City and Borough of Wrangell
RESCHEDULED Borough Assembly Meeting AGENDA

NIXLE Registration

Tuesday, November 17, 2026
6:00 PM

Location: Borough Assembly Chambers

Assembly Meetings are livestreamed through Zoom Webinar. You can listen and watch from your device with the information below:

**Link**: https://us02web.zoom.us/j/82198672624?pwd=nQmF3oaRoa5WHYzHCFMvEivvbaFMlS.1
*Please note that Persons to be Heard is not available through Zoom.*

**1. CALL TO ORDER**

a. PLEDGE OF ALLEGIANCE led by Assembly Member Powell

b. ROLL CALL

**2. PERSONS TO BE HEARD**

a. Emailed correspondence from Kim Szczatko re: Midnight Madness

**3. AMENDMENTS TO THE AGENDA**

**4. CONFLICT OF INTEREST**

**5. CONSENT AGENDA**

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

a. Minutes of the October 27, 2026 Regular Assembly meeting

b. **RESOLUTION NO. 11-26-2093** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, SUPPORTING FULL FUNDING ($20,636,306) FOR THE STATE OF ALASKA MUNICIPAL HARBOR FACILITY GRANT PROGRAM IN THE FY 2028 STATE CAPITAL BUDGET

c. **RESOLUTION NO. 11-26-2094** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, IN SUPPORT OF RAISING THE MAXIMUM AVAILABLE ALASKA DEPARTMENT OF TRANSPORTATION HARBOR FACILITY GRANT TO $7,500,000 FOR ELIGIBLE PROJECTS ON AN ANNUAL BASIS

d. **Acceptance of Fiscal Year 2025 Annual Financial Audit**

e. **CORRESPONDENCE**: Minutes from the August 17 and August 31 - 2026 School Board meetings

f. **CORRESPONDENCE**: School Board Action (11-9-26) and Minutes (9-21-26)

**6. BOROUGH MANAGER'S REPORT**

a. Fire Department's Report
b. Tourism Stakeholder Report
c. Harbormaster Report
d. Utility/Harbor Accounts Receivable - October
e. Capital Projects Department Report

**7. BOROUGH CLERK'S REPORT**

a. Borough Clerk's Report

**8. MAYOR AND ASSEMBLY BUSINESS**

**9. MAYOR AND ASSEMBLY APPOINTMENTS**

a. SEAPA Board Appointments for Calendar Year 2027 (1 *voting member & 1 alternate member*)

b. Economic Development Board Appointment

**10. UNFINISHED BUSINESS**

**11. NEW BUSINESS**

a. **ORDINANCE No. 1112** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, ADDING A NEW SECTION 14.13.075, PERSONAL OBLIGATION AND IMPOSITION OF LIENS, TO TITLE 14, HARBOR AND PORT FACILITIES, OF THE WRANGELL MUNICIPAL CODE

b. **ORDINANCE No. 1113** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING SECTIONS 3.04.080 – REGULAR MEETINGS AND 3.05.020 – ORDER OF BUSINESS, IN THE WRANGELL MUNICIPAL CODE

c. **RESOLUTION No. 11-26-2099** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, ADDING THE TEMPORARY CRUISE SHIP SECURITY COORDINATOR JOB DESCRIPTION AND PROVIDING FOR AN EFFECTIVE DATE

d. **RESOLUTION No. 11-26-2100** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, ADDING THE TEMPORARY HARBOR ADMINISTRATIVE ASSISTANT JOB DESCRIPTION AND PROVIDING FOR AN EFFECTIVE DATE

**e.** **RESOLUTION No. 11-26-2098** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FY2027 NON-UNION WAGE AND GRADE TABLE TO ADD THE TEMPORARY POSITIONS OF HARBOR ADMINISTRATIVE ASSISTANT AND CRUISE SHIP SECURITY COORDINATOR, AND ESTABLISHING GRADE 13 WITHIN THE TEMPORARY EMPLOYEE CLASSIFICATION

f. **RESOLUTION No. 11-26-2095** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FY 2027 BUDGET BY TRANSFERRING FUNDS FROM THE GENERAL FUND FOR THE PURPOSE OF PROVIDING ATTORNEY FEE FUNDING ASSOCIATED WITH THE ONGOING EFFORTS TO ADDRESS SEA OTTERS

g. **RESOLUTION No. 11-26-2096** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FY 2027 BUDGET BY APPROPRIATING $6,000 FROM GENERAL FUND RESERVES TO THE ADMINISTRATION DEPARTMENT'S LOBBYIST ACCOUNT, TO APPROVE A TEMORARY INCREASE IN LOBBYING COMPENSATION TO FEDERAL LOBBYIST, ROBERTSON, MONAGLE & EASTAUGH LLC

**h.** **RESOLUTION No. 11-26-2097** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FY2027 BUDGET BY APPROPRIATING $36,000 FROM PORT AND HARBOR RESERVES FOR TEMPORARY PERSONNEL EXPENDITURES

i. **Approval of Change Order No. 1** to the Contract with McG Constructors for the Wrangell Schools Renovations – 3 Site and Swimming Pool Roof Replacement Project

**j.** **RESOLUTION No. 11-26-2101** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FY 2027 BUDGET BY TRANSFERRING $60,000 FROM THE GENERAL FUND RESERVES TO THE MAINTENANCE MATERIALS AND SUPPLIES – STREETS FUND AND AUTHORIZING ITS EXPENDITURES

**12. EXECUTIVE SESSION**

**a.** **Executive Session:** 6-Mile Mill Site Property Strategy

**ADJOURNMENT**

Dear Mayor, Assembly Members, City Manager, and Economic Development Staff:

I am writing to express my strong opposition to the Chamber of Commerce's proposed decision to move Wrangell's traditional Midnight Madness and Christmas Tree Lighting celebration from Friday, December 4, to Saturday, December 5, 2026.

This is not simply a matter of changing a date on a calendar. It is a decision that affects local businesses, families, vendors, employees, and an entire community that has come to depend on this longstanding holiday tradition.

For years, the first Friday in December has been recognized throughout Wrangell as the evening for Midnight Madness and the Christmas Tree Lighting. It is a date that residents know, families anticipate, and businesses plan around. It is written on calendars, incorporated into holiday schedules, and understood to be part of Wrangell's Christmas traditions.

**Four Chamber board members should not have the authority to unilaterally change a longstanding community event without consulting the people and businesses most directly affected by that decision.** Even more troubling is the apparent lack of transparency surrounding the proposed change. Rather than seeking input from the community and business owners before making such a significant decision, it appears the intention is to simply announce a new date and expect everyone else to accommodate it.

As a resident of Wrangell, I find that approach unacceptable. As a business owner, I find it particularly troubling.

Midnight Madness is one of the busiest and most important shopping evenings of the holiday season for many of Wrangell's retailers. Families come downtown together, often making an evening of shopping, visiting, enjoying the festivities, and supporting local businesses. This is not an ordinary shopping day. It is an established community event that generates considerable activity and revenue for businesses during a critical time of year.

Business owners plan for this evening well in advance. Staffing schedules are arranged, merchandise is ordered, special displays are prepared, and advertising and promotions are coordinated around the traditional date. These preparations require time, money, and considerable effort. We cannot simply rearrange our business operations at the whim of four individuals who apparently see no need to consult those of us who have made these investments.

The consequences extend well beyond downtown storefronts.

Local artisans and holiday vendors have also been preparing their handmade merchandise for the traditional Friday evening market at the Nolan Center. For many,

this is an important opportunity to sell their products during the holiday season. Families attend the market, children look forward to visiting Santa, and the entire evening becomes a shared community experience. Changing the date affects these vendors and families just as surely as it affects our established retailers.

What is particularly frustrating is that the Chamber of Commerce exists, at least in part, to support and promote the business community. Yet over the years, its involvement in meaningful business promotion has steadily diminished. Now, with a board reportedly reduced to just four members and the organization's future uncertain, those remaining individuals are proposing a decision that directly interferes with one of the most successful and anticipated retail evenings of the year.

**An organization established to support local commerce should not be making decisions that disrupt it.**

The City and Borough of Wrangell has made considerable efforts over the years to support the Chamber and help ensure its continued existence, including providing office space at the Nolan Center at no cost. That support represents a commitment to maintaining an organization intended to benefit the community and its businesses. It is reasonable to expect that an organization receiving such support would demonstrate accountability, transparency, and consideration for the people it is supposed to serve.

I also question what meaningful benefit is expected from moving this celebration to Saturday. What problem is this change intended to solve? Have local businesses been surveyed? Have the artisans and vendors been consulted? Have the effects on staffing, scheduling, shopping patterns, and established holiday traditions been evaluated? Has anyone considered that Saturday is already a regular shopping day for many families, while Friday evening creates a special opportunity for families to come downtown together?

From my perspective, this proposal reflects a lack of planning, consultation, and understanding of the very businesses the Chamber is supposed to represent.

Traditions matter in a small community. They provide continuity, create shared experiences, and give residents something to anticipate year after year. Midnight Madness and the Christmas Tree Lighting belong to Wrangell, not to four individuals serving on a Chamber board. The celebration has become part of our community's identity, and decisions affecting it should not be made behind closed doors.

I am also bringing this matter to the attention of the Wrangell Borough Assembly because I question whether its members are even aware that this change is being proposed. Given the City's longstanding support of the Chamber of Commerce, I believe our elected representatives should know when decisions are being made that directly affect local businesses, community traditions, and the economic activity of our

downtown. This is especially important when those decisions appear to have been made without consulting the very people who will bear the consequences.

The Chamber's declining membership and uncertain future make this situation even more concerning. If the organization is struggling to maintain sufficient leadership and participation, that should prompt greater collaboration with the business community, not less. Decisions of this magnitude should not rest solely with four individuals, particularly when the consequences extend far beyond the organization itself.

I work extremely hard to operate a successful business in Wrangell. Like other independent business owners in this community, I have invested my own money, countless hours, and considerable personal effort into creating a business that contributes to our local economy. I take that responsibility seriously. I plan carefully, prepare for seasonal opportunities, and work to make my store a place where residents and visitors want to shop. To have four individuals, representing an organization whose very purpose is to support local businesses, make a decision that disrupts one of our most important shopping evenings without so much as consulting us is, quite frankly, a slap in the face. It demonstrates a remarkable lack of respect for the people who are actually doing the work of keeping Wrangell's business community alive. **We are not asking the Chamber to run our businesses. We are asking it not to interfere with our ability to run them successfully.**

I am asking the Mayor, Borough Assembly, City Manager, and Economic Development Department to take a serious look at this situation and the broader implications of allowing such a small organization to make unilateral decisions affecting the entire business community.

**My request is straightforward: retain the traditional first Friday in December — Friday, December 4, 2026 — for Midnight Madness and the Christmas Tree Lighting.**

If there is a legitimate reason to consider changing this tradition in future years, that discussion should take place openly, well in advance, and with meaningful participation from the businesses, vendors, and residents whose schedules and livelihoods are affected.

Wrangell's business community works hard throughout the year. We invest our own money, assume our own risks, pay our taxes, provide services, and contribute to the vitality of our downtown. We should not have to wonder whether four people will arbitrarily rearrange one of our most important shopping events without even extending us the courtesy of a conversation.

The City has invested time, resources, and public support in helping the Chamber remain viable. I believe it is entirely reasonable to expect that same consideration and

support to be extended to the businesses that actually generate the economic activity the Chamber was established to promote.

**Midnight Madness is not the Chamber's private event to rearrange at its convenience. It is a Wrangell tradition, a family celebration, and an important economic event for our local businesses. It belongs to the community, and the community deserves a voice in its future.**

I respectfully ask that the City and Borough Assembly address this proposed change before it is announced as a finalized decision and encourage the Chamber to honor the established December 4 date.

Thank you for your consideration.

Sincerely,

Kimberly Szczatko

Cooper's Corner

124 Front Street

907-304-1026

**Minutes of Regular Assembly Meeting**

**Held on October 27, 2026**

**Mayor Patricia Gilbert called the Regular Assembly meeting to order at 7:00 p.m., October 27, 2026, in the Borough Assembly Chambers. Assembly Member Powers led the pledge of allegiance.**

**PRESENT – GILBERT, PRIVETT, YEAGER, DALRYMPLE, POWELL, POWERS**

**ABSENT – DEBORD**

**Borough Manager Villarma and Clerk Lane were also present.**

**CEREMONIAL MATTERS**

Christie Jamieson, WCA Board member, accepted a Proclamation for Alaskan Native Heritage Month.

Proclamation for Extra Mile Day was presented.

**PERSONS TO BE HEARD**

Jeff Hermanns, Mental Health Trust, Land Office, provided an update regarding the land trade with Wrangell and the desire to start the conversation with the city on what development options could occur on that property.

**AMENDMENTS TO THE AGENDA**

**CONFLICT OF INTEREST**

**CONSENT AGENDA**

6a Minutes from the October 8, 2026 Special Assembly meeting
6b Minutes from the October 12, 2026 Special Assembly meeting
6c Minutes from the October 13, 2026 Regular Assembly meeting
6d Minutes from the October 19, 2026 Special Assembly meeting
6e Final Plat for Alder Top Village, Shoemaker Subdivision III, a replat of Tract A, Block 2, Plat 2025-5, creating Lots 23-42, zoned Single Family Medium Density, owned by the City and Borough of Wrangell
6f Final Plat for Alaska Tideland Survey No. 1729, Vacating ATS No. 1337 – Burnett Inlet Hatchery
6g CORRESPONDENCE: School Board action from the October 12, 2026 meeting

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

**BOROUGH MANAGER'S REPORT**

The Borough Manager's report was provided at the meeting.

The Federal legislative status report was provided by the Federal Lobbyist, Seb O'Kelley.

**BOROUGH CLERK'S REPORT**

The Borough Clerk's report was provided.

**MAYOR AND ASSEMBLY BUSINESS**

Gilbert congratulated and welcomed Assembly Member Privett and welcomed back Assembly Member Yeager; reviewed the Assembly's goals.

**MAYOR AND ASSEMBLY APPOINTMENTS**

Board and Committee Appointments

Gilbert, with the consent of the assembly, approved the appointment of Jonas Crabtree to the Borough Assembly.

**PUBLIC HEARING**

11a Approval to move forward with the disposition of a portion of Lot 11, Block 83 (Public Works and Electrical yard area), for the purpose of a private easement to use as their driveway, requested by James and Mary Nelson

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

Economic Development Director Thomas stated that the request was a request from the Nelson's for the purpose of a private easement to use as their driveway.

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

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

***M/S: Powell/Powers to approve moving forward with the disposition of a portion of Lot 11, Block 83 (Public Works and Electrical yard area), for the purpose of a private easement to use as their driveway, requested by James and Mary Nelson. Motion approved by polled vote.***

**11b ORDINANCE NO. 1109** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING SECTION 3.05.020 – ORDER OF BUSINESS, IN THE WRANGELL MUNICIPAL CODE

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

Lane stated that this would allow for sections that are not to be considered on the agenda to be removed before it's published.

Gilbert asked if there was anyone who wished to speak on this item. Hearing none, Gilbert closed the Public Hearing and asked for a motion.

***M/S: Powell/Yeager to approve Ordinance No. 1109. Motion approved by polled vote.***

**11c ORDINANCE NO. 1111** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, PROVIDING A TEMPORARY EXEMPTION OF BOROUGH SALES TAX ON SALES OF HEATING FUEL DELIVERED FOR SPACE HEATING FROM NOVEMBER 15, 2026 THROUGH FEBRUARY 15, 2027, AND PROVIDING FOR AUTOMATIC EXPIRATION

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

Villarma stated that the request was to provide sales tax relief on heating oil for the time stated; would propose to postpone this item indefinitely because we would be incentivizing those who use heating oil and not other type of heating source users.

Gilbert asked if there was anyone who wished to speak on this item. Hearing none, Gilbert closed the Public Hearing and asked for a motion.

***M/S: Powell/Privett to postpone this item indefinitely. Motion approved by polled vote.***

**11d RESOLUTION No. 10-26-2086** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, APPROVING A REQUEST TO FORMALLY NAME THE 6-MILE, DEEPWATER PORT (FORMER MILL SITE) THE "FRANK H. MURKOWSKI DEEPWATER PORT OF ALASKA"

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

Villarma stated that the request was submitted by Jeff Jabusch and followed all requirements as outlined in the municipal code.

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

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

***M/S: Powell/Privett to approve Resolution No. 10-26-2086. Motion approved by polled vote.***

***M/S: Dalrymple/Yeager to amend the Resolution to change the name to Frank H. Murkowski Deepwater Port of Wrangell, Alaska. Amendment approved by polled vote.***

***Main Motion, as amended was approved by polled vote.***

**UNFINISHED BUSINESS**

**12a RESOLUTION NO 10-26-2090** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AUTHORIZING THE CONVEYANCE OF PUBLIC LAND DESCRIBED AS LOT 43, BLOCK 2, ALDER TOP VILLAGE, SHOEMAKER BAY SUBDIVISION III, TO WRANGELL COOPERATIVE ASSOCIATION

***M/S: Powell/Powers to approve Resolution No. 10-26-2090. Motion approved by polled vote.***

**NEW BUSINESS**

**13a RESOLUTION No. 10-26-2087** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FY 2027 BUDGET BY TRANSFERRING $24,900 FROM THE WATER FUND RESERVES TO THE FACILITY REPAIR AND MAINTENANCE – WATER FUND AND AUTHORIZING ITS EXPENDITURES

***M/S: Powell/Powers to approve Resolution No. 10-26-2087. Motion approved by polled vote.***

**13b RESOLUTION No. 10-26-2088** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FY2027 ANNUAL BUDGET TO RECOGNIZE $150,000 IN GRANT REVENUE AND AUTHORIZE ITS EXPENDITURES FOR LAW ENFORCEMENT OVERTIME AND MARINE EQUIPMENT UPGRADES

***M/S: Powell/Privett to approve Resolution No. 10-26-2088. Motion approved by polled vote.***

**13c RESOLUTION No. 10-26-2089** OF THE CITY AND BOROUGH OF WRANGELL, ALASKA AUTHORIZING APPLICATION TO THE STATE OF ALASKA, DEPARTMENT OF ENVIRONMENTAL CONSERVATION FOR A SUPPLEMENTAL LOAN FROM THE ALASKA DRINKING WATER STATE REVOLVING LOAN PROGRAM FOR THE MCKINNON STREET WATER UTILITY REPLACEMENT PROJECT

***M/S: Powell/Privett to approve Resolution No. 10-26-2089. Motion approved by polled vote.***

**13d RESOLUTION No. 10-26-2091** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, APPROVING THE SIX-MILE DEEPWATER PORT AND SHIPYARD DEVELOPMENT AND AUTHORIZING APPLICATION FOR AND RECEIPT OF STATE TIDE AND SUBMERGED LAND UNDER AS 38.05.825

***M/S: Powell/Yeager to approve Resolution No. 10-26-2091. Motion approved by polled vote.***

**13e RESOLUTION No. 10-26-2092** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL AMENDING THE FY 2027 BUDGET BY TRANSFERRING FUNDS FROM THE SEWER FUND RESERVE TO THE ZIMOVIA HIGHWAY SEWER SYSTEM ANALYSIS PROJECT AND AUTHORIZING ITS EXPENDITURE

***M/S: Powell/Privett to approve Resolution No. 10-26-2092. Motion approved by polled vote.***

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

**EXECUTIVE SESSION**

**Executive Session:** 6-Mile Mill Site Property Strategy

***M/S: Powell/Yeager move, pursuant to 44.62.310 (c)(1)&(2), that we recess into executive session to discuss matters of which, the immediate knowledge would clearly have an adverse effect upon the finances of the borough, specifically to discuss with the Borough Manager, the 6-Mile Mill Site Property Strategy. Motion approved by polled vote.***

*Adjourned into Executive Session at 8:28 p.m.*

*Reconvened back into Regular Session at 9:01 p.m.*

*Regular Assembly meeting adjourned at 9:01 p.m.*

_____
Patricia Gilbert, Borough Mayor

ATTEST: _____
Kim Lane, MMC, Borough Clerk

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

| AGENDA ITEM TITLE: | DATE: | November 17, 2026 |
|---|---|---|
| | Agenda Section | **5** |

RESOLUTION NO. 11-26-2093 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, SUPPORTING FULL FUNDING ($20,636,306) FOR THE STATE OF ALASKA MUNICIPAL HARBOR FACILITY GRANT PROGRAM IN THE FY 2028 STATE CAPITAL BUDGET

| SUBMITTED BY: |
|---|
| Steve Miller, Port Director |

| Reviews/Approvals/Recommendations | |
|---|---|
| ☐ | Commission, Board or Committee |
| Name(s) | |
| Name(s) | |
| ☐ | Attorney |
| ☐ | Insurance |

| FISCAL NOTE: | |
|---|---|
| **Expenditure Required:** | |
| Fiscal Year (FY): | Amount: $ |
| | |
| **Amount Budgeted:** | |
| | FY: $ |
| **Account Number(s):** | |
| | |
| **Account Name(s):** | |
| | |
| **Unencumbered Balance(s) (prior to expenditure):** | |
| | |

ATTACHMENTS: 1. Resolution No. 11-26-2093

**RECOMMENDATION MOTION:**
Move to Approve Resolution No. 11-26-2093.

## SUMMARY STATEMENT:

This resolution urges the Governor and Alaska Legislature to fully fund the State of Alaska Municipal Harbor Facility Grant Program at $20,636,306 in the FY2028 State Capital Budget.

Wrangell's Inner Harbor Replacement Project is ranked #2 on the State's Tier I priority list for FY2028. This ranking places Wrangell near the top of the priority list for state harbor grant funding. The project will replace aging harbor infrastructure, improve safety, and provide an opportunity to better meet the community's demand for moorage.

The grant program provides a 50% state match for eligible harbor construction costs, with municipalities responsible for the remaining 50% and all design and permitting costs. Wrangell is among seven municipalities seeking funding for important harbor improvements in FY2028.

Many municipal harbors were transferred from the State to local governments with substantial deferred maintenance. Since the grant program was established in 2006, it has been fully funded only twice in the past 17 years. Continued state support is important to coastal communities that rely on their harbors for transportation, commerce, fishing, and marine services.

Approval of this resolution does not itself authorize an expenditure. It demonstrates Wrangell's support for full program funding and reinforces the importance of the Inner Harbor Replacement Project as the Borough moves forward with this major capital improvement.

**CITY AND BOROUGH OF WRANGELL, ALASKA**

**RESOLUTION NO. 11-26-2093**

**A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, SUPPORTING FULL FUNDING ($20,636,306) FOR THE STATE OF ALASKA MUNICIPAL HARBOR FACILITY GRANT PROGRAM IN THE FY 2028 STATE CAPITAL BUDGET.**

**Whereas,** the majority of the public boat harbors in Alaska were constructed by the State during the 1960s and 1970s; and

**Whereas,** these harbor facilities represent critical transportation links and are the transportation hubs for waterfront commerce and economic development in Alaskan coastal communities; and

**Whereas,** the harbor facilities in Alaska are ports of refuge for ocean going vessels, and serve as essential transportation hubs to coastal Alaskan communities for supplies, trade in goods and services and connections to the world market for our exports and imports; and

**Whereas,** the State of Alaska over the past nearly 30 years has transferred ownership of most of these State-owned harbors, many of which were at or near the end of their service life at the time of transfer, to local municipalities; and

**Whereas,** the municipalities took over this important responsibility even though they knew that these same harbor facilities were in poor condition at the time of transfer due to the state's failure to keep up with deferred maintenance; and

**Whereas,** consequently, when local municipal harbormasters formulated their annual harbor facility budgets, they inherited a major financial burden that their local municipal governments could not afford; and

**Whereas,** in response to this financial burden, the Governor and the Alaska Legislature passed legislation in 2006, supported by the Alaska Association of Harbormasters and Port Administrators, to create the Municipal Harbor Facility Grant program (AS 29.60.800); and

**Whereas,** the Department of Transportation and Public Facilities utilizes a beneficial administrative process to review, score and rank applicants to the Municipal Harbor Facility Grant Program, since state funds may be limited; and

**Whereas,** for each harbor facility grant application, these municipalities have committed to invest 100% of the design and permitting costs and 50% of the construction cost; and

**Whereas,** the municipalities of Haines, Juneau, Kake, Ketchikan, Kodiak, Unalaska, and Wrangell have committed to contribute half of their project cost in local match funding for FY2028 towards harbor projects of significant importance locally as required in the Harbor Facility Grant Program; and

**Whereas,** completion of these harbor facility projects is dependent on the 50% match from the State of Alaska's Municipal Harbor Facility Grant Program; and

**Whereas,** during the last seventeen years the Municipal Harbor Facility Grant Program has only been fully funded twice; and

**Whereas,** a survey done by the Alaska Municipal League of Alaska's ports and harbors found that from the respondents, the backlog of projects necessary to repair and replace former State-owned harbors has increased to at least $500,000,000; and

**Whereas,** given that Alaska is a maritime state and that our harbors are foundational to both our way of life and the economy of this great State it is in the public's best interest to maintain this critical infrastructure by using State, Local and Federal funds to recapitalize the crucial harbor moorage infrastructure statewide.

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

Urges full funding by the Governor and the Alaska Legislature for the State of Alaska's Municipal Harbor Facility Grant Program in the FY 2028 State Capital Budget in order to ensure enhanced safety and economic prosperity among Alaskan coastal communities.

**PASSED AND APPROVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, THIS 17th DAY OF NOVEMBER, 2026.**

_____
Patricia Gilbert, Borough Mayor

ATTEST: _____
Kim Lane, MMC, Borough Clerk

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

| AGENDA ITEM TITLE: | DATE: | November 17, 2026 |
|---|---|---|
| | Agenda Section | **5** |

RESOLUTION NO. 11-26-2094 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, IN SUPPORT OF RAISING THE MAXIMUM AVAILABLE ALASKA DEPARTMENT OF TRANSPORTATION HARBOR FACILITY GRANT TO $7,500,000 FOR ELIGIBLE PROJECTS ON AN ANNUAL BASIS

| SUBMITTED BY: |
|---|
| Steve Miller, Port Director |

| Reviews/Approvals/Recommendations | |
|---|---|
| ☐ | Commission, Board or Committee |
| Name(s) | |
| Name(s) | |
| ☐ | Attorney |
| ☐ | Insurance |

| FISCAL NOTE: | |
|---|---|
| **Expenditure Required:** | |
| Fiscal Year (FY): | Amount: $ |
| | |
| **Amount Budgeted:** | |
| | FY: $ |
| **Account Number(s):** | |
| | |
| **Account Name(s):** | |
| | |
| **Unencumbered Balance(s) (prior to expenditure):** | |
| | |

ATTACHMENTS: 1. Resolution No. 11-26-2094

**RECOMMENDATION MOTION:**
Move to Approve Resolution No. 11-26-2094.

## SUMMARY STATEMENT:

This resolution urges the Governor and Alaska Legislature to amend AS 29.60.800 to increase the maximum Municipal Harbor Facility Grant award from $5 million to $7.5 million per eligible project.

The $5 million cap was established when the grant program was created in 2006 and has not been adjusted to reflect the substantial increases in construction, freight, and mobilization costs faced by Alaska communities. The resolution notes that $5 million in July 2006 was equivalent to approximately $7.51 million by July 2023, based on the Bureau of Labor Statistics Consumer Price Index.

The Municipal Harbor Facility Grant Program remains one of the most important funding sources available to municipalities for replacing aging harbor infrastructure. Increasing the maximum award would help communities take on larger replacement projects without changing the need for local financial participation.

This change is particularly important to Wrangell as we advance the Inner Harbor Replacement Project. Higher construction costs mean the existing $5 million grant ceiling covers a smaller portion of major harbor improvements than it did when the program began. Raising the cap would provide greater funding flexibility for eligible projects, subject to legislative appropriations and program requirements.

Approval of this resolution does not authorize any Borough expenditure or guarantee additional grant funding. It expresses Wrangell's support for updating the statutory grant limit to better reflect current project costs.

**CITY AND BOROUGH OF WRANGELL, ALASKA**
**RESOLUTION NO. 11-26-2094**

**A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, IN SUPPORT OF RAISING THE MAXIMUM AVAILABLE ALASKA DEPARTMENT OF TRANSPORTATION HARBOR FACILITY GRANT TO $7,500,000 FOR ELIGIBLE PROJECTS ON AN ANNUAL BASIS**

**Whereas,** Senate Bill 291 established the Municipal Harbor Facility Grant Program on July 1st, 2006, in which the total amount of grant money made available to a municipality was limited to not exceed $5,000,000 in a fiscal year; and,

**Whereas,** the Municipal Harbor Facility Grant is the single most significant funding tool available to Alaskan Harbormaster to plan, maintain and recapitalize port and harbor infrastructure; and,

**Whereas,** testimony from a legislator advocate stated "SB 291 would establish the municipal harbor facility grant fund to which the Legislature would make an annual appropriation from the watercraft fuel tax account and from the state portion of the fisheries business tax. Both sources come from the marine industry so harbor users would generate the revenue for the program"; and

**Whereas,** Senate Bill 291 was envisioned to cap the funds that can be used per community per year at $5 million so that a large community couldn't take all the available funds in any given year. The expectation is that communities would establish, maintain, and run an enterprise fund into perpetuity; and

**Whereas,** the State of Alaska over the past nearly 30 years has transferred ownership of most of these State-owned harbors, many of which were at or near the end of their service life at the time of transfer, to local municipalities; and

**Whereas,** these harbor facilities continue to require substantial municipal financial investment to maintain and for capital improvement projects; and

**Whereas,** construction, shipping and mobilization costs to remote portions of Alaska have outpaced the national consumer price index since the pandemic; and,

**Whereas,** the United States Bureau of Labor Statistics CPI calculator indicates that $5M in July 2006 when the Senate Bill 291 was enacted would be inflated to $7,511,000 as of July 2023.

