



City and Borough of Wrangell
WS & Borough Assembly Meeting
AGENDA

Tuesday, August 22, 2023

Location: Borough Assembly Chambers

Work Session from 5:30 to 7:00 PM / Regular Assembly meeting at 7:00 PM

WORK SESSION (5:30 - 7:00 PM)

- a. 5:30 - 6:15pm Audit Presentation
- b. 6:15 - 7:00pm Alaska Permanent Capital Management Group

1. CALL TO ORDER

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

2. CEREMONIAL MATTERS

3. PERSONS TO BE HEARD

4. AMENDMENTS TO THE AGENDA

5. CONFLICT OF INTEREST

6. CONSENT AGENDA

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

- a. Minutes from the July 25, 2023 Regular Assembly Meeting
- b. Approval to issue the FY 2022 Audit for the City and Borough of Wrangell
- c. **RESOLUTION No. 08-23-1804** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, APPROVING THE SALE OF SIX TRANSFORMERS TO PETERSBURG LIGHT AND POWER FOR THE AMOUNT OF \$7,951.51 TO BE RECEIVED IN THE WRANGELL MUNICIPAL LIGHT & POWER (WML&P) RESERVE FUND
- d. **RESOLUTION No. 08-23-1805** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, APPROVING THE PERMANENT FUND STRATEGIC ASSET CLASS ALLOCATIONS FOR FY 2024
- e. CORRESPONDENCE: Minutes from the April 17 & May 15, 2023 Regular School Board Meetings

7. BOROUGH MANAGER'S REPORT

- a. Managers Report
- b. Capital Facilities Department Report
- c. Economic Development Department Report

8. BOROUGH CLERK'S REPORT

- a. Borough Clerk's Report

9. MAYOR AND ASSEMBLY BUSINESS

10. MAYOR AND ASSEMBLY APPOINTMENTS

11. PUBLIC HEARING

12. UNFINISHED BUSINESS

13. NEW BUSINESS

- a.** **RESOLUTION No. 08-23-1806** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, RECOGNIZING A FUEL SURCHARGE CALCULATION ERROR IN FY 2023 WHEREBY WMLP INCORRECTLY UTILIZED THE APRIL 2022 SEAPA KWH INVOICE AS OPPOSED TO THE SUM OF ACTUAL KWH GENERATED BY WMLP PLUS THE JUNE 2022 SEAPA INVOICE, AND APPROVING THE CORRECTION ACTION OF APPLYING A FUEL SURCHARGE OF \$0.0437 FOR FY 2023
- b.** **ORDINANCE No. 1045** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING CHAPTERS 5.04.210 – HEARING-PROCEDURES AND 5.04.230 – HIGHER APPEALS AND REPEALING SECTION 5.04.220 – APPEAL RECORDS IN THE WRANGELL MUNICIPAL CODE
- c.** **RESOLUTION NO 08-23-1801** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, ADDING THE JOB DESCRIPTION FOR PARKS CUSTODIAN LIGHT MAINTENANCE
- d.** **RESOLUTION NO 08-23-1802** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, RECLASSIFYING THE CUSTODIAN LIGHT MAINTENANCE JOB DESCRIPTION TO THE RECREATION FACILITY MAINTENANCE SPECIALIST POSITION
- e.** **RESOLUTION NO 08-23-1803** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, PROVIDING FOR THE AMENDMENT TO THE UNION WAGE AND GRADE TABLE

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

15. EXECUTIVE SESSION

16. ADJOURNMENT

CITY AND BOROUGH OF WRANGELL

STRATEGIC REVIEW

for the period ending June 30, 2023

Agenda

1. Strategic Review

2. Appendix

- *Portfolio Review*
- *Market Review*

		Permanent Fund	Operating Fund
Account Inception		January 31, 2020	February 26, 2020
Contributions		\$ 9,230,416	\$ 5,000,000
Withdrawals <i>Does not include management or custodial fees</i>		\$ 250,000	\$ 0
Current Market Value <i>June 30, 2023</i>		\$ 10,216,755	\$ 5,002,141
Account Return* <i>Inception – June 30, 2023</i>		+4.26%	+0.11%
Strategic Asset Allocation	Risk Assets	52%	100% Fixed Income
	Risk Control	27%	
	Alternatives	21%	

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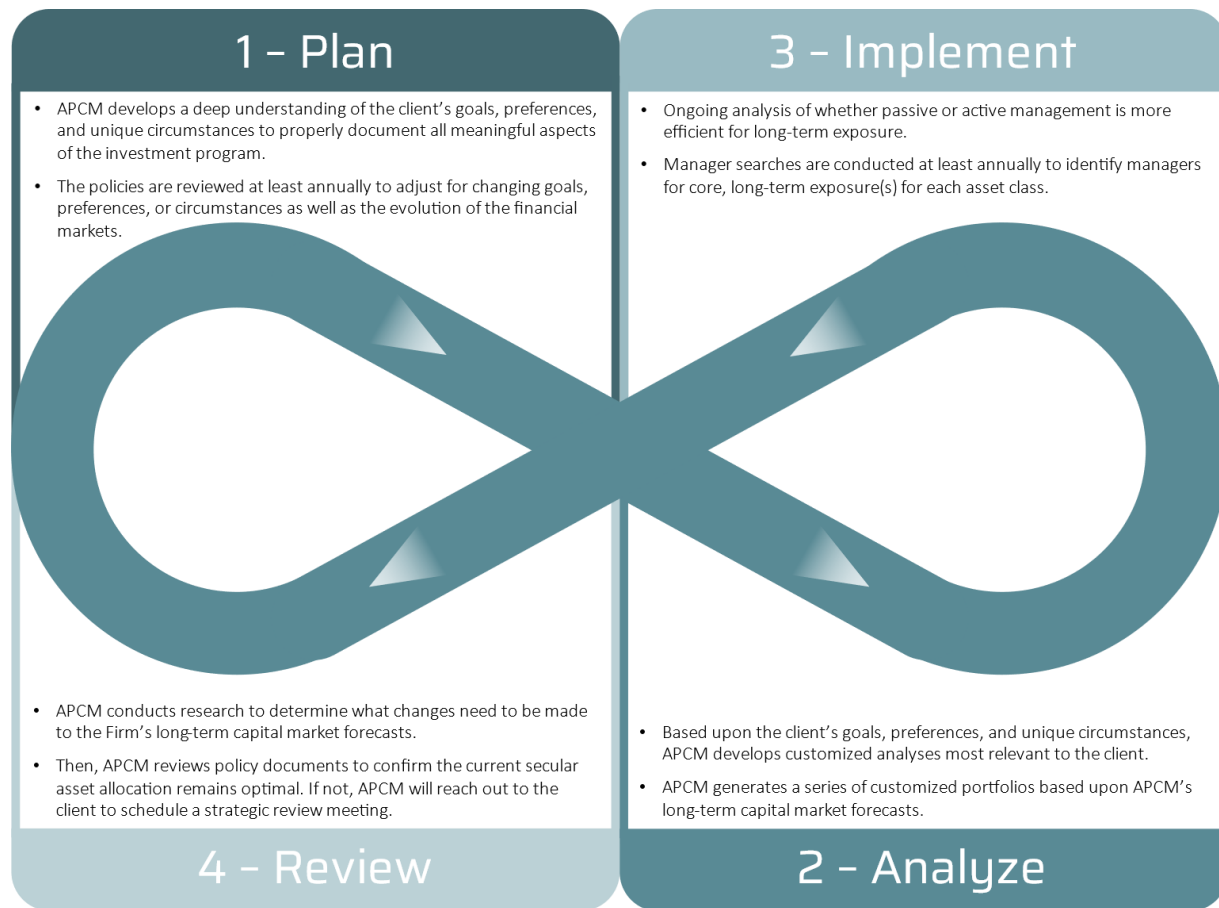
Performance is gross of management fees, net of internal fund fees, and annualized for periods greater than one year.

Prudent Investment Management Process

Alaska Permanent Capital Management

Item b.

- APCM'S prudent investment process is an integrated set of steps undertaken consistently to **create and maintain an optimal portfolio**.
- APCM designed this process to **promote and protect the client's interests** and continuously confirm that **each client's customized strategy achieves the highest return possible given a specified level of risk**.
- This process is perpetual and formal reviews conducted each year maintain a customized investment strategy.
 - Prudently evaluates new investment opportunities.
 - Confirms the ability of the strategic allocation(s) to meet the stated long-term investment objectives.



Create reasonable expectations of risk and return for each asset class over a period of ten years.

- Why make capital market projections?
 - Connect investment policy with real-world views
 - Cornerstone of strategic planning
 - ◆ Do expected returns meet required returns?
 - ◆ Does the portfolio maximize return for a given level of risk?
 - ◆ Is the client comfortable with the level of risk?
 - Combine both quantitative and “common sense” perspectives

2023 Forward-Looking Return Expectations

City and Borough of Wrangell Permanent Fund

Item b.

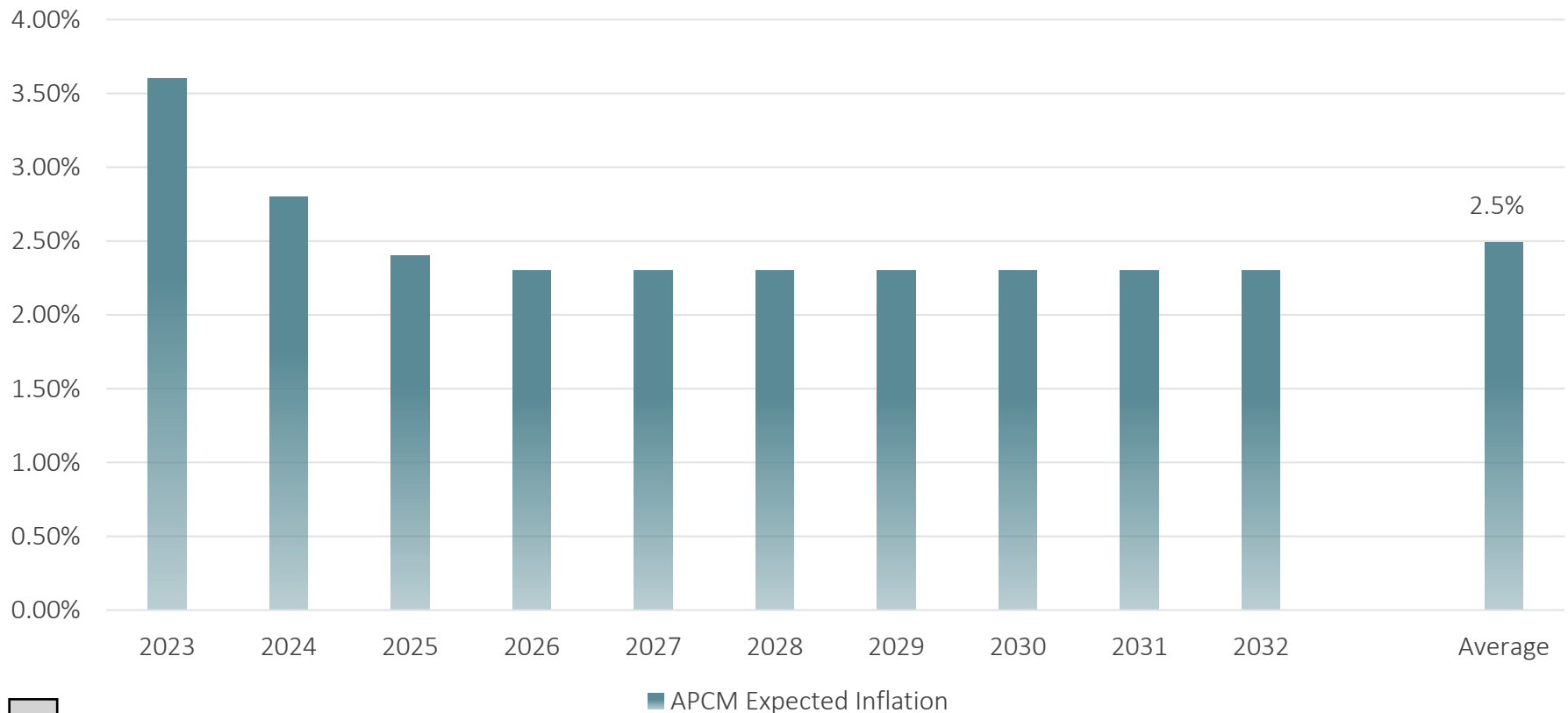
	Asset Class	2023	Change	Rationale
Risk Assets	U.S. Large Cap Equity	9.26%	-0.3%	Added expectations for a shallow recession in the near-term.
	U.S. Mid Cap Equity	10.66%	-0.2%	Added expectations for a shallow recession in the near-term.
	U.S. Small Cap Equity	10.72%	-0.3%	Added expectations for a shallow recession in the near-term.
	International Developed Equity	9.98%	19%	U.S. Dollar expected to depreciate from strong performance in 2022.
	Emerging Markets Equity	10.84%	0.3%	Friend-shoring, China slowdown, and FX expectations combine for slight increase.
	U.S. High Yield Corporate Bonds	7.98%	15%	The Fed's policy changes in 2022 have significantly increased yields.
Alternatives	U.S. REITs	9.63%	-0.2%	Higher rates expected to impact REITs until policy is normalized.
	Global Infrastructure	8.77%	15%	Higher inflation than the post-GFC period should boost global infrastructure.
	Commodities	3.52%	-1.2%	High current prices reduce the probability commodities will outpace global inflation.
	Alternative Beta	6.62%	0.8%	These strategies target an absolute return above cash, which increased expectations.
	Private Equity	12.26%	-0.3%	Added expectations for a shallow recession in the near-term.
Risk Control	U.S. Aggregate Bonds	4.22%	15%	Starting rates high with expectations for future rate cuts improve return.
	U.S. 1-5 Year Government / Credit	3.75%	12%	Starting rates high with expectations for future rate cuts improve return.
	U.S. 0-5 Year TIPS	3.90%	1.8%	Higher start rates and inflation improve expectations for TIPS.
	International Bonds	3.27%	1.5%	Higher starting rates increased expectations, while hedging costs rise.
	Cash	3.00%	1.9%	The Fed's 2022 policy changes in 2022 have impacted short-term rates most.

Building Forward Inflation Expectations

City and Borough of Wrangell Permanent Fund

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- ▶ APCM's average expected inflation rate over the next 10 years is 2.5% annually.
- ▶ This expectation incorporates higher inflation expectations in the near term, and is developed using third party research, Federal Reserve Projection Materials, and APCM's analysis.



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Source: March 2023 Federal Reserve Projection Materials

Strategic Review

City and Borough of Wrangell Permanent Fund

Strategic Review

Appendix

Financial Goals



Sec. 5.20.080(A) & 5.20.090

The primary objective is to achieve returns in excess of the rate of inflation plus spending over the long-term in order to preserve purchasing power of plan assets. Specifically, the rate of return should satisfy the amount to be deposited annually in the City and Borough of Wrangell's general fund including inflation proofing.



Sec. 5.20.080(B)

The secondary objective in the investment management of plan assets shall be to emphasize long-term growth of principal while avoiding excessive risk. Short-term volatility will be tolerated in as much as it is consistent with the volatility of a comparable market index.

Historical Performance and Growth

City and Borough of Wrangell Permanent Fund

Item b.

Current market value of

\$10.2M

\$9.2M

total contributions.

Over **\$1.4M** of
earnings generated.

\$250K

total withdrawals.

1.64%

of annualized outperformance
vs a traditional stock/bond
allocation*.

2.15%

of annualized, risk- adjusted
outperformance vs a traditional
stock/bond allocation*.

APCM's Asset Allocations Access Return More Efficiently

City and Borough of Wrangell Permanent Fund

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❖ The graphic depicts realized risk and annualized return for the Wrangell Permanent Fund relative to a traditional global stock and bond allocation and several broad market indices.

❖ The Wrangell Permanent Fund has earned a higher return than the traditional allocation while taking on less risk, which shows the benefits of strategic planning and APCM's portfolio construction.

Performance is gross of management fees, net of internal fund fees, and annualized for periods greater than one year. Source: Bloomberg. The traditional allocation represents a portfolio comprised of the ACWI World Index and Bloomberg Global Aggregate Index blended at 55% Stocks / 45% Bonds weights.

Key Points and Summary of Projected Growth

City and Borough of Wrangell Permanent Fund

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The City and Borough's current strategic asset allocation is expected to meet or exceed the goals of asset preservation and long-term growth. APCM does not have any recommendations at this time.



Higher interest rates after the Federal Reserve's rate hikes have increased forward-looking return expectations more than usual during APCM's annual analysis and review of the potential market environments for the next ten years.



APCM increased inflation expectations over the next ten years from 2.25% to 2.5%. More persistent price and wage increases have pushed out expectations for a return to normal.



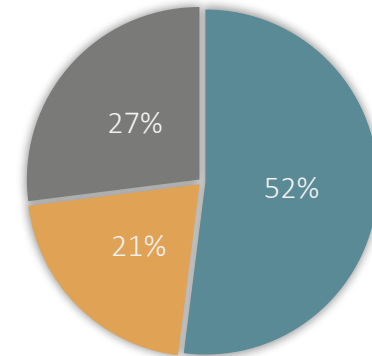
APCM has provided staff with a draft resolution to maintain the current strategic asset allocation for the Permanent Fund for fiscal year 2024.

Sustainable Spending

Last year, the Assembly selected a new strategic asset allocation (Resolution No. 06-22-1704) with a projected net earnings (growth rate above inflation) was 3.6%*.

Projected net earnings has increased to 4.6%. The increase is primarily due to the Federal Reserve’s interest rate hikes, and the subsequent higher bond yields, effect of increasing forward-looking bond return expectations.

Current



■ Risk Assets ■ Alternatives ■ Risk Control Assets

Characteristics	As Presented March 9, 2022		Current	
	Expected	Range**	Expected	Range**
Annual Return (Gross)	6.6%	-13.7% to 26.8%	8.6%	-13.4% to 28.6%
Long-Term Return (Gross)	6.1%	5.8% to 6.4%	7.1%	6.8% to 7.4%
Net Earnings Long-Term Return Less Inflation Expectation	3.6% (2.0% inflation expectation)	3.3% to 3.9%	4.6% (2.5% inflation expectation)	4.3% to 5.0%
Avg. Loss in Extreme Conditions (Gross) Within a 1-Year Horizon		-24.3%		-25.1%

14 upon APCM’s 2021 capital market assumptions.

** denotes the 95% confidence interval. Risk and return data from Windham Portfolio Advisor based on APCM’s 2023 capital market assumptions.

Wealth Simulations 10-Year Horizon

City and Borough of Wrangell Permanent Fund

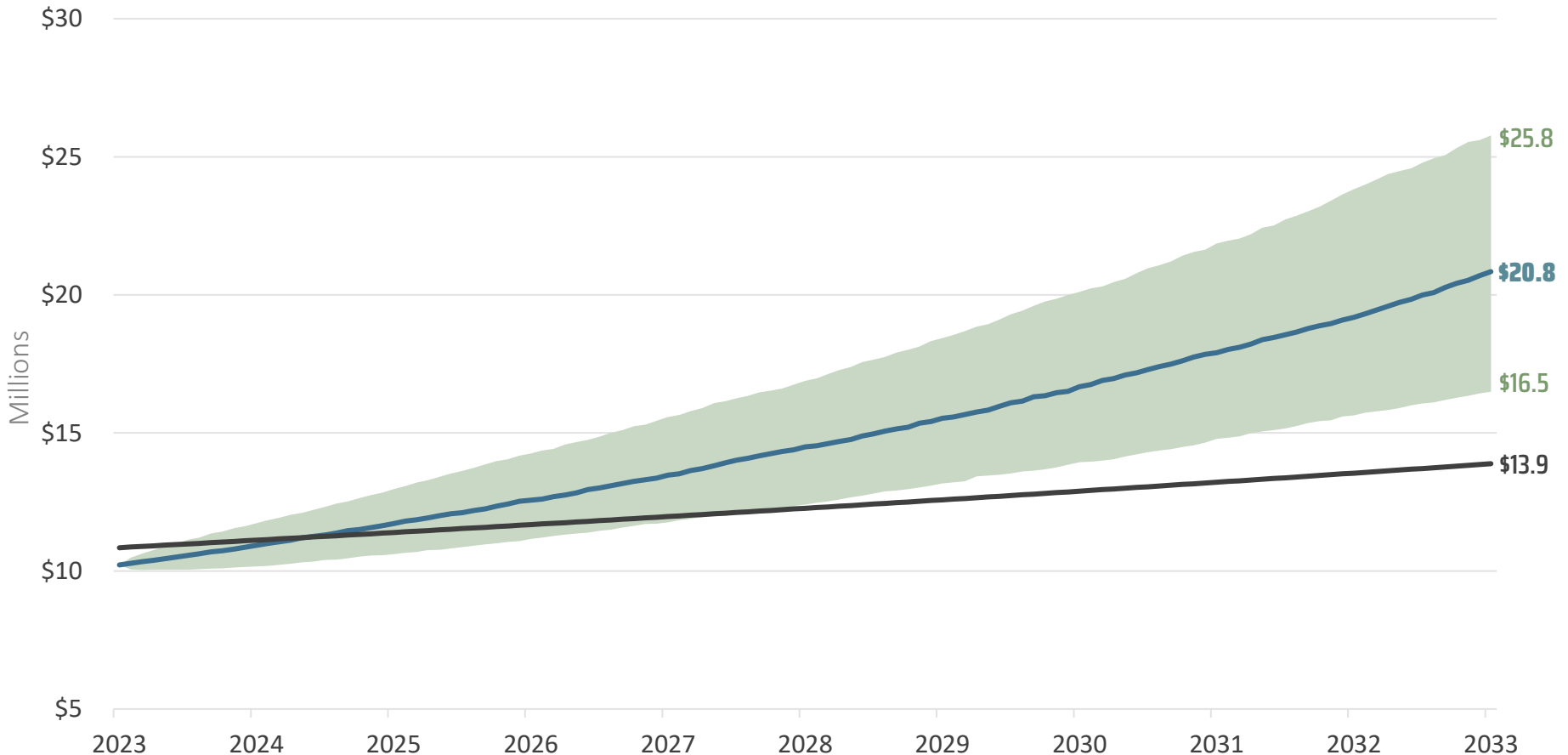
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Modeling Assumptions:

Starting Market Value
\$10.2M

Contributions
None

Distributions
None



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50% of Expected Outcomes Expected Value Inflation-Adjusted Principal

Strategic Review

City and Borough of Wrangell Operating Account

Strategic Review

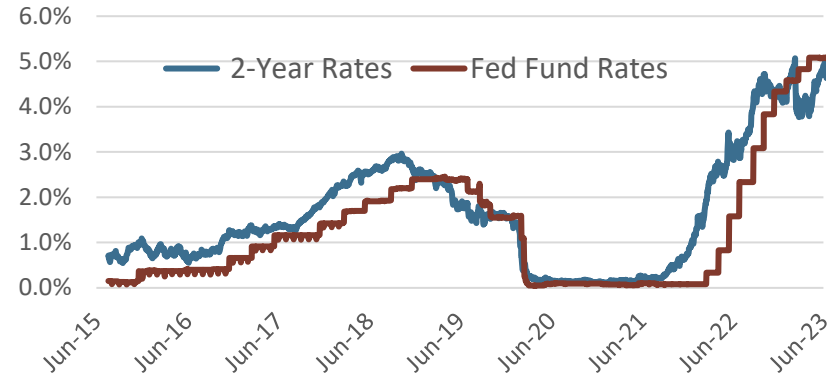
Appendix

Current IPS

Allowable Assets

- U.S. Treasuries
- U.S. Agencies
- Certificates of Deposit
- Municipals (states, Alaskan boroughs or cities)
- Overnight repurchase agreements

2-Year Treasury and Fed Funds Rates



Data: Bloomberg

Going Forward & Performance

- Portfolio has outperformed its benchmark year to date by sixty-one basis points.
- We initiated a slightly below benchmark duration at the prospect of longer-term interest rates (3yr and greater) increasing.
- The yield to maturity of the portfolio is now 5.15% up from 0.63%.
- Fulfill liquidity needs
- Communicate with City & Borough staff

Interest Rate & Market Outlook

- The Federal Reserve increased its benchmark rate to 5.25-5.50% on July 26th, 2023. Fed Fund Futures markets have priced in one more interest rate hike for the rest of 2023. This is followed by a series of rate cuts in 2024.
- The Fed's terminal target rate peaks at 5.63% in 2023 and decreases to 4.63% in 2024.
- Interest rates increased in the 2nd quarter. The 2yr increased by approximately 87 basis points ending June at 4.90%. The 5yr increased 58 basis points ending June at 4.16%.

Portfolio Characteristics as of June 30, 2023

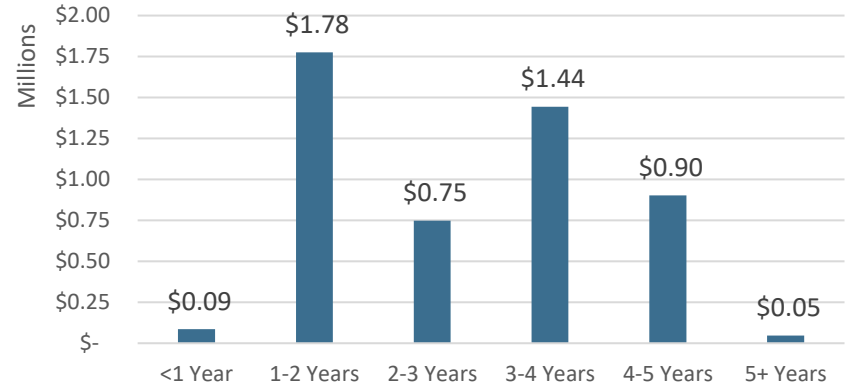
City and Borough of Wrangell Operating Account

Item b.

Summary Statistics

	Wrangell 03/31/21	Wrangell 01/31/22	Wrangell 06/30/23	Benchmark** 06/30/23
Market Value	\$5,027,411	\$4,993,316	\$5,002,159	-
Yield to Maturity	0.17%	0.63%	5.15%	4.70%
Avg. Quality	AAA	AAA	AAA	AAA
Avg. Maturity (yrs)	1.01	0.94	2.79	2.80
Duration	0.99	0.93	2.48	2.62

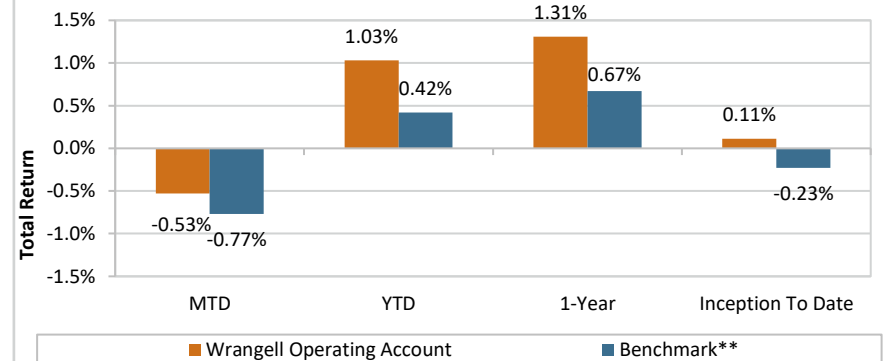
Portfolio Liquidity



Sector Breakdown

	Wrangell	Benchmark**
Cash and CDs	13.4%	-
Commercial Paper	-	-
Treasuries	45.4%	96.4%
Agencies	13.0%	3.6%
Corporates	27.2%	-
Municipals	1.0%	-

Performance



Appendix

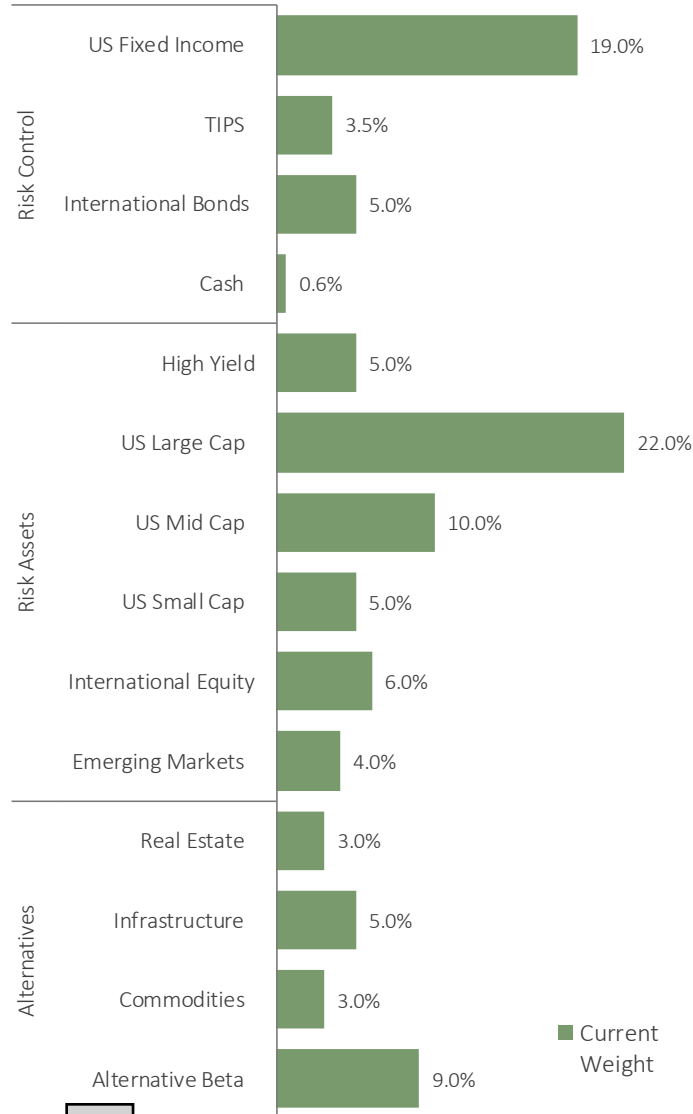
Strategic Review

Appendix

Asset Allocation as of June 30, 2023

City and Borough of Wrangell Permanent Fund

Item b.

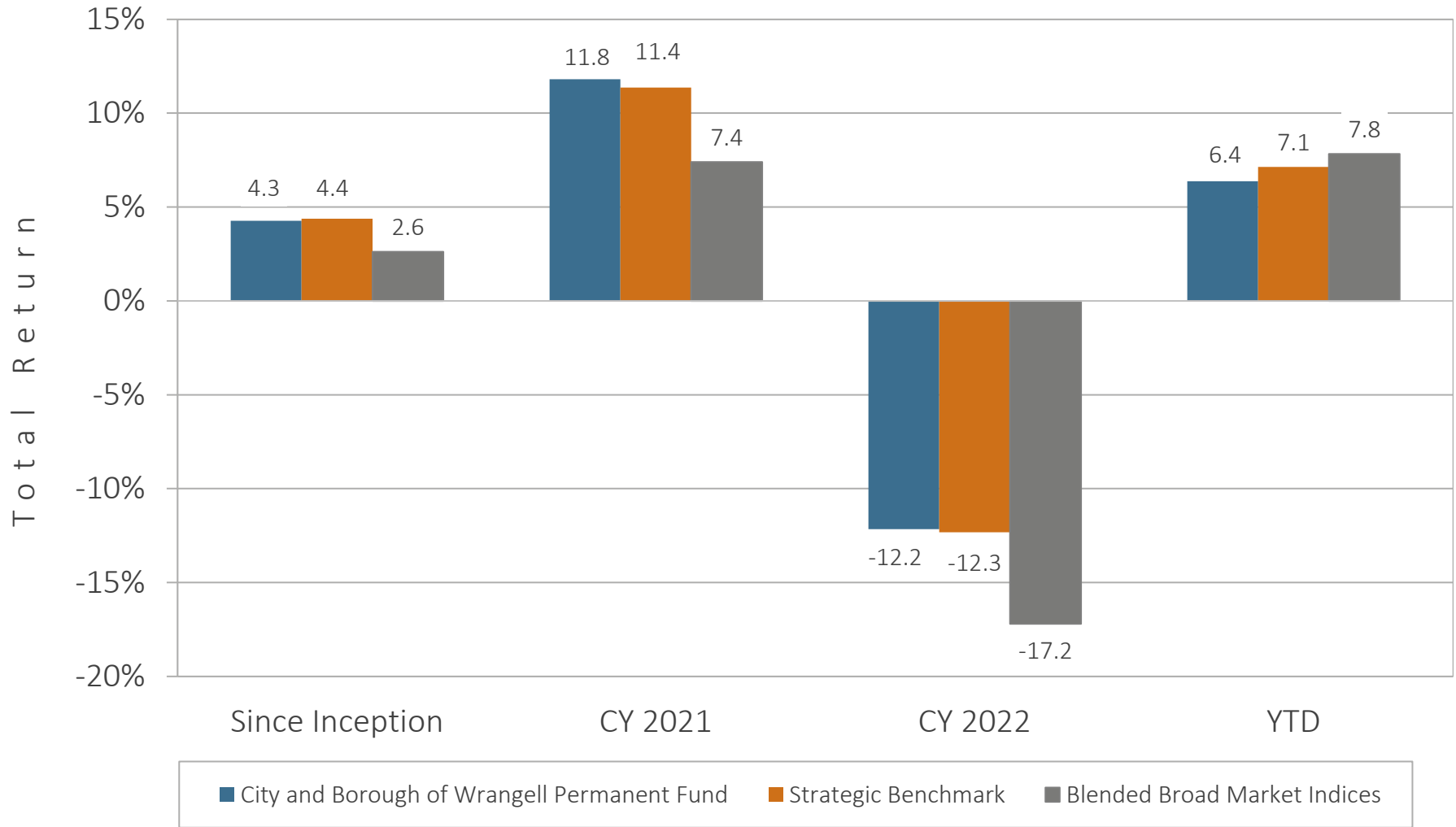


Asset Class	Strategic Weight	Overweight / Underweight	Range
Risk Control	27%	1.1%	
US Fixed Income	18%	1.0%	8 - 28%
TIPS	2%	1.5%	0 - 10%
International Bonds	5%	0.0%	0 - 10%
Cash	2%	-1.4%	0 - 10%
Risk Assets	52%	-0.1%	
High Yield	5%	0.0%	0 - 10%
US Large Cap	22%	0.0%	12 - 32%
US Mid Cap	10%	0.0%	5 - 15%
US Small Cap	5%	0.0%	0 - 10%
International Equity	6%	0.0%	0 - 12%
Emerging Markets	4%	0.0%	0 - 8%
Alternatives	21%	-1.0%	
Real Estate	3%	0.0%	0 - 6%
Infrastructure	5%	0.0%	0 - 10%
Commodities	3%	0.0%	0 - 6%
Alternative Beta	10%	-1.0%	0 - 15%

Account Performance as of June 30, 2023

City and Borough of Wrangell Permanent Fund

Item b.



Expected risk and return data from Windham Portfolio Advisor. Performance is gross of management fees, net of internal fund fees, and annualized periods greater than one year. Inception performance begins on January 31, 2020. Blended Broad Market Indices represented by a blend of MSCI and Bloomberg Global Agg at weights of 55% equity / 45% bonds.

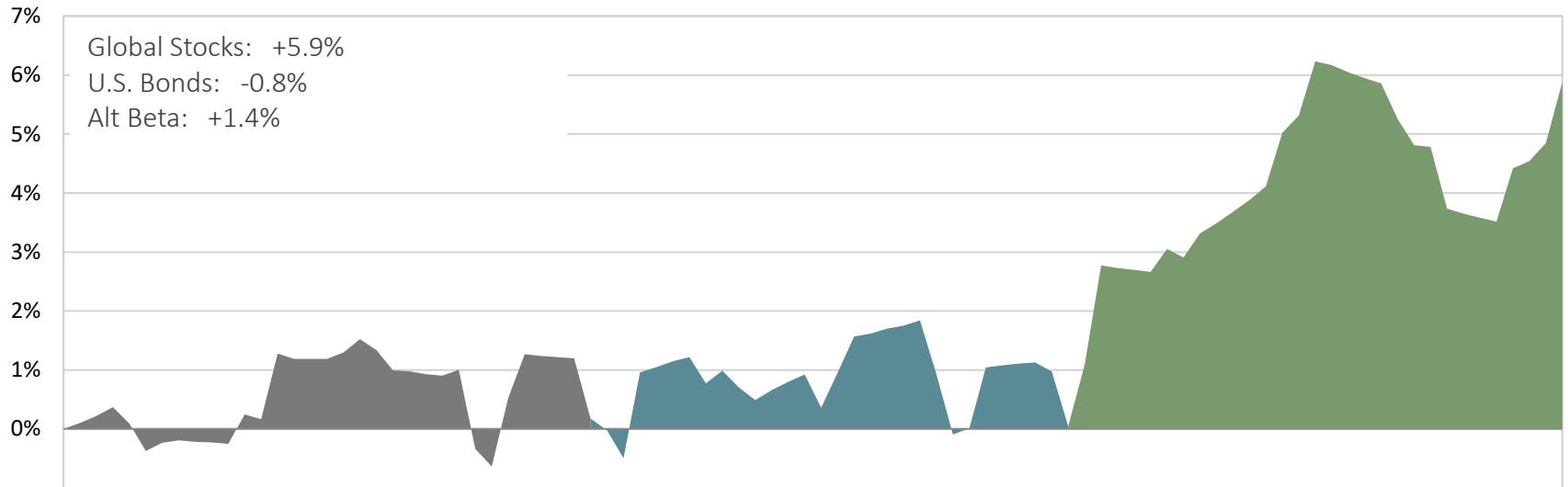
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Positive Returns Amidst Uncertainty

Market Recap Q2 2023

Item b.

MSCI ACWI Total Return



April	May	June
<p>First Republic Bank (FRC) reveals steep deposit outflows and later becomes the third U.S. regional bank to fail since March, but a subsidized sale helps contain broader fallout.</p>	<p>Artificial Intelligence (AI) optimism boosts Technology stocks, including a 20% weekly gain for NVIDIA (NVDA) after its AI projections drive a stunning increase in its revenue guidance.</p>	<p>The S&P 500 Index pushes into a new bull market after it crosses the 20% threshold above its October 2022 low driven primarily by the largest companies in the index.</p>
<p>1Q23 earnings season unofficially begins; aggregate year-over-year (y/y) earnings growth finishes slightly negative but tops expectations of a larger decline.</p>	<p>Regional bank stocks decline ~10% for the first week in May, but the banking system proceeds to find its footing over the next several weeks as deposit outflows slow.</p>	<p>The Fed unanimously votes to hold its policy rate after 5% of cumulative tightening, but the updated Summary of Economic Projections indicates two more hikes to come in 2023.</p>
<p>U.S. Core Personal Consumption Expenditures (PCE) tops estimates at 4.6% y/y – a small improvement from the prior level (4.7%).</p>	<p>The European Central Bank (ECB) delivers a 25-basis point (bp) rate hike and indicates more are on the horizon.</p>	<p>Markets price out U.S. default risks after Congress extends the debt ceiling past the 2024 Presidential Elections.</p>

Where Is The Recession?

Early Expectations Revised as Global Economy Proves Resilient

Item b.

Inflation Easing

U.S. CPI Y/Y growth has declined from 6.5% in December to 4.0% in May.

Eurozone energy prices moderated significantly after a mild winter.

Resilient Consumers

Expectations for 2023

U.S. consumer spending have increased from 0.9% to 1.7%, YTD.

China's reopening led to a rebound in consumer spending, Q1 GDP growth was 4.5%.

Earnings Beat

Q1 2023 aggregate (Y/Y) earnings growth finished slightly negative but exceeded expectations of a steeper decline.

Strong Labor Markets

Hiring remains robust throughout all major economies

Although the global economy is proving to be more resilient than initially expected, most economists expect the accumulated weight of monetary policy tightening to lead to lackluster growth in the second half of the year.

Revisiting the Investment Outlook

Economic Growth Set to Slow in the Second Half of 2023

The probability of **Scenario 2** (*moderate recession and eventual rate cuts*) remains highest as resilient labor markets have pushed expectations for the timing of a recession further out.

- The resilient economy could lead the Fed to tighten further than expected, increasing the chances of a more severe recession.
- On the other hand, downside inflation surprises would allow the Fed to behave more dovish – which would increase the chances of a continued rally in equity markets.

Scenario 1

Scenario 2

Scenario 3

- ❖ The most **difficult descent** would occur if inflation stayed higher for longer, forcing central banks to **increase rates more than anticipated**.

Rates
Increase



Severe
Recession



Central
Banks
Pivot



Bond
Prices
Rise

- ❖ This route could give rise to a **severe recession**, which would be **painful for equity investors** as valuations are pushed even lower.

- ❖ A **less challenging route** would ensue should a **shallow recession** with easing inflationary pressures occur.

Shallow
Recession



Central Banks
**Stay on
Course**



Volatility
Falls

- ❖ This environment would allow **central banks to stay on course**, lessening market volatility and uncertainty.

- ❖ The shallow recession would cause **lower interest rates, strong bond returns and a floor for the stock market**.

- ❖ The **ideal route** would call for central bankers delivering a **soft economic landing**.

Inflation
Moderates
Quickly



Soft
Economic
Landing



Minimal
Earnings



Impact
Equity
Prices
Rise

- ❖ **Avoiding an economic recession** will require inflation moderation via **precise monetary policy** decisions.

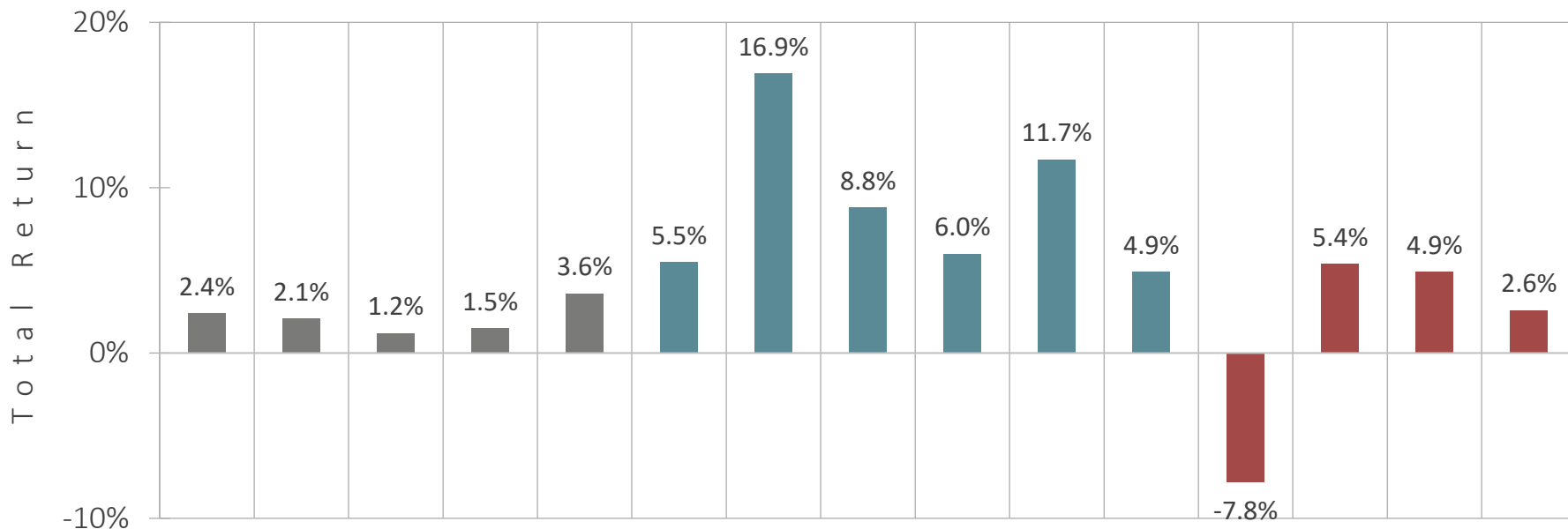
- ❖ In this route, there would be minimal earnings impact, providing **support for equity valuations**. As rates peak and begin rolling over, **bond prices would rise**.

