
Borough's Proportionate Share of the Net Pension Liability	\$ 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	2,319,355	1,601,473	1,960,717	901,438	1,682,286	3,807,733
Total Net Pension Liability	\$ 8,146,851	\$ 7,129,071	\$ 7,222,435	\$ 8,063,128	\$ 7,960,268	\$ 8,229,529
Borough's Covered Payroll	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	165.73%	168.02%	165.15%	227.60%	195.00%	122.87%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	63.42%	65.19%	63.37%	59.55%	63.96%	62.37%

Schedule of Borough Contributions

<i>Years Ended June 30,</i>	2020	2019	2018	2017	2016	2015
Contractually Required Contributions	\$ 510,456	\$ 508,139	\$ 525,495	\$ 537,369	\$ 343,399	\$ 340,908
Contributions Relative to the Contractually Required Contribution	510,456	508,139	525,495	537,369	343,399	340,908
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Borough's Covered Payroll	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	13.50%	14.45%	15.97%	16.87%	10.91%	10.59%

See accompanying notes to Required Supplementary Information.

Exhibit E-2

City and Borough of Wrangell, Alaska
Public Employees' Retirement System - OPEB Plans

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

Years Ended June 30,	ARHCT			RMP			ODD		
	2020	2019	2018	2020	2019	2018	2020	2019	2018
Borough's Proportion of the Net OPEB Liability (Asset)	0.10664%	0.11123%	0.10186%	0.13726%	0.10645%	0.10277%	0.14984%	0.10645%	0.10277%
Borough's Proportionate Share of the Net OPEB Liability (Asset)	\$ 158,227	\$ 1,141,549	\$ 860,457	\$ 32,838	\$ 13,546	\$ 5,359	\$ (36,328)	\$ (20,674)	\$ (14,582)
State of Alaska Proportionate Share of the Net OPEB Liability (Asset)	62,826	332,145	320,648	-	-	-	-	-	-
Total Net OPEB Liability (Asset)	\$ 221,053	\$ 1,473,694	\$ 1,181,105	\$ 32,838	\$ 13,546	\$ 5,359	\$ (36,328)	\$ (20,674)	\$ (14,582)
Borough's Covered Payroll	2,228,533	2,085,158	3,185,949	1,287,623	1,204,782	3,185,949	1,287,623	1,204,782	3,185,949
Borough's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Payroll	7.10%	54.75%	27.01%	2.55%	1.12%	0.17%	-2.82%	-1.72%	-0.46%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)	98.13%	88.12%	89.68%	83.17%	88.71%	93.98%	297.43%	270.62%	212.97%

Schedule of Borough Contributions

Years Ended June 30,	ARHCT			RMP			ODD		
	2020	2019	2018	2020	2019	2018	2020	2019	2018
Contractually Required Contributions	\$ 187,978	\$ 165,982	\$ 136,960	\$ 27,263	\$ 16,108	\$ 12,409	\$ 7,705	\$ 6,118	\$ 2,473
Contributions Relative to the Contractually Required Contributions	187,978	165,982	136,960	27,263	16,108	12,409	7,705	6,118	2,473
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Borough's Covered Payroll	1,717,381	2,228,533	2,085,158	2,064,913	1,287,623	1,204,782	2,064,913	1,287,623	1,204,782
Contributions as a Percentage of Covered Payroll	10.95%	7.45%	6.57%	1.32%	1.25%	1.03%	0.37%	0.17%	0.21%

See accompanying notes to Required Supplementary Information.

City and Borough of Wrangell, Alaska

Notes to Required Supplementary Information Year Ended June 30, 2020

1. Budgetary Comparison Schedule

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

The COVID-19 CARES Act Special Revenue Fund does not have a legally adopted budget; therefore, not budgetary comparison schedule has been presented for this fund.

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, 2020, the Plan measurement date is June 30, 2019.

Changes in Assumptions:

In 2020, the discount rate was lowered from 8% to 7.38%.

The actuarial assumptions used in the June 30, 2018 actuarial valuation (latest available) were based on the results of an actuarial experience study for the period from July 1, 2013 to June 30, 2017. As a result of this experience study, the ARM Board adopted updated actuarial assumptions for the June 30, 2018 actuarial valuation to better reflect expected future experience.

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 Borough 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.

City and Borough of Wrangell, Alaska

Notes to Required Supplementary Information, continued June 30, 2020

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, 2020, the Plan measurement date is June 30, 2019.

Changes in Assumptions:

1. 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 larger projected subsidies to offset the cost of prescription drug coverage.
2. Based on recent experience, the healthcare cost trend assumptions were updated.
3. Per capita claims costs were updated to reflect recent experience.
4. Healthcare cost trends were updated to reflect a Cadillac Tax load.
5. The discount rate was lowered from 8% to 7.38%.

The actuarial assumptions used in the June 30, 2018 actuarial valuation (latest available) were based on the results of an actuarial experience study for the period from July 1, 2013 to June 30, 2017. As a result of this experience study, the ARM Board adopted updated actuarial assumptions for the June 30, 2018 actuarial valuation to better reflect expected future experience.

Changes in Methods:

As part of the experience study, the actuarial cost method for the retiree healthcare plan was changed from the Entry Age Level Dollar method to the Entry Age Level Percent of Pay method.

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 Borough 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.

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Supplementary Information

Exhibit F-1

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	Parks and Recreation	Nolan Center	Debt Service Fund	Residential Construc- tion	Industrial Construc- tion	Economic Recovery	Misc- ellaneous	
June 30, 2020									
Assets									
Cash and investments	\$ 460,263	\$ 1,378,637	\$ 44,773	\$ 1,681	\$ 136,681	\$ 343,288	\$ 1,353,445	\$ 947,651	\$ 4,666,419
Receivables:									
Accrued interest	-	-	2	-	-	-	-	-	2
Land sales and improvements	-	-	-	-	-	17,882	-	-	17,882
Inventory	-	-	73,916	-	-	-	-	-	73,916
Total Assets	\$ 460,263	\$ 1,378,637	\$ 118,691	\$ 1,681	\$ 136,681	\$ 361,170	\$ 1,353,445	\$ 947,651	\$ 4,758,219

Exhibit F-1, continued

City and Borough of Wrangell, Alaska

Nonmajor Governmental Funds
Combining Balance Sheet, continued

	Special Revenue Funds			Capital Project Funds					Total Nonmajor Govern- mental Funds
	Transient Tax	Parks and Recreation	Nolan Center	Debt Service Fund	Residential Construc- tion	Industrial Construc- tion	Economic Recovery	Misc- ellaneous	
June 30, 2020									
Liabilities, Deferred Inflows of Resources and Fund Balances									
Liabilities									
Accounts payable	\$ 90,127	\$ 94,622	\$ 8,005	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 192,754
Unearned revenue	-	4,730	10,350	-	-	-	-	71,510	86,590
Total Liabilities	90,127	99,352	18,355	-	-	-	-	71,510	279,344
Deferred Inflows of Resources - land sale receivables not yet due	-	-	-	-	22,464	26,603	-	-	49,067
Fund Balances									
Nonspendable - inventory	-	-	73,916	-	-	-	-	-	73,916
Restricted:									
Barnes Endowment	-	-	50,000	-	-	-	-	-	50,000
Committed:									
Community services	370,136	-	-	-	-	-	-	-	370,136
Swimming pool	-	1,279,285	-	-	-	-	-	-	1,279,285
Land development	-	-	-	-	-	334,567	-	-	334,567
Assigned:									
Projects	-	-	-	-	114,217	-	1,353,445	876,141	2,343,803
Debt service	-	-	-	1,681	-	-	-	-	1,681
Unassigned	-	-	(23,580)	-	-	-	-	-	(23,580)
Total Fund Balances	370,136	1,279,285	100,336	1,681	114,217	334,567	1,353,445	876,141	4,429,808
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 460,263	\$ 1,378,637	\$ 118,691	\$ 1,681	\$ 136,681	\$ 361,170	\$ 1,353,445	\$ 947,651	\$ 4,758,219

Exhibit F-2

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

	Special Revenue Funds				Capital Project Funds				Total Nonmajor Governmental Funds
	Transient Tax	Parks and Recreation	Nolan Center	Debt Service Fund	Residential Construc- tion	Industrial Construc- tion	Economic Recovery	Misc- ellaneous	
<i>Year Ended June 30, 2020</i>									
Revenues									
Taxes	\$ 55,061	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 55,061
Intergovernmental	63,911	10,093	10,041	79,136	-	-	-	-	163,181
Charges for services	-	64,468	155,929	-	-	-	-	-	220,397
Investment income	-	109,896	422	-	323	1,323	-	-	111,964
Land sales and improvements	-	-	-	-	38,008	-	-	-	38,008
Donations and contributions	-	90	100,000	-	-	-	-	-	100,090
Other	5,172	12,683	21,709	-	-	-	-	-	39,564
Total Revenues	124,144	197,230	288,101	79,136	38,331	1,323	-	-	728,265

Exhibit F-2, continued

City and Borough of Wrangell, Alaska

Nonmajor Governmental Funds

Combining Statement of Revenues, Expenditures and Changes in Fund Balances, continued

Year Ended June 30, 2020	Special Revenue Funds			Capital Project Funds					Total Nonmajor Governmental Funds
	Transient Tax	Parks and Recreation	Nolan Center	Debt Service Fund	Residential Construc- tion	Industrial Construc- tion	Economic Recovery	Misc- ellaneous	
Expenditures									
General government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,086	\$ 4,086
Parks and recreation	-	687,607	-	-	-	-	-	-	687,607
Community services	148,049	-	559,342	-	-	-	-	-	707,391
Debt service:									
Principal	-	-	-	250,000	-	-	-	-	250,000
Interest	-	-	-	18,250	-	-	-	-	18,250
Capital outlay	-	6,090	-	-	750	12,119	-	-	18,959
Total Expenditures	148,049	693,697	559,342	268,250	750	12,119	-	4,086	1,686,293
Excess of Revenues Over (Under) Expenditures	(23,905)	(496,467)	(271,241)	(189,114)	37,581	(10,796)	-	(4,086)	(958,028)
Other Financing Sources									
Transfers in	-	817,758	168,210	189,114	-	-	-	-	1,175,082
Net Change in Fund Balances	(23,905)	321,291	(103,031)	-	37,581	(10,796)	-	(4,086)	217,054
Fund Balances, beginning	394,041	957,994	203,367	1,681	76,636	345,363	1,353,445	880,227	4,212,754
Fund Balances, ending	\$ 370,136	\$ 1,279,285	\$ 100,336	\$ 1,681	\$ 114,217	\$ 334,567	\$ 1,353,445	\$ 876,141	\$ 4,429,808

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General Fund

The General Fund is established to account for the revenues and expenditures necessary to carry out basic governmental activities of the Borough such as fire and police protection, public works, recreation, planning, administrative services, etc. Appropriations are made from the General Fund annually.

Revenue is recorded by source, i.e., taxes, State of Alaska, charges for services, etc. Expenditures are recorded first by function then by activity and object of expenditure.

City and Borough of Wrangell, Alaska

Exhibit G-1

General Fund
Balance Sheet

June 30,	2020	2019
Assets		
Cash and investments	\$ 7,777,810	\$ 7,386,034
Prepaid items	78,351	-
Receivables:		
Property taxes	134,081	92,375
Sales taxes	463,245	499,935
Accounts	50,385	33,407
Accrued interest	44,422	44,890
Grants and shared revenues	33,750	15,479
Total receivables	725,883	686,086
Less allowance for doubtful accounts	(70)	(70)
Net receivables	725,813	686,016
Interfund loan receivable	64,611	86,553
Total Assets	\$ 8,646,585	\$ 8,158,603
Liabilities, Deferred Inflows of Resources, and Fund Balance		
Liabilities		
Accounts payable	\$ 153,603	\$ 173,981
Unearned revenue	12,247	12,225
Total Liabilities	165,850	186,206
Deferred Inflows of Resources		
Delinquent property taxes	96,172	38,064
Total Liabilities and Deferred Inflows of Resources	262,022	224,270
Fund Balance		
Nonspendable:		
Prepaid items	78,351	-
Interfund loan receivable	64,611	86,553
Unassigned	8,241,601	7,847,780
Total Fund Balance	8,384,563	7,934,333
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 8,646,585	\$ 8,158,603

City and Borough of Wrangell, Alaska

Exhibit G-2

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

Years Ended June 30,	2020			2019
	Budget	Actual	Variance with Budget	Actual
Revenues				
Taxes:				
Real property taxes	\$ 1,815,186	\$ 1,755,703	\$ (59,483)	\$ 1,773,430
Property tax penalties and interest	20,000	27,380	7,380	21,148
Payments in lieu of taxes	461,096	503,436	42,340	474,063
Marijuana taxes	7,000	1,925	(5,075)	5,271
Marijuana tax penalties and interest	-	-	-	102
Sales taxes	1,853,809	2,026,614	172,805	1,951,016
Sales tax penalties and interest	15,000	33,538	18,538	54,115
Total taxes	4,172,091	4,348,596	176,505	4,279,145
Intergovernmental:				
State of Alaska:				
Jail contract	372,000	371,975	(25)	371,975
Community assistance	408,276	409,356	1,080	420,903
Library grants	8,000	8,000	-	7,000
LEPC grant revenue	8,900	-	(8,900)	10,898
State PERS relief	102,000	163,407	61,407	134,818
CBDG Fire Truck Grant	337,500	337,500	-	-
Liquor licenses	8,200	-	(8,200)	10,700
Total State of Alaska	1,244,876	1,290,238	45,362	956,294
Federal government:				
Library grants	6,900	10,000	3,100	9,655
Total intergovernmental	1,251,776	1,300,238	48,462	965,949
Charges for services:				
Cemetery services	2,500	2,431	(69)	3,170
Police services	100,000	75,396	(24,604)	105,025
911 surcharge	50,000	50,282	282	47,293
Total charges for services	152,500	128,109	(24,391)	155,488

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

Exhibit G-2, continued

<i>Years Ended June 30,</i>	2020			2019
	Budget	Actual	Variance with Budget	Actual
Revenues, continued				
Sales and leases:				
Court rental	\$ 62,400	\$ 57,200	\$ (5,200)	\$ 62,400
Tideland leases	50,000	56,045	6,045	37,429
Material sales	-	809	809	-
Leases	-	10,400	10,400	-
Cemetery plot sales	2,500	1,773	(727)	3,105
Total sales and leases	114,900	126,227	11,327	102,934
Fines and forfeitures	15,000	4,302	(10,698)	19,553
Investment income	35,000	336,128	301,128	415,510
Other revenues:				
Licenses and permits	2,500	1,896	(604)	2,920
Copies	2,000	1,216	(784)	1,947
Library grants	-	8,210	8,210	18,365
Miscellaneous	353,880	262,645	(91,235)	158,353
Total other revenues	358,380	273,967	(84,413)	181,585
Total Revenues	6,099,647	6,517,567	417,920	6,120,164
Expenditures				
General government:				
Finance:				
Personnel services:				
Salaries	242,050	250,854	(8,804)	264,263
Overtime salaries	6,000	6,683	(683)	6,011
Employee benefits	154,980	172,251	(17,271)	159,927
Total personnel services	403,030	429,788	(26,758)	430,201
Contractual services:				
Auditor	55,000	69,597	(14,597)	68,791
Assessor	72,000	40,975	31,025	72,395
Attorney	-	3,379	(3,379)	7,728
Telephone and internet	15,000	12,185	2,815	12,556
Travel and training	5,000	12,598	(7,598)	3,962
Utilities	15,000	13,177	1,823	13,702
Equipment rental & repair	5,000	4,913	87	4,275
Programming	110,000	41,140	68,860	30,399
Insurance	-	3,645	(3,645)	-
Bank & credit card	-	77,684	(77,684)	-
Collection charges	-	20,297	(20,297)	-
Total contractual services	277,000	299,590	(22,590)	213,808

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

Exhibit G-2, continued

Years Ended June 30,	2020			2019
	Budget	Actual	Variance with Budget	Actual
Expenditures, continued				
General government, continued:				
Finance, continued:				
Commodities:				
Materials and supplies	\$ 15,000	\$ 14,442	\$ 558	\$ 13,128
Custodial supplies	-	1,471	(1,471)	2,661
Postage	14,000	10,621	3,379	11,484
Facility repairs and maintenance	4,750	9,443	(4,693)	2,997
Equipment repairs and maintenance	29,300	11,941	17,359	-
Capital expenditures	99,300	53,328	45,972	18,065
Publications and advertising	-	1,442	(1,442)	8,736
Other	-	6,511	(6,511)	-
Total commodities	162,350	109,199	53,151	57,071
Total finance	842,380	838,577	3,803	701,080
Less charges to other funds	(156,960)	(170,004)	13,044	(168,200)
Net finance	685,420	668,573	16,847	532,880
Administration:				
Personnel services:				
Salaries	220,000	185,078	34,922	214,012
Employee benefits	73,000	82,374	(9,374)	83,729
Total personnel services	293,000	267,452	25,548	297,741
Contractual services:				
Attorney	125,500	111,672	13,828	72,137
Professional services	25,000	13,762	11,238	270
Telephone and internet	11,300	2,170	9,130	1,462
Administration travel and training	18,156	13,731	4,425	12,811
Publications and advertising	-	135	(135)	-
Lobbying	70,000	67,200	2,800	64,600
Wrangell medical center legacy	25,000	2,429	22,571	172,580
Capital expenditures	-	-	-	6,864
Tourism program	20,000	10,120	9,880	9,540
Total contractual services	294,956	221,219	73,737	340,264

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

Exhibit G-2, continued

<i>Years Ended June 30,</i>	2020			2019
	Budget	Actual	Variance with Budget	Actual
Expenditures, continued				
General government, continued:				
Administration, continued:				
Commodities:				
Materials and supplies	\$ 4,000	\$ 1,610	\$ 2,390	\$ 791
Memberships and dues	4,100	5,389	(1,289)	4,776
Total commodities.	8,100	6,999	1,101	5,567
Promotions	10,000	6,258	3,742	10,363
General insurance	86,079	23,105	62,974	34,131
Total administration	692,135	525,033	167,102	688,066
Clerk and assembly:				
Personnel services:				
Salaries	90,000	62,964	27,036	81,582
Overtime salaries	-	-	-	328
Employee benefits	61,911	69,310	(7,399)	58,452
Total personnel services	151,911	132,274	19,637	140,362
Contractual services:				
Information technology	4,005	3,498	507	180
Clerk travel and training	15,100	19,312	(4,212)	16,040
Recorder fees	500	283	217	329
Total contractual services	19,605	23,093	(3,488)	16,549
Commodities:				
Materials and supplies	6,940	2,433	4,507	6,237
Publications	19,120	19,450	(330)	22,006
Records preservation	100	-	100	983
Membership and dues	3,610	9,835	(6,225)	100
Election supplies	2,000	5,305	(3,305)	2,768
Republishing WMC	2,000	3,711	(1,711)	2,563
Total commodities	33,770	40,734	(6,964)	34,657
Total clerk and assembly	205,286	196,101	9,185	191,568
Total general government	1,582,841	1,389,707	193,134	1,412,514

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

Exhibit G-2, continued

<u>Years Ended June 30,</u>	<u>2020</u>			<u>2019</u>
	<u>Budget</u>	<u>Actual</u>	<u>Variance with Budget</u>	<u>Actual</u>
Expenditures, continued				
Public safety:				
Fire department:				
Personnel services:				
Salaries	\$ 88,000	\$ 61,694	\$ 26,306	\$ 88,068
Overtime salaries	10,000	12,392	(2,392)	9,329
Employee benefits	91,570	78,209	13,361	86,219
Contributions for fire calls	5,500	5,500	-	5,500
Total personnel services	195,070	157,795	37,275	189,116
Contractual services:				
Telephone and internet	7,100	7,095	5	7,657
Travel and training	10,000	6,778	3,222	11,937
Fire charges from capital facilities	-	870	(870)	-
Fire prevention and education	2,000	175	1,825	1,166
Insurance	20,863	9,209	11,654	28,448
Capital expenditures	354,500	426,019	(71,519)	-
Total contractual services	394,463	450,146	(55,683)	49,208
Commodities:				
Materials and supplies	10,000	2,869	7,131	12,649
Fire substation costs	15,000	15,891	(891)	10,515
Vehicle maintenance	64,200	32,905	31,295	42,921
Charges from garage	22,170	7,677	14,493	-
Turn out gear	11,000	8,653	2,347	54,623
Total commodities	122,370	67,995	54,375	120,708
Total fire department	711,903	675,936	35,967	359,032
Police department:				
Personnel services:				
Salaries	405,370	265,447	139,923	460,343
Overtime salaries	100,000	87,230	12,770	98,869
Employee benefits	273,155	307,516	(34,361)	309,935
Uniform allowances	5,300	3,250	2,050	2,875
Total personnel services	783,825	663,443	120,382	872,022

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

Exhibit G-2, continued

Years Ended June 30,	2020			2019
	Budget	Actual	Variance with Budget	Actual
Expenditures, continued				
Public safety, continued:				
Police department, continued:				
Contractual services:				
Telephone and internet	\$ 15,000	\$ 17,032	\$ (2,032)	\$ 16,398
Information technology	8,000	879	7,121	-
Insurance	5,149	31,448	(26,299)	19,982
Travel and training	39,750	36,605	3,145	26,658
Capital expenditures	50,000	79,081	(29,081)	39,531
Animal control	2,500	314	2,186	815
State portion of driver licenses	65,000	46,104	18,896	68,388
Professional services	-	128	(128)	-
State portion of citations	1,200	260	940	1,020
Other	2,000	-	2,000	-
Total contractual services	188,599	211,851	(23,252)	172,792
Commodities:				
Materials and supplies	13,500	12,607	893	20,615
Boat expenditures	10,000	4,357	5,643	1,091
Publications	1,250	2,080	(830)	1,094
Ammunition	7,500	5,470	2,030	5,877
Special investigations	2,500	1,585	915	3,516
Equipment repairs and maintenance	29,000	24,052	4,948	26,944
Health & safety permits	-	816	(816)	-
Charges from garage	14,252	11,500	2,752	-
Membership and dues	-	26	(26)	263
Total commodities	78,002	62,493	15,509	59,400
Total police department	1,050,426	937,787	112,639	1,104,214
Police corrections department:				
Personnel services:				
Salaries	278,280	231,821	46,459	242,992
Overtime salaries	45,000	30,369	14,631	37,978
Employee benefits	220,415	71,731	148,684	187,014
Total personnel services	543,695	333,921	209,774	467,984
Contractual services:				
Telephone and internet	1,500	94	1,406	250
Travel and training	24,600	584	24,016	351
Total contractual services	26,100	678	25,422	601
Materials and supplies	3,500	77	3,423	1,799
Prisoner meals	10,000	11,455	(1,455)	8,438
Reimbursement of prisoner costs	-	(257)	257	-
Total commodities	13,500	11,275	2,225	10,237
Total police corrections department	583,295	345,874	237,421	478,822

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

Exhibit G-2, continued

<i>Years Ended June 30,</i>	2020			2019
	Budget	Actual	Variance with Budget	Actual
Expenditures, continued				
Public safety continued:				
Public safety building, continued:				
Personnel services:				
Salaries	\$ -	\$ -	\$ -	\$ 5,192
Employee benefits	-	-	-	6,697
Total personnel services	-	-	-	11,889
Telephone and internet	600	794	(194)	321
Insurance	9,677	-	9,677	13,442
Engineering	-	7,070	(7,070)	7,901
Allocated - public works labor	2,500	-	2,500	4,459
Utilities	120,000	106,357	13,643	119,711
Total contractual services	132,777	114,221	18,556	145,834
Commodities:				
Materials & supplies	-	3,453	(3,453)	5
Custodial supplies	3,000	1,582	1,418	2,255
Capital outlay	-	11,554	(11,554)	13,178
Vehicle maintenance and repair	-	118	(118)	-
Facility repair and maintenance	138,500	139,793	(1,293)	62,815
Total commodities	141,500	156,500	(15,000)	78,253
Total public safety building	274,277	270,721	3,556	235,976
Total public safety	2,619,901	2,230,318	389,583	2,178,044
Public works:				
Garage:				
Personnel services:				
Salaries	111,050	119,820	(8,770)	130,902
Overtime salaries	2,500	2,891	(391)	13,340
Employee benefits	97,590	105,702	(8,112)	88,812
Total personnel services	211,140	228,413	(17,273)	233,054
Contractual services:				
Utilities	20,000	21,271	(1,271)	21,940
Insurance	-	1,155	(1,155)	-
Telephone and internet	-	39	(39)	-
Information technology	-	1,688	(1,688)	-
Professional services	-	140	(140)	-
Vehicle maintenance	-	354	(354)	-
Software programming and licensing	3,000	2,383	617	-
Allocated - public works labor	5,000	3,667	1,333	76
Travel and training	10,000	3,360	6,640	2,289
Total contractual services	38,000	34,057	3,943	24,305

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

Exhibit G-2, continued

Years Ended June 30,	2020			2019
	Budget	Actual	Variance with Budget	Actual
Expenditures, continued				
Public works continued:				
Garage, continued:				
Commodities:				
Materials and supplies	\$ 11,400	\$ 13,895	\$ (2,495)	\$ 12,576
Fuel oil	4,000	4,083	(83)	2,799
Fuel and lubrication	65,000	67,356	(2,356)	64,188
Health and safety permits, inspections, and compliar	-	584	(584)	462
Facility repair and maintenance	37,500	10,957	26,543	5,445
Capital outlay	25,000	26,932	(1,932)	-
Expendable tools	1,750	2,003	(253)	2,269
Total commodities	144,650	125,810	18,840	87,739
Total garage	393,790	388,280	5,510	345,098
Less charges to other departments and funds	(98,181)	(122,036)	23,855	(131,830)
Net garage	295,609	266,244	29,365	213,268
General:				
Personnel services:				
Salaries	582,100	508,719	73,381	546,435
Overtime salaries	33,000	15,716	17,284	26,455
Uniform allowances	2,600	880	1,720	1,819
Employee benefits	440,760	376,205	64,555	373,269
Total personnel services	1,058,460	901,520	156,940	947,978
Contractual services:				
Telephone	16,600	15,301	1,299	10,170
Utilities	3,000	-	3,000	438
Publications and advertising	-	160	(160)	5,198
Vehicle maintenance	-	2,966	(2,966)	7,463
Professional services	-	115	(115)	19,375
Insurance	11,511	20,203	(8,692)	4,377
Travel and training	16,678	4,048	12,630	1,735
Total contractual services	47,789	42,793	4,996	48,756

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

Exhibit G-2, continued

Years Ended June 30,	2020			2019
	Budget	Actual	Variance with Budget	Actual
Expenditures, continued				
Public works continued:				
General, continued:				
Materials and supplies	\$ 14,500	\$ (12,017)	\$ 26,517	\$ 28,516
Vehicle maintenance	5,000	5,165	(165)	-
Professional services	-	279	(279)	-
Capital outlay	105,000	96,491	8,509	-
Gear	2,800	760	2,040	278
Building repairs and maintenance	17,000	11,814	5,186	11,248
Total commodities	144,300	102,492	41,808	40,042
Total general	1,250,549	1,046,805	203,744	1,036,776
Less charges to other departments and funds	(543,764)	(291,155)	(252,609)	(288,348)
Net general	706,785	755,650	(48,865)	748,428
Streets:				
Personnel services:				
Salaries	-	44,894	(44,894)	-
Overtime salaries	-	1,331	(1,331)	-
Employee benefits	-	45,306	(45,306)	-
Allocated - public works labor	80,000	89,356	(9,356)	81,709
Total personnel services	80,000	180,887	(100,887)	81,709
Contractual services:				
Street lighting	-	-	-	6,011
Rock quarry electricity	23,000	25,041	(2,041)	21,578
Allocated - public works labor	125,000	99,101	25,899	93,707
Sanding and snow removal	10,000	2,055	7,945	4,863
Total contractual services	158,000	126,197	31,803	126,159
Commodities:				
Materials and supplies	100,000	73,980	26,020	76,703
Equipment repairs and maintenance	-	142	(142)	13,705
Street repairs and maintenance	-	280	(280)	1,628
Total commodities	100,000	74,402	25,598	92,036
Total streets	338,000	381,486	(43,486)	299,904
Total public works	1,340,394	1,403,380	(62,986)	1,261,600
Library:				
Personnel services:				
Salaries	131,810	108,398	23,412	-
Employee benefits	78,903	90,513	(11,610)	123,796
Total personnel services	210,713	198,911	11,802	123,796

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

Exhibit G-2, continued

Years Ended June 30,	2020			2019
	Budget	Actual	Variance with Budget	Actual
Expenditures, continued				
Library, continued:				
Contractual services:				
Telephone and internet	\$ 4,400	\$ 2,661	\$ 1,739	\$ 3,091
Travel and training	2,000	-	2,000	2,055
Insurance	2,701	5,145	(2,444)	3,233
Allocated - public works labor	-	-	-	405
Utilities	9,000	9,121	(121)	8,843
Total contractual services	18,101	16,927	1,174	17,627
Commodities:				
Materials and supplies	5,000	5,017	(17)	5,714
Custodian supplies	1,000	414	586	654
Books, subscriptions and dues	30,000	24,092	5,908	20,831
Library grant expenditures	7,000	7,000	-	7,031
State library grant expenditures	6,250	3,225	3,025	3,500
Postage	2,000	494	1,506	932
Building repairs and maintenance	19,500	4,753	14,747	10,343
Equipment repairs and maintenance	-	-	-	5,316
Computer repairs and maintenance	10,000	9,822	178	9,713
Total commodities	80,750	54,817	25,933	64,034
Total library	309,564	270,655	38,909	205,457
Community services:				
Community development:				
Personnel services - Capital outlay	-	3,301	(3,301)	-
Contractual services - Allocated public works labor	-	3,492	(3,492)	1,164
Contributions:				
Senior citizens program	11,500	11,500	-	12,212
Community promotion	-	504	(504)	-
Chamber of Commerce	23,000	23,000	-	23,000
Local radio	8,500	8,500	-	8,500
Volunteer fire department	4,000	4,000	-	4,000
Total contributions	47,000	47,504	(504)	47,712
Total community development	47,000	54,297	(7,297)	48,876

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

Exhibit G-2, continued

Years Ended June 30,	2020			2019
	Budget	Actual	Variance with Budget	Actual
Expenditures, continued				
Community services, continued:				
Planning and zoning:				
Personnel services - allocated clerical	\$ 23,000	\$ 26,816	\$ (3,816)	\$ -
Contractual services - Travel and training	1,600	1,579	21	1,742
Commodities:				
Materials and supplies	930	1,165	(235)	402
Publications	1,500	115	1,385	843
Subdivisions and surveys	-	-	-	6,184
Mapping upgrade	4,000	1,321	2,679	5,995
Total commodities	6,430	2,601	3,829	13,424
Total planning and zoning	31,030	30,996	34	15,166
Cemetery:				
Personnel services -				
allocated salaries - public works	9,000	1,099	7,901	1,091
Commodities - materials and supplies	2,500	400	2,100	1,561
Capital outlay	50,000	-	50,000	-
Total cemetery	61,500	1,499	60,001	2,652
Total community services	139,530	86,792	52,738	66,694
Total Expenditures	5,992,230	5,380,852	611,378	5,124,309
Excess of Revenues Over Expenditures	107,417	1,136,715	1,029,298	907,333
Other Financing Uses				
Transfers in	250,000	256,083	6,083	299,926
Transfers out	(942,569)	(942,568)	1	(709,766)
Net Other Financing Uses	(692,569)	(686,485)	6,084	(409,840)
Net Change in Fund Balance	\$ (585,152)	450,230	\$ 1,035,382	497,493
Fund Balance, beginning		7,934,333		7,436,840
Fund Balance, ending		\$ 8,384,563		\$ 7,934,333

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Special Revenue Funds

Transient Tax

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

Sales Tax

This fund accounts for the portion of the sales tax revenue that is designated to finance various street, water and sewer, and community development activities.

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.