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

The City and Borough of Wrangell urges the Governor and the Alaska Legislature to amend AS 29.60.800 raising the maximum Harbor facility grant fund award to $7,500,000 per eligible project.

**PASSED AND APPROVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, THIS 17th DAY OF NOVEMBER, 2026.**

_____
Patricia Gilbert, Borough Mayor

ATTEST: _____
Kim Lane, MMC, Borough Clerk

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

| AGENDA ITEM TITLE: | DATE: | November 17, 2026 |
|---|---|---|
| | Agenda Section | **6** |

**Acceptance of Fiscal Year 2025 Annual Financial Audit**

| SUBMITTED BY: |
|---|
| Rob Marshall, Finance Director |

| Reviews/Approvals/Recommendations | |
|---|---|
| ☐ | Commission, Board or Committee |
| Name(s) | |
| Name(s) | |
| ☐ | Attorney |
| ☐ | Insurance |

| FISCAL NOTE: | |
|---|---|
| **Expenditure Required:** $0 | |
| FY 27: | |
| | |
| **Amount Budgeted:** | |
| | FY27$ |
| **Account Number(s):** | |
| | |
| **Account Name(s):** | |
| | |
| **Unencumbered Balance(s) (prior to expenditure):** | |
| | |

ATTACHMENTS: 1.) FY2025 Annual Financial Audit

## RECOMMENDATION MOTION:
Acknowledge acceptance of audited financials.

## SUMMARY STATEMENT

The City and Borough of Wrangell's Fiscal Year 2025 Annual Financial Audit has been completed and is being presented to the Borough Assembly for formal acceptance.

The annual audit provides an independent review of the Borough's financial statements and evaluates whether the financial information is presented fairly, in all material respects, in accordance with generally accepted accounting principles (GAAP). The audit also includes a review of applicable internal controls and compliance requirements.

The Finance Department worked closely with the Borough's independent auditors throughout the audit process to provide financial records, supporting documentation, and responses to audit inquiries. The completed audit provides the Assembly, administration, and public with an independent assessment of the Borough's financial reporting for the fiscal year ended June 30, 2025.

Administration recommends that the Borough Assembly formally accept the Fiscal Year 2025 Annual Financial Audit as presented.

# City and Borough of Wrangell, Alaska

Basic Financial Statements, Required Supplementary Information, Supplementary Information and Single Audit Reports
Year Ended June 30, 2025

The report accompanying these financial statements was issued by BDO USA, P.C., a Virginia professional corporation, and the U.S. member of BDO International Limited, a UK company limited by guarantee.

# City and Borough of Wrangell, Alaska

Basic Financial Statements, Required Supplementary Information,
Supplementary Information
and Single Audit Reports
Year Ended June 30, 2025

# City and Borough of Wrangell, Alaska

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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, 2025, 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 referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Borough, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Wrangell Public Schools (the "School District"), the Borough's only discretely presented component unit, as of June 30, 2025. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the School District, is based solely on the report of the other auditors.

### *Basis for Opinions*

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

### *Responsibilities of Management for the Financial Statements*

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

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

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 proportionate share of net pension liability and net Other Postemployment Benefits (OPEB) liability (asset), and the schedules of the Borough's contributions for 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

***Supplementary Information***

Our audit for the year ended June 30, 2025 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* (Uniform Guidance), 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 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, 2025 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 GAAS. 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, 2025.

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, 2024 (not presented herein), and have issued our report thereon dated March 31, 2025, 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, 2024 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 2024 financial statements. The information was subjected to the auditing procedures applied in the audit of the 2024 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 GAAS. 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, 2024.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 21, 2026 on our consideration of the Borough's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Borough's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Borough's internal control over financial reporting and compliance.

BDO USA, P.C.

Anchorage, Alaska
September 21, 2026

# Basic Financial Statements

Exhibit A-1

# City and Borough of Wrangell, Alaska

## Statement of Net Position

| *June 30, 2025* | Primary Government: Governmental Activities | Primary Government: Business-type Activities | Primary Government: Total | Component Unit: Wrangell Public Schools |
|---|---|---|---|---|
| **Assets and Deferred Outflows of Resources** | | | | |
| **Assets** | | | | |
| Cash and investments | $ 19,051,601 | $ 10,289,389 | $ 29,340,990 | $ 3,186,857 |
| Receivables, net of allowance for doubtful accounts: | | | | |
| Property and sales taxes | 1,034,377 | - | 1,034,377 | - |
| Accounts | 168,304 | 1,017,837 | 1,186,141 | 233,203 |
| Grants and shared revenues | 523,923 | 8,187,892 | 8,711,815 | - |
| Leases | 1,040,873 | - | 1,040,873 | - |
| Accrued interest | 153,595 | 44 | 153,639 | - |
| Internal balances | 6,172,054 | (6,172,054) | - | - |
| Prepaid items | 483 | - | 483 | 10,722 |
| Inventories | 52,639 | 205,902 | 258,541 | 16,432 |
| Restricted assets: | | | | |
| Cash and investments | 3,918,901 | 1,924,908 | 5,843,809 | - |
| Net other postemployment benefits asset | 1,954,267 | 932,908 | 2,887,175 | 1,544,828 |
| Capital assets: | | | | |
| Land, land improvements and construction in progress | 6,684,874 | 26,105,038 | 32,789,912 | - |
| Other capital assets, net of depreciation | 28,565,086 | 36,239,145 | 64,804,231 | 51,323 |
| **Total Assets** | 69,320,977 | 78,731,009 | 148,051,986 | 5,043,365 |
| **Deferred Outflows of Resources** | | | | |
| Related to pensions | 557,282 | 266,030 | 823,312 | 251,023 |
| Related to other postemployment benefits | 137,982 | 65,868 | 203,850 | 103,196 |
| **Total Deferred Outflows of Resources** | 695,264 | 331,898 | 1,027,162 | 354,219 |
| **Total Assets and Deferred Outflows of Resources** | $ 70,016,241 | $ 79,062,907 | $ 149,079,148 | $ 5,397,584 |

Exhibit A-1, continued

# City and Borough of Wrangell, Alaska

## Statement of Net Position, continued

| June 30, 2025 | Primary Government: Governmental Activities | Primary Government: Business-type Activities | Primary Government: Total | Component Unit: Wrangell Public Schools |
|---|---|---|---|---|
| **Liabilities, Deferred Inflows of Resources, and Net Position** | | | | |
| **Liabilities** | | | | |
| Accounts payable | $ 252,091 | $ 432,463 | $ 684,554 | $ 145,561 |
| Accounts payable - capital related | 147,724 | 1,105,939 | 1,253,663 | - |
| Accrued payroll and related liabilities | 298,388 | - | 298,388 | 150,623 |
| Customer utility deposits | - | 120,642 | 120,642 | - |
| Accrued interest payable | 12,125 | (298) | 11,827 | - |
| Unearned revenue | 30,841 | 2,001,059 | 2,031,900 | 405,073 |
| Noncurrent liabilities: | | | | |
| Due within one year: | | | | |
| Compensated absences | 438,824 | 223,760 | 662,584 | - |
| Bonds | 134,073 | - | 134,073 | - |
| Loans | - | 5,937,278 | 5,937,278 | - |
| Due in more than one year: | | | | |
| Compensated absences | - | - | - | 151,101 |
| Bonds, including unamortized premium | 3,134,175 | - | 3,134,175 | - |
| Loans | - | 3,481,269 | 3,481,269 | - |
| Net pension liability | 4,536,990 | 2,165,820 | 6,702,810 | 2,980,418 |
| **Total Liabilities** | 8,985,231 | 15,467,932 | 24,453,163 | 3,832,776 |
| **Deferred Inflows of Resources** | | | | |
| Related to leases | 961,228 | - | 961,228 | - |
| Related to other postemployment benefits | 80,812 | 38,577 | 119,389 | 48,711 |
| **Total Deferred Inflows of Resources** | 1,042,040 | 38,577 | 1,080,617 | 48,711 |
| **Total Liabilities and Deferred Inflows of Resources** | 10,027,271 | 15,506,509 | 25,533,780 | 3,881,487 |
| **Net Position** | | | | |
| Net investment in capital assets | 31,833,988 | 51,819,697 | 83,653,685 | 51,323 |
| Restricted for: | | | | |
| Net OPEB benefits | 1,954,267 | 932,908 | 2,887,175 | 1,544,828 |
| Economic stability | 11,540,167 | - | 11,540,167 | - |
| Schools | 1,655,911 | - | 1,655,911 | - |
| School construction | 3,918,901 | - | 3,918,901 | - |
| Unrestricted (deficit) | 9,085,736 | 10,803,793 | 19,889,529 | (80,054) |
| **Total Net Position** | 59,988,970 | 63,556,398 | 123,545,368 | 1,516,097 |
| **Total Liabilities, Deferred Inflows of Resources, and Net Position** | $ 70,016,241 | $ 79,062,907 | $ 149,079,148 | $ 5,397,584 |

*See accompanying notes to basic financial statements.*

Exhibit A-2

# City and Borough of Wrangell, Alaska

## Statement of Activities

| *Year Ended June 30, 2025* | Expenses | Program Revenues: Fees, Fines & Charges for Services | Program Revenues: Operating Grants & Contributions | Program Revenues: Capital Grants & Contributions | Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities | Primary Government: Business-type Activities | Primary Government: Total | Component Unit: Wrangell Public Schools |
|---|---|---|---|---|---|---|---|---|
| **Functions** | | | | | | | | |
| **Primary Government** | | | | | | | | |
| Governmental activities: | | | | | | | | |
| General government | $ 2,123,171 | $ 204,894 | $ 352,836 | $ - | $ (1,565,441) | $ - | $ (1,565,441) | |
| Public safety | 2,684,880 | 122,463 | 576,608 | - | (1,985,809) | - | (1,985,809) | |
| Public works | 2,842,063 | 230,919 | 78,450 | - | (2,532,694) | - | (2,532,694) | |
| Parks and recreation | 893,514 | 64,912 | 21,063 | 362,797 | (444,742) | - | (444,742) | |
| Community services | 1,566,643 | 284,935 | 66,192 | - | (1,215,516) | - | (1,215,516) | |
| Education | 1,624,236 | - | 25,821 | - | (1,598,415) | - | (1,598,415) | |
| Interest | 112,244 | - | - | - | (112,244) | - | (112,244) | |
| Total governmental activities | 11,846,751 | 908,123 | 1,120,970 | 362,797 | (9,454,861) | - | (9,454,861) | |
| Business-type activities: | | | | | | | | |
| Electric utility | 4,673,187 | 5,154,829 | 127,526 | - | - | 609,168 | 609,168 | |
| Water utility | 1,168,497 | 986,633 | 18,904 | 5,134,740 | - | 4,971,780 | 4,971,780 | |
| Sanitation utility | 1,093,628 | 963,918 | 17,320 | 250,000 | - | 137,610 | 137,610 | |
| Port | 3,897,768 | 2,439,045 | 287,456 | - | - | (1,171,267) | (1,171,267) | |
| Sewer utility | 771,041 | 840,361 | 14,603 | - | - | 83,923 | 83,923 | |
| Total business-type activities | 11,604,121 | 10,384,786 | 465,809 | 5,384,740 | - | 4,631,214 | 4,631,214 | |
| **Total Primary Government** | $23,450,872 | $ 11,292,909 | $ 1,586,779 | $5,747,537 | (9,454,861) | 4,631,214 | (4,823,647) | |

# City and Borough of Wrangell, Alaska

## Statement of Activities, continued

| Year Ended June 30, 2025 | Expenses | Program Revenues: Fees, Fines & Charges for Services | Program Revenues: Operating Grants & Contributions | Program Revenues: Capital Grants & Contributions | Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities | Primary Government: Business-type Activities | Primary Government: Total | Component Unit: Wrangell Public Schools |
|---|---|---|---|---|---|---|---|---|
| **Component Unit** | | | | | | | | |
| **Wrangell Public Schools** | $ 6,930,995 | $ 12,359 | $ 1,480,772 | $ - | | | | $ (5,437,864) |
| **General Revenues** | | | | | | | | |
| Taxes: | | | | | | | | |
| Property taxes | | | | | $ 2,099,786 | $ - | $ 2,099,786 | - |
| Sales taxes | | | | | 4,024,456 | - | 4,024,456 | - |
| Payments in lieu of taxes | | | | | 534,752 | - | 534,752 | - |
| Other taxes | | | | | 144,841 | - | 144,841 | - |
| Contributions from primary government | | | | | - | - | - | 1,312,195 |
| Grants and entitlements not restricted to a specific purpose | | | | | 399,612 | - | 399,612 | 3,444,865 |
| E-rate | | | | | - | - | - | 90,361 |
| Investment income (loss) | | | | | 2,449,240 | 18,309 | 2,467,549 | 108,848 |
| Other | | | | | 11,960 | - | 11,960 | 87,132 |
| Transfers | | | | | (26,482) | 26,482 | - | - |
| **Total General Revenues and Transfers** | | | | | 9,638,165 | 44,791 | 9,682,956 | 5,043,401 |
| **Change in Net Position** | | | | | 183,304 | 4,676,005 | 4,859,309 | (394,463) |
| **Net Position,** beginning of year, as previously reported | | | | | 59,805,666 | 58,880,393 | 118,686,059 | 1,981,623 |
| Adjustment - GASB 101 Implementation | | | | | - | - | - | (71,063) |
| **Net Position,** beginning of year, as restated | | | | | 59,805,666 | 58,880,393 | 118,686,059 | 1,910,560 |
| **Net Position,** ending | | | | | $ 59,988,970 | $ 63,556,398 | $ 123,545,368 | $ 1,516,097 |

*See accompanying notes to basic financial statements.*

Exhibit B

# City and Borough of Wrangell, Alaska

## Governmental Funds
## Balance Sheet

| June 30, 2025 | Major Funds: General | Major Funds: Permanent Fund Special Revenue | Major Funds: Parks and Recreation Special Revenue | Nonmajor Funds | Total Governmental Funds |
|---|---|---|---|---|---|
| **Assets** | | | | | |
| Cash and investments | $ 1,534,403 | $11,506,275 | $ 1,566,857 | $ 4,444,066 | $ 19,051,601 |
| Restricted cash and investments | 3,918,901 | - | - | - | 3,918,901 |
| Receivables, net of allowance for doubtful accounts: | | | | | |
| Property and sales taxes | 854,006 | - | - | 180,371 | 1,034,377 |
| Accounts | 142,371 | 21,744 | 3,931 | 258 | 168,304 |
| Grants | 408,056 | - | 1,324 | 114,543 | 523,923 |
| Leases | 941,559 | 99,314 | - | - | 1,040,873 |
| Accrued interest | 152,559 | 1,036 | - | - | 153,595 |
| Due from other funds | 5,902,554 | - | - | - | 5,902,554 |
| Interfund loan receivable | 269,500 | - | - | - | 269,500 |
| Prepaid items | 483 | - | - | - | 483 |
| Inventories | - | - | - | 52,639 | 52,639 |
| **Total Assets** | $ 14,124,392 | $11,628,369 | $ 1,572,112 | $ 4,791,877 | $ 32,116,750 |
| **Liabilities, Deferred Inflows of Resources, and Fund Balances** | | | | | |
| **Liabilities** | | | | | |
| Accounts payable | $ 223,753 | $ - | $ - | $ 176,062 | $ 399,815 |
| Accrued payroll and related liabilities | 298,388 | - | - | - | 298,388 |
| Unearned revenue | 20,491 | - | - | 10,350 | 30,841 |
| **Total Liabilities** | 542,632 | - | - | 186,412 | 729,044 |
| **Deferred Inflows of Resources** | | | | | |
| Delinquent property taxes | 6,202 | - | - | - | 6,202 |
| Related to land sales | - | - | - | 8,782 | 8,782 |
| Related to leases | 873,026 | 88,202 | - | - | 961,228 |
| **Total Deferred Inflows of Resources** | 879,228 | 88,202 | - | 8,782 | 976,212 |
| **Total Liabilities and Deferred Inflows of Resources** | 1,421,860 | 88,202 | - | 195,194 | 1,705,256 |
| **Fund Balances** | | | | | |
| Nonspendable | 269,983 | - | - | 52,639 | 322,622 |
| Restricted | 3,918,901 | 11,540,167 | - | 1,655,911 | 17,114,979 |
| Committed | - | - | 1,566,757 | 2,119,753 | 3,686,510 |
| Assigned | - | - | - | 713,492 | 713,492 |
| Unassigned | 8,513,648 | - | 5,355 | 54,888 | 8,573,891 |
| **Total Fund Balances** | 12,702,532 | 11,540,167 | 1,572,112 | 4,596,683 | 30,411,494 |
| **Total Liabilities, Deferred Inflows of Resources, and Fund Balances** | $ 14,124,392 | $11,628,369 | $ 1,572,112 | $ 4,791,877 | $ 32,116,750 |

*See accompanying notes to basic financial statements.*

Exhibit B-1

# City and Borough of Wrangell, Alaska

## Reconciliation of Governmental Funds Balance Sheet to Statement of Net Position June 30, 2025

| | | |
|---|---|---|
| Total fund balances for governmental funds | | $ 30,411,494 |
| 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 | 3,034,018 | |
| Infrastructure | 25,013,398 | |
| Buildings | 48,623,687 | |
| Improvements other than buildings | 8,997,342 | |
| Machinery and equipment | 6,574,679 | |
| Accumulated depreciation | (60,644,020) | |
| Total capital assets | | 35,249,960 |
| Other postemployment benefits (OPEB) plans have been funded in excess of the required contributions. These assets are not financial resources and therefore are not reported in the funds. | | |
| Net OPEB asset | | 1,954,267 |
| 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. | | 14,984 |
| Long-term liabilities, including compensated absences 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: | | |
| Compensated absences | (438,824) | |
| Bonds, including unamortized premium | (3,268,248) | |
| Net pension liability | (4,536,990) | |
| Accrued interest payable | (12,125) | |
| Total long-term liabilities | | (8,256,187) |
| Deferred outflows and deferred inflows of resources related to pensions and other postemployment benefits are applicable to future periods, and therefore are not reported in the funds. | | |
| Deferred outflows of resources related to pensions | 557,282 | |
| Deferred outflows of resources related to OPEB | 137,982 | |
| Deferred inflows of resources related to OPEB | (80,812) | |
| Total deferred pension and OPEB items | | 614,452 |
| **Total Net Position of Governmental Activities** | | $ 59,988,970 |

*See accompanying notes to basic financial statements.*

Exhibit B

# City and Borough of Wrangell, Alaska

## Governmental Funds

## Statement of Revenues, Expenditures and Changes in Fund Balances

| *Year Ended June 30, 2025* | Major Funds: General | Permanent Fund Special Revenue | Parks and Recreation Special Revenue | Secure Rural Schools Special Revenue | Residential Construction Capital Projects | Nonmajor Funds | Total Governmental Funds |
|---|---|---|---|---|---|---|---|
| **Revenues** | | | | | | | |
| Taxes | $ 5,886,810 | $ - | $ - | $ - | $ - | $ 944,887 | $ 6,831,697 |
| Intergovernmental | 1,300,006 | - | 372,565 | - | - | 50,232 | 1,722,803 |
| Charges for services | 115,287 | - | 62,062 | - | - | 183,474 | 360,823 |
| Sales and leases | 130,366 | 32,317 | - | - | - | - | 162,683 |
| Investment income (loss) | 1,276,950 | 1,015,942 | 146,044 | - | - | 10,304 | 2,449,240 |
| Land sales and improvements | - | - | - | - | - | 230,650 | 230,650 |
| Fines and forfeitures | 10,010 | - | - | - | - | - | 10,010 |
| Other | 88,970 | - | 19,261 | - | - | 47,686 | 155,917 |
| **Total Revenues** | 8,808,399 | 1,048,259 | 599,932 | - | - | 1,467,233 | 11,923,823 |
| **Expenditures** | | | | | | | |
| Current: | | | | | | | |
| General government | 1,947,991 | - | - | - | - | 28,637 | 1,976,628 |
| Public safety | 2,385,789 | - | - | - | - | - | 2,385,789 |
| Public works | 2,571,563 | - | - | - | - | - | 2,571,563 |
| Parks and recreation | - | - | 704,262 | - | - | - | 704,262 |
| Community services | 580,239 | - | - | - | - | 628,881 | 1,209,120 |
| Education | - | - | - | - | - | 1,312,195 | 1,312,195 |
| Debt service: | | | | | | | |
| Principal | - | - | - | - | - | 95,000 | 95,000 |
| Interest | - | - | - | - | - | 147,875 | 147,875 |
| Capital outlay | 188,673 | - | 477,684 | - | - | 791,969 | 1,458,326 |
| **Total Expenditures** | 7,674,255 | - | 1,181,946 | - | - | 3,004,557 | 11,860,758 |
| **Excess (Deficiency) of Revenues Over Expenditures** | 1,134,144 | 1,048,259 | (582,014) | - | - | (1,537,324) | 63,065 |
| **Other Financing Sources (Uses)** | | | | | | | |
| Transfers in | 337,630 | - | 1,879,985 | - | - | 1,085,905 | 3,303,520 |
| Transfers out | (2,965,890) | - | - | - | - | (364,112) | (3,330,002) |
| **Net Other Financing Sources (Uses)** | (2,628,260) | - | 1,879,985 | - | - | 721,793 | (26,482) |
| **Net Change in Fund Balances** | (1,494,116) | 1,048,259 | 1,297,971 | - | - | (815,531) | 36,583 |
| **Fund Balances,** beginning, **as previously reported** | 14,196,648 | 10,491,908 | 274,141 | 1,490,737 | 819,941 | 3,101,536 | 30,374,911 |
| **Adjustment - from major fund to nonmajor fund** | - | - | - | (1,490,737) | (819,941) | 2,310,678 | - |
| **Fund Balances, beginning, as adjusted** | 14,196,648 | 10,491,908 | 274,141 | - | - | 5,412,214 | 30,374,911 |
| **Fund Balances,** ending | $ 12,702,532 | $ 11,540,167 | $ 1,572,112 | $ - | $ - | $ 4,596,683 | $ 30,411,494 |

*See accompanying notes to basic financial statements.*

Exhibit B-1

# City and Borough of Wrangell, Alaska

## Reconciliation of Change in Fund Balances of Governmental Funds to Statement of Activities
## Year Ended June 30, 2025

| | | |
|---|---|---|
| Net change in fund balances - total governmental funds | | 36,583 |
| 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 outlay ($2,314,552) exceeded depreciation ($1,855,576). | | 458,976 |
| 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 | | (27,862) |
| The repayment of bonds consumes current financial resources in governmental funds. Also, governmental funds report the effect of bond premiums when the debt is first issued, whereas this amount is deferred and amortized in the Statement of Activities. This is the change in bond-related transactions: | | |
| Repayment of principal | 95,000 | |
| Decrease in unamortized bond premium | 35,235 | |
| Accrued interest expense | 396 | |
| | | 130,631 |
| 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. | | |
| Net increase in compensated absences | (92,737) | |
| Decrease in net pension liability and related accounts | (224,921) | |
| Increase in net OPEB asset and related accounts | (97,366) | |
| | | (415,024) |
| **Change in Net Position of Governmental Activities** | | $ 183,304 |

*See accompanying notes to basic financial statements.*

Exhibit C-1

# City and Borough of Wrangell, Alaska

## Enterprise Funds

## Statement of Net Position

| *June 30, 2025* | Major Funds: Electric Utility | Major Funds: Water Utility | Major Funds: Port | Nonmajor Funds | Total Enterprise Funds |
|---|---|---|---|---|---|
| **Assets and Deferred Outflows of Resources** | | | | | |
| **Current Assets** | | | | | |
| Cash and investments | $ 3,466,420 | $ 45,623 | $ 4,210,442 | $ 2,566,904 | $ 10,289,389 |
| Receivables, net of allowance for doubtful accounts: | | | | | |
| Accounts | 450,865 | 89,885 | 323,532 | 153,555 | 1,017,837 |
| Grants | - | 8,164,559 | 23,333 | - | 8,187,892 |
| Accrued interest | - | 5 | 32 | 7 | 44 |
| Inventories | 205,902 | - | - | - | 205,902 |
| **Total Current Assets** | 4,123,187 | 8,300,072 | 4,557,339 | 2,720,466 | 19,701,064 |
| **Noncurrent Assets** | | | | | |
| Restricted assets: | | | | | |
| Cash and investments | - | 1,233,000 | 691,908 | - | 1,924,908 |
| Net other postemployment benefits asset | 309,126 | 123,376 | 292,069 | 208,337 | 932,908 |
| Capital assets, net | 3,160,202 | 25,492,785 | 30,693,441 | 2,997,755 | 62,344,183 |
| **Total Noncurrent Assets** | 3,469,328 | 26,849,161 | 31,677,418 | 3,206,092 | 65,201,999 |
| **Total Assets** | 7,592,515 | 35,149,233 | 36,234,757 | 5,926,558 | 84,903,063 |
| **Deferred Outflows of Resources** | | | | | |
| Related to pensions | 88,151 | 35,182 | 83,287 | 59,410 | 266,030 |
| Related to other postemployment benefits | 21,826 | 8,710 | 20,622 | 14,710 | 65,868 |
| **Total Deferred Outflows of Resources** | 109,977 | 43,892 | 103,909 | 74,120 | 331,898 |
| **Total Assets and Deferred Outflows of Resources** | $ 7,702,492 | $ 35,193,125 | $ 36,338,666 | $ 6,000,678 | $ 85,234,961 |

# City and Borough of Wrangell, Alaska

## Enterprise Funds
## Statement of Net Position, continued

| *June 30, 2025* | Major Funds: Electric Utility | Major Funds: Water Utility | Major Funds: Port | Nonmajor Funds | Total Enterprise Funds |
|---|---|---|---|---|---|
| **Liabilities, Deferred Inflows of Resources, and Net Position** | | | | | |
| **Current Liabilities** | | | | | |
| Accounts payable | $ 161,425 | $ 23,937 | $ 113,654 | $ 133,447 | $ 432,463 |
| Accounts payable - capital related | 2,056 | 1,103,883 | - | - | 1,105,939 |
| Customer utility deposits | 107,997 | 12,645 | - | - | 120,642 |
| Accrued interest payable | - | (326) | - | 28 | (298) |
| Due to other funds | - | 5,902,554 | - | - | 5,902,554 |
| Unearned revenue | 17,736 | 1,236,916 | 739,574 | 6,833 | 2,001,059 |
| Compensated absences | 81,904 | 30,397 | 54,889 | 56,570 | 223,760 |
| Current portion of interfund loan | - | 38,500 | - | - | 38,500 |
| Current portion of loans | - | 5,935,464 | - | 1,814 | 5,937,278 |
| **Total Current Liabilities** | 371,118 | 14,283,970 | 908,117 | 198,692 | 15,761,897 |
| **Long-term Liabilities**, net of current portion | | | | | |
| USDA Rural Development loan | - | - | - | 75,059 | 75,059 |
| ADEC loans | - | 3,406,210 | - | - | 3,406,210 |
| Interfund loan | - | 231,000 | - | - | 231,000 |
| Net pension liability | 717,660 | 286,428 | 678,061 | 483,671 | 2,165,820 |
| **Total Long-term Liabilities** | 717,660 | 3,923,638 | 678,061 | 558,730 | 5,878,089 |
| **Total Liabilities** | 1,088,778 | 18,207,608 | 1,586,178 | 757,422 | 21,639,986 |
| **Deferred Inflows of Resources** | | | | | |
| Related to other postemployment benefits | 12,783 | 5,102 | 12,077 | 8,615 | 38,577 |
| **Net Position** | | | | | |
| Net investment in capital assets | 3,158,146 | 15,047,228 | 30,693,441 | 2,920,882 | 51,819,697 |
| Restricted: | | | | | |
| Restricted for net OPEB benefits | 309,126 | 123,376 | 292,069 | 208,337 | 932,908 |
| Unrestricted | 3,133,659 | 1,809,811 | 3,754,901 | 2,105,422 | 10,803,793 |
| **Total Net Position** | 6,600,931 | 16,980,415 | 34,740,411 | 5,234,641 | 63,556,398 |
| **Total Liabilities, Deferred Inflows of Resources, and Net Position** | $ 7,702,492 | $ 35,193,125 | $ 36,338,666 | $ 6,000,678 | $ 85,234,961 |