Stocks Rally Further in June

Year-to-date Asset Class Returns as of June 30, 2023

Item b.

- The S&P 500 Index pushed into a new bull market after it crosses the 20% threshold above its October 2022 low driven primarily by the largest companies in the index.
- For a continued rally in bonds and stocks, there would have to be downside inflation surprises, lower real interest rates, and no severe recession.



	RISK CONTROL						RISK ASSETS					ALTERNATIVES			
	FIXED INCOME						EQUITIES					ALTERNATIVES			
	Cash	U.S. Fixed Income	1-5 Gov. Credit	TIPS	Intl. Fixed Income	HY Fixed Income	U.S. Large Cap	U.S. Mid Cap	U.S. Small Cap	Dev. Ex-U.S.	Emerging Markets	Comm.	Real Estate	Infra.	Alt. Beta
YTD	2.4	2.1	1.2	1.5	3.6	5.5	16.9	8.8	6.0	11.7	4.9	-7.8	5.4	4.9	2.6
CY' 2022	1.5	-13.0	-5.5	-2.7	-12.7	-11.9	-18.1	-13.1	-16.1	-14.5	-20.1	16.1	-24.4	-10.1	-5.6
5 Year	1.6	0.8	1.2	2.7	0.4	3.0	12.3	7.8	5.2	4.4	0.9	4.7	4.5	5.2	1.7
10 Year	1.0	1.5	1.1	1.7	2.2	4.0	12.9	10.2	9.8	5.4	2.9	-1.0	6.3	5.9	1.5

25 Bloomberg. Asset class performance is represented by the stated index return. Returns annualized for periods greater than one year.

Standard	Definition
Scope & Investment Objectives	Tailor the scope and investment objectives to the type of investment to which the policy applies (operating funds, bond proceeds, etc.).
Roles, Responsibilities, and Standard of Care	Identify the roles of all persons involved in the investment program by title and responsibility. Standards of care should include language on prudence (prudent person rule), due diligence, ethics and conflicts of interest, delegation and authority, and knowledge and qualifications.
Suitable and Authorized Investments	Include guidelines on selecting investment types, investment advisors, interest rate risk, maturities, and credit quality, along with any collateralization requirements.
Investment Diversification	State the government's approach to investment diversification, identifying the method that will be used to create a mix of assets that will achieve and maintain the government's investment objectives.
Safekeeping, Custody, and Internal Controls	Develop guidelines to enhance the separation of duties and reduce the risk of fraud.
Authorized Financial Institutions, Depositories, and Broker/Dealers	Establish a process for creating a list of financial institutions, depositories, and broker/dealers that will provide the primary services necessary for executing the investment program.
Risk and Performance Standards	Establish one or more appropriate benchmarks against which the portfolio should be measured and compared.
Reporting and Disclosure Standards	Define the frequency of reporting to the governing body and the government's management team.

Important Assumptions

IMPORTANT: The projections or other information generated by Alaska Permanent Capital Management Company (APCM) regarding the likelihood of various outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. There can be no assurance that the projected or simulated results will be achieved or sustained. The charts and data only present a range of possible outcomes. Actual results will vary over time, and such results may be better or worse than the simulated scenarios. Clients should be aware that the potential for loss (or gain) may be greater than that demonstrated in the simulations. Please note that the analysis does not take into consideration all asset classes, and other asset classes not considered may have characteristics similar or superior to those being analyzed.

Important Legal Information

These calculations are designed to be informational and educational only, and when used alone, do not constitute investment advice. APCM encourages investors to review their investment strategy periodically as financial circumstances do change.

Model results are provided as a rough approximation of future financial performance. Actual results could produce different outcomes (either better or worse) than those illustrated by the model, since it is not possible to anticipate every possible combination of financial market returns. APCM is not responsible for the consequences of any decisions or actions taken in reliance upon or as a result of the information provided by the results of the model.

Other Influences on Rates of Return

Investment management fees: Returns are presented gross of management fees and include the reinvestment of all income. Actual returns will be reduced by investment advisory fees and other expenses that may be incurred in the management of the account. The collection of fees produces a compounding effect on the total rate of return net of management fees. As an example, the effect of investment management fees on the total value of a client's portfolio assuming (a) quarterly fee assessment, (b) \$1,000,000 investment, (c) portfolio return of 8% a year, and (d) 1.00% annual investment advisory fee would be \$10,416 in the first year, and cumulative effects of \$59,816 over five years and \$143,430 over ten years. Actual investment advisory fees incurred by clients may vary.

Taxes: Unless noted otherwise, model results have not been adjusted for any state or federal taxes or penalties.

Inflation: Unless noted otherwise, model results do not adjust any inputs or outcomes for inflation. Inflation is assumed to be constant over the investment horizon.

Limitations Inherent in Model Results

Limitations include but are not restricted to the following:

Model results do not represent actual trading and may not reflect the impact that material economic and market factors might have had on APCM's decision making if the actual client money were being managed.

Extreme market movements may occur more frequently than represented in the model.

Some asset classes have relatively limited histories. While future results for all asset classes in the model may materially differ from those assumed in APCM's calculations, the future results for asset classes with limited histories may diverge to a greater extent than the future results of asset classes with longer track records.

Market crises can cause asset classes to perform similarly over time; reducing the accuracy of the projected portfolio volatility and returns. The model is based on the long-term behavior of the asset classes and therefore is less reliable for short-term periods. This means that the model does not reflect the average periods of "bull" and "bear" markets, which can be longer than those modeled.

The model represent APCM's best view of the next 7-10 years, but is unlikely to reflect actual investment returns worldwide over this period.



Portfolio Appraisal

CITY AND BOROUGH OF WRANGELL #6869
June 30, 2023

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
AGENCIES (FACTOR)									
17,778	FEDERAL HOME LOAN BANK 0.320% Due 08-25-23 Accrued Interest	98.48	17,508	99.20	17,636	0.35	57	20	5.48
					20	0.00			
			17,508		17,656	0.35		20	
AGENCIES									
30,000	FEDERAL FARM CREDIT BANK 1.540% Due 11-30-26	90.51	27,154	90.05	27,015	0.54	462	40	4.73
100,000	FEDERAL FARM CREDIT BANK 1.460% Due 11-30-26	90.20	90,198	89.81	89,808	1.80	1,460	126	4.72
100,000	FEDERAL HOME LOAN BANK 1.500% Due 12-10-26	90.34	90,337	89.93	89,926	1.80	1,500	87	4.72
60,000	FEDERAL HOME LOAN BANK 1.600% Due 12-17-26	90.61	54,367	90.15	54,089	1.08	960	37	4.72
25,000	FEDERAL HOME LOAN BANK 1.050% Due 12-23-26	88.68	22,169	88.43	22,108	0.44	262	6	4.69
48,000	FREDDIE MAC 0.750% Due 12-30-26	87.55	42,022	87.50	42,001	0.84	360	61	4.66
25,000	FEDERAL FARM CREDIT BANK 0.680% Due 01-13-27	86.90	21,724	87.00	21,749	0.43	170	79	4.72
75,000	FEDERAL HOME LOAN BANK 1.820% Due 03-02-27	90.71	68,032	90.29	67,720	1.35	1,365	451	4.73
50,000	FEDERAL HOME LOAN BANK 1.250% Due 06-15-27	44.02	22,012	87.90	43,952	0.88	625	28	4.63
20,000	FEDERAL HOME LOAN BANK 0.825% Due 08-17-27	85.99	17,199	86.01	17,202	0.34	165	61	4.58
15,000	FEDERAL HOME LOAN BANK 0.840% Due 11-03-27	85.59	12,839	85.60	12,840	0.26	126	20	4.53
15,000	FEDERAL HOME LOAN BANK 0.900% Due 12-01-27	85.68	12,852	85.64	12,847	0.26	135	11	4.52
15,000	FEDERAL HOME LOAN BANK 0.875% Due 12-29-27	85.40	12,810	85.36	12,804	0.26	131	1	4.51
40,000	FEDERAL HOME LOAN BANK 0.800% Due 12-30-27	85.01	34,002	84.99	33,994	0.68	320	1	4.53
100,000	FEDERAL FARM CREDIT BANK 1.230% Due 04-26-28 Accrued Interest	88.32	88,320	85.88	85,884	1.72	1,230	222	4.52
					1,232	0.02			
			616,038		635,173	12.70		1,232	



Portfolio Appraisal

CITY AND BOROUGH OF WRANGELL #6869

June 30, 2023

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
CORPORATE BONDS									
50,000	WRKCO INC 3.000% Due 09-15-24	97.07	48,534	96.16	48,082	0.96	1,500	442	6.34
50,000	BANK OF MONTREAL 4.250% Due 09-20-24	99.08	49,541	97.96	48,982	0.98	2,125	65	6.03
50,000	GOLDMAN SACHS GROUP INC 3.500% Due 01-23-25	97.34	48,671	96.54	48,268	0.96	1,750	768	5.85
50,000	HCP INC 3.400% Due 02-01-25	97.21	48,604	96.07	48,035	0.96	1,700	708	6.03
50,000	BORGWARNER INC. 3.375% Due 03-15-25	96.91	48,456	95.95	47,973	0.96	1,687	497	5.90
50,000	DOMINION ENERGY INC 3.300% Due 03-15-25	96.74	48,372	95.51	47,755	0.95	1,650	486	6.10
50,000	MAGELLAN MIDSTREAM PARTN 3.200% Due 03-15-25	96.31	48,156	95.06	47,531	0.95	1,600	471	6.29
50,000	NUTRIEN LTD 3.000% Due 04-01-25	96.13	48,064	95.11	47,555	0.95	1,500	375	5.98
50,000	SOUTHWEST AIRLINES CO 5.250% Due 05-04-25	100.81	50,407	98.85	49,424	0.99	2,625	416	5.91
50,000	SIMON PROPERTY GROUP LP 3.300% Due 01-15-26	96.24	48,121	95.13	47,567	0.95	1,650	761	5.37
50,000	BANK OF AMERICA STEP 0.750% Due 01-26-26	89.19	44,597	87.66	43,828	0.88	375	68	6.01
50,000	CAPITAL ONE FINANCIAL CO 3.750% Due 07-28-26	95.99	47,995	93.14	46,568	0.93	1,875	797	6.23
50,000	CITIGROUP INC MED 1.300% Due 09-29-26	88.30	44,150	85.98	42,990	0.86	650	166	6.13
50,000	AVALONBAY COMMUNITIES 2.900% Due 10-15-26	93.87	46,933	92.16	46,082	0.92	1,450	306	5.54
50,000	SPECTRA ENERGY PARTNERS 3.375% Due 10-15-26	95.14	47,569	93.81	46,903	0.94	1,687	356	5.45
50,000	DISCOVER FINL SER 4.100% Due 02-09-27	96.63	48,313	92.21	46,103	0.92	2,050	809	6.56
50,000	JPMORGAN CHASE & CO 2.150% Due 02-12-27	89.56	44,779	86.89	43,444	0.87	1,075	406	6.26
50,000	RYDER SYSTEM INC 2.850% Due 03-01-27	92.48	46,242	91.36	45,680	0.91	1,425	475	5.48
40,000	KEYSIGHT TECHNOLOGIES 4.600% Due 04-06-27	100.10	40,041	98.35	39,341	0.79	1,840	434	5.08
50,000	CENOVUS ENERGY INC 4.250% Due 04-15-27	98.10	49,048	95.54	47,768	0.95	2,125	449	5.57



Portfolio Appraisal

CITY AND BOROUGH OF WRANGELL #6869

June 30, 2023

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
50,000	CANADIAN NATL RESOURCES 3.850% Due 06-01-27	96.79	48,397	94.45	47,223	0.94	1,925	160	5.44
50,000	ALLEGION US HOLDING CO 3.550% Due 10-01-27	93.80	46,902	92.48	46,240	0.92	1,775	444	5.56
50,000	ORACLE CORP 3.250% Due 11-15-27	92.48	46,239	92.81	46,407	0.93	1,625	208	5.10
50,000	PHILIP MORRIS INTL INC 5.125% Due 11-17-27	100.37	50,187	100.30	50,149	1.00	2,562	313	5.05
50,000	TORONTO-DOMINION BANK 5.250% Due 01-31-28	100.05	50,025	97.47	48,737	0.97	2,625	445	5.93
50,000	ESSEX PORTFOLIO LP 1.700% Due 03-01-28	85.72	42,862	84.27	42,136	0.84	850	283	5.57
50,000	KIMCO REALTY OP LLC 1.900% Due 03-01-28	86.51	43,255	84.16	42,080	0.84	950	317	5.82
50,000	BELLSOUTH TELECOMMUNICAT 6.375% Due 06-01-28	105.29	52,645	103.44	51,721	1.03	3,187	266	5.56
50,000	NATIONAL RETAIL PROP INC 4.300% Due 10-15-28 Accrued Interest	96.53	48,263	93.01	46,506	0.93	2,150	454	5.85
					12,143	0.24			
			1,375,375		1,363,223	27.25		12,143	
CERTIFICATE OF DEPOSIT									
28,000	BMO HARRIS BANK N 0.5%25 0.500% Due 02-27-25	93.02	26,046	92.43	25,881	0.52		13	5.33
59,000	TAB BANK INC 5.000% Due 03-17-25	100.03	59,015	99.89	58,935	1.18		113	5.12
50,000	ALLY BANK 5.250% Due 03-24-25	100.03	50,015	99.68	49,842	1.00		719	5.42
45,000	AMERICAN EXPR NATL BK 5.250% Due 03-24-25	100.03	45,015	99.68	44,858	0.90		654	5.42
50,000	MORGAN STANLEY BANK NA 5.250% Due 03-24-25	100.03	50,015	99.68	49,840	1.00		719	5.43
19,000	TAB BANK INC 5.000% Due 03-16-26	100.08	19,015	100.44	19,083	0.38		39	4.88
50,000	AMERICAN EXPR NATL BK 5.000% Due 03-23-26	100.03	50,015	98.97	49,486	0.99		692	5.40
50,000	DISCOVER BANK 5.100% Due 03-23-26	100.03	50,015	99.22	49,612	0.99		706	5.40
100,000	MORGAN STANLEY BANK NA 4.500% Due 04-27-27	100.01	100,015	99.25	99,250	1.98		801	4.71



Portfolio Appraisal

CITY AND BOROUGH OF WRANGELL #6869
June 30, 2023

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
100,000	CAPITAL ONE NA 4.550% Due 06-07-27	100.01	100,015	99.46	99,464	1.99		299	4.70
100,000	MORGAN STANLEY PVT BANK 4.400% Due 04-27-28 Accrued Interest	100.01	100,015	96.29	96,289	1.92		784	5.28
					5,539	0.11			
			649,196		648,082	12.96		5,539	
MUNICIPAL BONDS									
20,000	MARYLAND ST 4.150% Due 08-01-23	108.71	21,741	99.90	19,980	0.40	830	346	5.22
30,000	TEXAS ST 2.993% Due 10-01-23 Accrued Interest	106.58	31,975	99.39	29,816	0.60	898	224	5.42
					570	0.01			
			53,716		50,366	1.01		570	
U.S. TREASURY									
200,000	US TREASURY NOTES 0.375% Due 07-15-24	99.82	199,633	94.97	189,946	3.80	750	346	5.40
310,000	US TREASURY NOTES 0.375% Due 09-15-24	98.64	305,786	94.25	292,187	5.84	1,162	341	5.34
210,000	US TREASURY NOTES - FRN 5.491% Due 10-31-24	100.04	210,078	100.09	210,183	4.20	11,532	1,986	5.43
190,000	US TREASURY NOTE 1.125% Due 01-15-25	97.50	185,258	94.04	178,674	3.57	2,137	986	5.20
240,000	US TREASURY NOTE 2.625% Due 04-15-25	98.99	237,586	95.92	230,213	4.60	6,300	1,325	5.03
300,000	US TREASURY NOTES 3.000% Due 07-15-25	100.30	300,909	96.38	289,137	5.78	9,000	4,152	4.88
45,000	US TREASURY NOTES 4.250% Due 10-15-25	100.32	45,143	98.88	44,497	0.89	1,912	402	4.77
200,000	US TREASURY NOTES 3.750% Due 04-15-26	99.41	198,827	97.87	195,750	3.91	7,500	1,578	4.57
205,000	US TREASURY NOTES 1.875% Due 02-28-27	92.44	189,509	91.69	187,959	3.76	3,844	1,285	4.35
160,000	US TREASURY NOTES 0.500% Due 04-30-27	88.14	141,017	86.64	138,625	2.77	800	135	4.32
150,000	US TREASURY NOTES 0.375% Due 07-31-27	86.28	129,427	85.55	128,320	2.57	562	235	4.27
200,000	US TREASURY NOTES 0.500% Due 10-31-27	86.14	172,281	85.34	170,687	3.41	1,000	168	4.24



Portfolio Appraisal

CITY AND BOROUGH OF WRANGELL #6869
June 30, 2023

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
	Accrued Interest				12,940	0.26			
			2,315,454		2,269,119	45.36		12,940	
CASH AND CASH EQUIVALENTS									
	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT		18,540		18,540	0.37			
TOTAL PORTFOLIO			5,045,828		5,002,159	100	137,700	32,445	



PERFORMANCE HISTORY GROSS OF FEES

CITY AND BOROUGH OF WRANGELL #6869

Time Period	Percent Return Per Period				
	Total Account	BLEND	Fixed Income	BLOOMBERG 1-5 GOV CREDIT	FTSE 3-MO TBILL INDEX
06-30-22 to 07-31-22	0.21	0.26	0.22	0.97	0.10
07-31-22 to 08-31-22	-0.27	-0.32	-0.28	-1.33	0.15
08-31-22 to 09-30-22	-0.43	-0.49	-0.43	-1.80	0.20
09-30-22 to 10-31-22	0.04	0.07	0.03	-0.23	0.25
10-31-22 to 11-30-22	0.44	0.47	0.45	1.38	0.29
11-30-22 to 12-31-22	0.29	0.26	0.29	0.05	0.34
12-31-22 to 01-31-23	0.90	0.55	0.90	1.23	0.37
01-31-23 to 02-28-23	-1.22	-1.24	-1.22	-1.22	0.35
02-28-23 to 03-31-23	1.80	2.02	1.80	1.83	0.40
03-31-23 to 04-30-23	0.56	0.42	0.56	0.50	0.40
04-30-23 to 05-31-23	-0.46	-0.53	-0.46	-0.50	0.42
05-31-23 to 06-30-23	-0.53	-0.77	-0.53	-0.62	0.43
Date to Date					
06-30-22 to 06-30-23	1.31	0.67	1.31	0.19	3.75



Portfolio Appraisal

CITY AND BOROUGH OF WRANGELL #7990

June 30, 2023

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
ALTERNATIVE BETA									
42,321	BLCKRCK SYST MULTI-STR-INST	10.07	426,006	9.65	408,397	4.00	NA		
12,828	CORE ALTERNATIVE ETF	30.38	389,710	27.93	358,286	3.51	NA		
5,125	IQ HEDGE MULTI-STRAT TRACKER	29.30	150,179	29.83	152,879	1.50	NA		
			965,894		919,562	9.00			
COMMODITIES									
6,180	ISHARES BB ROLL SELECT COMMODITY ETF	49.63	306,694	49.51	305,972	2.99	NA		
DOMESTIC MID CAP EQUITY FUNDS/ETF									
3,903	ISHARES CORE S&P MIDCAP 400 ETF	213.49	833,234	261.48	1,020,556	9.99	NA		
EMERGING MARKET FUNDS/ETF									
8,271	ISHARES ETF CORE MSCI EMERGING MKTS	54.19	448,164	49.29	407,678	3.99	NA		
DOMESTIC FIXED INCOME FUNDS/ETF									
25,474	SCHWAB TRSRY OBL MNY-INV	1.00	25,474	1.00	25,474	0.25			
7,524	VANGUARD SHORT-TERM TIPS ETF	48.36	363,832	47.42	356,788	3.49	0		
26,661	VANGUARD TOTAL BOND MARKET ETF	82.43	2,197,635	72.69	1,937,988	18.97	NA		
			2,586,941		2,320,250	22.71			
INTERNATIONAL FIXED INCOME FUNDS/ETF									
10,426	VANGUARD TOTAL INTL BOND ETF	55.20	575,556	48.88	509,623	4.99	NA		
HIGH YIELD FIXED INCOME									
97,951	VANGUARD HI YLD CORP-ADM	5.30	519,163	5.22	511,305	5.00	0		
INTERNATIONAL EQUITY FUNDS/ETF									
9,068	ISHARES ETF CORE MSCI EAFE	65.16	590,856	67.50	612,090	5.99	NA		
DOMESTIC LARGE CAP EQUITY FUNDS/ETF									
5,065	SPDR S&P 500 ETF	333.94	1,691,408	443.28	2,245,213	21.98	NA		
REAL ESTATE & INFRASTRUCTURE									
9,764	FLEXSHAR STX GLOBAL BROAD INF ETF	53.13	518,745	52.36	511,292	5.00	NA		
2,437	JPMORGAN BETABUILDERS MSCI US REIT ETF	88.43	215,501	84.43	205,756	2.01	NA		
2,628	PACER INDUSTRIAL REAL ESTATE ETF	40.91	107,524	39.13	102,842	1.01	NA		
			841,770		819,890	8.02			



Portfolio Appraisal

CITY AND BOROUGH OF WRANGELL #7990

June 30, 2023

Quantity	Security	Average Cost	Total Average Cost	Price	Market Value	Pct. Assets	Annual Income	Accrued Interest	Yield to Maturity
DOMESTIC SMALL CAP EQUITY FUNDS/ETF									
4,081	ISHARES S&P SMALLCAP 600 INDEX ETF	91.53	373,544	99.65	406,672	3.98	NA		
2,505	PACER US SMALL CAP CASH COWS	35.44	88,777	40.70	101,953	1.00	NA		
			462,321		508,625	4.98			
CASH AND CASH EQUIVILENTS									
	CASH PAYABLE		-238,731		-238,731	-2.34	NA		
	CASH RECEIVABLE		222,268		222,268	2.18	NA		
	CHARLES SCHWAB LIQUID BANK DEPOSIT ACCOUNT		41,520		41,520	0.41			
	DIVIDEND ACCRUAL		10,933		10,933	0.11			
			35,991		35,991	0.35			
TOTAL PORTFOLIO			9,857,992		10,216,755	100	0	0	



PERFORMANCE HISTORY

GROSS OF FEES

CITY AND BOROUGH OF WRANGELL

Time Period	Percent Return Per Period																	
	Total Account	BLEND	Fixed Income	BLOOMBERG AGG BENCH	Domestic Large Cap Equity	S&P 500 LARGE CAPS BENCH	Domestic Mid Cap Equity	S&P 400 MIDCAP BENCH	Domestic Small Cap Equity	S & P 600 SMALL CAPS BENCH	Int'l Equity	MSCI EAFE Index	Emerging Market Equity	MSCI EMERGING MARKET BENCH	Real Estate	S&P US REIT BENCH	Diversified Alternatives	
06-30-22 to 07-31-22	4.81	4.81	2.05	2.44	8.10	9.22	11.16	10.85	10.18	10.01	4.22	4.98	-0.29	-0.25	6.76	8.97	0.36	
07-31-22 to 08-31-22	-3.13	-2.97	-2.95	-2.83	-3.00	-4.08	-3.17	-3.10	-4.32	-4.39	-6.08	-4.75	-1.22	0.42	-4.64	-5.94	-0.48	
08-31-22 to 09-30-22	-7.01	-7.08	-3.85	-4.32	-7.41	-9.21	-9.21	-9.19	-9.83	-9.88	-9.32	-9.35	-11.31	-11.72	-11.48	-12.16	-7.28	
09-30-22 to 10-31-22	4.48	4.23	-0.14	-1.30	6.55	8.10	10.61	10.52	12.31	12.37	5.23	5.38	-1.47	-3.10	5.44	4.92	4.70	
10-31-22 to 11-30-22	5.08	5.03	3.11	3.68	4.45	5.59	5.97	6.12	4.00	4.17	12.59	11.26	14.66	14.83	7.57	5.76	4.92	
11-30-22 to 12-31-22	-3.15	-2.93	-1.02	-0.45	-4.14	-5.76	-5.47	-5.54	-6.68	-6.71	-1.49	0.08	-2.49	-1.41	-4.08	-5.14	-3.12	
12-31-22 to 01-31-23	5.15	5.21	2.81	3.08	4.12	6.28	9.28	9.23	9.94	9.49	8.79	8.10	8.90	7.90	7.27	10.61	1.51	
01-31-23 to 02-28-23	-2.59	-2.36	-2.02	-2.59	-2.16	-2.44	-1.88	-1.81	-1.16	-1.23	-3.05	-2.09	-6.91	-6.48	-4.76	-4.77	-5.37	
02-28-23 to 03-31-23	1.28	1.26	2.30	2.54	2.34	3.67	-3.18	-3.21	-4.76	-5.16	2.80	2.48	3.04	3.03	0.98	-2.48	-0.28	
03-31-23 to 04-30-23	0.55	0.63	0.47	0.61	1.03	1.56	-0.78	-0.78	-2.78	-2.78	2.87	2.82	-0.43	-1.13	1.76	0.78	-0.78	
04-30-23 to 05-31-23	-1.61	-1.47	-0.76	-1.09	-0.46	0.43	-3.22	-3.19	-1.56	-1.75	-3.98	-4.23	-2.06	-1.68	-4.33	-3.06	-5.91	
05-31-23 to 06-30-23	3.64	3.87	0.06	-0.36	4.96	6.61	9.17	9.16	8.91	8.23	4.22	4.55	4.62	3.80	4.06	5.07	2.94	
Date to Date																		
06-30-22 to 06-30-23	6.79	7.57	-0.22	-0.94	13.96	19.59	17.85	17.61	11.77	9.75	15.63	18.77	2.57	1.75	2.45	-0.06	-9.27	

**Minutes of Regular Assembly Meeting
Held on July 25, 2023**

Mayor Patricia Gilbert called the Regular Assembly meeting to order at 6:00 p.m., July 25, 2023, in the Borough Assembly Chambers. Assembly Member Powell led the pledge of allegiance.

PRESENT – POWELL, ROBBINS, DALRYMPLE (by phone), GILBERT, DEBORD

ABSENT – MORRISON, HOWE

Borough Manager Jeff Good and Clerk Lane were also present.

PERSONS TO BE HEARD – None.

AMENDMENTS TO THE AGENDA – None.

CONFLICT OF INTEREST

Gilbert declared a conflict of interest to the Executive Session since she is affiliated with the entity that would be discussed. Vice-Mayor Powell stated that since she did not have any financial gain, he did not see that she had a conflict. There were no objections from the Assembly.

CONSENT AGENDA

6a **RESOLUTION No. 07-23-1800** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, REPEALING AND REPLACING THE JOB DESCRIPTION TO CREATE THE LIBRARY TECHNICIAN FOR THE LIBRARY, AND AMENDING THE NON-UNION WAGE AND GRADE TABLE

6b Minutes from the June 27, 2023 Regular Assembly Meeting

6c Minutes from the July 6, 2023 Special Assembly Meeting

6d POA-2023-00300 - Dept. Army Permit Application from BW Enterprises to Dredge up to 25,000 Cubic Yards of sand/gravel

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

BOROUGH MANAGER'S REPORT

Manager Good's report was given.

Finance Director Villarma gave his report.

BOROUGH CLERK'S REPORT

Clerk Lane's report was provided.

MAYOR AND ASSEMBLY BUSINESS – None.

MAYOR AND ASSEMBLY APPOINTMENTS

Economic Development Board Vacancy Appointment

With the consent of the Assembly, Gilbert appointed Jillian Privett to fill the vacancy on the Economic Development Board.

PUBLIC HEARING

11a ORDINANCE No. 1044 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING CHAPTER 3.05.020 – ORDER OF BUSINESS IN THE WRANGELL MUNICIPAL CODE

Mayor Gilbert declared the Public Hearing open for this item and asked for an Administrative Report.

Clerk Lane stated that this Ordinance would change the order of the Agenda to have the roll call be before presentations.

Gilbert asked if there were any persons to wished to speak on this item. Hearing none, Gilbert closed the Public Hearing.

M/S: Powell/Robbins to approve Ordinance No. 1044. Motion approved by polled vote.

UNFINISHED BUSINESS – None.

NEW BUSINESS

13a RESOLUTION No. 07-23-1796 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FY2024 BUDGET BY TRANSFERRING \$53,605 FROM THE GENERAL FUND RESERVE TO THE GENERAL FUND CAPITAL BUDGET FOR THE PUBLIC SAFETY BUILDING REHABILITATION PROJECT

M/S: Robbins/Powell to Approve Resolution No. 07-23-1796.

Powell stated that he has major problems with this item; every time we do something like this, we have to come up with more funding for surveys; example is what we are seeing with the Pool Siding project; we haven't said what we want to do with the project, and we are spending more money.

Good stated that this would be to do the siding and put a new roof on it; this is only to secure the grant funding; cannot afford any other options; if we do not do this, we cannot even ask for grant funding.

After extensive discussion...

Motion approved by polled vote.

13b Approval of a Professional Services Agreement with NorthWind Architects in the Amount of \$48,732.35 for the Public Safety Building Rehabilitation Project

M/S: Powell/Robbins to Approve a Professional Services Agreement with NorthWind Architects in the Amount of \$48,732.35 for the Public Safety Building Rehabilitation Project. Motion approved by polled vote.

13c RESOLUTION No. 07-23-1797 OF THE ASSEMBLY OF THE CITY & BOROUGH OF WRANGELL, ALASKA AMENDING THE FY 2024 BUDGET IN THE POLICE PROFESSIONAL SERVICES CONTRACTURAL ACCOUNT IN THE GENERAL FUND BY INCREASING AUTHORIZED EXPENDITURES FOR THE OFFICE OF CHILDREN SERVICES POSITION FROM \$0 TO \$25,000

M/S: Powell/Robbins to Approve Resolution No. 07-23-1797.

Powell stated that he would not be supporting this.

Motion failed with Dalrymple voting yes; Powell, DeBord, Robbins and Gilbert voting no.

13d RESOLUTION No. 07-23-1798 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA AMENDING THE FY 2024 BUDGET BY TRANSFERRING \$110,000 FROM GENERAL FUND RESERVES TO THE PARKS & RECREATION CIP FUND FOR THE SWIMMING POOL SIDING REPLACEMENT PROJECT AND AUTHORIZING ITS EXPENDITURES

M/S: Powell/Robbins to Approve Resolution No. 07-23-1798.

Powell asked that the Manager look into the possibility of canceling the new siding and going instead with metal siding.

In response to Gilbert on if the other three sides have been removed, Good stated that no, they have only removed the one siding so far.

Motion approved by polled vote.

13e Approval of Change Order No 1 to Johnson Construction & Supply, Inc. in the amount of \$91,125.95 for the Swimming Pool Siding Replacement Project

M/S: Powell/Robbins to approve Change Order No 1 to Johnson Construction & Supply, Inc. in the amount of \$91,125.95 for the Swimming Pool Siding Replacement project. Motion approved by polled vote.

13f RESOLUTION No. 07-23-1799 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, WRITING OFF SPECIFIC PROPERTY TAXES FOR TAX YEARS 2018-2023 FOR MULTIPLE PROPERTY OWNERS, DUE TO MANIFEST CLERICAL ERRORS

M/S: Robbins/Powell to Approve Resolution No. 07-23-1799. Motion approved by polled vote.

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

EXECUTIVE SESSION

15a Executive Session: Discussion on the strategies, in the best interest of the City and Borough of Wrangell, regarding the possible purchase of a portion of 02-021-500 plat 2019-7 lot A

M/S: Powell/ pursuant to AS 44.62.310 (c)(1), that we recess into executive session to discuss matters in which the immediate knowledge would clearly have an adverse effect upon the finances of the borough, specifically regarding the possible purchase of a portion of 02-021-500 plat 2019-7 lot A and invite the Finance Director into the session. Motion approved by polled vote.

Recessed into Executive Session at 8:20 p.m.

Reconvened back into Regular Session at 8:41 p.m.

Regular Assembly Meeting adjourned at 8:42 p.m.

Patricia Gilbert, Borough Mayor

ATTEST: _____
Kim Lane, MMC, Borough Clerk

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

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	08/22/2023
	<u>Agenda Section</u>	6

Approval to issue the FY 2022 Audit for the City and Borough of Wrangell

SUBMITTED BY:

Mason Villarma, *Finance Director*

FISCAL NOTE:

Expenditure Required: \$XXX Total		
FY 21: \$0	FY 22: \$0	FY23: \$0
Amount Budgeted:		
	FY22 \$0	
Account Number(s):		
	N/A	
Account Name(s):		
	N/A	
Unencumbered Balance(s) (prior to expenditure):		
	N/A	

Reviews/Approvals/Recommendations

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

ATTACHMENTS: 1. FY 2022 Audited Financial Statements PDF

This item is being considered under the Consent Agenda. Matters listed under the consent agenda are considered to be routine and will be enacted by one motion and vote. There will be no separate discussion on these items. **If the Mayor, an Assembly Member, the Manager or Clerk requests discussion and/or consideration on an item under the Consent Agenda, that item will be removed from the Consent Agenda and will be considered under Unfinished Business.**

RECOMMENDATION MOTION:
Move to Approve the FY 2022 Audit for the City and Borough of Wrangell.

SUMMARY STATEMENT:

The FY 2022 audit of the City and Borough of Wrangell, AK that was conducted by BDO –Anchorage, our external auditors, was issued in July of 2023. BDO has issued an *unmodified opinion* meaning that they have gained reasonable assurance that our FY 2022 Financial Statements are fairly presented and not materially misstated. They have included a list of findings with respect to our internal controls over financial reporting and compliance (ICOFR or ICOFC). A summary of the findings can be found starting on PDF page 136-139 of the audited financial statements. A corrective action plan can be found at the end of the issued FY 2022 Financial Statements where management has included a plan to address each of these findings in subsequent fiscal years.

The Borough remains on track to reduce findings to zero in FY 2023 and FY 2024.

City and Borough of Wrangell, Alaska

Basic Financial Statements, Required
Supplementary Information,
Supplementary Information and Single
Audit Reports
Year Ended June 30, 2022

City and Borough of Wrangell, Alaska

Basic Financial Statements, Required Supplementary Information,
Supplementary Information
and Single Audit Reports
Year Ended June 30, 2022

City and Borough of Wrangell, Alaska

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City and Borough of Wrangell, Alaska

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City and Borough of Wrangell, Alaska

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City and Borough of Wrangell, Alaska

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3601 C Street, Suite 600
 Anchorage, AK 99503

Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City and Borough of Wrangell, Alaska (the Borough), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Borough, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Wrangell Public Schools (the "District"), a discretely presented component unit, as of June 30, 2022. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the School District, is based solely on the report of the other auditors.

Emphasis of Matter

As discussed in Note 5 to the financial statements, the Borough adopted the provisions of Governmental Accounting Standards Board Statement Number 87, *Leases*. Our opinion is not modified with respect to this matter.

Basis for Opinions

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

BDO USA, P.A., a Delaware professional service corporation, is the U.S. member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO is the brand name for the BDO network and for each of the BDO Member Firms.



Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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



Required Supplementary Information

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough's basic financial statements. The accompanying combining and individual fund financial statements and schedules, and Schedule of Expenditures of Federal Awards, as required by Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended June 30, 2022 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, 2022.



We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the Borough as of and for the year ended June 30, 2021 (not presented herein), and have issued our report thereon dated December 7, 2022, which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. The individual fund financial statements and schedules for the year ended June 30, 2021 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 2021 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2020 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, 2021.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 18, 2023 on our consideration of the Borough's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Borough's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough's internal control over financial reporting and compliance.

BDO USA, P.A.

Anchorage, Alaska
July 18, 2023

Basic Financial Statements

City and Borough of Wrangell, Alaska

Statement of Net Position

	Primary Government			Component Unit
	Govern- mental Activities	Business- type Activities	Total	Wrangell Public Schools
<i>June 30, 2022</i>				
Assets and Deferred Outflows of Resources				
Assets				
Cash and investments	\$ 24,142,514	\$ 10,148,160	\$ 34,290,674	\$ 1,808,634
Receivables, net of allowance for doubtful accounts:				
Property and sales taxes	926,483	-	926,483	-
Accounts	211,767	672,068	883,835	97,285
Grants and shared revenues	392,969	178,642	571,611	241,422
Leases	1,258,267	-	1,258,267	-
Accrued interest	-	44	44	-
Internal balances	405,728	(405,728)	-	-
Prepaid items	391,208	-	391,208	183,195
Inventories	52,414	172,842	225,256	37,294
Restricted cash and investments	-	694,306	694,306	-
Net other postemployment benefits asset	2,593,641	1,124,956	3,718,597	2,604,034
Capital assets:				
Land, land improvements and construction in progress	3,796,356	2,047,690	5,844,046	-
Other capital assets, net of depreciation	28,833,577	42,288,406	71,121,983	71,069
Total Assets	63,004,924	56,921,386	119,926,310	5,042,933
Deferred Outflows of Resources				
Related to pensions	560,772	243,227	803,999	425,023
Related to other postemployment benefits	105,300	45,672	150,972	116,920
Total Deferred Outflows of Resources	666,072	288,899	954,971	541,943
Total Assets and Deferred Outflows of Resources	\$ 63,670,996	\$ 57,210,285	\$ 120,881,281	\$ 5,584,876

City and Borough of Wrangell, Alaska

Statement of Net Position, continued

	Primary Government			Component Unit
	Governmental Activities	Business- type Activities	Total	Wrangell Public Schools
<i>June 30, 2022</i>				
Liabilities, Deferred Inflows of Resources, and Net Position				
Liabilities				
Accounts payable	\$ 37,593	\$ 427,478	\$ 465,071	\$ 31,963
Customer utility deposits	-	112,627	112,627	-
Accrued interest payable	-	6,183	6,183	-
Accrued payroll and related liabilities	-	-	-	75,811
Unearned revenue	516,959	1,266,009	1,782,968	35,625
Noncurrent liabilities:				
Due within one year:				
Accrued leave	268,078	125,476	393,554	-
Loans	-	14,145	14,145	-
Due in more than one year:				
ADEC loans	-	261,393	261,393	-
USDA Rural Development loan	-	82,039	82,039	-
Net pension liability	3,601,027	1,561,897	5,162,924	2,326,933
Total Liabilities	4,423,657	3,857,247	8,280,904	2,470,332
Deferred Inflows of Resources				
Related to leases	1,223,828	-	1,223,828	-
Related to sales tax	21,468	-	21,468	-
Related to pensions	1,436,009	622,850	2,058,859	1,624,303
Related to other postemployment benefits	1,385,429	600,911	1,986,340	1,288,609
Total Deferred Inflows of Resources	4,066,734	1,223,761	5,290,495	2,912,912
Total Liabilities and Deferred Inflows of Resources	8,490,391	5,081,008	13,571,399	5,383,244
Net Position				
Net investment in capital assets	32,629,933	43,978,519	76,608,452	71,069
Restricted	11,712,180	-	11,712,180	-
Unrestricted	10,838,492	8,150,758	18,989,250	130,563
Total Net Position	55,180,605	52,129,277	107,309,882	201,632
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 63,670,996	\$ 57,210,285	\$ 120,881,281	\$ 5,584,876

See accompanying notes to basic financial statements.

City and Borough of Wrangell, Alaska
Statement of Activities

Year Ended June 30, 2022	Program Revenues				Net (Expense) Revenue and Changes in Net Position			Component Unit Wrangell Public Schools
	Expenses	Fees, Fines & Charges for Services	Operating Grants & Contri- butions	Capital Grants & Contri- butions	Primary Government Govern- mental Activities	Business- type Activities	Total	
Functions								
Primary Government								
Governmental activities:								
General government	\$ 1,829,507	\$ 426,017	\$ 174,133	\$ -	\$ (1,229,357)	\$ -	\$ (1,229,357)	
Public safety	2,469,096	220,425	466,822	-	(1,781,849)	-	(1,781,849)	
Public works	1,592,746	490,262	(5,456)	122,906	(985,034)	-	(985,034)	
Parks and recreation	843,266	83,472	13,302	-	(746,492)	-	(746,492)	
Library	264,369	-	139,391	-	(124,978)	-	(124,978)	
Community services	962,502	114,544	91,827	-	(756,131)	-	(756,131)	
Education	1,666,266	-	1,462,878	-	(203,388)	-	(203,388)	
Total governmental activities	9,627,752	1,334,720	2,342,897	122,906	(5,827,229)	-	(5,827,229)	
Business-type activities:								
Electric utility	4,140,774	4,416,742	89,062	-	-	365,030	365,030	
Water utility	1,349,942	728,038	349,088	235,595	-	(37,221)	(37,221)	
Sewer utility	761,963	693,817	30	18,298	-	(49,818)	(49,818)	
Sanitation utility	685,424	619,097	40	-	-	(66,287)	(66,287)	
Port	3,172,215	1,371,912	400,257	46,276	-	(1,353,770)	(1,353,770)	
Total business-type activities	10,110,318	7,829,606	838,477	300,169	-	(1,142,066)	(1,142,066)	
Total Primary Government	\$ 19,738,070	\$ 9,164,326	\$ 3,181,374	\$ 423,075	(5,827,229)	(1,142,066)	(6,969,295)	

City and Borough of Wrangell, Alaska

Governmental Funds
Balance Sheet

	Major Funds						Total Govern- mental Funds
	General	Permanent Fund Special Revenue	Secure Rural Schools Special Revenue	COVID-19 Response Special Revenue	Economic Recovery Capital Projects	Nonmajor Funds	
<i>June 30, 2022</i>							
Assets							
Cash and investments	\$ 6,695,392	\$ 8,709,894	\$ 2,264,120	\$ -	\$ 1,305,135	\$ 5,167,973	\$ 24,142,514
Receivables, net of allowance for doubtful accounts:							
Property and sales taxes	760,612	-	-	-	-	165,871	926,483
Accounts	116,690	-	-	-	25,000	70,077	211,767
Grants	291,566	-	-	101,403	-	-	392,969
Leases	1,098,464	159,803	-	-	-	-	1,258,267
Due from other funds	239,394	-	-	-	-	-	239,394
Interfund loan receivable	405,728	-	-	-	-	-	405,728
Prepaid items	391,208	-	-	-	-	-	391,208
Inventory	-	-	-	-	-	52,414	52,414
Total Assets	\$ 9,999,054	\$ 8,869,697	\$ 2,264,120	\$ 101,403	\$ 1,330,135	\$ 5,456,335	\$ 28,020,744
Liabilities, Deferred Inflows of Resources, and Fund Balances							
Liabilities							
Accounts payable	\$ 6,546	\$ -	\$ 3,140	\$ 204	\$ -	\$ 27,703	\$ 37,593
Unearned revenue	328,879	-	-	-	-	188,080	516,959
Due to other funds	-	-	-	239,394	-	-	239,394
Total Liabilities	335,425	-	3,140	239,598	-	215,783	793,946
Deferred Inflows of Resources							
Delinquent property taxes	126,556	-	-	-	-	-	126,556
Related to land sales	-	-	-	-	-	3,128	3,128
Related to sales tax	-	-	-	-	-	21,468	21,468
Related to leases	1,079,873	143,955	-	-	-	-	1,223,828
Total Deferred Inflows of Resources	1,206,429	143,955	-	-	-	24,596	1,374,980
Total Liabilities and Deferred Inflows of Resources	1,541,854	143,955	3,140	239,598	-	240,379	2,168,926
Fund Balances (Deficit)							
Nonspendable	796,936	-	-	-	-	52,414	849,350
Restricted	-	8,725,742	2,260,980	-	-	725,458	11,712,180
Committed	-	-	-	-	-	4,040,050	4,040,050
Assigned	-	-	-	-	1,330,135	398,034	1,728,169
Unassigned (deficit)	7,660,264	-	-	(138,195)	-	-	7,522,069
Total Fund Balances (Deficit)	8,457,200	8,725,742	2,260,980	(138,195)	1,330,135	5,215,956	25,851,818
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 9,999,054	\$ 8,869,697	\$ 2,264,120	\$ 101,403	\$ 1,330,135	\$ 5,456,335	\$ 28,020,744

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, 2022

Total fund balances for governmental funds		\$25,851,818
Total net position reported for governmental activities in the Statement of Net Position is different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets, net of accumulated depreciation consist of:		
Land and land improvements	\$ 3,650,856	
Construction in progress	145,500	
Infrastructure	23,450,939	
Buildings	48,623,687	
Improvements other than buildings	6,723,298	
Machinery and equipment	5,445,298	
Accumulated depreciation	<u>(55,409,645)</u>	
Total capital assets		32,629,933
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 reported in the funds.		
Net OPEB asset		2,593,641
Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds. These assets consist of delinquent property taxes receivable and deferred land sales.		
		129,684
Long-term liabilities, including accrued leave and net pension liability are not due and payable in the current period and therefore are not reported as fund liabilities. These liabilities consist of:		
Accrued leave	(268,078)	
Net pension liability	<u>(3,601,027)</u>	
Total long-term liabilities		(3,869,105)
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	560,772	
Deferred inflows of resources related to pension	(1,436,009)	
Deferred outflows of resources related to OPEB	105,300	
Deferred inflows of resources related to OPEB	<u>(1,385,429)</u>	
Total deferred pension and OPEB items		<u>(2,155,366)</u>
Total Net Position of Governmental Activities		<u>\$55,180,605</u>

See accompanying notes to basic financial statements.