COVID-19 CARES Act

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

Exhibit H-1

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

<i>Years Ended June 30,</i>	2020		2019	
	Budget	Actual	Variance with Budget	Actual
Revenues				
Transient and excise taxes	\$ 51,000	\$ 55,061	\$ 4,061	\$ 95,657
Advertising and promotion	15,000	5,172	(9,828)	879
Intergovernmental	-	63,911	63,911	-
Investment income	250	-	(250)	-
Total Revenues	66,250	124,144	57,894	96,536
Expenditures - community services:				
Travel and training	13,000	10,696	2,304	9,598
Materials and supplies	-	563	(563)	748
Telephone and internet	1,000	923	77	1,134
Postage	1,500	299	1,201	7
Promotional	32,000	2,893	29,107	15,341
Web hosting	1,500	2,241	(741)	6
Dues	5,000	5,525	(525)	2,150
Publications	18,000	15,018	2,982	12,294
Other	-	21,311	(21,311)	4,542
CPV expenditures	-	88,580	(88,580)	-
Total Expenditures	72,000	148,049	(76,049)	45,820
Excess of Revenues Over (Under) Expenditures	(5,750)	(23,905)	(18,155)	50,716
Other Financing Uses - transfers out	(12,000)	-	12,000	(13,164)
Net Change in Fund Balance	\$ (17,750)	(23,905)	\$ (6,155)	37,552
Fund Balance, beginning		394,041		356,489
Fund Balance, ending		\$ 370,136		\$ 394,041

Exhibit H-2

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

Years Ended June 30,	2020					2019
		Actual			Variance	
		Restricted			with	
	Budget	28%	4%	Total	Budget	Actual
Revenues						
Sales tax	\$ 2,670,000	\$ 969,484	\$ -	\$ 969,484	\$ (1,700,516)	\$ 919,452
Miscellaneous reimbursement	85,000	-	-	-	(85,000)	55,370
Investment income	56,190	-	-	-	(56,190)	-
Total Revenues	2,811,190	969,484	-	969,484	(1,841,706)	974,822
Expenditures						
Contributions to school district	5,000	-	-	-	5,000	583,619
Street design/construction	-	-	-	-	-	42,496
Total Expenditures	5,000	-	-	-	5,000	626,115
Excess of Revenues Over (Under) Expenditures	2,806,190	969,484	-	969,484	(1,836,706)	348,707
Other Financing Uses						
Transfers out	(2,099,250)	(14,400)	(218,114)	(232,514)	1,866,736	(129,025)
Net Change in Fund Balance	<u>\$ 706,940</u>	955,084	(218,114)	736,970	<u>\$ 30,030</u>	219,682
Fund Balance, beginning		969,842	114,940	1,084,782		865,100
Fund Balance, ending		<u>\$ 1,924,926</u>	<u>\$ (103,174)</u>	<u>\$ 1,821,752</u>		<u>\$ 1,084,782</u>

Exhibit H-3

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,	2020										2019
	Actual									Variance	
	Budget	Swimming Pool	Recreational Activity	Parks	Swim Club	Helping our Parks	Fee Assistance	Walker Foundation	Total	with Budget	Actual
Revenues											
User fees	\$ 77,000	\$ 40,615	\$ 19,397	\$ 3,695	\$ -	\$ -	\$ 761	\$ -	\$ 64,468	\$ (12,532)	\$ 87,876
Investment income	15,000	109,896	-	-	-	-	-	-	109,896	94,896	30,547
Donations	10,000	-	-	-	-	90	-	-	90	(9,910)	3,355
Other	91,868	11,683	-	-	-	-	-	1,000	12,683	(79,185)	33,177
State PERS relief	6,840	10,093	-	-	-	-	-	-	10,093	3,253	3,928
Total Revenues	200,708	172,287	19,397	3,695	-	90	761	1,000	197,230	(3,478)	158,883
Expenditures - parks and recreation:											
Personnel services:											
Salaries	11,400	70,061	69,610	680	3,877	-	-	-	144,228	(132,828)	147,689
Casual labor	126,442	59,530	12,751	26,786	-	-	-	-	99,067	27,375	112,934
Allocated salaries - public works	-	145	-	-	-	-	-	-	145	(145)	1,337
Employee benefits	231,773	67,128	48,505	2,146	480	-	-	-	118,259	113,514	89,518
Total personnel services	369,615	196,864	130,866	29,612	4,357	-	-	-	361,699	7,916	351,478
Contractual services:											
Telephone and internet	13,515	12,910	1,811	-	-	-	-	-	14,721	(1,206)	9,268
Utilities	123,500	148,201	7,987	11,017	-	-	-	-	167,205	(43,705)	106,096
Professional services	-	2,488	-	-	-	-	-	4,200	6,688	(6,688)	-
Travel and training	16,920	6,797	-	-	-	-	-	-	6,797	10,123	8,881
Insurance	5,668	-	-	12,528	-	-	-	-	12,528	(6,860)	8,856
Total contractual services	159,603	170,396	9,798	23,545	-	-	-	4,200	207,939	(48,336)	133,101

Exhibit H-3, continued

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

Years Ended June 30,	2020									2019	
	Actual									Variance with Budget	Actual
	Budget	Swimming Pool	Recreational Activity	Parks	Swim Club	Helping our Parks	Fee Assistance	Walker Foundation	Total		
Expenditures - parks and recreation continued:											
Commodities:											
Materials and supplies	\$ 27,750	\$ 11,263	\$ 2,922	\$ 6,061	\$ -	\$ -	\$ -	\$ 8,750	\$ 28,996	\$ (1,246)	\$ 22,008
Vehicle maintenance	37,500	-	-	7,582	-	-	-	-	7,582	29,918	3,452
Equipment	24,000	20,270	1,908	-	-	-	-	-	22,178	1,822	-
Equipment repair and maintenance	8,000	735	198	-	-	-	-	-	933	7,067	-
Chemicals	13,200	14,014	-	-	-	-	-	-	14,014	(814)	11,677
Health reports and permits	3,430	7,127	-	-	-	-	-	-	7,127	(3,697)	4,246
Publications	-	2,017	369	504	-	-	-	-	2,890	(2,890)	1,566
Capital outlay	95,118	-	-	-	-	-	-	6,090	6,090	89,028	-
Facility repair and maintenance	163,001	15,347	7,373	11,529	-	-	-	-	34,249	128,752	62,370
Total commodities	371,999	70,773	12,770	25,676	-	-	-	14,840	124,059	247,940	105,319
Total Expenditures	901,217	438,033	153,434	78,833	4,357	-	-	19,040	693,697	207,520	589,898
Excess of Revenues Under Expenditures	(700,509)	(265,746)	(134,037)	(75,138)	(4,357)	90	761	(18,040)	(496,467)	204,042	(431,015)
Other Financing Sources (Uses)											
Transfers in	817,758	817,758	-	-	-	-	-	-	817,758	-	350,766
Transfers out	-	-	-	-	-	-	-	-	-	-	(38,950)
Net Other Financing Sources (Uses)	817,758	817,758	-	-	-	-	-	-	817,758	-	311,816
Net Change in Fund Balance	\$ 117,249	\$ 552,012	\$ (134,037)	\$ (75,138)	\$ (4,357)	\$ 90	\$ 761	\$ (18,040)	321,291	\$ 204,042	(119,199)
Fund Balance, beginning									957,994		1,077,193
Fund Balance, ending									\$ 1,279,285		\$ 957,994

Exhibit H-4

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,	2020							2019	
		Actual						Variance with Budget	Actual
	Budget	Museum	Civic Center	Theater	Nolan Center	Barnes	Total		
Revenues									
Admissions	\$ 90,000	\$ 23,155	\$ -	\$ 33,510	\$ -	\$ -	\$ 56,665	\$ (33,335)	\$ 59,966
Concessions	50,000	-	-	38,310	-	-	38,310	(11,690)	47,058
Museum gift store revenue	90,000	60,954	-	-	-	-	60,954	(29,046)	121,189
Donations and contributions	100,000	-	-	-	100,000	-	100,000	-	200,000
Rental revenue	30,000	-	21,709	-	-	-	21,709	(8,291)	20,371
Investment income	50	-	-	-	-	422	422	372	56
State PERS relief	3,550	-	-	-	5,241	-	5,241	1,691	1,670
Other grant revenue	3,000	4,800	-	-	-	-	4,800	1,800	-
Total Revenues	366,600	88,909	21,709	71,820	105,241	422	288,101	(78,499)	450,310
Expenditures - community services:									
Personnel services:									
Salaries	79,440	12,727	108,914	24,563	1,405	-	147,609	(68,169)	107,801
Casual labor	80,000	22,622	3,519	-	13,180	-	39,321	40,679	76,246
Employee benefits	-	4,078	47,998	-	-	-	52,076	(52,076)	49,790
Total personnel services	159,440	39,427	160,431	24,563	14,585	-	239,006	(79,566)	233,837
Contractual services:									
Travel and training	5,000	3,696	350	-	-	-	4,046	954	2,155
Building maintenance and utilities	337,106	2,363	6,736	-	199,795	-	208,894	128,212	129,950
Allocated salaries - public works	-	-	-	-	-	-	-	-	98
Credit card costs	500	1,842	-	-	150	-	1,992	(1,492)	2,221
Total contractual services	342,606	7,901	7,086	-	199,945	-	214,932	127,674	134,424

Exhibit H-4, continued

City and Borough of Wrangell, Alaska

Nolan Center Special Revenue Fund
 Schedule of Revenues, Expenditures and Changes in
 Fund Balance - Budget and Actual, continued

Years Ended June 30,	2020							Variance with Budget	2019 Actual
	Budget	Museum	Civic Center	Theater	Nolan Center	Barnes	Total		
Expenditures, continued									
Commodities:									
Materials and supplies	\$ 11,000	\$ 9,035	\$ 5,591	\$ -	\$ 4,740	\$ -	\$ 19,366	\$ (8,366)	\$ 2,122
Books, subscriptions and dues	41,500	46,549	1,678	-	-	-	48,227	(6,727)	34,829
Publications and advertising	12,500	-	6,795	2,084	-	-	8,879	3,621	8,206
Concessions	20,000	-	-	11,195	-	-	11,195	8,805	17,562
Film costs	30,000	-	-	17,245	-	-	17,245	12,755	20,953
Postage	300	-	-	-	492	-	492	(192)	282
Insurance on loaned artifacts	-	-	-	-	-	-	-	-	200
Total commodities	115,300	55,584	14,064	30,524	5,232	-	105,404	9,896	84,154
Total Expenditures	617,346	102,912	181,581	55,087	219,762	-	559,342	58,004	452,415
Excess of Revenues									
Over (Under) Expenditures	(250,746)	(14,003)	(159,872)	16,733	(114,521)	422	(271,241)	(20,495)	(2,105)
Other Financing Sources - transfers in	168,211	-	-	-	168,210	-	168,210	(1)	13,164
Net Change in Fund Balance	\$ (82,535)	\$ (14,003)	\$ (159,872)	\$ 16,733	\$ 53,689	\$ 422	(103,031)	\$ (20,496)	11,059
Fund Balance, beginning							203,367		192,308
Fund Balance, ending							\$ 100,336		\$ 203,367

Exhibit H-5

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>	2020			2019
	Budget	Actual	Variance with Budget	Actual
Revenues				
Investment income	\$ 250,000	\$ 190,219	\$ (59,781)	\$ 378,437
Lease revenue	16,440	-	(16,440)	16,440
Total Revenues	266,440	190,219	(76,221)	394,877
Expenditures - general government - contractual services	-	13,255	(13,255)	-
Excess of Revenues Over Expenditures	266,440	176,964	(89,476)	394,877
Other Financing Uses - transfers out	(250,000)	(250,000)	-	(250,000)
Net Change in Fund Balance	<u>\$ 16,440</u>	<u>(73,036)</u>	<u>\$ (89,476)</u>	144,877
Fund Balance, beginning		<u>8,019,389</u>		<u>7,874,512</u>
Fund Balance, ending		<u>\$ 7,946,353</u>		<u>\$ 8,019,389</u>

Exhibit H-6

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>Years Ended June 30,</i>	2020			2019
	Budget	Actual	Variance with Budget	Actual
Revenues				
Intergovernmental - national forest receipts \$	-	\$ 883,647	\$ 883,647	\$ 986,580
Investment income	15,000	-	(15,000)	-
Total Revenues	15,000	883,647	868,647	986,580
Expenditures - education -				
contributions to school district	1,400,000	1,300,000	100,000	848,488
Excess of Revenues				
Over (Under) Expenditures	(1,385,000)	(416,353)	968,647	138,092
Other Financing Uses - transfers out	(65,000)	(6,083)	58,917	(49,926)
Net Change in Fund Balance	\$ (1,450,000)	(422,436)	\$1,027,564	88,166
Fund Balance, beginning		3,358,864		3,270,698
Fund Balance, ending		\$ 2,936,428		\$ 3,358,864

Exhibit H-7

City and Borough of Wrangell, Alaska
COVID-19 CARES Act Special Revenue Fund
Statement of Revenues, Expenditures and Changes in
Fund Balance

Years Ended June 30, 2020

Revenues -

Intergovernmental	\$ 834,216
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Expenditures

General government:

Administration:

Personnel services	56,075
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Contractual services	16,265
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Total administration	72,340
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Finance:

Contractual services	12,464
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Materials and supplies	459
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Total finance	12,923
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Clerk and assembly - personnel services	24,970
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Total general government	110,233
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Public safety:

Fire department:

Personnel services	88,488
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Contractual services	427
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Materials and supplies	8,373
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Total fire department	97,288
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Pandemic response:

Contractual services	16,819
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Materials and supplies	229,375
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Total pandemic response	246,194
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Police department - personnel services	232,081
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Corrects and dispatch - personnel services	92,465
--	--------

Total public safety	668,028
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Exhibit H-7, continued

City and Borough of Wrangell, Alaska
COVID-19 CARES Act Special Revenue Fund
Statement of Revenues, Expenditures and Changes in
Fund Balance, continued

Years Ended June 30, 2020

Public works:	
Capital facilities:	
Personnel services	\$ 11,905
Contractual services	2,477
Materials and supplies	4,237
Total capital facilities	18,619
General - personnel services	6,500
Streets - personnel services	1,494
Total public works	26,613
Community service:	
Theater:	
Personnel services	2,477
Materials and supplies	141
Total theater	2,618
Museum:	
Personnel services	3,288
Materials and supplies	653
Total museum	3,941
Total community service	6,559
Parks and recreation - general - personnel services	22,783
Total Expenditures	834,216
Net Change in Fund Balance	-
Fund Balance, beginning	-
Fund Balance, ending	\$ -

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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.

Exhibit I-1**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>	2020		2019	
			Variance with Budget	
	Budget	Actual	Budget	Actual
Revenues				
Intergovernmental - State of Alaska	\$ -	\$ 79,136	\$ 79,136	\$ 169,706
Expenditures				
Debt service:				
Principal	250,000	250,000	-	240,000
Interest	18,250	18,250	-	28,050
Total Expenditures	268,250	268,250	-	268,050
Excess of Revenues Over (Under) Expenditures	(268,250)	(189,114)	79,136	(98,344)
Other Financing Sources				
Transfers in	268,250	189,114	(79,136)	100,025
Net Change in Fund Balance	\$ -	-	\$ -	1,681
Fund Balance, beginning		1,681		-
Fund Balance, ending		\$ 1,681		\$ 1,681

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.

Economic Recovery

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.

Exhibit J-1**City and Borough of Wrangell, Alaska**

Capital Project Funds
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances

<i>Year Ended June 30, 2020</i>	Residential Construc- tion	Industrial Construc- tion	Economic Recovery	Misc- ellaneous	Totals
Revenues					
Land sales and improvements	\$ 38,008	\$ -	\$ -	\$ -	\$ 38,008
Investment income	323	1,323	-	-	1,646
Total Revenues	38,331	1,323	-	-	39,654
Expenditures					
Capital outlay:					
Miscellaneous capital projects	750	-	-	-	750
Compliance testing and other	-	12,119	-	-	12,119
General government - professional services	-	-	-	4,086	4,086
Total Expenditures	750	12,119	-	4,086	16,955
Net Change in Fund Balances	37,581	(10,796)	-	(4,086)	22,699
Fund Balances, beginning	76,636	345,363	1,353,445	880,227	2,655,671
Fund Balances, ending	\$ 114,217	\$ 334,567	\$ 1,353,445	\$ 876,141	\$ 2,678,370

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.

Sewer Utility

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

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.

Exhibit K-1

City and Borough of Wrangell, Alaska

Electric Utility Enterprise Fund

Statement of Net Position

June 30,	2020	2019
Assets and Deferred Outflows of Resources		
Current Assets		
Cash and investments	\$ 3,532,008	\$ 4,089,796
Receivables:		
Accounts	280,366	284,073
Less allowance for doubtful accounts	(32,026)	(16,381)
Net receivables	248,340	267,692
Inventories	171,085	170,344
Total Current Assets	3,951,433	4,527,832
Noncurrent Assets		
Net other postemployment benefits asset	4,803	-
Capital assets:		
Land	10,900	10,900
Buildings	653,480	516,839
Improvements other than buildings	2,297,735	2,297,735
Equipment	4,255,068	4,255,068
Construction in progress	430,280	42,660
Total capital assets	7,647,463	7,123,202
Less accumulated depreciation	(6,053,433)	(5,749,031)
Net capital assets	1,594,030	1,374,171
Total Noncurrent Assets	1,598,833	1,374,171
Total Assets	5,550,266	5,902,003
Deferred Outflows of Resources		
Related to pensions	137,050	150,679
Related to other postemployment benefits	64,787	60,994
Total Deferred Outflows of Resources	201,837	211,673
Total Assets and Deferred Outflows of Resources	\$ 5,752,103	\$ 6,113,676

Exhibit K-1, continued

City and Borough of Wrangell, Alaska

Electric Utility Enterprise Fund
Statement of Net Position, continued

<u>June 30,</u>	<u>2020</u>	<u>2019</u>
Liabilities, Deferred Inflows of Resources, and Net Position		
Current Liabilities		
Accounts payable	\$ 350,024	\$ 575,681
Accrued leave	52,142	56,456
Customer utility deposits	76,920	70,918
Total Current Liabilities	479,086	703,055
Long-term Liabilities		
Net pension liability	956,072	916,429
Net other postemployment benefits liability	23,164	147,864
Total Long-term Liabilities	979,236	1,064,293
Total Liabilities	1,458,322	1,767,348
Deferred Inflows of Resources		
Related to pensions	18,869	18,051
Related to other postemployment benefits	24,718	53,975
Total Deferred Inflows of Resources	43,587	72,026
Net Position		
Net investment in capital assets	1,594,030	1,374,171
Unrestricted	2,656,164	2,900,131
Total Net Position	4,250,194	4,274,302
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 5,752,103	\$ 6,113,676

Exhibit K-2**City and Borough of Wrangell, Alaska****Electric Utility Enterprise Fund****Statement of Revenues, Expenses and Changes in Net Position**

<i>Years Ended June 30,</i>	2020	2019
Operating Revenues		
Residential	\$ 1,739,707	\$ 1,606,454
Commercial	2,153,108	2,164,808
Fuel surcharge	65,689	42,187
Labor charges	-	325
Other	19,882	13,776
Total Operating Revenues	3,978,386	3,827,550
Operating Expenses		
Generation	2,946,552	2,877,878
Distribution	531,759	572,291
General and administrative	302,281	239,259
Depreciation	304,402	282,223
Total Operating Expenses	4,084,994	3,971,651
Loss from Operations	(106,608)	(144,101)
Nonoperating Revenues (Expenses)		
Equipment and pole rental	45,155	85,829
Late fees	8,841	14,103
Material sales	2,516	1,359
Interest expense	(15,661)	(24,885)
State PERS relief	41,649	46,728
SEAPA dividend	-	172,014
Net Nonoperating Revenues	82,500	295,148
Change in Net Position	(24,108)	151,047
Net Position, beginning	4,274,302	4,123,255
Net Position, ending	\$ 4,250,194	\$ 4,274,302

Exhibit K-3**City and Borough of Wrangell, Alaska****Electric Utility Enterprise Fund
Statement of Cash Flows**

<i>Years Ended June 30,</i>	2020	2019
Cash Flows from (for) Operating Activities		
Receipts from customers and users	\$ 4,060,252	\$ 4,070,037
Payments for interfund services used	(238,594)	(185,300)
Payments to suppliers	(3,016,261)	(2,454,198)
Payments to employees	(823,263)	(640,048)
Net cash flows provided by (used for) operating activities	(17,866)	790,491
Cash Flows for Capital and Related Financing Activities		
Purchase of property, plant and equipment	(524,261)	(183,742)
Interest paid on long-term debt	(15,661)	-
Net cash flows used for capital and related financing activities	(539,922)	(183,742)
Net Increase (Decrease) in Cash and Investments	(557,788)	606,749
Cash and Investments, beginning	4,089,796	3,483,047
Cash and Investments, ending	\$ 3,532,008	\$ 4,089,796
Reconciliation of Loss from Operations to Net Cash		
Flows from Operating Activities		
Loss from operations	\$ (106,608)	\$ (144,101)
Adjustments to reconcile loss from operations to net cash flows provided by (used for) operating activities:		
Depreciation	304,402	282,223
Noncash expense - PERS relief	41,649	46,728
Increase (decrease) in allowance for doubtful accounts	15,645	15,125
Miscellaneous nonoperating revenues	56,512	248,420
(Increase) decrease in assets:		
Accounts receivable	3,707	19,834
Inventories	(741)	2,133
Net other postemployment benefits asset	(4,803)	-
(Increase) decrease in deferred outflows of resources:		
Related to pensions	13,629	(28,002)
Related to other postemployment benefits	(3,793)	(41,228)
Increase (decrease) in liabilities:		
Accounts payable	(225,657)	365,768
Accrued leave	(4,314)	44,393
Customer utility deposits	6,002	(25,767)
Net pension liability	39,643	35,640
Net other postemployment benefits liability	(124,700)	37,960
Increase (decrease) in deferred inflows of resources:		
Related to pensions	818	(68,488)
Related to other postemployment benefits	(29,257)	(147)
Net Cash Flows provided by (used for) Operating Activities	\$ (17,866)	\$ 790,491

Exhibit K-4**City and Borough of Wrangell, Alaska****Electric Utility Enterprise Fund
Schedule of Operating Expenses**

<i>Years Ended June 30,</i>	2020	2019
Generation		
Salaries	\$ 214,499	\$ 170,529
Overtime salaries	9,405	7,425
Employee benefits	74,979	5,005
Telephone	6,045	5,921
Utilities	2,280	2,280
Travel and training	2,623	5,254
Materials and supplies	21,631	4,354
Gas and oil	129,602	630,628
Diesel fuel	18,853	16,381
Tyee hydro power purchases	2,429,842	1,927,734
Repairs and maintenance	16,024	35,142
Allocated vehicle charges - garage	-	19,162
O.S.H.A. requirements	20,769	48,063
Total Generation	2,946,552	2,877,878
Distribution		
Salaries	265,291	293,758
Overtime salaries	7,765	20,021
Employee benefits	180,196	170,166
Telephone	610	-
Allocated salaries - public works	1,173	441
Utilities	1,017	1,017
Travel and training	200	9,722
Materials and supplies	16,946	29,548
Meters	12,545	4,763
Repairs and maintenance	30,362	19,594
Transformers	3,521	285
Allocated vehicle charges - garage	12,133	22,976
Total Distribution	531,759	572,291
General and Administrative		
Allocated overhead - finance	224,947	82,556
Allocated salaries - public works	341	60,165
Professional services	23,229	13,940
Travel and training	8,055	-
Insurance	45,754	25,717
Credit card expense	(45)	41,756
Bad debt expense	-	15,125
Total General and Administrative	302,281	239,259
Depreciation	304,402	282,223
Total Operating Expenses	\$ 4,084,994	\$ 3,971,651

Exhibit K-5

City and Borough of Wrangell, Alaska
Water Utility Enterprise Fund
Statement of Net Position

<i>June 30,</i>	2020	2019
Assets and Deferred Outflows of Resources		
Current Assets		
Cash and investments	\$ 821,028	\$ 784,140
Receivables:		
Accounts	68,374	40,716
Accrued interest	5	5
Total receivables	68,379	40,721
Total Current Assets	889,407	824,861
Noncurrent Assets		
Net other postemployment benefits asset	792	-
Capital assets:		
Buildings	5,128,436	5,128,436
Improvements other than buildings	11,956,632	11,862,986
Equipment	145,024	145,024
Construction in progress	55,401	55,401
Total capital assets	17,285,493	17,191,847
Less accumulated depreciation	(13,009,186)	(12,362,971)
Net capital assets	4,276,307	4,828,876
Total Noncurrent Assets	4,277,099	4,828,876
Total Assets	5,166,506	5,653,737
Deferred Outflows of Resources		
Related to pensions	21,800	24,049
Related to other postemployment benefits	11,673	11,047
Total Deferred Outflows of Resources	33,473	35,096
Total Assets and Deferred Outflows of Resources	\$ 5,199,979	\$ 5,688,833

Exhibit K-5, continued

City and Borough of Wrangell, Alaska

Water Utility Enterprise Fund
Statement of Net Position, continued

<i>June 30,</i>	2020	2019
Liabilities, Deferred Inflows of Resources, and Net Position		
Liabilities		
Current Liabilities		
Accounts payable	\$ 18,997	\$ 4,384
Accrued leave	20,068	19,831
Customer utility deposits	9,220	8,295
Accrued interest payable	2,507	2,507
Current portion - ADEC loan	2,550	2,513
Total Current Liabilities	53,342	37,530
Long-term Liabilities		
ADEC loan, net of current portion	49,358	52,253
Net pension liability	156,162	149,620
Net other postemployment benefits liability	6,717	27,296
Total Long-term Liabilities	212,237	229,169
Total Liabilities	265,579	266,699
Deferred Inflows of Resources		
Related to pensions	3,795	3,660
Related to other postemployment benefits	5,253	10,081
Total Deferred Inflows of Resources	9,048	13,741
Net Position		
Net investment in capital assets	4,224,399	4,774,110
Unrestricted	700,953	634,283
Total Net Position	4,925,352	5,408,393
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 5,199,979	\$ 5,688,833

City and Borough of Wrangell, Alaska

Exhibit K-6

Water Utility Enterprise Fund

Statement of Revenues, Expenses and Changes in Net Position

<i>Years Ended June 30,</i>	2020	2019
Operating Revenues		
Water sales	\$ 708,360	\$ 696,617
Operating Expenses		
Salaries	158,651	117,319
Overtime salaries	14,504	19,084
Employee benefits	70,307	52,496
Allocated salaries - public works	46,523	73,888
Allocated overhead - finance	23,004	26,944
Telephone	3,175	1,628
Travel and training	2,450	2,396
Materials and supplies	30,674	26,970
Chlorination - electricity	125,808	147,354
Repairs and maintenance	67,800	131,364
Allocated vehicle charges - garage	1,131	-
Professional services	1,144	3,750
Insurance	6,714	3,262
Credit card expense	-	7,333
Depreciation	646,215	635,103
Total Operating Expenses	1,198,100	1,248,891
Loss from Operations	(489,740)	(552,274)
Nonoperating Revenues (Expenses)		
Investment income	124	211
Material sales	294	721
Interest expense	(592)	(14,627)
Noncapital grant revenue	-	31,176
ADEC loan subsidy	-	171,723
State PERS relief	6,873	3,290
Net Nonoperating Revenues	6,699	192,494
Change in Net Position	(483,041)	(359,780)
Net Position, beginning	5,408,393	5,768,173
Net Position, ending	\$ 4,925,352	\$ 5,408,393

Exhibit K-7

City and Borough of Wrangell, Alaska

Water Utility Enterprise Fund

Statement of Cash Flows

<i>Years Ended June 30,</i>	2020	2019
Cash Flows from Operating Activities		
Receipts from customers and users	\$ 681,921	\$ 725,102
Payments for interfund services used	(70,658)	(100,832)
Payments to suppliers	(223,152)	(321,404)
Payments to employees	(254,251)	(194,538)
Net cash flows provided by operating activities	133,860	108,328
Cash Flows for Capital and Related Financing Activities		
Purchase of property, plant and equipment	(93,646)	(38,967)
Principal payments on revenue bonds	-	(5,807)
Principal payments on loan	(2,858)	(207,294)
Interest payments on loan	(592)	(14,627)
Net cash flows used for capital and related financing activities	(97,096)	(266,695)
Cash Flows from Investing Activities		
Investment income received	124	237
Net Increase (Decrease) in Cash and Investments	36,888	(158,130)
Cash and Investments, beginning	784,140	942,270
Cash and Investments, ending	\$ 821,028	\$ 784,140

Exhibit K-7, continued

City and Borough of Wrangell, Alaska

Water Utility Enterprise Fund

Statement of Cash Flows, continued

<i>Years Ended June 30,</i>	2020	2019
Reconciliation of Loss from Operations to Net Cash		
Flows provided by Operating Activities		
Loss from operations	\$ (489,740)	\$ (552,274)
Adjustments to reconcile loss from operations to net cash flows provided by operating activities:		
Depreciation	646,215	635,103
Noncash expense - PERS relief	6,873	3,290
Miscellaneous nonoperating revenues	294	31,897
Increase in assets:		
Accounts receivable	(27,658)	(887)
Net other postemployment benefits asset	(792)	-
(Increase) decrease in deferred outflows of resources:		
Related to pensions	2,249	(4,996)
Related to other postemployment benefits	(626)	(7,356)
Increase (decrease) in liabilities:		
Accounts payable	14,613	2,653
Accrued leave	237	2,536
Customer utility deposits	925	(2,525)
Net pension liability	6,542	6,359
Net other postemployment benefits liability	(20,579)	6,773
Increase (decrease) in deferred inflows of resources:		
Related to pensions	135	(12,219)
Related to other postemployment benefits	(4,828)	(26)
Net Cash Flows provided by Operating Activities	\$ 133,860	\$ 108,328
Supplemental disclosure of cash flow information -		
Principal forgiveness on long-term debt	\$ -	\$ 171,723

Exhibit K-8

City and Borough of Wrangell, Alaska

Sewer Utility Enterprise Fund

Statement of Net Position

<i>June 30,</i>	2020	2019
Assets and Deferred Outflows of Resources		
Current Assets		
Cash and investments	\$ 951,342	\$ 806,340
Receivables:		
Accounts	61,716	35,041
Accrued interest	7	6
Total receivables	61,723	35,047
Total Current Assets	1,013,065	841,387
Noncurrent Assets		
Bond redemption reserve	75,312	74,874
Net other postemployment benefits asset	1,383	-
Capital assets:		
Buildings	2,233,579	2,233,579
Improvements other than buildings	10,122,946	10,122,946
Equipment	195,001	195,001
Total capital assets	12,551,526	12,551,526
Less accumulated depreciation	(9,870,768)	(9,611,208)
Net capital assets	2,680,758	2,940,318
Total Noncurrent Assets	2,757,453	3,015,192
Total Assets	3,770,518	3,856,579
Deferred Outflows of Resources		
Related to pensions	30,233	34,158
Related to other postemployment benefits	20,024	18,932
Total Deferred Outflows of Resources	50,257	53,090
Total Assets and Deferred Outflows of Resources	\$ 3,820,775	\$ 3,909,669

Exhibit K-8, continued

City and Borough of Wrangell, Alaska

Sewer Utility Enterprise Fund
Statement of Net Position, continued

<i>June 30,</i>	2020	2019
Liabilities, Deferred Inflows of Resources, and Net Position		
Liabilities		
Current Liabilities		
Accounts payable	\$ 41,760	\$ 51,111
Accrued leave	23,857	21,591
Accrued interest payable	1,687	1,687
Current portion - USDA Rural Development loan	1,651	1,621
Total Current Liabilities	68,955	76,010
Long-term Liabilities		
USDA Rural Development loan, net of current portion	83,787	85,448
Net pension liability	230,870	219,453
Net other postemployment benefits liability	11,518	47,431
Total Long-term Liabilities	326,175	352,332
Total Liabilities	395,130	428,342
Deferred Inflows of Resources		
Related to pensions	6,788	6,552
Related to other postemployment benefits	9,234	17,660
Total Deferred Inflows of Resources	16,022	24,212
Net Position		
Net investment in capital assets	2,595,320	2,853,249
Unrestricted	814,303	603,866
Total Net Position	3,409,623	3,457,115
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 3,820,775	\$ 3,909,669

City and Borough of Wrangell, Alaska

Sewer Utility Enterprise Fund

Statement of Revenues, Expenses and Changes in Net Position

<i>Years Ended June 30,</i>	2020	2019
Operating Revenues		
Sewer charges	\$ 595,479	\$ 595,976
Labor charges	-	1,500
Total Operating Revenues	595,479	597,476
Operating Expenses		
Collection and treatment	367,495	317,557
General and administrative	26,732	39,920
Depreciation	259,560	274,357
Total Operating Expenses	653,787	631,834
Loss from Operations	(58,308)	(34,358)
Nonoperating Revenues (Expenses)		
Material sales	-	42
Investment income	437	209
State PERS relief	11,994	2,165
Interest expense	(1,615)	(1,655)
Net Nonoperating Revenues	10,816	761
Change in Net Position	(47,492)	(33,597)
Net Position, beginning	3,457,115	3,490,712
Net Position, ending	\$ 3,409,623	\$ 3,457,115

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Exhibit K-10

City and Borough of Wrangell, Alaska
Sewer Utility Enterprise Fund
Statement of Cash Flows

<i>Years Ended June 30,</i>	2020	2019
Cash Flows from Operating Activities		
Receipts from customers and users	\$ 568,804	\$ 600,365
Payments for interfund services used	(25,492)	(47,924)
Payments to suppliers	(175,960)	(183,767)
Payments to employees	(219,102)	(182,100)
Net cash flows provided by operating activities	148,250	186,574
Cash Flows for Capital and Related Financing Activities		
Principal payments on USDA Rural Development loan	(1,631)	(1,591)
Interest payments on long-term debt	(1,615)	(1,655)
Net cash flows used for capital and related financing activities	(3,246)	(3,246)
Cash Flows from Investing Activities		
Investment income received	436	209
Net Increase in Cash and Investments	145,440	183,537
Cash and Investments, beginning	881,214	697,677
Cash and Investments, ending	\$ 1,026,654	\$ 881,214
Reconciliation of Cash and Investments to Statement of Net Position		
Cash and investments	\$ 951,342	\$ 806,340
Restricted cash and investments	75,312	74,874
Total Cash and Investments	\$ 1,026,654	\$ 881,214

Exhibit K-10, continued

City and Borough of Wrangell, Alaska

Sewer Utility Enterprise Fund

Statement of Cash Flows, continued

<i>Years Ended June 30,</i>	2020	2019
Reconciliation of Loss from Operations to Net Cash		
Flows from Operating Activities		
Loss from operations	\$ (58,308)	\$ (34,358)
Adjustments to reconcile loss from operations to net cash flows from operating activities:		
Depreciation	259,560	274,357
Noncash expense - PERS relief	11,994	2,165
Miscellaneous nonoperating revenues	-	42
(Increase) decrease in assets:		
Accounts receivable	(26,675)	2,847
Net other postemployment benefits asset	(1,383)	-
(Increase) decrease in deferred outflows of resources:		
Related to pensions	3,925	(8,466)
Related to other postemployment benefits	(1,092)	(12,466)
Increase (decrease) in liabilities:		
Accounts payable	(9,351)	(45,408)
Accrued leave	2,266	6,360
Net pension liability	11,417	10,776
Net other postemployment benefits liability	(35,913)	11,478
Increase (decrease) in deferred inflows of resources:		
Related to pensions	236	(20,708)
Related to other postemployment benefits	(8,426)	(45)
Net Cash Flows from Operating Activities	\$ 148,250	\$ 186,574

City and Borough of Wrangell, Alaska

Sewer Utility Enterprise Fund
Schedule of Operating Expenses

<i>Years Ended June 30,</i>	2020	2019
Collection and Treatment		
Salaries	\$ 144,466	\$ 119,863
Overtime salaries	4,744	9,850
Employee benefits	52,916	41,481
Allocated salaries - public works	(2,202)	19,187
Telephone	3,465	6,378
Utilities	56,948	53,868
Travel and training	392	2,538
Materials and supplies	16,701	8,384
Fuel oil	-	200
Facilities repairs and maintenance	4,761	7,680
Systems repairs and maintenance	62,834	23,798
Allocated vehicle charges - garage	6,694	4,659
Compliance testing	15,776	19,671
Total Collection and Treatment	367,495	317,557
General and Administrative		
Allocated overhead - finance	21,000	24,078
Professional services	-	5,800
Insurance	5,732	3,491
Repairs and maintenance	-	237
Credit card expense	-	6,314
Total General and Administrative	26,732	39,920
Depreciation	259,560	274,357
Total Operating Expenses	\$ 653,787	\$ 631,834

Exhibit K-12

City and Borough of Wrangell, Alaska

Sanitation Utility Enterprise Fund
Statement of Net Position

June 30,	2020	2019
Assets and Deferred Outflows of Resources		
Current Assets		
Cash and investments	\$ 252,870	\$ 209,485
Accounts receivable	49,462	40,590
Total Current Assets	302,332	250,075
Noncurrent Assets		
Net other postemployment benefits asset	1,003	-
Capital assets:		
Buildings	982,637	982,637
Equipment	552,402	552,402
Total capital assets	1,535,039	1,535,039
Less accumulated depreciation	(1,080,451)	(1,004,319)
Net capital assets	454,588	530,720
Total Noncurrent Assets	455,591	530,720
Total Assets	757,923	780,795
Deferred Outflows of Resources		
Related to pensions	21,075	23,923
Related to other postemployment benefits	14,435	13,643
Total Deferred Outflows of Resources	35,510	37,566
Total Assets and Deferred Outflows of Resources	\$ 793,433	\$ 818,361
Liabilities, Deferred Inflows of Resources, and Net Position		
Current Liabilities		
Accounts payable	\$ 30,173	\$ 20,285
Accrued leave	8,751	7,285
Total Current Liabilities	38,924	27,570
Long-term Liabilities		
Net pension liability	163,376	155,093
Net other postemployment benefits liability	8,391	34,445
Total Long-term Liabilities	171,767	189,538
Total Liabilities	210,691	217,108
Deferred Inflows of Resources		
Related to pensions	5,163	4,992
Related to other postemployment benefits	6,770	12,883
Total Deferred Inflows of Resources	11,933	17,875
Net Position		
Net investment in capital assets	454,588	530,720
Unrestricted	116,221	52,658
Total Net Position	570,809	583,378
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 793,433	\$ 818,361

City and Borough of Wrangell, Alaska

Sanitation Utility Enterprise Fund

Statement of Revenues, Expenses and Changes in Net Position

<i>Years Ended June 30,</i>	2020	2019
Operating Revenues		
User fees	\$ 626,355	\$ 634,601
Operating Expenses		
Collection	125,450	105,975
Landfill	431,021	374,504
General and administrative	15,023	17,798
Depreciation	76,132	76,132
Total Operating Expenses	647,626	574,409
Income (Loss) from Operations	(21,271)	60,192
Nonoperating Revenues		
State PERS relief	8,702	(840)
Change in Net Position	(12,569)	59,352
Net Position, beginning	583,378	524,026
Net Position, ending	\$ 570,809	\$ 583,378

Statement of Cash Flows		Years Ended June 30,	
Sanitation Utility Enterprise Fund		2020	2019
Cash Flows from Operating Activities		\$ 617,483	\$ 627,019
Receipts from customers and users		(55,127)	(51,517)
Payments for interfund services used		(314,273)	(282,280)
Payments to suppliers		(204,698)	(180,623)
Payments to employees		43,385	112,599
Net cash provided by operating activities		43,385	112,599
Net Increase in Cash and Investments		43,385	112,599
Cash and Investments, beginning		209,485	96,886
Cash and Investments, ending		\$ 252,870	\$ 209,485
Reconciliation of Income (Loss) from Operations to Net Cash Flows from Operating Activities			
Income (loss) from operations	\$ (21,271)	\$ 60,192	
Adjustments to reconcile income (loss) from operations to net cash flows provided by operating activities:			
Depreciation	76,132		
Noncash expense - PERS relief	8,702		
Increase in assets:			
Accounts receivable	(8,872)		
Net other postemployment benefits asset	(1,003)		
(increase) decrease in deferred outflows of resources:			
Related to pensions	2,848		
Related to other postemployment benefits	(792)		
Increase (decrease) in liabilities:			
Accounts payable	9,888		
Accrued leave	1,466		
Net pension liability	8,283		
Net other postemployment benefits liability	(26,054)		
Increase (decrease) in deferred inflows of resources:			
Related to pensions	171		
Related to other postemployment benefits	(6,113)		
Net Cash Flows provided by Operating Activities	\$ 43,385	\$ 112,599	