*See accompanying notes to basic financial statements.*

Exhibit C

# City and Borough of Wrangell, Alaska

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

| *Year Ended June 30, 2025* | Major Funds: Electric Utility | Major Funds: Water Utility | Major Funds: Port | Nonmajor Funds | Total Enterprise Funds |
|---|---|---|---|---|---|
| **Operating Revenues** | | | | | |
| Charges for services | $ 5,131,534 | $ 986,633 | $ 2,439,045 | $ 1,753,641 | $ 10,310,853 |
| **Operating Expenses** | | | | | |
| Personnel services | 1,116,240 | 485,786 | 981,259 | 755,671 | 3,338,956 |
| Commodities | 270,180 | 95,802 | 229,427 | 119,688 | 715,097 |
| Contractual services | 157,042 | 79,451 | 337,623 | 163,465 | 737,581 |
| Intergovernmental | 2,986,887 | 181,051 | 41,951 | 485,073 | 3,694,962 |
| Depreciation | 142,838 | 321,688 | 2,307,508 | 339,279 | 3,111,313 |
| **Total Operating Expenses** | 4,673,187 | 1,163,778 | 3,897,768 | 1,863,176 | 11,597,909 |
| **Income (Loss) from Operations** | 458,347 | (177,145) | (1,458,723) | (109,535) | (1,287,056) |
| **Nonoperating Revenues (Expenses)** | | | | | |
| Investment income | 9,826 | 145 | 3,985 | 4,353 | 18,309 |
| Interest expense | - | (4,719) | - | (1,493) | (6,212) |
| Other grant revenue | - | - | 121,688 | - | 121,688 |
| State PERS relief | 127,526 | 18,904 | 44,752 | 31,923 | 223,105 |
| State fisheries business tax | - | - | 121,016 | - | 121,016 |
| Other revenues | 23,295 | - | - | 50,638 | 73,933 |
| **Net Nonoperating Revenues (Expenses)** | 160,647 | 14,330 | 291,441 | 85,421 | 551,839 |
| **Income (Loss) Before Transfers and Capital Contributions** | 618,994 | (162,815) | (1,167,282) | (24,114) | (735,217) |
| Transfers in | - | - | 26,482 | - | 26,482 |
| Capital contributions | - | 5,134,740 | - | 250,000 | 5,384,740 |
| **Change in Net Position** | 618,994 | 4,971,925 | (1,140,800) | 225,886 | 4,676,005 |
| **Net Position,** beginning | 5,981,937 | 12,008,490 | 35,881,211 | 5,008,755 | 58,880,393 |
| **Net Position,** ending | $ 6,600,931 | $ 16,980,415 | $ 34,740,411 | $ 5,234,641 | $ 63,556,398 |

*See accompanying notes to basic financial statements.*

Exhibit C-2

# City and Borough of Wrangell, Alaska

## Enterprise Funds
## Statement of Cash Flows

| *Year Ended June 30, 2025* | Major Funds: Electric Utility | Major Funds: Water Utility | Major Funds: Port | Nonmajor Funds | Total Enterprise Funds |
|---|---|---|---|---|---|
| **Cash Flows from (for) Operating Activities** | | | | | |
| Receipts from customers and users | $ 5,179,224 | $ 3,031,849 | $ 2,328,053 | $ 1,816,654 | $ 12,355,780 |
| Payments for interfund services used | (205,332) | (110,348) | (51,390) | (115,401) | (482,471) |
| Payments to suppliers | (3,225,421) | (370,252) | (501,567) | (703,574) | (4,800,814) |
| Payments to employees | (704,142) | (305,084) | (777,331) | (564,884) | (2,351,441) |
| Net cash flows from (for) operating activities | 1,044,329 | 2,246,165 | 997,765 | 432,795 | 4,721,054 |
| **Cash Flows from Noncapital Financing Activities** | | | | | |
| State fish taxes received | - | - | 121,016 | - | 121,016 |
| Operating grants | - | - | 499,326 | - | 499,326 |
| Interfund payable | - | 1,379,929 | - | - | 1,379,929 |
| Transfers in | - | - | 26,482 | - | 26,482 |
| Net cash flows from noncapital financing activities | - | 1,379,929 | 646,824 | - | 2,026,753 |
| **Cash Flows from (for) Capital and Related Financing Activities** | | | | | |
| Purchase of property, plant and equipment | (726,849) | (11,816,711) | (776,094) | (434,437) | (13,754,091) |
| Capital contributions received | - | 1,222,100 | - | 250,000 | 1,472,100 |
| Issuance of loans | - | 7,065,699 | - | - | 7,065,699 |
| Principal paid on interfund loans | - | (38,500) | - | - | (38,500) |
| Principal payments on long-term debt | - | (10,100) | - | (1,780) | (11,880) |
| Interest payments on long-term debt | - | (3,104) | - | (1,465) | (4,569) |
| Net cash flows from (for) capital and related financing activities | (726,849) | (3,580,616) | (776,094) | (187,682) | (5,271,241) |
| **Cash Flows from Investing Activities** | | | | | |
| Investment income received | 9,826 | 145 | 3,985 | 4,353 | 18,309 |
| **Net Increase (Decrease) in Cash and Investments** | 327,306 | 45,623 | 872,480 | 249,466 | 1,494,875 |
| **Cash and Investments,** beginning | 3,139,114 | 1,233,000 | 4,029,870 | 2,317,438 | 10,719,422 |
| **Cash and Investments,** ending | $ 3,466,420 | $ 1,278,623 | $ 4,902,350 | $ 2,566,904 | $ 12,214,297 |
| **Reconciliation of Cash and Investments to Statement of Net Position** | | | | | |
| Cash and investments | $ 3,466,420 | $ 45,623 | $ 4,210,442 | $ 2,566,904 | $ 10,289,389 |
| Restricted cash and investments | - | 1,233,000 | 691,908 | - | 1,924,908 |
| **Total Cash and Investments** | $ 3,466,420 | $ 1,278,623 | $ 4,902,350 | $ 2,566,904 | $ 12,214,297 |

Exhibit C-3, continued

## City and Borough of Wrangell, Alaska

### Enterprise Funds

### Statement of Cash Flows, continued

| *Year Ended June 30, 2025* | Major Funds: Electric Utility | Major Funds: Water Utility | Major Funds: Port | Nonmajor Funds | Total Enterprise Funds |
|---|---|---|---|---|---|
| **Reconciliation of Income (Loss) from Operations to Net Cash Flows from (for) Operating Activities** | | | | | |
| Income (loss) from operations | $ 458,347 | $ (177,145) | $ (1,458,723) | $ (109,535) | $ (1,287,056) |
| Adjustments to reconcile income (loss) from operations to net cash flows from (for) operating activities: | | | | | |
| Depreciation | 142,838 | 321,688 | 2,307,508 | 339,279 | 3,111,313 |
| Noncash expense - PERS relief | 127,526 | 18,904 | 44,752 | 31,923 | 223,105 |
| Miscellaneous nonoperating revenues | 23,295 | - | - | 50,638 | 73,933 |
| (Increase) decrease in assets: | | | | | |
| Accounts receivable, net | 34,442 | 2,046,398 | (155,881) | 15,460 | 1,940,419 |
| Inventories | 15,691 | - | - | - | 15,691 |
| Net other postemployment benefits asset | (11,327) | (15,801) | (56,995) | 6,902 | (77,221) |
| (Increase) decrease in deferred outflows of resources: | | | | | |
| Related to pensions | 4,625 | (1,668) | (10,052) | 7,646 | 551 |
| Related to other postemployment benefits | 828 | (527) | (2,740) | 1,663 | (776) |
| Increase (decrease) in liabilities: | | | | | |
| Accounts payable | 147,111 | (17,766) | 93,375 | 35,233 | 257,953 |
| Compensated absences | 31,405 | 16,841 | 15,255 | 34,798 | 98,299 |
| Unearned revenue | (4,729) | (1,707) | 44,889 | (3,085) | 35,368 |
| Customer utility deposits | (5,318) | 525 | - | - | (4,793) |
| Net pension liability | 82,831 | 57,107 | 176,945 | 24,836 | 341,719 |
| Increase (decrease) in deferred inflows of resources: | | | | | |
| Related to other postemployment benefits | (3,236) | (684) | (568) | (2,963) | (7,451) |
| **Net Cash Flows from (for) Operating Activities** | $ 1,044,329 | $ 2,246,165 | $ 997,765 | $ 432,795 | $ 4,721,054 |

*See accompanying notes to basic financial statements.*

## 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 in the United States (GAAP), these financial statements present City and Borough of Wrangell (the primary government) and its component unit. The component unit discussed below is included in the Borough's reporting entity because of the significance of its operational or financial relationship with the Borough.

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

### *Wrangell Public Schools*

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

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

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

*The remainder of this page intentionally left blank.*

The accounting policies of the Borough conform to GAAP 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.

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

Major proprietary funds:

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

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

The 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.

### *Central Treasury*

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

### *Cash and Cash Equivalents*

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

### *Inventories*

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

### *Prepaid Items*

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

### *Receivables and Payables*

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

### *Grants and Other Intergovernmental Revenues*

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

### *Property Taxes*

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

***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.

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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 | 3-10 years |

***Deferred Outflows of Resources***

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

***Long-term Liabilities***

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

***Compensated Absences***

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

***Deferred Inflows of Resources***

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

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

***Pensions and Other Postemployment Benefits***

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

For purposes of measuring the net pension liability, net other postemployment benefits (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 PERS, and additions to/from PERS's fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

***Fund Balances***

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

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

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

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

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

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

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

restricted resources first, then unrestricted resources - committed, assigned, and unassigned - in order as needed.

***Net Position***

For government-wide reporting as well as in proprietary funds, the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

- *Net investment in capital assets* consists of capital assets, net of accumulated depreciation/amortization and reduced by outstanding balances of bonds, notes, and other debt that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are included in this component of net position.
- *Restricted* net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Assets are reported as restricted when constraints are placed on asset use either by external parties or by law through constitutional provision or enabling legislation.
- *Unrestricted net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that does not meet the definition of the two preceding categories.*

Sometimes the Borough will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Borough's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

***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.

## 2. Stewardship, Compliance and Accountability

### *Budgetary Accounting*

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

### *Excess of Expenditures over Appropriations*

For the year ended June 30, 2025, expenditures exceeded appropriations in the General Fund for the following functions: General Government by $449,462 , Public Safety by $122,485, and Public Works by $647,313.

## 3. Cash and Investments

The City and Borough of Wrangell utilizes a central treasury that is available for use by all funds. Each fund's portion of the central treasury is displayed on the balance sheet as "cash and investments" or in the case of "negative cash," is included in "due to other funds." The Borough also restricts cash for unearned revenue in the Port and Water Utility Enterprise Funds, and the General Fund. In 2020, the Borough received a grant from the State of Alaska for the Meyers Chuck Harbor project. However, the funds were used on the Shoemaker Harbor instead. As a result, the Borough has restricted cash in the amount of $691,908 in the Port Enterprise fund for use on the Meyers Chuck Harbor project. The Borough also restricted cash in the amount of $1,233,000 for a federal advance grant in the Water Utility Enterprise Fund for the reservoir bypass project and restricted cash in the amount of $3,918,901 in the General Fund for unspent bond proceeds remaining at year end June 30, 2025.

### *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, 2025.

| | Pooled Cash and Investments | Permanent Fund Special Revenue Fund | Totals |
|---|---|---|---|
| Bank deposits | $ 1,435,263 | $ 673,194 | $ 2,108,457 |
| Investments | 22,243,261 | 10,833,081 | 33,076,342 |
| **Total Cash and Investments** | $ 23,678,524 | $ 11,506,275 | $ 35,184,799 |

| | Government-wide Statement of Net Position |
|---|---|
| Cash and investments | $ 29,340,990 |
| Restricted cash and investments | 5,843,809 |
| **Total Cash and Investments** | $ 35,184,799 |

***Investment Policy***

The Borough's pooled investment policy authorizes investments in:

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

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

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

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

***Interest Rate Risk***

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

### *Custodial Credit Risk*

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. To limit its exposure to custodial credit risk, Borough policy requires that all deposits and investments be fully insured or collateralized. As of June 30, 2025, the Borough had balances of $1,726,267 not covered by FDIC insurance or a third-party collateralization agreement.

### *Fair Value Measurement*

The Borough categorizes its fair value measurements within the fair value hierarchy established by GAAP. 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; and Level 3 inputs are significant unobservable inputs.

Investment maturities in pooled investments at June 30, 2025 are as follows:

| | | Investment Maturities (In Years) | | | |
|---|---|---|---|---|---|
| ***Investment Type*** | Amount | Less Than 1 | 1-5 | 6-10 | More Than 10 |
| Money market funds | $ 7,375,676 | $ 7,375,676 | $ - | $ - | $ - |
| Certificates of deposit | 2,750,975 | 995,115 | 1,755,860 | - | - |
| U.S. Treasuries | 1,388,281 | 303,368 | 1,084,913 | - | - |
| Corporate bonds | 8,207,579 | 1,991,930 | 5,955,551 | 260,098 | - |
| U.S. agencies | 771,244 | - | 771,244 | - | - |
| Total subject to interest rate risk | 20,493,755 | $ 10,666,089 | $ 9,567,568 | $ 260,098 | $ - |
| Domestic equity funds | 590,422 | | | | |
| U.S. fixed income funds | 277,016 | | | | |
| International fixed income funds | 75,960 | | | | |
| International equity funds | 157,008 | | | | |
| Infrastructure funds | 76,861 | | | | |
| Real estate funds | 45,292 | | | | |
| Fixed Income | 326,356 | | | | |
| Alternative funds | 153,871 | | | | |
| Commodities funds | 46,720 | | | | |
| **Total Pooled Investments** | $ 22,243,261 | | | | |

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Pooled investments are classified in the fair value hierarchy as follows at June 30, 2025:

| *Investment Type* | Level 1 | Level 2 | Level 3 | Fair Value |
|---|---|---|---|---|
| Certificates of deposit | $ - | $ 2,750,975 | $ - | $ 2,750,975 |
| U.S. treasuries | - | 1,388,281 | - | 1,388,281 |
| U.S. agencies | - | 771,244 | - | 771,244 |
| U.S. fixed income funds | 277,016 | - | - | 277,016 |
| International fixed income funds | 75,960 | - | - | 75,960 |
| Domestic equity funds | 590,422 | - | - | 590,422 |
| International equity funds | 157,008 | - | - | 157,008 |
| Infrastructure funds | 76,861 | - | - | 76,861 |
| Real estate funds | 45,292 | - | - | 45,292 |
| Fixed income | 326,356 | - | - | 326,356 |
| Corporate bonds | - | 8,207,579 | - | 8,207,579 |
| Alternative funds | 153,871 | - | - | 153,871 |
| Commodities funds | 46,720 | - | - | 46,720 |
| **Total Investments at Fair Value** | $ 1,749,506 | $ 13,118,079 | $ - | 14,867,585 |
| Investments at amortized cost - Money market funds | | | | 7,375,676 |
| **Total Pooled Investments** | | | | $ 22,243,261 |

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, 2025.

***Credit Risk***

The Borough's pooled investments in U.S. Treasuries were rated Aa1 by Moody's. The Borough's U.S. Agencies were rated as follows by Moody's: $732,076 rated Aa1, with the remaining $39,168 unrated. The Borough's Corporate Bonds were rated as follows by Moody's: $490,260 rated Aa2, $476,795 rated Aa3, $738,521 rated A1, $1,718,182 rated A2, $924,138 rated A3, $2,234,033 rated Baa1, $1,183,311 rated Baa2, $88,188 rated Baa3, with the remaining $354,152 unrated. The Borough's investments in certificates of deposits, U.S. fixed income funds, domestic fixed income, fixed income, and international fixed income funds were unrated.

***Concentration of Credit Risk***

Concentration of credit risk is the risk of loss attributed to the magnitude of an entity's investment in a single issuer. Investments issued or explicitly guaranteed by the U.S. government, as well as mutual funds and other pooled investments, are exempted from this requirement.

At June 30, 2025, the Borough did not have any amounts invested with a single issuer in excess of 5% of total investments.

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Investment maturities in Permanent Fund Special Revenue Fund investments at June 30, 2025 are as follows:

| | | Investment Maturities (In Years) | | | |
|---|---|---|---|---|---|
| ***Investment Type*** | Fair Value | Less Than 1 | 1-5 | 6-10 | More Than 10 |
| Money market funds | $ 244,244 | $ 244,244 | $ - | $ | $ - |
| Total subject to interest rate risk | 244,244 | $ 244,244 | $ - | $ - | $ - |
| Domestic equity funds | 4,082,371 | | | | |
| U.S. fixed income funds | 1,915,381 | | | | |
| International fixed income funds | 525,215 | | | | |
| International equity funds | 1,085,609 | | | | |
| Infrastructure funds | 531,440 | | | | |
| Real estate funds | 313,161 | | | | |
| U.S. treasuries | 211,294 | | | | |
| Fixed income | 537,419 | | | | |
| Alternative funds | 1,063,913 | | | | |
| Commodities funds | 323,034 | | | | |
| **Total Permanent Fund Investments** | $ 10,833,081 | | | | |

In addition to the investments disclosed above, the Permanent Fund Special Revenue Fund holds $673,194 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 $11,506,275.

### *Fair Value Measurement*

Permanent Fund investments are classified in the fair value hierarchy as follows at June 30, 2025:

| ***Investment Type*** | Level 1 | Level 2 | Level 3 | Fair Value |
|---|---|---|---|---|
| U.S. fixed income funds | $ 1,915,381 | $ - | $ - | $ 1,915,381 |
| International fixed income funds | 525,215 | - | - | 525,215 |
| Domestic equity funds | 4,082,371 | - | - | 4,082,371 |
| International equity funds | 1,085,609 | - | - | 1,085,609 |
| Infrastructure funds | 531,440 | - | - | 531,440 |
| Real estate funds | 313,161 | - | - | 313,161 |
| U.S. treasuries | 211,294 | - | - | 211,294 |
| Fixed income | 537,419 | - | - | 537,419 |
| Alternative funds | 1,063,913 | - | - | 1,063,913 |
| Commodities funds | 323,034 | - | - | 323,034 |
| **Total Investments at Fair Value** | $ 10,588,837 | $ - | $ - | 10,588,837 |
| Investments at amortized cost – Money market funds | | | | 244,244 |
| **Total Permanent Fund Investments** | | | | $ 10,833,081 |

### *Credit Risk*

The Borough's Permanent Fund investments in 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, 2025, receivables for the Borough's individual major funds and nonmajor funds in the aggregate, including applicable allowances for uncollectible accounts, were as follows:

| | Major Governmental Funds | | | | |
|---|---|---|---|---|---|
| *June 30, 2025* | General Fund | Permanent Fund | Parks and Recreation | Nonmajor Governmental Funds | Total Governmental Funds |
| Property taxes | $ 132,521 | $ - | $ - | $ - | $ 132,521 |
| Sales taxes | 721,485 | - | - | 180,371 | 901,856 |
| Accounts | 142,441 | 21,744 | 3,391 | 258 | 168,374 |
| Grants | 408,056 | - | 1,324 | 114,543 | 523,923 |
| Leases | 941,559 | 99,314 | - | - | 1,040,873 |
| Accrued interest | 152,559 | 1,036 | - | - | 153,595 |
| Total receivables | 2,498,621 | 122,094 | 5,255 | 295,172 | 2,921,142 |
| Less allowance for doubtful accounts | (70) | - | - | - | (70) |
| **Net Receivables** | $ 2,498,551 | $ 122,094 | $ 5,255 | $ 295,172 | $ 2,917,116 |

| | Major Enterprise Funds | | | | |
|---|---|---|---|---|---|
| *June 30, 2025* | Electric Utility | Water Utility | Port | Nonmajor Enterprise Funds | Total Enterprise Funds |
| Accounts | $ 450,865 | $ 89,885 | $ 347,993 | $ 153,555 | $ 1,042,298 |
| Grants | - | 8,164,559 | 23,333 | - | 8,187,892 |
| Accrued interest | - | 5 | 32 | 7 | 44 |
| Total receivables | 450,865 | 8,254,449 | 371,358 | 153,562 | 9,230,234 |
| Less allowance for doubtful accounts | - | - | (24,461) | - | (24,461) |
| **Net Receivables** | $ 450,865 | $ 8,254,449 | $ 346,897 | $ 153,562 | $ 9,205,773 |

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## 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 $197,414 for the fiscal year ended June 30, 2025. The Borough recognized $160,743 in lease revenue and $48,686 in interest revenue for the fiscal year ended June 30, 2025. As of June 30, 2025, the Borough's receivable for lease payments was $1,040,873. The Borough recognized a deferred inflow of resources associated with the leases of $961,228 on June 30, 2025, that will be recognized as revenue over the remainder of the lease terms.

## 6. Capital Assets

Capital asset activity for the year ended June 30, 2025 was as follows:

| **Governmental Activities** | Balance July 1, 2024 | Additions | Deletions | Balance June 30, 2025 |
|---|---|---|---|---|
| *Capital assets not being depreciated:* | | | | |
| Land and land improvements | $ 3,650,856 | $ - | $ - | $ 3,650,856 |
| Construction in progress | 4,975,922 | 1,459,843 | (3,401,747) | 3,034,018 |
| Total capital assets not being depreciated | 8,626,778 | 1,459,843 | (3,401,747) | 6,684,874 |
| *Capital assets being depreciated*: | | | | |
| Infrastructure | 23,550,853 | 1,462,545 | - | 25,013,398 |
| Buildings | 48,623,687 | - | - | 48,623,687 |
| Improvements other than buildings | 7,034,847 | 1,962,495 | - | 8,997,342 |
| Machinery and equipment | 5,743,263 | 831,416 | - | 6,574,679 |
| Total capital assets being depreciated | 84,952,650 | 4,256,456 | - | 89,209,106 |
| Less accumulated depreciation for: | | | | |
| Infrastructure | 7,357,910 | 645,158 | - | 8,003,068 |
| Buildings | 41,523,126 | 627,785 | - | 42,150,911 |
| Improvements other than buildings | 5,456,000 | 298,801 | - | 5,754,801 |
| Machinery and equipment | 4,451,408 | 283,832 | - | 4,735,240 |
| Total accumulated depreciation | 58,788,444 | 1,855,576 | - | 60,644,020 |
| Total capital assets being depreciated, net | 26,164,206 | 2,400,880 | - | 28,565,086 |
| **Governmental Activities Capital Assets,** net | $ 34,790,984 | $ 3,860,723 | $ (3,401,747) | $ 35,249,960 |

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| Business-type Activities | Balance July 1, 2024 | Additions | Deletions | Balance June 30, 2025 |
|---|---|---|---|---|
| *Capital assets not being depreciated:* | | | | |
| Land and land improvements | $ 959,233 | $ - | $ - | $ 959,233 |
| Construction in progress | 12,545,499 | 13,323,679 | (723,373) | 25,145,805 |
| Total capital assets not being depreciated | 13,504,732 | 13,323,679 | (723,373) | 26,105,038 |
| *Capital assets being depreciated*: | | | | |
| Buildings | 9,514,486 | 10,500 | - | 9,524,986 |
| Improvements other than buildings | 92,998,346 | 98,662 | - | 93,097,008 |
| Machinery and equipment | 6,317,864 | 802,294 | - | 7,120,158 |
| Total capital assets being depreciated | 108,830,696 | 911,456 | - | 109,742,152 |
| Less accumulated depreciation for: | | | | |
| Buildings | 8,700,646 | 198,703 | - | 8,899,349 |
| Improvements other than buildings | 56,246,954 | 2,680,963 | - | 58,927,917 |
| Machinery and equipment | 5,444,094 | 231,647 | - | 5,675,741 |
| Total accumulated depreciation | 70,391,694 | 3,111,313 | - | 73,503,007 |
| Total capital assets being depreciated, net | 38,439,002 | (2,199,857) | - | 36,239,145 |
| **Business type Activity Capital Assets,** net | $ 51,943,734 | $ 11,123,822 | $ (723,373) | $ 62,344,183 |

Depreciation expense was charged to the functions as follows for the year ended June 30, 2025:

| | |
|---|---|
| **Governmental Activities** | |
| General government | $ 8,160 |
| Public safety | 184,685 |
| Public works | 875,393 |
| Parks and recreation | 156,203 |
| Community services | 319,094 |
| Education | 312,041 |
| **Total Depreciation Expense – Governmental Activities** | $ 1,855,576 |
| **Business-type Activities** | |
| Electric utility | $ 142,838 |
| Water utility | 321,688 |
| Sanitation utility | 108,812 |
| Port | 2,307,508 |
| Sewer utility | 230,467 |
| **Total Depreciation Expense – Business-type Activities** | $ 3,111,313 |

## 7. Interfund Balances and Transfers

A schedule of interfund balances and transfers for the year ended June 30, 2025, follows:

| | | |
|---|---|---|
| **Interfund Loans** | | |
| Due to General Fund from: | | |
| Water Utility Enterprise Fund for long-term capital advances in annual installments of $38,500 including 0% interest through 2032. | $ | 269,500 |
| **Due From Other Funds** | | |
| Due to General Fund from: | | |
| Water utility fund to cover operating and financing costs | $ | 5,902,554 |
| **Transfers** | | |
| From General Fund to: | | |
| Nonmajor governmental funds to cover operating costs | $ | 1,085,905 |
| Parks and recreation special revenue fund to cover operating costs | | 1,879,985 |
| From nonmajor governmental funds to: | | |
| Port Fund to cover capital costs | | 26,482 |
| General fund to consolidate funds | | 337,630 |
| **Total Transfers to Other Funds** | $ | 9,232,556 |

## 8. Long-term Liabilities

The following is a summary of long-term liability transactions of the Borough for the year ended June 30, 2025:

| **Governmental Activities** | Balance July 1, 2024 | Additions | Retired | Balance June 30, 2025 | Due Within One Year |
|---|---|---|---|---|---|
| $3,100,000 General Obligation bonds due in semi-annual installments of $95,000 to $240,000 through 2042, plus interest at 5% | $ 3,005,000 | $ - | $ 95,000 | $ 2,910,000 | $ 100,000 |
| Unamortized premium on bonds | 393,483 | - | 35,235 | 358,248 | 34,073 |
| GO bonds, including premium | 3,398,483 | - | 130,235 | 3,268,248 | 134,073 |
| Compensated absences | 346,087 | 131,215 | 38,478 | 438,824 | 438,824 |
| Net pension liability | 4,397,448 | 139,542 | - | 4,536,990 | - |
| **Total Governmental Activities** | $ 8,142,018 | $ 270,757 | $ 168,713 | $ 8,244,062 | $ 572,897 |

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

On February 15, 2023, the Borough issued general obligation bonds to finance major renovations of the schools and other related capital improvements. The bonds were issued in the amount of $3,100,000 and at a premium of $429,850. Interest rate is 5% and payment are made semiannually. During the year ended June 30, 2025, principal and interest payments were made in the amounts of $95,000 and $147,875, respectively.

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

**Governmental Activities**

| *Year Ending June 30,* | Principal | Interest | Total |
|---|---|---|---|
| 2026 | $ 100,000 | $ 143,000 | $ 243,000 |
| 2027 | 105,000 | 137,875 | 242,875 |
| 2028 | 115,000 | 132,375 | 247,375 |
| 2029 | 120,000 | 126,500 | 246,500 |
| 2030 | 125,000 | 120,375 | 245,375 |
| 2031-2035 | 730,000 | 498,750 | 1,228,750 |
| 2036-2040 | 930,000 | 292,000 | 1,222,000 |
| 2041-2043 | 685,000 | 52,625 | 737,625 |
| | $ 2,910,000 | $ 1,503,500 | $ 4,413,500 |

| **Business-type Activities** | Balance July 1, 2024 | Additions | Deletions | Balance June 30, 2025 | Due within One Year |
|---|---|---|---|---|---|
| Loans Payable from Direct Borrowings: | | | | | |
| $91,000 USDA Sewer loan due in semi-annual installments of $1,623 including interest at 1.875% through 2057 | $ 78,653 | $ - | $ 1,780 | $ 76,873 | $ 1,814 |
| $57,251 ADEC Water Utility loan due in annual installments of $2,667 to $3,334, including interest of 1.5% through 2038 | 41,820 | - | - | 41,820 | 2,747 |
| $542,249 ADEC Water Utility loan due in annual installments of $10,101 to $13,207, including interest of 1.5% through 2041 | 206,954 | - | 10,100 | 196,854 | 10,253 |
| $3,821,000 (maximum) ADEC Water Utility loan, due in annual installments of $140,464 to $194,398, including interest of 1.725% through 2045 | 1,697,063 | 1,623,937 | - | 3,321,000 | 140,464 |
| $5,782,000 (maximum) ADEC Water Utility loan, due in one year; plus interest at 5% | 340,238 | 5,441,762 | - | 5,782,000 | 5,782,000 |
| Total direct borrowings | 2,364,728 | 7,065,699 | 11,880 | 9,418,547 | 5,937,278 |
| Compensated absences | 125,461 | 225,000 | 126,701 | 223,760 | 223,760 |
| Net pension liability | 1,824,101 | 341,719 | - | 2,165,820 | - |
| **Total Business-type Activities** | $ 4,314,290 | $ 7,632,418 | $ 138,581 | $11,808,127 | $ 6,161,038 |

In February 2026 the ADEC Water Utility Loan totaling $5,782,000 was paid in full using proceeds from two USDA Rural Utilities Services loans due in semi-annual installments of $36,512 to $77,434 through 2066 with interest rates between 2.625%-2.125%.