City and Borough of Wrangell, Alaska

Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balances (Deficit)

Year Ended June 30, 2022	Major Funds						Total Govern- mental Funds
	General	Permanent Fund Special Revenue	Secure Rural Schools Special Revenue	COVID-19 Response Special Revenue	Economic Recovery Capital Projects	Nonmajor Funds	
Revenues							
Property taxes, penalties and interest	\$ 1,803,806	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,803,806
Payments in lieu of taxes	895,046	-	-	-	-	-	895,046
Marijuana taxes	7,749	-	-	-	-	-	7,749
Sales taxes, penalties and interest	2,902,030	-	-	-	-	725,370	3,627,400
Transient taxes	-	-	-	-	-	119,921	119,921
Intergovernmental	1,425,443	-	1,171,312	249,481	-	150,368	2,996,604
Charges for services	161,727	-	-	-	-	150,117	311,844
Sales and leases	108,082	10,980	-	-	-	-	119,062
Investment loss	(7,178)	(905,482)	-	-	-	(158,219)	(1,070,879)
Land sales and improvements	-	-	-	-	-	466,960	466,960
Fines and forfeitures	10,019	-	-	-	-	-	10,019
Other	389,720	-	-	-	-	126,436	516,156
Total Revenues	7,696,444	(894,502)	1,171,312	249,481	-	1,580,953	9,803,688
Expenditures							
Current:							
General government	1,800,426	-	-	29,214	23,310	112,253	1,965,203
Public safety	2,360,642	-	-	137,892	-	-	2,498,534
Public works	1,164,891	-	-	-	-	-	1,164,891
Parks and recreation	-	-	-	-	-	654,576	654,576
Library	272,749	-	-	-	-	-	272,749
Community services	194,721	-	-	-	-	439,914	634,635
Education - contributions to school district	-	-	1,303,068	-	-	-	1,303,068
Capital outlay	-	-	40,449	-	2,464,178	295,555	2,800,182
Total Expenditures	5,793,429	-	1,343,517	167,106	2,487,488	1,502,298	11,293,838
Excess of Revenues Over (Under)							
Expenditures	1,903,015	(894,502)	(172,205)	82,375	(2,487,488)	78,655	(1,490,150)
Other Financing Sources (Uses)							
Transfers in	718,027	-	-	-	2,464,178	1,019,817	4,202,022
Transfers out	(3,474,254)	-	-	-	-	(828,152)	(4,302,406)
Net Other Financing Sources (Uses)	(2,756,227)	-	-	-	2,464,178	191,665	(100,384)
Net Change in Fund Balances (Deficit)	(853,212)	(894,502)	(172,205)	82,375	(23,310)	270,320	(1,590,534)
Fund Balances (Deficit), beginning	9,310,412	9,620,244	2,433,185	(220,570)	1,353,445	4,945,636	27,442,352
Fund Balances (Deficit), ending	\$ 8,457,200	\$ 8,725,742	\$ 2,260,980	\$ (138,195)	\$ 1,330,135	\$ 5,215,956	\$ 25,851,818

See accompanying notes to basic financial statements.

City and Borough of Wrangell, Alaska
Reconciliation of Change in Fund Balances of Governmental Funds
to Statement of Activities
Year Ended June 30, 2022

Net change in fund balances - total governmental funds \$ (1,590,534)

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 capital outlays (\$2,835,515) exceeded depreciation (\$1,758,529). 1,076,986

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

Increase in other long-term receivables 10,803

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

Increase in accrued leave	\$ (9,825)	
Increase in net pension liability and related accounts	(582,539)	
Increase in net OPEB asset and related accounts	969,149	
	376,785	376,785

Change in Net Position of Governmental Activities \$ (125,960)

See accompanying notes to basic financial statements.

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

June 30, 2022	Major Funds				Nonmajor Fund		Total Enterprise Funds
	Electric Utility	Water Utility	Sanitation Utility	Port	Sewer	Utility	
Assets and Deferred Outflows of Resources							
Current Assets							
Cash and investments	\$ 3,551,503	\$ 1,490,905	\$ 873,803	\$ 2,788,832	\$ 1,443,117	\$ 10,148,160	
Receivables, net of allowance for doubtful accounts:							
Accounts	299,748	71,908	63,942	185,600	50,870	672,068	
Grants	-	98,414	-	80,228	-	178,642	
Accrued interest	-	5	-	32	7	44	
Inventories	172,842	-	-	-	-	172,842	
Total Current Assets	4,024,093	1,661,232	937,745	3,054,692	1,493,994	11,171,756	
Noncurrent Assets							
Restricted cash and investments	-	-	-	694,306	-	694,306	
Net other postemployment benefits asset	494,564	90,372	108,334	282,018	149,668	1,124,956	
Capital assets, net	1,701,730	4,440,258	625,752	35,335,881	2,232,475	44,336,096	
Total Noncurrent Assets	2,196,294	4,530,630	734,086	36,312,205	2,382,143	46,155,358	
Total Assets	6,220,387	6,191,862	1,671,831	39,366,897	3,876,137	57,327,114	
Deferred Outflows of Resources							
Related to pensions	106,930	19,539	23,423	60,975	32,360	243,227	
Related to other postemployment benefits	20,079	3,669	4,398	11,450	6,076	45,672	
Total Deferred Outflows of Resources	127,009	23,208	27,821	72,425	38,436	288,899	
Total Assets and Deferred Outflows of Resources	\$ 6,347,396	\$ 6,215,070	\$ 1,699,652	\$ 39,439,322	\$ 3,914,573	\$ 57,616,013	

City and Borough of Wrangell, Alaska

Enterprise Funds

Statement of Net Position, continued

June 30, 2022	Major Funds				Nonmajor Fund		Total Enterprise Funds
	Electric Utility	Water Utility	Sanitation Utility	Port	Sewer Utility		
Liabilities, Deferred Inflows of Resources, and Net Position							
Current Liabilities							
Accounts payable	\$ 179,994	\$ 65,682	\$ 28,025	\$ 112,207	\$ 41,570	\$	427,478
Accrued leave	34,203	20,195	15,683	35,775	19,620	-	125,476
Customer utility deposits	101,482	11,145	-	-	-	-	112,627
Accrued interest payable	-	4,436	-	-	1,747	-	6,183
Unearned revenue	143,434	35,345	331,122	728,008	28,100	-	1,266,009
Current portion of interfund loans	-	-	-	20,728	-	-	20,728
Current portion of loans	-	12,431	-	-	1,714	-	14,145
Total Current Liabilities	459,113	149,234	374,830	896,718	92,751	-	1,972,646
Long-term Liabilities, net of current portion							
USDA Rural Development loan	-	-	-	-	82,039	-	82,039
ADEC loan	-	261,393	-	-	-	-	261,393
Interfund loan	-	385,000	-	-	-	-	385,000
Net pension liability	686,656	125,473	150,412	391,556	207,800	-	1,561,897
Total Long-term Liabilities	686,656	771,866	150,412	391,556	289,839	-	2,290,329
Total Liabilities	1,145,769	921,100	525,242	1,288,274	382,590	-	4,262,975
Deferred Inflows of Resources							
Related to pensions	273,823	50,036	59,981	156,144	82,866	-	622,850
Related to other postemployment benefits	264,178	48,274	57,868	150,644	79,947	-	600,911
Total Deferred Inflows of Resources	538,001	98,310	117,849	306,788	162,813	-	1,223,761
Net Position							
Net investment in capital assets	1,701,730	4,166,434	625,752	35,335,881	2,148,722	-	43,978,519
Unrestricted	2,961,896	1,029,226	430,809	2,508,379	1,220,448	-	8,150,758
Total Net Position	4,663,626	5,195,660	1,056,561	37,844,260	3,369,170	-	52,129,277
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 6,347,396	\$ 6,215,070	\$ 1,699,652	\$ 39,439,322	\$ 3,914,573	\$	\$ 57,616,013

See accompanying notes to basic financial statements.

City and Borough of Wrangell, Alaska

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

Year Ended June 30, 2022	Major Funds				Nonmajor Fund		Total Enterprise Funds
	Electric Utility	Water Utility	Sanitation Utility	Port	Sewer Utility		
Operating Revenues							
Charges for services	\$ 4,331,757	\$ 728,038	\$ 693,817	\$ 1,371,912	\$ 619,097	\$ 7,744,621	
Operating Expenses							
Salaries and employee benefits	577,990	119,202	180,959	467,975	219,394	1,565,520	
Other operating expenses	3,420,772	788,818	481,770	502,828	222,820	5,417,008	
Depreciation	142,012	435,277	99,234	2,201,412	243,180	3,121,115	
Total Operating Expenses	4,140,774	1,343,297	761,963	3,172,215	685,394	10,103,643	
Income (Loss) from Operations	190,983	(615,259)	(68,146)	(1,800,303)	(66,297)	(2,359,022)	
Nonoperating Revenues (Expenses)							
Investment income	-	136	-	6	447	589	
Interest expense	-	(6,645)	-	-	(30)	(6,675)	
Operating grants	-	349,064	-	115,712	-	464,776	
State PERS relief	89,062	24	30	76	40	89,232	
State fisheries business tax	-	-	-	284,469	-	284,469	
Other revenues	84,985	-	-	-	-	84,985	
Net Nonoperating Revenues (Expenses)	174,047	342,579	30	400,263	457	917,376	
Income (Loss) Before Transfers and Capital Contributions	365,030	(272,680)	(68,116)	(1,400,040)	(65,840)	(1,441,646)	
Transfers in	-	100,384	-	-	-	100,384	
Capital contributions	-	235,595	-	46,276	18,298	300,169	
Change in Net Position	365,030	63,299	(68,116)	(1,353,764)	(47,542)	(1,041,093)	
Net Position, beginning	4,298,596	5,132,361	1,124,677	39,198,024	3,416,712	53,170,370	
Net Position, ending	\$ 4,663,626	\$ 5,195,660	\$ 1,056,561	\$ 37,844,260	\$ 3,369,170	\$ 52,129,277	

See accompanying notes to basic financial statements.

City and Borough of Wrangell, Alaska

Enterprise Funds
Statement of Cash Flows

Year Ended June 30, 2022	Major Funds				Nonmajor Fund			Total Enterprise Funds
	Electric Utility	Water Utility	Sanitation Utility	Port	Sewer Utility			
Cash Flows from (for) Operating Activities								
Receipts from customers and users	\$ 4,624,620	\$ 773,017	\$ 679,695	\$ 1,378,987	\$ 645,233	\$	\$ 8,101,552	
Payments for interfund services used	(145,869)	(91,679)	(149,052)	(87,410)	(51,394)		(525,404)	
Payments to suppliers	(3,403,742)	(790,275)	(348,170)	(403,956)	(172,261)		(5,118,404)	
Payments to employees	(657,722)	(190,358)	(204,082)	(539,624)	(205,657)		(1,797,443)	
Net cash flows from (for) operating activities	417,287	(299,295)	(21,609)	347,997	215,921		660,301	
Cash Flows from Noncapital Financing Activities								
State fish taxes received	-	-	-	284,469	-		284,469	
Operating grants	-	349,064	-	115,712	-		464,776	
Net cash flows from noncapital financing activities	-	349,064	-	400,181	-		749,245	
Cash Flows from (for) Capital and Related Financing Activities								
Purchase of property, plant and equipment	(402,138)	(304,481)	(346,530)	(429,855)	(18,298)		(1,501,302)	
Capital contributions received	-	552,261	331,122	(33,952)	18,298		867,729	
ADEC loan received	-	226,710	-	-	-		226,710	
Interfund loan received	-	385,000	-	-	-		385,000	
Transfers in	-	100,384	-	-	-		100,384	
Principal payments on long-term debt	-	(4,794)	-	(21,941)	(53)		(26,788)	
Interest payments on long-term debt	-	(5,535)	-	-	-		(5,535)	
Net cash flows from (for) capital and related financing activities	(402,138)	949,545	(15,408)	(485,748)	(53)		46,198	
Cash Flows from Investing Activities								
Investment income received	-	136	-	6	447		589	
Net Increase (Decrease) in Cash and Investments	15,149	999,450	(37,017)	262,436	216,315		1,456,333	
Cash and Investments, beginning	3,536,354	491,455	910,820	3,220,702	1,226,802		9,386,133	
Cash and Investments, ending	\$ 3,551,503	\$ 1,490,905	\$ 873,803	\$ 3,483,138	\$ 1,443,117		\$ 10,842,466	
Reconciliation of Cash and Investments to Statement of Net Position								
Cash and investments:	\$ 3,551,503	\$ 1,490,905	873,803	\$ 2,788,832	\$ 1,443,117		\$ 10,148,160	
Restricted cash and investments	-	-	-	694,306	-		694,306	
Total Cash and Investments	\$ 3,551,503	\$ 1,490,905	\$ 873,803	\$ 3,483,138	\$ 1,443,117		\$ 10,842,466	

City and Borough of Wrangell, Alaska

Enterprise Funds

Statement of Cash Flows, continued

Year Ended June 30, 2022	Major Funds				Nonmajor Fund		Total Enterprise Funds
	Electric Utility	Water Utility	Sanitation Utility	Port	Sewer Utility		
Reconciliation of Income (Loss) from Operations to Net Cash Flows from (for) Operating Activities							
Income (Loss) from operations	\$ 190,983	\$ (615,259)	\$ (68,146)	\$ (1,800,303)	\$ (66,297)	\$ (2,359,022)	
Adjustments to reconcile income (loss) from operations to net cash flows from (for) operating activities:							
Depreciation	142,012	435,277	99,234	2,201,412	243,180	3,121,115	
Noncash expense - PERS relief	89,062	24	30	76	40	89,232	
Miscellaneous nonoperating revenues	84,985	-	-	-	-	84,985	
(Increase) decrease in assets:							
Accounts receivable, net	56,269	8,934	(14,122)	(31,833)	(1,964)	17,284	
Inventories	13,624	-	-	-	-	13,624	
Net other postemployment benefits asset	(411,971)	(71,523)	(91,956)	(236,815)	(132,081)	(944,346)	
(Increase) decrease in deferred outflows of resources:							
Related to pensions	30,738	11,879	3,877	14,372	(3,045)	57,821	
Related to other postemployment benefits	40,828	10,231	7,680	21,885	6,894	87,518	
Increase (decrease) in liabilities:							
Accounts payable	(142,463)	(93,136)	(15,452)	11,462	(835)	(240,424)	
Accrued leave	478	(5,119)	(2,099)	7,089	(4,348)	(3,999)	
Unearned revenue	143,434	35,345	-	38,908	28,100	245,787	
Customer utility deposits	8,175	700	-	-	-	8,875	
Net pension liability	(298,303)	(99,310)	(44,908)	(147,518)	(1,936)	(591,975)	
Net other postemployment benefits liability	(1,599)	(365)	(316)	(875)	(340)	(3,495)	
Increase (decrease) in deferred inflows of resources:							
Related to pensions	273,823	50,036	59,981	156,144	82,866	622,850	
Related to other postemployment benefits	197,212	32,991	44,588	113,993	65,687	454,471	
Net Cash Flows from (for) Operating Activities	\$ 417,287	\$ (299,295)	\$ (21,609)	\$ 347,997	\$ 215,921	\$ 660,301	

See accompanying notes to basic financial statements.

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements Year Ended June 30, 2022

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

Wrangell Public Schools

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

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

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

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City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

Related Organization

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

Government-Wide and Fund Financial Statements

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

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

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 *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 Response Special Revenue Fund*, which the Borough chose to present as a major fund due to public scrutiny of COVID-19 funding, is used to account for the Borough's financial resources received and expended related to COVID-19 response. This fund does not have a legally adopted budget.

The *Economic Recovery Capital Projects Fund* is used to account for the Borough's funding and interest earnings associated with a U. S. Department of Agriculture grant for the purpose of economic assistance within the Borough.

Major proprietary funds:

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

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

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

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

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

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

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

Central Treasury

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

Cash and Cash Equivalentts

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

Inventories

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

Prepaid Items

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

Receivables and Payables

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

Grants and Other Intergovernmental Revenues

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

Property Taxes

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

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

Leases - Lessor

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

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

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

Interfund Transactions

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

Capital Assets

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

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

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

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

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

Deferred Outflows of Resources

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

Long-term Liabilities

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

Compensated Absences

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

Deferred Inflows of Resources

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

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

Pensions and Other Postemployment Benefits

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

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

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

Fund Balances

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

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

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

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

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

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

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, 2022, expenditures exceeded appropriations in the General Fund for the following functions: General Government by \$583,198, Public Safety by \$193,205, and Library by \$7,328.

Deficit Fund Balance

At June 30, 2022, the Borough reported a deficit in fund balance of \$138,195 for the COVID-19 Response Special Revenue Fund due to COVID-19 mitigation expenditures being incurred but not yet obligated for reimbursement by the Federal Emergency Management Agency. No other individual funds reported a deficit fund balance at June 30, 2022.

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City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

3. Cash and Investments

The City and Borough of Wrangell utilizes a central treasury that is available for use by all funds. Each fund's portion of the central treasury is displayed on the balance sheet as "cash and investments" or in the case of "negative cash," is included in "due to other funds." The Borough also restricts cash for unearned revenue in the Port Enterprise Fund and for debt service in the Sewer Utility Enterprise Fund.

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, 2022.

	Pooled Cash and Investments	Permanent Fund Special Revenue Fund	Totals
Bank deposits	\$ 6,384,793	\$ 317,745	\$ 6,702,538
Investments	19,890,293	8,392,149	28,282,442
Total Cash and Investments	\$ 26,275,086	\$ 8,709,894	\$ 34,984,980

	Government- wide Statement of Net Position
Cash and investments	\$ 34,290,674
Restricted cash and investments	694,306
Total Cash and Investments	\$ 34,984,980

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

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

2. Product level investment guidelines. The Borough Assembly will take a conservative posture on derivative securities in order to maintain a risk averse nature. Since it is anticipated that new derivative products will be created each year, it is not the intention of the Borough policy to list specific derivatives that are prohibited from investment; rather, it will form a general policy on derivatives. The Borough Assembly recognizes that derivatives may be utilized within products as a portfolio management tool. All derivative exposure must be fully collateralized. Direct leverage or borrowing for the purpose of magnifying returns is prohibited.

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

Interest Rate Risk

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

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, 2022 are as follows:

<i>Investment Type</i>	Fair Value	Investment Maturities (In Years)			
		Less Than 1	1-5	6-10	More than 10
Money market funds	\$ 13,151,795	\$ 13,151,795	\$ -	\$ -	\$ -
Certificates of deposit	698,946	236,619	462,327	-	-
U.S. Treasuries	4,485,347	2,896,986	1,588,361	-	-
Municipal bonds	422,382	123,858	298,524	-	-
Total subject to interest rate risk	18,758,470	\$ 16,409,258	\$ 2,349,212	\$ -	\$ -
U.S. equity funds	370,396				
U.S. fixed income funds	423,306				
International fixed income funds	53,863				
International equity funds	170,409				
Infrastructure funds	35,634				
Real estate funds	21,696				
Alternative funds	20,062				
Commodities funds	36,457				
Total General Investments	\$ 19,890,293				

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, 2022:

<i>Investment Type</i>	Level 1	Level 2	Level 3	Fair Value
Certificates of deposit	\$ -	\$ 698,946	\$ -	\$ 698,946
U.S. Treasuries	4,485,347	-	-	4,485,347
Municipal bonds	-	422,382	-	422,382
U.S. fixed income funds	423,306	-	-	423,306
International fixed income funds	53,863	-	-	53,863
U.S. equity funds	370,396	-	-	370,396
International equity funds	170,409	-	-	170,409
Infrastructure funds	35,634	-	-	35,634
Real estate funds	21,696	-	-	21,696
Alternative funds	20,062	-	-	20,062
Commodities funds	36,457	-	-	36,457
Total Investments at Fair Value	\$ 5,617,170	\$ 1,121,328	\$ -	6,738,498
Investments at amortized cost - Money market funds				13,151,795
Total General Investments				\$ 19,890,293

The Borough has investments in money market funds that are not held at fair value, but instead are recorded at amortized cost, as of June 30, 2022.

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: \$210,833 rated Aaa; \$61,903 rated Aa1; \$78,049 rated Aa2; \$71,597 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, 2022 are as follows:

<i>Investment Type</i>	Investment Maturities (in Years)			
	Fair Value	Less Than 1	1-5	6-10 More Than 10
Money market funds	\$ 566,343	566,343	\$ -	\$ -
Total subject to interest rate risk	566,343	566,343	\$ -	\$ -
U.S. equity funds	2,561,044			
U.S. fixed income funds	2,926,880			
International fixed income funds	372,429			
International equity funds	1,178,262			
Infrastructure funds	246,384			
Real estate funds	150,012			
Alternative funds	138,719			
Commodities funds	252,076			
Total Permanent Fund Investments	\$ 8,392,149			

In addition to the investments disclosed above, the Permanent Fund Special Revenue Fund holds \$317,745 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 \$8,709,894.

Fair Value Measurement

Permanent Fund investments are classified in the fair value hierarchy as follows at June 30, 2022:

<i>Investment Type</i>	Level 1	Level 2	Level 3	Fair Value
U.S. fixed income funds	\$ 2,926,880	\$ -	\$ -	\$ 2,926,880
International fixed income funds	372,429	-	-	372,429
U.S. equity funds	2,561,044	-	-	2,561,044
International equity funds	1,178,262	-	-	1,178,262
Infrastructure funds	246,384	-	-	246,384
Real estate funds	150,012	-	-	150,012
Alternative funds	138,719	-	-	138,719
Commodities funds	252,076	-	-	252,076
Total Investments at Fair Value	\$ 7,825,806	\$ -	\$ -	7,825,806
Investments at amortized cost - Money market funds				566,343
Total Permanent Fund Investments				\$ 8,392,149

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

Credit Risk

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

4. Accounts Receivable and Valuation Allowances

The Borough maintains accounts receivable balances of which a portion is reserved as an allowance for doubtful receivables. At June 30, 2022, receivables for the Borough's individual major funds and nonmajor funds in the aggregate, including applicable allowances for uncollectible accounts, were as follows:

<i>June 30, 2022</i>	Major Governmental Funds				Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Permanent Fund	COVID-19 Response	Economic Recovery		
Property taxes	\$ 124,732	\$ -	\$ -	\$ -	\$ -	124,732
Sales taxes	635,880	-	-	-	165,871	801,751
Accounts	116,760	-	-	25,000	70,077	211,837
Grants	291,566	-	101,403	-	-	392,969
Leases	1,098,464	159,803	-	-	-	1,258,267
Total receivables						
Less allowance for doubtful accounts	(70)	-	-	-	-	(70)
Net Receivables	\$ 2,267,332	\$ 159,803	\$ 101,403	\$ 25,000	\$ 235,948	\$ 2,789,486

<i>June 30, 2022</i>	Major Enterprise Funds				Nonmajor Enterprise Fund Sanitation Utility	Total Enterprise Funds
	Electric Utility	Water Utility	Sewer Utility	Port		
Grants	\$ -	\$ 98,414	\$ -	\$ 80,228	\$ -	178,642
Accounts	313,153	71,908	50,870	219,858	63,942	719,731
Accrued interest	-	5	7	32	-	44
Total receivables	313,153	170,327	50,877	300,118	63,942	898,417
Less allowance for doubtful accounts	(13,405)	-	-	(34,258)	-	(47,663)
Net Receivables	\$ 299,748	\$ 170,327	\$ 50,877	\$ 265,860	\$ 63,942	\$ 850,754

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

5. Leases Receivable

During the current year, the Borough, as lessor, entered into several multiple-year lease agreements to third parties for various nonfinancial assets. The lengths of the lease terms vary, and the Borough used their incremental borrowing rate of 6% when there was no stated interest rate in the lease contracts. The Borough received payments totaling \$147,623 for the fiscal year ended June 30, 2022. The Borough recognized \$126,037 in lease revenue and \$56,024 in interest revenue for the fiscal year ended June 30, 2022. As of June 30, 2022, the Borough's receivable for lease payments was \$1,258,267. The Borough recognized a deferred inflow of resources associated with the leases of \$1,223,828 on June 30, 2022, that will be recognized as revenue over the remainder of the lease terms.

The future expected minimum lease payments to be received are as follows:

Fiscal Year Ending June 30,	Total Governmental Activities
2023	\$ 157,431
2024	167,328
2025	162,553
2026	162,793
2027	132,347
2028-2032	322,984
2033-2037	297,196
2038-2042	259,173
2043-2047	208,808
2048-2052	196,482
2053-2057	64,683
2058-2062	8,760
Totals	\$ 2,140,538

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City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

6. Capital Assets

Capital asset activity for the year ended June 30, 2022 was as follows:

Governmental Activities	Balance July 1, 2021	Additions and Reclass- ifications	Deletions and Reclass- ifications	Balance June 30, 2022
<i>Capital assets not being depreciated:</i>				
Land and land improvements	\$ 1,186,678	\$ 2,464,178	\$ -	\$ 3,650,856
Construction in progress	-	145,500	-	145,500
Total capital assets not being depreciated	1,186,678	2,609,678	-	3,796,356
<i>Capital assets being depreciated:</i>				
Infrastructure	23,450,938	-	-	23,450,938
Buildings	48,578,760	44,927	-	48,623,687
Improvements other than buildings	6,655,793	67,505	-	6,723,298
Machinery and equipment	5,331,892	113,406	-	5,445,298
Total capital assets being depreciated	84,017,383	225,838	-	84,243,221
<i>Less accumulated depreciation for:</i>				
Infrastructure	5,508,821	632,136	-	6,140,957
Buildings	39,454,511	712,348	-	40,166,859
Improvements other than buildings	4,825,150	205,508	-	5,030,658
Machinery and equipment	3,862,632	208,538	-	4,071,170
Total accumulated depreciation	53,651,114	1,758,530	-	55,409,644
Total capital assets being depreciated, net	30,366,269	(1,532,692)	-	28,833,577
Governmental Activities Capital Assets, net	\$ 31,552,947	\$ 1,076,986	\$ -	\$ 32,629,933

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City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

	Balance July 1, 2021	Additions and Reclass- ifications	Deletions and Reclass- ifications	Balance June 30, 2022
Business-type Activities				
<i>Capital assets not being depreciated:</i>				
Land and land improvements	\$ 959,233	\$ -	\$ -	\$ 959,233
Construction in progress	1,207,523	481,935	(601,001)	1,088,457
Total capital assets not being depreciated	2,166,756	481,935	(601,001)	2,047,690
<i>Capital assets being depreciated:</i>				
Buildings	9,372,469	-	-	9,372,469
Improvements other than buildings	89,962,926	1,242,512	-	91,205,438
Machinery and equipment	5,551,567	377,856	-	5,929,423
Total capital assets being depreciated	104,886,962	1,620,368	-	106,507,330
Less accumulated depreciation for:				
Buildings	8,127,421	188,077	-	8,315,498
Improvements other than buildings	48,091,349	2,786,074	-	50,877,423
Machinery and equipment	4,879,039	146,964	-	5,026,003
Total accumulated depreciation	61,097,809	3,121,115	-	64,218,924
Total capital assets being depreciated, net	43,789,153	(1,500,747)	-	42,288,406
Business-type Activity Capital Assets, net	\$ 45,955,909	\$ (1,018,812)	\$ (601,001)	\$ 44,336,096

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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, 2022:

Governmental Activities	
General government	\$ 11,527
Public safety	158,294
Public works	895,170
Parks and recreation	40,338
Community services	313,113
Library	28,510
Education	311,577
Total Depreciation Expense - Governmental Activities	\$ 1,758,529
 Business-type Activities	
Electric utility	\$ 142,012
Water utility	435,277
Sewer utility	243,180
Sanitation utility	99,234
Port	2,201,412
Total Depreciation Expense - Business-type Activities	\$ 3,121,115
 7. Interfund Balances and Transfers	
A schedule of interfund balances and transfers for the year ended June 30, 2022, follows:	
Due from Other Funds	
Due to General Fund from:	
COVID-19 Response Special Revenue Fund	\$ 239,394
 Interfund Loans	
Due to General Fund from:	
Port Enterprise Fund for long-term capital advances	\$ 20,728
Water Enterprise Fund for long-term capital advances	385,000
Total Amount Due to General Fund	\$ 405,728
 Transfers	
From General Fund to:	
Economic Recovery Capital Projects Fund for capital	\$ 2,464,178
Nonmajor governmental funds to cover operating costs	995,668
Nonmajor governmental funds for capital	14,408
Total transfers from the general fund	3,474,254
From nonmajor governmental funds to:	
General Fund to cover operating costs	703,619
Nonmajor governmental funds to cover operating costs	24,149
Water Utility Enterprise Funds for capital	100,384
Total transfers from nonmajor governmental funds	828,152
Total Transfers to Other Funds	\$ 4,302,406

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

8. Long-term Liabilities

The following is a summary of long-term liability transactions of the Borough for the year ended June 30, 2022:

Governmental Activities	Balance July 1, 2021	Additions	Retired	Balance June 30, 2022	Due Within One Year
Accrued leave	\$ 258,253	\$ 123,011	\$ 113,186	\$ 268,078	\$ 268,078
Net pension liability	4,526,380	-	925,353	3,601,027	-
Net OPEB liability	7,346	-	7,346	-	-
Total Governmental Activities	4,791,979	123,011	1,045,885	3,869,105	268,078

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, 2021	Additions	Retired	Balance June 30, 2022	Due Within One Year
Loans Payable from Direct Borrowings:					
\$91,000 Sewer loan due in semi-annual installments of \$1,623 including interest at 1.875% through 2057	\$ 83,806	\$ -	\$ 53	\$ 83,753	\$ 1,714
\$57,251 Water Utility loan due in annual installments of \$2,627 to \$3,334, including interest of 1.5% through 2038	49,703	-	2,589	47,114	2,627
\$542,249 Water Utility loan due in annual installments of \$9,804 to \$13,207, including interest of 1.5% through 2041	-	226,710	-	226,710	9,804
Total direct borrowings	133,509	226,710	2,642	357,577	14,145
Accrued leave	129,475	125,476	129,475	125,476	125,476
Net pension liability	2,153,872	-	591,975	1,561,897	-
Net OPEB liability	3,495	-	3,495	-	-
Total Business-type Activities	\$ 2,420,351	\$ 352,186	\$ 727,587	\$ 2,044,950	\$ 139,621

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

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

Business-type Activities Year Ending June 30,	Loans Payable from Direct Borrowings		
	Principal	Interest	Total
2023	\$ 14,145	\$ 2,239	\$ 16,384
2024	14,364	3,290	17,654
2025	14,587	5,199	19,786
2026	14,812	4,973	19,785
2027	15,042	4,744	19,786
2028-2032	78,770	20,154	98,924
2033-2037	85,059	13,865	98,924
2038-2042	78,216	7,374	85,590
2043-2047	12,927	3,303	16,230
2048-2052	14,191	2,039	16,230
2053-2057	15,464	651	16,115
	\$ 357,577	\$ 67,831	\$ 425,408

9. Net Position

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

	Governmental Activities	Business-type Activities	Total
Net investment in capital assets	\$ 32,629,933	\$ 43,978,519	\$ 76,608,452
Restricted:			
School projects	725,458	-	725,458
Economic stability	8,725,742	-	8,725,742
Schools and roads	2,260,980	-	2,260,980
Total restricted	11,712,180	-	11,712,180
Unrestricted	10,838,492	8,150,758	18,989,250
Total Net Position	\$ 55,180,605	\$ 52,129,277	\$ 107,309,882

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

10. Fund Balances

Fund balances, reported in the Borough's individual major funds and nonmajor funds in the aggregate on the governmental funds balance sheet are subject to the following constraints at June 30, 2022:

	Major Governmental Funds						Nonmajor Funds	Totals
	General	Permanent Fund Special Revenue	Secure Rural Schools Special Revenue	COVID-19 Response Special Revenue	Economic Recovery Capital Project			
Nonspendable:								
Interfund loans	\$ 405,728	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	405,728
Prepaid items	391,208	-	-	-	-	-	-	391,208
Inventory	-	-	-	-	-	52,414	-	52,414
Total nonspendable	796,936	-	-	-	-	52,414	-	849,350
Restricted:								
Economic stability	-	8,725,742	-	-	-	-	-	8,725,742
Schools and roads	-	-	2,260,980	-	-	-	725,458	2,986,438
Total restricted	-	8,725,742	2,260,980	-	-	-	725,458	11,712,180
Committed:								
Community services	-	-	-	-	-	-	501,881	501,881
Schools and roads	-	-	-	-	-	-	1,648,222	1,648,222
Swimming pool	-	-	-	-	-	-	1,427,599	1,427,599
Land development	-	-	-	-	-	-	462,348	462,348
Total committed	-	-	-	-	-	-	4,040,050	4,040,050
Assigned:								
Projects	-	-	-	-	1,330,135	-	390,478	1,720,613
Debt service	-	-	-	-	-	-	7,556	7,556
Total assigned	-	-	-	-	1,330,135	-	398,034	1,728,169
Unassigned (deficit)	7,660,264	-	-	(138,195)	-	-	-	7,522,069
Total Fund Balances	\$ 8,457,200	\$ 8,725,742	\$ 2,260,980	\$ (138,195)	\$ 1,330,135	\$ 5,215,956	\$ -	\$ 25,851,818

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

11. Municipal Landfill Closure and Post-closure Liability

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

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

12. Restrictions of Sales Tax Revenues

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

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

13. School Support

The Borough provided \$1,303,068 in National Forest Receipts funding to the School District for the year ended June 30, 2022. Support provided to the School District does not include debt service payments on school facilities or capital expenditures.

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City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

14. Pension and Other Postemployment Benefit Plans

(a) Defined Benefit (DB) Pension Plan

General Information About the Plan

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

The Plan is included in 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/drb/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.

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 defined benefit agent-multiple-employer plan to a defined benefit 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.

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

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

Employee Contribution Rates

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

Employer and Other Contribution Rates

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

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

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

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, 2022 were determined in the June 30, 2020 actuarial valuations. The Borough's contribution rates for the 2022 fiscal year were as follows:

	Employer Effective Rate	ARM Board Adopted Rate	State Contribution Rate
Pension	15.54%	26.99%	8.11%
Postemployment healthcare (ARHCT)	6.46%	3.12%	-%
Total Contribution Rates	22.00%	30.11%	8.11%

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

In 2022, the Borough was credited with the following contributions to the pension plan.

	Measurement Period July 1, 2020 to June 30, 2021	Borough Fiscal Year July 1, 2021 to June 30, 2022
Employer contributions (including DBUL)	\$ 552,368	\$ 587,192
Nonemployer contributions (on-behalf)	267,352	305,408
Total Contributions	\$ 819,720	\$ 892,600

In addition, employee contributions to the Plan totaled \$100,989 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, 2022, 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	\$ 5,162,924
State's proportionate share of NPL associated with the Borough	700,042
Total Net Pension Liability	\$ 5,862,966

The total pension liability for the June 30, 2021 measurement date was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 to calculate the net pension liability as of that date. The Borough's proportion of the net pension liability was based on a projection of the Borough's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, including the State, actuarially determined. At the June 30, 2021 measurement date, the Borough's proportion was 0.14074 percent, which was an increase of 0.02754 from its proportion measured as of June 30, 2020.

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City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

For the year ended June 30, 2022, the Borough recognized pension expense of \$1,767,890 and on-behalf revenue of \$1,004 for support provided by the State. At June 30, 2022, 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	\$ -	\$ (22,873)
Net difference between projected and actual earnings on pension plan investments	-	(2,035,986)
Changes in proportion and differences between Borough contributions and proportionate share of contributions	216,807	-
Borough contributions subsequent to the measurement date	587,192	-
Total Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions	\$ 803,999	\$ (2,058,859)

The \$587,192 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, 2023. 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,

2023		\$ (279,202)
2024		(466,364)
2025		(504,477)
2026		(592,009)
Total Amortization		\$ (1,842,052)

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City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2020, using the actuarial assumptions listed below, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2021:

Actuarial cost method	Entry age normal
Amortization method	Unfunded accrued actuarial liability, level percent of pay basis
Inflation	2.50% per year
Salary increases	For peace 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.
Allocation methodology	Amounts for the June 30, 2021 measurement date were allocated to employers based on the present value of contributions for fiscal years 2022 to 2039 to the Plan, as determined by projections based on the June 30, 2020 valuation. The liability is expected to go to zero at 2039.
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-commencement and post-commencement mortality rates were based upon the 2013-2017 actual mortality experience. Pre-commencement mortality rates were based on 100% of the RP-2014 table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement. Post-commencement mortality rates were based on 91% of male and 96% of female rates of the RP-2014 health annuitant table, benefit-weighted, rolled back to 2006, and projected 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, 2020 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, 2019 actuarial valuation to better reflect expected future experience. The assumptions used in the June 30, 2020 actuarial valuation are the same as those used in the June 30, 2019 valuation, except the amount included in the Normal Cost for administrative expenses was updated to reflect the most recent two years of actual administrative expenses paid from defined benefit pension plan assets.

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 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 2.5%, for each major asset class included in the pension plan's target asset allocation as of June 30, 2021 are summarized in the following table:

<i>Asset Class</i>	Target Allocation	Range	Long-Term Expected Real Rate of Return
Broad domestic equity	28%	+/- 6%	6.63%
Global equity (non-U.S.)	19%	+/- 4%	5.41%
Aggregate bonds	22%	+/- 10%	0.76%
Opportunistic	6%	+/- 4%	4.39%
Real assets	13%	+/- 7%	3.16%
Private equity	12%	+/- 8%	9.29%
Cash equivalents	-%	-%	0.13%

Discount Rate

The discount rate used to measure the total pension liability was 7.38%. The discount rate used did not change from the prior measurement date. The projection of cash flows used to determine the discount rate assumed that employer and State contributions will continue to follow the current funding policy, which meets State statutes. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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	0.14074%	\$ 7,647,009	\$ 5,162,924	\$ 3,075,973

Pension Plan Fiduciary Net Position

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

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

(b) Defined Contribution (DC) Pension Plan

Employees hired after July 1, 2006 participate in PERS Tier IV, a DC plan. This Plan is administered by the State of Alaska, Department of Administration in conjunction with the DB plan noted above. Benefit and contribution provisions are established by State law and may be amended only by the State Legislature. The Alaska Retirement Management Board may also amend contribution requirements. Included in the Plan are individual pension accounts, a retiree medical insurance plan and a separate Health Reimbursement Arrangement account that will help retired members pay medical premiums and other eligible medical expenses not covered by the medical plan. This Plan is included in the comprehensive annual financial report for PERS, and at the following website, as noted above. <http://doa.alaska.gov/dr/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, 2022 to cover a portion of the Borough's employer match contributions. For the year ended June 30, 2022, forfeitures reduced pension expense by \$13,829.

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, 2022, 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, 2022 were \$114,291 and \$182,703, respectively. The Borough contribution amount was recognized as pension expense/expenditures.

(c) Defined Benefit OPEB Plans

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

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

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

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, 2022 were as follows:

	Other	Police/Fire
Alaska Retiree Healthcare Trust	6.46%	6.46%
Retiree Medical Plan	1.07%	1.07%
Occupational Death and Disability	0.31%	0.68%
Total Contribution Rates	1.38%	1.75%

In 2022, the Borough was credited with the following contributions to the OPEB plans:

	Measurement Period July 1, 2020 to June 30, 2021	Borough Fiscal Year July 1, 2021 to June 30, 2022
Employer contributions - ARHCT	\$ 118,568	\$ 94,116
Employer contributions - RMP	26,766	24,436
Employer contributions - ODD	4,801	9,290
Total Contributions	\$ 150,135	\$ 127,842

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

At June 30, 2022, the Borough reported an asset for its proportionate share of the net OPEB assets (NOA) that reflected a reduction for State OPEB support provided to the Borough. The amount recognized by the Borough for its proportional share, the related State proportion, and the total were as follows:

Borough's proportionate share of NOA - ARHCT	\$ 3,625,053
Borough's proportionate share of NOA - RMP	32,776
Borough's proportionate share of NOA - ODD	60,768
Total Borough's Proportionate Share of Net OPEB Asset	\$ 3,718,597
State's proportionate share of the ARHCT NOA associated with the Borough	474,726
Total Net OPEB Asset	\$ 4,193,323

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

The total OPEB assets for the June 30, 2021 measurement date was determined by an actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 to calculate the net OPEB assets as of that date. The Borough's proportion of the net OPEB assets is based on a projection of the Borough's long-term share of contributions to the OPEB plans relative to the projected contributions of all participating entities, actuarially determined.