City and Borough of Wrangell, Alaska

Exhibit K-14

Exhibit K-15

City and Borough of Wrangell, Alaska

Sanitation Utility Enterprise Fund
Schedule of Operating Expenses

<i>Years Ended June 30,</i>	2020	2019
Collection		
Salaries	\$ 60,710	\$ 49,298
Overtime salaries	974	972
Employee benefits	31,121	19,534
Allocated salaries - public works	1,169	2,964
Materials and supplies	2,310	4,986
Allocated vehicle charges - garage	29,166	28,221
Total Collection	125,450	105,975
Landfill		
Salaries	50,536	51,474
Overtime salaries	7,231	3,721
Employee benefits	41,634	41,871
Allocated salaries - public works	10,701	7,912
Telephone	1,239	1,355
Utilities	6,866	8,665
Travel and training	-	865
Monitoring and testing	-	527
Disposal costs	271,837	226,520
Hazardous waste	19,401	11,746
Materials and supplies	6,735	3,025
Repairs and maintenance	7,768	11,209
Professional services	880	1,300
Allocated vehicle charges - garage	6,193	4,165
Equipment rental	-	149
Total Landfill	431,021	374,504
General and Administrative		
Allocated overhead - finance	7,898	8,255
Insurance	7,125	3,414
Credit card expense	-	6,129
Total General and Administrative	15,023	17,798
Depreciation	76,132	76,132
Total Operating Expenses	\$ 647,626	\$ 574,409

Exhibit K-16

City and Borough of Wrangell, Alaska

Port Enterprise Fund
Statement of Net Position

June 30,	2020	2019
Assets and Deferred Outflows of Resources		
Current Assets		
Cash and investments	\$ 1,593,129	\$ 1,727,417
Receivables:		
Accounts	141,924	158,087
Grants	861,591	401,238
Accrued interest	32	100
Less allowance for doubtful accounts	(30,000)	(23,000)
Net receivables	973,547	536,425
Total Current Assets	2,566,676	2,263,842
Noncurrent Assets		
Restricted cash and investments - harbor improvements	690,725	1,419,714
Net other postemployment benefits asset	3,631	-
Capital assets:		
Land	948,333	948,333
Harbor floats, docks and improvements	34,166,661	34,166,661
Travel lift	18,391,507	18,391,507
Gridiron	154,636	154,636
Buildings	222,466	222,466
Equipment	348,359	306,510
Paving	2,530,923	2,530,923
Construction in progress	10,209,434	8,635,746
Total capital assets	66,972,319	65,356,782
Less accumulated depreciation	(27,851,433)	(25,935,264)
Net capital assets	39,120,886	39,421,518
Total Noncurrent Assets	39,815,242	40,841,232
Total Assets	42,381,918	43,105,074
Deferred Outflows of Resources		
Related to pensions	78,854	89,159
Related to other postemployment benefits	51,357	48,489
Total Deferred Outflows of Resources	130,211	137,648
Total Assets and Deferred Outflows of Resources	\$ 42,512,129	\$ 43,242,722

Exhibit K-16, continued

City and Borough of Wrangell, Alaska

Port Enterprise Fund

Statement of Net Position, continued

<i>June 30,</i>	2020	2019
Liabilities, Deferred Inflows of Resources, and Net Position		
Liabilities		
Current Liabilities		
Accounts payable	\$ 516,545	\$ 476,464
Accrued leave	21,248	16,288
Unearned revenue	689,100	1,372,599
Interfund loans	21,942	15,593
Total Current Liabilities	1,248,835	1,880,944
Long-term Liabilities		
Interfund loans, net of current portion	42,669	70,960
Net pension liability	577,445	547,473
Net other postemployment benefits liability	18,892	113,172
Total Long-term Liabilities	639,006	731,605
Total Liabilities	1,887,841	2,612,549
Deferred Inflows of Resources		
Related to pensions	7,423	6,805
Related to other postemployment benefits	18,204	40,323
Total Deferred Inflows of Resources	25,627	47,128
Net Position		
Net investment in capital assets	39,120,886	39,421,518
Restricted	1,625	47,115
Unrestricted	1,476,150	1,114,412
Total Net Position	40,598,661	40,583,045
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 42,512,129	\$ 43,242,722

City and Borough of Wrangell, Alaska

Exhibit K-17

Port Enterprise Fund

Statement of Revenues, Expenses and Changes in Net Position

<i>Years Ended June 30,</i>	2020	2019
Operating Revenues		
Municipal dock:		
Storage fees	\$ -	\$ 81,644
Wharfage fees	42,776	36,409
Dockage fees	68,730	76,646
Port development fees	43,884	45,495
Total municipal dock	155,390	240,194
Small boat harbor:		
Stall rentals and transient fees	781,925	739,229
Penalties and late fees	10,787	18,162
Materials sales	8,500	2,531
Other revenues	694,485	19,690
Total small boat harbor	1,495,697	779,612
Travel lift:		
Lift fees	136,504	178,457
Storage fees	304,641	194,432
Electric revenues	13,940	15,130
Total travel lift	455,085	388,019
Total Operating Revenues	2,106,172	1,407,825
Operating Expenses		
Municipal dock	85,919	89,447
Small boat harbor	364,891	345,505
Travel lift	369,777	353,999
General and administrative	136,596	200,619
Depreciation	1,916,170	1,971,936
Total Operating Expenses	2,873,353	2,961,506
Loss from Operations	(767,181)	(1,553,681)
Nonoperating Revenues (Expenses)		
Investment income	1,236	3,943
State PERS relief	31,489	(7,004)
State raw fish tax	284,469	307,405
State fisheries business tax	5,250	10,376
Net Nonoperating Revenues	322,444	314,720
Loss before capital contributions	(444,737)	(1,238,961)
Capital contributions	460,353	3,847,601
Change in Net Position	15,616	2,608,640
Net Position, beginning	40,583,045	37,974,405
Net Position, ending	\$ 40,598,661	\$ 40,583,045

Exhibit K-18

City and Borough of Wrangell, Alaska

Port Enterprise Fund
Statement of Cash Flows

<i>Years Ended June 30,</i>	2020	2019
Cash Flows from Operating Activities		
Receipts from customers and users	\$ 1,445,836	\$ 1,352,572
Payments for interfund services used	(59,088)	(63,234)
Payments to suppliers	(291,694)	77,588
Payments to employees	(611,875)	(611,927)
Net cash flows provided by operating activities	483,179	754,999
Cash Flows from Noncapital Financing Activities		
State fish taxes received	289,719	317,781
Cash Flows for (from) Capital and Related Financing Activities		
Purchase of property, plant and equipment	(1,615,537)	(7,790,556)
Principal payments on loan payable to other fund	(21,942)	(15,593)
Capital contributions received	-	3,446,363
Net cash flows used for capital and related financing activities	(1,637,479)	(4,359,786)
Cash Flows from Investing Activities		
Investment income received	1,304	4,005
Net Decrease in Cash and Investments	(863,277)	(3,283,001)
Cash and Investments, beginning	3,147,131	6,430,132
Cash and Investments, ending	\$ 2,283,854	\$ 3,147,131
Reconciliation of Cash and Investments to Statement of Net Position		
Cash and investments	\$ 1,593,129	\$ 1,727,417
Restricted cash and investments	690,725	1,419,714
Total Cash and Investments	\$ 2,283,854	\$ 3,147,131
Reconciliation of Loss from Operations to Net Cash		
Flows from Operating Activities		
Loss from operations	\$ (767,181)	\$ (1,553,681)
Adjustments to reconcile loss from operations to net cash flows from operating activities:		
Depreciation	1,916,170	1,971,936
Noncash expense - PERS relief	31,489	(7,004)
(Increase) decrease in assets:		
Accounts Receivable	23,163	(1,358)
Net other postemployment benefits asset	(3,631)	-
(Increase) decrease in deferred outflows of resources:		
Related to pensions	10,305	(22,902)
Related to other postemployment benefits	(2,868)	(33,719)
Increase (decrease) in liabilities:		
Accounts payable	40,080	458,075
Accrued leave	4,960	(6,515)
Unearned revenue	(683,499)	(53,895)
Net pension liability	29,972	29,149
Net other postemployment benefits liability	(94,280)	31,047
Increase (decrease) in deferred inflows of resources:		
Related to pensions	618	(56,014)
Related to other postemployment benefits	(22,119)	(120)
Net Cash Flows from Operating Activities	\$ 483,179	\$ 754,999

City and Borough of Wrangell, Alaska

Exhibit K-19

Port Enterprise Fund

Schedule of Operating Expenses

<i>Years Ended June 30,</i>	2020	2019
Municipal Dock		
Salaries	\$ 42,218	\$ 44,600
Employee benefits	22,164	20,594
Materials and supplies	754	2,270
Utilities	5,470	5,858
Capital expenditures	-	11,184
Allocated vehicle charges - garage	1	23
Repairs and maintenance	15,312	4,918
Total Municipal Dock	85,919	89,447
Small Boat Harbor		
Salaries	136,203	143,259
Employee benefits	54,747	45,092
Allocated salaries - public works	307	-
Materials and supplies	8,329	17,787
Utilities	85,009	68,202
Repairs and maintenance	66,168	68,739
Allocated vehicle charges - garage	2,172	1,452
Miscellaneous expense	11,956	974
Total Small Boat Harbor	364,891	345,505
Travel Lift		
Salaries	194,720	190,650
Overtime salaries	13,438	16,211
Employee benefits	102,831	85,443
Materials and supplies	4,796	4,869
Utilities	19,338	17,932
Allocated vehicle charges - garage	230	9,055
Publications	1,565	-
Repairs and maintenance	32,859	29,839
Total Travel Lift	369,777	353,999
General and Administrative		
Salaries	2,354	6,003
Allocated overhead - finance	24,263	28,664
Travel and training	4,385	6,359
Professional services	7,720	9,285
Telephone	7,090	6,883
Materials and supplies	6,438	34,672
Allocated vehicle charges - garage	32,115	24,040
Insurance	23,343	53,888
Repairs and maintenance	1,936	9
Utilities	13	-
Credit card expense	15,174	15,792
Publications	11,765	15,024
Total General and Administrative	136,596	200,619
Depreciation	1,916,170	1,971,936
Total Operating Expenses	\$ 2,873,353	\$ 2,961,506

City and Borough of Wrangell, Alaska
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2020

Exhibit L-1

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Provided to Subrecipients	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	N/A	\$ -	\$ 1,311,334
Department of Housing and Urban Development				
Passed through State of Alaska Department of Commerce, Community, and Economic Development - Community Development Block Grant Program/State's Program and Non-Entitlement Grants in Hawaii	14.228	18-CDBG-02	-	337,500
Department of the Interior				
Payments in Lieu of Taxes	15.226		-	476,259
Department of Justice				
Passed through State of Alaska Department of Commerce, Community, and Economic Development - COVID-19 - Coronavirus Emergency Supplemental Funding Program	16.034	N/A	-	7,944
Department of the Treasury				
Passed through State of Alaska Department of Commerce, Community, and Economic Development - COVID-19 - Coronavirus Relief Fund	21.019	20-CRF-227	-	826,272
Institute of Museum and Library Services				
Passed through Wrangell Cooperative Association - Native American and Native Hawaiian Library Services - IMLS Library Grant	45.311	NG-01-13-0078-13	-	10,000
Total Expenditures of Federal Awards			\$ -	\$ 2,969,309

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

City and Borough of Wrangell, Alaska

Notes to Schedule of Expenditures of Federal Awards For the Year Ended June 30, 2020

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, 2020. 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 Principles

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, 2020, there were no unspent interest earnings and unspent grant funds were \$2,936,428.

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Single Audit Reports



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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 as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise City and Borough of Wrangell's basic financial statements and have issued our report thereon dated October 21, 2021. Our report included a reference to other auditors who audited the financial statements of Wrangell Public Schools, as described in our report on City and Borough of Wrangell'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.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered City and Borough of Wrangell'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 City and Borough of Wrangell's internal control. Accordingly, we do not express an opinion on the effectiveness of City and Borough of Wrangell'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 deficiencies described in the accompanying schedule of findings and questioned costs as items 2020-001 and 2020-002 to be material weaknesses.

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 2020-003 to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether City and Borough of Wrangell'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

City and Borough of Wrangell's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. City and Borough of Wrangell's response was not subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

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, LLP

Anchorage, Alaska
October 21, 2021



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3601 C Street, Suite 600
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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

We have audited City and Borough of Wrangell's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of City and Borough of Wrangell's major federal programs for the year ended June 30, 2020. City and Borough of Wrangell's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

City and Borough of Wrangell's basic financial statements include the operations of the Wrangell Public Schools, a discretely presented component unit. Our audit, described below, did not include the operations of Wrangell Public Schools because they were subjected to separate audits. Wrangell Public Schools did not meet the threshold for an audit in accordance with the Uniform Guidance.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of City and Borough of Wrangell's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about City and Borough of Wrangell's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of City and Borough of Wrangell's compliance.

Opinion on Each Major Federal Program

In our opinion, City and Borough of Wrangell complied, in all material respects, with the types of 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, 2020.

Report on Internal Control Over Compliance

Management of City and Borough of Wrangell is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered City and Borough of Wrangell's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of City and Borough of Wrangell's 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify a certain deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2020-004 that we consider to be a significant deficiency.

City and Borough of Wrangell's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. City and Borough of Wrangell's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

City and Borough of Wrangell is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. City and Borough of Wrangell's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

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, LLP

Anchorage, Alaska
October 21, 2021

City and Borough of Wrangell, Alaska

Schedule of Findings and Questioned Costs Year Ended June 30, 2020

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? ☒ yes ☐ no
Significant deficiency(ies) identified? ☒ yes ☐ (none reported)

Noncompliance material to financial statements noted? ☐ yes ☒ no

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified? ☐ yes ☒ no
Significant deficiency(ies) identified? ☒ yes ☐ (none 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 ☐ no

Identification of major federal programs:

CFDA Number	Name of Federal Program or Cluster	Agency
10.665	Forest Service Schools and Roads Cluster	Department of Agriculture
21.019	Coronavirus Relief Fund	Department of the Treasury

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

Auditee qualified as low-risk auditee? ☐ yes ☒ no

City and Borough of Wrangell, Alaska
Schedule of Findings and Questioned Costs, continued
Year Ended June 30, 2020

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

Finding 2020-001 General Ledger Reconciliation and External Financial Reporting - Internal Control Over Financial Reporting - Material Weakness

<i>Criteria</i>	<i>Government Accounting Standards</i> 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.
<i>Condition</i>	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 and fund balance, ending capital assets, depreciation expense, interfund balances, transfers, deferred inflows of resources and tax revenue.
<i>Cause</i>	The Borough's general ledger reconciliation and preparation of the trial balance for external financial reporting purposes lacked an appropriate level of precision to ensure balances were materially correct.
<i>Effect or Potential Effect</i>	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.
<i>Recommendation</i>	The Borough should consider adding procedures to ensure activity is recorded in accordance with GAAP. Specifically, the Borough should add procedures to reconcile opening balances to prior year-end balances, and consider developing an end-of-the-year checklist to ensure closing adjustments are made in a timely manner.
<i>Views of Responsible Officials</i>	Management concurs with the finding. Management will implement a more thorough review process and improvements to the year-end close and audit preparation process. Management will identify the more complex financial statement accounts and areas and will implement additional levels of internal review.

City and Borough of Wrangell, Alaska
Schedule of Findings and Questioned Costs, continued
Year Ended June 30, 2020

Finding 2020-002	Journal Entry Review and Approval, and Support - Internal Control Over Financial Reporting - Material Weakness
<i>Criteria</i>	<i>Government Accounting Standards</i> 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.
<i>Condition</i>	The Borough's internal controls over financial reporting do not ensure proper review and approval of manual journal entries. Additionally, the Borough's internal controls do not ensure that supporting documentation is retained to support manual journal entries posted to the general ledger.
<i>Cause</i>	The Borough's internal controls related to journal entries lack appropriate segregation of duties. Specifically, the Borough's internal controls related to journal entries do not require separate review and approval of manual journal entries, nor do the internal controls require review of supporting documentation.
<i>Effect or Potential Effect</i>	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.
<i>Recommendation</i>	The Borough should consider adopting a journal entry review checklist or similar procedure that stipulates an individual besides the preparer review and approve journal entries prior to posting. Additionally, the Borough should require that relevant supporting documentation be attached and retained with each journal entry prior to posting to the general ledger.
<i>Views of Responsible Officials</i>	Management concurs with the finding. Management will revise internal processes and procedures to require all manual journal entries be reviewed and approved by a separate individual besides the preparer prior to posting to the general ledger. The Borough's revised internal processes and procedures will require relevant supporting documentation be attached to all manual journal entries and retained after posting to support contents of the journal entry.

City and Borough of Wrangell, Alaska

Schedule of Findings and Questioned Costs, continued Year Ended June 30, 2020

Finding 2020-003	Completeness and Accuracy of Schedule of Expenditures of Federal Awards - Internal Control Over Financial Reporting - Significant Deficiency
<i>Criteria</i>	Management is required under the Uniform Guidance to prepare a schedule of expenditures of federal awards (SEFA) that includes all federal awards expended during the fiscal year by individual federal program and catalog of federal domestic assistance (CFDA) number.
<i>Condition</i>	Material adjustments were necessary to correct the SEFA to properly recognize federal expenditures incurred related to the Community Development Block Grant program. Specifically, the program was mislabeled as state financial assistance and was incorrectly excluded from the SEFA.
<i>Cause</i>	Management did not have in place internal controls to ensure all expenditures of federal awards were properly identified as federal and included on the SEFA.
<i>Effect or Potential Effect</i>	Expenditures reported on the SEFA were understated by \$337,500. SEFA balances reported may not meet the Uniform Guidance requirement, federal programs required to be audited per Uniform Guidance requirements may be excluded resulting in the Borough being out of compliance with Uniform Guidance requirements.
<i>Recommendation</i>	The Borough should consider adopting review procedures to ensure all grant awards are correctly identified as federal vs. state funding.
<i>Views of Responsible Officials</i>	Management concurs with the finding. Management will revise internal processes and procedures to ensure grant awards are correctly identified as federal vs. state funding upon receipt.

City and Borough of Wrangell, Alaska
Schedule of Findings and Questioned Costs, continued
Year Ended June 30, 2020

Section III - Federal Award Findings and Questioned Costs

Finding 2020-004 **Activities Allowed and Unallowed, Allowable Costs, Period of Performance
- Internal Control Over Compliance - Significant Deficiency**

Agency Department of the Treasury
CFDA 21.019
Program Name Coronavirus Relief Fund
Year 2020
Pass-Through Agency State of Alaska Department of Commerce, Community, and Economic
Development

Pass-Through Entity 20-CRF-227
Identifying Number

Criteria Management is responsible to provide reasonable assurance that the costs paid
for by federal funds are allowable and in accordance with the types of
activities allowed per the compliance supplement and incurred within the
stated period of performance.

Condition We identified nonpayroll expenditure transactions without sufficient
documentation of review and approval prior to posting to the general ledger.

Cause The Borough's internal controls over nonpayroll expenditures lack appropriate
safeguards ensuring all transactions are reviewed and approved by a
knowledgeable individual prior to posting to the general ledger.

Effect or Potential Federal funds could potentially be expended on unallowed activities and for
Effect unallowed costs, and outside the period of performance.

Questioned costs None.

Context A sample of 13 nonpayroll expenditure transactions were tested specific to
the major program. 2 of the transactions tested lacked evidence of review and
approval prior to being charged to the program.

Identification as a No.
repeat finding

Recommendation The Borough should consider adopting a transactional-level review process
that ensures all transactions are reviewed and approved by a knowledge
individual besides the individual who initiated the transaction. The Borough
should consider adopting a policy that requires supporting evidence of such
review be retained for future examination.

Views of Management concurs with the finding. Borough staff and management will
Responsible revise internal processes and procedures to require supporting documentation
Officials for all expenditure transactions be retained and for said documentation to
include evidence of management review and approval prior to posting.

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**City and Borough of Wrangell 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, 2020

Financial Statement Findings

Finding 2019-001 General Ledger Reconciliation and External Financial Reporting - Internal Control over Financial Reporting - Material Weakness

Finding During testwork performed over the course of the financial statement audit, it was evident that management did not have in place adequate internal controls to ensure that the books and records were closed accurately for external financial reporting purposes in accordance with U.S. GAAP. Material adjustments were identified and made to correct opening net position, fund balance, capital assets, depreciation expense, interfund balances and transfers.

Status Finding not resolved in 2020, see 2020-001.

Finding 2019-002 Journal Entry Review and Approval, and Support- Internal Control over Financial Reporting - Significant Deficiency

Finding During testwork performed over manual journal entries, multiple instances were identified in which the Borough did not have sufficient internal controls to ensure proper segregation of duties and review/approval of journal entries, as well as retention of supporting documentation for each entry.

Status Finding not resolved in 2020, see 2020-002.



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, continued Year Ended June 30, 2020

Name of Contact Person: Lisa Von Bargaen
Borough Administrator
lvonbargaen@wrangell.com
907 - 874- 2381

Finding 2020-001 - General Ledger Reconciliation and External Financial Reporting - Internal Control over Financial Reporting - Material Weakness

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. Additionally, the Borough will create a year-end close-out checklist to verify closing adjustments are made in a timely fashion.

Expected Completion Date
Fiscal year 2022.

Finding 2020-002 - 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 signs and dates the entry made. Subsequently, the entry will be printed off-and reviewed by the *Finance Director*. The *Finance Director* will sign and date the journal entry reviewed 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.

Expected Completion Date:
Fiscal year 2022.



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, continued Year Ended June 30, 2020

Finding 2020-003 - Completeness and Accuracy of Schedule of Expenditures of Federal Awards - Internal Control Over Financial Reporting - Significant Deficiency

Corrective Action Plan

For each grant award, the Borough will create a grant file with the award document, eligibility requirements, all eligible expenses to date, and evidence of all reports made to state or federal agencies on the predetermined basis outlined in the grant award contract. Within the file, the *Finance Director*, will explicitly write-out on the grant award statement whether it is a state or federal source of funding. The *Finance Director* will be sure discern if the grant is a pass-through award issued from the federal government and administered by the state. In these instances, the Borough will be sure to include the grant funds on the schedule of expenditures of federal awards (SEFA) as pass-through grants are still considered federal sources of funding.

Expected Completion Date:
Fiscal year 2022.

Finding 2020-004 - Activities Allowed and Unallowed, Allowable Costs, Period of Performance - Internal Control Over Compliance - Significant Deficiency

Corrective Action Plan

The Borough will ensure to thoroughly review each transaction that requires the use of federal funds and verify expenses meet all eligibility requirements. Specifically, the responsible department director will send supporting documentation or a requisition form encapsulating the proposed expense to the *Finance Director* and *Borough Manager* for review. Once the expense is approved, the responsible department director will send out the purchase order. Once the expense is made, an invoice copy will be signed by the appropriate department director and then a copy of the invoice will be sent to the *Finance Director* for review. The copy of the invoice and payment support will then be kept in the federal fund/grant awards file for that specific source of funds.

Expected Completion Date:
Fiscal year 2022.

From Geoffrey & Camie Gillen Re: Discussion Item: Emergency Ordinance No. 1012 (School Superintendent Burr's Request to Consider Amending the Ordinance to add an Exemption for the School District) from the October 26, 2021, Assembly Meeting

Dear Assembly members,

It was recently brought to our attention that the current ordinance in place for the Wrangell Borough regarding travel and testing requirements greatly affects our three children. They are court ordered to visit Petersburg every other weekend to visit. Because of this Ordinance, our kids are possibly going to have to miss a lot of school after each visit or forgo any visitation which would be against the court order. This would be detrimental for our kids as they already struggle missing their family and then would put them at a large disadvantage if they had to miss so much school every month.

We are asking the assembly to please consider making revisions to allow for essential travel. Our kids are transported by private boat and/or charter. They do not travel by Ferry or Alaska Air which leaves their travel much less of a risk. The kids were also already getting weekly tested for the school safety precautions and would like to return to this protocol if the assembly would allow.

Thank you for your consideration.

Sincerely,

Geoffrey & Camie Gillen

October 25, 2021

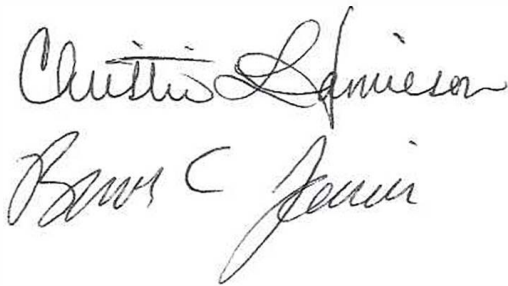
To: Mayor Prysunka & Borough Assembly Members

From: Bruce & Christie Jamieson

Re: RESOLUTION No. 10-21-1616 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA STRONGLY SUPPORTING EFFORTS TO PROTECT TRANSBOUNDARY WATERS, SPECIFICALLY THE STIKINE RIVER, AND THE ECOSYSTEM, INDIGINOUS PEOPLE, COMMUNITIES, RESIDENTS, AND ECONOMIES THAT DEPEND ON ITS HEALTH

We strongly support the adoption of Resolution #10-21-1616, supporting an immediate, temporary pause in the permitting, development and expansion of all Canadian mines along the shared Alaska & B.C. salmon rivers, until an international agreement has been reached on transboundary watershed boundaries.

Sincerely,

Handwritten signatures of Christie Jamieson and Bruce C. Jamieson. Christie's signature is in cursive and appears to read 'Christie Jamieson'. Bruce's signature is also in cursive and appears to read 'Bruce C. Jamieson'.

Minutes of Regular Assembly Meeting

Held on October 26, 2021

Mayor Prysunka called the Regular Assembly meeting to order at 7:00 p.m., October 26, 2021, in the Borough Assembly Chambers. Assembly Member Howe led the pledge of allegiance, and the roll was called.

PRESENT: DEBORD, POWELL, HOWE, DALRYMPLE (by teleconference), GILBERT, MORRISON, PRYSUNKA

ABSENT:

Borough Manager Von Bargen and Borough Clerk Lane were also in attendance.

CEREMONIAL MATTERS

Mayor Prysunka presented Certificates of Service for the following individuals:

- Haig Demerjian for his service on the Parks & Recreation Board.
- Brooke Leslie for her service on the Wrangell Convention & Visitors Bureau and the Economic Development Committee.

Prysunka presented a Proclamation for "Extra Mile Day".

PERSONS TO BE HEARD / PUBLIC CORRESPONDENCE

Emailed Correspondence was received from:

- a. Public Correspondence from Geoffrey & Camie Gillen on Item 13a Discussion of Emergency Ord 1012
- b. Public Correspondence from Bruce & Christie Jamieson on Item 12b Res 10-21-1616

AMENDMENTS TO THE AGENDA

Lane asked that Item 6c (Approval of Final Plat of the Deboer Replat) be removed from the Agenda since the Plat was not ready for consideration. There were no objections from the Assembly.

CONFLICT OF INTEREST

CONSENT AGENDA

- a. Minutes of the October 7, 2021 Special Assembly Meeting
- b. Minutes of the October 12, 2021 Regular Assembly Meeting
- c. ~~Approval of Final Plat of the Deboer Replat, a Replat and Subdivision of Tract 1, of a Resubdivision of Lot 18, USS 2900 (Plat 66-240), creating Tract 1-A and Tract 1-B, zoned Rural Residential 1, Requested and Owned by Danny Deboer~~
- d. Renewal of Marijuana Cultivation Facility (Happy Cannabis) License Number 10201
- e. CORRESPONDENCE - School Board Action from the October 11, 2021 Regular Meeting

M/S: Gilbert/Powell to approve the Consent Agenda, as presented. Motion approved unanimously by polled vote.

BOROUGH MANAGER'S REPORT

Manager Von Barga's report was provided.

Tom Wetor, Public Works Director provided an update on the Bailer installation at the Transfer Station.

Dorianne Sprehe provided a COVID Update.

Rod Rhoades, WML&P Director provided a Generator Status update.

BOROUGH CLERK'S REPORT

Clerk Lane's report was provided.

MAYOR AND ASSEMBLY BUSINESS

Prysunka reported that he spoke to the Attorney General's office on Friday and was told the Antitrust Agreement that was between Lynden and the State expired on September 30, 2021; supposed to prevent one barge company from holding the monopoly in our region; asked for a meeting of Mayors during the Alaska Municipal League to discuss this; worry is that Samson will no longer be incentivized to remain in Southeast.

MAYOR AND ASSEMBLY APPOINTMENTS – None.PUBLIC HEARING

11a ORDINANCE No. 1013 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING SECTION 5.09.010, DEFINITIONS, AND SECTION 5.09.015, EXCISE TAX ON MARIJUANA, IN TITLE 5, REVENUE AND FINANCE, OF THE WRANGELL MUNICIPAL CODE

Mayor Prysunka declared the Public Hearing open and asked if there was an administrative report.

As there were no persons to speak on this item, Mayor Prysunka declared the Public Hearing closed and asked for a motion.

M/S: Gilbert/Morrison to Approve Ordinance No. 1013. Motion approved unanimously by polled vote.

UNFINISHED BUSINESS

12a Approval to Vacate a Portion of the Peninsula Street Right-of-Way Adjacent to Lot A, P.C. Resubdivision, owned by Dave and Lilia Brown, zoned Single Family Residential

M/S: Powell/Howe Approve Vacation of a portion of the Peninsula Street Right-of-Way Adjacent to Lot A, P.C. Resubdivision, owned by Dave and Lilia Brown, zoned Single Family Residential. Motion approved unanimously by polled vote.

12b RESOLUTION No. 10-21-1616 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA STRONGLY SUPPORTING EFFORTS TO PROTECT TRANSBOUNDARY

WATERS, SPECIFICALLY THE STIKINE RIVER, AND THE ECOSYSTEM, INDIGINOUS PEOPLE, COMMUNITIES, RESIDENTS AND ECONOMIES THAT DEPEND ON ITS HEALTH

M/S: Powell/Morrison to approve Resolution No. 10-21-1616.

Breanna Walker, Salmon Beyond Borders asked the Assembly to vote in favor of Resolution No. 10-21-1616; gave a background on the purpose of the Resolution and what support it would provide.

Fred Olsen Jr., Southeast Alaska Indigenous Transboundary Commission also asked the Assembly to pass Resolution No. 10-21-1616 and spoke in depth on why it was necessary; asking for a pause in mining.

Jill Weitz, Salmon Beyond Borders spoke in support of Resolution No. 10-21-1616; explained in detail why the BC mining project be temporarily paused.

Brenda Schwartz-Yeager, resident spoke in favor of Resolution No. 10-21-1616; Stikine River waters effect just about everyone in Wrangell; spoke in opposition of the tailing damns; we have a lot to lose, and the mining companies really have a lot to gain; this Resolution will help us have a voice at the table in the decision making.

Von Bargaen explained how the data for the proposed Resolution was compiled.

Motion approved unanimously by polled vote.

NEW BUSINESS

13a Discussion Item: Emergency Ordinance No. 1012 (School Superintendent Burr's Request to Consider Amending the Ordinance to add an Exemption for the School District)

Von Bargaen explained that Superintendent Burr is requesting an amendment to Emergency Ordinance 1012 to include an exemption for the School District; stated that our Emergency Ordinance does not include enforcement; our Emergency Ordinance was put in place, following CDD Guidelines; keeping the Emergency Ordinance as-is, adds protection to the City.

Bill Burr, WPSD Superintendent stated that when the school created its mitigation plan, it took into place the City's Ordinance; currently testing student athletes weekly, in the school; can do PCR "rapid" tests now; would like the city to allow the school to have a loophole for its student athletes.

Captain Dorianne Sprehe we are following what CDC recommends; stated that the city put in the testing Emergency Ordinance because of the increase in COVID cases in our state; recommending the Emergency Ordinance be amended since the school has a good mitigation plan in place.

Prysunka asked if there were any Assembly Members who wanted this on the next Agenda for consideration.

Howe asked that an item be added to the next Agenda to consider an exception for the student athletes.

13b Approval of FY2020 Audit for the City and Borough of Wrangell

M/S: Gilbert/Morrison to approve the FY202 Audit for the City and Borough of Wrangell.

Von Bargen explained that essentially what the Assembly would be doing this evening was accepting the audit.

Mason Villarma, Finance Director stated that historically, the Audit was approved under the Consent Agenda; this year the audit is on the Agenda for approval since the audit was 15 months late.

Motion approved unanimously by polled vote.

13c RESOLUTION No. 10-21-1621 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FY 2022 BUDGET IN THE GENERAL FUND TRANSFERRING UP TO \$1,829 FROM GENERAL FUND RESERVES TO THE FINANCE DEPARTMENT TEMPORARY STAFF WAGES ACCOUNT

M/S: Powell/Morrison to approve Resolution No. 10-21-1621. Motion approved unanimously by polled vote.

13d RESOLUTION No. 10-21-1622 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FY 2022 BUDGET IN THE GENERAL FUND AND PARKS & RECREATION SPECIAL REVENUE FUND BY TRANSFERRING FUNDS FROM THE 2 GENERAL FUND RESERVES TO THE SWIMMING POOL LIGHTING UPGRADES CAPITAL PROJECT ACCOUNT IN THE AMOUNT OF \$16,000 AND AUTHORIZING ITS EXPENDITURE

M/S: Powell/Morrison to approve Resolution No. 10-21-1622. Motion approved unanimously by polled vote.

13e RESOLUTION No. 10-21-1623 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, TRANSFERRING \$75,600 FROM WATER FUND RESERVES TO WATER FUND CAPITAL EQUIPMENT ACCOUNT AND AUTHORIZING ITS EXPENDITURE ON A PRIMOZONE CLOSED LOOP COOLING SKID FOR THE OZONE SYSTEM AT THE WATER TREATMENT PLANT

M/S: Powell/Gilbert to approve Resolution No. 10-21-1623. Motion approved unanimously by polled vote.

13f RESOLUTION No. 10-21-1624 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FY 2022 BUDGET IN THE INDUSTRIAL CONSTRUCTION FUND BY ACCEPTING REVENUE FROM THE SALE OF LOT 5, BLOCK 59A, INDUSTRIAL SUBDIVISION, PLAT NO. 85-8, (ARMORY BUILDING AND LAND) IN THE AMOUNT OF \$110,000

M/S: Morrison/Gilbert to approve Resolution No. 10-21-1624. Motion approved unanimously by polled vote.

13g RESOLUTION No. 10-21-1625 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FY22 BUDGET IN THE RESIDENTIAL CONSTRUCTION FUND BY ACCEPTING REVENUE FROM THE SALE OF ETOLIN AVENUE LOT 1A FOR AMOUNT OF \$50,100, LOT 1B FOR THE AMOUNT OF \$67,000, AND LOT 1C, FOR THE AMOUNT OF \$70,600

M/S: Powell/Morrison to approve Resolution No. 10-21-1625. Motion approved unanimously by polled vote.

13h Approval of City & Borough Tidelands Annual 2021 Five-Year Reassessment for Samson Tug & Barge

M/S: Powell/Gilbert to approve Resolution No.1626. Motion approved unanimously by polled vote.

13i RESOLUTION No. 10-21-1626 A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA PROVIDING FOR THE CREATION OF THE JOB DESCRIPTION FOR THE TEMPORARY POSITION OF FINANCE CLERICAL ASSISTANT

M/S: Morrison/Howe to approve Resolution No. 10-21-1626. Motion approved unanimously by polled vote.