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

| | Loans Payable from Direct Borrowings | | |
|---|---|---|---|
| **Business-type Activities** | | | |
| *Year Ending June 30,* | Principal | Interest | Total |
| 2026 | $ 5,937,278 | $ 41,259 | $ 5,978,537 |
| 2027 | 160,626 | 60,235 | 220,861 |
| 2028 | 160,626 | 56,910 | 217,536 |
| 2029 | 163,370 | 54,167 | 217,537 |
| 2030 | 166,160 | 51,376 | 217,536 |
| 2031-2035 | 874,360 | 213,321 | 1,087,681 |
| 2036-2040 | 944,926 | 136,088 | 1,081,014 |
| 2041-2045 | 977,862 | 53,537 | 1,031,399 |
| 2046-2050 | 13,671 | 2,559 | 16,230 |
| 2051-2055 | 15,008 | 1,222 | 16,230 |
| 2056-2057 | 4,660 | 87 | 4,747 |
| | $ 9,418,547 | $ 670,761 | $ 10,089,308 |

## 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 | $ 31,833,988 | $ 51,819,697 | $ 83,653,685 |
| Restricted: | | | |
| Net OPEB benefits | 1,954,267 | 932,908 | 2,887,175 |
| Economic stability | 11,540,167 | - | 11,540,167 |
| Schools | 1,655,911 | - | 1,655,911 |
| School construction | 3,918,901 | - | 3,918,901 |
| Total restricted | 19,069,246 | 932,908 | 20,002,154 |
| Unrestricted | 9,085,736 | 10,803,793 | 19,889,529 |
| Total Net Position | $ 59,988,970 | $ 63,556,398 | $ 123,545,368 |

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## 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, 2025:

| | Major Governmental Funds | | | | |
|---|---|---|---|---|---|
| | General Fund | Permanent Fund | Parks and Recreation | Nonmajor Governmental Funds | Total Governmental Funds |
| Nonspendable: | | | | | |
| Interfund loans | $ 269,500 | $ - | $ - | $ - | $ 269,500 |
| Prepaid items | 483 | - | - | - | 483 |
| Inventory | - | - | - | 52,639 | 52,639 |
| Total nonspendable | 269,983 | - | - | 52,639 | 322,622 |
| Restricted: | | | | | |
| Unspent bond proceeds | 3,918,901 | - | - | - | 3,918,901 |
| Economic stability | - | 11,540,167 | - | - | 11,540,167 |
| Schools and roads | - | - | - | 756,797 | 756,797 |
| School projects | - | - | - | 899,114 | 899,114 |
| Total restricted | 3,918,901 | 11,540,167 | - | 1,655,911 | 17,114,979 |
| Committed: | | | | | |
| Community services | - | - | - | 527,164 | 527,164 |
| Schools and roads | - | - | 1,566,757 | - | 1,566,757 |
| Land development | - | - | - | 1,592,589 | 1,592,589 |
| Total committed | - | - | 1,566,757 | 2,119,753 | 3,686,510 |
| Assigned – Projects | - | - | - | 713,492 | 713,492 |
| Unassigned (deficit) | 8,513,648 | - | 5,355 | 54,888 | 8,573,891 |
| **Total Fund Balances** | $ 12,702,532 | $ 11,540,167 | $ 1,572,112 | $ 4,596,683 | $ 30,411,494 |

## 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.

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## 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 (the 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 $1,312,195 in National Forest Receipts funding and sales tax to the School District for the year ended June 30, 2025. Support provided to the School District does not include debt service payments on school facilities or capital expenditures.

## 14. Pension and Other Postemployment Benefits Plans

### *(a) Defined Benefit (DB) Pension Plan*

#### *General Information About the Plan*

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

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

The Plan provides for retirement, death and disability, and postemployment healthcare benefits. There are three tiers of employees, based on entry date. For all tiers within the Defined Benefit (DB) plan, full retirement benefits are generally calculated using a formula comprised of a multiplier times the average monthly salary (AMS) times the number of years of service. The multiplier is increased at longevity milestone markers for most employees. Peace officers and firefighters 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, cost of living adjustments (COLA), and OPEB. A complete benefit comparison chart is available at the website noted above.

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

*Historical Context and Special Funding Situation*

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

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

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

*Employee Contribution Rates*

Regular employees are required to contribute 6.75% of their annual covered salary. Peace 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 ARM 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 a 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, 2025 were determined in the June 30, 2023 actuarial valuations. The Borough's contribution rates for the 2025 fiscal year were as follows:

| | ARM Board Adopted Rate | State Contribution Rate |
|---|---|---|
| Defined benefit plans - Pension | 20.03% | 4.76% |
| Defined contribution - Pension | 6.73% | -% |
| **Total Contribution Rates** | 26.76% | 4.76% |

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

In 2025, the Borough was credited with the following contributions to the pension plan:

| | Measurement Period July 1, 2023 to June 30, 2024 | Borough Fiscal Year July 1, 2024 to June 30,2025 |
|---|---|---|
| Employer contributions (including DBUL) | $ 746,850 | $ 758,787 |
| Nonemployer contributions (on-behalf) | 126,081 | 205,156 |
| **Total Contributions** | $ 872,931 | $ 963,943 |

In addition, employee contributions to the Plan totaled $51,542 during the Borough's fiscal year.

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

At June 30, 2025, the Borough reported a liability for its proportionate share of the net pension liability (NPL) that reflected a reduction for State pension support provided to the Borough. The amount recognized by the Borough for its proportional share, the related State proportion, and the total portion of the net pension liability that was associated with the Borough were as follows:

| | | |
|---|---|---|
| Borough proportionate share of NPL | $ | 6,702,810 |
| State's proportionate share of NPL associated with the Borough | | 2,506,347 |
| **Total Net Pension Liability** | $ | 9,209,157 |

The total pension liability for the June 30, 2024 measurement date was determined by an actuarial valuation as of June 30, 2023 rolled forward to June 30, 2024 and adjusted to reflect updated assumptions 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, 2024 measurement date, the Borough's proportion was 0.12221%, which was an increase of 0.00222 from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the Borough recognized pension expense of $1,707,178 and on-behalf revenue of $402,878 for support provided by the State. At June 30, 2025, the Borough reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | | Deferred Outflows of Resources | | Deferred Inflows of Resources |
|---|---|---|---|---|
| Net difference between projected and actual earnings on pension plan investments | $ | 64,525 | $ | - |
| Borough contributions subsequent to the measurement date | | 758,787 | | - |
| **Total Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** | $ | 823,312 | $ | - |

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The $758,787 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability in the year ending June 30, 2026. 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,* | | |
|---|---|---|
| 2026 | $ | (179,648) |
| 2027 | | 334,444 |
| 2028 | | (49,368) |
| 2029 | | (40,903) |
| **Total Amortization** | $ | 64,525 |

***Actuarial Assumptions***

The total pension liability was determined by an actuarial valuation as of June 30, 2023, using the actuarial assumptions listed below, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2024:

| | |
|---|---|
| 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 8.50% to 3.85% based on service. For all others, increases range from 6.75% to 2.85% based on service. |
| Allocation methodology | Amounts for the June 30, 2024 measurement date were allocated to employers based on the ratio of the present value of projected future contributions for each employer to the total present value of projected future contributions for the Plan for the fiscal years 2025 to 2039. The liability is expected to go to zero at 2039. |
| Investment rate of return | 7.25%, net of pension plan investment expenses. This is based on an average inflation rate of 2.50% and a real rate of return of 4.75%. |
| Mortality<br>Peace officer/firefighter | Pre-commencement mortality rates were based on the Pub-2010 Safety Employee table, amount-weighted, and projected with MP-2021 generational improvement. Deaths are assumed to result from occupational causes 70% of the time. Post-commencement mortality rates for healthy retirees were based on the Pub-2010 Safety Retiree table, amount-weighted, and projected with MP-2021 generational improvement. Post-commencement mortality rates for disabled retirees were based on the Pub-2010 Safety Disabled Retiree table, amount-weighted, and projected with MP-2021 generational improvement. Post-commencement mortality rates for beneficiaries were based on the Pub-2010 Contingent Survivor table, amount-weighted, and projected with MP-2021 generational improvement. These rates are applied only after the death of the original member. |

| | |
|---|---|
| All others | Pre-commencement mortality rates were based on the Pub-2010 General Employee table, amount-weighted, and projected with MP-2021 generational improvement. Deaths are assumed to result from occupational causes 35% of the time. Post-commencement mortality rates for healthy retirees were based on 98% of male and 106% of female rates of the Pub-2010 General Retiree table, amount-weighted, and projected with MP-2021 generational improvement. Post-commencement mortality rates for disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree table, amount-weighted, and projected with MP-2021 generational improvement. Post-commencement mortality rates for beneficiaries were based on 102% of male and 108% of female rates of the Pub-2010 Contingent Survivor table, amount-weighted, and projected with MP-2021 generational improvement. These rates are applied only after the death of the original member. |

The total pension liability was determined by an actuarial valuation as of June 30, 2023, rolled forward to the measurement date of June 30, 2024. The actuarial assumptions used in the June 30, 2023 actuarial valuation were based on the results of an actuarial experience study for the period from July 1, 2017 to June 30, 2021, resulting in changes in actuarial assumptions effective for the June 30, 2022 actuarial valuation, which were adopted by the Board to better reflect expected future experience.

***Long-Term Expected Rate of Return***

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return, excluding the inflation component of 2.39%, for each major asset class included in the pension plan's target asset allocation as of June 30, 2024 are summarized in the following table:

| Asset Class | Target Allocation | Range | Long-Term Expected Real Rate of Return |
|---|---|---|---|
| Domestic equity | 26% | +/- 6% | 5.48% |
| Global equity (non-U.S.) | 17% | +/- 4% | 7.14% |
| Global equity | -% | -% | 5.79% |
| Aggregate bonds | 21% | +/- 10% | 2.10% |
| Multi-asset | 8% | +/- 4% | -% |
| Real assets | 14% | +/- 7% | 4.63% |
| Private equity | 14% | +/- 7% | 8.84% |
| Cash equivalents | -% | -% | 0.77% |

***Discount Rate***

The discount rate used to measure the total pension liability was 7.25%. 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 7.25%, as well as what the Borough's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate:

| | Proportional Share | 1% Decrease (6.25%) | Current Discount Rate (7.25%) | 1% Increase (8.25%) |
|---|---|---|---|---|
| Borough's proportionate share of the net pension | 0.12221% | $ 8,928,775 | $ 6,702,810 | $ 4,819,112 |

***Pension Plan Fiduciary Net Position***

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

***(b) Defined Contribution (DC) Pension Plan***

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

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

***Benefit Terms***

Employees are immediately vested in their own contributions and vest 25% with two years of service, plus an additional 25% per year thereafter for full vesting at five years of service. Nonvested employer contributions are forfeited upon termination of employment from the Plan. Such forfeitures were

applied in the year ended June 30, 2025 to cover a portion of the Borough's employer match contributions. For the year ended June 30, 2025, forfeitures reduced pension expense by $0.

***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, 2025, 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, 2025 were $202,263 and $323,620, 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 ten years of service and are Medicare age eligible. The ODD provides death benefits for beneficiaries of plan participants and long-term disability benefits to all active members within PERS. The Plans are administered by the State of Alaska, Department of Administration. The OPEB plans are included in the annual comprehensive financial report for PERS, at the following website, https://drb.alaska.gov/docs/reports/#pers.

***Employer Contribution Rates***

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

Employer contribution rates for the year ended June 30, 2025 were as follows:

| | Other | Peace/Fire |
|---|---|---|
| Retiree Medical Plan | 0.83% | 0.83% |
| Occupational Death and Disability | 0.24% | 0.69% |
| **Total Contribution Rates** | 1.07% | 1.52% |

In 2025, the Borough was credited with the following contributions to the OPEB plans:

| | Measurement Period July 1, 2023 to June 30, 2024 | Borough Fiscal Year July 1, 2024 to June 30,2025 |
|---|---|---|
| Employer contributions - RMP | $ 35,401 | $ 33,575 |
| Employer contributions - ODD | 12,880 | 13,568 |
| **Total Contributions** | $ 48,281 | $ 47,143 |

***OPEB Assets, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB Plans***

At June 30, 2025, the Borough reported an asset for its proportionate share of the net OPEB asset (NOA) that reflected a reduction for State OPEB support provided to the Borough. The amount recognized by the Borough for its proportional share, the related State proportion, and the total were as follows:

| *Year Ending June 30,* | |
|---|---|
| Borough's proportionate share of NOA – ARHCT | $ 2,696,544 |
| Borough's proportionate share of NOA - RMP | 82,632 |
| Borough's proportionate share of NOA – ODD | 107,999 |
| **Total Borough's Proportionate Share of Net OPEB Asset** | 2,887,175 |
| State's proportionate share of the ARHCT NOA associated with the Borough | 1,004,640 |
| **Total Net OPEB Asset** | $ 3,891,815 |

The total OPEB liability for the June 30, 2024 measurement date was determined by an actuarial valuation as of June 30, 2023 rolled forward to June 30, 2024 and adjusted to reflect updated assumptions to calculate the net OPEB assets as of that date. The Borough's proportion of the net OPEB assets was based on a projection of the Borough's long-term share of contributions to the OPEB plans relative to the projected contributions of all participating entities, actuarially determined.

| | June 30, 2023 Measurement Date Employer Proportion | June 30, 2024 Measurement Date Employer Proportion | Change |
|---|---|---|---|
| Borough's proportionate share of the net OPEB assets: | | | |
| ARHCT | 0.11969% | 0.12245% | 0.00276% |
| RMP | 0.16299% | 0.17727% | 0.01428% |
| ODD | 0.16997% | 0.18080% | 0.01083% |

For the year ended June 30, 2025, the Borough recognized OPEB expense (benefit) of $106,005. Of this amount, $39,506 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:

| *Plan* | OPEB Expense (Benefit) | On-behalf Revenue |
|---|---|---|
| ARHCT | $ 100,651 | $ 39,506 |
| RMP | 10,458 | - |
| ODD | (5,104) | - |
| **Total** | $ 106,005 | $ 39,506 |

At June 30, 2025, the Borough reported deferred outflows of resources and deferred inflows of resources related to OPEB plans from the following sources:

| *Deferred Outflows of Resources* | ARHCT | RMP | ODD | Total |
|---|---|---|---|---|
| Difference between expected and actual experience | $ 1,461 | $ 2,080 | $ - | $ 3,541 |
| Changes in assumptions | 72,398 | 27,962 | - | 100,360 |
| Net difference between projected and actual investment earnings | 41,063 | 1,166 | 345 | 42,574 |
| Changes in proportion and differences between Borough contributions and proportionate share of contributions | - | 3,089 | 7,143 | 10,232 |
| Borough contributions subsequent to the measurement date | - | 33,575 | 13,568 | 47,143 |
| **Total Deferred Outflows of Resources Related to OPEB Plans** | $ 114,922 | $ 67,872 | $ 21,056 | $ 203,850 |

| *Deferred Inflows of Resources* | ARHCT | RMP | ODD | Total |
|---|---|---|---|---|
| Difference between expected and actual experience | $ - | $ (9,183) | $ (25,299) | $ (34,482) |
| Changes in assumptions | - | (55,549) | (267) | (55,816) |
| Changes in proportion and differences between Borough contributions and proportionate share of contributions | (11,127) | (4,106) | (13,858) | (29,091) |
| **Total Deferred Inflows of Resources Related to OPEB Plans** | $ (11,127) | $ (68,838) | $ (39,424) | $ (119,389) |

*The remainder of this page intentionally left blank.*

Amounts reported as deferred outflows of resources related to OPEB plans resulting from Borough contributions subsequent to the measurement date will be recognized as an increase in the net OPEB assets in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| *Year Ending June 30,* | ARHCT | RMP | ODD | Total |
|---|---|---|---|---|
| 2026 | $ (88,850) | $ (11,518) | $ (9,112) | $ (109,480) |
| 2027 | 271,978 | 477 | (5,586) | 266,869 |
| 2028 | (43,592) | (12,205) | (6,428) | (62,225) |
| 2029 | (35,741) | (8,888) | (4,952) | (49,581) |
| 2030 | - | (4,932) | (3,545) | (8,477) |
| Thereafter | - | 2,525 | (2,313) | 212 |
| **Total Amortization** | $ 103,795 | $ (34,541) | $ (31,936) | $ 37,318 |

***Actuarial Assumptions***

The total OPEB liability for each plan was determined by actuarial valuations as of June 30, 2023, using the following actuarial assumptions, applied to all periods included in the measurement, and rolled forward to the measurement date of June 30, 2024:

| | |
|---|---|
| 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 8.50% to 3.85% based on service. For all others, increases range from 6.75% to 2.85% based on service. |
| Allocation methodology | Amounts for the June 30, 2024 measurement date were allocated to employers based on the ratio of the present value of projected future contributions for each employer to the total present value of projected future contributions to the Plan for fiscal years 2025 to 2039. |
| Investment rate of return | 7.25%, net of postemployment healthcare plan investment expenses. This is based on an average inflation rate of 2.50% and a real rate of return of 4.75%. |
| Healthcare cost trend rates (ARHCT and RMP Plans) | Pre-65 medical: 6.4% grading down to 4.5%<br>Post-65 medical: 5.4% grading down to 4.5%<br>Rx/EGWP: 6.9% grading down to 4.5%<br>Initial trend rates are from FY 2025<br>Ultimate trend rates reached in FY 2050 |
| Mortality<br>Peace officer/firefighter ARHCT and RMP Plans) | Pre-commencement mortality rates were based on the Pub-2010 Safety Employee table, headcount-weighted, and projected with MP-2021 generational improvement. Deaths are assumed to result from occupation causes 70% of the time. Post-commencement mortality rates for healthy retirees were based on the Pub-2010 Safety Retiree table, headcount-weighted, and projected with MP-2021 generational improvement. Post-commencement mortality rates for disabled retirees were based on the Pub-2010 Safety Disabled Retiree table, headcount- |

| | |
|---|---|
| | weighted, and projected with MP-2021 generational improvement. Post-commencement mortality rates for beneficiaries were based on the Pub-2010 Contingent Survivor table, headcount-weighted, and projected with MP-2021 generational improvement. These rates are applied only after the death of the original member. |
| (ODD Plan) | Pre-commencement mortality rates were based on the Pub-2010 Safety Employee table, amount-weighted, and projected with MP-2021 generational improvement. Deaths are assumed to result from occupational causes 70% of the time. Post-commencement mortality rates for healthy retirees were based on the Pub-2010 Safety Retiree table, amount-weighted, and projected with MP-2021 generational improvement. Post-commencement mortality rates for disabled retirees were based on the Pub-2010 Safety Disabled Retiree table, amount-weighted, and projected with MP-2021 generational improvement. Post-commencement mortality rates for beneficiaries were based on the Pub-2010 Contingent Survivor table, amount-weighted, and projected with MP-2021 generational improvement. These rates are applied only after the death of the original member. |
| All others<br>(ARHCT and RMP Plans) | Pre-commencement mortality rates were based on the Pub-2010 General Employee table, headcount-weighted, and projected with MP-2021 generational improvement. Deaths are assumed to result from occupational causes 35% of the time. Post-commencement mortality rates for healthy retirees were based on 101% of male and 110% of female rates of the Pub-2010 General Retiree table, headcount-weighted, and projected with MP-2021 generational improvement. Post-commencement mortality rates for disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree table, headcount-weighted, and projected with MP-2021 generational improvement. Post-commencement mortality rates for beneficiaries were based on 101% of male and 108% of female rates of the Pub-2010 Contingent Survivor table, headcount-weighted, and projected with MP-2021 generational improvement. These rates are applied only after the death of the original member. |
| (ODD Plan) | Pre-commencement mortality rates were based on the Pub-2010 General Employee table, amount-weighted, and projected with MP-2021 generational improvement. Deaths are assumed to result from occupational causes 35% of the time. Post-commencement mortality rates for healthy retirees were based on 98% of male and 106% of female rates of the Pub-2010 General Retiree table, amount-weighted, and projected with MP-2021 generational improvement. Post-commencement mortality rates for disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree table, amount-weighted, and projected with MP-2021 generational improvement. Post-commencement mortality rates for beneficiaries were based on 102% of male and 108% of female rates of the Pub-2010 Contingent Survivor table, amount-weighted, and projected with MP-2021 generational improvement. These rates are applied only after the death of the original member. |

| | |
|---|---|
| Participation (ARHCT) | 100% system paid members and their spouses are assumed to elect the healthcare benefits as soon as they are eligible. |
| Peace officer/firefighter | 20% of nonsystem paid members and their spouses are assumed to elect the healthcare benefits as soon as they are eligible. |
| All others | 25% of nonsystem paid members and their spouses are assumed to elect the healthcare benefits as soon as they are eligible. |

The total OPEB liability for each plan was determined by actuarial valuations as of June 30, 2023, rolled forward to the measurement date of June 30, 2024. The actuarial assumptions used in the June 30, 2023 actuarial valuation were based on the results of an actuarial experience study for the period from July 1, 2017 to June 30, 2021, resulting in changes in actuarial assumptions effective for the June 30, 2022 actuarial valuation, which were adopted by the Board to better reflect the expected future experience. For the ARHCT and RMP plans, the per capita claims costs were updated to reflect recent experience for the June 30, 2023 actuarial valuation.

***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 OPEB 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 2.39%, for each major asset class included in the OPEB plan's target asset allocation as of June 30, 2024 are summarized in the following table:

| Asset Class | Target Allocation | Range | Long-Term Expected Real Rate of Return |
|---|---|---|---|
| Domestic equity | 26% | +/- 6% | 5.48% |
| Global equity (non-U.S.) | 17% | +/- 4% | 7.14% |
| Global equity | -% | -% | 5.79% |
| Aggregate bonds | 21% | +/- 10% | 2.10% |
| Multi-asset | 8% | +/- 4% | -% |
| Real assets | 14% | +/- 7% | 4.63% |
| Private equity | 14% | +/- 7% | 8.84% |
| Cash equivalents | -% | -% | 0.77% |

***Discount Rate***

The discount rate used to measure the total OPEB liability for each plan as of June 30, 2024 was 7.25%. 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 or each plan was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term

expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability for each plan.

***Sensitivity of the Net OPEB Asset to Changes in the Discount Rate***

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

| | Proportional Share | 1% Decrease (6.25%) | Current Discount Rate (7.25%) | 1% Increase (8.25%) |
|---|---|---|---|---|
| Borough's proportionate share of the net OPEB asset (liability): | | | | |
| ARHCT | 0.12245% | $ (1,707,410) | $ 2,696,544 | $ 3,528,922 |
| RMP | 0.17727% | $ (14,314) | $ 82,632 | $ 156,731 |
| ODD | 0.18080% | $ 101,440 | $ 107,999 | $ 113,137 |

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

The following presents the Borough's proportionate share of the net OPEB asset calculated using the healthcare cost trend rates as summarized in the 2023 actuarial valuation reports as well as what the Borough's proportionate share of the respective plan's net OPEB asset (liability) would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

| | Proportional Share | 1% Decrease | Current Healthcare Cost Trend Rate | 1% Increase |
|---|---|---|---|---|
| Borough's proportionate share of the net OPEB asset (liability): | | | | |
| ARHCT | 0.12245% | $ 3,623,951 | $ 2,696,544 | $ 1,594,849 |
| RMP | 0.17727% | $ 166,510 | $ 82,632 | $ (29,915) |
| ODD | 0.18080% | $ 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.

***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, 2024, for actual remittance, this amount is calculated as a flat rate for each full-time or part-time employee per pay period and approximates $2,387 per year for each full-time employee, and $1.53 per hour for part-time employees.

***Annual Postemployment Healthcare Cost***

In fiscal year 2025, the Borough contributed $124,702 in DC OPEB costs. This amount has been recognized as expense/expenditures.

## 15. Risk Management

The Borough faces a considerable number of risks of loss, including (a) damage to and loss of property and contents; (b) employee torts; (c) professional liability, i.e., errors and omissions; (d) environmental damage; (e) workers' compensation, i.e., employee injuries; and (f) medical insurance costs of employees. Commercial policies, transferring the risk of loss, except for relatively small deductible amounts, are purchased for employee medical costs. The Borough is a member of Alaska Public Entity Insurance (APEI), a governmental insurance pool. APEI provides insurance coverage for property and contents damage, torts, general and automobile liability, public officials and employees' liability, law enforcement professional liability, and workers' compensation. Barring the mill property prospective purchasers agreement, and the UST Pollution Insurance for the Hospital, The Borough has no other 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, 2025. Coverage limits and the deductibles on the policies have stayed relatively constant for the last several years.

## 16. Contingencies

***Grants***

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

## 17. Subsequent Events

In preparing these financial statements, the Borough has evaluated all other events and transactions for potential recognition or disclosure through September 21, 2026, the date the financial statements were issued.

In April of 2026, the Borough issued "2026 General Obligation (Series One) Bonds" in the amount of $2,790,000 to finance part of the Public Safety building. The bonds were issued through the Alaska Municipal Bond Bank Authority, with a principal amount of $2,790,000 and total proceeds of $3,031,644 (including premium), which are scheduled to mature in 2046.

In April of 2026, the Borough issued "2026 Revenue (Series One) Bonds" in the amount of $3,840,000 to finance the waterfront facilities. The bonds were issued through the Alaska Municipal Bond Bank Authority, with a principal amount of $3,840,000 and total proceeds of $4,039,879 (including premium), which are scheduled to mature in 2055.

## 18. Related Party Transactions

In the normal course of business, the Borough may contract for goods or services from vendors whose shareholders, officers, or employees may also be associated with the Borough as an official, assembly member, or employee. The Borough made payments to Southeast Alaska Power Agency for power purchases during 2025 which were in aggregate $2,960,584.

## 19. New Accounting Pronouncements

The GASB has issued several new accounting standards with upcoming implementation dates. The following new accounting standards were implemented by the Borough for 2025 reporting:

*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. The Borough evaluated the impacts of GASB 101 and determined there to be no impact to the Borough's financial statements for the current fiscal year.

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

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

*GASB Statement No. 103 – Financial Reporting Model Improvements* – Effective for year-end June 30, 2026. Earlier application is encouraged. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues.

*GASB Statement No. 104 – Disclosure of Certain Capital Assets* – Effective for year-end June 30, 2026. Earlier application is encouraged. The objective of this Statement is to provide users of governmental financial statements with essential information about certain types of capital assets in order to make informed decisions and assess accountability. The disclosure requirements will improve consistency and comparability between governments.

*GASB Statement No. 105 – Subsequent Events* – Effective for year-end December 31, 2027. Earlier application is encouraged. The objective of this Statement is to improve the financial reporting requirements for subsequent events, thereby enhancing consistency in their application and better meeting the information needs of financial statement users. This statement clarifies the subsequent events that constitute recognized and nonrecognized events and establishes specific note disclosure requirements for nonrecognized events.

## 20. Changes Within the Financial Reporting Entity

For the year ended June 30, 2025, the Borough had changes with the financial reporting entity as defined by GASB Statement No. 100, *Accounting Changes and Error Corrections*. The nature of the changes were as follows:

The Secure Rural Schools Special Revenue Fund is now classified as a nonmajor fund. For the year ended June 30, 2024, the fund was classified as a major fund.

The Residential Construction Capital Projects Fund is now classified as a nonmajor fund. For the year ended June 30, 2024, the fund was classified as a major fund.

The changes with the financial reporting entity resulted in adjustments to the beginning fund balance and net position as follows:

| | June 30, 2024 As Previously Reported | Changes within the Financial Reporting Entity | June 30, 2024 |
|---|---|---|---|
| Governmental Funds: | | | |
| General Fund | $ 14,196,648 | $ - | $ 14,196,648 |
| Permanent Fund Special Revenue Fund | 10,491,908 | - | 10,491,908 |
| Secure Rural Schools Special Revenue Fund | 1,490,737 | (1,490,737) | - |
| Parks and Recreation Special Revenue Fund | 274,141 | - | 274,141 |
| Residential Construction Capital Projects Funds | 819,941 | (819,941) | - |
| Nonmajor Governmental Funds | 3,101,536 | 2,310,678 | 5,412,214 |
| Total Governmental Funds | $ 30,374,911 | $ - | $ 30,374,911 |

## 21. Change in Accounting Principle – Wrangell Public Schools

For the year ended June 30, 2025, the District had a change in accounting principle for the implementation of GASB Statement No. 101, *Compensated Absences*. The nature of the changes are as follows:

The District is presenting compensated absences on the statement of net position as a liability. In addition to paid time off, the District has estimated a sick leave liability that is more likely than not to be used in future periods. Salary-related payments are included in the compensated absence liability.