	June 30, 2020 Measurement Date Employer Proportion	June 30, 2021 Measurement Date Employer Proportion	Change
Borough's proportionate share of the net OPEB assets:			
ARHCT	0.11312%	0.14131%	0.02819 %
RMP	0.15283%	0.12211%	(0.03072)%
ODD	0.17568%	0.13788%	(0.03780)%

For the year ended June 30, 2022, the Borough recognized OPEB expense (benefit) of (\$1,307,530). Of this amount, (\$164,712) was recorded for on-behalf revenue and expense for support provided by the ARHCT plan. OPEB expense (benefit) and on-behalf revenue is listed by plan in the table below:

<i>Plan</i>	OPEB Expense (Benefit)	On-behalf Revenue
ARHCT	\$ (1,350,931)	\$ (164,712)
RMP	35,257	-
ODD	8,144	-
Total	\$ (1,307,530)	\$ (164,712)

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City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

At June 30, 2022, the Borough reported deferred outflows of resources and deferred inflows of resources related to OPEB plans from the following sources:

<i>Deferred Outflows of Resources</i>	ARHCT	RMP	ODD	Total
Difference between expected and actual experience	\$ -	\$ 2,436	\$ -	\$ 2,436
Changes in assumptions	-	10,187	-	10,187
Changes in proportion and differences between Borough contributions and proportionate share of contributions	-	3,674	6,833	10,507
Borough contributions subsequent to the measurement date	94,116	24,436	9,290	127,842

Total Deferred Outflows of Resources Related to OPEB Plans	\$ 94,116	\$ 40,733	\$ 16,123	\$ 150,972
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<i>Deferred Inflows of Resources</i>	ARHCT	RMP	ODD	Total
Difference between expected and actual experience	\$ (38,069)	\$ (1,558)	\$ (16,598)	\$ (56,225)
Changes in assumptions	(136,992)	(19,479)	(462)	(156,933)
Difference between projected and actual investment earnings	(1,696,331)	(29,323)	(9,744)	(1,735,398)
Changes in proportion and differences between Borough contributions and proportionate share of contributions	(26,552)	(4,213)	(7,019)	(37,784)

Total Deferred Inflows of Resources Related to OPEB Plans	\$ (1,897,944)	\$ (54,573)	\$ (33,823)	\$ (1,986,340)
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Amounts reported as deferred outflows of resources related to OPEB plans resulting from Borough contributions subsequent to the measurement date will be recognized as a reduction in the net OPEB assets in the year ended June 30, 2023. 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
2023	\$ (599,010)	\$ (8,042)	\$ (5,442)	\$ (612,494)
2024	(390,659)	(8,056)	(5,436)	(404,151)
2025	(419,487)	(8,352)	(5,538)	(433,377)
2026	(488,788)	(9,286)	(5,863)	(503,937)
2027	-	(990)	(3,209)	(4,199)
Thereafter	-	(3,550)	(1,502)	(5,052)
Total Amortization	\$ (1,897,944)	\$ (38,276)	\$ (26,990)	\$ (1,963,210)

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

Actuarial Assumptions

The total OPEB assets for each plan for the measurement period ended June 30, 2021 was determined by actuarial valuations as of June 30, 2020, using the following actuarial assumptions, applied to all periods included in the measurement, and rolled forward to the measurement date of June 30, 2021:

Actuarial cost method	Entry age normal
Amortization method	Unfunded accrued actuarial liability, level percent of pay basis
Inflation	2.50% per year
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
Allocation methodology	Amounts for the June 30, 2021 measurement date were allocated to employers based on the present value of contributions for fiscal years 2022 to 2039 to the Plan, as determined by projections based on the June 30, 2020 valuation.
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%.
Mortality	Pre-commencement and post-commencement mortality rates were based upon the 2013-2017 actual mortality experience. Pre-commencement mortality rates were based on 100% of the RP-2014 table, benefit-weighted, rolled back to 2006, and projected with MP-2017 generational improvement. Post-commencement mortality rates were based on 91% of male and 96% of female rates of the RP-2014 health annuitant table, benefit-weighted, rolled back to 2006, and projected 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.
Participation (ARHCT)	100% of system paid members and their spouses are assumed to elect the healthcare benefits paid as soon as they are eligible. 20% of nonsystem paid members and their spouses are assumed to elect the healthcare benefits as soon as they are eligible.

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

The actuarial assumptions used in the June 30, 2020 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, 2019 actuarial valuation to better reflect expected future experience. The assumptions used in the June 30, 2020 actuarial valuation are the same as those used in the June 30, 2019 valuation with the following exceptions:

1. Per capita claims costs were updated to reflect recent experience.
2. Retired member contributions were updated to reflect the 5% decrease from calendar year 2020 to calendar year 2021.
3. The amount included in the Normal Cost for administrative expenses was updated to reflect the most recent two years of actual administrative expenses paid from plan assets.

Long-Term Expected Rate of Return

The long-term expected rate of return on OPEB plan investments for each plan was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of postretirement healthcare plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The best estimates of arithmetic rates of return, excluding the inflation component of 2.5% for each major asset class included in the OPEB plan's target asset allocation as of June 30, 2021 are summarized in the following table:

<i>Asset Class</i>	<i>Target Allocation</i>	<i>Range</i>	<i>Long-Term Expected Real Rate of Return</i>
Broad domestic equity	28%	+/- 6%	6.63%
Global equity (non-U.S.)	19%	+/- 4%	5.41%
Aggregate bonds	22%	+/- 10%	0.76%
Opportunistic	6%	+/- 4%	4.39%
Real assets	13%	+/- 7%	3.16%
Private equity	12%	+/- 8%	9.29%
Cash equivalents	-%	-%	0.13%

Discount Rate

The discount rate used to measure the total OPEB assets for each plan as of June 30, 2021 was 7.38%. This discount rate used did not change from the prior measurement date. The projection of cash flows used to determine the discount rate assumed that employer and State contributions will continue to follow the current funding policy which meets State statutes. Based on those assumptions, the fiduciary net position for each plan was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB assets for each plan.

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

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

The following presents the Borough's proportionate share of the net OPEB assets 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:

	Proportional Share	1% Decrease (6.38%)	Current Discount Rate (7.38%)	1% Increase (8.38%)
Borough's proportionate share of the net OPEB liability (asset):				
ARHCT	0.14131%	\$ (2,370,730)	\$ (3,625,053)	\$ (4,666,674)
RMP	0.12211%	21,392	(32,776)	(73,689)
ODD	0.13788%	(58,189)	(60,768)	(62,823)

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

The following presents the Borough's proportionate share of the net OPEB assets calculated using the healthcare cost trend rates as summarized in the 2021 actuarial valuation reports as well as what the Borough's proportionate share of the respective plan's net OPEB liability (assets) 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	0.14131%	\$ (4,788,609)	\$ (3,625,053)	\$ (2,220,943)
RMP	0.12211%	(79,545)	(32,776)	30,950
ODD	0.13788%	N/A	N/A	N/A

OPEB Plan Fiduciary Net Position

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

(d) Defined Contribution OPEB Plans

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

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

Contribution Rate

AS 39.30.370 establishes this contribution amount as “three percent of the average annual employee compensation of *all employees of all employers* in the plan”. As of July 1, 2021, for actual remittance, this amount is calculated as a flat rate for each full-time or part-time employee per pay period and approximates \$2,168 per year for each full-time employee, and \$1.39 per hour for part-time employees.

Annual Postemployment Healthcare Cost

In fiscal year 2022, the Borough contributed \$75,383 in DC OPEB costs. These amounts have been recognized as expense/expenditures.

15. Risk Management

The Borough faces a considerable number of risks of loss, including (a) damage to and loss of property and contents, (b) employee torts, (c) professional liability; i.e., errors and omissions, (d) environmental damage, (e) workers' compensation; i.e., employee injuries, and (f) medical insurance costs of employees. Commercial policies, transferring the risk of loss, except for relatively small deductible amounts, are purchased for employee medical costs. The Borough is a member of Alaska Public Entity Insurance (APEI), a governmental insurance pool. APEI provides insurance coverage for property and contents damage, torts, general and automobile liability, public officials and employees' liability, law enforcement professional liability and workers' compensation. The Borough has no coverage for potential losses from environmental damages. APEI is a public entity risk pool organized to share risks among its members. The Association's bylaws provide for the assessment of supplemental contributions from members in the event that losses and expenses for any coverage year exceed the annual contributions and income earned on such contributions for the year. Such supplemental contributions shall be based upon each member's annual deposit contribution in comparison to the aggregate annual deposit contributions of all members. The Association made no supplemental assessments during the year ended June 30, 2022. Coverage limits and the deductibles on the policies have stayed relatively constant for the last several years.

16. Contingencies

Grants

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

17. Changes in Component Unit Net Position

Regarding changes to net position in the Wrangell Public School District (the District) component unit during 2022:

(a) Change in Accounting Principle

In 2022, the District gained administrative control over the student activities funds previously reported in the Custodial Fund - Student Activities. In accordance with GASB Statement No. 84 Fiduciary Activities, the District must report the fund as a special revenue fund. As a result of administrative control over the funds, the previously reported Net Position of the Custodial Fund - Student Activities of \$198,600 at June 30, 2021 has been restated to beginning fund balance in the Student Clubs Special Revenue Fund at the beginning of the period.

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

(b) Prior Period Adjustment

Financial results for the year ended June 30, 2022 include a \$(77,338) adjustment to beginning net position in Governmental Activities of the District. The adjustment was due to an understatement of payroll liabilities and related expenses in the prior year that were not previously recorded.

18. Subsequent Events

In preparing these financial statements, the Borough has evaluated all other events and transactions for potential recognition or disclosure through July 18, 2023, the date the financial statements were issued.

On January 31, 2023 the City and Borough issued 2023 General Obligation Bonds Series One, in the amount of \$3,100,000 for repairs and maintenance for several school district buildings. Total proceeds from the issuance are \$3,529,850 which include a premium of \$422,715. The bond matures June 30, 2043, with an annual interest rate of 5.0%.

19. New Accounting Pronouncements

The Governmental Accounting Standards Board (GASB) has issued several new accounting standards with upcoming implementation dates (effective dates are adjusted for the issuance of GASB Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance). The following new accounting standards were implemented by the Borough for 2022 reporting:

GASB Statement No. 87 - Leases - Effective for year-end June 30, 2022. 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. The Borough analyzed all active leases to determine which leases applied to GASB Statement 87, then accounted for those leases accordingly.

GASB Statement No. 89 - Accounting for Interest Cost Incurred before the End of a Construction Period - Effective for year-end June 30, 2022. 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. The Borough evaluated the impacts of GASB Statement 89 and determined there to be no impact to the Borough's financial statements for the current fiscal year.

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, 2022. 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. The Borough evaluated the impacts of GASB Statement 92 and determined there to be no impact to the Borough's financial statements for the current fiscal year.

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

GASB Statement No. 93 - Replacement of Interbank Offered Rates - The provisions of this Statement, except for paragraph 11b, 13 and 14, are required to be implemented for year-end June 30, 2021. The requirements in paragraph 11b, 13 and 14 are required to be implemented for year-end June 30, 2022. This Statement addresses accounting and financial reporting implications that result from the replacement of an interbank offered rate (IBOR). The Borough does not hold any investments with replacement of interbank offered rates, therefore, no action was required on this statement.

GASB Statement No. 97 - Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans - 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 (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The Borough does not have a 457 plan that meets the definition of a pension plan, therefore, no action was required on this statement.

The Governmental Accounting Standards Board has issued several new accounting standards with upcoming implementation dates (effective dates adjusted for the issuance of GASB 95). 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. 91 - Conduit Debt Obligations - Effective for year-end June 30, 2023. This Statement provides a single method of reporting conduit debt obligations by issuers and eliminates diversity in practice associated with commitments extended by issuers, arrangements associated with conduit 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. 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).

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

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

City and Borough of Wrangell, Alaska

Notes to Basic Financial Statements

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

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

Required Supplementary Information

City and Borough of Wrangell, Alaska

General Fund

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

Year Ended June 30, 2022	Original Budget	Final Budget	Actual	Variance with Final Budget
Revenues				
Taxes	\$ 4,891,173	\$ 4,383,456	\$ 5,608,631	\$ 1,225,175
Intergovernmental	925,196	1,457,238	1,425,443	(31,795)
Charges for services	143,150	60,300	161,727	101,427
Sales and leases	55,000	116,320	108,082	(8,238)
Fines and forfeitures	7,000	5,000	10,019	5,019
Investment income (loss)	15,000	-	(7,178)	(7,178)
Other	69,480	12,210	389,720	377,510
Total Revenues	6,105,999	6,034,524	7,696,444	1,661,920
Expenditures				
General government	1,238,405	1,217,228	1,800,426	(583,198)
Public safety	2,117,412	2,167,437	2,360,642	(193,205)
Public works	1,015,977	1,176,583	1,164,891	11,692
Library	265,848	265,421	272,749	(7,328)
Community services	191,426	211,950	194,721	17,229
Total Expenditures	4,829,068	5,038,619	5,793,429	(754,810)
Excess of Revenues Over Expenditures	1,276,931	995,905	1,903,015	907,110
Other Financing Sources (Uses)				
Transfers in	-	350,000	718,027	368,027
Transfers out	-	-	(3,474,254)	(3,474,254)
Net Other Financing Sources (Uses)	-	350,000	(2,756,227)	(3,106,227)
Net Change in Fund Balance	\$ 1,276,931	\$ 1,345,905	(853,212)	\$ (2,199,117)
Fund Balance, beginning			9,310,412	
Fund Balance, ending			\$ 8,457,200	

See accompanying notes to Required Supplementary Information.

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

<i>Year Ended June 30, 2022</i>	Original and Final Budget	Actual	Variance with Budget
Revenues			
Investment income (loss)	\$ 250,000	\$ (905,482)	\$ (1,155,482)
Lease revenue	16,440	10,980	(5,460)
Total Revenues	266,440	(894,502)	(1,160,942)
Excess of Revenues Over (Under) Expenditures	266,440	(894,502)	(1,160,942)
Other Financing Uses - transfers out	(280,000)	-	280,000
Net Change in Fund Balance	<u>\$ (13,560)</u>	(894,502)	<u>\$ (880,942)</u>
Fund Balance, beginning		<u>9,620,244</u>	
Fund Balance, ending		<u>\$ 8,725,742</u>	

See accompanying notes to Required Supplementary Information.

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

<i>Year Ended June 30, 2022</i>	Original and Final Budget	Actual	Variance with Budget
Revenues			
Intergovernmental - national forest receipts	\$ 800,000	\$ 1,171,312	\$ 371,312
Expenditures			
Education - contributions to school district	1,400,000	1,303,068	96,932
Capital outlay	-	40,449	(40,449)
Total Expenditures	1,400,000	1,343,517	56,483
Excess of Revenues Over (Under) Expenditures	(600,000)	(172,205)	427,795
Other Financing Sources (Uses)			
Transfers out	(32,000)	-	32,000
Net Change in Fund Balance	<u>\$ (632,000)</u>	(172,205)	<u>\$ 459,795</u>
Fund Balance, beginning		<u>2,433,185</u>	
Fund Balance, ending		<u>\$ 2,260,980</u>	

See accompanying notes to Required Supplementary Information.

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

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

Schedule of Borough's Contributions

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

See accompanying notes to Required Supplementary Information.

City and Borough of Wrangell, Alaska

Public Employees' Retirement System - ARHCT OPEB Plan

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

	ARHCT			
	2022	2021	2020	2019
				2018
Borough's Proportion of the Net OPEB Liability (Asset)	0.14131%	0.11312%	0.10664%	0.11123%
Borough's Proportionate Share of the Net OPEB Liability (Asset)	\$ (3,625,053)	\$ (512,271)	\$ 158,227	\$ 1,141,549
State of Alaska Proportionate Share of the Net OPEB Liability (Asset)	(474,726)	(212,422)	62,826	332,145
Total Net OPEB Liability (Asset)	\$ (4,099,779)	\$ (724,693)	\$ 221,053	\$ 1,473,694
Borough's Covered Payroll	\$ 1,529,297	\$ 1,717,381	2,228,533	2,085,158
Borough's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Payroll	-237.04%	-29.83%	7.10%	54.75%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)	135.54%	106.15%	98.13%	88.12%
				89.68%

Schedule of Borough's Contributions

	ARHCT			
	2022	2021	2020	2019
				2018
Contractually Required Contributions	\$ 94,116	\$ 118,568	\$ 187,978	\$ 165,982
Contributions Relative to the Contractually Required Contributions	94,116	118,568	187,978	165,982
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
Borough's Covered Payroll	\$ 1,456,889	\$ 1,529,297	\$ 1,717,381	\$ 2,228,533
Contributions as a Percentage of Covered Payroll	6.46%	7.75%	10.95%	7.45%
				6.57%

See accompanying notes to Required Supplementary Information.

City and Borough of Wrangell, Alaska

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

	RMP			
	2022	2021	2020	2019
Years Ended June 30,				2018
Borough's Proportion of the Net OPEB Liability (Asset)	0.12211%	0.15283%	0.13726%	0.10277%
Borough's Proportionate Share of the Net OPEB Liability (Asset)	\$ (32,776)	\$ 10,841	\$ 32,838	\$ 13,546
State of Alaska Proportionate Share of the Net OPEB Liability (Asset)	-	-	-	-
Total Net OPEB Liability (Asset)	\$ (32,776)	\$ 10,841	\$ 32,838	\$ 13,546
Borough's Covered Payroll				
Borough's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Payroll	-1.55%	0.53%	2.55%	1.12%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)	115.10%	0.00%	83.17%	88.71%
				93.98%

Schedule of Borough's Contributions

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

See accompanying notes to Required Supplementary Information.

City and Borough of Wrangell, Alaska

**Public Employees' Retirement System - ODD OPEB Plans
Schedule of the Borough's Proportionate Share of the Net OPEB Liability (Asset)**

	ODD			
	2022	2021	2020	2018
Years Ended June 30,				
Borough's Proportion of the Net OPEB Liability (Asset)	0.13788%	0.17568%	0.14984%	0.10277%
Borough's Proportionate Share of the Net OPEB Liability (Asset)	\$ (60,768)	\$ (47,890)	\$ (36,328)	\$ (14,582)
State of Alaska Proportionate Share of the Net OPEB Liability (Asset)	-	-	-	-
Total Net OPEB Liability (Asset)	\$ (60,768)	\$ (47,890)	\$ (36,328)	\$ (14,582)
Borough's Covered Payroll	\$ 2,109,405	\$ 2,064,913	\$ 1,287,623	\$ 3,185,949
Borough's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Payroll	-2.88%	-2.32%	-2.82%	-0.46%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)	374.22%	283.80%	297.43%	212.97%

Schedule of Borough's Contributions

	ODD			
	2022	2021	2020	2018
Years Ended June 30,				
Contractually Required Contributions	\$ 9,290	\$ 4,801	\$ 7,705	\$ 2,473
Contributions Relative to the Contractually Required Contributions	9,290	4,801	7,705	2,473
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
Borough's Covered Payroll	\$ 2,283,789	\$ 2,109,405	\$ 2,064,913	\$ 1,204,782
Contributions as a Percentage of Covered Payroll	0.41%	0.23%	0.37%	0.21%

See accompanying notes to Required Supplementary Information.

City and Borough of Wrangell, Alaska
Notes to Required Supplementary Information
June 30, 2022

1. Budgetary Comparison Schedules

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

2. Public Employees' Retirement System Pension Plan

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

This table is presented based on the Plan measurement date. For June 30, 2022, the Plan measurement date is June 30, 2021.

Changes in Assumptions:

The actuarial assumptions used in the June 30, 2020 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, resulting in changes in actuarial assumptions effective for the June 30, 2018 actuarial valuation adopted by the Board to better reflect expected experience. The assumptions used in the June 30, 2020 actuarial valuation are the same as those used in the June 30, 2019 valuation, except the amount included in the Normal Cost for administrative expenses was updated to reflect the most recent two years of actual administrative expenses paid from defined benefit pension plan assets.

In 2021, the discount rate remained the same at 7.38%.

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, 2022

3. Public Employees' Retirement System OPEB Plans

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

These tables are presented based on the Plan measurement date. For June 30, 2022, the Plan measurement date is June 30, 2021.

Changes in Assumptions:

The actuarial assumptions used in the June 30, 2020 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, 2019 actuarial valuation to better reflect expected future experience. The assumptions used in the June 30, 2020 actuarial valuation are the same as those used in the June 30, 2019 valuation with the following exceptions:

1. Per capita claims costs were updated to reflect recent experience.
2. Retired member contributions were updated to reflect the 5% decrease from calendar year 2020 to calendar year 2021.
3. The amount included in the Normal Cost for administrative expenses was updated to reflect the most recent two years of actual administrative expenses paid for postretirement healthcare plan assets.

In 2021, the discount rate remained the same at 7.38%.

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

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

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

Supplementary Information

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

	Special Revenue Funds						Capital Project Funds				Total Nonmajor Governmental Funds
	Transient Tax	Sales Tax	Parks and Recreation	Nolan Center Contributions	WPSD Local Contributions	Debt Service Fund	Residential Construction	Industrial Construction	Miscellaneous		
June 30, 2022											
Assets											
Cash and investments	\$ 498,165	\$ 1,669,174	\$ 1,551,035	\$ 86,696	\$ 566,488	\$ 10,286	\$ 189,549	\$ 465,476	\$ 131,104	\$ 5,167,973	
Receivables:											
Sales taxes	6,385	516	-	-	158,970	-	-	-	-	165,871	
Accounts	-	-	68,246	1,572	-	-	-	-	259	70,077	
Inventory	-	-	-	52,414	-	-	-	-	-	52,414	
Total Assets	\$ 504,550	\$ 1,669,690	\$ 1,619,281	\$ 140,682	\$ 725,458	\$ 10,286	\$ 189,549	\$ 465,476	\$ 131,363	\$ 5,456,335	
Liabilities, Deferred Inflows of Resources, and Fund Balances											
Liabilities											
Accounts payable	\$ 2,669	\$ -	\$ 16,682	\$ 5,372	\$ -	\$ -	\$ 2,980	\$ -	\$ -	\$ 27,703	
Unearned revenue	-	-	175,000	10,350	-	2,730	-	-	-	188,080	
Total Liabilities	2,669	-	191,682	15,722	-	2,730	2,980	-	-	215,783	
Deferred Inflows of Resources											
Related to land sales	-	-	-	-	-	-	-	3,128	-	3,128	
Related to sales tax	-	21,468	-	-	-	-	-	-	-	21,468	
Fund Balances											
Nonspendable - inventory	-	-	-	52,414	-	-	-	-	-	52,414	
Restricted	-	-	-	-	725,458	-	-	-	-	725,458	
Committed:											
Schools and roads	-	1,648,222	-	-	-	-	-	-	-	1,648,222	
Community services	501,881	-	-	-	-	-	-	-	-	501,881	
Swimming pool	-	-	1,427,599	-	-	-	-	-	-	1,427,599	
Land development	-	-	-	-	-	-	-	462,348	-	462,348	
Assigned:											
Projects	-	-	-	72,546	-	-	186,569	-	131,363	390,478	
Debt service	-	-	-	-	-	7,556	-	-	-	7,556	
Total Fund Balances	501,881	1,648,222	1,427,599	124,960	725,458	7,556	186,569	462,348	131,363	5,215,956	
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 504,550	\$ 1,669,690	\$ 1,619,281	\$ 140,682	\$ 725,458	\$ 10,286	\$ 189,549	\$ 465,476	\$ 131,363	\$ 5,456,335	

City and Borough of Wrangell, Alaska

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

Year Ended June 30, 2022	Special Revenue Funds					Capital Project Funds			Total Nonmajor Governmental Funds	
	Transient Tax	Sales Tax	Parks and Recreation	Nolan Center Contributions	WPSD Local Contributions	Debt Service Fund	Residential Construction	Industrial Construction		Miscellaneous
Revenues										
Taxes	\$ 119,921	\$ (88)	\$ -	\$ -	\$ 725,458	\$ -	\$ -	\$ -	\$ -	\$ 845,291
Intergovernmental	6,127	-	136,133	8,108	-	-	-	-	-	150,368
Charges for services	-	-	69,238	80,879	-	-	-	-	-	150,117
Investment income (loss)	-	-	(161,278)	593	-	-	-	2,466	-	(158,219)
Land sales and improvements	-	-	-	-	-	-	195,960	271,000	-	466,960
Other	125	-	15,095	107,388	-	-	-	3,828	-	126,436
Total Revenues	126,173	(88)	59,188	196,968	725,458	-	195,960	277,294	-	1,580,953
Expenditures										
General government	-	-	-	-	-	-	(136)	112,389	-	112,253
Parks and recreation	-	-	654,576	-	-	-	-	-	-	654,576
Community services	37,129	14,905	-	387,880	-	-	-	-	-	439,914
Capital outlay	1,238	-	186,372	-	-	-	56,448	38,237	13,260	295,555
Total Expenditures	38,367	14,905	840,948	387,880	-	-	56,312	150,626	13,260	1,502,298
Excess of Revenues Over (Under) Expenditures	87,806	(14,993)	(781,760)	(190,912)	725,458	-	139,648	126,668	(13,260)	78,655
Other Financing Sources (Uses)										
Transfers in	-	-	753,149	266,519	-	-	149	-	-	1,019,817
Transfers out	(24,000)	(100,384)	-	-	-	-	-	-	(703,768)	(828,152)
Net Other Financing Sources (Uses)	(24,000)	(100,384)	753,149	266,519	-	-	149	-	(703,768)	191,665
Net Change in Fund Balances	63,806	(115,377)	(28,611)	75,607	725,458	-	139,797	126,668	(717,028)	270,320
Fund Balances, beginning	438,075	1,763,599	1,456,210	49,353	-	7,556	46,772	335,680	848,391	4,945,636
Fund Balances, ending	\$ 501,881	\$ 1,648,222	\$ 1,427,599	\$ 124,960	\$ 725,458	\$ 7,556	\$ 186,569	\$ 462,348	\$ 131,363	\$ 5,215,956

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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

General Fund
Balance Sheet

<i>June 30,</i>	2022	2021
Assets		
Cash and investments	\$ 6,695,392	\$ 9,014,904
Prepaid items	391,208	483
Receivables:		
Property taxes	124,732	182,597
Sales taxes	635,880	463,245
Accounts	116,760	97,379
Leases	1,098,464	-
Grants and shared revenues	291,566	-
Total receivables	2,267,402	743,221
Less allowance for doubtful accounts	(70)	(70)
Net receivables	2,267,332	743,151
Due from other funds	239,394	87,351
Interfund loan receivable	405,728	42,669
Total Assets	\$ 9,999,054	\$ 9,888,558
Liabilities, Deferred Inflows of Resources, and Fund Balance		
Liabilities		
Accounts payable	\$ 6,546	\$ 446,897
Unearned revenue	328,879	12,368
Total Liabilities	335,425	459,265
Deferred Inflows of Resources		
Lease related	1,079,873	-
Delinquent property taxes	126,556	118,881
Total Deferred Inflows of Resources	1,206,429	118,881
Total Liabilities and Deferred Inflows of Resources	1,541,854	578,146
Fund Balance		
Nonspendable:		
Prepaid items	391,208	483
Interfund loan receivable	405,728	42,669
Unassigned	7,660,264	9,267,260
Total Fund Balance	8,457,200	9,310,412
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 9,999,054	\$ 9,888,558

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

Years Ended June 30,	2022		Variance	2021
	Budget	Actual	with	Actual
			Budget	
Revenues				
Taxes:				
Real property taxes	\$ 2,125,601	\$ 1,784,255	\$ (341,346)	\$ 1,875,325
Property tax penalties and interest	20,000	19,551	(449)	28,293
Payments in lieu of taxes	460,000	895,046	435,046	494,259
Marijuana taxes	-	7,749	7,749	600
Sales taxes	1,772,855	2,901,830	1,128,975	2,219,997
Sales tax penalties and interest	5,000	200	(4,800)	1,500
Total taxes	4,383,456	5,608,631	1,225,175	4,619,974
Intergovernmental:				
State of Alaska:				
Jail contract	371,975	464,969	92,994	278,981
Community assistance	386,221	402,934	16,713	375,807
Library grants	10,000	52,815	42,815	7,000
State PERS relief	180,058	191,681	11,623	166,506
State reimbursement	7,000	291,566	284,566	-
ARPA grant revenue - general fund portion	485,984	9,763	(476,221)	-
Other	16,000	11,715	(4,285)	2,385
Total State of Alaska	1,457,238	1,425,443	(31,795)	830,679
Federal government - Library grants	-	-	-	14,047
Total intergovernmental	1,457,238	1,425,443	(31,795)	844,726
Charges for services:				
Cemetery services	5,300	7,352	2,052	1,890
Police services	55,000	105,633	50,633	45,974
911 surcharge	-	48,742	48,742	49,633
Total charges for services	60,300	161,727	101,427	97,497
Sales and leases:				
Court rental	62,400	56,031	(6,369)	57,200
Tideland leases	50,000	40,612	(9,388)	50,174
Material sales	-	9,119	9,119	268
Cemetery plot sales	3,920	2,320	(1,600)	588
Total sales and leases	116,320	108,082	(8,238)	108,230
Fines and forfeitures	5,000	10,019	5,019	6,920
Investment loss	-	(7,178)	(7,178)	(15,829)
Other revenues:				
Licenses and permits	1,300	2,254	954	1,402
Copies	500	7	(493)	439
Library donations	6,500	6,588	88	9,802
Allocated public works labor	-	-	-	307
Miscellaneous	3,910	380,871	376,961	64,412
Total other revenues	12,210	389,720	377,510	76,362
Total Revenues	6,034,524	7,696,444	1,661,920	5,737,880

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

Years Ended June 30,	2022		Variance with Budget	2021
	Budget	Actual		Actual
Expenditures				
General government:				
Finance:				
Personnel services:				
Salaries	\$ 242,024	\$ 244,010	\$ (1,986)	\$ 195,448
Overtime salaries	-	3,784	(3,784)	12,363
Employee benefits	140,503	143,387	(2,884)	104,872
Total personnel services	382,527	391,181	(8,654)	312,683
Contractual services:				
Auditor	-	127,098	(127,098)	16,750
Assessor	-	14,975	(14,975)	(32)
Attorney	101,760	41,538	60,222	72,441
Telephone and internet	14,022	14,165	(143)	13,953
Travel and training	8,550	15,466	(6,916)	-
Utilities	14,000	35,342	(21,342)	16,385
Equipment rental and repair	2,800	8,023	(5,223)	6,235
Programming	92,100	176,121	(84,021)	105,355
Insurance	5,000	33,118	(28,118)	6,425
Bank and credit card	75,000	155,563	(80,563)	74,977
Collection charges	-	7,055	(7,055)	869
Total contractual services	313,232	628,464	(315,232)	313,358
Commodities:				
Materials and supplies	10,400	12,447	(2,047)	8,650
Custodial supplies	-	2,487	(2,487)	-
Postage	12,000	8,661	3,339	9,538
Facility repairs and maintenance	6,000	2,073	3,927	3,345
Equipment repairs and maintenance	2,000	3,142	(1,142)	467
Capital outlay	33,685	22,768	10,917	11,766
Publications and advertising	210	-	210	1,131
Bank and credit card	-	19,658	(19,658)	-
Other	-	93,510	(93,510)	54,651
Total commodities	64,295	164,746	(100,451)	89,548
Total finance	760,054	1,184,391	(424,337)	715,589
Less charges to other funds	(248,499)	(171,897)	(76,602)	(171,897)
Net finance	511,555	1,012,494	(500,939)	543,692
Administration:				
Personnel services:				
Salaries	128,600	254,039	(125,439)	127,050
Overtime salaries	-	231	(231)	-
Employee benefits	58,071	102,099	(44,028)	61,782
Total personnel services	186,671	356,369	(169,698)	188,832

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,	2022			2021
	Budget	Actual	Variance with Budget	Actual
Expenditures, continued				
General government, continued:				
Administration, continued:				
Contractual services:				
Attorney	\$ 85,000	\$ 100,144	\$ (15,144)	\$ 69,324
Professional services	5,000	12,841	(7,841)	1,841
Telephone and internet	58,980	3,958	55,022	4,572
Administration travel and training	18,005	6,770	11,235	-
Lobbying	67,200	72,800	(5,600)	64,200
Tourism program	4,000	2,171	1,829	3,616
Promotions	3,000	1,120	1,880	-
Insurance	53,493	6,104	47,389	45,380
Total contractual services	294,678	205,908	88,770	188,933
Commodities:				
Materials and supplies	2,000	290	1,710	1,935
Memberships and dues	1,750	1,504	246	1,690
Total commodities	3,750	1,794	1,956	3,625
Total administration	485,099	564,071	(78,972)	381,390
Clerk and assembly:				
Personnel services:				
Salaries	91,000	93,523	(2,523)	79,916
Overtime salaries	-	156	(156)	177
Employee benefits	65,994	61,885	4,109	57,688
Total personnel services	156,994	155,564	1,430	137,781
Contractual services:				
Information technology	15,082	8,296	6,786	7,544
Clerk travel and training	13,450	14,793	(1,343)	-
Recorder fees	300	261	39	351
Total contractual services	28,832	23,350	5,482	7,895
Commodities:				
Materials and supplies	7,000	10,058	(3,058)	5,114
Publications	19,120	27,606	(8,486)	19,958
Membership and dues	5,628	2,913	2,715	6,038
Republishing WMC	3,000	4,370	(1,370)	2,487
Total commodities	34,748	44,947	(10,199)	33,597
Total clerk and assembly	220,574	223,861	(3,287)	179,273
Total general government	1,217,228	1,800,426	(583,198)	1,104,355

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

Years Ended June 30,	2022		Variance with Budget	2021
	Budget	Actual		Actual
Expenditures, continued				
Public safety:				
Fire department:				
Personnel services:				
Salaries	\$ 105,645	\$ 156,199	\$ (50,554)	\$ 4,440
Overtime salaries	-	17,015	(17,015)	-
Employee benefits	81,803	111,422	(29,619)	12,959
Contributions for fire calls	6,500	6,500	-	6,500
Total personnel services	193,948	291,136	(97,188)	23,899
Contractual services:				
Telephone and internet	7,300	7,219	81	5,530
Travel and training	16,725	1,280	15,445	-
Fire charges from capital facilities	3,835	1,298	2,537	3,183
Fire prevention and education	1,000	502	498	982
Insurance	29,099	34,500	(5,401)	30,280
Capital outlay	-	10,242	(10,242)	14,219
Total contractual services	57,959	55,041	2,918	54,194
Commodities:				
Materials and supplies	17,500	16,449	1,051	5,451
Utilities	12,010	12,178	(168)	-
Fire substation costs	2,000	290	1,710	10,963
Equipment	7,500	6,561	939	-
Equipment repairs and maintenance	13,700	5,175	8,525	-
Vehicle maintenance	15,000	7,351	7,649	16,373
Charges from garage	10,500	7,169	3,331	6,941
Turn out gear	10,125	80	10,045	4,539
Total commodities	88,335	55,253	33,082	44,267
Total fire department	340,242	401,430	(61,188)	122,360
Police department:				
Personnel services:				
Salaries	486,054	507,597	(21,543)	238,001
Overtime salaries	56,268	51,681	4,587	19,366
Employee benefits	292,336	337,348	(45,012)	180,980
Uniform allowances	8,000	6,669	1,331	9,073
Total personnel services	842,658	903,295	(60,637)	447,420
Contractual services:				
Telephone and internet	16,424	16,904	(480)	17,548
Information technology	19,000	27,901	(8,901)	4,499
Insurance	30,000	55,033	(25,033)	38,233
Travel and training	33,400	22,396	11,004	11,474
Capital outlay	-	-	-	16,100
Animal control	1,000	108	892	209
State portion of driver licenses	45,000	70,228	(25,228)	30,124
Professional services	15,398	51,781	(36,383)	33,988
State portion of citations	1,000	980	20	629
Other	6,000	3,750	2,250	1,836
Total contractual services	167,222	249,081	(81,859)	154,640

Exhibit G-2, continued

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

Years Ended June 30,	2022			2021
	Budget	Actual	Variance with Budget	
Expenditures, continued				
Public safety, continued:				
Police department, continued:				
Commodities:				
Materials and supplies	\$ 11,000	\$ 3,804	\$ 7,196	\$ 6,079
Boat expenditures	5,000	1,450	3,550	100
Publications	500	400	100	80
Ammunition	7,500	7,557	(57)	7,258
Special investigations	2,500	(534)	3,034	6,551
Equipment	-	5,142	(5,142)	-
Equipment repairs and maintenance	13,000	1,350	11,650	11,876
Vehicle maintenance	-	5,837	(5,837)	-
Health and safety permits	-	-	-	12
Charges from garage	27,750	6,351	21,399	7,571
Membership and dues	-	375	(375)	525
Total commodities	67,250	31,732	35,518	40,052
Total police department	1,077,130	1,184,108	(106,978)	642,112
Police corrections department:				
Personnel services:				
Salaries	232,960	243,165	(10,205)	118,639
Overtime salaries	33,600	34,297	(697)	12,390
Employee benefits	174,033	190,199	(16,166)	100,773
Total personnel services	440,593	467,661	(27,068)	231,802
Contractual services:				
Telephone and internet	1,500	432	1,068	1,209
Information technology	-	2,000	(2,000)	4,000
Travel and training	-	30	(30)	-
Total contractual services	1,500	2,462	(962)	5,209
Commodities:				
Materials and supplies	774	1,083	(309)	1,673
Prisoner meals	3,104	5,579	(2,475)	4,308
Total commodities	3,878	6,662	(2,784)	5,981
Total police corrections department	445,971	476,785	(30,814)	242,992
Public safety building department:				
Personnel services:				
Salaries	-	-	-	913
Overtime salaries	-	-	-	10,275
Employee benefits	-	-	-	7,253
Total personnel services	-	-	-	18,441
Contractual services:				
Telephone and internet	2,520	2,349	171	2,599
Information technology	-	23,784	(23,784)	-
Insurance	15,487	17,316	(1,829)	-
Engineering	5,000	2,941	2,059	157,063
Utilities	110,000	92,962	17,038	102,709
Capital outlay	15,487	84,237	(68,750)	(4,240)
Total contractual services	148,494	223,589	(75,095)	258,131

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

Years Ended June 30,	2022		Variance with Budget	2021
	Budget	Actual		Actual
Expenditures, continued				
Public safety, continued:				
Public safety building, continued:				
Commodities:				
Materials and supplies	\$ -	\$ -	\$ -	\$ 938
Custodial supplies	5,500	3,451	2,049	790
Charges from capital facilities	113,000	-	113,000	-
Facility repair and maintenance	37,100	71,279	(34,179)	134,552
Total commodities	155,600	74,730	80,870	136,280
Total public safety building	304,094	298,319	5,775	412,852
Total public safety	2,167,437	2,360,642	(193,205)	1,420,316
Public works:				
Garage:				
Personnel services:				
Salaries	114,650	63,692	50,958	24,723
Overtime salaries	5,500	1,943	3,557	198
Employee benefits	70,933	48,405	22,528	136,403
Total personnel services	191,083	114,040	77,043	161,324
Contractual services:				
Utilities	23,000	24,787	(1,787)	22,995
Insurance	3,044	4,129	(1,085)	2,494
Telephone and internet	156	1,690	(1,534)	443
Information technology	7,700	-	7,700	606
Professional services	2,650	-	2,650	453
Vehicle maintenance	1,000	155	845	321
Software programming and licensing	-	2,643	(2,643)	4,621
Allocated public works labor	1,500	8,693	(7,193)	923
Postage	-	234	(234)	-
Total contractual services	39,050	42,331	(3,281)	32,856
Commodities:				
Materials and supplies	8,400	7,923	477	7,894
Fuel oil	5,000	40,710	(35,710)	2,529
Fuel and lubrication	65,000	89,674	(24,674)	62,856
Health and safety permits, inspections, and compliance	2,000	955	1,045	1,862
Facility repair and maintenance	16,788	8,562	8,226	3,285
Capital outlay	5,000	-	5,000	5,199
Expendable tools	3,000	1,618	1,382	1,909
Total commodities	105,188	149,442	(44,254)	85,534
Total garage	335,321	305,813	29,508	279,714
Less charges to other departments and funds	(128,380)	(70,672)	(57,708)	(71,414)
Net garage	206,941	235,141	(28,200)	208,300

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,	2022			2021
	Budget	Actual	Variance with Budget	Actual
Expenditures, continued				
Public works, continued:				
General:				
Personnel services:				
Salaries	\$ 522,821	\$ 553,886	\$ (31,065)	\$ 350,258
Overtime salaries	42,571	51,407	(8,836)	18,483
Uniform allowances	3,000	2,129	871	875
Employee benefits	375,819	408,415	(32,596)	609,355
Total personnel services	944,211	1,015,837	(71,626)	978,971
Contractual services:				
Telephone	20,808	7,433	13,375	16,630
Utilities	-	-	-	350
Publications and advertising	500	228	272	399
Vehicle maintenance	-	399	(399)	3,412
Professional services	1,635	133	1,502	41
Insurance	13,311	18,164	(4,853)	29,704
Travel and training	2,955	-	2,955	463
Total contractual services	39,209	26,357	12,852	50,999
Commodities:				
Materials and supplies	13,000	2,925	10,075	6,865
Vehicle maintenance	2,500	622	1,878	258
Professional services	2,500	1,170	1,330	748
Gear	4,850	808	4,042	434
Other	3,500	761	2,739	1,063
Building repairs and maintenance	(291,498)	(133,668)	(157,830)	(95,274)
Total commodities	(265,148)	(127,382)	(137,766)	(85,906)
Total general	718,272	914,812	(196,540)	944,064
Less charges to other departments and funds	(174,130)	(350,189)	176,059	(128,826)
Net general	544,142	564,623	(20,481)	815,238
Streets:				
Personnel services:				
Employee benefits	-	-	-	(71,705)
Allocated - public works labor	102,500	-	102,500	71,758
Total personnel services	102,500	-	102,500	53
Contractual services:				
Rock quarry electricity	21,000	31,566	(10,566)	28,835
Postage	-	10,133	(10,133)	-
Vehicle maintenance	-	37,062	(37,062)	-
Allocated public works labor	130,000	211,277	(81,277)	56,632
Sanding and snow removal	35,000	39,294	(4,294)	71,758
Total contractual services	186,000	329,332	(143,332)	157,225

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

Years Ended June 30,	2022		Variance with Budget	2021
	Budget	Actual		Actual
Expenditures, continued				
Public works, continued:				
Streets, continued:				
Commodities:				
Materials and supplies	\$ 133,000	\$ 35,038	\$ 97,962	\$ 76,160
Equipment repairs and maintenance	4,000	-	4,000	2,289
Street repairs and maintenance	-	757	(757)	309
Total commodities	137,000	35,795	101,205	78,758
Total streets	425,500	365,127	60,373	236,036
Total public works	1,176,583	1,164,891	11,692	1,259,574
Library:				
Personnel services:				
Salaries	112,656	111,041	1,615	102,376
Employee benefits	77,669	75,950	1,719	75,150
Total personnel services	190,325	186,991	3,334	177,526
Contractual services:				
Telephone and internet	3,380	3,184	196	2,650
Insurance	7,715	6,883	832	7,014
Travel and training	290	75	215	-
Information technology	-	11,135	(11,135)	-
Postage	-	97	(97)	-
Utilities	9,000	9,817	(817)	9,293
Total contractual services	20,385	31,191	(10,806)	18,957
Commodities:				
Materials and supplies	5,000	9,443	(4,443)	14,490
Custodian supplies	600	526	74	322
Books, subscriptions and dues	19,415	25,220	(5,805)	22,850
Postage	1,100	999	101	233
Building repairs and maintenance	20,170	7,562	12,608	10,559
Computer repairs and maintenance	8,426	10,817	(2,391)	8,836
Total commodities	54,711	54,567	144	57,290
Total library	265,421	272,749	(7,328)	253,773
Community services:				
Community development:				
Personnel services:				
Salaries	93,795	94,433	(638)	72,302
Capital outlay	-	-	-	96
Total personnel services	93,795	94,433	(638)	72,398