13j RESOLUTION No. 10-21-1627 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA PROVIDING FOR THE CREATION OF THE TIRE SHREDDER TEMPORARY POSITION JOB DESCRIPTION

M/S: Powell/Morrison to approve Resolution No. 10-21-1627. Motion approved unanimously by polled vote.

13k RESOLUTION NO. 10-21-1628 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA AMENDING THE FY 2022 BUDGET IN THE WATER FUND BY TRANSFERRING UP TO \$24,000 FROM WATER FUND RESERVES TO THE WATER PROFESSIONAL/CONTRACTUAL SERVICES ACCOUNT AND AUTHORIZING ITS EXPENDITURE FOR THE NORTHERN UTILITY SERVICES WATER TREATMENT PLANT OPERATOR COVERAGE CONTRACT

M/S: Powell/Morrison to approve Resolution No. 10-21-1628. Motion approved unanimously by polled vote.

ATTORNEY'S FILE

14 Available for Assembly review in the Borough Clerk's office.

EXECUTIVE SESSION – None.

Prysunka thanked Manager Von Barga for her service to the Community and presented her with a Certificate of Appreciation and a gift.

Regular Assembly meeting adjourned at 8:58 p.m.

Stephen Prysunka, Borough Mayor

ATTEST: _____
Robbie Marshall, Deputy Clerk

Minutes of Special Assembly Meeting

Held on October 27, 2021

Mayor Prysunka called the Special Assembly meeting to order at 10:00 a.m., October 26, 2021, held in the Borough Assembly Chambers

PRESENT: PRYSUNKA, GILBERT, MORRISON, POWELL

ABSENT: DALRYMPLE, HOWE, DEBORD

PERSONS TO BE HEARD / PUBLIC CORRESPONDENCE – None.

CONFLICT OF INTEREST

Morrison stated that she knows Mr. Palmer but has not been in contact with him for a very long time. Prysunka stated that he did not see a conflict. There were no objections from the Assembly.

Powell stated that he knows Mr. Good and had told him about the job. Prysunka asked if Powell has had ex parte communications with Mr. Good or has talked with him about the job. Powell stated that no, he has not. Prysunka stated that he did not see a conflict. There were no objections from the Assembly.

NEW BUSINESS

5a Executive Session: For the purpose of conducting interviews for the candidates for the Interim Borough Manager Position

M/S: Gilbert/Morrison moved, pursuant to 44.62.320 (c)(2), that we recess into executive session and invite the Borough Clerk into the session, to discuss matters that may tend to prejudice the reputation and character of any person, specifically: conducting interviews for the Interim Borough Manager Candidates. Motion approved unanimously by polled vote.

Recessed into Executive Session at 10:03 a.m.

Reconvened back into Special Session at 11:05 a.m.

Recessed Special meeting at 11:06 a.m.

Reconvened Special meeting at 12:56 p.m.

Recessed into Executive Session at 12:57 p.m.

Reconvened back into Special Session at 2:07 p.m.

Recessed Special meeting at 2:07 p.m.

Reconvened Special meeting at 2:57 p.m.

Recessed into Executive Session at 2:28 a.m.

Reconvened back into Special Session at 5:10 p.m.

5b Approval of the negotiation process with regards to an offer for an Interim Borough Manager

M/S: Powell/Morrison to authorize the Borough Mayor to negotiate compensation with the Staff that will be assisting with the Interim Borough Manager position. Motion approved unanimously by polled vote.

5c M/S: Gilbert/Morrison to approve the Mayor to make an offer of Temporary Employment for the Interim Borough Manager position to Jeffrey Good.

Prysunka stated that if Mr. Good accepts the offer, he will start on Monday and that he would work with Staff on the Onboarding.

Motion approved unanimously by polled vote.

M/S: Powell/ to designate Carol Rushmore as the Interim Borough Manager for October 30th to October 31st.

Gilbert stated that this was to fill the gap between the existing Borough Manager and the new Interim Borough Manager.

Motion approved unanimously by polled vote.

Special Assembly meeting adjourned at 5:15 p.m.

Stephen Prysunka, Borough Mayor

ATTEST: _____
Robbie Marshall, Deputy Clerk

CITY & BOROUGH OF WRANGELL, ALASKA BOROUGH ASSEMBLY AGENDA STATEMENT

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	11-09-2021
	<u>Agenda Section</u>	6

RESOLUTION No. 11-21-1629 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE ASSESSMENT VALUE FOR TAX YEAR 2021 FOR DARRELL WEBSTER '73 12X68 GREAT LAKES, DUE TO A MANIFEST CLERICAL ERROR

SUBMITTED BY:

Robbie Marshall, Accounting Generalist

FISCAL NOTE:

Expenditure Required: \$76.50 Total

FY 21: \$	FY 22: \$	FY23: \$
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Amount Budgeted:

	FY22 \$XXX	
--	------------	--

Account Number(s):

	11000 000 4010	
--	----------------	--

Account Name(s):

	Property Tax	
--	--------------	--

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
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ATTACHMENTS: 1. RES 11-21-1629

RECOMMENDATION MOTION:

Approved under the Consent Agenda.

Although the Assembly has not seen Resolutions placed under the Consent Agenda in the past, it is not uncommon practice to do this. This item is a housekeeping item since it is considered a manifest error.

If any Assembly Member wishes to remove this item from the Consent Agenda to be considered individually, they may do so, causing this item to be placed under New Business for consideration.

SUMMARY STATEMENT:

The City and Borough of Wrangell contracts with the Appraisal Company of Alaska to complete our annual real property assessments and updates our tax tables. Our finance department also assists with this process. There are times when errors do occur.

Most simple errors are found and resolved before assessments are printed and mailed, and otherwise property owners also have a chance to appeal to the board of equalization to resolve errors they believe might have been made on their assessments.

The board of equalization met on May 10, 2021 and property taxes were due on Friday October 15, 2021. Mr. Webster brought to the attention of the staff in the Finance Department that he should have received his senior property tax exemption. After extensive research by staff, we determined that Mr. Webster indeed should have been given the Senior Property Tax Exemption. He has a Senior Exemption application on file however, there was Property Transfer that was inaccurately reported which resulted in the removal of the exemption for Mr. Webster. The approval of this Resolution will correct the error.

This type of mistake is considered a “manifest clerical error,” meaning the error is both significant in misstating the intended value as well as clerical, meaning a typographical error entering the data. Alaska Statutes Chapter 29.45 on Municipal Taxation provides for assemblies to be able to correct manifest clerical errors at any time.

It should be noted that other types of errors, such as a valuation made on incomplete or incorrect information regarding, say, the condition of a property, would not constitute a manifest clerical error and thus would not be reversible beyond the normal appeal process to the board of equalization.

CITY AND BOROUGH OF WRANGELL, ALASKA

RESOLUTION No. 11-21-1629

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE ASSESSMENT VALUE FOR TAX YEAR 2021 FOR DARRELL WEBSTER '73 12X68 GREAT LAKES, S15 PANHANDLE TRAILER COURT DUE TO A MANIFEST CLERICAL ERROR

WHEREAS, Darrell Webster is the owner of record for '73 12x68 Great Lakes, S15 Panhandle Trailer Court Wrangell, Alaska; and

WHEREAS, the Assembly approves Senior Citizen Tax Exemptions annually at their Board of Equalization Meeting; and

WHEREAS, Darrell Webster did file his 2021 Senior Citizen Tax Exemption application in a timely manner, and

WHEREAS, the 2021 Assessed Value was placed incorrectly on the wrong parcel and the exemption was removed altogether; and

WHEREAS, Darrell Webster did not receive the Senior Citizen Tax Exemption for tax year 2021, and should have; and

WHEREAS, the assessed value for tax year 2021 was \$6,000; and

WHEREAS, with the approval of the Senior Citizen Tax Exemption, the correct assessed value for tax year 2021 should have been \$0 and

WHEREAS, the Borough Assembly approved Resolution No. 06-21-1589 on June 8, 2021 to levy general tax for school and municipal purposes upon all taxable property for the 2021 tax year, and

WHEREAS, the General Tax Revenue Fund for Fiscal Year 2020-201 is reduced by \$76.50 to correct the error; and

WHEREAS, Alaska Statute 29.45.500 (c) allows a governing body to correct manifest clerical errors to the assessment roll at any time.

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

Section 1. That the manifest clerical error be corrected so that the real property, owned by Darrell Webster, '73 12x68 Great Lakes, S15 Panhandle Trailer Court to reflect the correct assessment value of \$0.

Section 2. This resolution shall become effective upon its passage and adoption.

ADOPTED: November 9, 2021

Patricia Gilbert, Borough Vice Mayor

ATTEST: _____
Robbie Marshall, Deputy Borough Clerk

CITY & BOROUGH OF WRANGELL, ALASKA BOROUGH ASSEMBLY AGENDA STATEMENT

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	11-09-2021
	<u>Agenda Section</u>	6

RESOLUTION No. 11-21-1630 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE ASSESSMENT VALUE FOR TAX YEAR 2021 FOR KEVIN & MOIRA FISH, LOT B-1A, CAPPY SUBDIVISION, DUE TO A MANIFEST CLERICAL ERROR

SUBMITTED BY:

Robbie Marshall, Accounting Generalist

FISCAL NOTE:

Expenditure Required: \$1912.50 Total

FY 21: \$	FY 22: \$	FY23: \$
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Amount Budgeted:

	FY22 \$XXX
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Account Number(s):

	11000 000 4010
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Account Name(s):

	Property Tax
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Unencumbered Balance(s) (prior to expenditure):

	\$XXX
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Reviews/Approvals/Recommendations

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

ATTACHMENTS: 1. RES 11-21-1630

RECOMMENDATION MOTION:

Approved under the Consent Agenda.

Although the Assembly has not seen Resolutions placed under the Consent Agenda in the past, it is not uncommon practice to do this. This item is a housekeeping item since it is considered a manifest error.

If any Assembly Member wishes to remove this item from the Consent Agenda to be considered individually, they may do so, causing this item to be placed under New Business for consideration.

SUMMARY STATEMENT:

The City and Borough of Wrangell contracts with the Appraisal Company of Alaska to complete our annual real property assessments and updates our tax tables. Our finance department also assists with this process. There are times when errors do occur.

Most simple errors are found and resolved before assessments are printed and mailed, and otherwise property owners also have a chance to appeal to the board of equalization to resolve errors they believe might have been made on their assessments.

The board of equalization met on May 10, 2021 and property taxes were due on Friday October 15, 2021. The financial institution that pays Mr. Fish's property tax requested the balance owed for the 2021 tax year. After extensive research by staff, we found the discrepancy. The previous owner of Mr. Fish's property had a senior exemption. This senior exemption was overlooked and not appropriately removed for the 2021 tax year. The approval of this Resolution will correct the error.

This type of mistake is considered a "manifest clerical error," meaning the error is both significant in misstating the intended value as well as clerical, meaning a typographical error entering the data. Alaska Statutes Chapter 29.45 on Municipal Taxation provides for assemblies to be able to correct manifest clerical errors at any time.

It should be noted that other types of errors, such as a valuation made on incomplete or incorrect information regarding, say, the condition of a property, would not constitute a manifest clerical error and thus would not be reversible beyond the normal appeal process to the board of equalization.

Property was bought in 2020 and senior tax exemption wasn't removed for the 2021 tax year.

CITY AND BOROUGH OF WRANGELL, ALASKA

RESOLUTION No. 11-21-1630

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE ASSESSMENT VALUE FOR TAX YEAR 2021 FOR KEVIN & MOIRA FISH LOT B-1A, CAPPY SUBDIVISION, 2 ZIMOVIA HIGHWAY, DUE TO A MANIFEST CLERICAL ERROR

WHEREAS, Kevin and Moira Fish are the owners of record for Lot B-1A, Cappy Subdivision, 2 Mile Zimovia Hwy, Wrangell, Alaska; and

WHEREAS, the Assembly approves Senior Citizen Tax Exemptions annually at their Board of Equalization Meeting which was held on May 10, 2021; and

WHEREAS, the prior owner of 2 Mile Zimovia Hwy had received the Senior Citizen Tax Exemption for tax year 2020 and this exemption carried over to 2 Mile Zimovia Hwy, in error; and

WHEREAS, Kevin and Moira Fish are not eligible to receive a Senior Citizen Tax Exemption for Tax Year 2021; and

WHEREAS, with the removal of the of the Senior Citizen Tax Exemption, the correct assessed value for tax year 2021 should have been \$198,800; and

WHEREAS, the Borough Assembly approved Resolution No. 06-21-1589 on June 8, 2021 to levy general tax for school and municipal purposes upon all taxable property for the 2021 tax year, and

WHEREAS, the General Tax Revenue Fund for Fiscal Year 2020-2021 is increased by \$1,912.50 to correct the error; and

WHEREAS, Alaska Statute 29.45.500 (c) allows a governing body to correct manifest clerical errors to the assessment roll at any time.

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

Section 1. That the manifest clerical error be corrected so that the real property, owned by Kevin and Moira Fish, 2 Mile Zimovia Hwy, to reflect the correct total assessment value of \$198,800.

Section 2. This resolution shall become effective upon its passage and adoption.

ADOPTED: November 9th, 2021

Patricia Gilbert, Borough Vice Mayor

ATTEST: _____
Robbie Marshall, Deputy Borough Clerk

CITY & BOROUGH OF WRANGELL, ALASKA BOROUGH ASSEMBLY AGENDA STATEMENT

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	11-9-2021
	<u>Agenda Section</u>	6

RESOLUTION No. 11-21-1631 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE ASSESSMENT VALUE FOR TAX YEAR 2021 FOR DAVID DAVIDSON, LOT 11A-1, GREENVALLEY SUBD II SUBDIVISION, DUE TO A MANIFEST CLERICAL ERROR

SUBMITTED BY:

Robbie Marshall, Accounting Generalist

FISCAL NOTE:

Expenditure Required: \$XXX Total

FY 21: \$	FY 22: \$	FY23: \$
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Amount Budgeted:

	FY22 \$XXX
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Account Number(s):

	XXXXX XXX XXXX
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Account Name(s):

	Enter Text Here
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Unencumbered Balance(s) (prior to expenditure):

	\$XXX
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Reviews/Approvals/Recommendations

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

ATTACHMENTS: 1. RES 11-21-1631

RECOMMENDATION MOTION:

Approved Under the Consent Agenda.

SUMMARY STATEMENT:

Although the Assembly has not seen Resolutions placed under the Consent Agenda in the past, it is not uncommon practice to do this. This item is a housekeeping item since it is considered a manifest error.

If any Assembly Member wishes to remove this item from the Consent Agenda to be considered individually, they may do so, causing this item to be placed under New Business for consideration.

SUMMARY STATEMENT:

The City and Borough of Wrangell contracts with the Appraisal Company of Alaska to complete our annual real property assessments and updates our tax tables. Our finance department also assists with this process. There are times when errors do occur.

Most simple errors are found and resolved before assessments are printed and mailed, and otherwise property owners also have a chance to appeal to the board of equalization to resolve errors they believe might have been made on their assessments.

The board of equalization met on May 10, 2021 and property taxes were due on Friday October 15, 2021. Mr. Davidson brought to the attention of the staff in the Finance Department that he should have received his Disabled Veterans property tax exemption for the full amount of his property. After extensive research by staff, we determined that Mr. Davidson indeed should have been given the Disabled Veterans Tax Exemption in full. He has a Disabled Veterans application on file however, there was an increase in assessed value of his property last year. When the parcel file was updated, the exemption didn't automatically increase with the value of the property. The approval of this Resolution will correct the error.

This type of mistake is considered a "manifest clerical error," meaning the error is both significant in misstating the intended value as well as clerical, meaning a typographical error entering the data. Alaska Statutes Chapter 29.45 on Municipal Taxation provides for assemblies to be able to correct manifest clerical errors at any time.

It should be noted that other types of errors, such as a valuation made on incomplete or incorrect information regarding, say, the condition of a property, would not constitute a manifest clerical error and thus would not be reversible beyond the normal appeal process to the board of equalization.

CITY AND BOROUGH OF WRANGELL, ALASKA

RESOLUTION No. 11-21-1631

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE ASSESSMENT VALUE FOR TAX YEAR 2021 FOR DAVID DAVIDSON LOT 11A-1, GREENVALLEY SUBD II SUBDIVISION, 11.5 MILE ZIMOVIA HIGHWAY, DUE TO A MANIFEST CLERICAL ERROR

WHEREAS, David Davidson is the owner of record for Lot 11A-1, Greenvalley Subd II Subdivision, 11.5 Mile Zimovia Hwy, Wrangell, Alaska; and

WHEREAS, the Assembly approves Senior Citizen Tax Exemptions annually at their Board of Equalization Meeting; and

WHEREAS, David Davidson did file his 2021 Senior Citizen Tax Exemption application in a timely manner however the assessed value changed but the exemption value did not change, and

WHEREAS, the 2021 Senior Citizen Tax Exemption application was not processed according to procedure; and

WHEREAS, prior to the exemption, the assessed value for tax year 2021 was \$127,300 and was incorrectly reported as such on the assessment roll; and

WHEREAS, with the approval of the Senior Citizen Tax Exemption, the correct assessed value for tax year 2021 should have been \$ 0 ; and

WHEREAS, the Borough Assembly approved Resolution No. 06-21-1589 on June 8, 2021 to levy general tax for school and municipal purposes upon all taxable property for the 2021 tax year, and

WHEREAS, the General Tax Revenue Fund for Fiscal Year 2020-201 is reduced by \$ 0 to correct the error; and

WHEREAS, Alaska Statute 29.45.500 (c) allows a governing body to correct manifest clerical errors to the assessment roll at any time.

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

Section 1. That the manifest clerical error be corrected so that the real property, owned by David Davidson, Lot 11A-1, Greenvalley Subd II Subdivision, 11.5 Mile Zimovia Highway, to reflect the correct assessment value of \$ 0 .

Section 2. This resolution shall become effective upon its passage and adoption.

ADOPTED: November 9th, 2021

Patricia Gilbert, Borough Vice Mayor

ATTEST: _____
Robbie Marshall, Deputy Borough Clerk

CITY & BOROUGH OF WRANGELL, ALASKA BOROUGH ASSEMBLY AGENDA STATEMENT

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	11-09-2021
	<u>Agenda Section</u>	6

RESOLUTION No. 11-21-1632 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE ASSESSMENT VALUE FOR TAX YEAR 2021 FOR ROYCE RATH LOT 5, BLOCK 1, USS 1593 SUBDIVISION, 520 EVERGREEN AVE, DUE TO A MANIFEST CLERICAL ERROR

SUBMITTED BY:

Robbie Marshall, Accounting Generalist

FISCAL NOTE:

Expenditure Required: \$1595.03 Total

FY 21: \$	FY 22: \$	FY23: \$
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Amount Budgeted:

	FY22 \$XXX
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Account Number(s):

	11000 000 4010
--	----------------

Account Name(s):

	Property Tax
--	--------------

Unencumbered Balance(s) (prior to expenditure):

	\$XXX
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Reviews/Approvals/Recommendations

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

ATTACHMENTS: 1. RES 11-21-1632

RECOMMENDATION MOTION:

Approved under the Consent Agenda.

Although the Assembly has not seen Resolutions placed under the Consent Agenda in the past, it is not uncommon practice to do this. This item is a housekeeping item since it is considered a manifest error.

If any Assembly Member wishes to remove this item from the Consent Agenda to be considered individually, they may do so, causing this item to be placed under New Business for consideration.

SUMMARY STATEMENT:

The City and Borough of Wrangell contracts with the Appraisal Company of Alaska to complete our annual real property assessments and updates our tax tables. Our finance department also assists with this process. There are times when errors do occur.

Most simple errors are found and resolved before assessments are printed and mailed, and otherwise property owners also have a chance to appeal to the board of equalization to resolve errors they believe might have been made on their assessments.

The board of equalization met on May 10, 2021 and property taxes were due on Friday October 15, 2021. Mr. Rath brought to the attention of the staff in the Finance Department that he should have received his senior property tax exemption. After extensive research by staff, we determined that Mr. Rath indeed should have been given the Senior Property Tax Exemption. He has a Senior Exemption application on file however, the exemption was not accurately updated in our accounting system for Mr. Rath. The approval of this Resolution will correct the error.

This type of mistake is considered a “manifest clerical error,” meaning the error is both significant in misstating the intended value as well as clerical, meaning a typographical error entering the data. Alaska Statutes Chapter 29.45 on Municipal Taxation provides for assemblies to be able to correct manifest clerical errors at any time.

It should be noted that other types of errors, such as a valuation made on incomplete or incorrect information regarding, say, the condition of a property, would not constitute a manifest clerical error and thus would not be reversible beyond the normal appeal process to the board of equalization.

This property owner filed a Senior Citizen Tax Exemption prior to the March 1st, 2021 deadline. This was mistakenly overlooked and not credited to the property owner.

CITY AND BOROUGH OF WRANGELL, ALASKA

RESOLUTION No. 11-21-1632

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE ASSESSMENT VALUE FOR TAX YEAR 2021 FOR ROYCE RATH LOT 5, BLOCK 1, USS 1593 SUBDIVISION, 520 EVERGREEN AVE, DUE TO A MANIFEST CLERICAL ERROR

WHEREAS, Royce Rath is the owner of record for Lot 5, Block 1, USS 1593 Subdivision, 520 Evergreen Ave, Wrangell, Alaska; and

WHEREAS, the Assembly approves Senior Citizen Tax Exemptions annually at their Board of Equalization Meeting; and

WHEREAS, Royce Rath did file his 2021 Senior Citizen Tax Exemption application in a timely manner, and

WHEREAS, the 2021 Senior Citizen Tax Exemption application was not processed according to procedure; and

WHEREAS, prior to the exemption, the assessed value for tax year 2021 was \$125,100 and was incorrectly reported as such on the assessment roll; and

WHEREAS, with the approval of the Senior Citizen Tax Exemption, the correct assessed value for tax year 2021 should have been \$0; and

WHEREAS, the Borough Assembly approved Resolution No. 06-21-1589 on June 8, 2021 to levy general tax for school and municipal purposes upon all taxable property for the 2021 tax year, and

WHEREAS, the General Tax Revenue Fund for Fiscal Year 2020-201 is reduced by \$1,912.50 to correct the error; and

WHEREAS, Alaska Statute 29.45.500 (c) allows a governing body to correct manifest clerical errors to the assessment roll at any time.

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

Section 1. That the manifest clerical error be corrected so that the real property, owned by Royce Rath, Lot 5, Block 1, USS 1593 Subdivision, 520 Evergreen Ave, to reflect the correct assessment value of \$0.

Section 2. This resolution shall become effective upon its passage and adoption.

ADOPTED: November 9th, 2021

Patricia Gilbert, Borough Vice Mayor

ATTEST: _____
Robbie Marshall, Deputy Borough Clerk

PROCEEDINGS

MINUTES
WRANGELL SCHOOL BOARD
REGULAR MEETING

September 13, 2021, 6:30 PM
Via Zoom

President Aaron Angerman called the regular meeting of the Wrangell Public School Board to order at 6:31 PM.	CALL TO ORDER
A quorum was determined with the following school board members present Aaron Angerman, Laura Ballou, Cyni Crary, Patty Gilbert, and David Wilson. Also, present was Superintendent Bill Burr, Student Representative Kiara Harrison, and Recording Secretary Kimberly Powell.	DETERMINE QUORUM
The Pledge of Allegiance was recited, led by Board Member Ballou.	PLEDGE OF ALLEGIANCE
The District Mission, Vision and Values were recited by Board Member Crary.	DISTRICT MISSION, VISION AND VALUES
Motion to approve the agenda as presented by Cyni Crary, seconded by Patty Gilbert. Poll vote: Kiara Harrison: Yes; David Wilson; Yes; Laura Ballou: Yes; Cyni Crary: Yes; Patty Gilbert: Yes; Aaron Angerman: Yes. Motion passed unanimously.	APPROVAL OF AGENDA
Board Member Crary declared a conflict of interest on the hire of her daughter, Kyla Teat. Motion to allow Cyni Crary to abstain from voting on the hire of her daughter, Kyla Teat by David Wilson, seconded by Patty Gilbert. Poll vote: Kiara Harrison: Yes; David Wilson; Yes; Laura Ballou: Yes; Patty Gilbert: Yes; Aaron Angerman: Yes. Motion passed.	CONFLICT OF INTEREST
Motion to present him [Brett Woodbury] with a proclamation from the school and recognize his work and efforts for the school and have that presented at the next school board meeting by Patty Gilbert; seconded by Laura Ballou. Poll vote: Kiara Harrison: Yes; David Wilson; Yes; Laura Ballou: Yes; Patty Gilbert: Yes; Cyni Crary: Yes; Aaron Angerman: Yes. Motion passed unanimously.	APPROVED PRESENTING BRETT WOODBURY WITH A PROCLAMATION FROM THE SCHOOL DURING THE OCTOBER SCHOOL BOARD MEETING
Jessica Whitaker, Parent spoke to the School Board advocating mandatory masking for staff and students.	GUESTS TO BE HEARD
Correspondence was reviewed as presented.	REVIEWED CORRESPONDENCE
Information & Reports were accepted by unanimous consent.	ACCEPTED INFORMATION & REPORTS
President Angerman opened the discussion and asked Superintendent Burr to give the Board an updated on the proposed revisions to the mitigation plan.	DISCUSSED THE START STRONG/COVID-19 MITIGATION PLAN
Mr. Burr told the Board that there are a few additions to the plan. There is an update to the Return to School/Work after Contact with Covid section of the plan. If Student/Staff provide medical documentation of Covid+ recovery in the previous 3 months (90 days) to the school, they can return as if vaccinated and will <u>not</u> have travel/close contact testing requirements for the same three months. This also impacts the testing requirements. The Roll Up Your Sleeves for School program was removed from Item 7.	
Board Member Wilson would like to have a summary page monthly that shows the revisions; currently the revisions are denoted in bold font.	
Regarding vaccinated vs. unvaccinated, Mrs. Gilbert asked how a person would be treated if they didn't divulge the information. Mr. Burr said that if a person did not divulge the information, they would be treated as unvaccinated.	
Mrs. Gilbert asked how quickly we could revise the plan and share information. Mr. Burr said that we could get the information out and adapt quickly.	
Mrs. Gilbert asked if Mr. Burr is keeping abreast of all the covid throughout Southeast. Mr. Burr said he participates in the weekly school COVID meetings and works with the local EOC regarding student travel; the district is staying abreast of what is happening locally, in southeast and statewide.	

Motion to approve the items on the consent agenda as presented by Patty Gilbert; seconded by Cyni Crary. Poll vote: Kiara Harrison: Yes; David Wilson: Yes; Laura Ballou: Yes; Cyni Crary: Yes; Patty Gilbert: Yes; Aaron Angerman: Yes. Motion approved unanimously.	APPROVED THE CONSENT AGENDA
<ul style="list-style-type: none">• Approved the minutes of the August 16, 2021, Regular School Board Meeting as presented• Approved the hire of Nicholas Lewis as custodian with appropriate placement on the salary schedule, pending receipt of a satisfactory criminal background check• Offered Sabrina Smith an extracurricular contract for the Assistant Cross Country Coach position, pro-rated for 29% of the contract, pending receipt of a satisfactory criminal background check and a drug test• Reviewed the resignation of Anna Allen, Paraprofessional	SUPPORT THE AASB PROCESS FOR DRAFTING AND SUBMITTING RESOLUTIONS
Motion to support the AASB process for drafting and submitting Resolutions as presented by Dave Wilson; seconded by Laura Ballou. Poll vote: Kiara Harrison: Yes; Laura Ballou: Yes; Cyni Crary: Yes; Patty Gilbert: Yes; David Wilson: Yes; Aaron Angerman: Yes. Motion approved unanimously.	APPROVED THE 2021- 2022 SCHOOL CALENDAR AS REVISED
Motion to approve the 2021-2022 school calendar as revised by Patty Gilbert; seconded by Dave Wilson. Poll vote: Kiara Harrison: Yes; Cyni Crary: Yes; Patty Gilbert: Yes; David Wilson: Yes; Laura Ballou: Yes; Aaron Angerman: Yes. Motion approved unanimously.	APPROVED THE HIRE OF KYLA TEAT, PARAPROFESSIONAL
Motion to approve the hire of Kyla Teat as paraprofessional pending receipt of a waiver from the Commissioner of Education and a satisfactory criminal background check by David Wilson; seconded by Patty Gilbert. Poll vote: Kiara Harrison: Yes; Patty Gilbert: Yes; David Wilson: Yes; Laura Ballou: Yes; Aaron Angerman: Yes. Motion approved.	ACCEPTED THE DONOR'S CHOICE GRANT AWARD
Motion to accept the Donor's Choose grant award to provide a math literacy library in Michelle Clark's classroom by Patty Gilbert; seconded by Cyni Crary. Poll vote: Kiara Harrison: Yes; Patty Gilbert: Yes; David Wilson: Yes; Laura Ballou: Yes; Cyni Crary: Yes; Aaron Angerman: Yes. Motion approved unanimously.	APPROVED THE APPLICATION AND ACCEPTED THE AWARD OF THE FIRST BANK COMMUNITY DEVELOPMENT GRANT
Motion to approve the application and accept the award of the First Bank Community Development Grant in the amount of \$3,000.00 to support the BASE program by David Wilson; seconded by Laura Ballou. Poll vote: Kiara Harrison: Yes; David Wilson: Yes; Laura Ballou: Yes; Cyni Crary: Yes; Patty Gilbert: Yes; Aaron Angerman: Yes. Motion approved unanimously.	ACCEPTED THE FIRST READING OF BOARD POLICY 1112, MEDIA RELATIONS
Motion to accept the first reading of Board Policy 1112, Media Relations using AASB sample language by David Wilson; seconded by Patty Gilbert. Mr. Wilson recommended some minor revisions that will be brought back before the Board for second reading. Poll vote: Kiara Harrison: Yes; Laura Ballou: Yes; Cyni Crary: Yes; Patty Gilbert: Yes; David Wilson: Yes; Aaron Angerman: Yes. Motion approved unanimously.	REVIEWED BOARD POLICY 7400, EVALUATION OF SCHOOL BOARD OPERATIONAL PROCEDURES STRATEGIC PLAN PROGRESS REPORT
The School Board members reviewed Board Policy 7400, Evaluation of School Board Operational Procedures.	REVIEWED DATES & MTG ANNOUNCEMENTS
Strategic Plan Goal 1, Strategy 1, Objective 1, Action 2: Complete K-12 system-wide accreditation. Mr. Burr told the School Board members that he is working with the school administrators and staff on obtaining district-wide accreditation through Cognia (formerly AdvancEd). Reviewers from Cognia will be visiting the district in May 2022 to review district programs, give feedback on areas where the district is excellent, and offer suggestions on areas for improvement. This will be a year-long process.	BOARD MEMBER COMMUNITY ACTIVITY REPORTS
Reviewed the upcoming dates and meeting announcements.	
Patty Gilbert told the other board members that the cross-country meet was exciting; it was great to see all the teams. She said that she met with Senator Murkowski this morning regarding pending legislation that may benefit Wrangell. She also arranged for the borough lobbyist to meet with the Superintendent.	
Dave Wilson said that the Policy Committee met and is making progress; the Board will see more policies during the October board meeting. The committee is growing in membership.	

Cyni Crary reminded the Board that the Nolan Center will host the municipal election on October 5. She thanked the candidates for running for a seat and encouraged everyone to get out and vote.

Laura Ballou said that they held their first Budget Committee meeting with a skeleton crew. She encouraged others to join the Budget Committee.

Aaron Angerman also enjoyed the Cross-Country meet and thanked the staff and volunteers for their mitigation. He also encouraged everyone to vote in the municipal election. Mr. Angerman said this will be his last school board meeting. He's glad that he ran for the position and has found it to be very rewarding. Mr. Angerman thanked those who have sat beside him on the Board and worked for the district during his term, especially during the covid pandemic.

Meeting Adjourned at 7:25 P.M.

ADJOURNED AT 7:25 P.M.


SCHOOL BOARD SECRETARY

Directors Report

Overview

- With the first storm of the year in early October we got by with minimal issues. Node 6 went down for a short time but staff were able to reset the pumps and get it working again.
- OSHA corrections from the August visit were finalized.
- We have had some staffing challenges to work through this month with a number of staff on leave for various reasons.

Public Works

- A number of storm drains have been clogged from fall storms and leaves falling and thus cleared.
- Winter/snow prep has been done:
 - o plows, sanders, spreaders
 - o Equipment tires have been studded however there are still many tires to change over to winter tires
 - o fire hydrants
 - o Winterizing certain equipment
- A problem tree on city property has been removed.
- The department advised community members on several issues including sidewalk and drainage issues.
- There were many water services recently with some people leaving for the winter
- Staff assisted with election equipment and set up.
- Staff assisted the police department in removing a car from the roadway on Front Street.
- Staff worked with the environmental inspection team on locating utilities near the locations of their drilling project.
- Road maintenance was attended to on days where weather permitted which has been a limitation this fall. August through October we averaged nearly $\frac{3}{4}$ of an inch of rain a day which is more than double the historic averages for the same time frame. This has an effect on grading gravel roads as this amount of water typically contributes to the gravel becoming more of a soup consistency vs hard pack once heavy equipment is run back and forth over it. In addition, cold patch doesn't stick in the roadway very well with this amount of water. Public works is working to develop a plan for better road maintenance which will likely include concrete patches in high problem areas.
- Public works assisted the Capital Facilities department for a portion of October on day to day operations.
- Trenching was done at the WTP for an upgrade to the electrical utilities running to the cell phone tower located near the plant.
- Trenching was done at the Transfer Station to assist the electrician installing the 3 phase power for the baler.
- Several ditches around town were re dug to increase drainage in areas that were backing up.

Water

- Northern Utility Services provided operator coverage at the WTP for 5 and half days
- We are continuing to meet with CRW on the WTP PER update
- Ozone system monitoring and upgrades will continue to be worked on

Wastewater

- We are continuing to meet with various communities and entities regarding the 301H waiver to better understand the changes proposed.
- Recently we were out of compliance on a Discharge Monitoring Report Quality Assurance (DMRQA). Staff are working to re test and submit results as per DEC guidelines.
- There are 2 grinder stations the department has been preparing for users who meet the qualifications listed in the municipal code.

Sanitation

- The tire shear arrived and operations have been started to address the tire pile. This process is time consuming but there has already been a significant dent put into the pile. It will be a couple weeks until we have enough chopped tires to fill a full container (as per Republics request) to ship.
- Staff have been in discussions with Chanel Construction to clear out the scrap metal pile at the transfer station. Chanel Construction expected to begin work in early to mid November to clear out this pile.
- The baler was installed during the week of October 25th-29th. Technicians with Recycle Systems, NK Electric, BW Enterprises, Alaska Marine Lines and Public Works staff all worked together to get the baler installed. Getting the baler inside the transfer station was a challenge as the mainframe weighs 47,000 pounds. Loaders and excavators were used to lift and move around the baler. We ran into some issues with the electrical components on the baler which set us back a day. Technicians were able to work with the manufacturer to resolve this issue. By Friday October 29th the baler was in operation and Wrangell will begin shipping its solid waste in closed containers. The lead technician was able to provide training to staff and an operations procedures plan has been developed for baling. As this is a significant change in operations at the Transfer Station we expect some adjustments will need to be made as we work through this transition process. The next step will be to conduct a rate study in the sanitation department to ensure rates are in line with where they should be. Below are photos of the installation process.







<<-----

Here are the
first two bailed
bundles of
garbage.