The changes in accounting principle resulted in adjustments to the beginning net position as follows:

| | 6/30/2024 As Previously Reported | Change in Accounting Principle | 6/30/2024 As Restated |
|---|---|---|---|
| Net Position, beginning of year | $ 1,981,623 | $ (71,063) | $ 1,910,560 |

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# Required Supplementary Information

Exhibit D-1

# City and Borough of Wrangell, Alaska

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

| *Year Ended June 30, 2025* | Original Budget | Final Budget | Actual | Variance with Final Budget |
|---|---|---|---|---|
| **Revenues** | | | | |
| Taxes: | | | | |
| Real property taxes | $ 2,105,031 | $ 2,105,031 | $ 2,105,804 | $ 773 |
| Property tax penalties and interest | 10,000 | 10,000 | 21,844 | 11,844 |
| Payments in lieu of taxes | 445,000 | 445,000 | 534,752 | 89,752 |
| Marijuana taxes | 5,500 | 5,500 | - | (5,500) |
| Sales taxes | 2,905,000 | 2,905,000 | 3,224,410 | 319,410 |
| Total taxes | 5,470,531 | 5,470,531 | 5,886,810 | 416,279 |
| Intergovernmental: | | | | |
| State of Alaska: | | | | |
| Jail contract | 567,833 | 567,833 | 389,767 | (178,066) |
| Community assistance | 365,000 | 365,000 | 399,612 | 34,612 |
| Library grants | 2,500 | 13,500 | 33,080 | 19,580 |
| State PERS relief | 70,000 | 70,000 | 121,574 | 51,574 |
| Other grant revenue | 7,000 | 32,000 | 269,551 | 237,551 |
| Total State of Alaska | 1,012,333 | 1,048,333 | 1,213,584 | 165,251 |
| Federal government - | | | | |
| ARPA grant revenue - General Fund portion | 87,970 | 87,970 | 86,422 | (1,548) |
| Total intergovernmental | 1,100,303 | 1,136,303 | 1,300,006 | 163,703 |
| Charges for services: | | | | |
| Cemetery services | 3,000 | 3,000 | 3,027 | 27 |
| DMV services | 90,000 | 90,000 | 61,038 | (28,962) |
| Police services | 2,000 | 2,000 | 5,220 | 3,220 |
| 911 surcharge | 48,000 | 48,000 | 46,002 | (1,998) |
| Total charges for services | 143,000 | 143,000 | 115,287 | (27,713) |
| Sales and leases: | | | | |
| Court rental | 62,400 | 62,400 | 61,231 | (1,169) |
| Tideland leases | 74,000 | 74,000 | 67,196 | (6,804) |
| Material sales | 500 | 500 | 269 | (231) |
| Cemetery plot sales | 500 | 500 | 1,670 | 1,170 |
| Total sales and leases | 137,400 | 137,400 | 130,366 | (7,034) |
| Fines and forfeitures | 10,000 | 10,000 | 10,010 | 10 |
| Investment loss | 550,000 | 550,000 | 1,276,950 | 726,950 |
| Other revenues: | | | | |
| Licenses and permits | 5,250 | 5,250 | 5,564 | 314 |
| Copies | - | - | 36 | 36 |
| Donations | 6,500 | 6,500 | - | (6,500) |
| Miscellaneous | 10,000 | 36,000 | 83,370 | 47,370 |
| Total other revenues | 21,750 | 47,750 | 88,970 | 41,220 |
| **Total Revenues** | 7,432,984 | 7,494,984 | 8,808,399 | 1,313,415 |

Exhibit D-1, continued

# City and Borough of Wrangell, Alaska

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

| *Year Ended June 30, 2025* | Original Budget | Final Budget | Actual | Variance with Final Budget |
|---|---|---|---|---|
| **Expenditures** | | | | |
| General government: | | | | |
| Administration | $ 462,848 | $ 500,787 | $ 551,671 | $ (50,884) |
| Clerk and Assembly | 231,148 | 231,148 | 279,029 | (47,881) |
| Finance | 739,094 | 766,594 | 1,117,291 | (350,697) |
| Total general government | 1,433,090 | 1,498,529 | 1,947,991 | (449,462) |
| Public safety: | | | | |
| Fire | 349,775 | 405,275 | 337,940 | 67,335 |
| Police | 1,168,380 | 1,168,380 | 1,356,928 | (188,548) |
| Corrections and dispatch | 466,843 | 466,843 | 528,442 | (61,599) |
| Building | 222,806 | 222,806 | 162,479 | 60,327 |
| Total public safety | 2,207,804 | 2,263,304 | 2,385,789 | (122,485) |
| Public works: | | | | |
| General | 551,343 | 551,343 | 1,113,691 | (562,348) |
| Garage | 109,616 | 109,616 | 221,332 | (111,716) |
| Streets | 635,488 | 635,488 | 589,079 | 46,409 |
| Capital facilities | 116,536 | 116,536 | 207,303 | (90,767) |
| Capital projects | 511,267 | 511,267 | 440,158 | 71,109 |
| Total public works | 1,924,250 | 1,924,250 | 2,571,563 | (647,313) |
| Community services: | | | | |
| Cemetery | 6,088 | 6,088 | 1,589 | 4,499 |
| Economic development and planning | 375,446 | 375,446 | 267,489 | 107,957 |
| Community organization | - | - | 13,244 | (13,244) |
| Library | 269,008 | 280,008 | 297,917 | (17,909) |
| Total community services | 650,542 | 661,542 | 580,239 | 81,303 |
| Capital outlay | - | - | 188,673 | (188,673) |
| **Total Expenditures** | 6,215,686 | 6,347,625 | 7,674,255 | (1,326,630) |
| **Excess (Deficiency) of Revenues Over Expenditures** | 1,217,298 | 1,147,359 | 1,134,144 | (13,215) |
| **Other Financing Uses** | | | | |
| Transfers in | - | - | 337,630 | 337,630 |
| Transfers out | (725,000) | (725,000) | (2,965,890) | (2,240,890) |
| **Net Change in Fund Balance** | $ 492,298 | $ 422,359 | (1,494,116) | $ (1,916,475) |
| **Fund Balance,** beginning | | | 14,196,648 | |
| **Fund Balance,** ending | | | $ 12,702,532 | |

*See accompanying notes to Required Supplementary Information.*

Exhibit D

# City and Borough of Wrangell, Alaska

## Permanent Fund Special Revenue Fund
## Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

| *Year Ended June 30, 2025* | Original and Final Budget | Actual | Variance with Budget |
|---|---|---|---|
| **Revenues** | | | |
| Investment income | $ 400,000 | $ 1,015,942 | $ 615,942 |
| Sales and leases | 36,239 | 32,317 | (3,922) |
| Land sales and improvements | 50,000 | - | (50,000) |
| **Total Revenues** | 486,239 | 1,048,259 | 562,020 |
| **Net Change in Fund Balance** | $ 486,239 | 1,048,259 | $ 562,020 |
| **Fund Balance,** beginning | | 10,491,908 | |
| **Fund Balance,** ending | | $ 11,540,167 | |

*See accompanying notes to Required Supplementary Information.*

Exhibit D-2

# City and Borough of Wrangell, Alaska

## Parks and Recreation Special Revenue Fund
## Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

| *Year Ended June 30, 2025* | Original Budget | Final Budget | Actual | Variance with Budget |
|---|---|---|---|---|
| **Revenues** | | | | |
| Intergovernmental: | | | | |
| State PERS relief | $ 10,000 | $ 10,000 | $ 9,768 | $ (232) |
| Other grant revenue | 490,899 | 490,899 | 362,797 | (128,102) |
| Charges for services - user fees | 60,670 | 60,670 | 62,062 | 1,392 |
| Investment income | 100,000 | 100,000 | 146,044 | 46,044 |
| Other: | | | | |
| Donations and contributions | 4,300 | 4,300 | 16,411 | 12,111 |
| Rental revenue | 12,217 | 12,217 | 2,850 | (9,367) |
| **Total Revenues** | 678,086 | 678,086 | 599,932 | (78,154) |
| **Expenditures** | | | | |
| Parks and recreation: | | | | |
| Personnel services | 402,281 | 402,281 | 442,459 | (40,178) |
| Commodities | 133,850 | 133,850 | 77,965 | 55,885 |
| Contractual services | 177,807 | 177,807 | 150,103 | 27,704 |
| Intergovernmental | 31,738 | 31,738 | 33,735 | (1,997) |
| Capital outlay | 521,267 | 545,267 | 477,684 | 67,583 |
| **Total Expenditures** | 1,266,943 | 1,290,943 | 1,181,946 | 108,997 |
| **Deficiency of Revenues Over Expenditures** | (588,857) | (612,857) | (582,014) | 30,843 |
| **Other Financing Sources** | | | | |
| Transfers in | 588,857 | 588,857 | 1,879,985 | 1,291,128 |
| Transfers out | - | - | - | - |
| **Net Change in Fund Balance** | $ - | $ (24,000) | 1,297,971 | $ 1,321,971 |
| **Fund Balance,** beginning | | | 274,141 | |
| **Fund Balance,** ending | | | $ 1,572,112 | |

*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,* | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|---|---|---|---|---|---|---|---|---|---|---|
| Borough's Proportion of the Net Pension Liability | 0.12221% | 0.11999% | 0.12382% | 0.14074% | 0.11320% | 0.10645% | 0.11124% | 0.10179% | 0.12813% | 0.12944% |
| Borough's Proportionate Share of the Net Pension Liability | $ 6,702,810 | $ 6,221,549 | $ 6,310,990 | $ 5,162,924 | $ 6,680,252 | $ 5,827,496 | $ 5,527,598 | $ 5,261,718 | $ 7,161,690 | $ 6,277,982 |
| State of Alaska Proportionate Share of the Net Pension Liability | 2,506,347 | 2,076,048 | 1,745,376 | 700,042 | 2,763,265 | 2,319,355 | 1,601,473 | 1,960,717 | 901,438 | 1,682,286 |
| Total Net Pension Liability | $ 9,209,157 | $ 8,297,597 | $ 8,056,366 | $ 5,862,966 | $ 9,443,517 | $ 8,146,851 | $ 7,129,071 | $ 7,222,435 | $ 8,063,128 | $ 7,960,268 |
| Borough's Covered Payroll | $ 4,618,819 | $ 4,127,891 | $ 3,740,679 | $ 3,638,702 | $ 3,782,294 | 3,516,156 | 3,289,940 | 3,185,949 | 3,146,642 | 3,219,425 |
| Borough's Proportionate Share of the Net Pension Liability as a Percentage of Payroll | 145.12% | 150.72% | 168.71% | 141.89% | 176.62% | 165.73% | 168.02% | 165.15% | 227.60% | 195.00% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 67.81% | 68.23% | 67.97% | 76.46% | 61.61% | 63.42% | 65.19% | 63.37% | 59.55% | 63.96% |

## Schedule of the Borough's Contributions

| *Years Ended June 30,* | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|---|---|---|---|---|---|---|---|---|---|---|
| Contractually Required Contributions | $ 758,787 | $ 746,850 | $ 707,567 | $ 587,192 | $ 552,368 | $ 510,456 | $ 508,139 | $ 525,495 | $ 537,369 | $ 343,399 |
| Contributions Relative to the Contractually Required Contribution | 758,787 | 746,850 | 707,567 | 587,192 | 552,368 | 510,456 | 508,139 | 525,495 | 537,369 | 343,399 |
| Contribution Deficiency (Excess) | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Borough's Covered Payroll | 4,784,542 | 4,618,819 | $ 4,127,891 | $ 3,740,679 | $ 3,638,702 | $ 3,782,294 | $ 3,516,156 | $ 3,289,940 | $ 3,185,949 | $ 3,146,642 |
| Contributions as a Percentage of Covered Payroll | 15.86% | 16.17% | 17.14% | 15.70% | 15.18% | 13.50% | 14.45% | 15.97% | 16.87% | 10.91% |

*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 | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| *Years Ended June 30,* | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
| Borough's Proportion of the Net OPEB Liability (Asset) | 0.12245% | 0.11969% | 0.12301% | 0.14131% | 0.11312% | 0.10664% | 0.11123% | 0.10186% |
| Borough's Proportionate Share of the Net OPEB Liability (Asset) | $ (2,696,544) | $ (2,753,937) | $ (2,420,354) | $ (3,625,053) | $ (512,271) | $ 158,227 | $ 1,141,549 | $ 860,457 |
| State of Alaska Proportionate Share of the Net OPEB Liability (Asset) | (1,004,640) | (927,903) | (691,816) | (474,726) | (212,422) | 62,826 | 332,145 | 320,648 |
| Total Net OPEB Liability (Asset) | $ (3,701,184) | $ (3,681,840) | $ (3,112,170) | $ (4,099,779) | $ (724,693) | $ 221,053 | $ 1,473,694 | $ 1,181,105 |
| Borough's Covered Payroll | $ 1,081,602 | $ 1,357,337 | $ 1,456,890 | $ 1,529,297 | $ 1,717,381 | 2,228,533 | 2,085,158 | 3,185,949 |
| Borough's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Payroll | -249.31% | -202.89% | -166.13% | -237.04% | -29.83% | 7.10% | 54.75% | 27.01% |
| Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset) | 130.59% | 133.96% | 128.51% | 135.54% | 106.15% | 98.13% | 88.12% | 89.68% |

## Schedule of the Borough's Contributions

| | ARHCT | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| *Years Ended June 30,* | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
| Contractually Required Contributions | $ - | $ - | $ - | $ 94,116 | $ 118,568 | $ 187,978 | $ 165,982 | $ 136,960 |
| Contributions Relative to the Contractually Required Contributions | - | - | - | 94,116 | 118,568 | 187,978 | 165,982 | 136,960 |
| Contribution Deficiency (Excess) | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Borough's Covered Payroll | $ 739,286 | $ 1,081,602 | $ 1,357,337 | $ 1,456,889 | $ 1,529,297 | $ 1,717,381 | $ 2,228,533 | $ 2,085,158 |
| Contributions as a Percentage of Covered Payroll | 0.00% | 0.00% | 0.00% | 6.46% | 7.75% | 10.95% | 7.45% | 6.57% |

*See accompanying notes to Required Supplementary Information.*

# City and Borough of Wrangell, Alaska

## Public Employees' Retirement System - RMP OPEB Plan

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

| | RMP | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| *Years Ended June 30,* | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
| Borough's Proportion of the Net OPEB Liability (Asset) | 0.17727% | 0.16299% | 0.16869% | 0.12211% | 0.15283% | 0.13726% | 0.10645% | 0.10277% |
| Borough's Proportionate Share of the Net OPEB Liability (Asset) | $ (82,632) | $ (77,394) | $ (58,584) | $ (32,776) | $ 10,841 | $ 32,838 | $ 13,546 | $ 5,359 |
| State of Alaska Proportionate Share of the Net OPEB Liability (Asset) | - | - | - | - | - | - | - | - |
| Total Net OPEB Liability (Asset) | $ (82,632) | $ (77,394) | $ (58,584) | $ (32,776) | $ 10,841 | $ 32,838 | $ 13,546 | $ 5,359 |
| Borough's Covered Payroll | $ 3,537,217 | $ 2,770,554 | $ 2,283,789 | $ 2,109,405 | $ 2,064,913 | $ 1,287,623 | $ 1,204,782 | $ 3,185,949 |
| Borough's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Payroll | -2.34% | -2.79% | -2.57% | -1.55% | 0.53% | 2.55% | 1.12% | 0.17% |
| Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset) | 119.87% | 124.29% | 120.08% | 115.10% | 0.00% | 83.17% | 88.71% | 93.98% |

## Schedule of the Borough's Contributions

| | RMP | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| *Years Ended June 30,* | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
| Contractually Required Contributions | $ 13,568 | $ 35,401 | $ 30,566 | $ 24,436 | $ 26,766 | $ 27,263 | $ 16,108 | $ 12,409 |
| Contributions Relative to the Contractually Required Contributions | 13,568 | 35,401 | 30,566 | 24,436 | 26,766 | 27,263 | 16,108 | 12,409 |
| Contribution Deficiency (Excess) | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Borough's Covered Payroll | $ 4,045,256 | $ 3,537,217 | $ 2,770,554 | $ 2,283,789 | $ 2,109,405 | $ 2,064,913 | $ 1,287,623 | $ 1,204,782 |
| Contributions as a Percentage of Covered Payroll | 0.34% | 1.00% | 1.10% | 1.07% | 1.27% | 1.32% | 1.25% | 1.03% |

*See accompanying notes to Required Supplementary Information.*

Exhibit E-4

# City and Borough of Wrangell, Alaska

## Public Employees' Retirement System - ODD OPEB Plan

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

| | ODD | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| *Years Ended June 30,* | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
| Borough's Proportion of the Net OPEB Liability (Asset) | 0.18080% | 0.16997% | 0.18454% | 0.13788% | 0.17568% | 0.14984% | 0.10645% | 0.10277% |
| Borough's Proportionate Share of the Net OPEB Liability (Asset) | $ (107,999) | $ (87,200) | $ (80,898) | $ (60,768) | $ (47,890) | $ (36,328) | $ (20,674) | $ (14,582) |
| State of Alaska Proportionate Share of the Net OPEB Liability (Asset) | - | - | - | - | - | - | - | - |
| Total Net OPEB Liability (Asset) | $ (107,999) | $ (87,200) | $ (80,898) | $ (60,768) | $ (47,890) | $ (36,328) | $ (20,674) | $ (14,582) |
| Borough's Covered Payroll | $ 3,537,217 | $ 2,770,554 | $ 2,283,789 | $ 2,109,405 | $ 2,064,913 | $ 1,287,623 | $ 1,204,782 | $ 3,185,949 |
| Borough's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Payroll | -3.05% | -3.15% | -3.54% | -2.88% | -2.32% | -2.82% | -1.72% | -0.46% |
| Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset) | 346.81% | 349.24% | 348.80% | 374.22% | 283.80% | 297.43% | 270.62% | 212.97% |

## Schedule of the Borough's Contributions

| | ODD | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| *Years Ended June 30,* | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
| Contractually Required Contributions | $ - | $ 12,880 | $ 6,697 | $ 9,290 | $ 4,801 | $ 7,705 | $ 6,118 | $ 2,473 |
| Contributions Relative to the Contractually Required Contributions | - | 12,880 | 6,697 | 9,290 | 4,801 | 7,705 | 6,118 | 2,473 |
| Contribution Deficiency (Excess) | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Borough's Covered Payroll | $ 4,784,542 | $ 3,537,217 | $ 2,770,554 | $ 2,283,789 | $ 2,109,405 | $ 2,064,913 | $ 1,287,623 | $ 1,204,782 |
| Contributions as a Percentage of Covered Payroll | 0.00% | 0.36% | 0.24% | 0.41% | 0.23% | 0.37% | 0.17% | 0.21% |

*See accompanying notes to Required Supplementary Information.*

# City and Borough of Wrangell, Alaska

## Notes to Required Supplementary Information
## June 30, 2025

## 1. Budgetary Comparison Schedules

The budgetary comparison schedules are presented on the modified accrual basis of accounting. The General Fund presented an excess of expenditures over appropriations for the year ended June 30, 2025.

## 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, 2025, the Plan measurement date is June 30, 2024.

*Changes in Assumptions:*

The total pension liability was determined by an actuarial valuation as of June 30, 2023, rolled forward to the measurement date of June 30, 2024. The actuarial assumptions used in the June 30, 2023 actuarial valuation were based on the results of an actuarial experience study for the period from July 1, 2017 to June 30, 2021, resulting in changes in actuarial assumptions effective for the June 30, 2022 actuarial valuation, which were adopted by the Board to better reflect expected future experience.

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

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

### *Schedule of the Borough's Contributions*

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

## 3. Public Employees' Retirement System OPEB Plans

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

This table is presented based on the Plan measurement date. For June 30, 2025, the Plan measurement date is June 30, 2024.

*Changes in Assumptions*:

The total other postemployment benefits (OPEB) liability for each plan was determined by actuarial valuations as of June 30, 2023, rolled forward to the measurement date of June 30, 2024. The actuarial assumptions used in the June 30, 2023 actuarial valuation were based on the results of an actuarial experience study for the period from July 1, 2017 to June 30, 2021, resulting in changes in actuarial assumptions effective for the June 30, 2022 actuarial valuation, which were adopted by the Board to better reflect the expected future experience. For the Alaska Retiree Healthcare Trust (ARHCT) and Retiree Medical Plan (RMP) plans, the per capita claims costs were updated to reflect recent experience for the June 30, 2023 actuarial valuation.

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

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

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

### *Schedule of the Borough's Contributions*

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

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

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# Supplementary Information

Exhibit F-1

# City and Borough of Wrangell, Alaska

## Governmental Funds
## Schedule of Expenditures

| *Year Ended June 30, 2025* | Major Funds: General | Major Funds: Parks and Recreation Special Revenue | Nonmajor Funds | Total |
|---|---|---|---|---|
| **Expenditures** | | | | |
| Personnel services | $ 4,648,085 | $ 442,459 | $ 268,337 | $ 5,358,881 |
| Commodities | 659,425 | 77,965 | 120,546 | 857,936 |
| Contractual service | 1,658,019 | 150,103 | 232,729 | 2,040,851 |
| Intergovernmental | 520,053 | 33,735 | 11,680 | 565,468 |
| Department specific expenditures | - | - | 1,336,421 | 1,336,421 |
| Debt service | - | - | 242,875 | 242,875 |
| Capital outlay | 188,673 | 477,684 | 791,969 | 1,458,326 |
| **Total Expenditures** | $ 7,674,255 | $ 1,181,946 | $ 3,004,557 | $ 11,860,758 |

Exhibit G-1

# City and Borough of Wrangell, Alaska

## Nonmajor Governmental Funds
## Combining Balance Sheet

| June 30, 2025 | Special Revenue Funds: Secure Rural Schools | Special Revenue Funds: Transient Tax | Special Revenue Funds: Nolan Center | Special Revenue Funds: COVID-19 Response | Special Revenue Funds: WPSD Local Contributions | Debt Service Fund | Capital Project Funds: Residential Construction | Capital Project Funds: Industrial Construction | Capital Project Funds: Mill Property Development | Capital Project Funds: Miscellaneous | Total Nonmajor Governmental Funds |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Assets** | | | | | | | | | | | |
| Cash and investments | $670,689 | $528,784 | $ 63,521 | $ - | $ 718,743 | $ - | $ 735,639 | $ 311,408 | $ 1,289,963 | $125,319 | $ 4,444,066 |
| Receivables: | | | | | | | | | | | |
| Sales taxes | - | - | - | - | 180,371 | - | - | - | - | - | 180,371 |
| Accounts | - | - | - | - | - | - | - | - | - | 258 | 258 |
| Grants | 86,183 | 12,392 | 15,968 | - | - | - | - | - | - | - | 114,543 |
| Inventories | - | - | 52,639 | - | - | - | - | - | - | - | 52,639 |
| **Total Assets** | $756,872 | $541,176 | $ 132,128 | $ - | $ 899,114 | $ - | $ 735,639 | $ 311,408 | $ 1,289,963 | $125,577 | $ 4,791,877 |
| **Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)** | | | | | | | | | | | |
| **Liabilities** | | | | | | | | | | | |
| Accounts payable | $ 75 | $ 14,012 | 14,251 | $ - | $ - | $ - | $ 147,724 | $ - | $ - | $ - | $ 176,062 |
| Unearned revenue | - | - | 10,350 | - | - | - | - | - | - | - | 10,350 |
| **Total Liabilities** | 75 | 14,012 | 24,601 | - | - | - | 147,724 | - | - | - | 186,412 |
| **Deferred Inflows of Resources** | | | | | | | | | | | |
| Related to land sales | - | - | - | - | - | - | - | 8,782 | - | - | 8,782 |
| **Fund Balances (Deficits)** | | | | | | | | | | | |
| Nonspendable - inventory | - | - | 52,639 | - | - | - | - | - | - | - | 52,639 |
| Restricted - schools | 756,797 | - | - | - | 899,114 | - | - | - | - | - | 1,655,911 |
| Committed: | | | | | | | | | | | |
| Community services | - | 527,164 | - | - | - | - | - | - | - | - | 527,164 |
| Land development | - | - | - | - | - | - | - | 302,626 | 1,289,963 | - | 1,592,589 |
| Assigned - projects | - | - | - | - | - | - | 587,915 | - | - | 125,577 | 713,492 |
| Unassigned (deficit) | - | - | 54,888 | - | - | - | - | - | - | - | 54,888 |
| **Total Fund Balances (Deficits)** | 756,797 | 527,164 | 107,527 | - | 899,114 | - | 587,915 | 302,626 | 1,289,963 | 125,577 | 4,596,683 |
| **Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)** | $756,872 | $541,176 | $ 132,128 | $ - | $ 899,114 | $ - | $ 735,639 | $ 311,408 | $ 1,289,963 | $125,577 | $ 4,791,877 |

Exhibit G-2

# City and Borough of Wrangell, Alaska

## Nonmajor Governmental Funds

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)

| | Special Revenue Funds | | | | | | Capital Project Funds | | | | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| *Year Ended June 30, 2025* | Secure Rural Schools | Transient Tax | Nolan Center | COVID-19 Response | WPSD Local Contributions | Debt Service Fund | Residential Construc-tion | Industrial Construc-tion | Mill Property Development | Misc-ellaneous | Nonmajor Governmental Funds |
| **Revenues** | | | | | | | | | | | |
| Taxes | $ - | $ 144,841 | $ - | $ - | $ 800,046 | $ - | $ - | $ - | $ - | $ - | $ 944,887 |
| Intergovernmental | 25,821 | - | 24,411 | - | - | - | - | - | - | - | 50,232 |
| Charges for services | - | - | 183,474 | - | - | - | - | - | - | - | 183,474 |
| Investment income | 2,971 | 1,287 | 1,002 | - | 232 | - | 1,920 | 2,892 | - | - | 10,304 |
| Land sales and improvements | - | - | - | - | - | - | 750 | 229,900 | - | - | 230,650 |
| Other | - | - | 43,087 | - | - | - | - | 4,599 | - | - | 47,686 |
| **Total Revenues** | 28,792 | 146,128 | 251,974 | - | 800,278 | - | 2,670 | 237,391 | - | - | 1,467,233 |
| **Expenditures** | | | | | | | | | | | |
| General government | - | - | - | 3,011 | - | - | 750 | 24,041 | 835 | - | 28,637 |
| Community services | - | 98,708 | 530,173 | - | - | - | - | - | - | - | 628,881 |
| Education | 550,000 | - | - | - | 762,195 | - | - | - | - | - | 1,312,195 |
| Debt service: | | | | | | | | | | | |
| Principal | - | - | - | - | - | 95,000 | - | - | - | - | 95,000 |
| Interest | - | - | - | - | - | 147,875 | - | - | - | - | 147,875 |
| Capital outlay | 212,732 | 895 | - | - | - | - | 233,946 | 342,403 | - | 1,993 | 791,969 |
| **Total Expenditures** | 762,732 | 99,603 | 530,173 | 3,011 | 762,195 | 242,875 | 234,696 | 366,444 | 835 | 1,993 | 3,004,557 |
| **Excess (Deficiency) of Revenues Over Expenditures** | (733,940) | 46,525 | (278,199) | (3,011) | 38,083 | (242,875) | (232,026) | (129,053) | (835) | (1,993) | (1,537,324) |
| **Other Financing Sources (Uses)** | | | | | | | | | | | |
| Transfers in | - | 6,128 | 831,069 | 5,833 | - | 242,875 | - | - | - | - | 1,085,905 |
| Transfers out | - | (26,482) | (337,630) | - | - | - | - | - | - | - | (364,112) |
| **Net Other Financing Sources (Uses)** | - | (20,354) | 493,439 | 5,833 | - | 242,875 | - | - | - | - | 721,793 |
| **Net Change in Fund Balances** | (733,940) | 26,171 | 215,240 | 2,822 | 38,083 | - | (232,026) | (129,053) | (835) | (1,993) | (815,531) |
| **Fund Balances, beginning of year, as previously reported** | - | 500,993 | (107,713) | (2,822) | 861,031 | - | - | 431,679 | 1,290,798 | 127,570 | 3,101,536 |
| **Adjustment - from major fund to nonmajor fund** | 1,490,737 | - | - | - | - | - | 819,941 | - | - | - | 2,310,678 |
| **Fund Balances, beginning of year, as adjusted** | 1,490,737 | 500,993 | (107,713) | (2,822) | 861,031 | - | 819,941 | 431,679 | 1,290,798 | 127,570 | 5,412,214 |
| **Fund Balances (Deficits),** ending | $ 756,797 | $ 527,164 | $ 107,527 | $ - | $ 899,114 | $ - | $ 587,915 | $ 302,626 | $ 1,289,963 | $ 125,577 | $ 4,596,683 |