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

Years Ended June 30,	2022			2021
	Budget	Actual	Variance with Budget	Actual
Expenditures, continued				
Community services, continued:				
Community development, continued:				
Contributions:				
Senior citizens program	\$ 11,500	\$ 11,500	\$ -	\$ 11,500
Chamber of Commerce	23,000	23,000	-	23,000
Local radio	8,500	8,500	-	8,500
Volunteer fire department	4,000	-	4,000	-
Total contributions	47,000	43,000	4,000	43,000
Total community development	140,795	137,433	3,362	115,398
Planning and zoning:				
Personnel services:				
Salaries	-	-	-	4,440
Employee benefits	45,941	45,683	258	36,266
Total personnel services	45,941	45,683	258	40,706
Contractual services:				
Information technology	3,380	2,959	421	1,516
Travel and training	8,620	962	7,658	-
Total contractual services	12,000	3,921	8,079	1,516
Commodities:				
Materials and supplies	500	1,312	(812)	1,260
Publications	600	-	600	294
Postage	600	92	508	-
Mapping upgrade	6,724	-	6,724	-
Total commodities	8,424	1,404	7,020	1,554
Total planning and zoning	66,365	51,008	15,357	43,776
Cemetery:				
Personnel services -				
allocated salaries - public works	2,790	3,829	(1,039)	(600)
Commodities - materials and supplies	2,000	2,451	(451)	262
Total cemetery	4,790	6,280	(1,490)	(338)
Total community services	211,950	194,721	17,229	158,836
Total Expenditures	5,038,619	5,793,429	(754,810)	4,196,854
Excess of Revenues Over Expenditures	995,905	1,903,015	907,110	1,541,026
Other Financing Sources (Uses):				
Transfers in	350,000	718,027	368,027	101,375
Transfers out	-	(3,474,254)	(3,474,254)	(716,552)
Net Other Financing Sources (Uses)	350,000	(2,756,227)	(3,106,227)	(615,177)
Net Change in Fund Balance	\$ 1,345,905	(853,212)	\$ (2,199,117)	925,849
Fund Balance, beginning		9,310,412		8,384,563
Fund Balance, ending		\$ 8,457,200		\$ 9,310,412

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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 Response

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

WPSD Local Contributions

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

City and Borough of Wrangell, Alaska

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

Years Ended June 30,	2022			2021
	Budget	Actual	Variance with Budget	Actual
Revenues				
Transient and excise taxes	\$ 95,000	\$ 119,921	\$ 24,921	\$ 89,321
Advertising and promotion	2,000	125	(1,875)	6,561
Intergovernmental	-	6,127	6,127	9,565
Total Revenues	97,000	126,173	29,173	105,447
Expenditures - community services:				
Travel and training	14,055	8,350	5,705	-
Materials and supplies	720	130	590	92
Telephone and internet	8,450	1,729	6,721	845
Postage	2,840	2,174	666	4,461
Promotional	950	9,144	(8,194)	18,073
Web hosting	-	278	(278)	420
Dues	2,650	1,175	1,475	2,050
Publications	21,650	8,022	13,628	7,093
Other	-	6,127	(6,127)	3,014
Capital outlay	3,000	1,238	1,762	1,460
Total Expenditures	54,315	38,367	15,948	37,508
Excess of Revenues Over Expenditures	42,685	87,806	45,121	67,939
Other Financing Uses				
Transfers out	(62,000)	(24,000)	38,000	-
Net Change in Fund Balance	\$ (19,315)	63,806	\$ 83,121	67,939
Fund Balance, beginning		438,075		370,136
Fund Balance, ending		\$ 501,881		\$ 438,075

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,	2022		2021	
	Budget	Actual	Budget	Actual
Revenues				
Sales taxes	\$ 2,607,140	\$ (88)	\$ (2,607,228)	\$ 1,066,597
Expenditures - community services - other	-	14,905	(14,905)	-
Excess of Revenues Over (Under) Expenditures	2,607,140	(14,993)	(2,622,133)	1,066,597
Other Financing Sources (Uses)				
Transfers in	-	622,275	622,275	-
Transfers out	(1,772,855)	(722,659)	1,050,196	(1,124,750)
Net Other Financing Sources (Uses)	(1,772,855)	(100,384)	1,672,471	(1,124,750)
Net Change in Fund Balance	\$ 834,285	(115,377)	\$ (949,662)	(58,153)
Fund Balance, beginning		1,763,599		1,821,752
Fund Balance, ending	\$ 1,648,222		\$ 1,763,599	\$ 1,763,599

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

	2022										2021		
	Budget	Swimming Pool	Swim Club	Recreational Activity	Parks our	Helping	Fee Assistance	Walker Foundation	Total	Variance with Budget	Actual	Budget	Actual
Revenues													
User fees	\$ 52,000	\$ 54,341	\$ -	\$ 11,777	\$ 2,735	\$ -	\$ 385	\$ -	\$ 69,238	\$ 17,238	\$ 31,285	\$ -	\$ 31,285
Investment income (loss)	-	(161,278)	-	-	-	-	-	-	(161,278)	(161,278)	242,090	-	242,090
Intergovernmental	1,500	-	-	-	-	-	-	122,906	122,906	121,406	-	-	-
Donations	-	500	4,730	-	-	-	-	-	5,230	5,230	-	-	-
Other	7,400	5,084	-	3,765	-	155	-	861	9,865	2,465	9,741	-	9,741
State PERS relief	-	13,227	-	-	-	-	-	-	13,227	13,227	10,762	-	10,762
Total Revenues	60,900	(88,126)	4,730	15,542	2,735	155	385	123,767	59,188	(1,712)	293,878		
Expenditures - parks and recreation:													
Personnel services:													
Salaries	166,500	118,286	367	59,371	222	-	-	-	178,246	(11,746)	141,568	-	141,568
Casual labor	149,249	64,026	-	1,559	29,738	-	-	-	95,323	53,926	83,439	-	83,439
Employee benefits	110,416	53,135	-	28,098	3,034	-	-	-	84,267	26,149	107,777	-	107,777
Total personnel services	426,165	235,447	367	89,028	32,994	-	-	-	357,836	68,329	332,784		
Contractual services:													
Telephone and internet	15,862	13,069	-	1,802	-	-	-	-	14,871	991	8,318	-	8,318
Utilities	145,000	119,024	-	9,016	11,477	-	-	-	139,517	5,483	92,612	-	92,612
Professional services	5,425	3,268	-	-	-	-	-	-	3,268	2,157	-	-	-
Travel and training	8,050	2,520	-	-	-	-	-	-	2,520	5,530	6,257	-	6,257
Insurance	30,000	16,110	-	-	-	-	-	-	16,110	13,890	33,151	-	33,151
Total contractual services	204,337	153,991	-	10,818	11,477	-	-	-	176,286	28,051	140,338		

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

	2022											2021	
	Budget	Swimming Pool	Swim Club	Recreational Activity	Helping Parks our Parks	Fee Assistance	Walker Foundation	Total	Variance		Budget	Actual	
Expenditures - parks and recreation													
continued:													
Commodities:													
Materials and supplies	\$ 27,850	\$ 10,242	\$ -	\$ 1,583	\$ 3,949	\$ -	\$ -	\$ 15,774	\$ 12,076	\$ 12,076	\$ 11,597	\$ -	
Postage and shipping	3,000	5,480	-	161	585	-	-	6,226	(3,226)	(3,226)	-	-	
Vehicle maintenance	17,099	-	-	-	6,217	-	-	6,217	10,882	10,882	4,230	4,230	
Equipment	32,450	7,819	-	1,358	3,778	-	-	12,955	19,495	19,495	1,676	1,676	
Equipment repair and maintenance	14,000	5,165	-	-	958	-	-	6,123	7,877	7,877	239	239	
Allocated - public works	4,000	-	-	-	-	-	-	-	4,000	4,000	-	-	
Allocated - garage	5,000	-	-	-	-	-	-	-	5,000	5,000	-	-	
Allocated - capital facilities	26,428	-	-	-	-	-	-	-	26,428	26,428	-	-	
Chemicals	12,500	15,913	-	-	-	-	-	15,913	(3,413)	(3,413)	18,245	18,245	
Health reports and permits	4,220	2,881	-	490	-	-	-	3,371	849	849	1,918	1,918	
Publications	2,500	356	-	186	483	-	-	1,025	1,475	1,475	971	971	
Capital outlay	-	-	-	-	-	-	-	-	186,372	186,372	51,685	51,685	
Facility repair and maintenance	82,500	10,519	-	7,427	34,904	-	-	52,850	29,650	29,650	30,447	30,447	
Total commodities	231,547	58,375	-	11,205	50,874	-	-	306,826	(75,279)	(75,279)	121,008	121,008	
Total Expenditures	862,049	447,813	367	111,051	95,345	-	-	840,948	21,101	21,101	594,130	594,130	
Excess of Revenues Over (Under) Expenditures	(801,149)	(535,939)	4,363	(95,509)	(92,610)	155	385	(781,760)	19,389	19,389	(300,252)	(300,252)	
Other Financing Sources (Uses)													
Transfers in	797,149	763,253	-	-	-	-	-	763,253	(33,896)	(33,896)	477,177	477,177	
Transfers out	-	-	(6)	-	(6,000)	(4,098)	-	(10,104)	(10,104)	(10,104)	-	-	
Net Other Financing Sources (Uses)	797,149	763,253	(6)	-	(6,000)	(4,098)	-	753,149	(44,000)	(44,000)	477,177	477,177	
Net Change in Fund Balance	\$ (4,000)	\$ 227,314	\$ 4,357	\$ (95,509)	\$ (92,610)	\$ (5,845)	\$ (3,713)	(28,611)	\$ (24,611)	(24,611)	176,925	176,925	
Fund Balance, beginning								1,456,210			1,279,285	1,279,285	
Fund Balance, ending								\$1,427,599			\$1,456,210	\$1,456,210	

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

	2022										2021		
	Budget	Actual					Total	Variance		Budget	Actual		
		Museum	Civic Center	Theater	Nolan Center	Grants		Barnes	with Budget				
Revenues													
Admissions	\$ 28,000	\$ 8,817	\$ -	\$ 15,078	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,895	\$ (4,105)	\$ 5,084
Concessions	60,000	32,414	-	17,474	-	-	-	-	-	-	49,888	(10,112)	33,375
Donations and contributions	100,000	-	-	-	85,000	-	-	-	-	-	85,000	(15,000)	-
Rental revenue	5,500	-	7,096	-	-	-	-	-	-	-	7,096	1,596	2,947
Investment income	-	-	-	-	-	-	-	-	593	-	593	593	521
State PERS relief	5,996	-	-	-	8,108	-	-	-	-	-	8,108	2,112	5,996
Other grant revenue	2,000	-	-	-	-	-	-	-	-	-	-	(2,000)	2,195
Miscellaneous	-	18,953	1,865	-	-	1,570	-	-	-	-	22,388	22,388	-
Total Revenues	201,496	60,184	8,961	32,552	93,108	1,570	593	-	-	-	196,968	(4,528)	50,118
Expenditures - community services:													
Personnel services:													
Salaries	104,957	30,281	68,511	9,337	-	-	-	-	-	-	108,129	(3,172)	92,992
Casual labor	30,000	379	-	-	-	-	-	-	-	-	379	29,621	4,706
Employee benefits	62,755	9,318	30,063	-	-	-	-	-	-	-	39,381	23,374	35,266
Total personnel services	197,712	39,978	98,574	9,337	-	-	-	-	-	-	147,889	49,823	132,964
Contractual services:													
Building maintenance and utilities	136,857	-	-	-	173,108	-	-	-	-	-	173,108	(36,251)	181,360
Credit card costs	920	1,000	-	-	-	-	-	-	-	-	1,000	(80)	560
Total contractual services	137,777	1,000	-	-	173,108	-	-	-	-	-	174,108	(36,331)	181,920

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,	2022						2021			
	Budget	Museum	Civic Center	Theater	Nolan Center	Grants	Barnes	Total	Variance with Budget	Actual
Expenditures, continued										
Commodities:										
Materials and supplies	\$ 7,100	\$ 909	\$ 2,240	\$ -	\$ 432	\$ 1,570	\$ -	\$ 5,151	\$ 1,949	\$ 8,828
Books, subscriptions and dues	21,000	14,631	851	-	-	-	-	15,482	5,518	27,018
Publications and advertising	-	425	1,868	-	-	-	-	2,293	(2,293)	2,585
Concessions	21,000	-	-	9,746	-	-	-	9,746	11,254	2,113
Film costs	20,000	-	-	13,318	-	-	-	13,318	6,682	4,373
Postage	500	-	-	-	157	-	-	157	343	108
Membership and dues	-	-	-	40	-	-	-	40	(40)	30
Miscellaneous	10,310	-	-	-	-	-	-	-	10,310	895
Total commodities	79,910	15,965	4,959	23,104	589	1,570	-	46,187	33,723	45,950
Police department:										
Contractual services	9,600	-	-	-	19,116	-	-	19,116	(9,516)	7,687
Commodities	-	-	580	-	-	-	-	580	(580)	580
Total police department	9,600	-	580	-	19,116	-	-	19,696	(10,096)	8,267
Total Expenditures	424,999	56,943	104,113	32,441	192,813	1,570	-	387,880	37,119	369,101
Excess of Revenues										
Over (Under) Expenditures	(223,503)	3,241	(95,152)	111	(99,705)	-	593	(190,912)	32,591	(318,983)
Other Financing Sources - transfers in	254,519	-	-	-	266,519	-	-	266,519	12,000	268,000
Net Change in Fund Balance	\$ 31,016	\$ 3,241	\$ (95,152)	\$ 111	\$ 166,814	\$ -	\$ 593	\$ 75,607	\$ 44,591	(50,983)
Fund Balance, beginning								49,353		100,336
Fund Balance, ending								\$ 124,960		\$ 49,353

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>	2022		2021	
	Budget	Actual	Variance with Budget	Actual
Revenues				
Investment income (loss)	\$ 250,000	\$ (905,482)	\$ (1,155,482)	\$ 1,673,891
Lease revenue	16,440	10,980	(5,460)	-
Total Revenues	266,440	(894,502)	(1,160,942)	1,673,891
Excess of Revenues Over (Under)				
Expenditures	266,440	(894,502)	(1,160,942)	1,673,891
Other Financing Uses - transfers out	(280,000)	-	280,000	-
Net Change in Fund Balance	<u>\$ (13,560)</u>	(894,502)	<u>\$ (880,942)</u>	1,673,891
Fund Balance, beginning		<u>9,620,244</u>		<u>7,946,353</u>
Fund Balance, ending		<u>\$ 8,725,742</u>		<u>\$ 9,620,244</u>

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

Years Ended June 30,	2022			2021
	Budget	Actual	Variance with Budget	Actual
Revenues				
Intergovernmental - national forest receipts	\$ 800,000	\$1,171,312	\$ 371,312	\$ 796,757
Expenditures				
Education - contributions to school district	1,400,000	1,303,068	96,932	1,300,000
Capital outlay	-	40,449	(40,449)	-
Total Expenditures	1,400,000	1,343,517	56,483	1,300,000
Excess of Revenues				
Over (Under) Expenditures	(600,000)	(172,205)	427,795	(503,243)
Other Financing Sources (Uses)				
Transfers out	(32,000)	-	32,000	-
Net Change in Fund Balance	<u>\$ (632,000)</u>	(172,205)	<u>\$ 459,795</u>	(503,243)
Fund Balance, beginning		<u>2,433,185</u>		<u>2,936,428</u>
Fund Balance, ending		<u>\$2,260,980</u>		<u>\$ 2,433,185</u>

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

Years Ended June 30,	2022	2021
Revenues		
Intergovernmental	\$ 249,481	\$ 2,936,899
Expenditures		
General government:		
Administration:		
Personnel services	6,570	231,008
Contractual services	19,975	113,264
Total administration	26,545	344,272
Finance:		
Contractual services	-	15,631
Commodities	-	663
Personnel services	2,669	27,539
Total finance	2,669	43,833
Clerk and assembly - personnel services	-	11,592
Total general government	29,214	399,697
Public safety:		
Fire department:		
Personnel services	30,379	338,626
Materials and supplies	-	257
Total fire department	30,379	338,883
Pandemic response:		
Contractual services	4,369	113,090
Materials and supplies	69,709	715,682
Total pandemic response	74,078	828,772
Police department:		
Personnel services	-	328,737
Contractual services	33,435	1,116,174
Total police department	33,435	1,444,911
Corrections and dispatch - personnel services	-	119,758
Total public safety	137,892	2,732,324
Public works:		
Capital facilities - personnel services	-	8,248
General - personnel services	-	7,748
Streets - personnel services	-	3,367
Total public works	-	19,363
Community services - museum - personnel services	-	1,538
Parks and recreation - general - personnel services	-	4,547
Total Expenditures	167,106	3,157,469
Net Change in Fund Balance	82,375	(220,570)
Fund Balance (Deficit), beginning	(220,570)	-
Fund Deficit, ending	\$ (138,195)	\$ (220,570)

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

Years Ended June 30,	2022			2021
	Budget	Actual	Variance with Budget	Actual
Revenues				
Sales taxes	\$ -	\$ 725,458	\$ 725,458	\$ -
Net Change in Fund Balance	<u>-</u>	725,458	<u>725,458</u>	-
Fund Balance, beginning		<u>-</u>		<u>-</u>
Fund Balance, ending		<u>\$ 725,458</u>		<u>\$ -</u>

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Debt Service Fund

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

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

<i>Years Ended June 30,</i>	2022			2021	
	Budget	Actual	Variance with Budget	Actual	
Expenditures					
Debt service:					
Principal	\$ -	\$ -	\$ -		\$ 260,000
Interest	-	-	-		6,875
Total Expenditures	-	-	-		266,875
Excess of Revenues					
Over (Under) Expenditures	-	-	-		(266,875)
Other Financing Sources					
Transfers in	-	-	-		272,750
Net Change in Fund Balance	<u>\$ -</u>	-	<u>\$ -</u>		5,875
Fund Balance, beginning		<u>7,556</u>			<u>1,681</u>
Fund Balance, ending		<u>\$ 7,556</u>			<u>\$ 7,556</u>

Capital Project Funds

Residential Construction

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

Industrial Construction

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

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.

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

<i>Year Ended June 30, 2022</i>	Residential Construc- tion	Industrial Construc- tion	Economic Recovery	Misc- ellaneous	Totals
Revenues					
Land sales and improvements	\$ 195,960	\$ 271,000	\$ -	\$ -	\$ 466,960
Investment income	-	2,466	-	-	2,466
Miscellaneous reimbursement	-	3,828	-	-	3,828
Total Revenues	195,960	277,294	-	-	473,254
Expenditures					
Capital outlay:					
Miscellaneous capital projects	56,448	750	2,464,178	13,260	2,534,636
Compliance testing and other	-	37,487	-	-	37,487
General government - professional services	(136)	112,389	23,310	-	135,563
Total Expenditures	56,312	150,626	2,487,488	13,260	2,707,686
Excess of Revenues Over (Under) Expenditures					
	139,648	126,668	(2,487,488)	(13,260)	(2,234,432)
Other Financing Sources (Uses)					
Transfers in	149	-	2,464,178	-	2,464,327
Transfers out	-	-	-	(703,768)	(703,768)
Net Other Financing Sources (Uses)	149	-	2,464,178	(703,768)	1,760,559
Net Change in Fund Balances	139,797	126,668	(23,310)	(717,028)	(473,873)
Fund Balances, beginning	46,772	335,680	1,353,445	848,391	2,584,288
Fund Balances, ending	\$ 186,569	\$ 462,348	\$ 1,330,135	\$ 131,363	\$ 2,110,415

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.

Port

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

Sanitation Utility

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

Exhibit K-1

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

<i>June 30,</i>	2022	2021
Assets and Deferred Outflows of Resources		
Current Assets		
Cash and investments	\$ 3,551,503	\$ 3,536,354
Receivables:		
Accounts	313,153	388,043
Less allowance for doubtful accounts	(13,405)	(32,026)
Net receivables	299,748	356,017
Inventories	172,842	186,466
Total Current Assets	4,024,093	4,078,837
Noncurrent Assets		
Net other postemployment benefits asset	494,564	82,593
Capital assets:		
Land	10,900	10,900
Buildings	805,351	805,351
Improvements other than buildings	2,333,198	2,297,735
Equipment	4,291,472	4,267,314
Construction in progress	772,798	430,280
Total capital assets	8,213,719	7,811,580
Less accumulated depreciation	(6,511,989)	(6,369,976)
Net capital assets	1,701,730	1,441,604
Total Noncurrent Assets	2,196,294	1,524,197
Total Assets	6,220,387	5,603,034
Deferred Outflows of Resources		
Related to pensions	106,930	137,668
Related to other postemployment benefits	20,079	60,907
Total Deferred Outflows of Resources	127,009	198,575
Total Assets and Deferred Outflows of Resources	\$ 6,347,396	\$ 5,801,609

Exhibit K-1, continued

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

<i>June 30,</i>	2022	2021
Liabilities, Deferred Inflows of Resources, and Net Position		
Current Liabilities		
Accounts payable	\$ 179,994	\$ 322,457
Accrued leave	34,203	33,725
Customer utility deposits	101,482	93,307
Unearned revenue	143,434	-
Total Current Liabilities	459,113	449,489
Long-term Liabilities		
Net pension liability	686,656	984,959
Net other postemployment benefits liability	-	1,599
Total Long-term Liabilities	686,656	986,558
Total Liabilities	1,145,769	1,436,047
Deferred Inflows of Resources		
Related to pensions	273,823	-
Related to other postemployment benefits	264,178	66,966
Total Deferred Inflows of Resources	538,001	66,966
Net Position		
Net investment in capital assets	1,701,730	1,441,604
Unrestricted	2,961,896	2,856,992
Total Net Position	4,663,626	4,298,596
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 6,347,396	\$ 5,801,609

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>	2022	2021
Operating Revenues		
Residential	\$ 1,857,450	\$ 1,768,535
Commercial	2,347,993	2,077,147
Fuel surcharge	110,378	67,860
Labor charges	975	20,632
Other	14,961	27,124
Total Operating Revenues	4,331,757	3,961,298
Operating Expenses		
Generation	3,223,811	3,148,396
Distribution	566,202	453,155
General and administrative	208,749	198,215
Depreciation	142,012	316,544
Total Operating Expenses	4,140,774	4,116,310
Income (Loss) from Operations	190,983	(155,012)
Nonoperating Revenues		
Equipment and pole rental	57,860	29,645
Late fees	19,038	13,193
Material sales	8,087	22,076
State PERS relief	89,062	138,500
Net Nonoperating Revenues	174,047	203,414
Change in Net Position	365,030	48,402
Net Position, beginning	4,298,596	4,250,194
Net Position, ending	\$ 4,663,626	\$ 4,298,596

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

<i>Years Ended June 30,</i>	2022	2021
Cash Flows from Operating Activities		
Receipts from customers and users	\$ 4,624,620	\$ 3,934,921
Payments for interfund services used	(145,869)	(143,830)
Payments to suppliers	(3,403,742)	(2,899,407)
Payments to employees	(657,722)	(723,221)
Net cash flows from operating activities	417,287	168,463
Cash Flows for Capital and Related Financing Activities		
Purchase of property, plant and equipment	(402,138)	(164,117)
Net Increase in Cash and Investments	15,149	4,346
Cash and Investments, beginning	3,536,354	3,532,008
Cash and Investments, ending	\$ 3,551,503	\$ 3,536,354
Reconciliation of Income (Loss) from Operations to Net Cash		
Flows from Operating Activities		
Income (Loss) from operations	\$ 190,983	\$ (155,012)
Adjustments to reconcile income (loss) from operations to net cash flows from operating activities:		
Depreciation	142,012	316,544
Noncash expense - PERS relief	89,062	138,500
Miscellaneous nonoperating revenues	84,985	64,913
(Increase) decrease in assets:		
Accounts receivable, net	56,269	(107,677)
Inventories	13,624	(15,381)
Net other postemployment benefits asset	(411,971)	(77,790)
(Increase) decrease in deferred outflows of resources:		
Related to pensions	30,738	(618)
Related to other postemployment benefits	40,828	3,880
Increase (decrease) in liabilities:		
Accounts payable	(142,463)	(27,567)
Accrued leave	478	(18,417)
Customer utility deposits	8,175	16,387
Unearned revenue	143,434	-
Net pension liability	(298,303)	28,887
Net other postemployment benefits liability	(1,599)	(21,565)
Increase (decrease) in deferred inflows of resources:		
Related to pensions	273,823	(18,869)
Related to other postemployment benefits	197,212	42,248
Net Cash Flows from Operating Activities	\$ 417,287	\$ 168,463

City and Borough of Wrangell, Alaska

Electric Utility Enterprise Fund
Schedule of Operating Expenses

<i>Years Ended June 30,</i>	2022	2021
Generation		
Salaries	\$ 135,285	\$ 195,712
Overtime salaries	481	6,168
Employee benefits	(79,970)	161,870
Telephone	8,072	16,066
Utilities	2,280	2,280
Materials and supplies	13,683	21,546
Gas and oil	255,836	230,430
Diesel fuel	1,545	638
Tyee hydro power purchases	2,737,708	2,461,045
Repairs and maintenance	111,144	8,532
Capital outlay	-	10,537
O.S.H.A. requirements	37,747	33,572
Total Generation	3,223,811	3,148,396
Distribution		
Salaries	289,133	270,416
Overtime salaries	33,973	14,096
Employee benefits	199,088	151,215
Telephone	2,925	63
Utilities	1,018	1,017
Travel and training	-	897
Materials and supplies	23,682	5,929
Meters	(6,995)	-
Transformers	2,903	2,033
Allocated vehicle charges - garage	20,475	7,489
Total Distribution	566,202	453,155
General and Administrative		
Allocated overhead - finance	46,990	54,612
Allocated salaries - public works	78,404	81,729
Professional services	6,847	1,844
Travel and training	1,062	-
Insurance	55,446	55,866
Credit card expense	-	4,164
Bad debt expense	20,000	-
Total General and Administrative	208,749	198,215
Depreciation	142,012	316,544
Total Operating Expenses	\$ 4,140,774	\$ 4,116,310

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

<i>June 30,</i>	2022	2021
Assets and Deferred Outflows of Resources		
Current Assets		
Cash and investments	\$ 1,490,905	\$ 491,455
Receivables:		
Grants	98,414	415,080
Accounts	71,908	80,842
Accrued interest	5	5
Total receivables	170,327	495,927
Total Current Assets	1,661,232	987,382
Noncurrent Assets		
Net other postemployment benefits asset	90,372	18,849
Capital assets:		
Buildings	5,128,436	5,128,436
Improvements other than buildings	12,697,490	11,956,632
Equipment	165,779	145,024
Construction in progress	297,361	754,493
Total capital assets	18,289,066	17,984,585
Less accumulated depreciation	(13,848,808)	(13,413,531)
Net capital assets	4,440,258	4,571,054
Total Noncurrent Assets	4,530,630	4,589,903
Total Assets	6,191,862	5,577,285
Deferred Outflows of Resources		
Related to pensions	19,539	31,418
Related to other postemployment benefits	3,669	13,900
Total Deferred Outflows of Resources	23,208	45,318
Total Assets and Deferred Outflows of Resources	\$ 6,215,070	\$ 5,622,603

Exhibit K-5, continued

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

<i>June 30,</i>	2022	2021
Liabilities, Deferred Inflows of Resources, and Net Position		
Liabilities		
Current Liabilities		
Accounts payable	\$ 65,682	\$ 158,818
Accrued leave	20,195	25,314
Unearned revenue	35,345	-
Customer utility deposits	11,145	10,445
Accrued interest payable	4,436	3,326
Current portion - ADEC loans	12,431	5,139
Total Current Liabilities	149,234	203,042
Long-term Liabilities		
Interfund loan, net of current portion	385,000	-
ADEC loans, net of current portion	261,393	46,769
Net pension liability	125,473	224,783
Net other postemployment benefits liability	-	365
Total Long-term Liabilities	771,866	271,917
Total Liabilities	921,100	474,959
Deferred Inflows of Resources		
Related to pensions	50,036	-
Related to other postemployment benefits	48,274	15,283
Total Deferred Inflows of Resources	98,310	15,283
Net Position		
Net investment in capital assets	4,166,434	4,519,146
Unrestricted	1,029,226	613,215
Total Net Position	5,195,660	5,132,361
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 6,215,070	\$ 5,622,603

City and Borough of Wrangell, Alaska
Water Utility Enterprise Fund
Statement of Revenues, Expenses and Changes in Net Position

<i>Years Ended June 30,</i>	2022	2021
Operating Revenues		
Water sales	\$ 728,038	\$ 692,705
Operating Expenses		
Distribution	73,509	54,130
Treatment	791,231	513,776
General and administrative	43,280	66,068
Depreciation	435,277	404,345
Total Operating Expenses	1,343,297	1,038,319
Loss from Operations	(615,259)	(345,614)
Nonoperating Revenues (Expenses)		
Investment income	136	130
Operating grant revenue	349,064	-
Interest expense	(6,645)	(819)
State PERS relief	24	11,688
Net Nonoperating Revenues (Expenses)	342,579	10,999
Loss before Transfers and Capital Contributions	(272,680)	(334,615)
Capital contributions	235,595	541,624
Transfer in	100,384	-
Change in Net Position	63,299	207,009
Net Position, beginning	5,132,361	4,925,352
Net Position, ending	\$ 5,195,660	\$ 5,132,361

City and Borough of Wrangell, Alaska

Water Utility Enterprise Fund

Statement of Cash Flows

<i>Years Ended June 30,</i>	2022	2021
Cash Flows from (for) Operating Activities		
Receipts from customers and users	\$ 773,017	\$ 681,462
Payments for interfund services used	(91,679)	(89,284)
Payments to suppliers	(790,275)	(164,686)
Payments to employees	(190,358)	(184,647)
Net cash flows from (for) operating activities	(299,295)	242,845
Cash Flows from Noncapital Financing Activities		
Operating grants received	349,064	-
Cash Flows from (for) Capital and Related Financing Activities		
Purchase of property, plant and equipment	(304,481)	(699,092)
Capital contributions received	552,261	126,544
Transfers in	100,384	-
ADEC loan received	226,710	-
Interfund loan received	385,000	-
Principal payments on loan	(4,794)	-
Interest payments on loan	(5,535)	-
Net cash flows from (for) capital and related financing activities	949,545	(572,548)
Cash Flows from Investing Activities		
Investment income received	136	130
Net Increase (Decrease) in Cash and Investments	999,450	(329,573)
Cash and Investments, beginning	491,455	821,028
Cash and Investments, ending	\$ 1,490,905	\$ 491,455

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>	2022	2021
Reconciliation of Loss from Operations to Net Cash		
Flows from (for) Operating Activities		
Loss from operations	\$ (615,259)	\$ (345,614)
Adjustments to reconcile loss from operations to net cash flows from (for) operating activities:		
Depreciation	435,277	404,345
Noncash expense - PERS relief	24	11,688
(Increase) decrease in assets:		
Accounts receivable	8,934	(12,468)
Net other postemployment benefits asset	(71,523)	(18,057)
(Increase) decrease in deferred outflows of resources:		
Related to pensions	11,879	(9,618)
Related to other postemployment benefits	10,231	(2,227)
Increase (decrease) in liabilities:		
Accounts payable	(93,136)	139,821
Accrued leave	(5,119)	5,246
Unearned revenue	35,345	-
Customer utility deposits	700	1,225
Net pension liability	(99,310)	68,621
Net other postemployment benefits liability	(365)	(6,352)
Increase (decrease) in deferred inflows of resources:		
Related to pensions	50,036	(3,795)
Related to other postemployment benefits	32,991	10,030
Net Cash Flows from (for) Operating Activities	\$ (299,295)	\$ 242,845

City and Borough of Wrangell, Alaska

Water Utility Enterprise Fund
Schedule of Operating Expenses

<i>Years Ended June 30,</i>	2022	2021
Distribution		
Salaries	\$ 1,170	\$ 905
Employee benefits	(51)	565
Allocated salaries - public works	37,389	43,989
Materials and supplies	11,000	-
Repairs and maintenance	24,001	8,671
Total Distribution	73,509	54,130
Treatment		
Salaries	99,156	108,440
Overtime salaries	20,317	15,316
Employee benefits	(1,390)	114,957
Allocated salaries - public works	16,952	5,013
Telephone	3,924	3,645
Travel and training	1,007	591
Materials and supplies	47,416	87,177
Chlorination - electricity	142,636	131,701
Repairs and maintenance	89,022	45,815
Allocated vehicle charges - garage	996	1,121
Professional services	371,195	-
Total Treatment	791,231	513,776
General and Administrative		
Allocated overhead - finance	36,342	39,161
Materials and supplies	-	792
Repairs and maintenance	(915)	3,935
Professional services	-	6,052
Insurance	7,853	15,370
Credit card expense	-	758
Total General and Administrative	43,280	66,068
Depreciation	435,277	404,345
Total Operating Expenses	\$ 1,343,297	\$ 1,038,319

Exhibit K-9

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

<i>June 30,</i>	2022	2021
Assets and Deferred Outflows of Resources		
Current Assets		
Cash and investments	\$ 1,443,117	\$ 1,226,802
Receivables:		
Accounts	50,870	48,906
Accrued interest	7	7
Total receivables	50,877	48,913
Total Current Assets	1,493,994	1,275,715
Noncurrent Assets		
Net other postemployment benefits asset	149,668	17,587
Capital assets:		
Buildings	2,233,579	2,233,579
Improvements other than buildings	10,151,774	10,151,774
Equipment	195,001	195,001
Construction in progress	18,298	-
Total capital assets	12,598,652	12,580,354
Less accumulated depreciation	(10,366,177)	(10,122,997)
Net capital assets	2,232,475	2,457,357
Total Noncurrent Assets	2,382,143	2,474,944
Total Assets	3,876,137	3,750,659
Deferred Outflows of Resources		
Related to pensions	32,360	29,315
Related to other postemployment benefits	6,076	12,970
Total Deferred Outflows of Resources	38,436	42,285
Total Assets and Deferred Outflows of Resources	\$ 3,914,573	\$ 3,792,944

Exhibit K-9, continued

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

<i>June 30,</i>	2022	2021
Liabilities, Deferred Inflows of Resources, and Net Position		
Current Liabilities		
Accounts payable	\$ 41,570	\$ 42,405
Accrued leave	19,620	23,968
Unearned revenue	28,100	-
Accrued interest payable	1,747	1,717
Current portion - USDA Rural Development loan	1,714	1,652
Total Current Liabilities	92,751	69,742
Long-term Liabilities		
USDA Rural Development loan, net of current portion	82,039	82,154
Net pension liability	207,800	209,736
Net other postemployment benefits liability	-	340
Total Long-term Liabilities	289,839	292,230
Total Liabilities	382,590	361,972
Deferred Inflows of Resources		
Related to pensions	82,866	-
Related to other postemployment benefits	79,947	14,260
Total Deferred Inflows of Resources	162,813	14,260
Net Position		
Net investment in capital assets	2,148,722	2,373,551
Unrestricted	1,220,448	1,043,161
Total Net Position	3,369,170	3,416,712
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 3,914,573	\$ 3,792,944

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>	2022	2021
Operating Revenues		
Sewer charges	\$ 619,097	\$ 598,144
Operating Expenses		
Collection and treatment	398,892	299,461
General and administrative	43,322	48,868
Depreciation	243,180	252,229
Total Operating Expenses	685,394	600,558
Loss from Operations	(66,297)	(2,414)
Nonoperating Revenues (Expenses)		
Investment income	447	446
State PERS relief	40	10,701
Interest expense	(30)	(1,644)
Net Nonoperating Revenues (Expenses)	457	9,503
Income (Loss) before Capital Contributions	(65,840)	7,089
Capital contributions	18,298	-
Change in Net Position	(47,542)	7,089
Net Position, beginning	3,416,712	3,409,623
Net Position, ending	\$ 3,369,170	\$ 3,416,712

Exhibit K-11

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

<i>Years Ended June 30,</i>	2022	2021
Cash Flows from Operating Activities		
Receipts from customers and users	\$ 645,233	\$ 610,954
Payments for interfund services used	(51,394)	(58,783)
Payments to suppliers	(172,261)	(129,531)
Payments to employees	(205,657)	(190,864)
Net cash flows from operating activities	215,921	231,776
Cash Flows for Capital and Related Financing Activities		
Purchase of property, plant and equipment	(18,298)	(28,828)
Principal payments on USDA Rural Development loan	(53)	(1,632)
Capital contributions received	18,298	-
Interest payments on long-term debt	-	(1,614)
Net cash flows for capital and related financing activities	(53)	(32,074)
Cash Flows from Investing Activities		
Investment income received	447	446
Net Increase in Cash and Investments	216,315	200,148
Cash and Investments, beginning	1,226,802	1,026,654
Cash and Investments, ending	\$ 1,443,117	\$ 1,226,802

Exhibit K-11, continued

City and Borough of Wrangell, Alaska

Sewer Utility Enterprise Fund
Statement of Cash Flows, continued

<i>Years Ended June 30,</i>	2022	2021
Reconciliation of Loss from Operations to Net Cash		
Flows from Operating Activities		
Loss from operations	\$ (66,297)	\$ (2,414)
Adjustments to reconcile loss from operations to net cash flows from operating activities:		
Depreciation	243,180	252,229
Noncash expense - PERS relief	40	10,701
(Increase) decrease in assets:		
Accounts receivable, net	(1,964)	12,810
Net other postemployment benefits asset	(132,081)	(16,204)
(Increase) decrease in deferred outflows of resources:		
Related to pensions	(3,045)	918
Related to other postemployment benefits	6,894	7,054
Increase (decrease) in liabilities:		
Accounts payable	(835)	645
Accrued leave	(4,348)	111
Unearned revenue	28,100	-
Net pension liability	(1,936)	(21,134)
Net other postemployment benefits liability	(340)	(11,178)
Increase (decrease) in deferred inflows of resources:		
Related to pensions	82,866	(6,788)
Related to other postemployment benefits	65,687	5,026
Net Cash Flows from Operating Activities	\$ 215,921	\$ 231,776

City and Borough of Wrangell, Alaska

Sewer Utility Enterprise Fund
Schedule of Operating Expenses

<i>Years Ended June 30,</i>	2022	2021
Collection and Treatment		
Salaries	\$ 112,108	\$ 112,972
Overtime salaries	11,395	8,809
Employee benefits	95,891	37,589
Allocated salaries - public works	8,559	15,704
Telephone	2,719	3,568
Utilities	58,997	58,159
Travel and training	-	100
Materials and supplies	12,159	6,804
Facilities repairs and maintenance	3,961	10,993
Systems repairs and maintenance	70,086	25,706
Allocated vehicle charges - garage	6,493	2,085
Compliance testing	16,524	16,972
Total Collection and Treatment	398,892	299,461
General and Administrative		
Allocated overhead - finance	36,342	40,994
Travel and training	50	133
Insurance	6,930	6,490
Credit card expense	-	1,251
Total General and Administrative	43,322	48,868
Depreciation	243,180	252,229
Total Operating Expenses	\$ 685,394	\$ 600,558

Exhibit K-13

City and Borough of Wrangell, Alaska

Port Enterprise Fund
Statement of Net Position

June 30,	2022	2021
Assets and Deferred Outflows of Resources		
Current Assets		
Cash and investments	\$ 2,788,832	\$ 2,531,602
Receivables:		
Accounts	219,858	183,767
Grants	80,228	-
Accrued interest	32	32
Less allowance for doubtful accounts	(34,258)	(30,000)
Net receivables	265,860	153,799
Total Current Assets	3,054,692	2,685,401
Noncurrent Assets		
Restricted cash and investments - harbor improvements	694,306	689,100
Net other postemployment benefits asset	282,018	45,203
Capital assets:		
Land	948,333	948,333
Harbor floats, docks and improvements	44,913,351	44,479,718
Travel lift	18,391,507	18,391,507
Gridiron	163,036	154,636
Buildings	222,466	222,466
Equipment	402,397	391,826
Paving	2,530,923	2,530,923
Construction in progress	-	22,750
Total capital assets	67,572,013	67,142,159
Less accumulated depreciation	(32,236,132)	(30,034,721)
Net capital assets	35,335,881	37,107,438
Total Noncurrent Assets	36,312,205	37,841,741
Total Assets	39,366,897	40,527,142
Deferred Outflows of Resources		
Related to pensions	60,975	75,347
Related to other postemployment benefits	11,450	33,335
Total Deferred Outflows of Resources	72,425	108,682
Total Assets and Deferred Outflows of Resources	\$ 39,439,322	\$ 40,635,824

Exhibit K-13, continued

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

<i>June 30,</i>	2022	2021
Liabilities, Deferred Inflows of Resources, and Net Position		
Liabilities		
Current Liabilities		
Accounts payable	\$ 112,207	\$ 100,745
Accrued leave	35,775	28,686
Unearned revenue	728,008	689,100
Interfund loans	20,728	21,942
Total Current Liabilities	896,718	840,473
Long-term Liabilities		
Interfund loans, net of current portion	-	20,727
Net pension liability	391,556	539,074
Net other postemployment benefits liability	-	875
Total Long-term Liabilities	391,556	560,676
Total Liabilities	1,288,274	1,401,149
Deferred Inflows of Resources		
Related to pensions	156,144	-
Related to other postemployment benefits	150,644	36,651
Total Deferred Inflows of Resources	306,788	36,651
Net Position		
Net investment in capital assets	35,335,881	37,107,438
Unrestricted	2,508,379	2,090,586
Total Net Position	37,844,260	39,198,024
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 39,439,322	\$ 40,635,824

City and Borough of Wrangell, Alaska

Port Enterprise Fund

Statement of Revenues, Expenses and Changes in Net Position

Years Ended June 30,	2022	2021
Operating Revenues		
Municipal dock:		
Storage fees	\$ 61,193	\$ 9,511
Wharfage fees	20,798	25,863
Dockage fees	52,671	27,942
Port development fees	23,209	2,460
Total municipal dock	157,871	65,776
Small boat harbor:		
Stall rentals and transient fees	715,044	744,052
Penalties and late fees	3,130	7,534
Other revenues	22,699	3,626
Total small boat harbor	740,873	755,212
Travel lift:		
Lift fees	204,193	201,349
Storage fees	256,843	294,502
Electric revenues	12,132	12,308
Total travel lift	473,168	508,159
Total Operating Revenues	1,371,912	1,329,147
Operating Expenses		
Municipal dock	69,966	101,844
Small boat harbor	434,740	309,549
Travel lift	349,036	343,731
General and administrative	117,061	182,413
Depreciation	2,201,412	2,183,288
Total Operating Expenses	3,172,215	3,120,825
Loss from Operations	(1,800,303)	(1,791,678)
Nonoperating Revenues		
Investment income	6	1,190
State PERS relief	76	30,563
State grant revenue	115,712	-
State fisheries business tax	284,469	359,288
Total Nonoperating Revenues	400,263	391,041
Loss before Capital Contributions	(1,400,040)	(1,400,637)
Capital contributions	46,276	-
Change in Net Position	(1,353,764)	(1,400,637)
Net Position, beginning	39,198,024	40,598,661
Net Position, ending	\$ 37,844,260	\$ 39,198,024