To: Interim Borough Manager, Jeff Good
 CC: Borough Assembly, P&R Advisory Board
 From: P&R Director Kate Thomas
 Subject: P&R Department Report
 Date: October 29th, 2021

FINANCIAL, PROGRAM & FACILITY ACCESS REPORT

COMPARISON	MONTH	2019	2021	%
ATTENDANCE	September	1013	706	70%
REVENUES	September	\$9,482.96	\$5,119.42	54%
POINT OF SALE	September	343 Items Sold	423 Items Sold	123%
PROGRAM #	September	14 Participants	13 Participants	93%
<i>Please note that \$5,000 in grant revenue was collected in 2019 which is reflected in the revenue numbers. Even though program participation is similar and point of sale items increased, those revenue sources do not outweigh the grant funds in 2019.</i>				
ATTENDANCE	October	1179	687	58%
REVENUES	October	\$8,344.19	\$7,238.42	87%
POINT OF SALE	October	492 Items Sold	467 Items Sold	95%
PROGRAM #	October	60 Participants	83 Participants	138%
<i>Please note that while program participation is up in 2021, revenues did not exceed that of 2019. This is largely due to the change in program fees because of modifications made as a result of COVID. For example, program lengths were reduced, and travel was not permitted in 2021, so the cost of registration was less than that of 2019.</i>				

ADMINISTRATIVE

- 1) Financial Software Training -The finance department hired an AccuFund representative to conduct in house training for all department heads. This refined knowledge will allow department heads better access to the software which empowers them to manage their expenditures in a more efficient and productive fashion. Department heads will be responsible for reviewing regular reports to ensure accuracy of disbursements and catch any errors in advance of the year end. Forthcoming, staff will be responsible for entering in their cash receipts as well, a practice that was largely managed by the finance departments clerical staff.
- 2) Community Contractor Program -Parks & Recreation plans to review its community contractor program in the coming weeks and months. The program is due for review and has some anticipated revisions. For example, the department would like to analyze whether community contractors should hold a business license or if accredited certifications are sufficient. All community contractors pay city sales through the invoice and pay out process. Any revisions made to the program policy will need to be approved by the Borough Attorney, Advisory Board and Assembly.
- 3) Facility Behaviors and Disciplinary Action Update-Parks & Recreation shared the recently developed behavior and disciplinary action policies with its membership base. Similarly, the school district has been communicating behavior concerns with parents. Staff have reported a decrease in negative behavior throughout open swims and increased confidence in their ability to manage these types of challenges. Director, Kate Thomas plans to thank parents and families for their cooperation and support in a follow up letter to the membership base.

- 4) **Staffing and Recruitment-** Parks & Recreation is experiencing a period of staff shortages. Some contributing factors include academics, school athletics, family emergencies and one resignation. Many of the remaining staff are stepping forward to help fill the gaps as their schedule allows. The department is actively recruiting for replacements and making some schedule modifications to ease the stressors on current staff as much as possible. Later in the report you will learn about an upcoming lifeguard course.
- 5) **Statewide Comprehensive Outdoor Recreation Plan (SCORP)-**Director, Kate Thomas has been involved in a regional coalition of recreation professionals who have been tasked with developing the southeast chapter of the SCORP. Kate acted as a facilitator with Deputy Parks & Recreation Director, Michele Elfers of Juneau. Over the course of the spring, summer and fall, Kate and Michele worked with other professionals on this project. The final draft was submitted to the State Recreation and Parks division for review and inclusion in the master plan. This is the first time the state has conducted a planning effort of this size for the SCORP or likely any other development. Kate believes that the opportunity to network and learn more about the different sectors of recreation throughout the state and region was very productive. The final version of the SCORP will be shared as it is available. An example of the most recent SCORP ending in 2021 can be found here http://dnr.alaska.gov/parks/plans/scorp/NorthToTheFuture_AlaskasSCORP2016-2021SMALL.pdf

FACILITY & PARKS MAINTENANCE REPORT

- 1) **Maintenance Personnel Update-**Maintenance personnel, Lane Fitzjarrald has been plugging away at several facility tasks in and above his routine duties. With the departure of our seasonal parks crew, Lane has assumed responsibility for checking the park restrooms and performing any necessary custodial duties, as well as waste removal throughout all municipal greenspaces. As programming increases in the fall, custodial duties in the Community Center are on the rise. This additional list of duties is consistent with the seasonal shifts the department sees year to year. There is an adjustment period, but Lane is doing exceedingly well managing all aspects of his position.

Other facility repairs and improvements include upgrades to the door and frame on the pool deck, repairs to the sound system in the community center, modifications to the pools air handling system to allow for better ventilation and temperature control, fabrication of corn hole boards for rental events, installation of a new peristaltic pump for the pools acid feeder, inspection of the sump pump system and alarms, improvements to the insulation of the ducting and vents and seasonal closure of park restrooms.

- 2) **Skeet Range Improvement Project-** In 2019 the City & Borough of Wrangell worked with the Rod & Gun club to submit a proposal for improvements to the shooting range, which resulted in a \$14,000 grant award. Funding was used to construct a walking path down the 300-yard-all-caliber long range. More recently, in 2020, the NRA Foundation awarded Wrangell with \$55,000 to improve access and sporting activity at the Skeet and Trap Range. Included in the project scope were the following improvements: clear sections of overgrown alder and clear accumulated debris to reestablish the parking area at the entrance of the shotgun range and establish a hardened surface for vehicle parking in the cleared area; fill skeet range to reestablish a hardened surface to improve drainage and prepare the site for the skeet field; demolish the existing, deteriorated low and high houses' framed wall and roof structures, repair the houses' concrete foundations and rebuild the enclosed houses; design and construct an eight-station skeet range; and procure skeet machines for sporting activity. While a portion of the intended scope of work will be met by the recent funding package, further

improvements will be accomplished through a phased approach for construction. The department looks forward to continued improvements and an increase to public participation in shooting sports activities and firearm safety. Big thanks to the Wrangell Rod & Gun Club, along with the Stikine Sportsman Association who initiated the discussion for these projects and are responsible for advocating on behalf of Wrangell as award recipients. Improvements to the Skeet Range were completed on October 29th. Final reports to the NRA are being submitted the week of November 1st, 2021.

- 3) City Park Fireplace-City Park Fireplace Repairs were elevated to the major maintenance project list in FY20. It was unclear whether the fireplace was a structural component of the pavilion, warranting further inspection from an engineer to determine whether the metal shroud and posts were tied into the roof. The planned repairs were put on hold until further inspection could take place. When an engineer's inspection was proposed to the assembly, they requested that staff seek input from local contractors before bringing an engineer in from off the island, largely due to the expense. If the fireplace was determined to be structural an engineer's design plan would be required to meet building code. As the base of the fireplace became exposed staff saw that the posts holding up the metal shroud did not run to the bottom, leading staff to believe that the building is self-supporting. The above information was shared with Johnson's Construction and MorePowers who were solicited to inspect the facility, determine the structural nature of the fireplace, and make a recommendation for repairs. Both provided a report on their findings. Reports indicated that the building is self-supporting which was determined by structural design and materials used. Amber Al-Haddad and Kate Thomas reviewed the report and agreed that the likely option for repairs will be to remove the firepit and chimney, rebuild base and replace the chimney with a light gauge steel hood and chimney assembly. Because the anticipated costs were not included in FY22, a budget amendment is necessary. Prior to submitting the necessary documentation to the Assembly, price quote must be obtained to determine the total amount needed to fund the project.
- 4) Kyle Angerman Park Playground Improvements-The State of Alaska is in the process of hiring a grant administrator for the Land and Water Conservation Fund (LWCF) program. LWCF provides the largest funding source for the playground improvement project. The project was put on hold in late 2019 due to a funding shortfall addressing the accessibility requirements for the surface material. Initially shredded rubber was selected however a smooth sloped surface must be included. Parks & Recreation is working with the state to submit a budget amendment to request the additional funding needed, as well as a project extension to allow for up to two years for construction. Director, Kate Thomas spoke with the state on November 1st, and they encouraged Wrangell to get the necessary documents in place so that they are ready for review as soon as the position is filled.
- 5) Volunteer Trail Name Recognition Project-Parks & Recreation is working with tribal administrator, Esther Reese to establish names for trail heads and junctions at volunteer park. Conceptually the signage will have a common name with the Tlingit translation to recognize the indigenous peoples that have long inhabited the lands of Southeast Alaska.
- 6) Community Garden Survey-Parks & Recreation is working with the Garden Committee and IGAP to release a survey to gauge the community's interest in a garden, as well to assess the possibility of expanding the committee to be better oversee the site. At one time there was nearly ten people on the committee, where there are two remaining. A grant proposal was submitted by IGAP to gain funding to improve the site for gardening and install an industrial composter. Currently the Garden Committee

has halted spending on any land improvements until the survey has been completed and a notice on the grant is received.

- 7) **Public Restroom Closure**-Public restrooms closed the week of October 20th. Community members were notified through a series of public announcements and signs posted to the exterior door of each site. Please remember that the Harbor restrooms are open year-round. There are amenities within close walking distance to City Park and Shoemaker Bay Park. Unfortunately, visitors to the Nature Trail are limited in that there are no restrooms nearby. Given that this is a popular recreation site, this poses a problem to visitors. People are encouraged to prepare and plan for their visit to the park.
- 8) **Pool Siding and Brick Replacement Project**- Improvements to the pool siding and brick columns are long since overdue. This project has been slated for FY22 Capital Improvements. Conceptually the existing siding is to be removed and replaced with an in-kind material. The brick column façade will be removed and replaced with the same material used in the siding. The building maintenance team anticipates that some of the facility's frame will need to be replaced due to exposure and rot. Painting was considered as a temporary solution to improve the aesthetics of the building and preserve the remaining integrity of the siding; however, a complete replacement was prioritized as it is what needed in the long term.
- 9) **Pool Lighting Project**-Engineer, Barry Begenyi was on site in October to inspect the overhead lighting in the swimming pool, and to make a recommendation for upgrades as the existing fixtures are failing. Following a review of the site Barry recommended that replacement of the electrical panel be included in the overall scope of the project. Capital projects Director, Amber Al-Haddad recently submitted a budget amendment request to the Assembly for \$11,000 to include a replacement panel. The Assembly unanimously approved the request. Final design for the project is underway. Improvements are expected to take place in February of 2022. This project requires that the pool be closed during construction. Further information will be provided as it is available.
- 10) **Sledding Hill and Parking Lot**-Parks & Recreation has been working with Public Works to clear the hill beyond the covered playground. The intent is to open the slope up for seasonal activities such as sledding. Alders have begun encroaching the area, limiting the space for play. The elementary school utilizes this area heavily during periods of consistent snowfall. In addition to access, parking barriers are due for upgrades. The existing logs that delineate the roadway from the parking area are deteriorating, making them difficult to move, as well as being an eye sore to the passerby. There are different mediums being explored to replace the logs, which include jersey barriers, large boulders, bollards, and logs felled from the surrounding area. Placement of the barriers will begin at the corner of the covered playground fence and extend towards the park entrance. This positioning will prevent vehicles from entering the parking area nearest the roadway. The school has expressed safety concerns regarding thru traffic while children are at play. This set up helps to mitigate safety concerns.
- 11) **Dog Waste in Parks**-Joan Sargent continues to monitor dog waste in parks. Likewise, IGAP is conducting a coliform testing program to determine if there is fecal matter in the streams throughout the trail system. Joan reports that there has been anywhere from 30-50 piles of dog waste throughout the park each time she has visited the site. It takes approximately 2 hours to pick up waste around the park entrance, perimeter, and trail. Keep in mind this is only one of many open greenspaces the department oversees. Other community members have joined the efforts to support this cause. Some

are concerned that the poor behavior of a few, will result in a consequence for all. The department has discussed closing the park facility to dogs for a limited period to create public awareness to the issue, as well as allow for staff to adequately remove waste without the additional build up day to day. Other recommendations include signage with strong language about the requirement to clean up after pets and the consequences that could occur if the issue persists. Parks & Recreation staff are planning to schedule park rotations each week, to continue monitoring the situation throughout the fall and winter months.

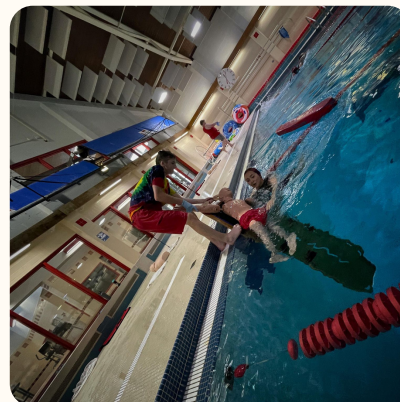
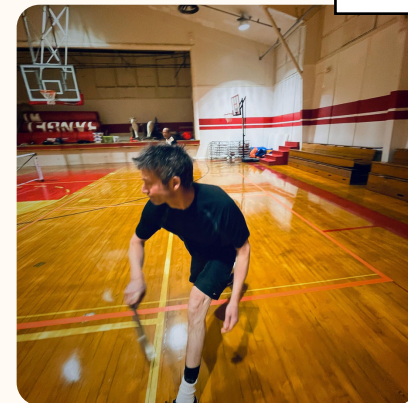
RECREATION & AQUATICS REPORT

- 1) Alaska Day Fun Run-Parks & Recreation hosted its first Annual Alaska day event in conjunction with Muskeg Meadows on October 16th. Nearly 50 participants raced in the event with distances of a half marathon, 10K, 5K and one mile fun run. Proceeds for the event are being allocated to the department's recreation equipment fund. Nearly \$400 is earmarked to purchase replacement wrestling equipment for the upcoming season. Parks & Recreation would like to thank the Advisory Board for their contributions to the event. Its success is based on the efforts of many, and staff are appreciative of everyone coming forward to make it a great event for the community.
- 2) High School Swim Team-The High School Swim Team just finished regionals. Three swimmers qualified for State Championships. One of the swimmers, Renee Roberts has been a swim instructor and recreation assistant for three years. The swim team plays an invaluable role in fueling the capacity of the aquatics team. The department is extremely pleased that the program has evolved into a robust, school sanctioned sport. Hats off to the swimmers for their dedication and to the coach for their continued success. Team members who also serve as Parks & Recreation staff include, Jimmy Baggen, Alisha Armstrong, and Ashleigh Loomis. Nikolai Siekaiwtch who also qualified for state is enrolled in the Semester of Aquatics program. Parks & Recreation offers in kind pool use to the team and takes charge of staffing practices with a lifeguard.
- 3) Parent and Me Lessons- Community Contractor, Briana Schilling offered two sessions of Parent & Me classes this fall. She is interested in hosting a session for children aged 4 and 5 in the coming weeks. The program allows the department to utilize services of community members that enhance the overall program schedule. Briana is a long-time swim instructor, affiliate of Parks & Recreation and well loved by the community. The Parent & Me classes are a niche that she fills, that isn't available through the departments regular lesson program.
- 4) Staff and Lifeguard Course- The department postponed its October lifeguard course due to a lack of enrollment. The course is now scheduled for November 18-21 with a heavy marketing effort to encourage enrollment. One participant has registered as of November 1st. Director, Kate Thomas will visit the job skills class the week of November 8th to spread the word throughout the student body. Lifeguard numbers have been waning as school athletics are underway. As well, long time lifeguard Kara Helgeson resigned in October in preparation for her move to the lower 48. The aquatics team is in a state of rebuilding; however, administrators are confident that capacity will be regained, and programming will sustain. It is worthy of noting that Kate Thomas and Lucy Robinson have had to step in to fill gaps that were unable to be filled by the temporary part time staff. While this is not a long-term solution it does allow activities to remain open to the public in the short term. The only implications currently are difficulty in meeting private rental parties in the pool, as well as a reduced schedule for open swims on Monday and Wednesday. Instead of offering hour and half long open

swims, they are currently scheduled for an hour.

- 5) Semester of Aquatics- Semester of Aquatics is a lifeguard course facilitated by Lucy Robinson as an elective for Wrangell High School. The program began with stroke mechanics and conditioning and evolved into the American Red Cross lifeguard course. The close of the first quarter came at the end of October. Participants are beginning to access more complicated rescue skills and diving deeper into the theoretical content. Each participant has engaged in the program with the desired outcome being employment with Parks & Recreation. Students of the course are being given an opportunity to join the team prior to the end of the course, so that they can begin the onboarding process and in service training, making them deck ready by the time they complete the certification.
- 6) Jiu Jitsu-Jiu Jitsu is offered through the skills of volunteer, Matt Nore. There are 9 participants registered for the program. Walk ins are welcome, although seemingly uncommon as skills are taught on a progressive scale. Jiu Jitsu is a form of Japanese martial arts that is often used in a defensive manner. Matt began his Jiu Jitsu practice while living in the Pacific Northwest. His passion to continue evolved into an opportunity to share his skills with the community. The program is offered three days per week throughout the fall into December.
- 7) Pickleball- Pickleball is back by popular demand. Thanks to the volunteerism of Chris Johnson and Vincent Balansag. Sessions began with one opportunity a week, hosted on Thursday evening. In short order attendees requested an additional opportunity for play. With attendance between 12-16 people each night it was necessary to accommodate the request since the court only allows 8 players at a time. Pickleball is now available on Tuesday during the lunch hour from 11:30-1:30PM. Parks & Recreation will continue evaluating attendance trends to determine if there is a better time in the week to schedule the activity.
- 8) Keep Moving-Parks & Recreation launched an adult fitness program entitled “Keep Moving” in October. Recreation Coordinator, Lucy Robinson is instructing the class on Tuesday & Thursday mornings. This program comes after several requests from community members to have a low impact mobility and strength training class geared towards aging adults. Participants begin by engaging in a cardio based warm up and transition into a circuit of body weight movements. The department has received positive feedback about their experience. Between the water-based arthritis and aerobics classes on Monday, Wednesday, and Friday there are now five days a week for adults to engage in instructional fitness classes. Attendance has averaged five participants so far.
- 9) Volleyball Open Gym-Open gym volleyball for participants aged 16 years old and up began at the end of October. Recreation Coordinator, Lucy Robinson launched a survey earlier in the fall to gauge interest. Nearly 45 survey responses indicated volleyball as the popular choice. Attendance has been consistent with 6 and 7 participants for the first two sessions. Parks & Recreation looks forward to hosting more opportunities for open gym in the future.
- 10) Tot Gym- The annual Tot Gym program returns this month after a year hiatus. Volunteer, Katie Ludwigsen will oversee the gym several days per week, to allow for families with children up to 5 years old to engage in non- instructional indoor recreation throughout the winter months. This program coincides with the library’s story time. During select days the bounce house will be deployed for participants. The department has already seen several inquiries about this program and is pleased to announce its return starting the week of November 8th.

- 11) Youth Basketball -There were 55 participant registrations this season split among 4 different age groups. Participants reviewed fundamental skills, good sportsmanship, and communication. Given that programming has been limited the past two years, department staff and volunteers opted to forgo games. Instead, 3x3 scrimmages were facilitated during regular practices. An expo show was scheduled at the end of each groups season so participants could demonstrate skills to their families and friends. Notably each group decided to extend the program by one or more weeks to allow for further development. Parks & Recreation is incredibly grateful for the caliber and dedication of its volunteers. Thanks to; Briana Schilling, Jacen Hay, Leroy Wynne, Anna Allen, Christy Good, Aaron Angerman, Heidi Armstrong, Jason Clark, Bella Crowley, Todd White, and Katherine White.
- 12) Rental Reservations-With winter approaching indoor rental reservation requests are on the rise. Starting August 1 to date, there has been nearly 75 hours of facility use in the gymnasium. Use includes private parties, police department training, high school basketball practices and Alaska Crossings graduations. The police department and high school use is in kind, whereas the private rental reservations are charged at a rate of \$30 an hour. Rental reservations do not account for program use such as fitness classes, youth basketball, pickleball or volleyball.
- 13) Private Swim Lessons – Private swim lessons are underway thanks to an excellent group of swim instructors. Sessions are being offered at a rate of \$25 for 30 minutes or \$30 for 40 minutes. Swimmers receive a free 15-minute assessment, which allows the instructor to build a compatible lesson plan for the individual. Customers have the liberty of choosing from a variety of time slots. Instructor requests may be accommodated as availability allows. This is a long-awaited service, and the department is happy to be able to offer lessons to the community.
- 14) Middle and High School Aquatics-Jim Brooks and Jack Carney’s physical education class will begin a series of aquatics classes on November 2nd. The session will take place throughout the month of November with scheduled times on Tuesday each week. This is the fourth-year staff have assisted in instructing students in stroke mechanics, lifeguard skills and other aquatics activities.
- 12) Police Department Use of Facility-The Wrangell Police Department is utilizing the Community Center multipurpose room on a weekly basis to conduct training.



Harbormasters Report November 2021

Admin-

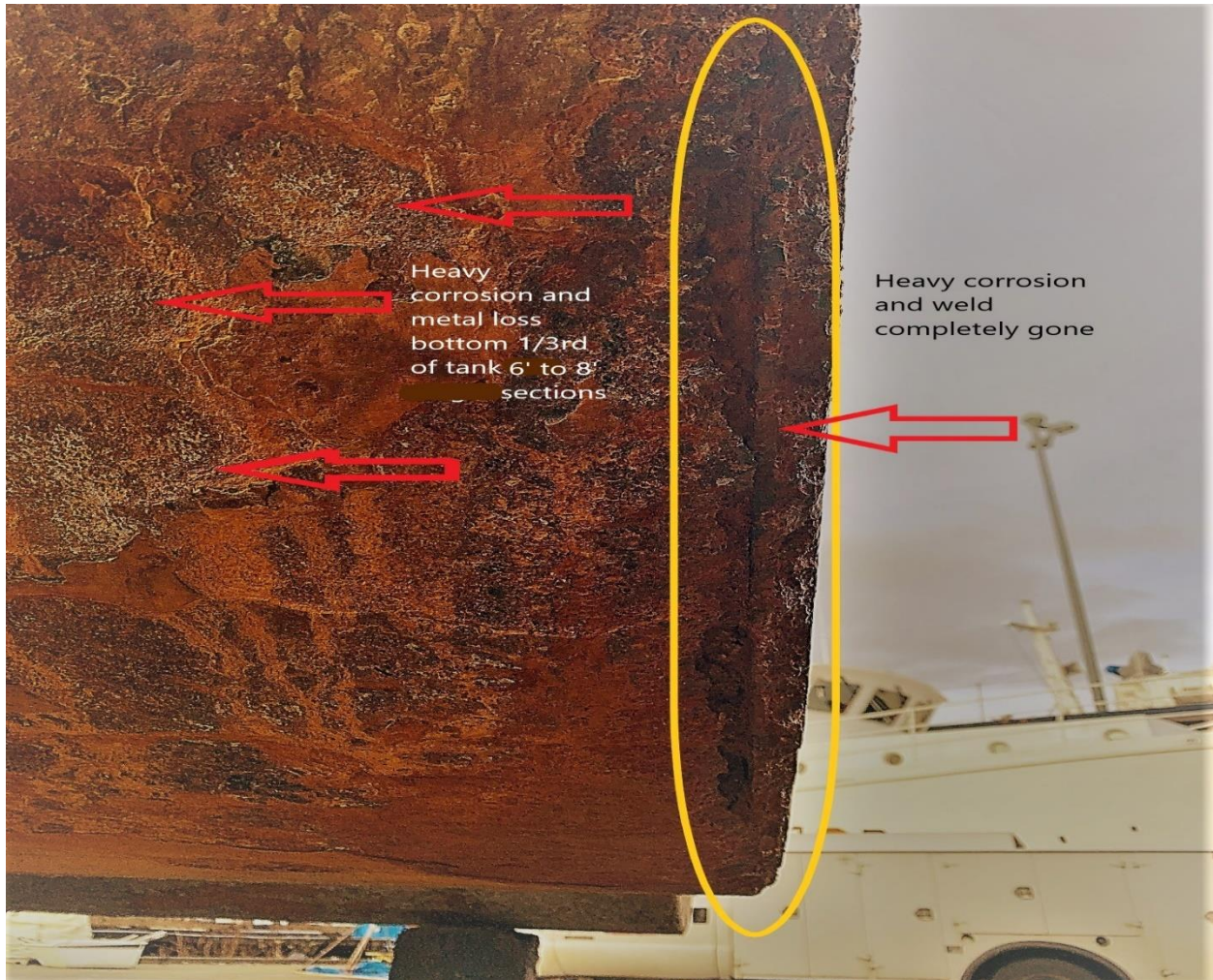
With our new finance director at the helm, we are starting to figure out the financials for the ports and harbors. We currently have 3,127,790.76 in reserves this is a total of all three accounts. In addition to this money, we also have 690,709.98 for Meyers Chuck float replacement in its own reserve account. At some point in the past all reserves were put into one account and was considered Port and Harbor reserves. Our finance director and I do not believe this should be the way going forward. Mason is working on reallocating these funds to each individual account. He will be looking at historical information to figure out the best way forward. We will be looking forward to seeing a finished product in the near future.

I will be representing Wrangell at Marine/Fish Expo at Lumen Field from November 18th to the 20th. If you have anything you would like to have displayed at the Wrangell booth, please drop it off at the Harbor office ASAP. If you happen to be in Seattle on these dates stop in and say hi.

Marine Service Center- We have recently scrapped one of the long-term impounded vessels the Parakeet we will be continuing to scrap more vessels that are impounded and have not sold. This is the first of eight boats that are currently taking up valuable space in the marine service center.

Ports- We are working on a cost estimate and getting bid documents together so we can move forward with repairs. This project is estimated to be around \$100,000. The repairs will consist of completely sand blasting, painting and fix any bad spots on the floatation tanks. Zinc anodes will also be added to protect all steel surfaces from corrosion. This should also cover the removal of the tanks and reinstallation of the tanks to the barge ramp. The pictures that are included show the worst of the corrosion. The rest of the tanks are in fairly good condition and are salvageable. I did get a cost estimate to buy a prefabricated new tank. The new tank would come in three pieces and would have to be welded together then sandblasted and coated. This would increase the project cost to around \$170k.

Meyers Chuck- The longer than anticipated salmon season and emergency repairs to the barge ramp complicated scheduling for the replacement of the airplane float. The Meyers chuck airplane float replacement has been scheduled. We will leave Monday the 8th and should have the float installed and back to Wrangell by Wednesday November 10th.









Meyers Chuck Airplane Float



Meyers Chuck Airplane Float

CITY & BOROUGH OF WRANGELL, ALASKA

BOROUGH CLERK'S REPORT

SUBMITTED BY: Kim Lane, Borough Clerk

Upcoming Meetings & Other Informational dates:

Other City Boards/Commissions:

November 10 – Planning & Zoning Commission mtg. at 6:00 pm in the Assembly Chambers

Community Events:

November 11 – City Facilities are Closed for Veteran's Day

November 25 & 26 – City Facilities are Closed for the Thanksgiving Holiday

Meetings and Other events of the Borough Assembly:

No Assembly Meeting on November 23

December 14 – Regular Borough Assembly Meeting at 6pm in the Assembly Chambers

There will be no other Assembly meeting held in December unless a Special meeting is called.

Clerk traveling - I will be back from vacation on November 12th.

Robbie Marshall, Deputy Clerk, is acting in my absence.

Thank you Robbie!!



Upcoming 71st Annual AML Winter Conference:

Regular Conference – November 15-17, 2021 (*will be held in-person in Anchorage*)

The Mayor and Assembly Members Morrison and Dalrymple attending the in-person AML Conference. The Mayor will also attend the Alaska Conference of Mayor's (ACoM).

Post-Election Training

I have confirmed Saturday, January 8th for the OMA Training Session with the Borough Attorney. More to come, as it gets closer!

If any of the Assembly has specific questions or needs clarification on Parliamentary Procedures or OMA, I would be happy answer or provide that clarification for you.

CITY & BOROUGH OF WRANGELL, ALASKA BOROUGH ASSEMBLY AGENDA STATEMENT

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	November 9, 2021
	<u>Agenda Section</u>	10

SEAPA Board Appointments (2 voting members & 2 alternate members)

SUBMITTED BY:

Kim Lane, Borough Clerk

FISCAL NOTE:

Expenditure Required: \$XXX Total

FY 20: \$	FY 21: \$	FY22: \$
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Amount Budgeted:

	FY20 \$XXX
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Account Number(s):

	XXXXXX XXX XXXX
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Account Name(s):

	Enter Text Here
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Unencumbered Balance(s) (prior to expenditure):

	\$XXX
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Reviews/Approvals/Recommendations

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

ATTACHMENTS: 1. Letters of Interest

RECOMMENDATION MOTION:

Received correspondence (interest) from:

Voting Member:

- *Stephen Prysunka*

- *Steve Henson*
- *Brent Mill*

Alternate Member:

- *Mason Villarma*
- *Mark Walker*
- *Christie Jamieson*

Submitted for either seat (voting or alternate)

- *Jim Anderson*
- *Rod Rhoades*

Appointments to be filled by the Mayor with the consent of the assembly for the SEAPA Board Seats.

Mayor: If there are no objections, I will appoint _____ & _____ to fill the vacancy of the Voting SEAPA Board Member seats, from January 1, 2022 thru December 31, 2022.

Mayor: If there are no objections, I will appoint _____ & _____ to fill the vacancy of the Alternate SEAPA Board Member seats, from January 1, 2022 thru December 31, 2022.

Recommended Action if not approved with the consent of the Assembly:

Motion: Move to appoint _____ & _____ to fill the vacancy of the voting SEAPA Board member seats, from January 1, 2022 thru December 31, 2022.

Motion: Move to appoint _____ & _____ to fill the vacancy of the alternate SEAPA Board member seats, from January 1, 2022 thru December 31, 2022.

Voting as Alt.
Date; Oct20, 2021

To; Wrangell Borough Mayor Steve Prysunka and the Wrangell Borough Assembly

From; James E Anderson

Birthdate; 10/25/1952

I would like to submit my name to be considered for a position as a SEAPA board member, either voting or alternate.

Reason; I have now lived in Wrangell for four years and would like to contribute to our community.

Qualifications; I was in the construction industry from 1970 until 2002 when I started working in the North Slope oilfield. During my time in construction I started as an apprentice carpenter in 1970 then moved management (foreman, superintendent) in 1973. I remained in management until 1983 when I started a sitework company working in both site development and forestry. We moved to Anchor Point , Alaska in 1993 and I began working /managing mainly remote sites both in vertical and civil construction.

On the North Slope I started in the Wells Support group driving a tanker, but within a few months worked mainly in the shop designing and fabricating safety solutions for various field issues. The last 10 yrs. on the Slope I was the Mobile Tank Coordinator using 3D cad to both design tanks and find safer ways to move and utilize them, with the main focus being safety for the workforce. These duties included design and/or concept design, selecting a vendor to build the product. These projects ranged from small safety fixes to larger multi year projects.

Respectfully submitted,
Jim Anderson

Rodney D. Rhoades
PO Box 844
Wrangell, AK 99929

November 3, 2021

Borough Clerk,
City & Borough of Wrangell, Alaska
PO Box 531
Wrangell, AK 99929

RE: SEAPA Board of Directors

To Whom It May Concern:

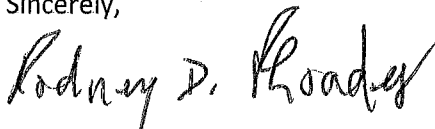
I would like to apply for the position of Board Member with the Southeast Alaska Power Agency (SEAPA).

I am very familiar with the goals and focus of SEAPA and I would like to use the skills gained in my experience as an electrical contractor, electrical administrator, electrical supervisor, and project manager to benefit SEAPA and its' communities reach its objectives.

The SEAPA Board of Directors will, not only benefit from my experience maintaining a State of Alaska Electrical Administrator license (EAD 854) both in Unlimited Commercial and Residential Electrical construction, but also with my degree of a Bachelor of Business Administration in Financial Management.

My enclosed resume will provide you with more details regarding my qualifications and experience. I know that I will be an asset to SEAPA and look forward to serving on the Board.

Sincerely,



Rodney D. Rhoades

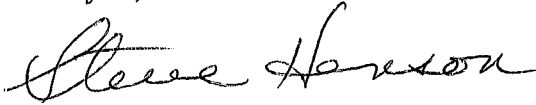
Enc.

Voting
October 1, 2021

To: Wrangell Borough Assembly

I am interested in serving as a SEAPA Board Voting member on the SEAPA Board of Directors for the 2022 calendar year.

Thank you,



Steve Henson

PO Box 317
Wrangell, AK 99929
907-305-0683

Voting
Kim Lane

Item a.

From: Stephen Prysunka <ssteveprysunka@icloud.com>
Sent: Thursday, September 30, 2021 12:00 PM
To: Kim Lane
Subject: SEAPA Board

Good afternoon Kim,

Please accept this email as confirmation of my desire to serve on the SEAPA Board of Directors. I would like to hold a voting seat.

Thank you,

Steve

Voting

I'm interested
in being considered
for the Seapa
board member position

Brent Meel
874 3618

Voting member



Kim Lane

Item a.

From: Kim Lane
Sent: Tuesday, September 28, 2021 4:08 PM
To: Kim Lane
Subject: Seapa

Hi Kim; I'd like to put my name in the hat as a candidate for Seapa please. The one-year term. Thank you, Christie Jamieson

Sent via the Samsung Galaxy Z Flip3 5G, an AT&T 5G smartphone
Get [Outlook for Android](#)

AK

Kim Lane

From: Mason Villarma
Sent: Monday, October 4, 2021 12:09 PM
To: Kim Lane
Subject: SEAPA Non-voting Board Member

Hi, Kim –

I'd like to be considered as a member for the SEAPA Board of Directors for CY 2022. Please let me know if I can provide anything to you in the meantime.

Best,

Mason F. Villarma

Finance Director

City and Borough of Wrangell, AK

City Hall

205 Brueger St, Wrangell, AK 99929

Office: (907) 874-2381

Direct: (907) 660-7414

Kim Lane

From: Mark Walker <mwalker@searhc.org>
Sent: Thursday, September 30, 2021 9:06 AM
To: Kim Lane
Subject: SEPA Board

Kim,

I would like to apply to be an alternate on the SEPA Board.

Let me know if you need any other information.

Mark Walker

-- This e-mail and any files transmitted with it are confidential, may be protected by state and federal privacy laws, and intended solely for the use of the individual or entity to whom it is addressed. If you are not the named addressee, do not disseminate, distribute or copy this e-mail or any attachments. Please notify the sender immediately by e-mail if you have received this e-mail in error, and delete this e-mail and any attachments from your system.

CITY & BOROUGH OF WRANGELL, ALASKA BOROUGH ASSEMBLY AGENDA STATEMENT

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	11/9/2021
	<u>Agenda Section</u>	12

Repeal of Emergency Ordinance No. 1012 (*requested by Assembly Member DeBord*)

SUBMITTED BY:

Kim Lane, Borough Clerk
for Assembly Member DeBord

FISCAL NOTE:

Expenditure Required: \$XXX Total

FY 20: \$	FY 21: \$	FY22: \$
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Amount Budgeted:

FY20 \$XXX

Account Number(s):

XXXXXX 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)	Planning and Zoning Commission
Name(s)	
<input type="checkbox"/>	Attorney
<input type="checkbox"/>	Insurance

ATTACHMENTS: 1. Previously Adopted Emergency Ordinance No. 1012

RECOMMENDATION MOTION:

Move to Repeal Emergency Ordinance No. 1012.

SUMMARY STATEMENT:

Assembly Member DeBord has requested that an Agenda Item be added to the Agenda to Repeal Emergency Ordinance No. 1012.

This item is being added *before* the request to amend Emergency Ordinance 1012 so that if the repeal is successful, the request to amend will not need to be considered.

In the Emergency Ordinance, it states that “*This ordinance shall be effective upon adoption and shall sunset at 11:59 pm December 31, 2021, unless terminated earlier or extended by action of the Assembly*”. Therefore, for this Emergency Ordinance to be canceled, it will need to have an affirmative majority vote of the Assembly.

If the Assembly does not vote to repeal Emergency Ordinance No. 1012, the Ordinance will stand, as is, unless the Assembly votes to amend it under Item 12b.