# Special Revenue Funds

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

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

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

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

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

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

Exhibit H-1

# 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,* | 2025 | | | 2024 |
|---|---|---|---|---|
| | Budget | Actual | Variance with Budget | Actual |
| **Revenues** | | | | |
| Transient and excise taxes | $ 115,418 | $ 144,841 | $ 29,423 | $ 127,841 |
| Intergovernmental | 8,000 | - | (8,000) | 4,206 |
| Investment income | 18,510 | 1,287 | (17,223) | - |
| **Total Revenues** | 141,928 | 146,128 | 4,200 | 132,047 |
| **Expenditures** | | | | |
| Community services: | | | | |
| Commodities | 9,000 | 3,606 | 5,394 | 2,028 |
| Contractual services | 224,630 | 95,102 | 129,528 | 91,840 |
| Capital outlay | 30,000 | 895 | 29,105 | 6,979 |
| **Total Expenditures** | 263,630 | 99,603 | 164,027 | 100,847 |
| **Excess (Deficiency) of Revenues Over Expenditures** | (121,702) | 46,525 | 168,227 | 31,200 |
| **Other Financing Sources (Uses)** | | | | |
| Transfers in | - | 6,128 | 6,128 | - |
| Transfers out | (7,000) | (26,482) | (19,482) | - |
| **Net Other Financing Sources (Uses)** | (7,000) | (20,354) | (13,354) | - |
| **Net Change in Fund Balance** | $ (128,702) | 26,171 | $ 154,873 | 31,200 |
| **Fund Balance,** beginning | | 500,993 | | 469,793 |
| **Fund Balance,** ending | | $ 527,164 | | $ 500,993 |

Exhibit H-2

# City and Borough of Wrangell, Alaska

## Parks and Recreation Special Revenue Fund
## Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

| *Years Ended June 30,* | 2025 | | | | | | | | 2024 |
|---|---|---|---|---|---|---|---|---|---|
| | | Actual | | | | | | Variance with | |
| | Budget | Swimming Pool | Parks | Recreational Activity | Walker Foundation | Interfund Eliminations | Total | Budget | Actual |
| **Revenues** | | | | | | | | | |
| Intergovernmental: | | | | | | | | | |
| State PERS relief | $ 10,000 | $ 9,768 | $ - | $ - | $ - | $ - | $ 9,768 | $ (232) | $ 5,795 |
| Other grant revenue | 490,899 | - | - | - | 362,797 | - | 362,797 | (128,102) | 663,088 |
| Charges for services - user fees | 60,670 | 43,017 | 60 | 18,985 | - | - | 62,062 | 1,392 | 64,391 |
| Investment income | 100,000 | 146,044 | - | - | - | - | 146,044 | 46,044 | 130,883 |
| Other: | | | | | | | | | |
| Donations and contributions | 4,300 | 16,411 | - | - | - | - | 16,411 | 12,111 | 4,418 |
| Rental revenue | 12,217 | 590 | 1,900 | 360 | - | - | 2,850 | (9,367) | 14,611 |
| Miscellaneous | - | - | - | - | - | - | - | - | 630 |
| **Total Revenues** | 678,086 | 215,830 | 1,960 | 19,345 | 362,797 | - | 599,932 | (78,154) | 883,816 |
| **Expenditures** | | | | | | | | | |
| Parks and recreation: | | | | | | | | | |
| Personnel services | 402,281 | 442,459 | - | - | - | - | 442,459 | (40,178) | 423,758 |
| Commodities | 133,850 | 55,069 | 19,017 | 3,879 | - | - | 77,965 | 55,885 | 150,642 |
| Contractual services | 177,807 | 132,202 | 8,043 | 9,858 | - | - | 150,103 | 27,704 | 170,061 |
| Intergovernmental | 31,738 | 2,353 | 1,644 | - | 29,738 | - | 33,735 | (1,997) | 6,621 |
| Capital outlay | 545,267 | - | - | - | 477,684 | - | 477,684 | 67,583 | 1,144,250 |
| **Total Expenditures** | 1,290,943 | 632,083 | 28,704 | 13,737 | 507,422 | - | 1,181,946 | 108,997 | 1,895,332 |
| **Excess (Deficiency) of Revenues Over Expenditures** | (612,857) | (416,253) | (26,744) | 5,608 | (144,625) | - | (582,014) | 30,843 | (1,011,516) |
| **Other Financing Sources** | | | | | | | | | |
| Transfers in | 588,857 | 1,164,106 | 73,286 | 12,710 | 629,883 | - | 1,879,985 | 1,291,128 | - |
| Transfers Out | - | - | - | - | - | - | - | - | - |
| **Net Change in Fund Balance** | $ (24,000) | $ 747,853 | $ 46,542 | $ 18,318 | $ 485,258 | $ - | 1,297,971 | $ 1,321,971 | (1,011,516) |
| **Fund Balance,** beginning | | | | | | | 274,141 | | 1,285,657 |
| **Fund Balance,** ending | | | | | | | $ 1,572,112 | | $ 274,141 |

# City and Borough of Wrangell, Alaska

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

| *Years Ended June 30,* | 2025 | | | | | | | | | 2024 |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Actual | | | | | | | Variance | |
| | Budget | Nolan Center | Museum | Civic Center | Theater | Other | Interfund Eliminations | Total | with Budget | Actual |
| **Revenues** | | | | | | | | | | |
| Intergovernmental: | | | | | | | | | | |
| State PERS relief | $ 7,000 | $ 7,524 | $ - | $ - | $ - | $ - | $ - | $ 7,524 | $ 524 | $ 4,123 |
| Other grant revenue | 220,000 | 16,887 | - | - | - | - | - | 16,887 | (203,113) | 832 |
| Charges for services: | | | | | | | | | | |
| Admissions | 45,000 | - | 55,579 | - | 8,357 | - | - | 63,936 | 18,936 | 42,566 |
| Concessions | 77,500 | - | 103,853 | - | 15,685 | - | - | 119,538 | 42,038 | 92,517 |
| Investment income | - | 1,002 | - | - | - | - | - | 1,002 | 1,002 | 954 |
| Other: | | | | | | | | | | |
| Donations and contributions | 65,000 | - | 7,361 | - | - | - | - | 7,361 | (57,639) | 65,317 |
| Rental revenue | 35,000 | - | - | 35,726 | - | - | - | 35,726 | 726 | 34,939 |
| **Total Revenues** | 449,500 | 25,413 | 166,793 | 35,726 | 24,042 | - | - | 251,974 | (197,526) | 241,248 |
| **Expenditures** | | | | | | | | | | |
| Community services: | | | | | | | | | | |
| Personnel services | 236,134 | 258,193 | 3,728 | 3,405 | - | - | - | 265,326 | (29,192) | 231,780 |
| Commodities | 289,200 | 33,667 | 62,436 | 10,297 | 10,540 | - | - | 116,940 | 172,260 | 184,170 |
| Contractual services | 136,585 | 106,292 | 5,109 | 600 | - | - | - | 112,001 | 24,584 | 127,398 |
| Intergovernmental | 34,021 | 11,680 | - | - | - | - | - | 11,680 | 22,341 | 30,819 |
| Department specific expenditures | 10,000 | 16,887 | - | - | 7,339 | - | - | 24,226 | (14,226) | 14,600 |
| **Total Expenditures** | 705,940 | 426,719 | 71,273 | 14,302 | 17,879 | - | - | 530,173 | 175,767 | 588,767 |
| **Excess (Deficiency) of Revenues Over Expenditures** | (256,440) | (401,306) | 95,520 | 21,424 | 6,163 | - | - | (278,199) | (21,759) | (347,519) |
| **Other Financing Sources** | | | | | | | | | | |
| Transfers in | 256,440 | 300,508 | - | 406,595 | - | 123,966 | - | 831,069 | 574,629 | - |
| Transfers out | - | (1,956) | (268,343) | - | (67,331) | - | - | (337,630) | (337,630) | - |
| **Net Change in Fund Balance** | $ - | $ (102,754) | $ (172,823) | $ 428,019 | $ (61,168) | $ 123,966 | $ - | 215,240 | $ 215,240 | (347,519) |
| **Fund Balance,** beginning | | | | | | | | (107,713) | | 239,806 |
| **Fund Balance,** ending | | | | | | | | $ 107,527 | | $ (107,713) |

Exhibit H

# City and Borough of Wrangell, Alaska

## Permanent Fund Special Revenue Fund
## Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

| *Years Ended June 30,* | 2025 | | | 2024 |
|---|---|---|---|---|
| | Budget | Actual | Variance with Budget | Actual |
| **Revenues** | | | | |
| Investment income | $ 400,000 | $ 1,015,942 | $ 615,942 | $ 912,948 |
| Sales and leases | 36,239 | 32,317 | (3,922) | 24,071 |
| Land sales and improvements | 50,000 | - | (50,000) | 63,800 |
| **Total Revenues** | 486,239 | 1,048,259 | 562,020 | 1,000,819 |
| **Expenditures** | | | | |
| General government - commodities | - | - | - | 1,593 |
| **Net Change in Fund Balance** | $ 486,239 | 1,048,259 | 562,020 | 999,226 |
| **Fund Balance,** beginning | | 10,491,908 | | 9,492,682 |
| **Fund Balance,** ending | | $ 11,540,167 | | $ 10,491,908 |

Exhibit H-2

# 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,* | 2025 | | | 2024 |
|---|---|---|---|---|
| | Budget | Actual | Variance with Budget | Actual |
| **Revenues** | | | | |
| Intergovernmental - national forest receipts | $ 800,000 | $ 25,821 | $ (774,179) | $ 1,080,752 |
| Investment income | 80,000 | 2,971 | (77,029) | - |
| Other revenues - miscellaneous | 20,000 | - | (20,000) | 267,851 |
| **Total Revenues** | 900,000 | 28,792 | (871,208) | 1,348,603 |
| **Expenditures** | | | | |
| Education - contributions to school district | 550,000 | 550,000 | - | 900,000 |
| Capital outlay | 826,300 | 212,732 | 613,568 | 557,673 |
| **Total Expenditures** | 1,376,300 | 762,732 | 613,568 | 1,457,673 |
| **Excess (Deficiency) of Revenues Over Expenditures** | (476,300) | (733,940) | (1,484,776) | (109,070) |
| **Other Financing Uses** | | | | |
| Transfers out | (242,875) | - | 242,875 | (247,625) |
| **Net Change in Fund Balance** | $ (719,175) | (733,940) | $ (1,241,901) | (356,695) |
| **Fund Balance,** beginning | | 1,490,737 | | 1,847,432 |
| **Fund Balance,** ending | | $ 756,797 | | $ 1,490,737 |

Exhibit H-2

# 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,* | 2025 | | | 2024 |
|---|---|---|---|---|
| | Budget | Actual | Variance with Budget | Actual |
| **Revenues** | | | | |
| Sales taxes | $ - | $ 800,046 | $ 800,046 | $ 752,927 |
| Investment income | 40,000 | 232 | (39,768) | - |
| **Total Revenues** | 40,000 | 800,278 | 760,278 | 752,927 |
| **Expenditures** | | | | |
| General government - commodities | 10,000 | - | 10,000 | - |
| Education - contributions to school district | 750,000 | 762,195 | (12,195) | 700,000 |
| **Total Expenditures** | 760,000 | 762,195 | (2,195) | 700,000 |
| **Excess (Deficiency) of Revenues Over Expenditures** | (720,000) | 38,083 | 758,083 | 52,927 |
| **Other Financing Sources** | | | | |
| Transfers in | 725,000 | - | (725,000) | - |
| **Net Change in Fund Balance** | $ 5,000 | 38,083 | $ 33,083 | 52,927 |
| **Fund Balance,** beginning | | 861,031 | | 808,104 |
| **Fund Balance,** ending | | $ 899,114 | | $ 861,031 |

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# Debt Service Fund

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

Exhibit ___

# City and Borough of Wrangell, Alaska

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

| *Years Ended June 30,* | 2025 | | | 2024 |
|---|---|---|---|---|
| | Budget | Actual | Variance with Budget | Actual |
| **Expenditures** | | | | |
| Debt service: | | | | |
| Principal | $ 95,000 | $ 95,000 | $ - | $ 95,000 |
| Interest | 147,875 | 147,875 | - | 152,625 |
| **Total Expenditures** | 242,875 | 242,875 | - | 247,625 |
| **Deficiency of Revenues Over Expenditures** | (242,875) | (242,875) | - | (247,625) |
| **Other Financing Sources** | | | | |
| Transfers in | 242,875 | 242,875 | - | 247,625 |
| **Net Change in Fund Balance** | $ - | - | $ - | - |
| **Fund Balance**, beginning | | - | | - |
| **Fund Balance**, ending | | $ - | | $ - |

# Capital Project Funds

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

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

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

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

Exhibit J-1

# City and Borough of Wrangell, Alaska

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

| *Year Ended June 30, 2025* | Residential Construc-tion | Industrial Construc-tion | Mill Property Development | Misc-ellaneous | Totals |
|---|---|---|---|---|---|
| **Revenues** | | | | | |
| Land sales and improvements | $ 750 | $ 229,900 | $ - | $ - | $ 230,650 |
| Investment income | 1,920 | 2,892 | - | - | 4,812 |
| Miscellaneous reimbursement | - | 4,599 | - | - | 4,599 |
| **Total Revenues** | 2,670 | 237,391 | - | - | 240,061 |
| **Expenditures** | | | | | |
| General government - contractual services | 750 | 24,041 | 835 | - | 25,626 |
| Capital outlay | 233,946 | 342,403 | - | 1,993 | 578,342 |
| **Total Expenditures** | 234,696 | 366,444 | 835 | 1,993 | 603,968 |
| **Net Change in Fund Balances** | (232,026) | (129,053) | (835) | (1,993) | (363,907) |
| **Fund Balances,** beginning | 819,941 | 431,679 | 1,290,798 | 127,570 | 2,669,988 |
| **Fund Balances,** ending | $ 587,915 | $ 302,626 | $ 1,289,963 | $ 125,577 | $ 2,306,081 |

# Enterprise Funds

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

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

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

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

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

Exhibit K-1

# City and Borough of Wrangell, Alaska

## Nonmajor Enterprise Funds

## Combining Statement of Net Position

| *June 30, 2025* | Sanitation Utility | Sewer Utility | Total Nonmajor Enterprise Funds |
|---|---|---|---|
| **Assets and Deferred Outflows of Resources** | | | |
| **Current Assets** | | | |
| Cash and investments | $ 845,484 | $ 1,721,420 | $ 2,566,904 |
| Receivables, net of allowance for doubtful accounts: | | | |
| Accounts | 79,247 | 74,308 | 153,555 |
| Accrued interest | - | 7 | 7 |
| **Total Current Assets** | 924,731 | 1,795,735 | 2,720,466 |
| **Noncurrent Assets** | | | |
| Restricted assets: | | | |
| Net other postemployment benefits asset | 113,035 | 95,302 | 208,337 |
| Capital assets, net | 946,279 | 2,051,476 | 2,997,755 |
| **Total Noncurrent Assets** | 1,059,314 | 2,146,778 | 3,206,092 |
| **Total Assets** | 1,984,045 | 3,942,513 | 5,926,558 |
| **Deferred Outflows of Resources** | | | |
| Related to pensions | 32,233 | 27,177 | 59,410 |
| Related to other postemployment benefits | 7,981 | 6,729 | 14,710 |
| **Total Deferred Outflows of Resources** | 40,214 | 33,906 | 74,120 |
| **Total Assets and Deferred Outflows of Resources** | $ 2,024,259 | $ 3,976,419 | $ 6,000,678 |

# City and Borough of Wrangell, Alaska

## Nonmajor Enterprise Funds

## Combining Statement of Net Position, continued

| *June 30, 2025* | Sanitation Utility | Sewer Utility | Total Nonmajor Enterprise Funds |
|---|---|---|---|
| **Liabilities, Deferred Inflows of Resources, and Net Position** | | | |
| **Current Liabilities** | | | |
| Accounts payable | $ 97,866 | $ 35,581 | $ 133,447 |
| Accrued interest payable | - | 28 | 28 |
| Unearned revenue | 3,714 | 3,119 | 6,833 |
| Compensated absences | 43,733 | 12,837 | 56,570 |
| Current portion of loans | - | 1,814 | 1,814 |
| **Total Current Liabilities** | 145,313 | 53,379 | 198,692 |
| **Long-term Liabilities**, net of current portion | | | |
| USDA Rural Development loan | - | 75,059 | 75,059 |
| Net pension liability | 262,419 | 221,252 | 483,671 |
| **Total Long-term Liabilities** | 262,419 | 296,311 | 558,730 |
| **Total Liabilities** | 407,732 | 349,690 | 757,422 |
| **Deferred Inflows of Resources** | | | |
| Related to other postemployment benefits | 4,674 | 3,941 | 8,615 |
| **Net Position** | | | |
| Net investment in capital assets | 946,279 | 1,974,603 | 2,920,882 |
| Restricted | 113,035 | 95,302 | 208,337 |
| Unrestricted | 552,539 | 1,552,883 | 2,105,422 |
| **Total Net Position** | 1,611,853 | 3,622,788 | 5,234,641 |
| **Total Liabilities, Deferred Inflows of Resources, and Net Position** | $ 2,024,259 | $ 3,976,419 | $ 6,000,678 |

Exhibit K

# City and Borough of Wrangell, Alaska

## Nonmajor Enterprise Funds

## Combining Statement of Revenues, Expenses and Changes in Net Position

| *Year Ended June 30, 2025* | Sanitation Utility | Sewer Utility | Total Nonmajor Enterprise Funds |
|---|---|---|---|
| **Operating Revenues** | | | |
| Charges for services | $ 963,918 | $ 789,723 | $ 1,753,641 |
| **Operating Expenses** | | | |
| Personnel services | 424,362 | 331,309 | 755,671 |
| Commodities | 54,786 | 64,902 | 119,688 |
| Contractual services | 39,927 | 123,538 | 163,465 |
| Intergovernmental | 465,741 | 19,332 | 485,073 |
| Depreciation | 108,812 | 230,467 | 339,279 |
| **Total Operating Expenses** | 1,093,628 | 769,548 | 1,863,176 |
| **Loss from Operations** | (129,710) | 20,175 | (109,535) |
| **Nonoperating Revenues (Expenses)** | | | |
| Investment income | 712 | 3,641 | 4,353 |
| Interest expense | - | (1,493) | (1,493) |
| State PERS relief | 17,320 | 14,603 | 31,923 |
| Other revenues | - | 50,638 | 50,638 |
| **Net Nonoperating Revenues (Expenses)** | 18,032 | 67,389 | 85,421 |
| **Income (Loss) Before Capital Contributions** | (111,678) | 87,564 | (24,114) |
| Capital contributions | 250,000 | - | 250,000 |
| **Change in Net Position** | 138,322 | 87,564 | 225,886 |
| **Net Position,** beginning | 1,473,531 | 3,535,224 | 5,008,755 |
| **Net Position,** ending | $ 1,611,853 | $ 3,622,788 | $ 5,234,641 |

Exhibit K

# City and Borough of Wrangell, Alaska

## Nonmajor Enterprise Funds
## Combining Statement of Cash Flows

| *Year Ended June 30, 2025* | Sanitation Utility | Sewer Utility | Total Nonmajor Enterprise Funds |
|---|---|---|---|
| **Cash Flows from (for) Operating Activities** | | | |
| Receipts from customers and users | $ 969,521 | $ 847,133 | $ 1,816,654 |
| Payments for interfund services used | (47,297) | (68,104) | (115,401) |
| Payments to suppliers | (497,941) | (205,633) | (703,574) |
| Payments to employees | (318,677) | (246,207) | (564,884) |
| Net cash flows from operating activities | 105,606 | 327,189 | 432,795 |
| **Cash Flows from (for) Capital and Related Financing Activities** | | | |
| Purchase of property, plant and equipment | (357,840) | (76,597) | (434,437) |
| Capital contributions received | 250,000 | - | 250,000 |
| Principal payments on long-term debt | - | (1,780) | (1,780) |
| Interest payments on long-term debt | - | (1,465) | (1,465) |
| Net cash flows for capital and related financing activities | (107,840) | (79,842) | (187,682) |
| **Cash Flows from Investing Activities** | | | |
| Investment income received | 712 | 3,641 | 4,353 |
| **Net Increase (Decrease) in Cash and Investments** | (1,522) | 250,988 | 249,466 |
| **Cash and Investments,** beginning | 847,006 | 1,470,432 | 2,317,438 |
| **Cash and Investments,** ending | $ 845,484 | $ 1,721,420 | $ 2,566,904 |
| **Reconciliation of Cash and Investments to Statement of Net Position** | | | |
| Cash and investments | $ 845,484 | $ 1,721,420 | $ 2,566,904 |
| **Total Cash and Investments** | $ 845,484 | $ 1,721,420 | $ 2,566,904 |

Exhibit K-3, continued

# City and Borough of Wrangell, Alaska

## Nonmajor Enterprise Funds

## Combining Statement of Cash Flows, continued

| *Year Ended June 30, 2025* | Sanitation Utility | Sewer Utility | Total Nonmajor Enterprise Funds |
|---|---|---|---|
| **Reconciliation of Income (loss) from Operations to Net Cash Flows from Operating Activities** | | | |
| Income (loss) from operations | $ (129,710) | $ 20,175 | $ (109,535) |
| Adjustments to reconcile income from operations to net cash flows from operating activities: | | | |
| Depreciation | 108,812 | 230,467 | 339,279 |
| Noncash expense - PERS relief | 17,320 | 14,603 | 31,923 |
| Miscellaneous nonoperating revenues | - | 50,638 | 50,638 |
| (Increase) decrease in assets: | | | |
| Accounts receivable, net | 7,211 | 8,249 | 15,460 |
| Net other postemployment benefits asset | (3,410) | 10,312 | 6,902 |
| (Increase) decrease in deferred outflows of resources: | | | |
| Related to pensions | 1,920 | 5,726 | 7,646 |
| Related to other postemployment benefits | 358 | 1,305 | 1,663 |
| Increase (decrease) in liabilities: | | | |
| Accounts payable | 52,426 | (17,193) | 35,233 |
| Compensated absences | 24,783 | 10,015 | 34,798 |
| Unearned revenue | (1,608) | (1,477) | (3,085) |
| Net pension liability | 28,727 | (3,891) | 24,836 |
| Increase (decrease) in deferred inflows of resources: | | | |
| Related to other postemployment benefits | (1,223) | (1,740) | (2,963) |
| **Net Cash Flows from Operating Activities** | $ 105,606 | $ 327,189 | $ 432,795 |

Exhibit II-1

# City and Borough of Wrangell, Alaska

## Electric Utility Enterprise Fund
## Schedule of Revenues and Expenses

| *Year Ended June 30, 2025* | General and Administrative | Generation | Distribution | Interfund Eliminations | Total |
|---|---|---|---|---|---|
| **Operating Revenues** | | | | | |
| Residential | $ 2,150,846 | $ - | $ - | $ - | $ 2,150,846 |
| Commercial | 2,787,090 | - | - | - | 2,787,090 |
| Fuel surcharge | 153,509 | - | - | - | 153,509 |
| Labor charges | 1,129 | - | - | - | 1,129 |
| Other | 38,960 | - | - | - | 38,960 |
| **Total Operating Revenues** | 5,131,534 | - | - | - | 5,131,534 |
| **Operating Expenses** | | | | | |
| Personnel services | 391,289 | 157,548 | 567,403 | - | 1,116,240 |
| Commodities | 242 | 233,467 | 36,471 | - | 270,180 |
| Contractual service | 83,048 | 64,158 | 9,836 | - | 157,042 |
| Intergovernmental | - | 2,960,584 | 26,303 | - | 2,986,887 |
| Depreciation | - | 142,838 | - | - | 142,838 |
| **Total Operating Expenses** | 474,579 | 3,558,595 | 640,013 | - | 4,673,187 |
| **Excess (Deficiency) of Revenues Over Expenditures** | 4,656,955 | (3,558,595) | (640,013) | - | 458,347 |
| **Nonoperating Revenues** | | | | | |
| State PERS relief | 127,526 | - | - | - | 127,526 |
| Investment income | 9,826 | - | - | - | 9,826 |
| Late fees | 15,702 | - | - | - | 15,702 |
| Material sales | 7,593 | - | - | - | 7,593 |
| **Net Nonoperating Revenues** | 160,647 | - | - | - | 160,647 |
| **Change in Net Position** | $ 4,817,602 | $ (3,558,595) | $ (640,013) | $ - | 618,994 |
| **Net Position,** beginning | | | | | 5,981,937 |
| **Net Position,** ending | | | | | $ 6,600,931 |

Exhibit I

# City and Borough of Wrangell, Alaska

## Electric Utility Enterprise Fund
## Schedule of Operating Expenses

| *Year Ended June 30,* | 2025 |
|---|---|
| **General and Administrative** | |
| Salaries | $ 64,243 |
| Allocated salaries - public works | 80,160 |
| Employee benefits | 147,600 |
| Allocated overhead - finance | 99,286 |
| Bad debt | 15,721 |
| Materials and supplies | 219 |
| Facilities repairs and maintenance | 23 |
| Travel and training | 2,018 |
| Insurance | 55,739 |
| Professional services | 38 |
| Telephone | 9,532 |
| **Total General and Administrative** | 474,579 |
| **Generation** | |
| Salaries | 104,277 |
| Overtime salaries | 3,600 |
| Employee benefits | 49,671 |
| Materials and supplies | 9,245 |
| Repairs and maintenance | (322) |
| Gas and oil | 213,310 |
| Diesel fuel | 11,234 |
| Insurance | 14,740 |
| O.S.H.A. requirements | 49,418 |
| Tyee hydro power purchases | 2,960,584 |
| **Total Generation** | 3,415,757 |
| **Distribution** | |
| Salaries | 371,048 |
| Overtime salaries | 22,677 |
| Employee benefits | 173,678 |
| Materials and supplies | 36,471 |
| Travel and training | 9,836 |
| Transformers | 417 |
| Allocated vehicle charges - garage | 25,886 |
| **Total Distribution** | 640,013 |
| **Depreciation** | 142,838 |
| **Total Operating Expenses** | $ 4,673,187 |

Exhibit II-3

# City and Borough of Wrangell, Alaska

## Water Utility Enterprise Fund
## Schedule of Revenues and Expenses

| *Year Ended June 30, 2025* | General and Administrative | Treatment | Distribution | Total |
|---|---|---|---|---|
| **Operating Revenues** | | | | |
| Water sales | $ 986,633 | $ - | $ - | $ 986,633 |
| **Operating Expenses** | | | | |
| Personnel services | 37,210 | 432,419 | 16,157 | 485,786 |
| Commodities | - | 45,330 | 50,472 | 95,802 |
| Contractual service | 19,449 | 60,002 | - | 79,451 |
| Intergovernmental | - | 181,051 | - | 181,051 |
| Depreciation | - | 321,688 | - | 321,688 |
| **Total Operating Expenses** | 56,659 | 1,040,490 | 66,629 | 1,163,778 |
| **Excess (Deficiency) of Revenues Over Expenditures** | 929,974 | (1,040,490) | (66,629) | (177,145) |
| **Nonoperating Revenues (Expenses)** | | | | |
| Investment income | 145 | - | - | 145 |
| Interest expense | (4,719) | - | - | (4,719) |
| State PERS relief | 18,904 | - | - | 18,904 |
| **Net Nonoperating Revenues (Expenses)** | 14,330 | - | - | 14,330 |
| **Income (Loss) Before Capital Contributions** | 944,304 | (1,040,490) | (66,629) | (162,815) |
| Capital contributions | 5,134,740 | - | - | 5,134,740 |
| **Change in Net Position** | $ 6,079,044 | $ (1,040,490) | $ (66,629) | 4,971,925 |
| **Net Position,** beginning | | | | 12,008,490 |
| **Net Position,** ending | | | | $ 16,980,415 |

Exhibit I

# City and Borough of Wrangell, Alaska

## Water Utility Enterprise Fund
## Schedule of Operating Expenses

| *Year Ended June 30,* | 2025 |
|---|---|
| **General and Administrative** | |
| Allocated overhead - finance | $ 37,210 |
| Insurance | 19,449 |
| **Total General and Administrative** | 56,659 |
| **Treatment** | |
| Salaries | 145,367 |
| Overtime salaries | 61,532 |
| Employee benefits | 171,768 |
| Allocated salaries - public works | 53,752 |
| Materials and supplies | 38,287 |
| Repairs and maintenance | 6,477 |
| Gas and oil | 566 |
| Professional services | 45,399 |
| Travel and training | 8,057 |
| Telephone | 5,893 |
| Allocated vehicle charges - garage | 3,818 |
| Publications | 653 |
| Chlorination - electricity | 177,233 |
| **Total Treatment** | 718,802 |
| **Distribution** | |
| Salaries | 348 |
| Employee benefits | 241 |
| Allocated salaries - public works | 15,568 |
| Repairs and maintenance | 50,472 |
| **Total Distribution** | 66,629 |
| **Depreciation** | 321,688 |
| **Total Operating Expenses** | $ 1,163,778 |