City and Borough of Wrangell, Alaska

Port Enterprise Fund
Statement of Cash Flows

Years Ended June 30,	2022	2021
Cash Flows from (for) Operating Activities		
Receipts from customers and users	\$ 1,378,987	\$ 1,287,304
Payments for interfund services used	(87,410)	(49,759)
Payments to suppliers	(403,956)	(788,189)
Payments to employees	(539,624)	(542,795)
Net cash flows from (for) operating activities	347,997	(93,439)
Cash Flows from Noncapital Financing Activities		
Operating grants	115,712	-
State fish taxes received	284,469	359,288
Net cash flows from (for) capital and related financing activities	400,181	359,288
Cash Flows from (for) Capital and Related Financing Activities		
Purchase of property, plant and equipment	(429,855)	(169,840)
Principal payments on interfund loan	(21,941)	(21,942)
Capital grants and contributions received	(33,952)	861,591
Net cash flows from (for) capital and related financing activities	(485,748)	669,809
Cash Flows from Investing Activities		
Investment income received	6	1,190
Net Increase in Cash and Investments	262,436	936,848
Cash and Investments, beginning	3,220,702	2,283,854
Cash and Investments, ending	\$ 3,483,138	\$ 3,220,702
Reconciliation of Cash and Investments to Statement of Net Position		
Cash and investments	\$ 2,788,832	\$ 2,531,602
Restricted cash and investments	694,306	689,100
Total Cash and Investments	\$ 3,483,138	\$ 3,220,702
Reconciliation of Loss from Operations to Net Cash		
Flows from (for) Operating Activities		
Loss from operations	\$ (1,800,303)	\$ (1,791,678)
Adjustments to reconcile loss from operations to net cash flows from (for) operating activities:		
Depreciation	2,201,412	2,183,288
Noncash expense - PERS relief	76	30,563
(Increase) decrease in assets:		
Accounts receivable, net	(31,833)	(41,843)
Net other postemployment benefits asset	(236,815)	(41,572)
(Increase) decrease in deferred outflows of resources:		
Related to pensions	14,372	3,507
Related to other postemployment benefits	21,885	18,022
Increase (decrease) in liabilities:		
Accounts payable	11,462	(415,800)
Accrued leave	7,089	7,438
Unearned revenue	38,908	-
Net pension liability	(147,518)	(38,371)
Net other postemployment benefits liability	(875)	(18,017)
Increase (decrease) in deferred inflows of resources:		
Related to pensions	156,144	(7,423)
Related to other postemployment benefits	113,993	18,447
Net Cash Flows from (for) Operating Activities	\$ 347,997	\$ (93,439)

City and Borough of Wrangell, Alaska

Port Enterprise Fund

Schedule of Operating Expenses

Years Ended June 30,	2022	2021
Municipal Dock		
Salaries	\$ 28,691	\$ 30,391
Employee benefits	15,399	17,213
Materials and supplies	2,842	2,190
Insurance	6,195	-
Utilities	5,320	5,517
Allocated vehicle charges - garage	-	20
Repairs and maintenance	11,519	46,513
Total Municipal Dock	69,966	101,844
Small Boat Harbor		
Salaries	129,166	136,260
Employee benefits	57,467	56,526
Allocated salaries - public works	-	180
Materials and supplies	9,156	5,756
Utilities	86,272	74,318
Repairs and maintenance	69,308	13,276
Allocated vehicle charges - garage	12,708	4,878
Publications	-	578
Miscellaneous expense	70,663	17,777
Total Small Boat Harbor	434,740	309,549
Travel Lift		
Salaries	189,661	191,984
Overtime salaries	14,833	12,132
Employee benefits	28,215	70,883
Materials and supplies	7,609	21,449
Insurance	18,721	-
Utilities	21,681	21,700
Allocated vehicle charges - garage	40,498	1,847
Repairs and maintenance	27,818	23,736
Total Travel Lift	349,036	343,731
General and Administrative		
Salaries	4,543	8,881
Allocated overhead - finance	28,919	26,794
Travel and training	6,485	-
Professional services	27,542	36,866
Telephone	7,229	8,896
Materials and supplies	4,834	5,772
Allocated vehicle charges - garage	5,285	16,040
Insurance	38,891	62,426
Repairs and maintenance	(12,800)	1,247
Credit card expense	-	10,947
Publications	6,133	4,544
Total General and Administrative	117,061	182,413
Depreciation	2,201,412	2,183,288
Total Operating Expenses	\$ 3,172,215	\$ 3,120,825

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

<i>June 30,</i>	2022	2021
Assets and Deferred Outflows of Resources		
Current Assets		
Cash and investments	\$ 873,803	\$ 910,820
Accounts receivable	63,942	49,820
Total Current Assets	937,745	960,640
Noncurrent Assets		
Net other postemployment benefits asset	108,334	16,378
Capital assets:		
Buildings	982,637	982,637
Equipment	898,932	552,402
Total capital assets	1,881,569	1,535,039
Less accumulated depreciation	(1,255,817)	(1,156,583)
Net capital assets	625,752	378,456
Total Noncurrent Assets	734,086	394,834
Total Assets	1,671,831	1,355,474
Deferred Outflows of Resources		
Related to pensions	23,423	27,300
Related to other postemployment benefits	4,398	12,078
Total Deferred Outflows of Resources	27,821	39,378
Total Assets and Deferred Outflows of Resources	\$ 1,699,652	\$ 1,394,852
Liabilities, Deferred Inflows of Resources, and Net Position		
Current Liabilities		
Accounts payable	\$ 28,025	\$ 43,477
Unearned revenue	331,122	-
Accrued leave	15,683	17,782
Total Current Liabilities	374,830	61,259
Long-term Liabilities		
Net pension liability	150,412	195,320
Net other postemployment benefits liability	-	316
Total Long-term Liabilities	150,412	195,636
Total Liabilities	525,242	256,895
Deferred Inflows of Resources		
Related to pensions	59,981	-
Related to other postemployment benefits	57,868	13,280
Total Deferred Inflows of Resources	117,849	13,280
Net Position		
Net investment in capital assets	625,752	378,456
Unrestricted	430,809	746,221
Total Net Position	1,056,561	1,124,677
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 1,699,652	\$ 1,394,852

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>	2022	2021
Operating Revenues		
User fees	\$ 693,817	\$ 670,479
Operating Expenses		
Collection	196,641	174,560
Landfill	416,670	549,437
General and administrative	49,418	48,557
Depreciation	99,234	76,132
Total Operating Expenses	761,963	848,686
Loss from Operations	(68,146)	(178,207)
Nonoperating Revenues		
State PERS relief	30	10,075
Loss before Transfers	(68,116)	(168,132)
Transfers in	-	722,000
Change in Net Position	(68,116)	553,868
Net Position, beginning	1,124,677	570,809
Net Position, ending	\$ 1,056,561	\$ 1,124,677

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

<i>Years Ended June 30,</i>	2022	2021
Cash Flows from (for) Operating Activities		
Receipts from customers and users	\$ 679,695	\$ 670,121
Payments for interfund services used	(149,052)	(78,293)
Payments to suppliers	(348,170)	(456,151)
Payments to employees	(204,082)	(199,727)
Net cash flows from (for) operating activities	(21,609)	(64,050)
Cash Flows from (for) Capital and Related Financing Activities		
Transfers in	-	722,000
Purchase of property, plant and equipment	(346,530)	-
Capital contributions	331,122	-
Net cash flows from (for) capital and related financing activities	(15,408)	722,000
Net Increase (Decrease) in Cash and Investments	(37,017)	657,950
Cash and Investments, beginning	910,820	252,870
Cash and Investments, ending	\$ 873,803	\$ 910,820
Reconciliation of Loss from Operations to Net Cash		
Flows from (for) Operating Activities		
Loss from operations	\$ (68,146)	\$ (178,207)
Adjustments to reconcile loss from operations to net cash flows from (for) operating activities:		
Depreciation	99,234	76,132
Noncash expense - PERS relief	30	10,075
(Increase) decrease in assets:		
Accounts receivable, net	(14,122)	(358)
Net other postemployment benefits asset	(91,956)	(15,375)
(Increase) decrease in deferred outflows of resources:		
Related to pensions	3,877	(6,225)
Related to other postemployment benefits	7,680	2,357
Increase (decrease) in liabilities:		
Accounts payable	(15,452)	13,304
Accrued leave	(2,099)	9,031
Net pension liability	(44,908)	31,944
Net other postemployment benefits liability	(316)	(8,075)
Increase (decrease) in deferred inflows of resources:		
Related to pensions	59,981	(5,163)
Related to other postemployment benefits	44,588	6,510
Net Cash Flows from (for) Operating Activities	\$ (21,609)	\$ (64,050)

City and Borough of Wrangell, Alaska

Sanitation Utility Enterprise Fund
Schedule of Operating Expenses

<i>Years Ended June 30,</i>	2022	2021
Collection		
Salaries	\$ 67,154	\$ 56,396
Overtime salaries	(571)	7,321
Employee benefits	19,903	57,308
Allocated salaries - public works	64,462	6,301
Materials and supplies	15,465	16,217
Allocated vehicle charges - garage	30,228	31,017
Total Collection	196,641	174,560
Landfill		
Salaries	50,545	56,047
Overtime salaries	4,888	5,823
Employee benefits	39,040	41,911
Allocated salaries - public works	-	180
Telephone	1,792	1,244
Utilities	7,067	5,718
Monitoring and testing	1,692	1,452
Disposal costs	260,894	308,224
Hazardous waste	-	20,215
Materials and supplies	4,209	2,782
Repairs and maintenance	4,309	2,961
Professional services	24,213	99,490
Allocated vehicle charges - garage	18,021	3,390
Total Landfill	416,670	549,437
General and Administrative		
Allocated overhead - finance	36,341	37,179
Insurance	13,077	11,152
Credit card expense	-	226
Total General and Administrative	49,418	48,557
Depreciation	99,234	76,132
Total Operating Expenses	\$ 761,963	\$ 848,686

City and Borough of Wrangell, Alaska
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Provided to Subre - cipients	Total Federal Expenditures
Department of Agriculture				
Passed through State of Alaska Department of Commerce, Community, and Economic Development - Forest Service Schools and Roads Cluster - School and Roads - Grants to States - National Forest Receipts				
	10.665	N/A	\$ -	\$ 1,343,517
School and Roads - Grants to States - Birdfest				
	10.665	N/A	-	6,127
Total Assistance Listing Number 10.665			-	1,349,644
Department of Treasury				
Passed through State of Alaska Department of Commerce, Community, and Economic Development: COVID-19 - Coronavirus Relief Fund				
	21.019	20-CRF-227	-	79,988
ARPA-Coronavirus State and Local Fiscal Recovery Funds				
	21.027	N/A	-	349,064
Total Department of Treasury			-	429,052
Institute of Museum and Library Services				
Easy ARPA Grants to States				
	45.310	N/A	-	5,916
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 Institute of Museum and Library Services			-	15,916
Department of Homeland Security				
SHSP 2020 Homeland Security Grant Program				
	97.067	N/A	-	37,588
Federal Highway Administration				
Highway Planning and Construction Cluster Federal Lands Access Program				
	20.224	N/A	-	68,246
Federal Emergency Management				
Passed through State of Alaska Department of Homeland Security: Disaster Grants - Public Assistance				
	97.036	DR-4533-AK	-	161,548
National Oceanic and Atmospheric Administration				
Passed through Pacific Marine Salmon Commission: Gulf of Alaska Pink Salmon Disaster Grant Bipartisan Budget Act of 2018				
	11.022	21-171G	-	46,276
Total Expenditures of Federal Awards			\$ -	\$ 2,108,270

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, 2022

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, 2022. 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, 2022, there were no unspent interest earnings and unspent grant funds were \$2,260,980.

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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, Alaska (the Borough) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements and have issued our report thereon dated July 18, 2023. Our report included a reference to other auditors who audited the financial statements of Wrangell Public Schools, as described in our report on the Borough's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported separately by those auditors.

Report on Internal Control Over Financial Reporting

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

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2022-001 and 2022-002 to be material weaknesses.

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A *significant deficiency* is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2022-003 to be a significant deficiency.

Report on Compliance and Other Matters

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

City and Borough of Wrangell's Response to Findings

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

Purpose of this Report

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

BDO USA, P.A.

Anchorage, Alaska
July 18, 2023



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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

Opinion on Each Major Federal Program

We have audited City and Borough of Wrangell, Alaska's (the Borough) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Borough's major federal programs for the year ended June 30, 2022. The Borough's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

The Borough'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.

In our opinion, the Borough complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

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

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

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Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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



Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2022-004 to be a significant deficiency.

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

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

The Borough is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. The Borough'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, P.A.

Anchorage, Alaska
July 18, 2023

City and Borough of Wrangell, Alaska

Schedule of Findings and Questioned Costs Year Ended June 30, 2022

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 (none reported)
Significant deficiency(ies) identified? yes reported)

Noncompliance material to financial statements noted? yes no

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified? yes no (none reported)
Significant deficiency(ies) identified? yes 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:

<i>Assistance Listing Number</i>	<i>Name of Federal Program or Cluster</i>
10.665	Schools and Roads - Grants to States
21.027	Coronavirus State and Local Fiscal Relief Funds

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

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

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

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

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

Cause 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.

Effect or Potential Effect Individual accounts were misstated, requiring entries to be made to correct year-end balances for proper reporting in accordance with GAAP. Misstatements may exist and go undetected in the general ledger and financial statements.

Recommendation 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.

Views of Responsible Officials 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

Finding 2022-002	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, or the retention of appropriate supporting documentation. Furthermore, within the Borough's IT environment, there is a lack of appropriate segregation of duties restricting access for management personnel. These conditions give rise to a heightened risk of management override through the use of manual adjustments.
<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

Finding 2022-003	Bank Reconciliation Review and Approval - Internal Control Over Financial Reporting - Significant Deficiency
<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 bank reconciliations.
<i>Cause</i>	The Borough's internal controls related to bank reconciliations were not enforced throughout the period. Bank reconciliation testing identified multiple discrepancies between the bank reconciliation and the ending cash balance for fiscal year 2022 which resulted in significant adjustments to book cash.
<i>Effect or Potential Effect</i>	Bank reconciliations were not completed timely throughout the fiscal year, and discrepancies were noted between the reconciliation balance and year end cash per the general ledger. Further investigation identified activities that were not identified or captured on the bank reconciliation which resulted in significant adjustments to the trial balance.
<i>Recommendation</i>	The Borough should create a formal bank reconciliation process that stipulates an individual besides the preparer review and approve bank reconciliations. Additionally, the Borough should require that relevant supporting documentation be attached and retained with the bank reconciliation to ensure agreement with the general ledger.
<i>Views of Responsible Officials</i>	Management concurs with the finding. Management will revise internal processes and procedures to require bank reconciliations to be reviewed and reconciled to the general ledger.

City and Borough of Wrangell, Alaska

Schedule of Findings and Questioned Costs, continued

Section III - Federal Award Findings and Questioned Costs

Finding 2022-004	Deadline for Federal Single Audit - Noncompliance and Internal Control Over Compliance - Significant Deficiency
<i>Agency</i>	United States Department of Agriculture
<i>ALN</i>	10.665 21.027
<i>Program Name</i>	Schools and Roads Grants to States Coronavirus State and Local Fiscal Recovery Funds
<i>Award Year</i>	FY 2022
<i>Criteria or Specific Requirement</i>	The Borough is required to submit the single audit report and Form SF-SAC within nine months of the fiscal year end.
<i>Condition</i>	The Form SF-SAC for the fiscal year ended June 30, 2022 was not filed on time.
<i>Cause</i>	The audit was not completed in time to file the form, due to a delay in closing the books and records.
<i>Effect or Potential Effect</i>	The Schedule of Expenditures of Federal Awards were not available in a timely manner in order to allow for timely submission of Form SF-SAC.
<i>Questioned costs</i>	None
<i>Context</i>	The Form SF-SAC is due nine months after the fiscal year end. The form for the fiscal year ended June 30, 2022 was filed late.
<i>Identification as a repeat finding</i>	No
<i>Recommendation</i>	We recommend the Form SF-SAC is filed timely in the future.
<i>Views of Responsible Officials</i>	Management concurs with this finding. Management will ensure Beginning balance reconciliations and year-end adjustments will be complete by September 5 th , and will work with external auditors to have a financial statement draft prior to their fieldwork.

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



**CITY AND BOROUGH
OF WRANGELL**

INCORPORATED MAY 30, 2008

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

City and Borough of Wrangell, Alaska

**Summary Schedule of Prior Audit Findings
Year Ended June 30, 2022**

Financial Statement Findings

Finding 2021-001 General Ledger Reconciliation and External Financial Reporting - Internal Control Over Financial Reporting - Material Weakness

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

Status Finding not resolved in 2022, see 2022-001

Finding 2021-002 Journal Entry Review and Approval, and Support- Internal Control Over Financial Reporting - Material Weakness

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

Status Finding not resolved in 2022, see 2022-002

Finding 2021-003 Bank Reconciliation Review and Approval - Internal Control Over Financial Reporting - Significant Deficiency

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

Status Finding not resolved in 2022, see 2022-003



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OF WRANGELL**

INCORPORATED MAY 30, 2008

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City and Borough of Wrangell, Alaska

**Summary Schedule of Prior Audit Findings, continued
Year Ended June 30, 2022**

Finding 2021-004	Activities Allowed and Unallowed, Allowable Costs, Period of Performance - Internal Control Over Compliance - Significant Deficiency
Information on Federal Program	Coronavirus Relief Fund Assistance Listing 21.019
<i>Finding</i>	During testing, multiple instances were identified where expenditures to federal programs were not properly reviewed and approved. 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.
<i>Status</i>	Finding resolved
Finding 2021-005	Activities Allowed and Unallowed, Allowable Costs, Period of Performance - Internal Control Over Compliance - Significant Deficiency
Information on Federal Program	Coronavirus Relief Fund Assistance Listing 21.019
<i>Finding</i>	Internal controls were not operating effectively throughout the entire fiscal year to ensure that all employees have approved pay rates included in the personnel files.
<i>Status</i>	Finding resolved
Finding 2021-006	Reporting - Internal Control Over Compliance - Significant Deficiency
Information on Federal Program	Coronavirus Relief Fund Assistance Listing 21.019
<i>Finding</i>	Reports underwent significant modification after initial submission. Evidence of secondary review and approval was not always present.
<i>Status</i>	Finding resolved



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City and Borough of Wrangell, Alaska

**Summary Schedule of Prior Audit Findings, continued
Year Ended June 30, 2022**

**Finding 2021-007 Reporting - Noncompliance and Significant Deficiency in Internal Control
Over Compliance**

Information on State Program Designated Legislative Grant Program 13-DC-494
Municipal Grants Program MMG 91722

Finding During our testwork of the reporting requirements, of the 4 reports selected for testing for 13-DC-494, we noted 1 financial report was submitted after the reporting deadline. For MMG 91722 no awards were submitted as required.

Status Finding resolved

**Finding 2021-008 Reporting - Noncompliance and Significant Deficiency in Internal Control
Over Compliance**

Information on State Program Community Assistance Program FY21

Finding Failure to notify taxpayers as required under AS 29.45.020 makes the City and Borough of Wrangell out of compliance with grant requirements.

Status Finding resolved



**CITY AND BOROUGH
OF WRANGELL**

INCORPORATED MAY 30, 2008

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City and Borough of Wrangell, Alaska

**Corrective Action Plan
Year Ended June 30, 2022**

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

Financial Statement Findings

Finding 2022-001 - 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 whereby the Finance Director will ensure all proposed adjustments have been made and that the trial balance is at par with the external auditor's records. A copy of this reconciliation will be submitted to the external auditors. Additionally, the Borough will ensure to close the prior year books and records preventing any potential back posting to the general ledger. The Borough Manager will sign off on the period close once performed by the Finance Director.

Expected Completion Date:
Fiscal year 2023

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

Corrective Action Plan

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

Expected Completion Date:
Fiscal year 2023



**CITY AND BOROUGH
OF WRANGELL**

INCORPORATED MAY 30, 2008

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City and Borough of Wrangell, Alaska

**Corrective Action Plan, continued
Year Ended June 30, 2022**

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

Corrective Action Plan

The Borough will ensure timely reconciliation of the bank statements. Each month's statements will be reconciled by the 15th of each month. If the Borough continues to experience ERP flaws in the bank reconciliation module, the Borough will provide a bridge to the ending cash balance of the general ledger to the bank statement.

Expected Completion Date:
Fiscal year 2023

Federal Award Findings

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

Corrective Action Plan

The Borough will work with external auditors to have a financial statement draft prior to their fieldwork. Beginning balance reconciliations and year-end adjustments will be complete by September 5th, and a final trial balance and general ledger will be submitted to the external auditors.

Expected Completion Date:
Fiscal year 2023

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

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	August 22, 2023
	<u>Agenda Section</u>	13

RESOLUTION No. 08-23-1804 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, APPROVING THE SALE OF SIX TRANSFORMERS TO PETERSBURG LIGHT AND POWER FOR THE AMOUNT OF \$7,951.51 TO BE RECEIVED IN THE WRANGELL MUNICIPAL LIGHT & POWER (WML&P) RESERVE FUND

SUBMITTED BY:

Rod Rhoades, Electrical Utility Superintendent

FISCAL NOTE:

Expenditure Required: \$0 Total		
FY 21: \$0	FY 22: \$0	FY23: \$0
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. Resolution 08-23-1804.

This item is being considered under the Consent Agenda. Matters listed under the consent agenda are considered to be routine and will be enacted by one motion and vote. There will be no separate discussion on these items. **If the Mayor, and Assembly Member, the Manager or Clerk requests discussion and/or consideration on an item under the Consent Agenda, that item will be removed from the Consent Agenda and will be considered under Unfinished Business.**

RECOMMENDATION MOTION (Consent Agenda Item):
Move to Approve Resolution No. 08-23-1804.

BACKGROUND STATEMENT:

WML&P ordered five transformers from T&R Electric with the wrong primary voltage of 14,400 volts. The error in the primary voltage went unnoticed until the transformers arrived in Wrangell when they were picked up on Tuesday, June 27th.

Additionally, WML&P has in stock one transformer that is also of the wrong primary voltage (14,440 volts), for a total of six transformers that cannot be used within the electrical grid system of WML&P.

SUMMARY STATEMENT:

Petersburg Light and Power has need of these six transformers that WML&P cannot use.

Petersburg Light and Power has verbally agreed to purchase these six transformers for the cost of \$7,951.51 which covers Wrangell's cost of the transformers. Additionally, Petersburg Light and Power will cover the shipping expense from Wrangell to Peterburg.

WML&P is seeking approval to sell six transformers of the wrong primary voltage to Peterburg Light and Power.

CITY AND BOROUGH OF WRANGELL, ALASKA

RESOLUTION NO. 08-23-1804

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, APPROVING THE SALE OF SIX TRANSFORMERS TO PETERSBURG LIGHT AND POWER FOR THE AMOUNT OF \$7,951.51 TO BE RECEIVED IN THE WRANGELL MUNICIPAL LIGHT & POWER (WML&P) RESERVE FUND

WHEREAS, the Wrangell Municipal Code allows for the disposal of surplus, obsolete, or unneeded property once the Assembly has declared them to be disposed of by motion or resolution; and

WHEREAS, WML&P has six transformers with primary voltage (14,400 volts) that is incompatible with standard primary voltage (12,470 volts) being use by WML&P; and

WHEREAS, Petersburg Light and Power uses the primary voltage of 14,400 that these transformers were manufactured in; and

WHEREAS, Petersburg Light and Power has agreed to purchase WML&P's unusable transformers.

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

The City and Borough of Wrangell approves the sale of six transformers, with a primary voltage of 14,400 volts, to Petersburg Light and Power for \$7,951.51, of which funds will be received in the Municipal Light & Power Reserve Fund.

PASSED AND APPROVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA this 22nd day of August 2023.

CITY & BOROUGH OF WRANGELL, ALASKA

Patrica Gilbert, Borough Mayor

ATTEST: _____
Kim Lane, MMC, Borough Clerk

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

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	08/22/2023
	<u>Agenda Section</u>	6

RESOLUTION No. 08-23-1805 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, APPROVING THE PERMANENT FUND STRATEGIC ASSET CLASS ALLOCATIONS FOR FY 2024

SUBMITTED BY:

Mason Villarma, *Finance Director*

FISCAL NOTE:

Expenditure Required: \$XXX Total		
FY 24: \$0	FY 25: \$0	FY26: \$0
Amount Budgeted:		
	FY24 \$0	
Account Number(s):		
	N/A	
Account Name(s):		
	N/A	
Unencumbered Balance(s) (prior to expenditure):		
	N/A	

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 08-23-1805

This item is being considered under the Consent Agenda. Matters listed under the consent agenda are considered to be routine and will be enacted by one motion and vote. There will be no separate discussion on these items. **If the Mayor, an Assembly Member, the Manager or Clerk requests discussion and/or consideration on an item under the Consent Agenda, that item will be removed from the Consent Agenda and will be considered under Unfinished Business.**

RECOMMENDATION MOTION:
Move to Approve RES 08-23-1805

SUMMARY STATEMENT:

The following are the main highlights of RES 08-23-1805:

1. **Requirement and Compliance:** The resolution is in response to the requirement set forth in Wrangell Municipal Code Section 5.20.130, which mandates the Assembly to establish the strategic asset allocation of the permanent fund at least 60 days before the fiscal year's end.
2. **Recommendations and Approval:** The Assembly is adhering to the recommendations provided by their investment advisors at Alaska Permanent Capital Management for the fiscal year 2024's asset allocation.
3. **Strategic Asset Allocation:** The proposed allocation for the Permanent Fund's assets is as follows:
 - 52% Risk Assets
 - 21% Alternative Assets
 - 27% Risk Control Assets
4. **Sustainable Distribution Rate:** The Assembly approves a sustainable distribution rate of 4.6%, indicating the amount that can be withdrawn from the fund while maintaining its long-term sustainability.

CITY AND BOROUGH OF WRANGELL

RESOLUTION NO. 08-23-1805

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, APPROVING THE PERMANENT FUND STRATEGIC ASSET CLASS ALLOCATIONS FOR FY 2024

WHEREAS, Wrangell Municipal Code Section 5.20.130 requires the Assembly to annually set the strategic asset allocation of the permanent fund at least 60 days prior to the end of the fiscal year; and

WHEREAS, the Borough’s investment advisors at Alaska Permanent Capital Management have recommended to the Finance Director renewed allocations for FY 2024; and

WHEREAS, management concurs with the recommended allocations.

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

Section 1: The Assembly adopts the FY 24 Strategic Asset Allocation of the Permanent Fund at 52% Risk Assets, 21% Alternative Assets, and 27% Risk Control Assets.

Section 2: The Assembly approves the estimated sustainable distribution rate of 4.6%.

Section 3: This resolution is effective retroactive to May 1st, 2023.

PASSED AND APPROVED BY THE ASSEMBLY OF THE CITY & BOROUGH OF WRANGELL, ALASKA, THIS 22nd DAY OF AUGUST 2023.

CITY AND BOROUGH OF WRANGELL

Patricia Gilbert, Borough Mayor

ATTEST: _____

Kim Lane, MMC, Borough Clerk

PROCEEDINGS

**MINUTES
WRANGELL SCHOOL BOARD
REGULAR MEETING**

**May 15, 2023, 6:30 PM
Via Zoom**

<p>School Board President David Wilson called the regular meeting of the Wrangell Public School Board to order at 6:30 PM.</p>	CALL TO ORDER
<p>A quorum was determined with the following school board members present Angela Allen, Esther Ashton, Brittani Robbins, Elizabeth Roundtree, and David Wilson. Also, present was Superintendent Bill Burr, Recording Secretary Kimberly Powell, and Student Representatives Kiara Harrison & Rylee Chelette.</p>	DETERMINE QUORUM
<p>The Pledge of Allegiance was recited, led by Kiara Harrison.</p>	PLEDGE OF ALLEGIANCE
<p>The District Mission, Vision and Values were recited by David Wilson.</p>	DISTRICT MISSION, VISION, AND VALUES
<p>Motion to approve the agenda as presented, which includes the items on the consent agenda by Angela Allen, seconded by Elizabeth Roundtree. Poll vote: Kiara Harrison: Yes; Elizabeth Roundtree: Yes; Angela Allen: yes; Esther Ashton: Yes; Brittani Robbins: Yes; David Wilson: Yes. Motion passed unanimously.</p> <ul style="list-style-type: none"> • Approved the minutes of the April 17, 2023, Regular School Board meeting, as presented. • Approved offering Sharp Copier #00715 to the public at auction and remove it from the inventory data base as presented. • Offered Ryan Howe a contract addendum in the amount of \$5,000.00 to serve as Special Education Coordinator during the 2023-2024 school year. • Offered Ryan Howe a contract addendum for forty hours at his per diem rate to teacher Special Education Extended School Year during the 2023-2024 school year. • Offered extracurricular contract for the 2023-2024 school year as presented. • Reviewed the resignation of Patrick Millay, Custodian 	APPROVAL OF AGENDA INCLUDING ITEMS ON THE CONSENT AGENDA
<p>There were no conflicts of interest declared.</p>	CONFLICT OF INTEREST
<p>President Wilson recognized Tasha Morse, Wrangell Chamber of Commerce Educator of the Year, Kaelene Harrison, Wrangell Chamber of Commerce Volunteer of the Year, and the many other volunteers that make our programs successful.</p>	CEREMONIAL MATTERS
<p>President Wilson presented Rylee Chelette with a Spirit of Youth Award and recognized her as the Wrangell Chamber of Commerce Young Leader of the Year.</p>	STUDENT SPOTLIGHT
<p>Student Representative Kiara Harrison referred to her report in the Board Packet and shared some highlights.</p>	STUDENT REPRESENTATIVE REPORT
<p>President Wilson appointed Mia Wiederspohn as the 2023-2024 Student Representative to the Board.</p>	APPOINTED MIA WIEDERSPOHN, STUDENT REPRESENTATIVE TO THE BOARD
<p>There were no guests to be heard.</p>	GUESTS TO BE HEARD
<p>There was no correspondence submitted.</p>	REVIEWED CORRESPONDENCE
<p>Information & Reports were accepted by unanimous consent.</p>	ACCEPTED INFORMATION & REPORTS
<p>There were no changes to the Covid-19 Mitigation Plan.</p>	REVIEWED THE COVID-19 MITIGATION PLAN
<p>The School Board Members discussed the Clean Bus Grant extension and directed Mr. Burr to see if he can make it work in such a short timeframe.</p>	DISCUSSED THE CLEAN BUS GRANT EXTENSION
<p>Motion to approve the application of the APEI, QSI, and SRSA grants as presented by Brittani Robbins, seconded by Angela Allen. Poll vote: Kiara Harrison: Yes; Esther Ashton: Yes; Brittani Robbins: Yes; Elizabeth Roundtree: Yes, Angela Allen: Yes; David Wilson: Yes. Motion passed unanimously.</p>	APPROVED THE APPLICATION OF THE APEI, QSI, AND SRSA GRANTS

Motion to adopt and purchase the Cengage Learning/Big Ideas Math Curriculum as presented by Angela Allen; seconded by Brittani Robbins. Motion to amend the motion to read "to adopt the Cengage/Big Ideas Math Curriculum pending negotiations and allow the Superintendent to negotiate and sign the contract for its purchase" by David Wilson; seconded by Brittani Robbins. Poll vote on the amendment: Kiara Harrison: Yes, Brittani Robbins: Yes; Elizabeth Roundtree: Yes; Angela Allen: Yes; Esther Ashton: Yes; David Wilson: Yes. Motion approved unanimously. Poll vote on the main motion: Kiara Harrison: Yes, Angela Allen: Yes; Esther Ashton: Yes; Brittani Robbins: Yes; Elizabeth Roundtree: Yes; David Wilson: Yes. Motion approved unanimously.

ADOPTED THE CENGAGE LEARNING/BIG IDEAS MATH CURRICULUM

Motion to approve the second reading of Board Policy 1250, Volunteer Assistance and Board Policy 1312.1, Public Complaints Concerning School Personnel for inclusion in the policy manual as presented by Esther Ashton, seconded by Angela Allen. Poll vote: Kiara Harrison: Yes, Elizabeth Roundtree: Yes; Angela Allen: Yes; Esther Ashton: Yes; Brittani Robbins: Yes; David Wilson: Yes. Motion approved unanimously.

APPROVED THE SECOND READING OF BOARD POLICY 1250, VOLUNTEER ASSISTANCE AND 1312.1, PUBLIC COMPLAINTS CONCERNING SCHOOL PERSONNEL

Reviewed Board Policy:

- 1312.2, Public Complaints Concerning Instructional Materials
- 1312.3, Public Complaints Concerning Discrimination
- 1312.4, Public Complaints Concerning Elementary and Secondary Education Act Programs
- 6153, School-sponsored Trips

REVIEWED BOARD POLICY

Motion to accept the first reading of Board Policy 4020, Drug, Tobacco, and Alcohol-Free Workplace and Board Policy 4144, Staff Complaint Procedure, as presented by Brittani Robbins, seconded by Esther Ashton. Poll vote: Kiara Harrison: Yes; Elizabeth Roundtree: Yes; Angela Allen: yes; Esther Ashton: Yes; Brittani Robbins: Yes; David Wilson: Yes. Motion passed unanimously.

ACCEPTED THE FIRST READING OF BOARD POLICY 4020, DRUG, TOBACCO, AND ALCOHOL-FREE WORKPLACE AND BOARD POLICY 4144, STAFF COMPLAINT PROCEDURE

Reviewed the upcoming dates and meeting announcements.

REVIEWED DATES & MTG ANNOUNCEMENTS

Board Member Allen told the other Board Members that she is excited for graduation; she has a son graduating this year.

BOARD MEMBER COMMUNITY ACTIVITY REPORTS

Board Member Ashton echoed Mrs. Allen and said that she also has a son graduating this year. Ms. Ashton also gave an update on the Polynesian Voyage Society that will be visiting Wrangell June 25-28. The clan and tribal leaders are preparing a traditional welcome ceremony, including escorting them in with local boats, a welcome presentation at Shakes Island, and a community dinner. Sealaska has provided a grant in the amount of \$10,000.00 to help pay for hosting events.

Board Member Roundtree said that 4th of July Royalty Candidate, WHS Sophomore, Ander Edens, is gearing up for his fundraising activities and needs volunteers to help.

Ms. Robbins tagged on to Ms. Roundtree's comment and said the Royalty Kick-off will be at 5:30 PM on May 31 at the pavilion.

President Wilson said that Little League is in full swing and encouraged the board members and audience to go watch a baseball game. He also thanked the curriculum committee for their hard work this year.

Meeting Adjourned at 7:37 P.M.

ADJOURNED AT 7:37 P.M.

Angela Mollen
SCHOOL BOARD SECRETARY

PROCEEDINGS

**MINUTES
WRANGELL SCHOOL BOARD
REGULAR MEETING**

**April 17, 2023, 6:30 PM
Via Zoom**

School Board President David Wilson called the regular meeting of the Wrangell Public School Board to order at 6:33 PM.

CALL TO ORDER

A quorum was determined with the following school board members present Angela Allen, Esther Ashton, Brittani Robbins, Elizabeth Roundtree, and David Wilson. Also, present was Superintendent Bill Burr, Recording Secretary Kimberly Powell, and Student Representatives Kiara Harrison & Rylee Chelette.

DETERMINE QUORUM

The Pledge of Allegiance was recited, led by Rylee Chelette.

PLEDGE OF ALLEGIANCE

The District Mission, Vision and Values were recited by Elizabeth Roundtree.

**DISTRICT MISSION,
VISION, AND VALUES**

Motion to approve the agenda as presented, which includes the items on the consent agenda by Angela Allen, seconded by Esther Ashton. Poll vote: Kiara Harrison: Yes; Brittani Robbins: Yes; Elizabeth Roundtree: Yes; Angela Allen: yes; Esther Ashton: Yes; David Wilson: Yes. Motion passed unanimously.

**APPROVAL OF AGENDA
INCLUDING ITEMS ON
THE CONSENT AGENDA**

- Approved the minutes of the March 20, 2023, Regular School Board meeting, as presented.
- Approved offering surplus equipment to the public at auction via publicsurplus.com and remove broken, damaged, and missing inventory from the data base as presented.
- Offered extracurricular contracts to Marsha Ballou, Daniel Powell, and Patrick Millay for the 2022-2023 school year, as presented.
- Approved the hire of Tony Anzalone as Director of Accountability, Assessment, and Technology with appropriate placement on the salary schedule, pending the receipt of a satisfactory criminal background check.
- Offered Erik Scheib a contract in the amount of \$10,000.00 to assume the responsibilities of Activities Director during the 2023-2024 school year, pending receipt of a satisfactory criminal background check.
- Reviewed the resignation of:
 - Alyssa Allen, High School Head Volleyball Coach
 - Stephanie Cartwright, Cheer Coach
 - Robert Marshall, High School Assistant Boys' Basketball Coach
 - Kristy Woodbury, Class Advisor

There were no conflicts of interest declared.

CONFLICT OF INTEREST

Student Representative Kiara Harrison referred to her report in the Board Packet and shared some highlights.

**STUDENT
REPRESENTATIVE
REPORT**

Devyn Johnson, Parent, read a letter in support of the district holding hostile intruder drills.

GUESTS TO BE HEARD

Correspondence was reviewed as presented.

**REVIEWED
CORRESPONDENCE**

Information & Reports were accepted by unanimous consent.

**ACCEPTED
INFORMATION &
REPORTS
REVIEWED THE COVID-19
MITIGATION PLAN**

There were no changes to the Covid-19 Mitigation Plan.

President Wilson appointed Angela Allen and Brittani Robbins to the Superintendent Negotiations Committee.

**APPOINTED BOARD
MEMBERS ALLEN AND
ROBBINS TO THE
SUPERINTENDENT
NEGOTIATIONS
COMMITTEE
APPROVED THE 2023-
2024 SCHOOL CALENDAR**

Motion to approve the 2023-2024 school calendar as presented for submittal to the Department of Education and Early Development by Brittani Robbins, seconded by Angela Allen. Poll vote: Kiara Harrison: Yes; Elizabeth Roundtree: Yes; Angela Allen: yes; Esther Ashton: Yes; Brittani Robbins: Yes; David Wilson: Yes. Motion passed unanimously.

Motion to approve the application of the Migrant Education Literacy Grant as presented by Esther Ashton; seconded by Brittani Robbins. Poll vote: Kiara Harrison: Yes; Angela Allen: yes; Esther Ashton: Yes; Brittani Robbins: Yes; Elizabeth Roundtree: Yes; David Wilson: Yes. Motion passed unanimously.

APPROVED THE APPLICATION OF THE MIGRANT EDUCATION LITERACY GRANT

Motion to accept the receipt of the APEI Safety Grant as presented to pay for ice cleats for staff members by Brittani Robbins; seconded by Angela Allen. Poll vote: Kiara Harrison: Yes; Angela Allen: Yes; Esther Ashton: Yes; Brittani Robbins: Yes; Elizabeth Roundtree: Yes, David Wilson: Yes. Motion passed unanimously.

ACCEPTED THE APEI SAFETY GRANT AWARD

Motion to approve the second reading of Board Policy 0200, Goals for the District as presented for inclusion in the policy manual by Angela Allen; seconded by Brittani Robbins. Poll vote: Kiara Harrison: Yes; Esther Ashton: Yes; Brittani Robbins: Yes; Elizabeth Roundtree: Yes, Angela Allen: Yes; David Wilson: Yes. Motion passed unanimously.

ACCEPTED THE SECOND READING OF BOARD POLICY 0200, GOALS FOR THE DISTRICT

Motion to approve the first reading of Board Policy 1250, Volunteer Assistance and Board Policy 1312.1, Public Complaints Concerning School Personnel as presented by Esther Ashton, seconded by Angela Allen. Poll vote: Kiara Harrison: Yes, Brittani Robbins: Yes; Elizabeth Roundtree: Yes; Angela Allen: Yes; Esther Ashton: Yes; Yes; David Wilson: Yes. Motion approved unanimously.

APPROVED THE FIRST READING OF BOARD POLICY 1250, VOLUNTEER ASSISTANCE AND 1312.1, PUBLIC COMPLAINTS CONCERNING SCHOOL PERSONNEL

Reviewed the upcoming dates and meeting announcements.

REVIEWED DATES & MTG ANNOUNCEMENTS

Board Member Roundtree reminded the other Board Members that the Annual Chamber Dinner will be held May 6, 2023. The Girls Scouts are hosting a rummage sale this Sunday.

BOARD MEMBER COMMUNITY ACTIVITY REPORTS

Board Member Allen said that she enjoyed volunteering her time to teach CPR and First Aid to our students.

Board Member Ashton said that she has an update on the Polynesian Voyaging Society that will be visiting Wrangell for a cultural exchange with our local tribe. They will be in Wrangell June 25-28, 2023.

Board Member Robbins said that Little League Opening Ceremonies will be held on Saturday, April 29, 2023. They have a large league this year with two major, two minor, four t-ball, and a senior league team.

President Wilson reminded the board members and audience that the Curriculum Committee is requesting input from community members on the math curriculum. Feedback is due by April 28, 2023.

Meeting Adjourned at 7:22 P.M.

ADJOURNED AT 7:22 P.M.


SCHOOL BOARD SECRETARY

Dear School Board Assembly Members,

My name is Devyn Johnson. I was born and raised in Wrangell and have a deep connection to the community's well-being. My husband and I are fortunate enough to raise our three children here. Jude is 9. He is our leader. He loves to play sports, rally his friends, and is the most determined kid I know. Nolan is 6. He is our comedian. He loves to listen and play music. He will make you belly laugh during every interaction. Then there is Maren. She is our feisty 4-year-old. She runs our whole house and may follow in Mayor Gilbert's shoes one day. She gives the best snuggles.

I am writing as a concerned parent who wants to do everything in my power to protect not only my children but all of the school district. Wrangell has high access to firearms, mental illness is high, depression is high, and substance abuse is high. These are the perfect storm for a tragedy to occur. Wrangell is a really wonderful town with wonderful people but we would be foolish to pretend that we are exempt from an active shooter to walk into our schools.

What I am proposing is the schools implement an active shooter drill. I would like to see a soft drill done at least quarterly. What I mean by a soft drill is a drill that will not cause our staff and children unneeded stress or anxiety but shows them where to go if they hear a popping noise out in the hallway, an alarm over the intercom, or certain verbiage over the intercom. I do not have all of the answers but my mom heart feels like we can be a little more prepared and take better preventative actions. I asked Jude what he would do if he heard gun shots at school. His reply was, "I don't know." I am sure he is not the only child in his school that does not know. This opened up a great conversation for us, but I would like to see the school doing more as well. I can guarantee that if Nolan heard popping noises coming from the hallway, he would be curious and head towards it.

A hesitation I have read and heard is that this drill can cause short- and long-term anxiety, depression, and stress on our teachers and students. I would like to avoid any staff or child feeling this way, if possible, which is why I think Wrangell would be able to practice a modified drill. I personally believe that stress and anxiety these drills may cause are not comparable to what the feelings would be if a child ran in to the hallway during a real active shooter event.

Below is a copy of our current crisis respond plan. It is stated that all students will be aware of any current plans. None of my children or friends' children have been notified of these plans.

CRISIS RESPONSE PLAN

All district staff and students must be prepared to respond quickly and responsibly to emergencies, disasters or other crisis, which create distress, hardship, fear or grief. The Superintendent or designee shall develop and maintain a crisis response plan for handling all foreseeable emergencies and disasters.

This plan shall be reviewed and updated at least annually. A crisis response team for each school shall augment the district plan with working plans and procedures specific to each

school building. The crisis response team must include the principal, one certified and one classified member of the school staff, and one parent whose child attends the school. Additionally, the team may include a school board member, a school counselor, a member of local law enforcement, and a student in grade 10 or higher.

All students and employees shall receive instruction regarding these plans. Employees shall be trained annually in crisis response, including evacuation and lock down drills. Disaster simulation exercises may be held annually at each school site and shall demonstrate how safety procedures may be applied to various types of emergencies.