CITY AND BOROUGH OF WRANGELL, ALASKA

EMERGENCY ORDINANCE NO. 1012

AN EMERGENCY ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA REAFFIRMING THE DECLARATION OF EMERGENCY IN EMERGENCY ORDINANCES 976, 980, 985, 994, 1003, AND 1011 AND REENACTING THE ADOPTION OF INTERNATIONAL, INTERSTATE, AND INTRASTATE TRAVEL TESTING MEASURES

WHEREAS, the Wrangell Borough Assembly is committed to minimizing the impacts of the COVID-19 pandemic on Wrangell's residents and businesses; and

WHEREAS, one measure available to protect the community is to conduct COVID-19 testing on individuals arriving into the Borough and require such individuals to take certain precautions prior to receipt of a negative result; and

WHEREAS, these measures assist in identifying and protecting against positive cases before significant community spread can occur; and

WHEREAS, the Wrangell Airport and the Alaska Marine Highway System ferry terminal are the primary points-of-entry for persons traveling into Wrangell from interstate, international, and intrastate locations; and

WHEREAS, SEARHC, under State of Alaska funding, has been conducting COVID-19 testing at the Wrangell Airport for the last several months; and

WHEREAS, this testing is available at no charge for those traveling by all modes into Alaska and throughout Alaska, at the Wrangell Medical Center; and

WHEREAS, the State of Alaska maintains only an interstate and intrastate travel testing advisory, rather than a mandate; and

WHEREAS, it is in Wrangell's best interest to continue to require the testing of interstate, international, and intrastate travelers coming into the City and Borough of Wrangell in certain situations, via all modes, in order to quickly discover and isolate infected persons who arrive in Wrangell from outside and inside the State of Alaska; and

WHEREAS, the City and Borough of Wrangell has the authority to implement temporary travel testing mandates relating to international, interstate, and intrastate into Wrangell via all modes to protect the health of all people living in and traveling to the community; and

WHEREAS, the conditions of this Emergency Ordinance are designed to provide the least necessary restrictions.

NOW THEREFORE, BE IT ORDAINED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA:

SECTION 1: AUTHORIZATION. This is a non-codified EMERGENCY ORDINANCE provided for in the Home Rule Charter of the City & Borough of Wrangell, Alaska Section 2-11.

SECTION 2: APPLICABILITY (INTERSTATE AND INTRASTATE TRAVEL). The City and Borough of Wrangell Assembly requires that all interstate and intrastate travelers arriving into Wrangell via the airport or the Alaska Marine Highway System (AMHS) ferry terminal, by private transportation carrier to the airport or harbors or docks if applicable, or by personal transportation modes to the airport or harbors or docks, be tested prior to or upon arrival, with details as follows:

I. All Travelers Arriving into Wrangell:

- a. Complete a Travel Declaration Form and a Self-Isolation Plan in the Alaska Travel Portal at www.alaska.covidsecureapp.com.
- b. Any person currently positive with COVID-19 cannot travel to Wrangell until they have been released from isolation, or cleared for travel, by a medical provider or public health agency.

II. All travelers arriving into Wrangell from outside and inside Alaska must adhere to one of the following options, with special considerations outlined in Section III:

- a. **Pre-travel molecular-based test for SARS-CoV2 with negative results:**
The traveler should submit negative test results from a test within 72 hours of departure into the Alaska Travel Portal.
- b. **Pre-travel molecular-based test for SARS-CoV2 without results:**
The traveler should submit proof of a test taken within 72 hours of departure into the Alaska Travel Portal.
 - i. The traveler should follow strict social distancing until test results are available.
 - ii. The traveler should upload test results to the Alaska Travel Portal when received, regardless of the test result (it will say negative or positive).
 - iii. The traveler should obtain a second test 5-14 days after arrival. If the results of the molecular-based test for SARS CoV2 are **positive**, the traveler must remain in self isolation at their own expense. The traveler must not travel until cleared by State of Alaska Public Health (1-800-478-0084).

c. **No pre-travel molecular-based test for SARS CoV2:**

If a traveler (aged 11 years or older) arrives without proof of a negative test result, or proof of a test taken within of 72 hours of departure to Wrangell, they must test at the Wrangell Medical Center.

- i. The traveler should follow strict social distancing until test results are received.
- ii. The traveler should obtain a second test 5–14 days after arrival.

III. Special Considerations

- a. Alaskan residents may elect to not be tested, provided that they strictly self-quarantine, at their own expense, for a period of fourteen (14) days after arrival into Wrangell.
- b. Children 10 years of age and younger are exempt from testing requirements. However untested children travelling with a parent or guardian should remain in the same status as the parent or guardian.
- c. The provisions of this ordinance shall not apply if application would delay or limit emergency travel into Wrangell by Law Enforcement Officers, Healthcare Workers, or personnel from the Office of Children's Services while functioning in their official capacity.

IV. Prior confirmed positive results within 90 days of departure - All Travelers:

- a. The traveler does not need to obtain a test for SARS CoV2, whether immediately before travel or upon arrival, if both of the following conditions are met:
 - i. The traveler provides proof of a previously positive result of a molecular-based test of SARS CoV2 within 90 days of departure; and
 - ii. The traveler is currently asymptomatic.

V. Requirements for Critical Infrastructure Workforce Travel:

Travel into Wrangell by workers in critical infrastructure workforce, as is defined in the Cyber and Infrastructure Security Agency (CISA) "Guidance on the Essential Critical Infrastructure Workforce" must follow the instructions and protocols contained in the employer's Community Workforce Protective Plan on file with the State. If a Plan has not been filed, or if that Plan does not contain protections or protocols for workers traveling into Wrangell from the employer's general work site, workers must follow this ordinance.

VI. Exemptions for Fully Vaccinated Individuals:

Fully-vaccinated travelers may travel into Wrangell and do not need to get tested before or after travel or self-quarantine after travel.

- a. It is highly recommended that fully-vaccinated travelers who engaged in activities with a greater risk of COVID-19 transmission, and who

may upon return have contact with individuals with a higher risk of impacts from COVID-19, or may have contact in congregate settings, acquire a test at the Wrangell Medical Center upon arrival and quarantine until those results are received.

VII. Definitions

- a. Self-quarantine:
 - i. Self-quarantine is required while waiting for the results of your first molecular-based test for SARS-CoV2.
 - ii. Comply with all protocols related to your self-quarantine as set forth by your hotel or rented lodging, if applicable.
- b. Strict Social Distancing:
 - i. Strict social distancing is required while you wait for test results.
 - ii. You can be in an outdoor public place, but you should remain six feet away from anyone not in your immediate household, and you should wear a face covering. You should arrange curbside shopping or have food delivery.
 - iii. You should not enter restaurants, bars, gyms, community centers, office buildings, and school or daycare facilities. Do not participate in any group activities, including sporting events and practices, weddings, funerals, or other gatherings.
- c. Self-Isolation Plan: Every traveler entering the state of Alaska should complete a Self-Isolation Plan within the Alaska Travel Portal. This allows travelers to consider their plan for what they will do if their test results return positive while in Wrangell.
- d. Accepted proof of Alaska residency:
 - i. Alaska driver's license or state-issued ID card.
 - ii. Federally-recognized Alaska tribal identification card.
 - iii. Active duty military ID card or active duty dependent ID card.
 - iv. Employment verification letter on employer letterhead or school verification letter for in-person schooling, stating traveler is moving to Wrangell for employment or school.
- e. Fully Vaccinated Individuals is defined as more than two weeks following receipt of the second dose in a two-dose series, or more than two weeks following receipt of one dose of a single-dose vaccine.


SECTION 3. APPLICABILITY (INTERNATIONAL TRAVEL). As per the Centers for Disease Control and Prevention, the City and Borough of Wrangell requires that all travelers traveling internationally into Wrangell do the following:

If you plan to travel internationally, you will need to get tested no more than 3 days before you travel by air into the United States (US) and show your negative result to the airline before you board your flight, or be prepared to show documentation of recovery (proof of a recent positive viral test and a letter from your healthcare provider or a public health official stating that you were cleared to travel).

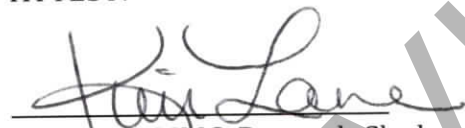
SECTION 4. EFFECTIVE DATES. This ordinance shall be effective upon adoption and shall sunset at 11:59 pm December 31, 2021, unless terminated earlier or extended by action of the Assembly.

PASSED AND APPROVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA THIS 1st DAY OF OCTOBER 2021.

CITY & BOROUGH OF WRANGELL, ALASKA


Patricia Gilbert, Vice-Mayor

ATTEST:


Kim Lane, MMC, Borough Clerk



CITY & BOROUGH OF WRANGELL, ALASKA BOROUGH ASSEMBLY AGENDA STATEMENT

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	11/9/2021
	<u>Agenda Section</u>	12

EMERGENCY ORDINANCE No. 1012 (A) OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, REAFFIRMING THE DECLARATION OF EMERGENCY IN EMERGENCY ORDINANCES 976, 980, 985, 994, 1003, AND 1011, AMENDING EMERGENCY ORDINANCE NO 1012, TO INCLUDE PROVISIONS FOR ENTITIES WHO FOLLOW THEIR OWN MITIGATION PLAN AND ADOPTING INTERNATIONAL, INTERSTATE, AND INTRASTATE TRAVEL TESTING MEASURES

SUBMITTED BY:

Captain Dorianne Sprehe

FISCAL NOTE:

Expenditure Required: \$XXX Total

FY 20: \$	FY 21: \$	FY22: \$
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Amount Budgeted:

FY20 \$XXX

Account Number(s):

XXXXXX 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)	Planning and Zoning Commission
Name(s)	
<input type="checkbox"/>	Attorney
<input type="checkbox"/>	Insurance

ATTACHMENTS: 1. Emergency Ordinance No. 1012 (A) Amended 2. Previously Adopted Emergency Ordinance No. 1012 3. Correspondence from Superintendent Bill Burr

RECOMMENDATION MOTION:

Move to Approve Emergency Ordinance 1012 (A).

SUMMARY STATEMENT:

On October 1st, the EOC brought back the interstate travel testing mandate ordinance for renewal consideration. The ordinance was amended to reflect that testing is now occurring at the Wrangell Medical Center instead of the Airport; and the effective dates.

The Assembly also chose to add Intrastate Travel testing measures to the Ordinance.

Since the adoption of Emergency Ordinance No 1012, the School District adopted their COVID-19 Travel Mitigation Plan. The School District does not want to go against what the City has implemented in Emergency Ordinance No 1012 and has asked for an exemption.

At their meeting held on October 26th, Assembly Member Howe asked that this item be brought back to the Assembly to consider amending the Ordinance to allow for an exception to those who have and follow their own mitigation plan.

Since there are other organizations that have also implemented COVID-19 mitigation plans for their workers, the City believes that amending the Ordinance to add the wording that if another organization within the City has implemented their own mitigation plan that is stricter, they may choose to follow their own mitigation plan.

If the Assembly chooses not to approve this Emergency Ordinance, the adopted Emergency Ordinance that the Assembly approved on October 1st, will still be in place until December 31st at 11:59pm unless canceled or extended.

The following information was from the October 1st Agenda Statement and has not changed:

The State has extended its COVID testing for travelers. Due to staffing issues, testing is currently taking place at the Wrangell Medical Center.

Identifying positive cases through testing upon arrival from outside the state is still one of the most effective ways to keep the community safe from the virus being brought into town.

This ordinance requires all persons (except those who are fully vaccinated) traveling into Wrangell from outside the state, arriving via all modes, to adhere to one of the described testing scenarios. The exception is Alaska residents, who may choose to quarantine upon arrival for 14 days in lieu of testing.

All persons arriving in Wrangell, via all modes, can use the testing at the Wrangell Medical Center.

This ordinance has no violation or penalty provision.

The ordinance is scheduled to sunset at 11:59pm on December 31, 2021. That date was picked as it is the expiration date of our current emergency declaration.

CITY AND BOROUGH OF WRANGELL, ALASKA

EMERGENCY ORDINANCE NO. 1012 (A)

AN EMERGENCY ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, REAFFIRMING THE DECLARATION OF EMERGENCY IN EMERGENCY ORDINANCES 976, 980, 985, 994, 1003, AND 1011, AMENDING EMERGENCY ORDINANCE NO 1012, TO INCLUDE PROVISIONS FOR ENTITIES WHO FOLLOW THEIR OWN MITIGATION PLAN AND ADOPTING INTERNATIONAL, INTERSTATE, AND INTRASTATE TRAVEL TESTING MEASURES

WHEREAS, the Wrangell Borough Assembly is committed to minimizing the impacts of the COVID-19 pandemic on Wrangell's residents and businesses; and

WHEREAS, one measure available to protect the community is to conduct COVID-19 testing on individuals arriving into the Borough and require such individuals to take certain precautions prior to receipt of a negative result; and

WHEREAS, these measures assist in identifying and protecting against positive cases before significant community spread can occur; and

WHEREAS, the Wrangell Airport and the Alaska Marine Highway System ferry terminal are the primary points-of-entry for persons traveling into Wrangell from interstate, international, and intrastate locations; and

WHEREAS, SEARHC, under State of Alaska funding, has been conducting COVID-19 testing at the Wrangell Airport for the last several months; and

WHEREAS, this testing is available at no charge for those traveling by all modes into Alaska and throughout Alaska, at the Wrangell Medical Center; and

WHEREAS, the State of Alaska maintains only an interstate and intrastate travel testing advisory, rather than a mandate; and

WHEREAS, it is in Wrangell's best interest to continue to require the testing of interstate, international, and intrastate travelers coming into the City and Borough of Wrangell in certain situations, via all modes, in order to quickly discover and isolate infected persons who arrive in Wrangell from outside and inside the State of Alaska; and

WHEREAS, the City and Borough of Wrangell has the authority to implement temporary travel testing mandates relating to international, interstate, and intrastate into Wrangell via all modes to protect the health of all people living in and traveling to the community; and

WHEREAS, the City and Borough of Wrangell understands that there are organizations within the community who have adopted their own COVID-19 Mitigation Plans; and

WHEREAS, the conditions of this Emergency Ordinance are designed to provide the least necessary restrictions.

NOW THEREFORE, BE IT ORDAINED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA:

SECTION 1: AUTHORIZATION. This is a non-codified EMERGENCY ORDINANCE provided for in the Home Rule Charter of the City & Borough of Wrangell, Alaska Section 2-11.

SECTION 2: APPLICABILITY (INTERSTATE AND INTRASTATE TRAVEL). The City and Borough of Wrangell Assembly requires that all interstate and intrastate travelers arriving into Wrangell via the airport or the Alaska Marine Highway System (AMHS) ferry terminal, by private transportation carrier to the airport or harbors or docks if applicable, or by personal transportation modes to the airport or harbors or docks, be tested prior to or upon arrival, with details as follows:

I. All Travelers Arriving into Wrangell:

- a. Complete a Travel Declaration Form and a Self-Isolation Plan in the Alaska Travel Portal at www.alaska.covidsecureapp.com.
- b. Any person currently positive with COVID-19 cannot travel to Wrangell until they have been released from isolation, or cleared for travel, by a medical provider or public health agency.
- c. If an organization within the City and Borough of Wrangell has adopted their own COVID-19 Mitigation Plan and it is stricter than outlined in this Ordinance, they may choose to follow their COVID-19 Mitigation Plan.

II. All travelers arriving into Wrangell from outside and inside Alaska must adhere to one of the following options, with special considerations outlined in Section III:

- a. **Pre-travel molecular-based test for SARS-CoV2 with negative results:**
The traveler should submit negative test results from a test within 72 hours of departure into the Alaska Travel Portal.
- b. **Pre-travel molecular-based test for SARS-CoV2 without results:**
The traveler should submit proof of a test taken within 72 hours of departure into the Alaska Travel Portal.

- i. The traveler should follow strict social distancing until test results are available.
 - ii. The traveler should upload test results to the Alaska Travel Portal when received, regardless of the test result (it will say negative or positive).
 - iii. The traveler should obtain a second test 5-14 days after arrival. If the results of the molecular-based test for SARS CoV2 are **positive**, the traveler must remain in self isolation at their own expense. The traveler must not travel until cleared by State of Alaska Public Health (1-800-478-0084).
- c. **No pre-travel molecular-based test for SARS CoV2:**
If a traveler (aged 11 years or older) arrives without proof of a negative test result, or proof of a test taken within of 72 hours of departure to Wrangell, they must test at the Wrangell Medical Center.
 - i. The traveler should follow strict social distancing until test results are received.
 - ii. The traveler should obtain a second test 5–14 days after arrival.
- d. If an organization within the City and Borough of Wrangell has adopted their own COVID-19 Mitigation Plan and it is stricter than outlined in this Ordinance, they may choose to follow their COVID-19 Mitigation Plan.

III. Special Considerations

- a. Alaskan residents may elect to not be tested, provided that they strictly self- quarantine, at their own expense, for a period of fourteen (14) days after arrival into Wrangell.
- b. Children 10 years of age and younger are exempt from testing requirements. However untested children travelling with a parent or guardian should remain in the same status as the parent or guardian.
- c. The provisions of this ordinance shall not apply if application would delay or limit emergency travel into Wrangell by Law Enforcement Officers, Healthcare Workers, or personnel from the Office of Children's Services while functioning in their official capacity.
- d. If an organization within the City and Borough of Wrangell has adopted their own COVID-19 Mitigation Plan and it is stricter than outlined in this Ordinance, they may choose to follow their COVID-19 Mitigation Plan.

IV. Prior confirmed positive results within 90 days of departure - All Travelers:

- a. The traveler does not need to obtain a test for SARS CoV2, whether

immediately before travel or upon arrival, if both of the following conditions are met:

- i. The traveler provides proof of a previously positive result of a molecular-based test of SARS CoV2 within 90 days of departure; and
- ii. The traveler is currently asymptomatic.

V. Requirements for Critical Infrastructure Workforce Travel:

Travel into Wrangell by workers in critical infrastructure workforce, as is defined in the Cyber and Infrastructure Security Agency (CISA) "Guidance on the Essential Critical Infrastructure Workforce" must follow the instructions and protocols contained in the employer's Community Workforce Protective Plan on file with the State. If a Plan has not been filed, or if that Plan does not contain protections or protocols for workers traveling into Wrangell from the employer's general work site, workers must follow this ordinance.

VI. Exemptions for Fully Vaccinated Individuals:

Fully-vaccinated travelers may travel into Wrangell and do not need to get tested before or after travel or self-quarantine after travel.

- a. It is highly recommended that fully-vaccinated travelers who engaged in activities with a greater risk of COVID-19 transmission, and who may upon return have contact with individuals with a higher risk of impacts from COVID-19, or may have contact in congregate settings, acquire a test at the Wrangell Medical Center upon arrival and quarantine until those results are received.
- b. If an organization within the City and Borough of Wrangell has adopted their own COVID-19 Mitigation Plan and it is stricter than outlined in this Ordinance, they may choose to follow their COVID-19 Mitigation Plan.

VII. Definitions

- a. Self-quarantine:
 - i. Self-quarantine is required while waiting for the results of your first molecular-based test for SARS-CoV2.
 - ii. Comply with all protocols related to your self-quarantine as set forth by your hotel or rented lodging, if applicable.
- b. Strict Social Distancing:
 - i. Strict social distancing is required while you wait for test results.
 - ii. You can be in an outdoor public place, but you should remain six feet away from anyone not in your immediate household, and you should wear a face covering. You should arrange curbside shopping or have food delivery.

- iii. You should not enter restaurants, bars, gyms, community centers, office buildings, and school or daycare facilities. Do not participate in any group activities, including sporting events and practices, weddings, funerals, or other gatherings.
- c. Self-Isolation Plan: Every traveler entering the state of Alaska should complete a Self-Isolation Plan within the Alaska Travel Portal. This allows travelers to consider their plan for what they will do if their test results return positive while in Wrangell.
- d. Accepted proof of Alaska residency:
 - i. Alaska driver's license or state-issued ID card.
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 - iv. Employment verification letter on employer letterhead or school verification letter for in-person schooling, stating traveler is moving to Wrangell for employment or school.
- e. Fully Vaccinated Individuals is defined as more than two weeks following receipt of the second dose in a two-dose series, or more than two weeks following receipt of one dose of a single-dose vaccine.

SECTION 3. APPLICABILITY (INTERNATIONAL TRAVEL). As per the Centers for Disease Control and Prevention, the City and Borough of Wrangell requires that all travelers traveling internationally into Wrangell do the following:

If you plan to travel internationally, you will need to get tested no more than 3 days before you travel by air into the United States (US) and show your negative result to the airline before you board your flight, or be prepared to show documentation of recovery (proof of a recent positive viral test and a letter from your healthcare provider or a public health official stating that you were cleared to travel).

SECTION 4. EFFECTIVE DATES. This ordinance shall be effective upon adoption and shall sunset at 11:59 pm December 31, 2021, unless terminated earlier or extended by action of the Assembly.

PASSED AND APPROVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA THIS 9th DAY OF NOVEMBER 2021.

CITY & BOROUGH OF WRANGELL, ALASKA

Stephen Prysunka, Borough Mayor

ATTEST:

Robbie Marshall, Deputy Clerk

CITY AND BOROUGH OF WRANGELL, ALASKA

EMERGENCY ORDINANCE NO. 1012

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WHEREAS, this testing is available at no charge for those traveling by all modes into Alaska and throughout Alaska, at the Wrangell Medical Center; and

WHEREAS, the State of Alaska maintains only an interstate and intrastate travel testing advisory, rather than a mandate; and

WHEREAS, it is in Wrangell's best interest to continue to require the testing of interstate, international, and intrastate travelers coming into the City and Borough of Wrangell in certain situations, via all modes, in order to quickly discover and isolate infected persons who arrive in Wrangell from outside and inside the State of Alaska; and

WHEREAS, the City and Borough of Wrangell has the authority to implement temporary travel testing mandates relating to international, interstate, and intrastate into Wrangell via all modes to protect the health of all people living in and traveling to the community; and

WHEREAS, the conditions of this Emergency Ordinance are designed to provide the least necessary restrictions.

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- b. Strict Social Distancing:
 - i. Strict social distancing is required while you wait for test results.
 - ii. You can be in an outdoor public place, but you should remain six feet away from anyone not in your immediate household, and you should wear a face covering. You should arrange curbside shopping or have food delivery.
 - iii. You should not enter restaurants, bars, gyms, community centers, office buildings, and school or daycare facilities. Do not participate in any group activities, including sporting events and practices, weddings, funerals, or other gatherings.
- c. Self-Isolation Plan: Every traveler entering the state of Alaska should complete a Self-Isolation Plan within the Alaska Travel Portal. This allows travelers to consider their plan for what they will do if their test results return positive while in Wrangell.
- d. Accepted proof of Alaska residency:
 - i. Alaska driver's license or state-issued ID card.
 - ii. Federally-recognized Alaska tribal identification card.
 - iii. Active duty military ID card or active duty dependent ID card.
 - iv. Employment verification letter on employer letterhead or school verification letter for in-person schooling, stating traveler is moving to Wrangell for employment or school.
- e. Fully Vaccinated Individuals is defined as more than two weeks following receipt of the second dose in a two-dose series, or more than two weeks following receipt of one dose of a single-dose vaccine.


SECTION 3. APPLICABILITY (INTERNATIONAL TRAVEL). As per the Centers for Disease Control and Prevention, the City and Borough of Wrangell requires that all travelers traveling internationally into Wrangell do the following:

If you plan to travel internationally, you will need to get tested no more than 3 days before you travel by air into the United States (US) and show your negative result to the airline before you board your flight, or be prepared to show documentation of recovery (proof of a recent positive viral test and a letter from your healthcare provider or a public health official stating that you were cleared to travel).

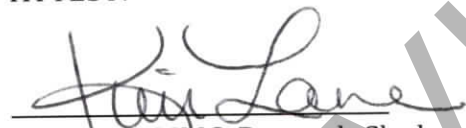
SECTION 4. EFFECTIVE DATES. This ordinance shall be effective upon adoption and shall sunset at 11:59 pm December 31, 2021, unless terminated earlier or extended by action of the Assembly.

PASSED AND APPROVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA THIS 1st DAY OF OCTOBER 2021.

CITY & BOROUGH OF WRANGELL, ALASKA


Patricia Gilbert, Vice-Mayor

ATTEST:


Kim Lane, MMC, Borough Clerk



CITY & BOROUGH OF WRANGELL, ALASKA BOROUGH ASSEMBLY AGENDA STATEMENT

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	November 9, 2021
	<u>Agenda Section</u>	13

Discussion concerning the Public Safety Building and Former Wrangell Medical Center Building Renovations Alternatives and a Third-Party Interest in the Former Wrangell Medical Center Building

SUBMITTED BY:

Amber Al-Haddad, Capital Facilities Director

FISCAL NOTE:

Expenditure Required: \$XXXX

FY 20: \$	FY 21: \$	FY22: \$XXXX
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Amount Budgeted:

Account Number(s):

Account Name(s):

Unencumbered Balance(s) (prior to expenditure):

Reviews/Approvals/Recommendations

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

ATTACHMENTS: 1) September 24, 2021 Memo from Amber Al-Haddad; 2) September 22, 2021 Letter of Interest from Regard Recovery Centers

RECOMMENDATION MOTION:

Discussion Only.

SUMMARY STATEMENT:

Attached is a Memo that was sent to the Borough Manager on September 24th, outlining a discrepancy in scope of work between what was understood to be the Assembly's direction upon which AMC Engineering team was asked to develop a fee proposal for project cost development

related to renovating both the Public Safety Building and the former Wrangell Medical Center building. Based on the discrepancy in the scope of work, a request for clarification was submitted. The request for clarification is related to what level of moth-balling and/or demolition of the existing PSB is requested to be included in the revised scope of work.

The Memo further explains the A&E team's feedback regarding their concerns with moth balling the unoccupied spaces of the Public Safety Building, as well as the concern of cost expectations for renovating the former Wrangell Medical Center based on code requirements for that level of renovation/repurpose project.

Attached also is a letter of interest from Regard Recovery Centers expressing an interest in the former Wrangell Medical Center building. Since receiving this letter of interest, the Borough has had subsequent communications with Regard Recovery Centers who have expressed continued interest in the property. Borough staff are working to provide the interested party with requested information. Casey Odell, representative for Regard Recovery, plans to be present at the November 9th Assembly meeting to introduce the organization and their interest in the property and to schedule a time in the coming weeks for a visit to Wrangell.

Considering this thirty-party interest in the former Wrangell Medical Center building, a discussion is necessary to determine its affect on the request for a fee proposal from the AMC Engineering team relative to renovating/repurposing the building as a new Public Safety Building.

MEMORANDUM

TO: Lisa Von Barga, Borough Manager

FROM: Amber Al-Haddad, Capital Facilities Director

SUBJECT: A&E Review Recap for Public Safety Building and Former Wrangell Medical Center Building Renovation Alternatives

DATE: September 24, 2021

Lisa:

This Memo recaps my understanding of the direction provided by the Assembly at the August 24th work session related to the Public Safety Building Improvements options. It also recaps the feedback we received from the engineer and architect related to their opinions of the scope and associated costs and long-term building sustainability and the follow-up discussion you and I had with them this week.

The Assembly's direction was to pursue a revised professional services proposal and fee with a scope of developing ROM construction costs for two of the alternatives presented as a solution to address the building deficiencies of the existing Public Safety Building (PSB). The two options were identified as follows and provided as revised scope of work to the Architect and Engineering (A&E) team of AMC Engineers.

Alternative 1 – Renovate the existing Public Safety Building

- Probable costs would include the design and construction of a single renovation project, phased over the most reasonable shortest time period. Update the earlier cost estimate to reflect current material costs. Included is full elevator modernization; tenant relocations through the phased renovation sequencing approach; add CA/CI with adequate percentages for a renovation project of this nature; consider an "estimating contingency" in addition to the escalation for inflation and a construction contingency, due to today's volatility of material costs.

Alternative 2 – Renovate the Former Wrangell Medical Center Building and maintain the existing Public Safety Building for the Fire Department as a Sole Tenant

- Probable costs would include the design and construction of a single renovation project. The renovation and repurposing of this building would accommodate the maximum number of operations of the existing tenants in the Public Safety Building according to their operational space requirements. Included in the scope is identifying space to be able to include the operations of City Hall.

A&E Review Recap for Public Safety Building and Former Wrangell Medical Center Building Renovation Alternatives

September 24, 2021
Page 1 of 4

- The renovation of the former hospital building would not include the Fire Department. Rather this option should include a separate piece that addresses the minimal but necessary upgrades to the existing Public Safety Building to maintain building and operational integrity for long term accommodations of the Fire Department as a single tenant.

The suggestion was to “moth-ball” the remainder of the PSB; therefore, we asked the engineer team to provide an opinion on what level of building improvements would be necessary for the rest of the building, outside of that footprint used by the Fire Department, to adequately preserve the remainder of building and ensure its long term integrity for the Fire Department’s operations. We asked them to address those tasks required to control the long-term deterioration of the rest of the building while it is unoccupied, as well as finding methods to protect it from sudden loss by fire, flood, or vandalism.

Demolishing the remainder of the PSB was mentioned in brief during our work session, and my understanding was that the moth-ball approach was preferred. If it was the intent to also consider the option of demolishing the portions of the building footprint that is not needed to maintain the existing Fire Department, I did not recognize that scope. Adding a partial building demolition as a sub-option would significantly change the scope of work for the A&E team, and the subsequent construction costs; therefore, I am asking for a clarification on this issue.

We also need to clarify the desire to maintain or close the Indoor Shooting Range, since we do not expect that level of space to be included in the repurposing of the former WMC either.

- We asked the A&E team to include the cost of utilizing an economist to evaluate operational cost comparisons between the existing PSB and City Hall versus a combined repurposing the former hospital building to a new PSB and City Hall, as well as maintaining the Fire Dept. in the old PSB. This evaluation would include potential revenue from the sale of the City Hall property.
- I spoke with Steve Merkel, Director of Facilities at SEARHC about the analysis they performed on the former WMC building. Steve confirmed that SEARHC did not perform an analysis of that building for the purpose of a full building improvement project for their long term use. The purpose of their 2018 review with AMC Engineers was to gain an understanding of the condition of the mechanical and electrical services for patient services for the time necessary until they moved into a new hospital facility.

Steve confirmed that the list of documents we have from their building deficiencies analysis is the only documentation they have to offer. The AMC design team did not assess the building for the purpose we are asking of them, and so It is their recommendation that their design team should perform a site review to adequately perform this building repurposing review as requested.

AMC Engineers and Northwind Architects reviewed the above listed scope of work. Prior to asking their team to consider this revised scope, they wanted to share the results of their brainstorming session and recommendation for further feedback from the Borough. Their concerns are as follows:

- There is expected to be a relatively high cost to repurpose the former WMC building to accommodate a Court House and a Jail, likely as much and maybe more than the cost to renovate the PSB. Of the various tenants proposed to be relocated to a repurposed WMC building, these two different occupancy types, according to building and fire codes, would require the level of design and construction as if constructing them as a separate, new building. This level of reconstruction will significantly increase the cost to include these tenants in the existing WMC when compared to renovating the Court House and the Jail in the existing Public Safety Building.

Design and construction criteria for renovations to the existing PSB spaces would fall under those criteria established during the original 1985-1987 design and construction phases, therefore generally this would require a lesser capital cost. The Borough would however have the option to upgrade the renovation effort to meet current code.

Design and construction criteria to change the occupancy through renovating/repurposing the former WMC space would fall under today's building codes for design and construction criteria.

The A&E team suggests engaging with an economist to develop an economic timeline for performing the above, including the value of selling the existing City Hall property once operations have moved to the WMC. An understanding of the timeline and value of a property disposal/sale for "cost recovery" for the other work may help to identify the pros and cons and risk assessment of proceeding with the different work phases

- There is a concern for the ongoing and increasing necessary requirements to maintain the large PSB infrastructure for building maintenance, heating, air and ventilation concerns, and other concerns related to life and safety. Unoccupied spaces will still require maintaining an adequate level of environmental and life and safety control to preserve the structure to maintain occupancy of the Fire Department.
- The A&E team suggests that the approach outlined below could provide the most flexibility considering a phased approach, as funds are available:
 - Plan for the renovation of the existing PSB with temporary relocations for phasing of the work with the most critical deficiencies addressed first, such as life and safety and structural integrity of the building.
 - Limit the WMC renovation to those required to temporarily house the relocated tenant functions during the PSB renovations.
 - Perform selected demolition of the WMC areas and systems no longer needed, resulting in a less expensive building to maintain and operate.

A&E Review Recap for Public Safety Building and Former Wrangell Medical Center
Building Renovation Alternatives

There could be value in scheduling a cooperative discussion between the Assembly and the A&E team to review options and answer questions and concerns. The AMC team is dedicated to helping us determine the appropriate level of solution(s) for our needs.

If the direction is to ask the A&E to continue to move forward in developing a fee proposal for the two alternatives, based on the revised scope of work identified by the Assembly on August 24th and outlined above, a clarification is required as to the what level of moth-ball and/or demolition of the existing PSB is requested to be included in that review?

Sept 22, 2021

To: Lisa Von Bergen- Borough Manager

From: Regard Recovery LLC

Regard Recovery is pleased to offer the following Indication of Interest for acquiring and operating the former Wrangell Hospital location and facility and converting it into a Substance Abuse Facility offering Detox, residential, PHP, and outpatient services.

Regard Recovery is a multi state , multi platform Behavioral Healthcare organization targeting Substance Abuse Treatment offering the patient treatment at whatever stage of their recovery journey they find us at. In-patient Detox/Residential PHP/IOP/OP/MAT are all part of our various assets allowing a patient consistency as they progress to their best self.

Interest in these locations is born form Regards desire to expand our footprint into new states, especially where the need is great and there is a defined gap in service.

We have been introduced to the property and have a desire to begin the process of determination as to whether the facility would be a viable option for us to bring our services to Alaska. If deemed appropriate we can begin to discuss a mutual scheduling window for a site visit.

Our leadership team has extensive experience in the Substance Abuse Treatment space as well as decades of experience in the Skilled Nursing and Long Term Assisted Living space. We have talents on the operational and financial side of the business that make us a terrific fit for the rehabbing of a facility such as yours.

Any questions please feel free to follow up at bmcgennis@regardrecovery.com or my cell 412-742-7546.

Sincerely,

Brett W McGennis

Brett McGennis

COO- Regard Recovery

CITY & BOROUGH OF WRANGELL, ALASKA BOROUGH ASSEMBLY AGENDA STATEMENT

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	11/9/2021
	<u>Agenda Section</u>	13

Approval of a Sole Source Purchase from Primozone, in conformance with Wrangell Municipal Code Section 5.10.050 in the amount of \$75,600 for the Purchase of a Closed Loop Cooling System

SUBMITTED BY:

Tom Wetor, Public Works Director

FISCAL NOTE:

Expenditure Required: \$75,600.00

FY 20: \$	FY 21: \$	FY22: \$75,600.00
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Amount Budgeted:

FY21\$

Account Number(s):

72000 302 7900

Account Name(s):

Water capital equipment

Unencumbered Balance(s) (prior to expenditure):

\$0

Reviews/Approvals/Recommendations

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

ATTACHMENTS: 1. Primozone Quote 2. Brochure

RECOMMENDATION MOTION:

Move to approve a Sole Source purchase from Primozone for the purchase of a Closed Loop Cooling System, in Conformance with Wrangell Municipal Code Section 5.10.050 in the Amount of \$75,600.

SUMMARY STATEMENT:

The Resolution to approve the Budget Amendment for this purchase was approved by the Borough Assembly at their Regular Assembly meeting of October 26, 2021.

Primozone ozone generators are very specific machines used in Wrangell's water treatment process. Considering the compatibility of this equipment a sole source procurement will be necessary to get the manufacturer supported cooling system to address issues we are currently experiencing with our Ozone system at the water treatment plant. A cooling system from another manufacturer would be incompatible with the Primozone GM48 Ozone Generators.

Water fund cash reserves are at \$103,208. However, the Water Fund currently has just over \$600,000 in booked grant reimbursement receivables we expect to receive within the month

Please refer to municipal code 5.10.050 (When competitive bidding or quotations are not required) section F for the code to allow a sole source procurement.

Quote

Quote number
QS51303

Customer code
WRANGELL

Item b.

Quote date
2021-06-04

Date
2021-06-25

Our reference
Jim Baker

Your reference
Wayne McHolland

Your VAT no.