Exhibit II-3

# City and Borough of Wrangell, Alaska

## Sanitation Utility Enterprise Fund
## Schedule of Revenues and Expenses

| *Year Ended June 30, 2025* | General and Administrative | Collection | Landfill | Total |
|---|---|---|---|---|
| **Operating Revenues** | | | | |
| User fees | $ 925,805 | $ - | $ 38,113 | $ 963,918 |
| **Operating Expenses** | | | | |
| Personnel services | 37,210 | 161,900 | 225,252 | 424,362 |
| Commodities | - | 29,006 | 25,780 | 54,786 |
| Contractual service | 23,705 | - | 16,222 | 39,927 |
| Intergovernmental | - | 7,815 | 457,926 | 465,741 |
| Depreciation | 108,812 | - | - | 108,812 |
| **Total Operating Expenses** | 169,727 | 198,721 | 725,180 | 1,093,628 |
| **Excess (Deficiency) of Revenues Over Expenditures** | 756,078 | (198,721) | (687,067) | (129,710) |
| **Nonoperating Revenues** | | | | |
| State PERS relief | 17,320 | - | - | 17,320 |
| Investment income | 712 | - | - | 712 |
| **Net Nonoperating Revenues** | 18,032 | - | - | 18,032 |
| **Income (Loss) Before Capital Contributions** | 774,110 | (198,721) | (687,067) | (111,678) |
| Capital contributions | 250,000 | - | - | 250,000 |
| **Change in Net Position** | $ 1,024,110 | $ (198,721) | $ (687,067) | 138,322 |
| **Net Position,** beginning | | | | 1,473,531 |
| **Net Position,** ending | | | | $ 1,611,853 |

Exhibit I

# City and Borough of Wrangell, Alaska

## Sanitation Utility Enterprise Fund
## Schedule of Operating Expenses

| *Year Ended June 30,* | 2025 |
|---|---|
| **General and Administrative** | |
| Allocated overhead - finance | $ 37,210 |
| Travel and training | 8,784 |
| Insurance | 14,921 |
| **Total General and Administrative** | 60,915 |
| **Collection** | |
| Salaries | 60,982 |
| Overtime salaries | 2,196 |
| Employee benefits | 98,722 |
| Materials and supplies | 8,000 |
| Repairs and maintenance | 21,006 |
| Allocated vehicle charges - garage | 7,815 |
| **Total Collection** | 198,721 |
| **Landfill** | |
| Salaries | 127,541 |
| Overtime salaries | 7,438 |
| Employee benefits | 90,273 |
| Materials and supplies | 9,195 |
| Repairs and maintenance | 7,831 |
| Facilities repairs and maintenance | 8,754 |
| Professional services | 3,717 |
| Insurance | 2,370 |
| Telephone | 2,158 |
| Utilities | 4,340 |
| Compliance testing | 3,637 |
| Allocated vehicle charges - garage | 2,272 |
| Disposal costs | 423,765 |
| Hazardous waste | 31,889 |
| **Total Landfill** | 725,180 |
| **Depreciation** | 108,812 |
| **Total Operating Expenses** | $ 1,093,628 |

Exhibit II-7

# City and Borough of Wrangell, Alaska

## Port Enterprise Fund
## Schedule of Revenues and Expenses

| *Year Ended June 30, 2025* | General and Administrative | Small Boat Harbor | Municipal Dock | Travel Lift | Interfund Eliminations | Total |
|---|---|---|---|---|---|---|
| **Operating Revenues** | | | | | | |
| Municipal dock | $ - | $ - | $618,421 | $ - | $ - | $ 618,421 |
| Small boat harbor | - | 1,044,113 | - | - | - | 1,044,113 |
| Travel lift | - | - | - | 776,511 | - | 776,511 |
| **Total Operating Revenues** | - | 1,044,113 | 618,421 | 776,511 | - | 2,439,045 |
| **Operating Expenses** | | | | | | |
| Personnel services | 449,338 | 295,736 | 29,068 | 207,117 | - | 981,259 |
| Commodities | 21,812 | 70,967 | 72,872 | 63,776 | - | 229,427 |
| Contractual service | 183,046 | 65,502 | 21,466 | 67,609 | - | 337,623 |
| Intergovernmental | 6,812 | 9,751 | - | 25,388 | - | 41,951 |
| Depreciation | - | 1,022,475 | 387,869 | 897,164 | - | 2,307,508 |
| **Total Operating Expenses** | 661,008 | 1,464,431 | 511,275 | 1,261,054 | - | 3,897,768 |
| **Excess (Deficiency) of Revenues Over Expenditures** | (661,008) | (420,318) | 107,146 | (484,543) | - | (1,458,723) |
| **Nonoperating Revenues** | | | | | | |
| Other grant revenue | 121,688 | - | - | - | - | 121,688 |
| State PERS relief | 44,752 | - | - | - | - | 44,752 |
| Investment income | 3,985 | - | - | - | - | 3,985 |
| State fisheries business tax | - | 121,016 | - | - | - | 121,016 |
| **Net Nonoperating Revenues** | 170,425 | 121,016 | - | - | - | 291,441 |
| **Income (Loss) Before Transfers** | (490,583) | (299,302) | 107,146 | (484,543) | - | (1,167,282) |
| Transfers in | 26,482 | - | - | - | - | 26,482 |
| **Change in Net Position** | $ (464,101) | $ (299,302) | $ 107,146 | $ (484,543) | $ - | (1,140,800) |
| **Net Position,** beginning | | | | | | 35,881,211 |
| **Net Position,** ending | | | | | | $ 34,740,411 |

Exhibit I-2

# City and Borough of Wrangell, Alaska

## Port Enterprise Fund
## Schedule of Operating Expenses

| *Year Ended June 30,* | 2025 |
|---|---|
| **General and Administrative** | |
| Salaries | $ 179,297 |
| Overtime salaries | 810 |
| Employee benefits | 231,900 |
| Allocated overhead - finance | 37,331 |
| Materials and supplies | 3,839 |
| Repairs and maintenance | 3,249 |
| Facilities repairs and maintenance | 14,724 |
| Professional services | 57,574 |
| Travel and training | 9,606 |
| Insurance | 65,772 |
| Telephone | 41,645 |
| Publications | 8,449 |
| Allocated vehicle charges - garage | 6,812 |
| **Total General and Administrative** | 661,008 |
| **Small Boat Harbor** | |
| Salaries | 180,951 |
| Overtime salaries | 8,327 |
| Employee benefits | 106,458 |
| Materials and supplies | 11,777 |
| Repairs and maintenance | 18,905 |
| Diesel fuel | 1,572 |
| Facilities repairs and maintenance | 38,713 |
| Professional services | 1,355 |
| Travel and training | 820 |
| Bad debt | 17,071 |
| Utilities | 46,256 |
| Allocated vehicle charges - garage | 7,247 |
| Disposal Costs | 2,504 |
| **Total Small Boat Harbor** | 441,956 |

Exhibit L-8, continued

# City and Borough of Wrangell, Alaska

## Port Enterprise Fund
## Schedule of Operating Expenses, continued

| *Year Ended June 30,* | 2025 |
|---|---|
| **Municipal Dock** | |
| Salaries | $ 18,429 |
| Overtime salaries | 2,205 |
| Employee benefits | 8,434 |
| Materials and supplies | 5,369 |
| Repairs and maintenance | 2,444 |
| Facilities repairs and maintenance | 65,059 |
| Professional services | 9,945 |
| Insurance | 7,812 |
| Utilities | 3,709 |
| **Total Municipal Dock** | 123,406 |
| **Travel Lift** | |
| Salaries | 117,463 |
| Overtime salaries | 5,916 |
| Employee benefits | 83,738 |
| Materials and supplies | 2,739 |
| Repairs and maintenance | 33,915 |
| Diesel fuel | 7,671 |
| Facilities repairs and maintenance | 19,451 |
| Professional services | 17,170 |
| Insurance | 28,539 |
| Utilities | 21,900 |
| Disposal Costs | 25,388 |
| **Total Travel Lift** | 363,890 |
| **Depreciation** | 2,307,508 |
| **Total Operating Expenses** | $ 3,897,768 |

Exhibit II-7

# City and Borough of Wrangell, Alaska

## Sewer Utility Enterprise Fund
## Schedule of Revenues and Expenses

| *Year Ended June 30, 2025* | General and Administrative | Treatment | Collection | Total |
|---|---|---|---|---|
| **Operating Revenue** | | | | |
| Sewer charges | $ 789,723 | $ - | $ - | $ 789,723 |
| **Operating Expenses** | | | | |
| Personnel services | 37,210 | 268,200 | 25,899 | 331,309 |
| Commodities | - | 20,296 | 44,606 | 64,902 |
| Contractual service | 15,564 | 107,974 | - | 123,538 |
| Intergovernmental | - | 19,332 | - | 19,332 |
| Depreciation | - | 230,467 | - | 230,467 |
| **Total Operating Expenses** | 52,774 | 646,269 | 70,505 | 769,548 |
| **Excess (Deficiency) of Revenues Over Expenditures** | 736,949 | (646,269) | (70,505) | 20,175 |
| **Nonoperating Revenues (Expenses)** | | | | |
| Investment income | 3,641 | - | - | 3,641 |
| State PERS relief | 14,603 | - | - | 14,603 |
| Interest on bonds | (1,493) | - | - | (1,493) |
| Other revenue | 50,638 | - | - | 50,638 |
| **Net Nonoperating Revenues (Expenses)** | 67,389 | - | - | 67,389 |
| **Change in Net Position** | $ 804,338 | $ (646,269) | $ (70,505) | 87,564 |
| **Net Position,** beginning | | | | 3,535,224 |
| **Net Position,** ending | | | | $ 3,622,788 |

Exhibit L-1

# City and Borough of Wrangell, Alaska

## Sewer Utility Enterprise Fund
## Schedule of Operating Expenses

| *Year Ended June 30,* | | 2025 |
|---|---|---|
| **General and Administrative** | | |
| Allocated overhead - finance | $ | 37,210 |
| Insurance | | 15,564 |
| **Total General and Administrative** | | 52,774 |
| **Treatment** | | |
| Salaries | | 138,783 |
| Overtime salaries | | 11,644 |
| Employee benefits | | 117,773 |
| Materials and supplies | | 9,449 |
| Allocated vehicle charges - garage | | 19,332 |
| Facilities repairs and maintenance | | 10,847 |
| Professional services | | 25,180 |
| Travel and training | | 2,117 |
| Telephone | | 4,760 |
| Utilities | | 75,917 |
| **Total Treatment** | | 415,802 |
| **Collection** | | |
| Salaries | | 3,838 |
| Overtime salaries | | 4,385 |
| Employee benefits | | 6,114 |
| Allocated salaries - public works | | 11,562 |
| System repairs and maintenance | | 44,606 |
| **Total Collection** | | 70,505 |
| **Depreciation** | | 230,467 |
| **Total Operating Expenses** | $ | 769,548 |

# City and Borough of Wrangell, Alaska

## Schedule of Expenditures of Federal Awards

## Year Ended June 30, 2025

| 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** | | | | |
| Schools and Roads Cluster: | | | | |
| Passed through State of Alaska Department of Commerce, Community, and Economic Development: | | | | |
| National Forestry Receipts | 10.665 | None | $ - | $ 762,657 |
| Birdfest | 10.665 | None | - | 5,337 |
| **Total Schools and Road Cluster** | | | - | 767,994 |
| Water and Waste Disposal Systems for Rural Communities | 10.760 | N/A | - | 2,284,856 |
| **Total Department of Agriculture** | | | - | 3,052,850 |
| **Department of Commerce** | | | | |
| Economic Development Cluster: | | | | |
| Investments for Public Works and Economic Development Facilities | 11.300 | N/A | - | 2,345,239 |
| **Institute of Museum and Library Services** | | | | |
| Passed through Wrangell Cooperative Association: | | | | |
| Native American and Native Hawaiian Library Services - IMLS Library Grant | 45.311 | NAB-258641-OLS | - | 10,000 |
| **Department of Homeland Security** | | | | |
| Homeland Security Grant Program - | | | | |
| 2022 SHSP | 97.067 | N/A | - | 6,145 |
| 2023 SHSP | 97.067 | N/A | - | 19,159 |
| Total Assistance Listing 97.067 | | | - | 25,304 |
| **Department of Homeland Security** | | | | |
| Passed through the State of Alaska Department of Military and Veterans Affairs- | | | | |
| Disaster Grants - Public Assistance - Wrangell Landslide | 97.036 | DR-4767-AK | - | 53,863 |
| **Total Department of Homeland Security** | | | - | 79,167 |

# City and Borough of Wrangell, Alaska

## Schedule of Expenditures of Federal Awards, continued
## Year Ended June 30, 2025

| 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 |
|---|---|---|---|---|
| **Federal Highway Administration** | | | | |
| Federal Lands Access Program | 20.224 | N/A | - | 328,072 |
| **Department of the Interior** | | | | |
| Passed through Alaska Department of Fish and Game: | | | | |
| Cooperative Endangered Species Conservation Fund | 15.615 | COOP 23-143 | - | 2,036 |
| **Environmental Protection Agency** | | | | |
| Passed through State of Alaska Department of Environmental Conservation: | | | | |
| Drinking Water State Revolving Fund | 66.468 | 917081-E | - | 5,441,762 |
| **Denali Commission** | | | | |
| Solid Waste Transfer Station Loading Dock | 90.100 | N/A | - | 250,000 |
| **U.S. Department of the Health and Human Services** | | | | |
| Passed through Alaska Department of Health & Social Services: | | | | |
| COVID-19 - Immunization Cooperative Agreements - Healthy & Equitable Communities | 93.268 | C0622-584-U | - | 29,826 |
| Activities to Support State, Tribal, Local, and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises: | | | | |
| COVID-19 - Healthy & Equitable Communities | 93.391 | C0622-584-U | - | 29,825 |
| **Total Department of Health and Human Services** | | | - | 59,651 |
| **Total Expenditures of Federal Awards** | | | $ - | $11,568,777 |

*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
Year Ended June 30, 2025

### 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, 2025. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of City and Borough of Wrangell, Alaska, it is not intended to and does not present the financial position, changes in net position, or cash flows of City and Borough of Wrangell, Alaska.

### 2. Summary of Significant Accounting Policies

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

### 3. Indirect Cost Rate

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

### 4. National Forest Receipts

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, 2025, there were no unspent interest earnings and unspent grant funds were $756,872.

### 5. Grant Number C0662-584-U

The Borough reported COVID-19 - Immunization Cooperative Agreements – Healthy & Equitable Communities and COVID-19 Health & Equitable Communities (grant number C066-584-U) expenditures of $29,913 on the Schedule for the year ended June 30, 2025 that were associated with prior year expenditures.

### 6. Grant Number DR-4767-AK

The Borough reported Disaster Grants – Public Assistance – Wrangell Landslide (grant number DR-4767-AK) expenditures of $53,863 on the Schedule for the year ended June 30, 2025 that were associated with prior year expenditures.

### 7. Assistance Listing Number 11.300

The Borough reported Investments for Public Works and Economic Development Facilities expenditures of $962,159 on the Schedule for the year ended June 30, 2025 that were associated with prior year expenditures.

# Single Audit Reports

Tel: 907-278-8878
Fax: 907-278-5779
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3601 C Street, Suite 600
Anchorage, AK 99503

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of City and Borough of Wrangell, Alaska (the "Borough"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements, and have issued our report thereon dated September 21, 2026.

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.

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. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section 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 were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2025-001, and 2025-002 that we consider to be material weaknesses.

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**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, Alaska's Response to Findings**

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

**Purpose of This Report**

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

BDO USA, P.C.

Anchorage, Alaska
September 21, 2026

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3601 C Street, Suite 600
Anchorage, AK 99503

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

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

## Report on Compliance for Each Major Federal Program

### *Opinion on Each Major Federal Program*

We have audited City and Borough of Wrangell, Alaska's (the "Borough") compliance with the types of compliance requirements identified as subject to audit 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, 2025. The Borough's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Borough complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

### *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 unmodified opinions on compliance for each major federal program. Our audit does not provide a legal determination of the Borough's compliance with the compliance requirements referred to above.

### *Other Matter – Federal Expenditures Not Included in the Compliance Audit*

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

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***Responsibilities of Management for Compliance***

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

***Auditor's Responsibilities for the Audit of Compliance***

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

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

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

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

***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2025-003. Our opinion on each major federal program is not modified with respect to these matters.

*Government Auditing Standards* requires the auditor to perform limited procedures on the Borough's response to the noncompliance findings identified in our compliance 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.

**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 weakness. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

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 2025-003 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* requires the auditor to perform limited procedures on the Borough's response to the internal control over compliance findings identified in our compliance 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.

**Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

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 Borough as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Borough's basic financial statements. We issued our report thereon, dated September 21, 2026, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements 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 schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

BDO USA, P.C.

Anchorage, Alaska
September 21, 2026

# City and Borough of Wrangell, Alaska

## Schedule of Findings and Questioned Costs
## Year Ended June 30, 2025

### Section I - Summary of Auditor's Results

***Financial Statements***

| | | |
|---|---|---|
| Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP: | Unmodified | |
| Internal control over financial reporting: | | |
| Material weakness(es) identified? | X yes | ___ no |
| Significant deficiency(ies) identified? | ___ yes | X (none reported) |
| Noncompliance material to financial statements noted? | ___ yes | X no |

***Federal Awards***

| | | |
|---|---|---|
| Internal control over major federal programs: | | |
| Material weakness(es) identified? | ___ yes | X no |
| Significant deficiency(ies) identified? | X yes | ___ (none reported) |
| Type of auditor's report issued on compliance for major federal programs: | Unmodified | |
| Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | X yes | ___ no |

Identification of major federal programs:

| *Assistance Listing Number* | *Name of Federal Program or Cluster* |
|---|---|
| 10.665 | Schools and Roads Cluster |
| 10.760 | Water and Waste Disposal Systems for Rural Communities |
| 66.648 | Drinking Water State Revolving Fund |

| | | |
|---|---|---|
| Dollar threshold used to distinguish between a type A and type B programs: | | $ 750,000 |
| Auditee qualified as low-risk auditee? | ___ yes | X 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 2025-001** **Journal Entry Review and Approval – Material Weakness in Internal Control over Financial Reporting**

*Criteria*

*Governmental Auditing Standards* states that management is responsible 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.

COSO Internal Control Integrated Framework defines internal control at the organization level and identifies objectives, components, and principles of internal control to establish and maintain an effective internal control environment. Control Activities Principal Number 10 states that an organization selects and develops control activities that contribute to the mitigation of risks to the achievement of objectives to acceptable levels, which includes components to design controls to ensure appropriate segregation of duties. A deficiency in segregation of duties arises when preparation and review functions are accessible by one party, in particular parties expected to operate in monitoring roles.

*Condition*

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.

We tested a sample of 19 journal entries recorded during the fiscal year and found that none of the 19 journal entries contained supporting documentation evidencing review and approval prior to posting. The absence of documented review and approval was pervasive throughout the entire sample tested, indicating that the control designed to ensure journal entries are properly reviewed and authorized before posting was not operating effectively.

*Cause*

Management did not provide adequate oversight and monitoring to ensure that journal entry review and approval controls were consistently performed and documented prior to posting. Specifically, management did not establish procedures to verify that evidence of review and approval was retained, resulting in journal entries being posted without documented evidence that the control was operating effectively.

*Effect or potential effect*

Lack of proper review and approval of journal entries increases the risk that inappropriate or inaccurate transactions are recorded in the journal ledger.

*Identification as a repeat finding*

2024-001

*Recommendation* We recommend that the Borough develop a formal process and internal controls to review and approve all journal entries before they are posted.

*Views of Responsible Officials* Management concurs with the finding and has implemented a formal journal entry policy with standardized documentation requirements. Refer to the corrective action plan.

**Finding 2025-002 Timely and Accurate Reconciliation and Review of Accounts – Material Weakness in Internal Control over Financial Reporting**

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

*Condition* The Borough's internal control over financial reporting did not prevent, 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 investments ($7,033,335), grants ($130,671), and non-current liabilities ($766,164).

*Cause* The Borough had a shortage of personnel and experienced management transition during the year.

*Effect or potential effect* This resulted in delayed completion of the year-end trial balances and financial statements necessary for the production and issuance of annual financial reports in a timely manner.

*Identification as a repeat finding* Not a repeat finding.

*Recommendation* We recommend that the Borough develop a formal process to perform timely reconciliations and review of accounts to ensure accuracy and completeness.

*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

**Section III - Federal Award Findings and Questioned Costs**

| | |
|---|---|
| **Finding 2025-003** | **Deadline for Federal Single Audit – Noncompliance and Internal Control over Compliance – Significant Deficiency** |
| *Agency/Pass-Through Grantor* | United States Department of Agriculture<br>Environmental Protection Agency |
| *Assistance Listing Numbers (ALN) and Program Name* | 10.665 – Schools and Roads Cluster<br>10.760 – Water and Waste Disposal Systems for Rural Communities<br>66.468 – Drinking Water State Revolving Fund |
| *Award Year* | FY 2025 |
| *Criteria or Specific Requirement* | The Uniform Guidance in 2 CFR Section 200.303 requires that non-Federal entities receiving Federal awards (i.e., auditee management) establish and maintain internal control designed to reasonably ensure compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.<br><br>In accordance with 2 CFR Section 200.512(a), the audit must be completed and the data collection form and reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditor's report, or nine months after the end of the audit period, adjusted for any extensions permitted by the Office of Management and Budget. |
| *Condition* | The reporting package and data collection form for the year ended June 30, 2025 were not submitted by the deadline to the Federal Audit Clearinghouse. |
| *Cause* | The audit was not completed on time to file the reporting package and data collection form, due to a delay in closing the books, records, and grants. |
| *Effect or potential effect* | The Schedule of Expenditures of Federal Awards was not available in a timely manner in order to allow for timely submission of Form SF-SAC |
| *Questioned Costs* | None |
| *Context* | The Form SF-SAC is due nine months after the fiscal year end. The form for the fiscal year ended June 30, 2025 was filed late. |
| *Identification as a repeat finding* | Not a repeat finding. |
| *Recommendation* | We recommend the Borough adopt policies and procedures, including tracking and monitoring of reporting requirements, to ensure that the audit, reporting package, and data collection form are electronically filed with the Federal Audit Clearinghouse within the applicable deadline. |
| *Views of responsible officials* | Management concurs with this finding. Management will ensure Beginning balance reconciliations and year-end adjustments will be completed by September 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, 2025

### Financial Statement Findings

**Finding 2024-001 Journal Entry Review - Internal Control Over Financial Reporting - Significant Deficiency**

*Finding* There was no evidence of proper review and approval of manual journal entries throughout the year. In addition, certain management personnel have administrative-level access within the Borough's general ledger accounting software.

*Status* Management implemented a formal review and approval process at the beginning of FY26 to address this finding. The new process has been incorporated into normal operations and is expected to fully resolve the finding during the next audit cycle, pending auditor testing.

City & Borough of Wrangell
FINANCE DEPARTMENT
PO Box 531, Wrangell, AK, 99929 | +1 (907) 874-2381
205 Brueger Street, Wrangell, AK, 99929

# City and Borough of Wrangell, Alaska

## Corrective Action Plan
## Year Ended June 30, 2025

Name of Contact Person: Rob Marshall
Finance Director
rmarshall@wrangell.com
907-874-2381

### Financial Statement Findings

**Finding 2025-001 - Journal Entry Review and Approval - Material Weakness in Internal Control over Financial Reporting**

***Corrective Action Plan***

The Borough implemented a formal journal entry review and approval process at the beginning of FY2026 to strengthen internal controls over financial reporting. All journal entries are now prepared by authorized finance personnel and include adequate supporting documentation to substantiate the purpose of each entry. Prior to posting, each journal entry is independently reviewed and approved by the Finance Director, who verifies the accuracy, completeness, and appropriateness of the transaction. Evidence of review and approval is maintained with each journal entry to document compliance with the Borough's internal control procedures. These controls have been implemented throughout FY2026 and are expected to fully address this finding during the FY2026 audit.

*Expected Completion Date:* June 30, 2026.

**Finding 2025-002 -Timely and Accurate Reconciliation and Review of Accounts - Material Weakness in Internal Control over Financial Reporting**

***Corrective Action Plan***

The Borough has implemented formal month-end reconciliation procedures to ensure all significant balance sheet accounts are reconciled accurately and reviewed in a timely manner. Monthly reconciliations are prepared by designated finance personnel and independently reviewed by the Finance Director. Completed reconciliations include supporting documentation, evidence of supervisory review, and resolution of any reconciling items prior to month-end close. The Finance Department also maintains a reconciliation schedule to monitor completion of all required reconciliations throughout the fiscal year. These procedures have been in place throughout FY2026 and are expected to fully resolve this finding during the FY2026 audit.

*Expected Completion Date:* June 30, 2026.

City & Borough of Wrangell
FINANCE DEPARTMENT
PO Box 531, Wrangell, AK, 99929 | +1 (907) 874-2381
205 Brueger Street, Wrangell, AK, 99929

# City and Borough of Wrangell, Alaska

## Corrective Action Plan
## Year Ended June 30, 2025

**Finding 2025-003 – Deadline for Federal Single Audit – Noncompliance and Internal Control over Compliance – Significant Deficiency**

***Corrective Action Plan***

The Borough has implemented procedures to ensure Federal Single Audit requirements are identified, monitored, and completed within required deadlines. Finance staff will maintain a schedule of applicable federal reporting and audit requirements, monitor federal expenditures throughout the fiscal year, and coordinate with the Borough's auditors to ensure Single Audit requirements are identified and addressed timely. The Finance Director will provide oversight of this process and ensure required documentation and filings are completed within applicable deadlines. These procedures are expected to fully resolve this finding during FY2026.

*Expected Completion Date:* June 30, 2026.

WRANGELL PUBLIC SCHOOLS

# Monday, August 17, 2026
# Regular Board Meeting - Minutes

Page

1. **Work Session regarding Graduation Requirements @ 6:00 PM** #
2. **Regular Meeting Call to Order @ 7:00 PM by President John DeRuyter**
3. **Determine Quorum: all Board Members were present**
4. **Pledge of Allegiance led by Liz Roundtree**
5. **District Mission, Vision and Values recited by John DeRuyter**
6. **Approval of Agenda**
7. **Consent Agenda**

**I move to approve the agenda as presented, including approval of items on the consent agenda.**

Moved by: Dan Powers; seconded by: Angela Allen

**Yea:** Angela Allen, Dan Powers, Bonnie Ritchie, Elizabeth Roundtree, and John DeRuyter

**Motion Carries 5-0**

7.01 Approve Minutes of June 19, 2026 Regular School Board Meeting #

Regular Board Meeting - Jun 19 2026 - Minutes - Html

7.02 Approve Minutes of July 9, 2026 Special School Board Meeting #

Special School Board Meeting - Jul 09 2026 - Minutes - Html

7.03 Disposal of Surplus Equipment #

7.04 Personnel #

a. Contract for Brooke Leslie, IEA Director

b. Contract Addendum for Angela Taylor, School Counselor

c. Extracurricular Contract for Colleen Wilson, 2026-2027 Elementary Student Council Advisor

d. Hire of Rhonda Herman, Accounting Clerk

e. Hire of Clemence Hwayire, Secondary Special Education Teacher

f. Hire of Angela McGovern, Special Education Paraprofessional

g. Hire of Winter Parada, Elementary Paraprofessional

h. Hire of Trevis Seimears, IEA Tutor

i. Hire of Katy Shilts, Elementary Secretary

j. Resignation of Kendra McDougall, Elementary Secretary

8. **Conflict of Interest: there was no conflict of interest declared**
9. **Guests to Be Heard**

Maxim Mamontov, Lead Auditor from Altman, Rogers, and Co., told the Board that they started the audit today. He doesn't have anything to share with the Board at this point but welcomed the Board Members to ask questions. He will present the audit results at a later meeting.

10. **Information & Reports**

10.01 Business Manager Report (submitted by Kristy Andrew) #

10.02 Elementary Principal Report #

10.03 Secondary Principal Report #

10.04 Maintenance Director Report (submitted by Michael Shilts) #

10.05 Superintendent Report (submitted by Dr. Joshua Garrett) #

**11. New Business**

11.01 Acceptance of the FY'27 Migrant Literacy Grant Award #

I move to accept the award of the FY'2027 Title I-C Literacy Grant in the amount of $2,600.00 #

Moved by: Dan Powers; seconded by: Elizabeth Roundtree

**Yea:** Angela Allen, Dan Powers, Bonnie Ritchie, Elizabeth Roundtree, and John DeRuyter

**Motion Carries 5-0**

11.02 Addition of Club Sports: Middle School Cheer & Swim

I move to sponsor Middle School Cheer and Swimming as club sports with no fiscal allotment from the district. These club sports and volunteer coaches are subject to all district policies and procedures.