“Training will emphasize that the best way to survive an active shooter is to escape. When that is not possible, being mentally prepared and have been given authority and ability to act will save lives.” – Wrangell Public School Districts current Crisis Plan, Card 8 Rear under Hostile Introducer

A few training practices I would like to be considered are the ALICE program and the FEMA program. These are both free and taught online. I would happily give you more information on these and help facilitate.

Please consider implementing the proposed soft drill in all three of our public schools quarterly. I would absolutely be devastated if we waited until something happened to our Wrangell family to then prepare to prevent. I want to thank each and every one of you for being here and putting our kids first. I hope you know you are appreciated.

Sincerely,

Devyn Johnson

MEMORANDUM

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

**FROM: JEFF GOOD
BOROUGH MANAGER**

SUBJECT: MANAGER'S REPORT

DATE: August 22, 2023

INFORMATION:

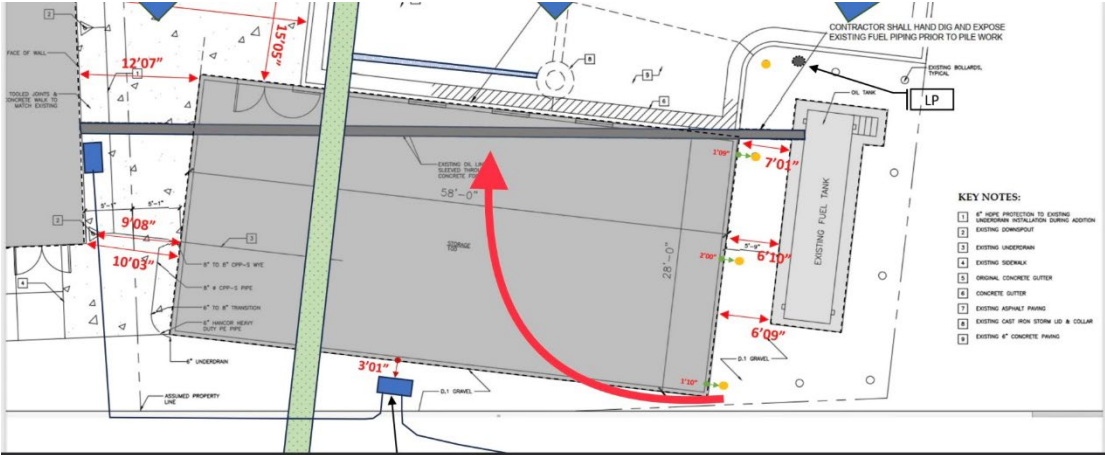
- City Park demolition of fireplace has been completed and we are currently in design for the new fireplace. If the existing structure has been deemed sound, we will remove the temporary supports and reopen the shelter. The tentative design is to go back in with a steel fire place with some bar countertop space along the outside for food and drinks.
- A draft design has been completed for the industrial lot roadway. The design will still need to go to the Army Corp of Engineers for permitting and possible mitigation.
- We are working on an updated employee handbook with a timeline to the Assembly by the September 12th Assembly meeting.
- I have had meetings with both AML and Samson regarding the barge ramp and the need for replacement. The discussion also involved the potential location for a replacement.
- I have been working with the Forest Service for a property lease for the Chugach.
- We will be sending out letters to owners of properties that have been abandoned and/or are a danger to the community. We continue to work with the owners of junk vehicles to have them disposed of. Channel Construction will be in town next month and will be taking vehicles that have their fluids and tires removed.

**City and Borough of Wrangell
Public Works Directors Report
Tom Wetor
July 2023**

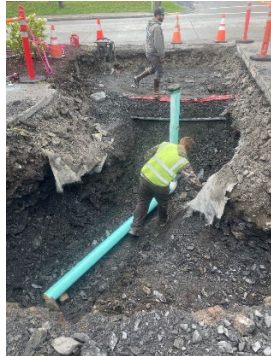
**City and Borough of Wrangell
Public Works Department Update
August 2023**

Streets

- Assisted on a project at the Nolan Center for utility locates.



- Assisted WW to clear Node's 4 and Node 6 of grease.
- Installed utilities for a business in the Marine Service Center. While excavating for water and sewer the underground electric was damaged and needed to be repaired. Staff were not aware of the underground electric because the as built drawings showed them running in a different location. Everything has been repaired and installed.



- Assisted WMLP by providing excavation to get new poles set.
- Have had several water turn offs with people starting to leave town for the season
- A broken water service valve on Evergreen was excavated and replaced.
- Road maintenance continues along with brushing
- Working on backfilling the open Streets Maintenance Specialist Position.

Water

- After the recent rain storms both reservoirs are full and overflowing. The water watch for the community was rescinded on 8/14/2023. Staff will continue to monitor water levels and communicate as needed.



- Andrew Scambler has accepted the job of lead WTP operator. Andrew has been with the City for 7 years now and we are excited to have him in this position.
- Wade Jack has accepted a position as a W/WW operator apprentice. Wade has worked for Capital Facilities and has plumbing experience making him a great fit for this position.
- During the rain events on 8/12/2023 the chlorine generator pump diaphragm failed and needed to be replaced.
- Filter maintenance (plunging) has increased with the increase in turbidity in our source water. As the filters start to stack up staff have been backwashing them more frequently.
- Going into the fall and with the recent heavy rains the turbidity and color have drastically increased in our source water. This is typically the time of year where we have struggled with disinfection by products. Now that reservoirs are full we are implementing flushing water mains again to try and reduce the age of the water at the end of the line, thus increasing water quality. The longer water sits in the distribution system the longer the chlorine has to react with the organics in the water which increases disinfection by products.
- Staff are working on constructing a second siphon from the upper reservoir. Our existing system has limitations in terms of how far down in the reservoir it can reach. The new version will give us faster access to more water.
- Bids for the new water plant have been opened. The department is working with Capital Facilities on continuing to work through the process and move this project along.

Sewer

- A major sewer main blockage from Pine Street to Case avenue was found and cleared. The manholes are located within the creek embankment in this location making it difficult to access and work on. Multiple manholes were backed up with solids and needed to be cleared. The blockage was bad enough that staff were not able to access the sewer main at the bottom of the manhole with a snake. The vac truck was deployed however the truck was not able to get the entire stations cleared. Due to limitations in the dewater process the project wasn't able to be tackled until the next morning. (A full load in the vac truck takes more than 8 hours to dewater. Our current system involves dumping the contents into an aluminum box lined with drain cloth and sein web. It takes hours for sewage contents to drain in this manner. In many places there is a septage receiving station where the trucks can pull up, be emptied in a matter of minutes and back on the job.) Once the sewage solids were removed the next morning staff were able to get a snake into the main. It was determined to be a significant root intrusion which took several more hours for the power snake to chew through. Once free we were not able to catch the root intrusion at the next manhole. At which time staff moved down to case avenue where they were able to isolate and remove the root wad. Once the sewer was free flowing the area was flushed and cleaned.



- We received an updated version of our 301H waiver. Public comment period is open until August 28th. We are reviewing the permit with HDR and will provide our comments before the end of the 30 day window. There were again significant changes in the testing requirements including PFAS, a bivalve and fish test sample, and several other new sample points that will now need to be conducted under the updated permit. The toxicity and WET testing requirements will require significantly more resources to manage both in equipment and staff time. Staff have met with the EPA again to voice concerns over the goal posts being moved and the community's ability to pay for the proposed mandates. There are also concerns over a recent publication from the EPA regarding Wrangell and Skagway and why these Alaska communities are being targeted with disinfection requirements. Specifically the briefing lists enterococcus as being a problem in Wrangell which may be possible however it has never been tested for here and there is no hard data to support this statement. The good news is that HDR is working with us, Skagway, Sitka and Petersburg so any consistency in concerns brought

forward may be one of our best bargaining chips with the regulatory agencies who continue to tell us if we go to secondary treatment this wont be a problem and there will be low interest loans available to communities to pay for infrastructure upgrades.

- Met with the EPA regarding our 301 H waiver while they were in town.
- Still working on filling our 4th W/WW position, this position recently went out for public advertisement.
- Had a number of call outs for high water alarms during the recent rain events.

Sanitation

- We have been utilizing the tire shear in an effort to reduce our tire disposal costs.

Garage

- The garage has begun doing a major maintenance project on the ASCOM lift for the Marine Service Center. Pulleys, bearings and cables were replaced which had never been done before. A lift had to be brought in from Ketchikan to be able to get high enough up while also carrying the weight of the replacement pulleys and bearings. Garage and Harbor staff coordinated on this project.



Harbormasters report for July 2023 Steve Miller

- July completed projects:
 1. Repaired work float/fixed decking and reattached piling hoops.

Irene Ingle Public Library Report Director: Sarah Scambler July 2023

New Library Assistant

- We are excited to welcome Shannon Lindley as our new library assistant. We also welcome Kaitlin Wilson as our new Library Technician. They are both wonderful assets to our team.

Grants

- Our new AWE early literacy stations have been shipped. They should be here in the next few weeks and we are looking forward to having those available to the young kiddos in our community.

Summer Reading Program

- The summer reading program wrapped up on August 5th with a pizza party at the old gym. We had a bouncy house from Midnight Oil, pizza from the Stik, and cupcakes frosted by Sweet Tides. This year 90 kids finished the program by getting 10 points or over. Together they read 1971 books, earning a total of 2546 tickets to be put into the 134 prizes that were available. We'd like to thank everyone who donated prizes, volunteered for the party, and of course, all the kids who participated, and the parents that helped them.

Programming:

- We are gearing up for our fall programming, which will include our very popular toddler story hour, as well as a couple new programs we are excited to roll out in the coming months. Stay tuned!

Wrangell Municipal Light and Power Department May 23, 2023 Rod Rhoades

WML&P Status

Accomplishments This Month of July 2023

- Jacob Hammer accepted into IBEW Journeyman apprenticeship school.
- 2 AMI Gateways were activated to verify communication mode. The tests were successful.
- 2 Orange Lineman Work Orders (WOs) – These WO's consist of customer concerns, complaints, and special requests to be completed by the Electric Department.
- Completed Annual Inventory Report.
- PND Engineers were here to survey the Power Plant – Complete.
- Recovered from a Power Outage because of a Power hit in Petersburg.
- Received 2 - 3Megawatt Transformers.
- 2 Electrical Permit requests were taken in by customers.
- 2 Planned Power Outages – Mission Street and Peninsula Avenue.

Work Orders

WMLP had a total of 56 work orders in the month of July 2023– consisting of Reads, Disconnects, Installs, and requests for meter tests and meter swap outs.

Parks and recreation Department Lucy Robinson

EMPLOYEE UPDATES

- Recreation & Aquatics Coordinator
 - Devyn Johnson is busy collaborating with local volunteers, and the P&R team, to create recreation & aquatics programming. She is putting her NASM Senior Fitness & Youth Exercise Specialist training to good use, developing strength training & mobility programming to engage the youth and senior populations.
- Parks & Maintenance
 - Erik Scheib continues to do great work in our parks. He and his crew are tackling the public restrooms, giving them a much-needed face lift with a fresh coat of paint. This fall, Erik and I will develop a strategic plan for a reintroduction of natural vegetation throughout our parks and green spaces, helping reduce the hours needed to manage the lawns, allowing for more time, and money, for playground equipment and facility maintenance.
- Light Maintenance
 - Lane Fitzjarrald is busy managing the pool, providing janitorial and maintenance services, working with contractors on the heating and ventilation system, and tackling various projects. Lane continues to be an asset to the regular operations, ensuring the pool and community center are running smoothly. This fall and winter, Lane will work with the P&R team to identify important facility projects, along with performing routine maintenance.
- Lifeguards & Recreation Assistants
 - Anika Herman, Kalee Herman, Johanna Sanford and Christina Johnson completed the American Red Cross Lifeguard Course. They continue to play a crucial role in assisting with basic janitorial tasks and recreation programming. With this experience, we look forward to working with this team of young adults.
 - Jamie Roberts continues to provide support through project-oriented tasks, office related duties and aquatics programming planning. We look forward to working with Jamie as we swing into the pool re-opening and engage our community of swimmers. Jamie will play a crucial role in our ability to provide quality aquatics programming to our community. Jamie begins coaching the WHS Swim Team, starting on August 2nd. Swim Club will begin shortly thereafter. Both programs are an important piece to the viability of the P&R aquatics programming, with many young swimmers joining our team as lifeguards and recreation assistants.
 - Darren Shilts has stepped back into the Lifeguard position, while on break from college. He will continue to work for P&R through December 2023. Darren is an asset to the team, with a year of lifeguard and P&R experience. It's great to have him back.
 - Renee Roberts has re-joined the P&R team, helping to cover the office shift throughout the months of August and September. It is a pleasure to have her on staff, again.

RECREATION & AQUATICS: CURRENT AND UP COMING

- Alaska Recreation & Parks Association Conference
- Walk Southeast
- Pickleball
- Arthritis Class
- Water Aerobics
- Jiu Jitsu
- Mushroom Foraging
- Wilderness Activities
- GORUCK Hiking Club
- Beach Explorers
- Forest Explorers
- Open Gym Volleyball
- Music in the Parks: August
- Youth Open Gym
- Skate Skills Camp
- Adult & Youth Sign Language Classes
- HIIT Training
- Barbell Technique Training
- Youth Barbell Technique Training
- Youth Pull-Up Class
- Sunrise and Sunset Hikes
- Jump Rope Open Gym
- Open Gym Basketball
- Mommy & Me Workout
- Scavenger Hunts: Trails and Community
- Art in the Parks
- Astronomy Night
- Cooking Class: Sourdough Beginners Course
- Senior Fitness Program
- Volunteer Program
- Devyn Johnson continues to open the gym for family access during the weekends, while we experience heavy rain. We typically see over 40 kids and parents that participate.
- Volunteer, Dustin Johnson, opened the gym on 8/13/23 for a pop-up basketball open gym.

FACILITIES

- New Rogue equipment has increased gym use, and general buzz about this winter's activities. We aim to offer technique classes, continued Senior Fitness classes and general community education so that we continue to improve the public's knowledge of the benefits of functional fitness.
- Increased Recreation Activity Usage, compared to 2022: see P&R Activity Report provided.
- Lockers: Men's & Women's lockers need to be replaced due to rust damage. Short term plan – cover rusted, sharp areas with metal/aluminum/steel. Long range plan – purchase 30 plastic lockers, finish the rest out with durable cubbies that include a hook and a shelf.
- Surplus & Community Center Clean-Up: In progress. Estimated completion: Fall 2023
- Basement Safety Protocol: Protocol created to address the safety concern when maintenance staff are working in the basement. Prior to an employee entering the basement, they must indicate time in and time out to the office staff. Orange sign,

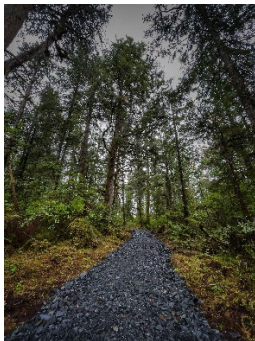
with time in and expected time out. Alarm is set. If no contact, office staff perform a check.

- Stairs: The stairs between high school and community center gym needs repaired
- The pool opened on 8/7/23, with the regular aquatics schedule in place. The lifeguard team is working hard to cover shifts, gain experience, complete monthly in-service training and improve physical endurance. We aim to improve pool capacity and aquatics programming as we train more employees.
- Expanded hours: P&R weight room, cardio and RW court, Sundays, 12:00pm-5:00pm. Sundays have been successful, with 10-15 people utilizing the weight room, cardio equipment, and the court.
- The four broken windows that separate the lobby from the pool deck are being replaced. During the replacement process, Lane discovered that the metal framing is seriously deteriorating due to the corrosive environment. He will repair the corroded areas with an automotive bondo, followed by paint. Once the windows are placed, a sealant will be applied to protect against future deterioration. There are nine windows that are not damaged, but likely have the same issue. We plan on removing the remaining windows, this fall/winter, repairing the rest of the framing.
- Weight Room & Cardio Equipment Maintenance Schedule: weekly, monthly, quarterly, and annually. This includes deep cleaning, repair, and maintenance, along with a plan for equipment surplus and new equipment purchase plan, performed by parks custodial light maintenance position.
- Develop P&R promotional video, highlighting recreation, aquatics, and parks/trails, that can be used to engage with potential donors, grant funding resources, etc. Promotional content will also be utilized to apply for wholesale markets, like LMNT electrolyte mix. Profits from sales can be worked back into youth program, etc.
- Implement monthly in-service training for lifeguard team, allowing for focused training and team development, enhancing skills, and promoting unity. Allow for 1 hour per week endurance swim and partner in-water skills training.
- Reallocate racquetball/wallyball space concept will be submitted for public comment to obtain community feedback prior to moving equipment.

PARKS, TRAILS & GREEN SPACES

- 4TH of July: identify alternatives to confetti bombs and silly string and/or charge businesses an additional fee when they sell specific items to help with the clean-up efforts. Volunteer day on 7/5. Promote 2-3 months prior. Ask businesses for cash donations to be used as door prizes for volunteers that show up.
- Helping Our Parks public education and promotion. Engage community. Adopt a park opportunity. Seek funding through grants, business donations and local fundraising. Target corporations and businesses that profit from Wrangell business.
- Adopt-A-Garden: Community outreach in progress, with 4-5 volunteers taking on garden bed management. Successful initiative with bed near Rayme's, two planter boxes and bed near Breakaway adventures office, adopted.
- Parks, Trails & Green Spaces:

- Public Restrooms: City Park interior and exterior completed. Volunteer park interior completed. Waiting for weather to continue exterior tasks.
- Purchase toilets for the new downtown public bathrooms and establish better door handles. Currently struggling to find the proper toilet size for replacements, and keeping the door handles intact.
- Implement regular park maintenance check list: including facility damage due to rot, vandalism and general wear and tear. Playground inspection. Tree blowdown and stability report. Trail damage due to drainage. Boardwalk repair needs.
- Continue with alder management project: volunteer park and city park are primary targets. The Student Conservation Association has helped to mitigate the alders at the Volunteer Park. We will continue to work in-house, with the Forest Service and local volunteers to continue this project.
- The connecting trail from Nature Trail to Ishiyama drive is complete, thanks to the US Forest Service and the Student Conservation Association (SCA).
- Playground equipment report. See below.
- Develop a plan for park re-growth. Determine which areas to continue mowing to the ground and what areas we can allow for a bit of re-growth with native vegetation, berry bushes, etc. This plan will help reduce the overall maintenance needs, reducing equipment, labor, and fuel costs, allowing our team to direct attention to facility maintenance and upkeep.
- Shoemaker RV Site: Trouble shoot RV site issues – mainly individual site size. This space could be reasonable income source with improved promotion, management, and site modifications.
- Two downed trees, located on the Nature Trail long loop, were removed by Wrangell Island Tree Services after it was determined that the larger of the down trees was still intact at the root, creating excess tension and hazard.
- **PLAYGROUND REPORT:** Initial report provided by Lane Fitzjarrald, Light Maintenance. A simplified report will be utilized in the future. This report outlines playground conditions.





City and Borough of Wrangell Capital Facilities Department Report August 15, 2023

Facilities Service & Maintenance - Capital Facilities provides service and maintenance to City and Borough of Wrangell facilities.

Facility Maintenance Report

- ◇ The department is happy to introduce Santiago Bautista as our Construction & Facilities Manager who joined the department in early July. Santiago studied Civil Engineering at Polytechnic University of the Philippines in the early 2000s and worked as a Construction Manager for construction companies in Singapore for ten years before he and his wife located to the USA. Santiago has experience in a variety of construction project types, including road projects, commercial developments, mixed-use developments, and multi-story residential buildings. We are excited to welcome Santiago. Please join us in welcoming him.
- ◇ The department is sad to see the departure of Wade Jack from the Facilities Maintenance Specialist position. We thank Wade for his service to our department and the many needs of the Borough's buildings, and we wish him well in his new position at the Water and Wastewater Treatment facilities as one of their new Apprentices. The Capital facilities Department will begin to seek a qualified candidate for the vacant position.
- ◇ Roof repairs on the flat roofs at the Public Safety Building have been addressed as best possible to control leaks into the building.





- ◇ Building maintenance crew assisted in the installation of the new outdoor bathrooms on Front Street by installing the fence and troubleshooting plumbing issues.



Capital Improvement Projects - Capital Facilities provides management of capital improvement projects and major maintenance to City and Borough of Wrangell facilities and infrastructure. \$33,000,000 in capital projects costs is currently being managed with projects in a variety of stages including planning, design, and construction status. Highlights of certain projects are provided below.

Grant Funded Projects

Nolan Center Standby Generator Upgrades. Design is complete and the Fire Marshal has finalized review. The generator was ordered in late winter and is expected to arrive in Wrangell in December, at which time the construction project will be scheduled. Next step is to complete the contract documents for construction bidding.

Non-Motorized Transportation System (Mt. Dewey Trail Extension). A pre-bid meeting was held August 15th. Barring bidding delays, the bid opening is scheduled for August 22nd and a recommendation to award would be on the September 12th Assembly meeting agenda.

The 300' connector trail between the Volunteer Loop Trails and Ishiyama Drive has been completed through in-kind donations from the Walker Foundation, Wrangell Cooperative Association, as well as the USFS and their SCA seasonal crew who performed the trail construction for this section of the project.





Swimming Pool Siding Replacement. Demolition, including replacement of rot or damaged wood framing/sheathing has occurred for the north and west walls. The Contractor is waiting on materials to arrive before removing additional existing materials on the south side. The hat channel materials is expected to hit the docks by next Tuesday for a Wrangell arrival the week of August 28th. The panels for the columns at the front of the building are not expected to arrive Wrangell until the end of the calendar year. This project is experiencing material delays which are still a reality in the marketplace since 2020.



Rec Center HVAC and DDC Upgrades. The HVAC mechanical work is complete, including change order work. We have asked Schmolck to provide a price to replace a heating coil unit that broke last year and only has a band aid repair on one of the coils. They have been having trouble finding a replacement unit that could be assembled in the space constraints we have in the building. We will continue to work with them in an attempt to include this extra work under the CDBG grant funds, if at all possible. The digital controls contractor, Meridian, completed the installation of their panel and programming and the system is up and running. We have asked Meridian to provide a fee for certain additional scope of work related to the DDC Upgrades. They indicate they are working on a fee proposal. They will also be returning to provide training to maintenance staff and we plan to perform cross over training between maintenance divisions. Before starting the closeout of the two projects, the RESPEC mechanical engineer is planning a Substantial Completion inspection visit at the end of August. The grant for this project has been extended until December 31, 2023.

City Park Pavilion Replacement (Wind Damaged Pavilion). The grant agreement for this pavilion replacement has been received from the State of Alaska Homeland Security and Emergency Management. A design-build performance specification will be developed for the replacement of this facility. The general design is expected to be similar to what was originally in place; however, we may pursue the inclusion of a fire pit/place. The grant closeout date is June 30, 2024.

High School and Middle School Fire Alarm System Replacement Design. The contractor has completed the Middle School and continues to complete the High School fire alarm system before school begins on August 24th. A Substantial Completion inspection was held on August 14th. The main panel for the High School has been delayed from the factory. The Contractor has been requesting a delivery date for weeks, calling for expedited shipping; however, the factory has not provided a ship date. We are working with the Fire Marshal to determine protocol for fire watch throughout the day when anyone is occupying the building. This fire watch would be implemented and managed by the Contractor until the panel is installed and the system fully functional. The Middle School is complete and can function as a stand-alone fire alarm system.

Port and Harbor Security System. Chatham Electric received a Notice to Proceed. We have called for a pre-construction meeting. The Contractor indicates all the equipment is readily available and have started to pull product submittal data for review and approval as they wait on their primary subcontractor, Long Technologies, to complete another project.

Water Treatment Plant Improvements. The project bid on Friday, August 11th. Two bids were received and the low bid is \$19,605,000. The request for supplemental funding through USDA has begun. USDA indicates they will be performing a new underwriting effort since six years has passed since their original Letter of Conditions was issued in 2017. Our current water user rates will be reviewed again to determine if a new amount of loan will be offered (the new loan amount could be higher or lower than the existing \$3,821,000 loan amount) and they will determine how much grant funding to offer thereafter, with the potential of "up to 45%" of the total project cost, excluding the loan amount. The \$2M supplemental funding request from EDA has not received formal award yet. We are still waiting to learn if EDA will issue a general public interest waiver of the BABAA requirements.

Lift Station Standby Generator at Wood Street. This project is complete and we will be closing the project with the Contractor and closing the grant with the State of Alaska. We thank Johnson Construction for working with us and delivering a successful project.



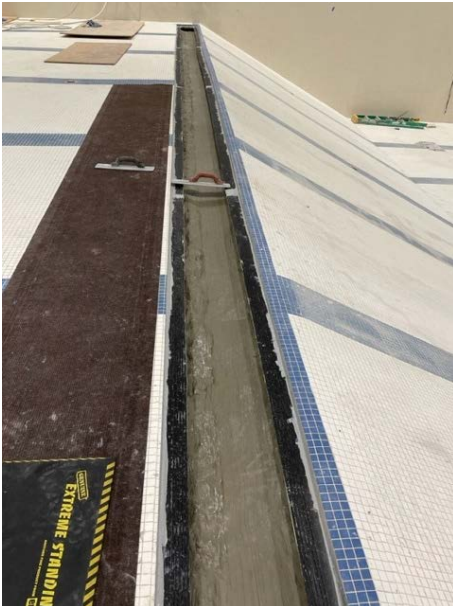
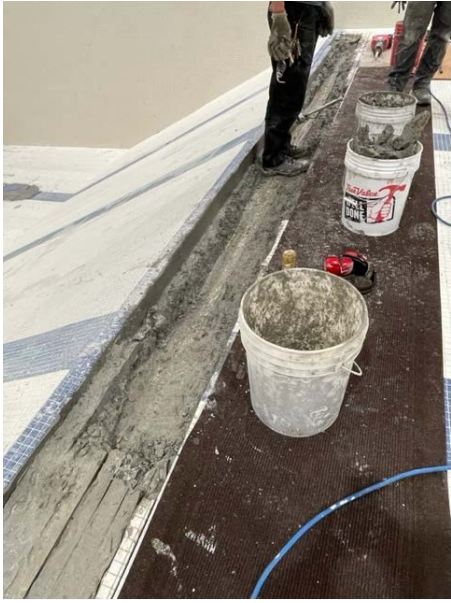
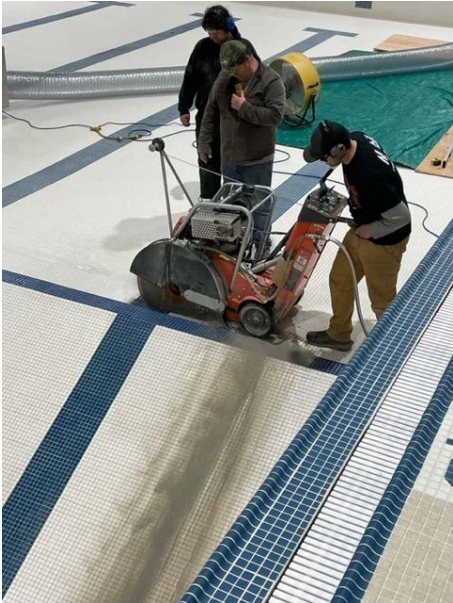
Loading Dock - Solid Waste Transfer Station Upgrades. A&E has finalized the design documents. Borough staff will work on contract document preparation and package the two documents for construction bidding. We anticipate releasing the bidding set by the end of August and allow a minimum of three weeks for bidding.

Locally-Funded Projects

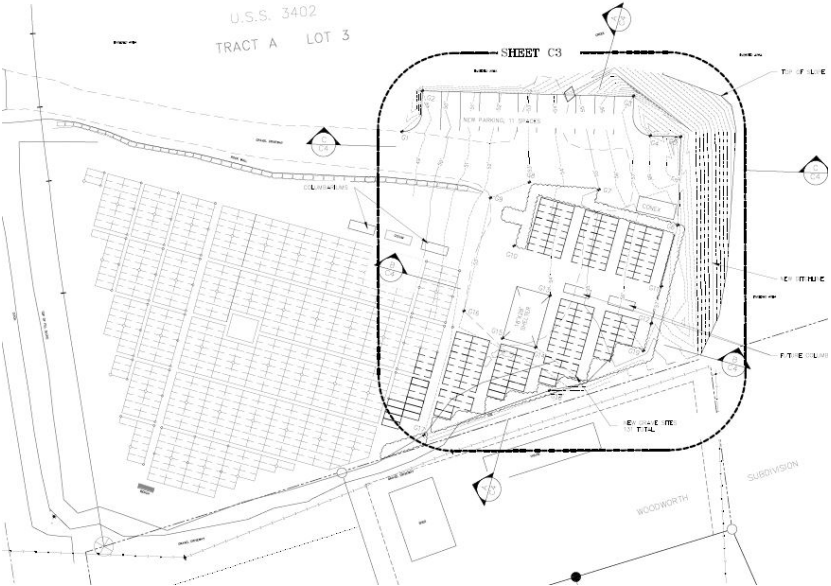
Alder Top Village Subdivision, Ph I Development: Roads and Utilities. The Contractor began work on August 3rd. Clearing began on the north end and the focus to date was to reach the three cultural resource-related special investigation sites in the middle of the site, and all three areas have now been cleared by the archeologists. Clearing continues through the Right of Ways and alder trees are being burned on site. Marketable timber will be hauled to the 6-mile property and the Borough will determine if a combination sale and milling cooperation is possible with a local fabricator to produce wear decking for the port dock.



Pool Joint Leak Repair & Pipe Inspection. The Contractor, White Enterprises, completed the pool leak repair project and Parks & Rec reports there has been no water loss. We trust the reconstruction of the water stop in the concrete joint will provide many more years of a leak-free pool basin. We thank White Enterprises for their workmanship and thoughtful toward this project.



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



Nolan Center Storage Building Foundation. The contractor began work in late July, and has completed the pile driving. Considering the amount of void found under the slab, we will pursue installation of a concrete slurry to add support to the slab, as it was not originally constructed to be a structural floating slab.





City Park Fireplace Replacement. Johnson Construction completed installation of the supports and firepit and chimney demolition on August 2nd. We have called for R&M to return to the site for an inspection and continue with design of the new pit and chimney to be constructed under a separate contract.



Airport Runway Light Generator & Electrical Connectivity. DOT has submitted a request to FAA for installation of the infrastructure. Once an approval is received, we will be able to release the construction bidding solicitation. FAA has requested additional information that FAA is working to provide.

UST (Underground Fuel/Storage Tank) Replacement. Financial responsibility for the USTs has been provided by the Borough, as required by the State of Alaska. We have abandoned attempt to procure services from the only UST Worker in Southeast Alaska. Other UST works, who are certified by the State to perform this type of work, are being sought to assist us in the tanks' decommissioning required by ADEC.

Meyers Chuck Harbor Replacement Design. A preferred concept was selected, with modifications, in an effort to reduce the cost from the estimated \$3.8 cost to our potentially funded budget of \$2.2M. PND submitted further concepts with different float types, with cost estimates for each, and we will be reviewing those with them this week. The governor's budget includes \$5.5M to the DOT Harbor Facilities Grant Program, and Wrangell was ranked 1 out of 3 projects submitted. As long as the money remains in the program, we expect to see an award of the funds we requested for which we have committed the 50% match. Design is proceeding with an anticipated nine-months total design time.

Power Plant Building Rehab Design. PND site survey was performed the last week in July. The design team will be in Wrangell this week to draft as-builts of the building and perform on site investigations for the various design disciplines. 35% design is expected by the end of October 2023.

Wrangell Public School Condition Survey. The A&E team completed the condition assessment reports and cost estimates for all three schools in July. The preferred project has been identified and information shared with the consultant who is writing the DEED CIP grant application on behalf of Wrangell. Josh Blatchley, School District, is working hand-in-hand with the consultant to provide the additional information required for the application submission.

Automated Metering Infrastructure (AMI) System. The 24 test meters have been installed with gateways, and we are receiving information on those units. The remaining 2500+ meters arrived Wrangell the week of August 14. Vision Metering Owner will be in Wrangell on August 22nd to review our system and provide software training to staff.



ECONOMIC DEVELOPMENT DEPARTMENT REPORT

To: Planning and Zoning Commission;
Economic Development Board; and,
Wrangell Convention and Visitors Bureau

Cc: Borough Manager
Borough Assembly

From: Kate Thomas, Economic Development Director

Date: July 3rd, 2023

ECONOMIC DEVELOPMENT

- The Economic Development Board's next meeting will be held on Thursday, September 7th @ 5:30PM. There is one open seat on the Economic Development Board. Staff are actively recruiting a new person to fill the position. Promotional flyers have been posted online. As well the Wrangell Sentinel has reached out to inquiries for a story in the newspaper.
- The public survey for the Six-Mile-Deep Water port is open through the 4th of July. Staff decided to maintain the survey through the holiday hoping to get more responses. As of July 1, there have been 78 respondents within the survey. Staff are aiming for 100 responses before the completion of the survey. The survey results will be presented to the Assembly and the Economic Development Board with recommendations on next steps.
- A letter with proposed feedback on USFS SASS-FM has been elevated to the Borough Managers office. Upon his review and final iteration, feedback will be submitted under the current public comment period to the Forest Service.
- Things continue to progress with the Golf Course lease agreement transfer and sublease. Staff are currently working with the State of Alaska Department of Transportation and the Wrangell Golf Club, inc. on the transfer of leased land from the golf club to the Borough. The sublease has been drafted by the legal team and is currently under review by the state department. The prime lease application submitted by the Borough is under review from the Federal Aviation Administration. Once both items have been reviewed and approved, they will go before the Borough Manager and Assembly for discussion and approval. Due to the public comment period required at the state level, this process is likely to persist through the remainder of the summer.
- As the state and federal governments continue to launch planning grant programs to assist municipalities in accomplishing key elements of project development in order to be competitive in construction grants, the Borough is working to evaluate its project funding strategy and priorities. Planning grants allow communities to address things such as environmental assessments, engineering, design, benefit costs analysis, feasibility studies and more. These are the building blocks necessary to ensure that Wrangell's projects are shovel ready, enabling a more competitive edge when seeking construction funds.
- The City and Borough was not selected for RAISE grant funding to address the needs of the Inner Harbor Basin. Staff will be meeting with the RAISE grant team in the coming months, to obtain feedback that may inform future submissions. The Rural and Tribal Assistance Pilot program is a planning grant that supports RAISE eligible projects. Staff are working to determine how this program could benefit the Inner Harbor Project and what the funding request will address if a proposal is submitted in August.

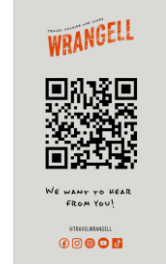
- Kate Thomas and Matt Henson are working together to build the Borough branding package that will modernize, standardize, and streamline color schemes, logo use, published documents, reports and more.
- Staff and Board Members welcomed Governor Murkowski and Frank Roppel to the June Economic Development Board Meeting. Mr. Murkowski provided insight into his perceived opportunities and considerations for development at the Alder Top Village and Six-Mile-Deep Water Port sites. He spoke of goals and cost analysis for development, attracting desirable residents to develop in residential areas and the unique aspects of the deep water port and how that might fit within different industries.
- Staff and Board Members welcomed Julie Decker of the Alaska Fisheries Development Foundation (AFDF), Inc, to a workshop in June. Julie presented on the Mariculture Cluster paving way in Alaska. She shared the status of the project, vision for the future, success stories of other countries around the world and considerations for how Wrangell may play a role. The biggest take away being that growth in production and processing, and value-added product sales must grow symbiotically in order for the industry to be viable for developers.
- Planning continues for the Alaska Recreation and Parks Association conference in September of 2023 and 2024. The Economic Development, Nolan Center and Parks and Recreation departments are working cohesively to plan, organize and facilitate the statewide conference, which falls on the 20 and 21 of September. The conference includes an e-Sports expert as the Keynote Speaker. The speaker will facilitate a workshop for recreation professionals to learn how to facilitate electronic sports activities and competition. A live public event will be held at the Nolan Center. Staff are working to coordinate the event to include students and faculty from Wrangell Public Schools.
- Staff will meet with the Wrangell Cooperative Association on July 20th, to continue the recently revitalized monthly meetings between the Borough and the Tribe.
- Saint Frances Animal Shelter was approved for conditional use specifically to erect and maintain a cat-shelter on the Boroughs impound lot in the industrial yard. With the approval of the Conditional Use permit, the next steps include establishing a lease agreement with the organization to enable them to proceed with site developments. The establishment of the shelter supports the needs of the community and offsets the burden to the Borough of managing feral cats or other animal issues that could arise from a lack of owner accountability and/or poor management.

TOURISM

- Marketing and Community Development coordinator, Matt Henson, has completed the street banner designs. Staff are ready to proceed with printing following approval from the Wrangell Cooperative Association to use the Bear Screen and Totem images selected to represent the local culture. Below is a sneak peek of the designs. There are 8 in total that will be duplicated and installed along Front Street. The Wrangell Convention and Visitors Bureau played a significant role in refining the design and supporting staff. Members of the WCVB approved the final designs.



- Staff launched an online visitor survey. QR code cards are being distributed to all front facing visitor industry businesses. Operators and others have been encouraged to promote the survey as a means for the WCVB to better understand where visitors come from, how they learned about Wrangell and any other pertinent takeaways from their experience.
- Transition to Google Analytics 4 has been completed by Matt Henson. Google Analytics 4 is an analytics service that enables you to measure traffic and engagement across your websites and apps. This documentation provides implementation instructions and reference materials geared towards a developer audience.
- Wander Maps is a user-friendly mapping software designed for State Parks, Private Destinations, and Destination Marketing Organizations. Their platform allows users to navigate a 3D interactive map on a web browser, as well as access an offline version downloadable through their app. Primarily catering to outdoor recreation and attractions. The map will serve as on-the-ground infrastructure for visitors, while allowing for one central place to find points of interest.



Wrangell's Wander Maps launched on July 1. Considerable outreach has been conducted throughout the community, requesting front facing visitor industry businesses and other agency points of interest to be listed within the mapping software. Matt Henson obtained GIS data from the USFS to upload all cabin, shelter, and trail information on federal land. All updates are live and will continue to be implemented over time. Quarterly and annual audits will take place to ensure the most up to date visitor information is reflected. Reports on user data will also be generated quarterly. This will help inform the WCVB of visitor data such as demographics, point of origin, impressions, and popular points of interest.

- Staff, Matt Henson will travel to Juneau and Sitka in July to shadow other Direct Marketing Organization staff persons during the height of their tourism season. Matt will work to better understand their systems, marketing strategies and on the supports that are in place to support the visitor while on the ground.
- Princess Cruises has approached Wrangell in the development of some on-off itineraries that Princess is looking to include in its 2025 sailings. Staff have been in discussions with Kirby Day, of the Holland America Group, to ensure that Wrangell's marine infrastructure has the capacity to support vessels exceeding 900 ft, with a carrying capacity of 2,500-3,200 passengers. Wrangell wants to ensure a positive experience for all parties and has asked for routine and detailed communications as itineraries and plans become more concrete. Information will be shared about the developing plans with the WCVB and visitor industry business. Preliminary notice to the Assembly was communicated under the Managers report at the June 27th Assembly meeting.
- Wrangell hosted a media team from Miles Partnership in June, that was arranged by the Alaska Travel Industry Association. Matt Henson, Tom Wetor and Steve Miller worked together to coordinate land-based tours for the group to acquire content for regional tourism promotions. In-kind services were provided by the Borough in exchange for the media acquired during their stay. Points of interest included the marine service center, Inner and Heritage Harbors, Petroglyph Beach, and Mount Dewey. The team also spent time at Le Conte Glacier and the Stikine River. Staff from Miles reported that care and services provided by Wrangell stood out as their top experience within the Alaska communities and beyond.

PLANNING AND ZONING

- Commissioners reviewed and provided modifications to the Accessory Dwelling Unit code. The Borough Attorney has been asked to review the code from a legal standpoint. The ADU code will be brought back to the Commission for final review and approval before going before the Assembly. Further review of the Planned Unit Development code will need to take place. To reduce staff time and create efficiencies it is the goal to bring forward the Accessory Dwelling Unit and Planned Unit Development codes at the same time for Assembly approval.
- Kate Thomas, Amber Al-Haddad, and Tom Wetor are scheduled to undergo GIS training through ESRI in August. ArcGIS is transitioning to the pro platform across all software which requires the Borough to train and implement a new version of mapping for public access and borough planning and development. The transition to the new platform will be underway shortly after the training is complete.
- Staff are researching and scheduling demos with software companies that provide zoning and building workflow modules. The onboarding of electronic software will create workflow efficiencies that allow staff to review, approve and route applications for permits are varying kinds; variance, conditional use, building permits etc. Efficiencies of this nature are beneficial to staff, while ensuring that the public has a streamlined and accessible way to seek services from the Borough.
- Staff are currently undergoing a free training program through the American Planning Association. The training is specific to Planning Commission roles and responsibilities. Components of the training program will be deployed in the on-boarding on any new and future commissioners to ensure that all parties have a similar foundation of knowledge from which they can make ethical and productive decisions that are brought forward. Commissioners, among others, will also be provided with an opportunity to participate in annual parliamentary procedure training.

CITY & BOROUGH OF WRANGELL, ALASKA

BOROUGH CLERK'S REPORT

SUBMITTED BY:

Kim Lane, Borough Clerk

Upcoming Meetings & Other Informational dates:

Other City Boards/Commissions:

Sept 7 Economic Development Committee @5:30pm in the Assembly Chambers

Sept 14 Planning & Zoning Commission @5:30pm in the Assembly Chambers

Community Events:

Meetings and Other events of the Borough Assembly:

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

On this Agenda is the Ordinance for the Board of Equalization procedures. After creating the Ordinance, I sent it to the Borough Attorney for final review.

There is a vacancy on the Parks & Recreation Advisory Board. Mr. Lutz has resigned his seat. I have begun advertising for the vacancy. I will add the appointment to the September 12th Regular Assembly meeting.

Upcoming 2023 Work Sessions (scheduled), Public Hearings (scheduled), Regular Assembly Meetings, and Other Meetings (scheduled)

Date	Time	Purpose
<i>August 22 (WS Scheduled for Audit Presentation and AK Perm. Capital Mgmt. Group)</i>	<i>5:30-7pm (WS) 7pm Reg</i>	Regular Assembly Meeting
<i>August 28 (MONDAY) Joint w/School - WS Scheduled)</i>		School, Public Safety Building, Barge Ramp Funding Solutions (Joint WS with School)
<i>September 12 (WS Scheduled for MV Chugach Forest Service Discussion)</i>	<i>6-7pm (WS) 7pm Reg</i>	Regular Assembly Meeting
<i>September 26 (no work session scheduled)</i>	<i>6pm</i>	Regular Assembly Meeting
<i>October 3</i>		Regular LOCAL Election Day
<i>October 5</i>	<i>5:30pm</i>	Special Assembly Meeting to Certify Election
<i>October 10 no work session scheduled)</i>	<i>6pm</i>	Regular Assembly Meeting
<i>November 14 (no work session scheduled)</i>	<i>6pm</i>	Regular Assembly Meeting
<i>November 28 (no work session scheduled)</i>	<i>6pm</i>	Regular Assembly Meeting
<i>December 12 (no work session) scheduled)</i>	<i>6pm</i>	Regular Assembly Meeting

Election Information

Here are the upcoming Elected Term Expirations:

Borough Assembly (2 three-year terms available):

- Morrison, Anne
- Howe, Ryan

Port Commission (1 one-year term available):

- Morrison, Gary

School Board (1 one-year term available):

- Reese, Esther

Declaration for Candidacy will be from August 1st, through August 31st, 2023. I will have the forms available, in my office, for those wishing to declare their candidacy for an open seat, come October.