Your inquiry number
System upgrade

Delivery address

City and Borough of Wrangell
205 Brueger Street
Wrangell AK 99929-0531
USA

Mailing address

City and Borough of Wrangell
P.O. Box 531
Wrangell AK 99929
USA

Terms of delivery

DAP

Delivery method

Airfreight

Valid through date

2021-09-02

Terms of payment

50% DP 10 days, 50% prior shipment 30 days

Delivery time

10 weeks after order recieved

Pos.	Part no.	Name	Qty	Price	%	Amount
10	400902	GM48 Main sub assembly 2.0	1.00 pcs	48,900.00		48,900.00
		Special unit for replacement of S1-6-48-089 (?) /-097 (?). Supplied <u>without</u> control cabinet and MiniSEPT's, these are to be disassembled from the old unit and assembled to this unit by customer. Warranty limited to 12 months after delivery date and valid only for the scope of supply as mentioned above. 8 blocks of each 6 reactors included.				
20	300768	Transport Box GM48 (1250x1020x2320)	1.00 pcs	400.00		400.00
30	100862	Reactor Block 2.0	8.00 pcs	10,537.00	100.00	0.00
40	OXYGENASK	Oxygen Generation System Airsep AS-K	2.00 pcs	75,000.00		150,000.00

Item Number	Description
AS106-1	AIRSEP AS-K OXY GEN STD 120V~50/60HZ SPECS: 750 SCFH, 55 PSIG, 93% PURITY BELOW ITEMS INCLUDED IN PRICE OF GENERATOR Srl# - 2710758-1 2710759-1
SHIPPING AND HANDLING	Freight
TA152-1	TANK ASSY,290 GALLON,OXYGEN AS-K,AS-L Srl# - 902425 902426
KI414-2	KIT,ACCESSORY MEDICAL SYSTEM 290 GAL TANK,AS-K/AS-L
TA144-1	TANK ASSY,290 GALLON,AIR 110/120V 50/60HZ,AS-K,AS-L Srl# - 902423 902424
CO576-1	COMPRESSOR,INGERSOLL RAND,AIR RS371,125PSI, W/DRYER,460/60/3

50	101985	CSM 7 1P SS 2.0 (GM24-48) Fresh water	2.00 pcs	37,800.00		75,600.00
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Cooling Skid Module (GM24-48)
Fresh Water 1 pump, 50Hz,
230V/400V 3-fas

Drawing number: 101985 Drawing revision: A

Mailing address

Primozone Production AB
Terminalvägen 2
24642 Löddeköpinge
SWEDEN

Visiting address

Primozone Production AB
Terminalvägen 2
24642 Löddeköpinge
SWEDEN

Phone: +46 46 704570

Fax: +46 46 704580

Corp.no: 556597-8862

VAT no: SE556597886201

Dom.: Skåne län, Kävling

Approved for F-tax

BankGiro: 5127-6418

BIC: HANDSESS

IBAN: SE0960000000000052046699

Handelsbanken, Malmö, Sweden

Quote

Quote number
QS51303

Customer code
WRANGELL

Item b.

Quote date
2021-06-04

Date
2021-06-25

Our reference
Jim Baker

Your reference
Wayne McHolland

Your VAT no.

Your inquiry number
System upgrade

Pos.	Part no.	Name	Qty	Price	%	Amount
55	302395	Transport Box for CSM 4 and 7 1260x880x1180 mm	2.00 pcs	240.00		480.00
60	- OTHER COST	Start up	1.00 pcs	7,600.00		7,600.00
70	- FREIGHT OUTSIDE E	DAP, US Airport will be invoiced excl taxes	1.00 pcs	0.00		0.00
80	- FREIGHT OUTSIDE E	Domestic US ex work Buffalo	1.00 pcs	0.00		0.00

PRICE

Net, excluding VAT, import duties and local taxes.
Prices are based on the exchange rate with reservation for currency adjustments.

Total excl. VAT (USD) 282,980.00

Delivery Conditions

All deliveries are in accordance with Incoterms 2020.

NL09 for delivery to Nordic countries.

Orgalime S2012 for international deliveries.

Delivery time

Primozone defines delivery time as the time from received down payment or agreed terms of payment, to goods packed and ready for shipment.

Mailing address

Primozone Production AB
Terminalvägen 2
24642 Löddeköpinge
SWEDEN

Visiting address

Primozone Production AB
Terminalvägen 2
24642 Löddeköpinge
SWEDEN

Phone: +46 46 704570

Fax: +46 46 704580

Corp.no: 556597-8862

VAT no: SE556597886201

Dom.: Skåne län, Kävling

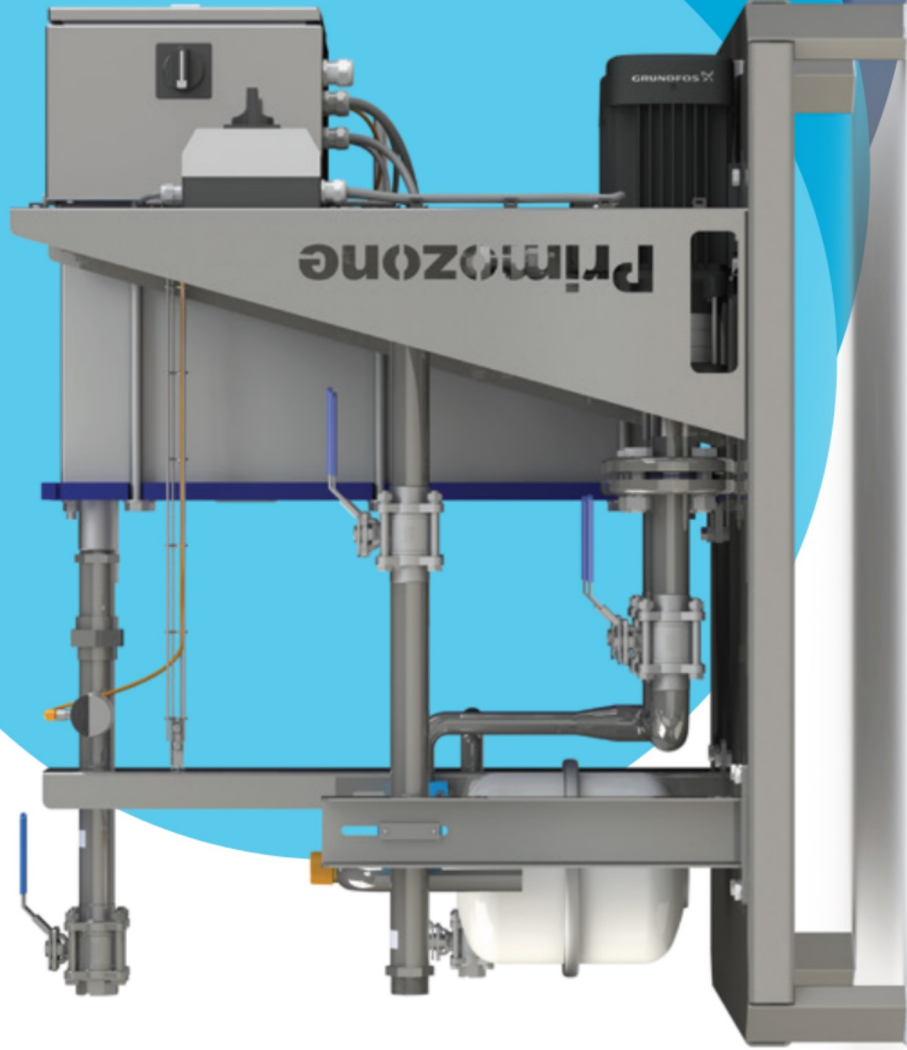
Approved for F-tax

BankGiro: 5127-6418

BIC: HANDSESS

IBAN: SE0960000000000052046699

Handelsbanken, Malmö, Sweden

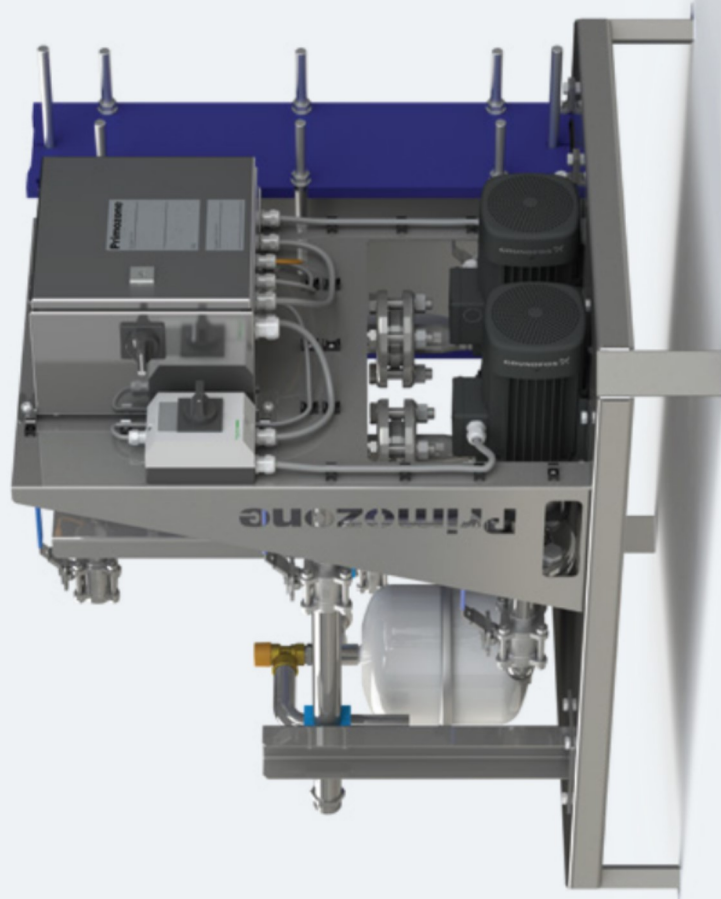


COOLING SKID MODULE

Primozone®
REDEFINING OZONE TECHNOLOGY

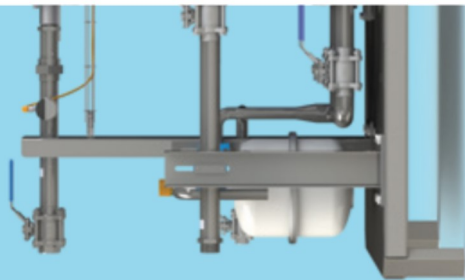
ENERGY AND COST EFFICIENT SOLUTION

Cooling water for ozone generators.



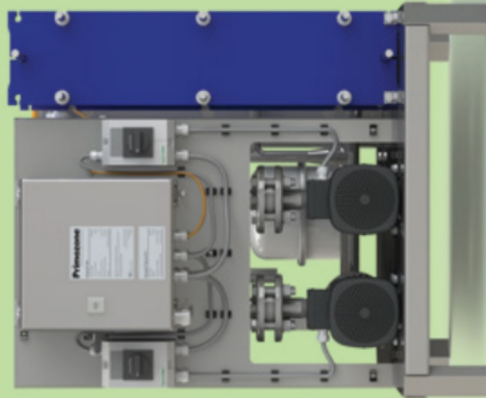
EASY TO INSTALL

Plug & Play



SERVICE FREE.
No regular maintenance needed.

**MODERN.
INTELLIGENT.**



Item b.

COOL.

The ozone generators need cooling. If is available on site, Primozone CSM, cooling module, with heat exchanger and circulator, makes a closed loop, with the ozone generator on one side and the cooling water on the other, for preventing water, not clean enough, from entering the ozone generator(s). With a closed loop, the risk of damaging the ozone generator is more or less eliminated.

The Primozone CSM, cooling skid module, can be installed either a single pump or a dual pump configuration. The dual pump configuration safeguards the system by the possibility of alternating between pumps for a safer installation.

Note: the cooling water temperature varies according to the produced amount of ozone. Preferred temperature is 10°C (50°F).

To keep the high performance of your Primozone CSM, GM-ozone generator and to ensure correct operation, it is important to cool the ozone generator with cooling water. With the Primozone CSM, cooling module, it is possible to use local available water as cooling water in a very energy efficient way, as it separates the process water loop from the ozone generator loop. The only requirement is that the process water has a temperature between 10°C and +20°C (37-68°F) and has a sufficient flow rate. The Primozone CSM, cooling skid module, is equipped with a heat exchanger, either in stainless steel (SS) or titanium for sea water (TI), and an ozone generator. The Primozone CSM, cooling skid module, is available in three different sizes from covering 1 to 100 kg of ozone, covering a cooling of 4 pcs of Primozone GM48.

Primozone offers larger capacity of cooling modules on request.



SAFEGUARDING INVESTMENT.



FRESH WATER (SS) OR SEA WATER (TI)



STANDARD SIZES OR BUILT TO FIT

Item b.

CITY & BOROUGH OF WRANGELL, ALASKA BOROUGH ASSEMBLY AGENDA STATEMENT

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	November 9, 2021
	<u>Agenda Section</u>	13

RESOLUTION NO. 11-21-1633 OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FY22 BUDGET OF THE WRANGELL MUNICIPAL LIGHT AND POWER DEPARTMENT (WML&P) BY TRANSFERRING \$153,085 FROM WML&P'S CASH RESERVSES TO THE P&L CAPITAL PROJECTS EQUIPMENT AND VEHICLES ABOVE \$5,000 ACCOUNT FOR THE PURPOSE OF CONTRACTING WITH ELECTRICAL POWER SYSTEMS, INC. (EPS) TO DESIGN AND IMPLEMENT SAID DESIGN FOR A NEW CONTROLS SYSTEM FOR GENERATOR UNIT #5

SUBMITTED BY:

Rod Rhoades, Electrical Utility Superintendent

FISCAL NOTE:

Expenditure Required: \$153,085 Total

FY 20: \$0

FY 21:

FY22:
\$153,085

Amount Budgeted:

FY21 \$0

Account Number(s):

70300 202 7900 00 00000

Account Name(s):

P&L Capital Projects Equipment and
Vehicles above \$5000

**Unencumbered Balance(s) (prior to
expenditure):**

\$3,567,758.89

Reviews/Approvals/Recommendations

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

ATTACHMENTS:

- Resolution No. 11-21-1633

RECOMMENDATION MOTION:

Move to approve Resolution No. 11-21-1633.

BACKGROUND STATEMENT:

Generator Unit #5 does not have an engine Controls System that provides 'feed-back' to the Power Plant Operator, i.e., the Plant Operator has no visibility of the operating condition of the generator while running.

Unit #5 resides in a separate building further complicating any visibility of Unit #5.

Generator Unit #5 has experienced 2 'over-heating' events. Each event was due to failure of the radiator fan motor. In each case the Operator was completely unaware of a problem developing until the 'over-heating' had occurred.

In comparison, Unit #1 (our newly install 2.8MW generator) was installed with a Controls System that does provide feed-back to the Operator. Unit #1 also has experienced an 'over-heating' event; however, the control system feed-back allowed the Operator to 'see' what was happening and was able to arrest the escalation of heat occurring at Unit #1. The Operator was also given enough time to switch loads to other generators, preventing Wrangell from going into the "black".

SUMMARY STATEMENT:

WMLP has recently installed and upgraded Unit #1 with PLC based engine controls. These controls allow for remote monitoring of the unit that can be used for preventative maintenance, remote starting and stopping, and enhanced protection of the engine.

Unit #5 is in a separate building that makes monitoring more difficult when operating the plant.

WML&P recommends the approval of Resolution No. 11-21-1633 to contract with EPC to design and install a new Controls System for Generator Unit #5

CITY AND BOROUGH OF WRANGELL, ALASKA

RESOLUTION NO. 11-21-1633

A RESOLUTION OF THE CITY AND BOROUGH OF WRANGELL AMENDING THE FY 22 BUDGET IN THE WRANGELL MUNICIPAL LIGHT AND POWER DEPARTMENT (WML&P) BY TRANSFERRING \$153,085.00 FROM WML&P's CASH RESERVES TO THE P&L CAPITAL PROJECTS EQUIPMENT AND VEHICLES ABOVE \$5000 ACCOUNT FOR THE PURPOSE OF CONTRACTING WITH ELECTRICAL POWER SYSTEMS, INC. (EPS) TO DESIGN AND IMPLEMENT SAID DESIGN FOR A CONTROLS SYSTEM FOR GENERATOR UNIT #5

WHEREAS the Wrangell Municipal Code requires that the Borough Assembly approve any budget amendments over those amounts adopted; and

WHEREAS, the City and Borough of Wrangell's budget presumes that each department will, to the best of their ability, maintain its expenditures within its allocated budgeted level and exercise prudence in expending funds during the course of the fiscal year and recognizes that, from time to time, circumstances and events may require the original budget to need revision; and

WHEREAS, Generator Unit #5 does not have an engine Controls System that provides 'feed-back' to the Power Plant Operator, and has no visibility of the operating condition of the generator while running, and

WHEREAS, Generator Unit #5 resides in a separate building further complicating any visibility of Unit #5, and

WHEREAS, the implementation of a new Controls System will allow for remote monitoring of Unit #5 that can be used for preventative maintenance, remote starting and stopping, and enhanced protection of the engine, and

WHEREAS the City and Borough of Wrangell will amend the FY22 budget in Wrangell Municipal Light and Power's Cash Reserves by transferring \$153,085.00 to the P&L Capital Equipment and Vehicles above \$5000 Account (70300 202 7900 00 00000) for the purpose of contracting with Electrical Power Systems, Inc. (EPS) to design and implement said design for a new Controls System for Generator Unit #5.

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

The City and Borough of Wrangell will amend the FY22 budget in Wrangell Municipal Light and Power's Cash Reserves by transferring \$153,085.00 to the P&L Capital Equipment and Vehicles above \$5000 Account (70300 202 7900 00 00000) for the purpose of contracting with Electrical Power Systems, Inc. (EPS) to design and implement said design for a Controls System for Generator Unit #5.

PASSED AND APPROVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF
WRANGELL, ALASKA this 9th day of November 2021.

CITY & BOROUGH OF WRANGELL, ALASKA

Patricia Gilbert, Borough Vice Mayor

ATTEST: _____
Robbie Marshall, Deputy Clerk

CITY & BOROUGH OF WRANGELL, ALASKA BOROUGH ASSEMBLY AGENDA STATEMENT

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	October 26, 2021
	<u>Agenda Section</u>	13

Approval of a Sole Source Professional Contract with Electric Power Systems, Inc. (EPS), in conformance with Wrangell Municipal Code, Section 5.10.050 in the amount of \$153,085 for the purpose of design and implementation of an Upgrade to Generator Unit #5's Control System

<p><u>SUBMITTED BY:</u></p> <p>Rod Rhoades, Electrical Utility Superintendent</p>	<p><u>FISCAL NOTE:</u></p> <p>Expenditure Required: \$153,085.00 Total</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; border: 1px solid black;">FY 20: \$0</td> <td style="width: 33%; border: 1px solid black;">FY 21:</td> <td style="width: 33%; border: 1px solid black;">FY22: \$153,085.00</td> </tr> </table> <p>Amount Budgeted:</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; border: 1px solid black;"></td> <td style="width: 33%; border: 1px solid black;">FY21 \$0</td> <td style="width: 33%; border: 1px solid black;"></td> </tr> </table> <p>Account Number(s):</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; border: 1px solid black;"></td> <td style="width: 33%; border: 1px solid black;">70300 202 7900 00 00000</td> <td style="width: 33%; border: 1px solid black;"></td> </tr> </table> <p>Account Name(s):</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; border: 1px solid black;"></td> <td style="width: 33%; border: 1px solid black;">P&L Capital Projects Equipment and Vehicles above \$5000</td> <td style="width: 33%; border: 1px solid black;"></td> </tr> </table> <p>Unencumbered Balance(s) (prior to expenditure):</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; border: 1px solid black;"></td> <td style="width: 33%; border: 1px solid black;">\$3,567,758.89</td> <td style="width: 33%; border: 1px solid black;"></td> </tr> </table>	FY 20: \$0	FY 21:	FY22: \$153,085.00		FY21 \$0			70300 202 7900 00 00000			P&L Capital Projects Equipment and Vehicles above \$5000			\$3,567,758.89	
FY 20: \$0	FY 21:	FY22: \$153,085.00														
	FY21 \$0															
	70300 202 7900 00 00000															
	P&L Capital Projects Equipment and Vehicles above \$5000															
	\$3,567,758.89															

<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. EPS Controls Estimate pdf

RECOMMENDATION MOTION:

Move to Approve a Sole Source Professional Contract with Electric Power Systems, Inc. (EPS), in conformance with Wrangell Municipal Code, Section 5.10.050 in the amount of \$153,085.00 for the purpose of design and implementation of an Upgrade to Generator Unit #5's Control System.

SOLE SOURCE BACKGROUND STATEMENT:

Per Wrangell Municipal Code, Section 5.10.050, F., competitive bidding, or quotations are not required when “Supplies, materials, equipment, or contractual services which must be purchased from a specific source in order to prevent incompatibility with previously purchased supplies, materials, equipment, or contractual services.”

Wrangell’s use of Sole Source purchases is limited only to those specific instances, which are justified to satisfy compatibility or technical performance needs.

This request represents such a need.

BACKGROUND STATEMENT:

Generator Unit #5 does not have an engine Controls System that provides ‘feed-back’ to the Power Plant Operator, i.e., the Plant Operator has no visibility of the operating condition of the generator while running. Unit #5 resides in a separate building further complicating any visibility of Unit #5.

Generator Unit #5 has experienced 2 ‘over-heating’ events. Each event was due to failure of the radiator fan motor. In each case the Operator was completely unaware of a problem developing until the ‘over-heating’ had occurred.

WML&P is presently engaged in the process of investigating (October 14th and 15) the extent of damage that Unit #5 has experienced because of the cumulative effect of the 2 ‘over-heating’ events.

At the time of the presentation of this Agenda Statement WML&P will be able to provide a full report nature of the over-heating damages to Unit #5.

In comparison, Unit #1 (our newly install 2.8MW generator) was installed with a Controls System that does provide feed-back to the Operator. Unit #1 also has experienced an ‘over-heating’ event; however, the control system feed-back allowed the Operator to ‘see’ what was happening and was able to arrest the escalation of heat occurring at Unit #1. The Operator was also given enough time to switch loads to other generators, preventing Wrangell from going into the “black”.

SUMMARY STATEMENT:

WMLP has recently installed and upgraded Unit #1 with PLC based engine controls. These controls allow for remote monitoring of the unit that can be used for preventative maintenance, remote starting and stopping, and enhanced protection of the engine.

Unit #5 is in a separate building that makes monitoring more difficult when operating the plant.

WML&P recommends the approval of this request to contract with EPC to design and install a new Controls System for Generator Unit #5



2213 Jordan Ave
Juneau, AK 99801
Ph: (907) 522-1953
Fax: (907) 522-1182
Email: eps@epsinc.com

February 9, 2021

Rod Rhoades
Wrangell Municipal Light and Power

Subject: Unit #5 Engine Controls Upgrades

Mr. Rhoades,

Electric Power Systems, Inc. (EPS) is pleased to provide the following proposal to provide engineering, purchasing, installation assistance and commissioning services for the upgrade of the WMLP unit #5 engine controls. WMLP has recently installed and upgraded unit #1 with PLC based engine controls. These controls allow for remote monitoring of the unit that can be used for preventative maintenance, remote starting and stopping, and enhanced protection of the engine. Unit#5 is located in a separate building that makes monitoring more difficult when operating the plant. The following proposal is for the upgrade of unit #5's engine control panel.

Scope of Work:

The expected scope of work is as follows:

- Design drawings for new PLC engine controlled panel
- Design drawings for integration into WMLP diesel plant (engine control panel)
- Materials for installation
 - Low voltage cables and terminations
 - Engine PLC
- Installation labor
- Installation engineering support (on-site and remote support)
- Startup and commissioning support

EPS assumes WMLP personnel will provide support with material handling, installation and other activities required at the power plant.

ELECTRIC POWER SYSTEMS, INC.

3305 Arctic Blvd., Suite 201 • Anchorage, AK 99503
2213 Jordan Ave • Juneau, AK 99801
Ph: (907) 522.1953 • Fax: (907) 522.1182 • Email: eps@epsinc.com

City of Wrangell EMD #5 Engine Control Upgrades		
Item	Description	Cost
1	Design Drawings	\$ 19,136
2	PLC/HMI Programming	\$ 26,656
3	Construction (LiveWire)	\$ 19,250
4	EPS Installation support	\$ 14,400
5	Startup/Commissioning	\$ 28,052
6	Expenses (Airfare, lodging, food)	\$ 4,671
7	Materials	\$ 27,003
Contingency (10%)		\$ 13,917
Total		\$ 153,085

Feel free to contact me if you have any questions or concerns.

Thank you,



David Buss
Electric Power Systems, Inc.
(907) 523-3101

ELECTRIC POWER SYSTEMS, INC.

3305 Arctic Blvd., Suite 201 • Anchorage, AK 99503
Ph: (907) 522.1953 • Fax: (907) 522.1182 • Email: eps@epsinc.com

CITY & BOROUGH OF WRANGELL, ALASKA BOROUGH ASSEMBLY AGENDA STATEMENT

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	November 09, 2021
	<u>Agenda Section</u>	13

RESOLUTION NO. 11-21-1634 OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FY22 BUDGET OF THE WRANGELL MUNICIPAL LIGHT AND POWER DEPARTMENT (WML&P) BY TRANSFERRING \$269,083.44 FROM WML&P'S CASH RESERVSES TO THE P&L CAPITAL PROJECTS EQUIPMENT AND VEHICLES ABOVE \$5,000 ACCOUNT FOR THE PURPOSE OF CONTRACTING WITH MARINE SYSTEMS, INC. (MSI) TO OVERHAUL THE CENTER SECTION OF GENERATOR UNIT #5

<u>SUBMITTED BY:</u>
Rod Rhoades, Electrical Utility Superintendent

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

<u>FISCAL NOTE:</u>		
Expenditure Required: \$269,083.44 Total		
FY 20: \$0	FY 21:	FY22: \$269,083.44
Amount Budgeted:		
	FY21 \$0	
Account Number(s):		
	70300 202 7900 00 00000	
Account Name(s):		
	P&L Capital Projects Equipment and Vehicles above \$5000	
Unencumbered Balance(s) (prior to expenditure):		
	\$3,567,758.89	

ATTACHMENTS:

1. Resolution No. 11-09-1634

RECOMMENDATION MOTION:

Move to approve Resolution No. 11-09-1634.

BACKGROUND STATEMENT:

Generator Unit #5 has experienced 2 'over-heating' events. Each event was due to failure of the radiator fan motor. In each case the Operator was completely unaware of a problem developing until the 'over-heating' had occurred.

In response to those 'over-heating' events, WML&P contacted Petersburg's EMD Mechanic/Powerhouse Operator, Bob Ziemke, who traveled to Wrangell to examine Generator Unit #5. He found that Unit #5 has sustained damage to the rings and the piston liners. All the wrist pins show scarring, and both piston's 3 and 13 have a crack across the number 1 ring.

Bob attributed this type of damage to the overheating event mentioned above.

Bob indicated that we could run Unit #5 in an emergency, but he would limit it's run time to no more than 2 hours. He made this assessment based upon a 'function test' that "sounded good".

WML&P has a quote from the Westcoast's only EMD supplier of parts and technical support, Marine Systems, Inc. (MSI) for \$270,000 (see attached MSI Estimate). This quote is good for 30 days from 10/25.

SUMMARY STATEMENT:

At present WML&P can generate up to 9.5 Megawatts (MW)s of power with the 4 units that stand at the ready to supply the electrical needs of the Community of Wrangell.

Electrical demands for the months of November and December generally are in the 5 to 6 MW range; however, WML&P has seen demands of 8+ MWs during the coldest periods of January and February for brief periods.

Unit #5 in its present condition must be considered unreliable until repairs can be made.

To rely on Unit #5 in its present condition is to invite further damage; meaning a total rebuild.

A healthy Unit #5 can supply up to 2.5 megawatts of power.

CITY AND BOROUGH OF WRANGELL, ALASKA

RESOLUTION NO. 11-21-1634

A RESOLUTION OF THE CITY AND BOROUGH OF WRANGELL AMENDING THE FY 22 BUDGET IN THE WRANGELL MUNICIPAL LIGHT AND POWER DEPARTMENT (WML&P) BY TRANSFERRING \$269,083.44 FROM WML&P's CASH RESERVES TO THE P&L CAPITAL PROJECTS EQUIPMENT AND VEHICLES ABOVE \$5000 ACCOUNT FOR THE PURPOSE OF CONTRACTING WITH MARINE SYSTEMS, INC. (MSI) TO OVERHAUL THE CENTER SECTION OF GENERATOR UNIT #5

WHEREAS the Wrangell Municipal Code requires that the Borough Assembly approve any budget amendments over those amounts adopted; and

WHEREAS, the City and Borough of Wrangell's budget presumes that each department will, to the best of their ability, maintain its expenditures within its allocated budgeted level and exercise prudence in expending funds during the course of the fiscal year and recognizes that, from time to time, circumstances and events may require the original budget to need revision; and

WHEREAS, Generator Unit #5 has sustained 2 'over-heating' event that have caused significant damage to the Center Section of Unit #5

WHEREAS, Generator Unit #5 is necessary to the over-all reliability plan for WML&P's commitment to the electrical needs of the Community of Wrangell and

WHEREAS, damage to Generator Unit #5 was not budgeted for in the FY22 Budget

WHEREAS the City and Borough of Wrangell will amend the FY22 budget in Wrangell Municipal Light and Power's Cash Reserves by transferring \$269,083.44 to the P&L Capital Equipment and Vehicles above \$5000 Account (70300 202 7900 00 00000) for the purpose of contracting with Marine Systems, Inc. (MSI) to over-haul the Center Section of Generator Unit #5.

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

The City and Borough of Wrangell will amend the FY22 budget in Wrangell Municipal Light and Power's Cash Reserves by transferring \$269,083.44 to the P&L Capital Equipment and Vehicles above \$5000 Account (70300 202 7900 00 00000) for the purpose of contracting with Marine Systems, Inc. (MSI)

PASSED AND APPROVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA this 9th day of November 2021.

CITY & BOROUGH OF WRANGELL, ALASKA

Patricia Gilbert, Borough Vice Mayor

ATTEST: _____
Robbie Marshall, Deputy Borough Clerk

CITY & BOROUGH OF WRANGELL, ALASKA BOROUGH ASSEMBLY AGENDA STATEMENT

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	November 09, 2021
	<u>Agenda Section</u>	13

Approval of a Sole Source Professional Contract with Marine Systems, Inc. (MSI), in conformance with Wrangell Municipal Code, Section 5.10.050 in the amount of \$269,083.44 for the purpose of overhauling Generator Unit #5's Center Section.

SUBMITTED BY:

Rod Rhoades, Electrical Utility Superintendent

FISCAL NOTE:

Expenditure Required: \$269,083.44 Total

FY 20: \$0

FY 21:

\$269,083.44

FY22: \$0

Amount Budgeted:

FY21 \$0

Account Number(s):

70300 202 7900 00 00000

Account Name(s):

P&L Capital Projects Equipment and Vehicles above \$5000

Unencumbered Balance(s) (prior to expenditure):

\$3,567,758.89

Reviews/Approvals/Recommendations

☐

Commission, Board or Committee

Name(s)

Name(s)

☐

Attorney

☐

Insurance

ATTACHMENTS: 1. MSI estimate to overhaul the Center Section of Generator Unit #5

RECOMMENDATION MOTION:

Move to Approve a Sole Source Professional Contract with Marine Systems, Inc. (MSI), in conformance with Wrangell Municipal Code, Section 5.10.050 in the amount of \$269,083.44 for the purpose of overhauling Generator Unit #5's Center Section.

SOLE SOURCE BACKGROUND STATEMENT:

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To rely on Unit #5 in its present condition is to invite further damage; meaning a total rebuild.

A healthy Unit #5 can supply up to 2.5 megawatts of power.



MARINE SYSTEMS, INC.

801 NW 42nd St. Suite 211

Seattle, WA 98107

Tel: 206-784-3302

Fax: 206-784-3358

To: City & Borough of Wrangell
P O Box 531 – Brueger Street
Wrangell, AK. 99929

Dear: Rod Rhodes
E-mail: rrhoades@wrangell.com
RE: GEN UNIT 5

Marine Systems, Inc. appreciates the opportunity to provide you with the following estimate for service work on GEN UNIT in Wrangell, AK.

As an authorized EMD distributor, MSI provides genuine OEM parts and service. All components conform to EMD dimensions, tolerances and specifications.

Generator unit overhaul

- Disassemble and remove (20) complete cylinder power assemblies and related engine components.
- Wrap rod journals of crankshaft for protection; scrape crankcases free of Carbon, thoroughly clean crankcases using diesel fuel.
- Inspect crankcases, and crankshaft rod journals.
- Inspect Lower Main Bearings. **Note: Any deficiencies with camshafts, will require a CFR for repairs**
- Clean and inspect reusable engine components for power assemblies
- Install 20 utex power assemblies with Viton head seat rings and new rod bearings.
- Install injectors and valve bridges.
- Inspect camshafts. **Note: Any deficiencies with camshafts, will require a CFR for repairs**

Quality Performance with Pride

JOB # 6233670
MSLF.720-018
03/01/2017



- Reassemble engine including new and remanufactured material. Torque all fasteners to specifications. Check "P" pipe alignment; verify rod thrust.
- Wash down top deck area and oil pans, hand wipe oil pan and ensure cleanliness before oil is installed.
- Check camshaft timing, verify flywheel timing pointer, adjust injector and valve timing; adjust fuel racks.
- Measure and record cylinder head to piston clearance.
- Fill engines with cooling water and fuel. Check for fuel and water leaks.
- Test run engines for 1, 3, and 7 minute bearing checks.
- Test run unit.

Total Estimated cost to make outlined repairs on Unit \$269,083.44

- *Estimate based on 2 MSI Tech working at Plant sight in Wrangell, AK.*
- *Performing out lined repairs with the assistance of vessel personnel 2 Tecs, 15, 12-hour day*
- *1 Day travel from Seattle to Wrangell, AK.*
- *1 Day Travel from Wrangell to Seattle.*

Marine Systems, Inc. Standard Terms and Conditions are an integral part of this quote. They are included herein by reference and are available at http://www.kirbycorp.com/4_ks/msi/msi_business.cfm

Please review T&C's and reference your company's acceptance in all Purchase Orders issued to MSI.

Quality Performance with Pride

JOB # 6233670
MSIF.720-018
03/01/2017



CUSTOMER RESPONSIBILITIES

The Customer is responsible for the following:

1. Providing a safe work environment for our service personnel.
2. Providing crane services and/or services to facilitate material movement at the job site.
3. Providing adequate space and working conditions to effectively execute the scope of work.
4. Delays not the fault of Marine Systems, Inc.
5. Delays due to plant orientation and safety classes.
6. Providing adequate ventilation, compressed air for tooling, and lighting.
7. Providing diesel fuel oil for cleaning.
8. Removing and disposing of waste material and fluids associated with the engine services.
9. Removing and replacing any interferences.

NOTE: Marine Systems will not be responsible for removal or replacement of any fluids (oil or coolant)

CORE CHARGE TERMS

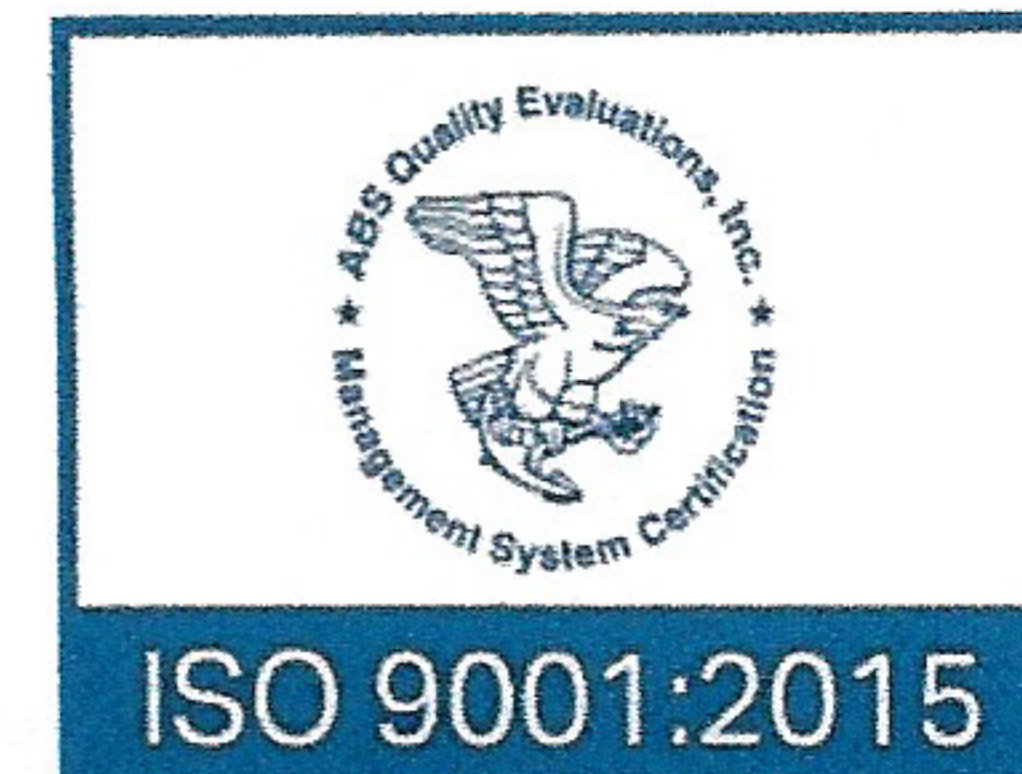
- The following materials (cores) are to be returned to Marine Systems, Inc. Seattle, WA, within 30 Days of the completion of the project. Upon evaluation, core charges will be assessed and applied. All cores must be like in kind, complete, and rebuildable.
- Cores not returned after 30 days from the date of sale may result in additional charges, unless prior written authorization is established.
- Core values noted below reflect the additional charge that will be invoiced upon non-return of cores.
- Cores will be evaluated and may have additional charges for any deficiencies to return the core to a like in kind core.
- MSI EMD power pack pricing is for like in kind Diamond <5> heads or better. Diamond <4> or less heads are subject to upgrade charges.

***All items cleaned, inspected, and reused are not covered by warranty**

ITEM	QTY.	CORE VALUE	EA
BLADE POWER PACK	16	950	EA
FORK POWER PACK	16	950	EA
VALVE BRIDGES	64	75	EA
INJECTORS	32	300	EA

Quality Performance with Pride

JOB # 0233670
MSL.F.720-018
03/01/2017



COMMENTS

1. ***All items cleaned, inspected, and reused are not covered by warranty**
2. The customer is responsible for all applicable sales and use taxes related to this order.
3. **Estimate only good for 30 days.**

PAYMENT TERMS

The payment is due thirty (30) days after receipt of invoice unless otherwise mutually agreeable payment terms are negotiated.

Thank you for giving us the opportunity to serve you. Should you have any questions or require further information, please contact me at your convenience.

Sincerely,

Chris Strahan

MSI West Coast - Service
(206) 788-2132



Quality Performance with Pride

JOB # 6233670
MSI.F.720-018
03/01/2017

CITY & BOROUGH OF WRANGELL, ALASKA BOROUGH ASSEMBLY AGENDA STATEMENT

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	November 9, 2021
	<u>Agenda Section</u>	13

Approval to Write Off Delinquent Accounts and Forward to Collection Agency

SUBMITTED BY:

Mason Villarma, Finance Director

FISCAL NOTE:

Expenditure Required: \$XXX Total

FY 20: N/A

FY 21: N/A

FY22: N/A

Amount Budgeted:

FY20 \$N/A

Account Number(s):

N/A

Account Name(s):

N/A

Unencumbered Balance(s) (prior to expenditure):

N/A

Reviews/Approvals/Recommendations

☐

Name(s)

Name(s)

☐

Attorney

☐

Insurance

ATTACHMENTS: 1. Detailed List of Write-off's - Harbor
2. Detailed List of Write-offs - Utilities

RECOMMENDATION MOTION:

Move to Approve writing-off delinquent accounts and forwarding to a Collections Agency.

SUMMARY STATEMENT:

Periodically, after unsuccessful attempts by the Harbor and Finance Department's staff to track down customers and request payment of overdue amounts owed to the

Borough, we compile a list of accounts deemed uncollectible to send to a collection agency.

Doing so requires Borough Assembly approval. While the amounts to be written off seem significant, the following should be noted:

1. From an accounting perspective, doubtful/uncollectible accounts are a normal expected reality of doing business.
2. The amounts span a significant period and are a relatively small percentage of total billing and are thus in line with what is often expected relative to the amount the Borough bills.
3. Writing off these amounts does not absolve the individual of responsibility to pay the amounts owed. Rather it permits Finance Department staff to forward uncollectible accounts on to the next stage of normal collection procedures.
4. The Borough still stands to collect on part of these amounts to the extent the collection agency is successful.
5. Collections agencies normally are entitled to between 25-40% of accounts collected on (whether collected by the agency or the Borough) and, while it would be ideal if we could avoid this, it is normal practice to forward accounts such as these to collections, as it is typically not economical for municipal finance departments to dedicate staff and resources to doing what collections agencies are specialized to be able to do.
6. The financial effect of uncollectible accounts is reflected annually in the Borough's audited financial statements, net of revenues. In other words, approving to send these amounts to collections does not impact the Borough financially in the current year and require budget amendments, rather it only authorizes us to proceed to the next step of the collection procedures.
7. We are within the statute of limitations (6 years) for the collection agency to collect on these accounts.
8. There are two lists of delinquent accounts being proposed to send to collections: one for the Port and Harbor delinquent accounts and one for Utility delinquent accounts. Many of these accounts have past due balances from prior years. Both the Harbor and Finance Departments have been diligently trying to collect payment for several years in the form of letters and

phone calls with no success. Being able to write off these accounts would give the Harbor and Finance Department a more accurate representation of our Accounts Receivable monthly balances.

Delinquent Accounts

Item g.

Name	Amount Owed
William Baker	\$35.65
Oliver Christansen	\$59.58
Cary Emens	\$376.58
Alan Frank	\$216.06
Bob Johnson	\$33,317.37
Ed Koslovich	\$8,461.77
Chris Marriott	\$3,450.01
Peak Engineering	\$150.57
George Phillips	\$262.75
Amy Price	\$4,295.10
Brian Shilts	\$10,145.31
Keith Shipley	\$5,234.46
Mikel Smith	\$850.56
	\$66,855.77

Account	Name	Mailing Address	City, State Zip	Amt Owed	Date Opened Acct	Date Closed Acct	Date of Last Pmt	Paperwork Pulled	Date Proposed to Collect
10194-21	Allen Greenler	PO Box 284	Wrangell, AK 99929	\$338.59	5/7/2020	7/14/2020	No Payments		
10361-30	Allen Greenler	PO Box 284	Wrangell, AK 99929	\$224.89	2/19/2020	5/7/2020	No Payments		
13359-18	Antonio Lee Silva	PO Box 602	Wrangell, AK 99929	\$138.18	11/2/2020	2/18/2021	1/24/2021		
12000-02	Bertha Larsen	PO Box 2367	Wrangell, AK 99929	\$221.81	3/12/2004	5/10/2021	4/6/2021		
10250-06	Brenda Nord	PO Box 1191	Wrangell, AK 99929	\$962.86	3/17/2017	1/3/2019	2/9/2019		
12327-03	Brett Gentilly	Po Box 52101	Akiak, AK 99552	\$567.76	3/6/2018	9/4/2019	5/6/2019		
13178-16	Brian Lea (just chgd addr)	PO Box 604	Wrangell, AK 99929	\$348.21	3/1/2019	1/6/2020	11/4/2019		
12120-12	Carl Guggenbickler	Po Box 1494	Wrangell, AK 99929	\$582.21	12/8/2015	12/4/2019	10/6/2019		
12355-03	Carolyn Newman-Estate	PO Box 1543	Wrangell, AK 99929	\$1,751.97	4/20/2018	2/12/2019	11/5/2018		
11419-02	Catherine Warner-Estate	PO Box 2321	Wrangell, AK 99929	\$79.30	2/11/2008	7/8/2020	7/6/2020		
10948-02	Cathy Cooper	PO Box 45	Wrangell, AK 99929	\$527.23	8/7/2017	11/7/2019	10/18/2019		
10634-02	Celink Reverse Mortgage	Po Box 40724	Lansing, MI 48901	\$173.16	6/3/2020	6/1/2021	No Payments		
10132-15	Clint Lewis (Stole Power)	PO Box 908	Wrangell, AK 99929	\$401.49	3/11/2020	4/29/2020	No Payments		
10195-07	Connie Taylor	PO Box 1638	Wrangell, AK 99929	\$1,030.37	10/6/2008	7/31/2020	6/12/2020		
11419-03	Darryl J Bartlett	Po Box 923	Wrangell, AK 99929	\$1,792.65	7/8/2020	6/16/2021	2/8/2021		
11738-02	DASH Enterprises LLC /Shannon Bosdell	PO Box 1786	Wrangell, AK 99929	\$3,428.69	3/31/2017	11/1/2019	7/28/2019		
10464-25	David Johnson-Estate	PO Box 586	Wrangell, AK 99929	\$682.61	10/9/2019	11/17/2020	7/31/2020		
12059-16	Diana Armstrong	PO Box 2263	Wrangell, AK 99929	\$15.76	4/3/2018	3/4/2020	3/4/2020		
10405-19	Eduardo Leyva	PO Box 2191	Wrangell, AK 99929	\$145.74	8/12/2019	8/6/2020	7/20/2020		
11596-36	Frankie Clark	PO Box 694	Wrangell, AK 99929	\$702.58	2/28/2020	1/5/2021	5/6/2020		
11679-03	Glenn B Pollow	PO Box 1261	Wrangell, AK 99929	\$1,288.67	8/10/2018	9/1/2020	7/17/2020		
10325-25	Grover Mathis	7604 Red Arrow Hwy Lot 131	Watervliet, MI 49098	\$60.15	6/25/2018	2/6/2020	2/6/2020		
12040-19	Grover Mathis	7604 Red Arrow Hwy Lot 131	Watervliet, MI 49098	\$221.89	2/6/2020	12/8/2020	None		
11659-08	Gunar A Lamay	4201 Jawetta Ave Apt E7	Bakersville, CA 93312	\$144.04	9/28/2018	2/26/2019	1/9/2019		
12349-12	Hal Don Twyford	Po Box 1461	Wrangell, AK 99929	\$354.97	6/25/2018	8/12/2019	7/1/2019		
12050-14	Heather Seimears	PO Box 2007	Wrangell, AK 99929	\$40.50	10/12/2017	12/21/2018	11/6/2018		
10144-09	James Vandebunte III	PO Box 1222	Wrangell, AK 99929	\$350.52	1/17/2020	3/25/2021	1/25/2021		
10272-01	James Jenkins	PO Box 947	Wrangell, AK 99929	\$2,043.78	12/1/1998	3/5/2020	7/20/2020		
10076-17	Janell Stutz	PO Box 2365	Wrangell, AK 99929	\$757.70	8/18/2017	1/12/2021	3/18/2021		
10145-05	Jason R Rivers	PO Box 213	Wrangell, AK 99929	\$1,249.31	3/12/2019	9/11/2020	9/11/2020		
12125-03	Jason Wright	PO Box 671	Wrangell, AK 99929	\$1,165.19	3/19/2018	5/7/2020	3/7/2020		
10358-25	Jaynee Fritzingier	PO Box 185	Wrangell, AK 99929	\$236.91	8/31/2018	9/23/2019	8/16/2019		
10902-35	Jennifer Taylor	PO Box 166	Wrangell, AK 99929	\$98.68	7/5/2019	10/7/2019	11/7/2019		
12330-06	Jennifer Taylor	PO Box 166	Wrangell, AK 99929	\$271.67	10/7/2019	12/18/2019	11/7/2019		
11019-07	Jeremy Stolley	PO Box 2214	Wrangell, AK 99929	\$160.72	5/7/2021	6/11/2021	No Payments		
12334-02	Joanne Roberts	PO Box 483	Wrangell, AK 99929	\$387.89	7/12/2001	6/18/2021	5/21/2021		
12353-17	Joel Franks	PO Box 1735	Wrangell, AK 99929	\$190.95	11/26/2012	10/17/2019	9/25/2019		
10016-04	John Calvert	Po Box 1625	Collegedale, TN 37315	\$136.35	4/5/2005	1/31/2020	2/12/2020		
10076-18	John Hall	PO Box 834	Wrangell, AK 99929	\$418.86	1/12/2021	2/24/2021	No Payments		
10077-15	John Hall	PO Box 834	Wrangell, AK 99929	\$43.54	5/26/2020	6/17/2020	No Payments		
14158-05	Jonika A Bernier	PO Box 9604	Ketchikan, AK 99901	\$1,099.91	7/25/2019	3/9/2020	11/25/2019		
11556-02	Josh & Heather Miethe (Moved to Hawaii)	PO Box 2031	Wrangell, AK 99929	\$905.70	8/31/2000	3/5/2020	11/4/2020		
12086-15	Joshua E Murillo	PO Box 2205	Wrangell, AK 99929	\$47.75	1/29/2021	7/13/2021	7/12/2021		
11595-28	Justin Barker	PO Box 1696	Wrangell, AK 99929	\$1,195.15	2/20/2020	12/22/2020	No Payments		
14085-02	Justin Barker	PO Box 1696	Wrangell, AK 99929	\$21.13	10/1/2019	3/23/2020	3/4/2020		
10971-05	Laura Kim	PO Box 1633	Wrangell, AK 99929	\$665.17	11/9/2016	1/14/2019	12/12/2018		
12027-05	Loretto Jones	7748 18th Street	Lubbock, TX 79416	\$904.53	2/12/2018	2/13/2020	1/31/2020		
12495-08	Loretto Jones	7748 18th Street	Lubbock, TX 79416	\$167.92	2/12/2018	8/28/2020	11/12/2019		
14156-07	Marilyn D Byrd	PO Box 1543	Wrangell, AK 99929	\$721.69	10/3/2019	1/31/2020	12/3/2019		
11633-04	Marcus Gunderson	PO Box 246	Wrangell, AK 99929	\$162.84	6/10/2013	10/29/2020	12/17/2020		
10050-06	Mark Hamley	PO Box 2116	Wrangell, AK 99929	\$1,000.84	11/12/2019	3/5/2020	No Payments		
12347-03	Marvin Scott Bunes	PO Box 2075	Wrangell, AK 99929	\$278.69	1/14/2014	10/1/2020	8/27/2020		
14130-06	Melissa Lee Dutkiewicz	PO Box 2133	Wrangell, AK 99929	\$570.27	12/20/2018	7/25/2019	6/6/2019		
13029-01	Norm Canaday	PO Box 1756	Wrangell, AK 99929	\$204.69	6/23/2009	8/14/2020	5/18/2020		
12097-04	Nickole Meissner	PO Box 155	Wrangell, AK 99929	\$190.28	12/6/2016	6/19/2019	7/11/2019		
10462-34	Paul J Trollan	PO Box 163	Wrangell, AK 99929	\$447.06	8/21/2019	10/30/2020	9/30/2020		

11593-24	Preston L King	PO Box 338	Wrangell, AK 99929	\$51.15	9/4/2018	4/16/2019	4/3/2019
11666-15	Ranell K Kent	Po Box 371	Wrangell, AK 99929	\$894.85	12/2/2019	10/15/2020	10/19/2020
11682-27	Richard Anderson	PO Box 2036	Wrangell, AK 99929	\$20.36	9/13/2019	11/6/2019	11/6/2019
12061-18	Robert K. Johnson	634 Allan Street	Blaine, WA 98230	\$35.10	3/19/2018	12/21/2020	7/6/2020
10132-13	Robert Macias	PO Box 908	Wrangell, AK 99929	\$1,007.82	7/13/2017	9/4/2019	6/20/2019
10194-19	Rodney W Natt	PO Box 2216	Wrangell, AK 99929	\$2,235.35	1/31/2018	4/30/2020	3/18/2020
10359-22	Sally Ferguson	PO Box 1251	Wrangell, AK 99929	\$70.36	1/24/2020	2/10/2020	No Payments
10361-29	Sally Ferguson	PO Box 1251	Wrangell, AK 99929	\$63.05	2/11/2020	2/19/2020	No Payments
10902-37	Sally Ferguson	PO Box 1251	Wrangell, AK 99929	\$126.76	1/16/2020	1/24/2020	No Payments
10473-10	Shanna Mall	PO Box 392	Wrangell, AK 99929	\$563.99	10/29/2018	3/7/2019	1/28/2019
12047-16	Stacey Campbell	PO Box 97	Wrangell, AK 99929	\$221.78	9/24/2018	10/31/2019	9/18/2019
11595-24	Stephen Sullivan	PO Box 871	Wrangell, AK 99929	\$41.68	10/4/2018	2/25/2019	2/7/2019
13912-11	Steve Johnson	PO Box 841	Wrangell, AK 99929	\$246.28	7/27/2018	11/5/2019	5/20/2019
10382-06	The Cabin Cafe (Glen Pollow owner)	PO Box 1261	Wrangell, AK 99929	\$1,470.34	10/4/2017	3/4/2020	11/5/2019
12108-21	Thomas E Brown Jr	Po Box 2065	Wrangell, AK 99929	\$656.50	4/6/2018	3/6/2019	2/19/2019
11571-10	Tim Berberich	200 Linda Lane	Summerville, SC 29485	\$228.61	3/21/2016	7/12/2019	6/20/2019
12323-14	Troy Tacker	PO Box 1901	Wrangell, AK 99929	\$722.45	11/19/2018	6/6/2019	3/6/2019
12013-18	Victor Stead	PO Box 846	Wrangell, AK 99929	\$98.11	1/29/2020	10/19/2020	9/2/2020
10634-01	Walter Stevens	PO Box 151	Wrangell, AK 99929	\$1,596.90	12/1/1998	3/5/2020	9/19/2019
				\$42,673.41			

CITY & BOROUGH OF WRANGELL, ALASKA BOROUGH ASSEMBLY AGENDA STATEMENT

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	Enter Date Here
	<u>Agenda Section</u>	13

RESOLUTION No. 11-21-1635 OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, APPROVING THE TRANSFER OF \$10,000,000 FROM THE BOROUGH'S WELLS FARGO CHECKING ACCOUNT TO THE KEY BANK ALASKA MUNICIPAL LEAGUE INVESTMENT POOL ACCOUNT

SUBMITTED BY:

Mason Villarma, *Finance Director*

FISCAL NOTE:

Expenditure Required: \$XXX Total

FY 21: \$0	FY 22: \$0	FY23: \$0
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Amount Budgeted:

	FY22	
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Account Number(s):

	N/A	
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Account Name(s):

	N/A	
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Unencumbered Balance(s) (prior to expenditure):

	N/A	
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Reviews/Approvals/Recommendations

<input type="checkbox"/>	Commission, Board or Committee
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Name(s)	
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Name(s)	
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<input type="checkbox"/>	Attorney
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<input type="checkbox"/>	Insurance
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ATTACHMENTS: 1. Resolution No. 11-21-1635

RECOMMENDATION MOTION:

Move to Approve RESOLUTION No. 11-21-1635

SUMMARY STATEMENT:

The Borough's Investment Committee met on October 20th, 2021 and has recommended the transfer of \$10,000,000 from the Wells Fargo Checking account into the Alaska Municipal League Investment Pool (AMLIP).

AMLIP provides a short-term investment option to maximize revenue for boroughs, cities, school districts, and other state government entities. Alaska Permanent Capital Management serves as the investment advisor, KeyBank is the investment manager and custodian.

The investment earnings derived from AMLIP are superior to the return of a standardized checking account and they also maintain a liquid state so they can be withdrawn at par value at any point in time.

The underlying investments in the investment pool are predominately certificate of deposits, treasury bills, other FDIC insured instruments, and low risk fixed income securities that are not fully collateralized. The portion of funds invested in low-fixed income that are not fully insured have a less than remote likelihood of default and therefore the investments are widely regarded as safe to harbor funds.

This is a critical first step in forming a strategic investment plan. While the earnings generated by AMLIP do not equate to those of U.S Equities, it does provide us the benefit of generating higher returns compared to a checking account and keeps funds liquid in the event that the funds need to be used to address needs of the Borough as they arise.

CITY AND BOROUGH OF WRANGELL, ALASKA

RESOLUTION No. 11-21-1635

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, APPROVING THE TRANSFER OF \$10,000,000 FROM THE BOROUGH'S WELLS FARGO CHECKING ACCOUNT TO THE KEY BANK ALASKA MUNICIPAL LEAGUE INVESTMENT POOL ACCOUNT

WHEREAS, the City and Borough of Wrangell adopted ORDINANCE NO 972 authorizing Borough Officers to transfer funds to the Alaska Municipal League Investment Pool (AMLIP); and

WHEREAS, the Borough's Investment Committee has recommended the transfer of \$10,000,000 from the Borough's Wells Fargo Checking Account to the Key Bank AMLIP Account in order to earn a higher rate of return than interest received from harboring the funds in a checking account; and

WHEREAS, the funds in the AMLIP account are liquid and can be withdrawn from the account at any point in time at par value; and

WHEREAS, the underlying investments of AMLIP are made up of a combination of fully collateralized securities (i.e. Certificate of Deposits, Treasury Bills, etc.) and low-risk fixed income securities that are not fully collateralized; and

WHEREAS, the fixed income securities in the pool that are not collateralized are investments with a remote likelihood of default; and

WHEREAS, it is typical for Alaskan municipalities to invest excess cash from their operating accounts into AMLIP; and

WHEREAS, the Borough's investment earnings derived from investment into AMLIP will maximize investment return while also maintaining a state of liquidity in the event the Borough needs to withdraw funds.

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

The City and Borough of Wrangell authorizes the Finance Director to transfer \$10,000,000 from the Wells Fargo Checking Account into the Key Bank AMLIP account.

PASSED AND APPROVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA THIS 9TH DAY OF NOVEMBER 2021.

CITY & BOROUGH OF WRANGELL

Patricia Gilbert, Borough Vice Mayor

ATTEST: _____
Robbie Marshall, Deputy Borough Clerk

CITY & BOROUGH OF WRANGELL, ALASKA BOROUGH ASSEMBLY AGENDA STATEMENT

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	November 9, 2021
	<u>Agenda Section</u>	13

RESOLUTION No. 11-21-1636 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA AMENDING THE FY 2022 BUDGET IN THE PORTS AND HARBORS FUND TRANSFERRING \$115,000 FROM THE PORTS AND HARBORS FUND RESERVES TO THE BARGE RAMP FLOATATION TANK REPAIRS CAPITAL PROJECT ACCOUNT AND AUTHORIZING ITS EXPENDITURES

SUBMITTED BY:

Amber Al-Haddad, Capital Facilities Director
Steve Miller, Ports and Harbors Director

FISCAL NOTE:

Expenditure Required: \$115,000

FY 20:	FY 22: \$115,000	FY23:
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Amount Budgeted:

\$0 to date

Account Number(s):

74300-420-9999-00-74004

Account Name(s):

Barge Ramp Floatation Tank Repairs
Capital Project

Unencumbered Balance(s) (prior to expenditure):

\$3,127,790.70 (Ports and Harbors Fund
Reserves Combined)

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. 11-21-1636

RECOMMENDATION MOTION:

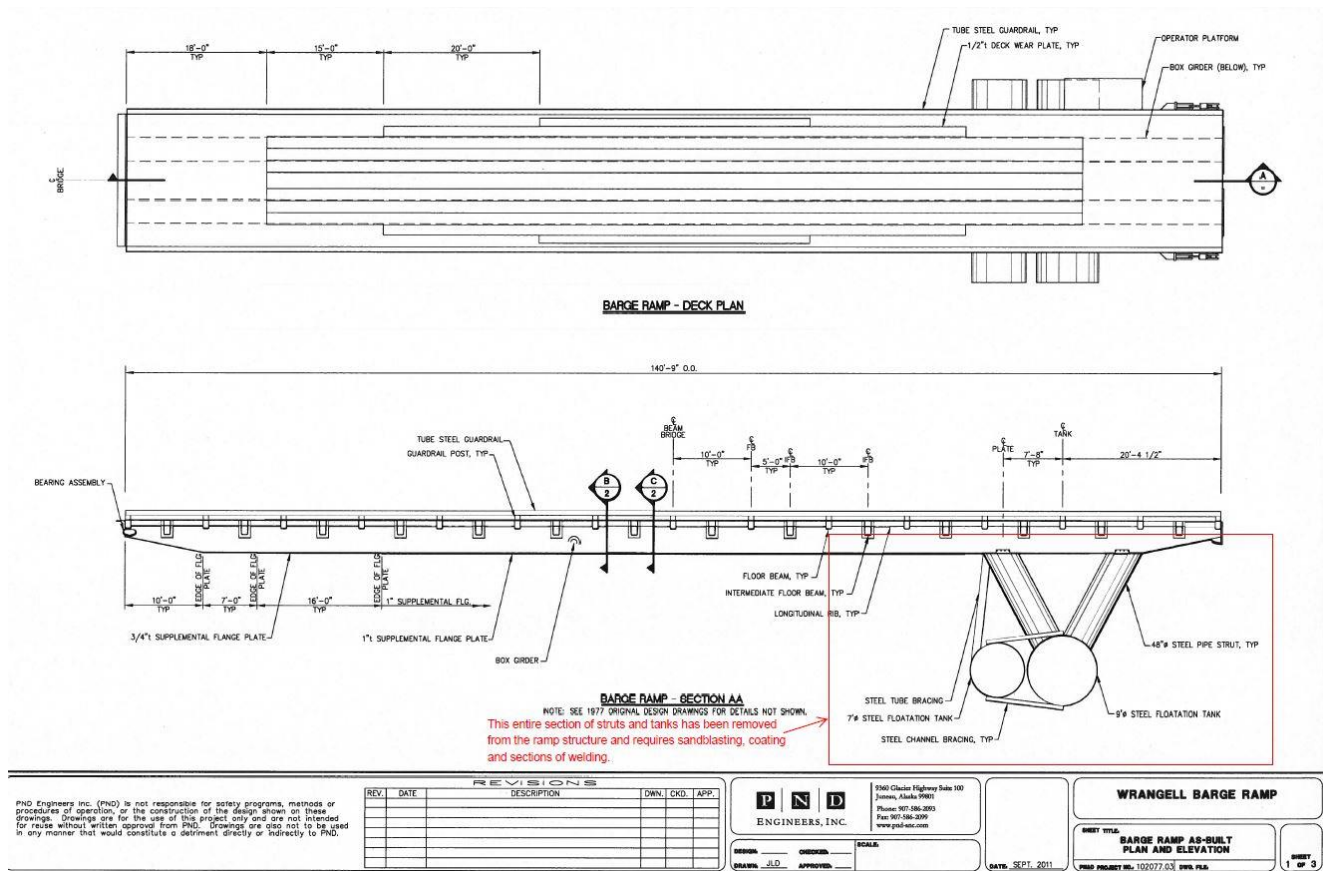
Move to approve Resolution No. 11-21-1636.

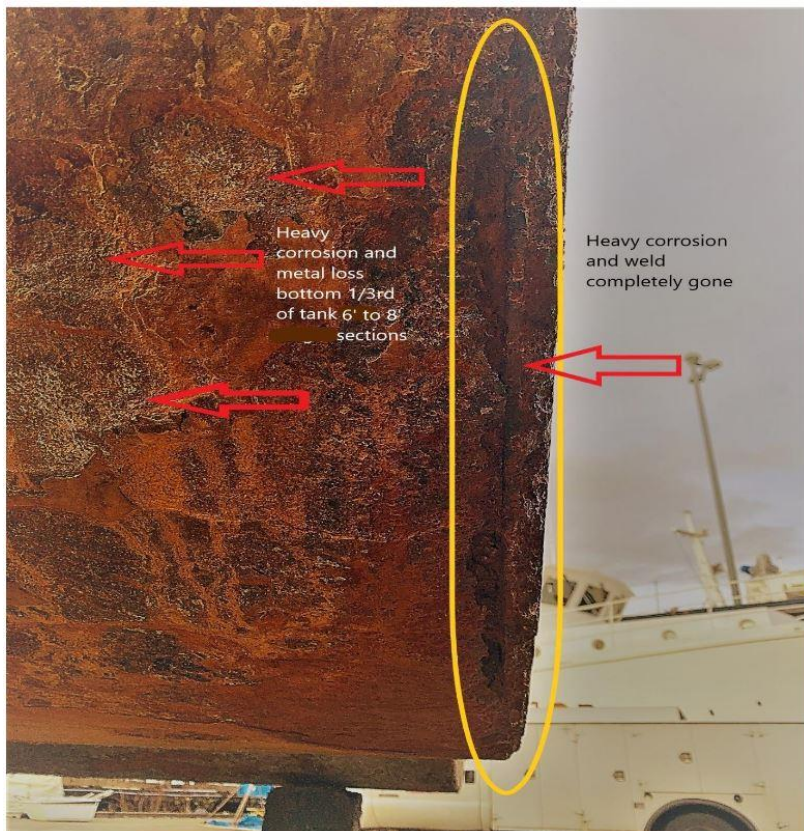
SUMMARY STATEMENT:

In late September, it was discovered that the barge ramp was not lifting to its normal level. The Harbor Department staff investigated the problem by pressure washing the top of the floatation tanks and the uprights holding the tanks to the bridge structure. No holes were found and the tank and strut structure, from the water level upward, appeared to be sound. A diver was hired to perform an underwater assessment of the floatation tanks and discovered corrosion pitting on the bottom of the main floatation tank. To minimize risk of a dock loss due to further corrosion to a point where leaks could occur, the decision was made to close the facility until repairs were made.

Samson Tug & Barge and Alaska Marine Lines were both notified of the barge ramp facility closure and the freight barge is currently landing at the old mill dock, adjacent to the Marine Service Center, until the repairs are completed and the tanks reinstalled.

Funding in the amount of \$115,000 is required for the repairs of the barge ramp facility floatation tanks. Repair work includes sandblasting and recoating the inside and outside of the tanks and welding work, all made to the floatation section identified in the figure below. The funding also covers the expenses associated with the tanks' removal and ramp support both by way of the barge currently being used to support it and a planned temporary suspension bridge that will be constructed to support the ramp when the barge is scheduled to be used elsewhere. Staff will develop a competitive solicitation for the repair work.





Resolution 11-20-1636 amends the FY22 Ports and Harbors Budget to authorize project funding and its expenditures.

CITY AND BOROUGH OF WRANGELL, ALASKA

RESOLUTION NO. 11-21-1636

A RESOLUTION OF THE ASSEMBLY OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA AMENDING THE FY 2022 BUDGET IN THE PORTS AND HARBORS FUND TRANSFERRING \$115,000 FROM THE PORTS AND HARBORS FUND RESERVES TO THE BARGE RAMP FLOATATION TANK REPAIRS CAPITAL PROJECT ACCOUNT AND AUTHORIZING ITS EXPENDITURES

WHEREAS, during an underwater Barge Ramp floatation tank assessment, it was determined that steel corrosion in the tanks walls and their end seams posed a threat to the integrity of the tank's ability to support the barge ramp structure and a recommendation was made that the tanks repairs be made as soon as possible; and

WHEREAS, funding in the amount of \$115,000 is estimated for the repairs and reinstallation of the Barge Ramp floatation tanks.

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

Section 1: The FY 2022 Budget in the Ports and Harbors Fund is amended by transferring \$115,000 from the Ports and Harbors Reserve Fund to the Barge Ramp Floatation Tank Repairs project account and authorizing its expenditures.

PASSED AND APPROVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA this 9th day of November, 2021.

CITY & BOROUGH OF WRANGELL, ALASKA

Patricia Gilbert, Borough Vice Mayor

ATTEST: _____
Robbie Marshall, Deputy Borough Clerk

CITY & BOROUGH OF WRANGELL, ALASKA BOROUGH ASSEMBLY AGENDA STATEMENT

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	November 9, 2021
	<u>Agenda Section</u>	13

RESOLUTION No. 11-21-1637 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AUTHORIZING PARTICIPATION IN THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

SUBMITTED BY:

Carol Rushmore, Economic Development
Director

FISCAL NOTE:

Expenditure Required: \$118,750

FY 20: \$	FY 21: \$	FY22: \$118,750
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Amount Budgeted:

FY22 \$0

Account Number(s):

New Account Number to be Created

Account Name(s):

New Account Number to be Created

**Unencumbered Balance(s) (prior to
expenditure)**

SRS Fund Reserves \$1,661,950

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 10-21-1637

RECOMMENDATION MOTION:

Move to Approve Resolution No. 11-21-1637

SUMMARY STATEMENT:

This Resolution updates the amount of grant funding being sought from the Community Development Block Grant program for the school Fire Alarm Replacement.

The Assembly at the September 28, 2021, meeting approved applying to the State of Alaska Department of Commerce, Community and Economic Development, Community Development Block Grant (CDBG) for the Borough's Priority 2 project, the High School and Middle School Life, Health and Safety project that includes updates to the fire alarm system and replacement of the elevator. The project was approved as the Priority 2 project for the Borough in January 2021 by Resolution 01-21-1558. The total estimated cost of the project with two subcomponents is \$725,000.

At the Assembly October 12, 2021 meeting the Assembly approved a Resolution to authorize participation in the CDBG program for only the Fire Alarm Upgrade part of the project, as the elevator is a separate ADA project. Total estimated cost at that time was \$475,000 and the authorizing Resolution designated this amount and the amount being sought for the Grant amount. This is a requirement of the CDBG. A 25% match totaling \$118,750 is required for the application, and was approved by the Assembly in Resolution 10-21-1619, bringing the application for grant funds to \$356,250. The match was approved to come from the Secure Rural Schools Fund (SRS).

Since that time, the budget has been updated, reflecting additional costs and match components. This Resolution is being modified identifying Total Project Costs of \$612,335 and the grant amount requested of \$459, 251. The difference in total project costs also includes the previous work that has been completed to date. There is no change to the approved \$118,750 cash match amount.

CITY AND BOROUGH OF WRANGELL, ALASKA

RESOLUTION No. 11-21-1637

A RESOLUTION OF THE ASSEMBLY OF THE CITY & BOROUGH
OF WRANGELL, ALASKA, AUTHORIZING PARTICIPATION IN
THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

WHEREAS, the Assembly of the City and Borough of Wrangell, Alaska wishes to make an application for the High School and Middle School Life, Health and Safety Upgrades for consideration under the Community Development Block Grant (CDBG) program, and

WHEREAS, Fire Alarm Upgrades, a subcomponent of the Life, Health and Safety project which is Priority 2 on the Capital Improvement list per Resolution 01-21-1558 will be the subject of the CDBG grant application, and

WHEREAS, the City and Borough of Wrangell, Alaska is an applicant for the grant in the amount of \$459,251 from the Alaska Department of Commerce, Community, and Economic Development (hereinafter "Department"), under the CDBG program, and

WHEREAS, the upgrades to the Fire Alarm System at the High School and Middle School are critically important for assuring the safety of all teachers and students and for emergency response.

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

SECTION 1: The Assembly hereby authorizes the Borough Manager, Acting Borough Manager, or Designee to negotiate and execute any and all documents required for granting and managing funds on behalf of this organization.

SECTION 2: The Borough Manager, Acting Borough Manager, or Designee is also authorized to execute subsequent amendments to said grant agreement to provide for adjustments to the project within the scope of services or tasks, based upon the needs of the project.

SECTION 3: The estimated cost of the entire project is \$612,335.

SECTION 4: The City & Borough of Wrangell has allocated local match funding of \$118,750, to come from the Secure Rural Schools Fund as authorized by Resolution No. 10-21-1619, and in kind match of \$39,235, equivalent to at least 25% of the total project estimated cost.

PASSED AND APPROVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, this 9th day of November 2021.

CITY AND BOROUGH OF WRANGELL, ALASKA

 Patricia Gilbert, Vice-Mayor

ATTEST:

Robbie Marshall, Deputy Clerk