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

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	August 22, 2023
	<u>Agenda Section</u>	13

RESOLUTION No. 08-23-1806 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, RECOGNIZING A FUEL SURCHARGE CALCULATION ERROR IN FY 2023 WHEREBY WMLP INCORRECTLY UTILIZED THE APRIL 2022 SEAPA KWH INVOICE AS OPPOSED TO THE SUM OF ACTUAL KWH GENERATED BY WMLP PLUS THE JUNE 2022 SEAPA INVOICE, AND APPROVING THE CORRECTION ACTION OF APPLYING A FUEL SURCHARGE OF \$0.0437 FOR FY 2023

SUBMITTED BY:

Mason Villarma, Finance Director

FISCAL NOTE:

Expenditure Required: \$XXX Total		
FY 19: \$	FY 20: \$	FY21: \$
Amount Budgeted:		
	FY19 \$XXX	
Account Number(s):		
	XXXXX XXX XXXX	
Account Name(s):		
	Enter Text Here	
Unencumbered Balance(s) (prior to expenditure):		
	\$XXX	

Reviews/Approvals/Recommendations

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

ATTACHMENTS: Resolution No. 08-23-1806

RECOMMENDATION MOTION:
Move to approve Resolution No. 08-23-1806.

Summary Statement:

Per WMC 15.12.190 Fuel Rate Adjustment, “there shall be a fuel surcharge applied to the kilowatt hour sales of electrical energy whenever diesel fuel is used to generate electrical energy during the billing period immediately preceding the current billing period.”

FY 2023 WML&P incorrectly used the fuel surcharge formula by inputting the wrong variable for total kWh sold. Instead of using the June 2022 total kWh sold by the Borough, they used the total kWh purchased from SEAPA in April of 2022. The calculation that was applied to customers in the subsequent period was as follows:

The Formula is as follows:

R (Fuel Surcharge Rate) =	$\frac{(((GXP)/D)-T) \times D}{K}$		
G=Gallons of Diesel Used	38340.10		
P= Price Per Gallon	\$4.6200		
D=kWh Generated by Diesel	492,611		
T=Typee Wholesale Rate per kWh	\$0.0705		
K=Total kWh sold for June 2022	3,260,080		
			Total Fuel Surcharge
			\$ 99,202.82
Fuel Surcharge Rate Per kWh	\$ 0.0437		
*Less Power Plant Usage			
KWH Produced by Generators	492,611		
GALLONS	38,340.00		
COST	\$4.6200		
FUEL TOTAL COST	\$177,130.80		
Cost to Produce Per KWH	0.3596		

The correct fuel surcharge equation would have been as follows:

The Formula is as follows:			
R (Fuel Surcharge Rate) =	$\frac{(((GXP)/D)-T) \times D}{K}$		
G=Gallons of Diesel Used	38340.10		
P= Price Per Gallon	\$4.6200		
D=kWh Generated by Diesel	492,611		
T=Type Wholesale Rate per kWh	\$0.0705		
K=Total kWh sold for June 2022	2,339,324		
			Total Fuel Surcharge
			\$ 142,402.19
Fuel Surcharge Rate Per kWh	\$ 0.0609		
*Less Power Plant Usage			
KWH Produced by Generators	492,611		
GALLONS	38,340.00		
COST	\$4.6200		
FUEL TOTAL COST	\$177,130.80		
Cost to Produce Per KWH	0.3596		

This resolution effectively recognizes this was an error and approves the original fuel surcharge rate that was applied of \$0.0437/kWh which resulted in total fuel surcharge revenue of \$99,202.82 in FY 2023.

CITY AND BOROUGH OF WRANGELL, ALASKA

RESOLUTION No. 08-23-1806

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, RECOGNIZING A FUEL SURCHARGE CALCULATION ERROR IN FY 2023 WHEREBY WMLP INCORRECTLY UTILIZED THE APRIL 2022 SEAPA KWH INVOICE AS OPPOSED TO THE SUM OF ACTUAL KWH GENERATED BY WMLP PLUS THE JUNE 2022 SEAPA INVOICE, AND APPROVING THE CORRECTION ACTION OF APPLYING A FUEL SURCHARGE OF \$0.0437 FOR FY 2023

WHEREAS, per WMC 15.12.190 Fuel Adjustment Charge, "*there shall be a fuel surcharge applied to the kilowatt hour sales of electrical energy whenever diesel fuel is used to generate electrical energy during the billing period immediately preceding the current billing period*": and

WHEREAS, Wrangell Municipal Light & Power incorrectly used the fuel surcharge formula in FY 2023 by inputting the wrong total for kWh sold; and

WHEREAS, the FY 2023 formula calls for the kWh sold for the month of June 2022, and WML&P input the April 2022 kWh sold; and

WHEREAS, using the April 2022 SEAPA kWh sold input resulted in a \$99,203 fuel surcharge; and

WHEREAS, using the correct June 2022 total kWh sold input results in a \$142,402 fuel surcharge; and

WHEREAS, the difference in the applied fuel surcharge and what should have been applied was \$43,199; and

WHEREAS, the applied fuel surcharge for FY 2023 resulted in a \$43,199 being underbilled for FY 2023 (to the customers benefit); and

WHEREAS, it is the desire of the Assembly not to back-charge consumers, the difference of \$43,199 for the corrected fuel surcharge billing amount, and to therefore approve the originally applied fuel surcharge rate of \$0.0437.

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

Section 1. The fuel surcharge of \$0.0437 effective date shall be retroactive to the FY 2023 fuel surcharge.

Section 2. The Assembly recognizes the loss of revenue of \$43,199 from the calculation error.

PASSED AND APPROVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA this 22ND day of August 2023.

Patricia Gilbert, Borough Mayor

ATTEST: _____
Kim Lane, MMC, Borough Clerk

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

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	08/22/2023
	<u>Agenda Section</u>	13

ORDINANCE No. 1045 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING CHAPTERS 5.04.210 – HEARING-PROCEDURES AND 5.04.230 – HIGHER APPEALS AND REPEALING SECTION 5.04.220 – APPEAL RECORDS IN THE WRANGELL MUNICIPAL CODE

SUBMITTED BY:

Kim Lane, Borough Clerk

FISCAL NOTE:

Expenditure Required: \$XXX Total		
FY 21: \$0	FY 22: \$0	FY23: \$0
Amount Budgeted:		
	FY22 \$0	
Account Number(s):		
	N/A	
Account Name(s):		
	N/A	
Unencumbered Balance(s) (prior to expenditure):		
	N/A	

Reviews/Approvals/Recommendations

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

ATTACHMENTS: 1. Ord 1045

RECOMMENDATION MOTION:
Move to First Reading of Ordinance No. 1045 and move to a Second Reading with a Public Hearing to be held on September 12, 2023.

SUMMARY STATEMENT:

During the BOE process this year, a lot of research was done and provided to the Assembly (BOE) to help the hearing process move efficiently. I stated to the Assembly that I would work on an Ordinance to accomplish that task.

This Ordinance addresses the specific hearing procedures. hearing procedures.

CITY AND BOROUGH OF WRANGELL, ALASKA
ORDINANCE NO. 1045

AN ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING CHAPTERS 5.04.210 – HEARING-PROCEDURES AND 5.04.230 – HIGHER APPEALS AND REPEALING SECTION 5.04.220 – APPEAL RECORDS IN THE WRANGELL MUNICIPAL CODE

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

SEC. 1. Action. Section 5.04.210 – Hearing - Procedures, is hereby amended by repealing and replacing Section 5.04.210 – Hearing – Procedures to establish clear guidelines for Board of Equalization Hearings, in the Wrangell Municipal Code as follows:

5.04.210 Hearing – Procedures.

- A. The borough assembly will sit as the Board of Equalization. The Mayor shall be the Presiding Officer. If the Mayor is unable to perform the duties of Presiding Officer, the remaining board members shall appoint a Presiding Officer from the membership.
- B. The procedures in this section govern hearings before the Board of Equalization. The hearings will proceed in the order outlined below.
 1. **OATH OR AFFIRMATION.** The Board of Equalization hearing officers, the appellant, witnesses, and the borough assessor(s) shall each subscribe to the following affirmation:

Appellant, witnesses, and borough assessor(s): Do you promise and affirm that the evidence and testimony you are about to give before this Board shall be the truth, the whole truth, and nothing but the truth?
 2. **ASSESSOR’S OPENING STATEMENT.** The assessor will provide a brief opening statement on the Board of Equalization Hearing proceedings.
 3. **APPELLANT’S PRESENTATION.** The appellant shall have a total of five minutes to present their case. The appellant may appear in person or by phone and may be represented by an agent or attorney. The appellant may testify, call witnesses on their behalf, and present evidence and argument. The assessor may cross-examine the appellant or any other witness that testifies on behalf of the appellant.
 4. **ASSESSOR’S PRESENTATION.** The assessor will present evidence, testimony, and argument to support the assessed value of the property and may rebut evidence presented

by the appellant. The assessor may recommend to the Board to adjust the property's assessed value. The appellant may cross-examine the assessor.

5. **APPELLANT'S REBUTTAL.** At the conclusion of the assessor's case, the appellant may present additional evidence or argument to rebut any evidence which was presented by the assessor. The appellant may not present new evidence other than that which is necessary to rebut the assessor's evidence.
6. **QUESTIONS.** The presiding officer may allow board members to ask questions of the assessor, the appellant, and any witnesses.
7. **DECISION.** Following steps (1) through (6) above, the presiding officer will close the hearing and no further evidence shall be offered or considered. The Board will then deliberate and decide on the appeal.

B. EXHIBITS. Any exhibits to be offered at the hearing must be properly labeled and must be provided to the Borough Clerk at least three business days prior to the hearing.

C. ABSENT APPELLANT. Appeals shall be heard in the order in which they were received. If an appellant is not present at the time scheduled, the appeal may be moved to the bottom of the appeal list and taken up after all other appeals have been considered by the Board. If any appellant fails to appear, the Board may proceed with the hearing in the appellant's absence upon whatever written material the appellant has submitted. If the appellant is absent and has not submitted competent evidence, the appeal shall be dismissed.

D. BURDEN OF PROOF AND GROUNDS FOR ADJUSTMENT. The appellant bears the burden of proof. The only ground for adjustment of a property's assessed value is proof by a preponderance of the evidence of unequal, excessive, or improper valuation based on evidence before the Board.

E. DECISIONS OF THE BOARD.

1. **The Board's decision shall be in the form of a motion containing specific findings of fact which support the motion, and the vote on the motion shall be taken by roll call.** If no motion is passed by the affirmative vote of a majority of the members voting at a meeting at which a quorum is present, the assessment as determined by the assessor shall be deemed upheld.
2. A decision, once made, may not subsequently be reconsidered, amended, or rescinded by the Board.

...

SEC. 2. Action. Section 5.04.220 – Appeal records, is hereby repealed in the Wrangell Municipal Code.

[5.04.220 Appeal records.

The board shall from time to time enter in the appeal record its decision upon the appeals brought before it, and shall certify to the same.]

...

SEC. 3. Action. Section 5.04.230 – Higher Appeals, is hereby repealed and replaced in the Wrangell Municipal Code as follows:

5.04.230 Appeal to Superior Court

An appellant or the assessor may appeal a determination of the Board of Equalization to the Superior Court as provided by Rules of Court applicable to appeals from the decisions of administrative agencies. Appeals are heard on the record established at the Board of Equalization hearing.

SEC. 4. Severability. If any provision of this ordinance, or any application thereof to any person or circumstances is held invalid, the remainder of this ordinance and the application to all other persons or circumstances shall not be affected thereby.

SEC. 5. Classification. This ordinance is of a permanent nature and shall be codified in the Wrangell Municipal Code.

SEC. 6. Effective Date. This ordinance shall be effective upon adoption.

PASSED IN FIRST READING: _____, 2023

PASSED IN SECOND READING: _____, 2023

Patricia Gilbert, Borough Mayor

ATTEST: _____
Kim Lane, MMC, Borough Clerk

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

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	August 22, 2023
	<u>Agenda Section</u>	13

RESOLUTION NO 08-23-1801 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, ADDING THE JOB DESCRIPTION FOR PARKS CUSTODIAN LIGHT MAINTENANCE

SUBMITTED BY:

Lucy Robinson, Parks and Recreation Director

FISCAL NOTE:

Expenditure Required: \$XXX Total		
FY 20: \$	FY 21: \$	FY22: \$
Amount Budgeted:		
	FY20 \$XXX	
Account Number(s):		
	XXXXX XXX XXXX	
Account Name(s):		
	Enter Text Here	
Unencumbered Balance(s) (prior to expenditure):		
	\$XXX	

Reviews/Approvals/Recommendations

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

ATTACHMENTS: 1. Resolution No 08-23-1801; 2. Added Job Description

RECOMMENDATION MOTION:
Move to Approve Resolution No 08-23-1801.

SUMMARY STATEMENT:
Consistent, year-round parks and facility maintenance ensures the safety of occupants and visitors. By maintaining the functionality and reliability of building systems, structures, trails, green spaces and equipment, we prevent costly repairs with early identification. By adding the Parks Custodian

Light Maintenance position, we gain the ability to create a strategic approach to managing our physical assets, reduce the seasonal training needs, and improve employee commitment.

Highlights of this position are as follows:

- **Efficient operation:** Reduces employee turnover and the need to re-train new employees, each season.
- **Employee value:** Enhancing the position, improving the quality of work, and creating a team culture, with improved employee commitment and satisfaction.
- **Extend lifespan of assets:** This position will provide annual maintenance within the parks, structures, and facilities, delaying the need for costly replacement or upgrades – which can result in cost savings over time, as well-maintained assets are less likely to require premature replacements.
- **Safety and compliance:** Facility maintenance plays a critical role in ensuring the safety of occupants, visitors, and the public. Regular inspections of building systems such as stairs, roofing, public restrooms, pool chemistry, entrances and exits, weight room, cardio equipment and park playground equipment are important. It's also crucial to review protocols for recurring tasks like water damage and security audits to identify and address potential hazards, ensuring compliance with local building codes, regulations and industry standards.
- **Enhanced aesthetics:** Well-maintained facilities create a positive impression on occupants, visitors, and patrons. Regular painting, janitorial upkeep, public restroom repairs, landscaping and other property maintenance tasks help maintain a clean, attractive, and professional appearance, enhancing the overall aesthetics and image of the facilities.
- **Sustainability:** Facility maintenance can include initiatives that promote sustainability, such as energy-efficient upgrades, water conservation measures and waste reduction strategies. These efforts contribute to environmental sustainability and demonstrate social responsibility.
- **Regulatory compliance:** Facilities are often subject to various regulations and standards, such as health and safety regulations, environmental regulations and building codes. OSHA requirements, for example, aim to provide a safe work environment. Proper facility maintenance helps ensure compliance with these regulations, avoiding fines, penalties, and legal liabilities.

The proposed changes are reflected by reviewing the added job description. The accompanying resolution adopts the new job description. There is a wage and grade change proposed based on the additional job description.

The proposed job description has been reviewed by the IBEW who concur with the additional job description.

CITY AND BOROUGH OF WRANGELL, ALASKA

RESOLUTION No. 08-23-1801

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, ADDING THE JOB DESCRIPTION FOR THE PARKS CUSTODIAN LIGHT MAINTENANCE POSITION

WHEREAS, the Parks Custodian Light Maintenance job description position has been reviewed, and the proposed job description has been added to reflect the parks and recreation facility maintenance needs with regards to daily, weekly, monthly and annual demand; and

WHEREAS, the current Park Maintenance position is temporary/seasonal, sacrificing crucial, consistent maintenance opportunities, which could help to mitigate costly repair issues; and

WHEREAS, the proposed rate of pay for the new job description for the Parks Custodian Light Maintenance position is a grade 15 with the pay range from \$\$21.08 to \$26.52 per hour; and

WHEREAS, with the added job description for the Parks Custodian Light Maintenance position, the range of pay has been adjusted; and

WHEREAS, it is the desire of the City and Borough of Wrangell to ensure the parks and recreation facilities, parks, green spaces and trails are well maintained throughout the year; and

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

Section 1. The attached Exhibit "A" includes the job description for the Parks Custodian Light Maintenance position.

Section 2. The added job description for the Parks Custodian Light Maintenance position will be effective as of July 1st, 2023.

PASSED AND APPROVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA this 22nd day of August 2023.

Patricia Gilbert, Borough Mayor

ATTEST: _____
Kim Lane, MMC, Borough Clerk

City & Borough of Wrangell

Position Description

Position: Parks & Custodian Light Maintenance	Position Number:
Department/Site: Parks and Recreation	FLSA: Exempt
Reports to: Parks and Recreation Director	Salary Grade: 15

SUMMARY

Under the supervision of the Parks and Recreation Director: performs a variety of parks and light maintenance, and support duties in aquatics, recreation, and parks facilities.

DISTINGUISHING CAREER FEATURES

Maintain Parks & Recreation facilities, parks, structures, trails, and public green spaces. The job requires experience in groundskeeping, light maintenance, construction, and repair, with the ability to provide support within aquatics and recreation programming. Must be able to work in both an indoor and outdoor setting.

ESSENTIAL DUTIES AND RESPONSIBILITIES

- Performs custodial duties, covering all P&R facilities, public restrooms, and structures.
- Performs light-maintenance, construction, and repair.
- Maintains all P&R grounds, trails, and green spaces.
- Operates light duty trucks, small tractors, and other powered equipment such as tillers, chain saws, weed eaters and lawn mowers.
- Maintains all records and reports as required.
- Ensures that all supportive services at P&R recreation sites, such as water and electricity are available.
- Assists in excavation and backfilling of burial sites.
- Collaborates with other departments within the City & Borough of Wrangell, assisting with projects, as assigned.
- Completes project specific maintenance tasks, as directed.
- Provides support in the form of basic lifeguard duties, along with facility supervision and emergency response.

QUALIFICATIONS**Knowledge and Skills**

- Requires knowledge of maintenance and custodial duties.
- Requires basic knowledge of pool management procedures, and ability to perform daily duties.
- Requires knowledge of equipment and facilities operation, or ability to learn.
- Requires basic knowledge of hazards and safety procedures, or ability to learn.
- Requires the ability to trouble shoot issues, work cooperatively, improve operations, and perform efficiently.

Abilities

- Ability to follow oral and written instructions and prioritize.
- Ability to train the parks maintenance crew members and evaluate job performance.
- Ability to inspect vehicles and power tools for compliance with safety regulations and ensure safe work-place practices.
- Ability to communicate effectively with co-workers, coordinating agencies and the public.
- Ability to identify facility and equipment deficiencies and execute reliable repairs and maintenance.
- Ability to work in a safe manner, without direct supervision and make independent decisions.

Physical Abilities

Strength and mobility required to operate hand and power tools. Ability to drive a motor vehicle to various site locations; stamina to perform sustained physical labor including standing, walking, climbing, and working in confined or awkward spaces; strength to lift and maneuver materials and equipment weighing up to 50 pounds with proper equipment. Stooping, bending, and squatting is required on a regular basis.

Education and Experience

High School diploma, or GED equivalent, required.

Licenses and Certification requirements

- Valid Alaska Driver's License.
- Obtain a Certified Pool Operator certificate offered, when course is available, following probationary period.
- American Red Cross Lifeguard Certification
- Complete respirator fit testing.

Working Conditions

Work is performed indoors and outdoors, where safety considerations exist. Employees may perform work alone, or as part of a team, and may be subject to on-call status. Employees may be exposed to varying noise levels, dust, fumes, and hazardous chemicals found in the pool treatment process with appropriate personal protective equipment. Employees may perform work on slippery or uneven surfaces, on ladders, and equipment with moving parts.

This job/class description describes the general nature of the work performed, representative duties as well as the typical qualifications needed for acceptable performance. It is not intended to be a complete list of all responsibilities, duties, work steps, and skills required of the job.

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

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	August 22, 2023
	<u>Agenda Section</u>	13

RESOLUTION NO 08-23-1802 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, RECLASSIFYING THE CUSTODIAN LIGHT MAINTENANCE JOB DESCRIPTION TO THE RECREATION FACILITY MAINTENANCE SPECIALIST POSITION

SUBMITTED BY:

Lucy Robinson, Parks and Recreation Director

FISCAL NOTE:

Expenditure Required: \$XXX Total		
FY 20: \$	FY 21: \$	FY22: \$
Amount Budgeted:		
	FY20 \$XXX	
Account Number(s):		
	XXXXX XXX XXXX	
Account Name(s):		
	Enter Text Here	
Unencumbered Balance(s) (prior to expenditure):		
	\$XXX	

Reviews/Approvals/Recommendations

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

ATTACHMENTS: 1. Resolution No 08-23-1802; 2. Reclassify the Recreation Facility Maintenance Specialist 3. Custodian Light Maintenance Job Description (existing)

RECOMMENDATION MOTION:
Move to Approve Resolution No 08-23-1802.

SUMMARY STATEMENT:
It is important to review the associated job description and ensure they accurately capture the work necessary by the Borough for the position. Changes have been made to the Custodian Light Maintenance job description, updating it to refine the scope of responsibilities and duties describing the work needed for that position.

Highlights of the job description revisions are as follows:

- Provides clarity to the standard duties of the position.
- Specifies who evaluates and conducts performance evaluations for the position.
- Adds reference to the specifics of maintaining a swimming pool including required data reports.
- Adds reference to inventory management, purchasing records and ordering.
- Adds reference to a continuous effort to improve workplace efficiencies and cooperation.
- Provides clarity to the “Knowledge and Skills” section, and to the “Abilities” section, regarding the level of skills and abilities needed to effectively perform the job or the ability to build that capacity through on the job experience and training.
- Adds reference to specifics of the “Physical Abilities” required to perform the job.
- Provides clarity to “Licenses and Certificates” required to maintain the position.
- Adds reference to the specific “Working Conditions” of the job to include hazardous chemical handling in the pool treatment process.

The proposed changes are reflected by reviewing the current job description, so that the proposed changes are accessible. The accompanying resolution adopts the new job description. There is a wage and grade change proposed based on the revisions to the job description.

The proposed revisions to this job description have been reviewed by the IBEW who concur with the revisions as shown in the tracked changes version of the document.

CITY AND BOROUGH OF WRANGELL, ALASKA

RESOLUTION No. 08-23-1802

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, RECLASSIFYING THE CUSTODIAN LIGHT MAINTENANCE JOB DESCRIPTION TO THE RECREATION FACILITY MAINTENANCE SPECIALIST POSITION

WHEREAS, the Custodian Light Maintenance job description position has been reviewed, and the proposed job description has been changed to the Recreation Facility Maintenance Specialist position to reflect the actual duties, responsibilities, and qualifications required for the position; and

WHEREAS, the current rate of pay for the Custodian Light Maintenance position is a grade 15 with the pay range from \$21.08 to \$26.52 per hour; and

WHEREAS, the proposed rate of pay for the new job description for the Recreation Facility Maintenance Specialist position is a grade 17 with the pay range from \$23.07 to \$29.04; and

WHEREAS, with the updated duties for the Recreation Facility Maintenance Specialist position, the range of pay has been adjusted; and

WHEREAS, it is the desire of the City and Borough of Wrangell to bring all job descriptions into compliance with current standards; and

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

Section 1. The attached Exhibit "A" includes the job description which describe the updated duties, responsibilities, and qualifications for the Recreation Facility Maintenance Specialist

Section 2. The amended job description for the Recreation Facility Maintenance Specialist position will be effective as of July 1, 2023.

PASSED AND APPROVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA this 22nd day of August 2023.

Patricia Gilbert, Borough Mayor

ATTEST: _____
Kim Lane, MMC, Borough Clerk

City & Borough of Wrangell Position Description

Position: Recreation Facility Maintenance Specialist	Position Number: 6
Department/Site: Parks and Recreation Facilities	FLSA: Non-exempt
Evaluated by: Parks and Recreation Director	Salary Grade: 17

Summary

The Recreation Facility Maintenance Specialist is responsible for the day to day custodial and maintenance duties of all the Parks & Recreation facilities including the swimming pool, community center, parks & trails. Occasionally works with other Borough departments, assisting with special projects. Works independently or cooperatively with others under the daily direction and supervision of the Parks & Recreation Director.

Distinguishing Career Features

The position performs a wide range of maintenance services and is responsible for the upkeep of Wrangell's Parks & Recreation Facilities. Performs mid-level technical maintenance, custodial duties, troubleshooting and repair of building systems and equipment. May be required to work extended hours, as determined by management or facility need.

Essential Duties and Responsibilities

- The Recreation Facility Maintenance Specialist performs a wide range of skilled work in the repair and maintenance of facility structures, their building systems and equipment for all Parks & Recreation facilities.
- Assists the Parks & Recreation Director in identifying future facility improvement needs and projects.
- Inspects facilities, systems, equipment, and supplies, on a regular basis for the purposes of identifying and accomplishing priorities for maintenance and repair.
- Complies with all safety requirements and practices.
- Performs maintenance, janitorial duties, and repair of all building structures and their systems, including but not limited to, electrical, heating, cooling, ventilation, plumbing systems, carpentry work for construction, and other maintenance and repair tasks; performs mid-level technical maintenance and repair tasks as appropriate.
- Receives work requests through work order and/or direct contact. Keeps work order data entry current and maintains computerized maintenance records.
- Investigates and troubleshoots problems with facilities and equipment, and coordinates problem resolution as appropriate; responds to emergency breakdowns, and repair delinquent equipment on a timely basis.
- Implements and schedules preventative maintenance for all Parks & Recreation facilities, equipment, and systems, including heating and air systems, ventilation systems, digital and pneumatic controls, fire alarm systems, fire extinguishers, and weight and cardio equipment.
- Troubleshoots and resolves or oversees resolution of routine maintenance problems, such as structural problems, basic mechanical and plumbing or other equipment malfunctions.
- Monitors, operates, and troubleshoots the pneumatic and digital HVAC control systems present in the Swimming Pool building.

- Maintains pool chemistry tests, safe chemical handling, water balancing and circulation systems at proper levels, along with monthly water data reports.
- Monitors, maintains, and completes repairs of pumps, motors and valves at the swimming pool.
- Maintains aquatics, recreation, and park facilities to include janitorial responsibilities, general maintenance, trash removal, mowing and landscaping duties and exterior building maintenance.
- Performs maintenance work as required in support of and in preparation for recreational programs, events or activities at assigned facilities.
- Maintains adequate inventory of necessary spare parts and serviceability of necessary maintenance supplies and equipment; purchase materials, supplies and/or equipment as appropriate. Prepares and maintains records on all maintenance activities and keeps all facility Operations & Maintenance manuals up to date.
- Participates in all job-related training and required safety training; promotes continuous improvement of workplace safety and environmental practices.
- Assures the facilities stay in compliance with OSHA, ADEC and Building and Fire Code, and other regulatory requirements.
- This position may require the employee to enter confined spaces as part of the job duties. Employees that participate or have duties in the Confined Space Program will receive training to ensure that each individual has the understanding, knowledge and skills necessary to safely perform all permit-required confined space operations.
- May be required to work extended hours, as determined by management or facility needs.
- This position is subject to call-out or call-back at any time due to staff shortages or emergencies, to facilitate and sustain department operations. Must be willing to work odd hours as required by the work environment.
- Keeps track of budget and spending for maintenance accounts.
- Performs other job-related duties and responsibilities that support the overall objectives of the position, or as assigned.
- Demonstrates continuous effort to improve operations, decrease turnaround times, streamline work processes, and work cooperatively and jointly to provide quality customer service. Occasionally assists other department crews as manpower needs arise.

Qualifications

Knowledge and Skills

- To perform this job successfully, an individual must be able to perform each essential duty satisfactorily. The requirements listed below are representative of the knowledge, skill, and /or ability required for this position. Reasonable accommodations may be made to enable individuals with disabilities to perform the essential functions.
- Experience applying the principles of building maintenance and repair and knowledge of materials associated with the construction and maintenance of buildings.
- Building automated control systems and components.
- Methods, tools, materials, and equipment used in all phases of facilities maintenance and repair.
- Basic mathematics, including calculations using fractions, percent, and ratios, to record and compute precise measurements.
- Interpret technical manuals, engineered drawings and specifications, safety rules, operating and maintenance instructions, and procedure manuals.
- Personal computer experience in Windows-based applications for data processing and spreadsheet development and other software as utilized by the department such as work order generation and inventory tracking software, or the ability to learn such software applications.
- Experience in maintenance hazards and safety practices related to building trades, including applicable OSHA standards and safe operation of tools, equipment, and vehicles.

- Experience in maintaining swimming pools and the associated systems, equipment and facilities operation, or ability to learn.
- Experience in maintaining step and run and aggregate trail systems and infrastructure, or ability to learn.

Abilities

- Skills are required to perform the duties of the position, with the potential to upgrade skills in order to meet changing job conditions.
- Ability to perform a wide range of physical and manual tasks in both indoor and outdoor environments.
- Broad range of mechanical, electrical, plumbing and carpentry skills.
- Requires sufficient computer and writing skills to prepare reports.
- Ability to perform record keeping functions.
- Ability to communicate professionally and effectively with customers, contractors, design professionals, outside agencies and other employees of the organization.
- Add, subtract, multiply and divide. Ability to perform these operations while often converting between different units of measurement.
- Apply commonsense understanding to carry out detailed written or oral instructions.
- Deal with problems involving a few concrete variables in standardized situations.
- Adapt to situations that are frequently not anticipated or planned for.
- Ability to work in a safe manner and work independently with minimal direct supervision.

Physical Abilities

- Strength and mobility to operate hand and power tools, mobility to drive a motor vehicle to various site locations; stamina to perform sustained physical labor including standing, walking, climbing, and working in confined or awkward spaces. Stooping, bending, and squatting is required on a regular basis.
- This position requires the employee to wear a variety of respirators as part of the job duties. Therefore, the employee must be able to pass a medical evaluation and a quantitative fit test on an annual basis.
- Must be able to work from and perform complicated and physically demanding tasks from ladders, scaffolds, powered manlifts, and other elevated areas.
- Sufficient visual acuity to read detailed drawings, recognizing words and numbers and to drive, read and write, and perform repair work.
- Sufficient auditory ability to carry on conversations in person and over the phone.
- Must be able to regularly lift and/or move up to 50 pounds and occasionally lift and/or move up to 100 pounds with proper equipment, often reaching from awkward positions using hand-eye coordination to insert parts

Education and Experience

- Any combination of education, training, and experience which demonstrates an ability to perform the duties and responsibilities as described, including progressively responsible journey-level experience in building maintenance and repair and/or building trades. A typical qualifying entrance background would be four years of experience in the skilled trades but is not a requirement.
- A variety of maintenance, equipment operation and construction experience.
- Requires a high school diploma or general education degree (GED), and possess the ability to clearly read, write, and speak English. One year of college or technical level classes related to building maintenance technologies is preferred.

Licenses and Certificates

- Requires a valid Alaska Driver's License.
- Requires the ability to successfully obtain a Certified Pool Operator certificate offered, when course is available, after probation period.
- Requires the ability to complete respirator fit testing.

Working Conditions

- Work is performed indoors and outdoors where safety considerations exist from physical labor and equipment operation. Will frequently work in outside weather conditions and will regularly be exposed to extreme cold.
- Employees may perform work alone or as part of a team and may be subject to callout. Employees may be exposed to; varying noise levels; dust, fumes or airborne particles, electrical shock and hazardous chemicals found in the pool treatment process with appropriate personal protective equipment.
- Employees may perform work on slippery or uneven surfaces, on ladders, and equipment with moving parts.

This job/class description describes the general nature of the work performed, representative duties as well as the typical qualifications needed for acceptable performance. It is not intended to be a complete list of all responsibilities, duties, work steps, and skills required of the job.

City & Borough of Wrangell

Position Description

Position: Custodian-Light Maintenance	Position Number:
Department/Site: Parks & Recreation/Community Center	FLSA: Exempt
Evaluated by: Parks and Recreation Director	Salary Grade: 15

Summary

Under the supervision of the Parks and Recreation Director, performs a variety of custodial and light maintenance duties in aquatics, recreation, and park facilities, requiring knowledge and skills including; janitorial, installation, maintenance, modification and repair work of equipment, grounds and buildings.

Distinguishing Career Features

The Custodial-Light Maintenance position assists with the maintenance and is responsible for the upkeep of Wrangell's Parks and Recreation Facilities. The job involves attention to detail, safety, and the ability to work both independently and in a team setting.

Essential Duties and Responsibilities

- Maintains pool chemistry tests, safe chemical handling, balancing and circulation at proper levels, along with monthly reports.
- Maintains aquatics, recreation, and park facilities to include janitorial responsibilities.
- Maintains aquatics, recreation, and park grounds to include general maintenance, trash removal, mowing and landscaping duties, and exterior building light maintenance.
- Performs maintenance work as required in support of and in preparation for recreational programs or activities at assigned facilities.
- Assists in maintaining product and equipment inventories, purchase records and ordering supplies.
- Troubleshoots and resolves or oversees resolution of routine maintenance problems such as facility issues or basic mechanical equipment malfunctions.
- Monitors, maintains, and assists with repairs of pumps, motors and valves at the swimming pool.
- Demonstrates continuous effort to improve operations, decrease turnaround times, streamline work processes, and work cooperatively and jointly to provide quality customer service.

Qualifications**Knowledge and Skills**

- Requires knowledge of cleaning equipment, materials, and procedures to perform cleaning tasks efficiently and effectively.
- Requires basic knowledge of maintenance procedures and the ability to perform duties efficiently.
- Requires basic knowledge of swimming pool, equipment and facilities operation and maintenance, or ability to learn.
- Requires basic knowledge of hazards and safety precautions, or ability to learn.

Abilities

Ability to identify facility and equipment deficiencies and execute reliable repairs and maintenance. Ability to work in a safe manner without supervision and make independent decisions. Requires attention to detail and the ability to recognize safety and security hazards.

Physical Abilities

Strength and mobility to operate hand and power tools, mobility to drive a motor vehicle to various site locations; stamina to perform sustained physical labor including standing, walking, climbing, and working in confined or awkward spaces; strength to lift and maneuver materials and equipment weighing up to 50 pounds with proper equipment. Stooping, bending, and squatting is required on a regular basis.

Education and Experience

A high school diploma or GED equivalent is required

Licenses and Certificates

- Requires a valid Alaska Driver's License.
- Requires the ability to successfully obtain a Certified Pool Operator certificate offered, when course is available, after probation period.
- Requires the ability to complete respirator fit testing.

Working Conditions

Work is performed indoors and outdoors where safety considerations exist. Employees may perform work alone or as part of a team and may be subject to callout. Employees may be exposed to; varying noise levels; dust, fumes, and hazardous chemicals found in the pool treatment process with appropriate personal protective equipment. Employees may perform work on slippery or uneven surfaces, on ladders, and equipment with moving parts.

This job/class description describes the general nature of the work performed, representative duties as well as the typical qualifications needed for acceptable performance. It is not intended to be a complete list of all responsibilities, duties, work steps, and skills required of the job.

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

<u>AGENDA ITEM TITLE:</u>	<u>DATE:</u>	August 22, 2023
	<u>Agenda Section</u>	13

RESOLUTION NO 08-23-1803 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, PROVIDING FOR THE AMENDMENT TO THE UNION WAGE AND GRADE TABLE

SUBMITTED BY:

Lucy Robinson, Parks and Recreation Director

FISCAL NOTE:

Expenditure Required: \$XXX Total		
FY 20: \$	FY 21: \$	FY22: \$
Amount Budgeted:		
	FY20 \$XXX	
Account Number(s):		
	XXXXX XXX XXXX	
Account Name(s):		
	Enter Text Here	
Unencumbered Balance(s) (prior to expenditure):		
	\$XXX	

Reviews/Approvals/Recommendations

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

ATTACHMENTS: 1. Resolution No 08-23-1803; 2. Amended Union W&G Table

RECOMMENDATION MOTION:
Move to Approve Resolution No 08-23-1803.

SUMMARY STATEMENT:
As positions become open for rehire through attrition, it is important to review the associated job description. Changes have been made to the Custodian Light Maintenance job description, updating it to refine the scope of responsibilities and duties describing the work performed by the person in that position.

Highlights of the job description revisions are as follows:

- Provides clarity to the standard duties of the position.
- Specifies who evaluates and conducts performance evaluations for the position.
- Adds reference to the specifics of maintaining a swimming pool including required data reports.
- Adds reference to inventory management, purchasing records and ordering.
- Adds reference to a continuous effort to improve workplace efficiencies and cooperation.
- Provides clarity to the “Knowledge and Skills” section, and to the “Abilities” section, regarding the level of skills and abilities needed to effectively perform the job or the ability to build that capacity through on the job experience and training.
- Adds reference to specifics of the “Physical Abilities” required to perform the job.
- Provides clarity to “Licenses and Certificates” required to maintain the position.
- Adds reference to the specific “Working Conditions” of the job to include hazardous chemical handling in the pool treatment process.

The proposed changes are reflected by reviewing the current job description, so that the proposed changes are accessible. The accompanying resolution adopts the new job description. There is a wage and grade change proposed based on the revisions to the job description.

The proposed revisions to this job description have been reviewed by the IBEW who concur with the revisions as shown in the tracked changes version of the document.

CITY AND BOROUGH OF WRANGELL, ALASKA

RESOLUTION No. 08-23-1803

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, PROVIDING FOR THE AMENDMENT TO THE UNION WAGE AND GRADE TABLE

WHEREAS, the position of Parks Light Maintenance job description is being added to the Union Wage and Grade table and shall be placed at grade 15 with a pay range from \$21.08 to \$26.52 and therefore, the Union Wage and Grade table requires amending; and

WHEREAS, with the reclassification of the Custodian Light Maintenance to Recreation Facility Maintenance Specialist, amending the position from a grade 15 to grade 17 with a pay range from \$23.07 to \$29.04 the Union Wage and Grade table requires amending; and

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

Section 1. The attached Exhibit "A" is the Union Wage and Grade Table, reflecting the changes for the following positions.

Section 2. The change to the Union Wage and Grade Table adds the Parks Light Maintenance position and places this position at a grade 15.

Section 3. The change to the Union Wage and Grade Table reclassifies the Light Maintenance position to the Recreation Facility Maintenance Specialist and places this position at grade 17.

Section 4. The changes to the Union Wage and Grade Table will be effective as of July 1, 2023.

PASSED AND APPROVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA this 22nd day of August 2023.

Patricia Gilbert, Borough Mayor

ATTEST: _____
Kim Lane, MMC, Borough Clerk

Wage Scale, IBEW-represented positions, July 1, 2021 to June 30, 2024

City & Borough of Wrangell IBEW W&G Table		Steps												
Grade	Position Title	1	2	3	4	5	6	7	8	9	10	11	12	13
13	Harbor Maintenance/Security	19.30	19.66	20.04	20.42	20.81	21.22	21.63	22.05	22.46	22.91	23.35	23.80	24.26
14	Sanitation Worker	20.16	20.55	20.95	21.36	21.77	22.18	22.62	23.06	23.49	23.94	24.40	24.88	25.36
14	Trainee	20.16	20.55	20.95	21.36	21.77	22.18	22.62	23.06	23.49	23.94	24.40	24.88	25.36
15	Administrative Assistant-Harbors	21.08	21.48	21.89	22.31	22.75	23.19	23.64	24.09	24.56	25.03	25.52	26.01	26.52
15	Water Trt. Pt. Apprentice	21.08	21.48	21.89	22.31	22.75	23.19	23.64	24.09	24.56	25.03	25.52	26.01	26.52
15	Custodian - Light Maintenance	21.08	21.48	21.89	22.31	22.75	23.19	23.64	24.09	24.56	25.03	25.52	26.01	26.52
15	Parks Light Maintenance	21.08	21.48	21.89	22.31	22.75	23.19	23.64	24.09	24.56	25.03	25.52	26.01	26.52
16	Electrical Dispatch Secretary	22.04	22.45	22.90	23.34	23.78	24.24	24.73	25.20	25.68	26.18	26.68	27.20	27.73
16	Sanitation Operator	22.04	22.45	22.90	23.34	23.78	24.24	24.73	25.20	25.68	26.18	26.68	27.20	27.73
17	Recreation Facility Maintenance Specialist	23.07	23.50	23.95	24.42	24.90	25.38	25.86	26.38	26.89	27.41	27.95	28.49	29.04
17	Port & Harbor Maintenance	23.07	23.50	23.95	24.42	24.90	25.38	25.86	26.38	26.89	27.41	27.95	28.49	29.04
17	Marine Service Center Relief Operator	23.07	23.50	23.95	24.42	24.90	25.38	25.86	26.38	26.89	27.41	27.95	28.49	29.04
19	Mechanic	25.26	25.75	26.26	26.76	27.27	27.79	28.34	28.88	29.43	30.02	30.60	31.20	31.80
19	Diesel Electric Mechanic Assistant	25.26	25.75	26.26	26.76	27.27	27.79	28.34	28.88	29.43	30.02	30.60	31.20	31.80
19	Sanitation Lead	25.26	25.75	26.26	26.76	27.27	27.79	28.34	28.88	29.43	30.02	30.60	31.20	31.80
19	Maint. Specialist II/Heavy Equip Operator	25.26	25.75	26.26	26.76	27.27	27.79	28.34	28.88	29.43	30.02	30.60	31.20	31.80
19	Water/Wastewater Treatment Operator	25.26	25.75	26.26	26.76	27.27	27.79	28.34	28.88	29.43	30.02	30.60	31.20	31.80
19	Marine Service Center & Harbor Team Leader	25.26	25.75	26.26	26.76	27.27	27.79	28.34	28.88	29.43	30.02	30.60	31.20	31.80
20	Power Generation Mechanic/Operator	26.47	26.98	27.50	28.05	28.59	29.14	29.71	30.30	30.88	31.48	32.10	32.72	33.36
20	Maint. Specialist III/Heavy Equip Operator	26.47	26.98	27.50	28.05	28.59	29.14	29.71	30.30	30.88	31.48	32.10	32.72	33.36
21	Water / Wastewater Treatment Operator - Level II	27.50	28.05	28.59	29.14	29.71	30.30	30.88	31.48	32.10	32.71	33.34	34.00	34.67
23	Public Works Foreman	29.70	30.29	30.87	31.47	32.09	32.70	33.36	34.00	34.66	35.34	36.03	36.74	37.46
23	Wastewater Treatment Leadman	29.70	30.29	30.87	31.47	32.09	32.70	33.36	34.00	34.66	35.34	36.03	36.74	37.46
23	Mechanic Lead	29.70	30.29	30.87	31.47	32.09	32.70	33.36	34.00	34.66	35.34	36.03	36.74	37.46
23	Facility Maintenance Specialist Lead	29.70	30.29	30.87	31.47	32.09	32.70	33.36	34.00	34.66	35.34	36.03	36.74	37.46
25	Water Treatment Operator Lead	32.19	32.81	33.47	34.11	34.77	35.47	36.15	36.87	37.59	38.33	39.08	39.85	40.63
27	Electrical Lineman	34.94	35.62	36.31	37.04	37.76	38.49	39.25	40.01	40.81	41.61	42.42	43.25	44.10
29	Electrical Line Foreman	38.01	38.77	39.51	40.31	41.09	41.90	42.72	43.56	44.41	45.29	46.18	47.09	48.01
	Lineman Apprentice	50%	55%	60%	65%	75%	80%	85%	90%	100%				
		17.47	19.59	21.79	24.07	28.32	30.80	33.37	36.01	40.81				
		7/1/2022	12/30/2022	6/30/2023	12/30/2023	7/1/2024	#####	7/1/2025	#####	6/30/2026				