Moved by: Elizabeth Roundtree; seconded by: Dan Powers

**Yea:** Angela Allen, Dan Powers, Bonnie Ritchie, Elizabeth Roundtree, and John DeRuyter

**Motion Carries 5-0**

11.03 Community Request to Rename the Wrangell High School Gym #

*Jeff Jabush, Community Member, told the Board that he either refereed or coached with Ray Stokes. He does not take lightly naming a facility after anyone. In this case, he brought a state championship, a runner-up title, and qualified for State many times. The people who signed the letter either played for Coach Stokes or coached against him. He was innovative and could adapt to the players that he had to play with. He was regarded as a high-quality coach. He instilled in the kids, teamwork and hard work. He can't think of anyone who deserved this more than him. He understands that the Board members may not know Coach Stokes. He helped students who got into trouble get back into a productive life.

*Keith Appleman, Community Member, said that he played basketball with Jeff in high school. Coach Stokes had seven regional championships. His teams were regarded as being extremely prepared. Mr. Appleman was his volunteer assistant coach during Coach Stokes final two years of coaching. They didn't win all their games but during his term, Wrangell was known as an aggressive, fiery team. Coach Stokes has helped people in many ways. Mr. Appleman said he can't think of anyone more deserving of having a building named after him.

I move to accept the request to rename the high school gym after Ray Stokes. #

Moved by: Angela Allen; seconded by: Dan Powers

**Yea:** None

**COI:** Angela Allen, Dan Powers, Bonnie Ritchie, Elizabeth Roundtree, and John DeRuyter

**Action was postponed. 0-0**

I move to postpone the naming of the Gym to our next meeting September 21, 2026 #

Moved by: Elizabeth Roundtree; seconded by: Dan Powers

**Yea:** Angela Allen, Dan Powers, Bonnie Ritchie, Elizabeth Roundtree, and John DeRuyter

**Motion Carries 5-0**

**a. Second Reading Board Policy 4112.6/4212.6/4312.6. All Personnel – Personnel Records**

**b. Second Reading Board Policy 4112.10, Employment of Retired teachers**

**c. Second Reading Board Policy 4112.61/4212.61/4312.61, All Personnel – Employment References**

**d. Second Reading Board Policy 4113, Certificated Personnel - Assignment**

**e. Second Reading Board Policy 4115, Certificated Personnel Evaluation/Supervision**

**f. Second Reading Board Policy 4117.2/4217.2/4317.2**

**g. First Reading Board Policy 4117.4, Dismissal (Certificated Staff)**

**h. First Reading Board Policy 4117.6, Non-retention of Teachers**

**i. First Reading Board Policy 4118, Certificated Personnel – Suspension/Disciplinary Action**

**j. First Reading Board Policy 4119.3/4219.3/4319.3. All Personnel - Duties of Personnel**

**k. First Reading Board Policy 4119.11/4219.11/4319.11, All Personnel - Sexual Harassment**

**l. First Reading Board Policy 4119.12/4219.12/4319.12, All Personnel - Harassment**

**m. First Reading Board Policy 4119.22/4219.22/4319.22, All Personnel - Dress and Grooming**

**n. First Reading Board Policy 4119.23/4219.23/4319.23, All-Personnel Unauthorized Release of Confidential Information**

**o. First Reading Board Policy 4119.41/4219.41/4319.41, All Personnel - Employees with Infectious Disease**

**p. First Reading Board Policy 4122, Certificated Personnel - Student Teachers**

**q. First Reading Board Policy 4131/4231/4331, All Personnel Staff - Staff Development**

**r. First Reading Board Policy 4132/4232/4332, All Personnel - Publication or Creation of Materials**

**s. First Reading Board Policy 4135/4235/4335, All Personnel - Soliciting and Selling**

**t. First Reading Board Policy 4136.4336, Certificated Staff - Non-School Employment**

**u. Board Policy 4141/4241, Certificated and Classified Personnel – Negotiated Agreement**

**v. First Reading Board Policy 4141.6/4241.6, Certificated and Classified Personnel – Concerted Activity/Work Stoppage**

**w. First Reading Board Policy 4143/4243, Certificated and Classified Personnel – Negotiations/Consultation**

**x. First Reading Board Policy 4236, Classified Personnel - Non-School Employment**

**y. First Reading Board Policy 6146, Graduation Requirements**

**z. Review Board Policy 4119.21/4319.21, Code of Ethics**

I move to accept the second reading of Board Policies 4112.6/4212.6/4312.6, 4112.10,4112.61/4212.61/4312.61, 4113, 4115, and 4117.2/4217.2/4317.2 for inclusion in the policy manual #

Moved by: Angela Allen; seconded by: Elizabeth Roundtree

**Yea:** Angela Allen, Dan Powers, Bonnie Ritchie, Elizabeth Roundtree, and John DeRuyter

**Motion Carries 5-0**

I moved to approve the first reading of the 4000 series policies as recommended by the Policy Committee. #

Moved by: Elizabeth Roundtree; seconded by: Dan Powers

**Yea:** Angela Allen, Dan Powers, Bonnie Ritchie, Elizabeth Roundtree, and John DeRuyter

**Motion Carries 5-0**

I move to approve the first reading of Board Policy 6146, Graduation Requirements as revised. #

Moved by: Dan Powers; seconded by: Elizabeth Roundtree

**Yea:** Angela Allen, Dan Powers, Bonnie Ritchie, Elizabeth Roundtree, and John DeRuyter

**Motion Carries 5-0**

## 12. Executive Session

12.01 Superintendent's Contract

I move to recess to executive session to discuss a matter, the immediate knowledge of which would clearly have an adverse effect upon the finances of the district, more specifically the Superintendent's contract. Dr. Garrett may be invited into a portion of the executive session.

Recessed at: 7:51 PM

Reconvened at 8:15 PM

Moved by: Elizabeth Roundtree; seconded by: Dan Powers

**Yea:** Angela Allen, Dan Powers, Bonnie Ritchie, Elizabeth Roundtree, and John DeRuyter

**Motion Carries 5-0**

I move to amend the Superintendent's contract per our discussion in executive session.

President DeRuyter said that the Board would like to increase the contract by 4 percent as outlined in section 11.

Moved by: Dan Powers; seconded by: Angela Allen

**Yea:** Angela Allen, Dan Powers, Bonnie Ritchie, Elizabeth Roundtree, and John DeRuyter

**Motion Carries 5-0**

## 13. Upcoming Dates & Meeting Announcements

August 18, 2026: Alaska Primary Election

August 19, 2026: Budget Committee Meeting

August 20, 2026: Policy Committee Meeting

August 20-21, 2026: District-wide Inservice

August 24, 2026: Teacher Work Day

August 25, 2026: First Day of School for Students

August 31, 2026: School Board Work Session re Self-Evaluation

September 3, 2026: Policy Committee Meeting

September 7, 2026: Labor Day Holiday

September 9, 2026: Budget Committee Meeting

September 17, 2026: Policy Committee Meeting

September 21, 2026: Regular School Board Meeting

**14. Future Agenda Items**

-AASB Call for Resolutions

-FY'26 Audit Report

-Insurance Coverage Review

-Technology Director Report

**15. Board Member Community Activity Reports**

***Dan Powers said that Music in the Parks will be held on Thursday.**

***Liz Roundtree is doing a fundraiser to update the buildings and provide benefits to veterans.**

**16. Adjourn: 8:21 PM**

Angela Mallen

School Board Secretary

WRANGELL PUBLIC SCHOOLS

# Monday, August 31, 2026
# Special School Board Meeting - Minutes

1. **Special Meeting Call to Order @ 6:00 PM**

2. **Determine Quorum**

***Angela Allen - Present**

***John DeRuyter - Present**

***Dan Powers - Absent, Excused**

***Bonnie Ritchie - Absent**

***Liz Roundtree - Present**

3. **Guests to Be Heard**

4. **New Business**

4.01 FY28 DEED Capital Improvement Plan (CIP) Application

I move to approve the Six-Year Capital Improvement Plan as presented, for submittal to the Department of Education & Early Development.

Moved by: Elizabeth Roundtree; seconded by: Angela Allen

**Yea:** Angela Allen, Bonnie Ritchie, Elizabeth Roundtree, and John DeRuyter

**Not Present at Vote:** Dan Powers

**Motion Carries 4-0**

4.02 District Accreditation Coordinator

I move to revise the budget to allocate $4,000.00 to pay a stipend to a current staff member to complete the duties of District Accreditation Coordinator.

Moved by: Angela Allen; seconded by: Elizabeth Roundtree

**Yea:** Angela Allen, Bonnie Ritchie, Elizabeth Roundtree, and John DeRuyter

**Not Present at Vote:** Dan Powers

**Motion Carries 4-0**

5. **Adjourned at 6:05 PM**

Angela Allen

School Board Secretary

## BOARD ACTION

# WRANGELL PUBLIC SCHOOL BOARD SPECIAL MEETING (PAGE 1)

**NOVEMBER 9, 2026**

**FOR DETAILS, CONTACT:**
JOSHUA GARRETT, ED.D.
SUPERINTENDENT
DIRECT PHONE: 907-874-2347

- Recessed to Executive Session
- Reconvened into Regular Session with no action taken
- Appointed Kristy Andrew, Joshua Garrett, and Dan Powers to the School Board's Negotiating Team
- Adjourned

WRANGELL PUBLIC SCHOOLS

**FOR RELEASE: 11:00 AM**
**NOVEMBER 9, 2026**

# WRANGELL PUBLIC SCHOOLS

## Monday, September 21, 2026
## Regular Board Meeting - Minutes



1. **Call to Order @ 6:31 PM by President John DeRuyter**

2. **Determine Quorum**

*Angela Allen - Absent

*John DeRuyter - Present

*Dan Powers - Present

*Bonnie Ritchie - Present

*Liz Roundtree - Present

3. **Pledge of Allegiance led by John DeRuyter**

4. **District Mission, Vision and Values recited by Dan Powers**

Mission: to educate and inspire every student

Vision: to graduate students who are resilient, innovative, and prepared for their future

Values:

*Be Respectful

*Be Honest

*Act With Integrity

*Be Courageous

*Develop Confidence

*Be Kind

5. **Approval of Agenda**

6. **Consent Agenda**

I move to approve the agenda as presented, including the items on the consent agenda.
Moved by: Elizabeth Roundtree; seconded by: Dan Powers
**Yea:** Dan Powers, Bonnie Ritchie, Elizabeth Roundtree, and John DeRuyter
**Not Present at Vote:** Angela Allen

**Motion Carries 4-0**

6.01 Acceptance of the Minutes of August 17, 2026, Regular Board Meeting #

6.02 Acceptance of the Minutes of the August 31, 2026, Special School Board Meeting #

6.03 Personnel

a. Contract for Trevis Seimears, District-wide Accreditation Coordinator

b. Contract Addendum for May Evelyn Catingub, ESY Summer School Teacher

c. Extracurricular Contract for Solvay Gillen, Middle School Assistant Girls' Basketball Coach

d. Extracurricular Contract for Devyn Johnson, Middle School Cross Country Coach

e. Extracurricular Contract for Haley Reeves, High School Cheer Coach

7. **Conflict of Interest**

8. **Student Spotlight**

8.01 September 2026 WHS Newsletter

## 9. Teacher Spotlight

9.01 Laura Davies, Middle/High School Teacher said that her digital storytelling class is responsible for the HS Newsletter that is included in the packet. She plans to present a newsletter monthly. Ms. Davies said that on the second day of school, some scientists visited her 8th grade classroom regarding tsunamis and earthquakes. One of the scientists complimented Ms. Davies on her students and how attentive they were during the presentation.

## 10. Guests to Be Heard

10.01 Laura Davies, Teacher/Parent spoke in favor of increasing rigor and academic options for our secondary students and also spoke in favor of adding a teacher to the secondary school next year to increase the elective offerings.

10.02 Rosemary Ruoff, Community Member spoke in favor of the district having a highly motivated guidance counselor to ensure all students have goals set for their future, starting in elementary school.

10.03 Mason Villarma, Cross-Country Coach/Borough Manager recognized Teacher Laura Davies going above and beyond for students. He also recognized Activities Director Heather Armstrong for her efficiency as activities director. He asked the Board to support sending Winston Davies to Southeast Conference to connect with JAG Marine. Mr. Villarma shared highlights from cross country running. He shared concerns about NCAA accreditation (which hasn't been updated since 2018) and some of the courses listed on our transcripts. Mr. Villarma spoke in favor of increasing rigor at the high school, especially in the areas of ELA and Science.

## 11. Correspondence

Mr. DeRuyter said that AASB has recommended that we do not include correspondence on the Board agenda. He encouraged people to sign up under guests to be heard. The Board will still get the correspondence, but it will no longer be included in the Board packet.

## 12. Information & Reports

12.01 Business Manager Report (submitted by Kristy Andrew)

12.02 Elementary Principal Report (submitted by Cathy Winn)

12.03 Secondary Principal Report (submitted by Greg Clark)

12.04 Technology Director Report (submitted by Tony Anzalone)

12.05 Superintendent Report (submitted by Dr. Joshua Garrett)

**Dan Powers left the meeting at 7:19 PM.**

## 13. Old Business

13.01 Community Request to Rename the Wrangell High School Gym

Motion on the floor from the previous School Board meeting: to accept the request to rename the high school gym after Ray Stokes by Angela Allen, seconded by Dan Powers.

I move to postpone action indefinitely on the request to name the high school gym after Ray Stokes.

Moved by: Elizabeth Roundtree; seconded by: Bonnie Ritchie

**Yea:** Bonnie Ritchie, Elizabeth Roundtree, and John DeRuyter

**Not Present at Vote:** Angela Allen and Dan Powers

**Motion Carries 3-0**

## 14. New Business

14.01 AASB Call for Resolutions: no action taken

14.02 Policy

a. Second Reading Board Policy 4117.4, Dismissal (Certificated Staff)

b. Second Reading Board Policy 4117.6, Non-retention of Teachers

c. Second Reading Board Policy 4118, Certificated Personnel - Suspension/Disciplinary Action

d. Second Reading Board Policy 4119.3/4219.3/4319.3, All Personnel - Duties of Personnel

e. Second Reading Board Policy 4119.11/4219.11/4319.11, All Personnel - Sexual Harassment

f. Second Reading Board Policy 4119.12/4219.12/4319.12, All Personnel - Harassment

g. Second Reading Board Policy 4119.22/4219.22/4319.22, All Personnel - Dress and Grooming

h. Second Reading Board Policy 4119.23/4219.23/4319.23, All Personnel - Unauthorized Release of Confidential Information

i. Second Reading Board Policy 4119.41/4219.41/4319.41, All Personnel - Employees with Infectious Disease

j. Second Reading Board Policy 4122, Certificated Personnel - Student Teachers

k. Second Reading Board Policy 4131/4231/4331 All Personnel - Staff Development

l. Second Reading Board Policy 4132/4232/4332, All Personnel - Publication or Creation of Materials

m. Second Reading Board Policy 4135/4235/4335, All Personnel - Soliciting and Selling

n. Second Reading Board Policy 4136/4336, Certificated Staff - Non-School Employment

o. Second Reading Board Policy 4141/4241, Certificated and Classified Personnel - Negotiated Agreement

p. Second Reading Board Policy 4141.6/4241.6, Certificated and Classified Personnel - Concerted Activity/Work Stoppage

q. Second Reading Board Policy 4143/4243, Certificated and Classified Personnel - Negotiations Consultation

r. Second Reading Board Policy 4236, Classified Staff - Non-school Employment

s. Second Reading Board Policy 6146, Graduation Requirements

t. First Reading Board Policy 4133/4233/4333, All Personnel - Travel Authorization and Expenses

u. First Reading Board Policy 4144/4244/4344, Staff Complaint Procedure

v. First Reading Board Policy 4151/4251/4351, Salary Guides - Exempt Employees

w. First Reading Board Policy 4154/4254/4354, All Personnel - Health and Welfare

x. First Reading Board Policy 4156.3/4256.3/4356.3, All Personnel - Reimbursement, Uniforms, and Allowances

y. First Reading Board Policy 4157/4257/4357, Employee Safety

z. First Reading Board Policy 4158/4258/4358, Employee Security

I move to approve the second reading of the 4000 series policies as recommended by the Policy Committee.

Moved by: Elizabeth Roundtree; seconded by: Bonnie Ritchie

**Yea:** Bonnie Ritchie, Elizabeth Roundtree, and John DeRuyter

**Not Present at Vote:** Angela Allen and Dan Powers

**Motion Carries 3-0**

I move to approve the second reading of Board Policy 6146, Graduation Requirements as revised

Moved by: Elizabeth Roundtree; seconded by: Bonnie Ritchie

**Yea:** Bonnie Ritchie, Elizabeth Roundtree, and John DeRuyter

**Not Present at Vote:** Angela Allen and Dan Powers

**Motion Carries 3-0**

I move to accept the first reading of the Series 4000 policies as presented.
Moved by: Elizabeth Roundtree; seconded by: Bonnie Ritchie
**Yea:** Bonnie Ritchie, Elizabeth Roundtree, and John DeRuyter
**Not Present at Vote:** Angela Allen and Dan Powers

**Motion Carries 3-0**

**15. Executive Session**

**16. Upcoming Dates & Meeting Announcements**

September 26, 2026: Cross Country Region V Race @ Juneau

October 1, 2026: Policy Committee Meeting

October 3, 2026: Cross Country State Race @ Anchorage

October 5, 2026: SMS Basketball Season Begins

October 6, 2026: Municipal Election

October 8, 2026: Certification of Municipal Election

October 9-10, 2026: Volleyball @ Home

October 12, 2026: Regular School Board Meeting

**17. Future Agenda Items**

*School Board Reorganization

*Appoint School Board Parliamentarian

*FY'2027 Budget Revision

*Insurance Coverage Review

*Maintenance Director Report

*Review School Board Member Code of Ethics

**18. Board Member Community Activity Reports**

*John DeRuyter suggested that rather than have Board members attend the annual conference, that we bring AASB here to provide specific training for our Board members. It would save the district finances and allow for training tailored to our School Board. He also said that he has been volunteering with Parks & Rec.

*Bonnie Ritchie is excited about the community play coming up this fall.

*Liz Roundtree said the junior class has a bake sale scheduled. The sophomore class will have a cake raffle at the home volleyball games. See you at the Pole will be held this Wednesday led by student Jackson Carney.

**19. Adjourn: 7:36**

Angela M Allen
School Board Secretary

City & Borough of Wrangell

# FIRE DEPARTMENT

## Administrative Report

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

Cc: MASON VILLARMA, BOROUGH MANAGER

From: JORDAN BUNESS, FIRE CHIEF
WRANGELL VOLUNTEER FIRE DEPARTMENT

Subject: FIRE DEPARTMENT REPORT — NOVEMBER 2026

Date: NOVEMBER 10TH, 2026

**Volunteer Recruitment**

Year to date, WVFD has achieved a net increase of ten volunteers on the department roster, accounting for both new recruits and member departures. This represents positive growth in the department's volunteer staffing and expands the pool of members available to support emergency responses and department activities.

Many of the new recruits have already received EMT-1 certification, and some joined with existing Advanced Life Support qualifications. These additions strengthen both our staffing and the range of skills available within the department. Continued recruitment and training remain important to sustaining Fire, EMS, and Search and Rescue services in our community.

**EMT-1 Course Completion**

WVFD recently completed an Alaska EMT-1 course instructed in house, resulting in the certification of six new EMT-1s. One of the newly certified EMTs is also a Wrangell Police Officer, adding emergency medical training that can support patient care during incidents involving both departments.

Providing this course locally creates a pathway for volunteers to develop their skills without traveling outside Wrangell for instruction. The course reflects the department's investment in developing qualified local responders and increases the number of certified personnel available to support our ambulance service.

**Expanded Pain Management Capability**

WVFD added Ketorolac as a pain management medication for our Advanced Life Support Ambulance Service. This addition was approved through the

Alaska EMS Expanded Scope application process and provides authorized ALS providers with another option for managing patient pain under department standing orders and medical director oversight.

The addition broadens the department's pain management capabilities and supports more individualized patient care. The Expanded Scope process provides a formal pathway for adding this capability within Alaska's EMS system.

WVFD also added lidocaine to its pain management inventory for conscious patients requiring intraosseous (IO) access when intravenous (IV) access cannot be obtained. IO access allows fluids and medications to be administered through the bone marrow when another route is needed.

Because administering fluids and medications through an IO can be painful for conscious patients, lidocaine provides an option to reduce this pain under department standing orders and medical director oversight. Together, these medication additions address both general pain management needs and discomfort associated with an emergency treatment procedure.

**Electronic Checks and Inventory Management**

WVFD has begun implementing electronic software for station and apparatus checks and inventory management. The primary goal is more precise tracking of required apparatus checks and greater consistency across the personnel performing them.

A shared electronic system will provide a consistent checklist and documentation process, making it easier to identify completed checks, outstanding tasks, and equipment or supply deficiencies. Inventory tracking will also support monitoring of supplies and replacement needs. These improvements are intended to strengthen accountability, support follow-up, and help keep apparatus and equipment ready for service.

**Medical Director Transition**

WVFD has begun transitioning medical direction to Dr. Harrison in preparation for Dr. Prysunka's retirement from the Medical Director role. Beginning the transition in advance provides time for Dr. Harrison to become familiar with our personnel, standing orders, service capabilities, and the needs of our community.

This transition supports continuity of medical oversight for our Advanced Life Support Ambulance Service and gives the department time to work through the handoff before Dr. Prysunka's retirement.

Dr. Prysunka has served as a volunteer Medical Director for nearly 25 years. Her longstanding commitment has supported our EMS providers and the care delivered to the Wrangell community. This sustained volunteer service represents a significant contribution to the department as well as local and regional emergency medical care.

Although she is retiring from the Medical Director role, Dr. Prysunka will remain affiliated with WVFD and continue volunteering in various support capacities, including training and education and serving as a Search and Rescue K9 handler. Her continued involvement will allow the department to benefit from her experience and dedication during and after the transition.

The department extends its sincere appreciation to Dr. Prysunka for her nearly 25 years of dedicated service and welcomes Dr. Harrison to this important role.

Sincerely,

Jordan Buness

*Fire Chief*

# Tourism Stakeholder Report

## Overview

This report provides an update on Wrangell's visitor industry, community development, and Travel Wrangell's work. It brings together available economic information, the cruise outlook, marketing activities, and opportunities for local businesses. It also outlines work underway to support the industry and manage its effects on the community.

## Community Development and Economic Outlook

### Prospective Shipyard Economic Impact

The proposed shipyard would return the former mill property to industrial use and establish year-round employment in Wrangell. Rain Coast Data's October 2026 analysis estimates that, at full staffing under its modeled scenario, the shipyard could support 500 direct positions and approximately $45 million in annual wages.

The effects would extend to suppliers, local services, and spending by employees and their households. Development would also require planning for housing, workforce training, utilities, and community services. These projections depend on phased development and sustained vessel work; they are not committed employment levels.

### EDA Funding Announcement

On October 26, the U.S. Department of Commerce announced that EDA will award $43.1 million in Disaster Supplemental funding to the Wrangell Industry Transformation Coalition.

The intended investment would support construction of a maritime industrial hub, installation of a floating dock to accommodate large vessels and increased tourism, and water infrastructure improvements serving local industries. The funding responds to the region's 2023 landslide disaster and supports economic recovery through development of the maritime industry.

This announcement advances work connecting industrial development, waterfront access, and infrastructure. We will share further information as the award process proceeds and project schedules are confirmed.

### Southeast Conference Community of the Year Award

Wrangell received Southeast Conference's 2026 Community of the Year Award, recognizing work to strengthen the economy, develop infrastructure, and support long-term employment.

The award reflects years of effort by Borough staff, elected leadership, residents, businesses, and partners. We thank Southeast Conference for its recognition and everyone who has contributed to moving community priorities forward.

## Visitor Industry Review and Outlook

### Tourism Economic Baseline

Rain Coast Data's Wrangell Visitor Economy 2025 report provides a baseline for understanding tourism's contribution to the local economy. Much of its completed-season analysis describes 2024 activity.


info@travelwrangell.com

# Tourism Stakeholder Report

The report estimated $5.9 million in visitor spending in 2024, when Wrangell welcomed just over 25,000 summer tourists arriving by air, cruise ship, ferry, and yacht.

Approximately 2,000 guests stayed in hotels, inns, bed-and-breakfasts, and short-term rentals. Their estimated spending totaled $2.4 million, including accommodations and other local purchases.

These findings support continued attention to both cruise visitation and independent overnight travel. Cruise calls bring customers to businesses throughout the season. Overnight visitors support accommodations and have more time to purchase meals, tours, transportation, and other services.

## 2026 Visitor Industry Reporting

We do not yet have a complete account of 2026 visitation. Cruise schedules provide planning information, but they do not establish actual passenger arrivals or overall visitor activity.

We will publish a report through Rain Coast Data in the coming months to provide a clearer account of the season and update our tourism economic baseline.

## Cruise Activity and the 2027 Outlook

The available cruise schedules show the following:

| Calendar Year | 2026 | 2027 |
|---|---|---|
| Scheduled passenger capacity | 74,898 | 55,028 |

Queen Elizabeth, Silver Nova, and The World are not scheduled to operate in the Alaska market in 2027. Their absence from Wrangell's schedule reflects broader deployment decisions and global itineraries. Together, these ships accounted for 10 scheduled calls in 2026, representing approximately 17,800 potential passenger visits: 16,700 from Queen Elizabeth, 700 from Silver Nova, and 300 from The World. This provides context for the reduction in Wrangell's projected cruise visitation in 2027.

Ships not booked through Cruise Line Agencies of Alaska (CLAA) are not yet reflected in the 2027 schedule. We anticipate a modest increase to 2027 numbers once schedules are complete.

Scheduled capacity also differs from actual arrivals. Occupancy, cancellations, schedule changes, and the number of passengers going ashore affect final visitation. We will share updates as additional calls are incorporated.

Businesses should review individual call dates and vessel sizes when planning staffing, inventory, transportation, and tours. The distribution of calls matters alongside the seasonal total, particularly when several vessels arrive on the same day.

## Sales Tax Trends

Sales tax collections during the first and fourth fiscal-year quarters provide a look at economic activity during periods that include much of Wrangell's visitor season.

**Fiscal year First quarter: July–September Fourth quarter: April–June Combined quarters**

| | | | |
|---|---|---|---|
| FY 2023 | $1,032,047 | $952,660 | $1,984,707 |
| FY 2024 | $994,472 | $896,437 | $1,890,909 |
| FY 2025 | $1,210,233 | $1,183,518 | $2,393,751 |
| FY 2026 | $1,331,979 | $1,136,546 | $2,468,525 |

Combined collections for the two quarters increased by approximately $409,000, or 20.6%, from FY 2023 to FY 2025. First-quarter collections continued to rise in FY 2026, reaching approximately $1.33 million, nearly $300,000 above the same quarter in FY 2023.

These figures reflect taxable purchases by residents, businesses, and visitors. They do not identify how much revenue came specifically from tourism. The figures are unaudited at present.

## How Tourism Activity Is Taxed and Assessed

Visitors contribute to the local economy through purchases, accommodations, and use of port facilities. Several taxes and fees apply to different parts of that activity. Each has a different purpose and may be accounted for in a separate Borough fund.

### Local Sales Tax

Wrangell's 7% sales tax applies to taxable local sales, subject to the Borough's exemptions and transaction limits. Visitors may pay sales tax on purchases such as meals, retail goods, accommodations, and applicable tours and services. Local residents and businesses also contribute through their purchases.

Under the Borough's FY 2027 budget policy, 80% of sales tax revenue is allocated to the General Fund and 20% to the Wrangell Public School District Local Contribution Fund. The school allocation supports operations and school maintenance; the full amount allocated to the fund is not necessarily transferred to the district each year.

### Transient Occupancy Tax

Wrangell's 6% transient occupancy tax applies to qualifying room rentals for stays of 30 consecutive days or less, subject to applicable exemptions. Lodging operators collect the tax from guests and remit it to the Borough.

The transient tax is in addition to the Borough's sales tax. Both are calculated separately on the room rent; sales tax is not charged on the transient tax itself. Under Borough code, transient tax proceeds are accounted for separately and used to develop and implement a visitor industry program.

The FY 2027 budget reports $69,861 in actual transient tax revenue for FY 2025 and budgets $83,000 for FY 2027. The FY 2027 amount is a budget projection.



info@travelwrangell.com

# Tourism Stakeholder Report

### State Commercial Passenger Vessel Tax

Alaska assesses a $34.50 state excise tax per taxable passenger per voyage on qualifying commercial passenger vessels. Generally, the tax applies to vessels with 250 or more passenger berths on voyages lasting more than 72 hours in Alaska marine waters. Passengers are liable for the tax, which the vessel operator collects and remits to the state.

Under AS 43.52.230, the state identifies the first seven Alaska ports of call on a qualifying voyage. Subject to annual legislative appropriation, each eligible port receives $5 for each taxable passenger aboard at that port. Wrangell's distribution depends on the vessel and voyage qualifying, Wrangell's place on the itinerary, the taxable passenger count, and the appropriation.

This is a share of a state tax, separate from the Borough's passenger wharfage and other port charges. The FY 2027 budget reports $74,980 in actual state CPV excise share revenue for FY 2025 and budgets $70,000 for FY 2027.

## Cruise Vessel Port Fees

Cruise vessels pay fees based on the facilities they use and how passengers come ashore:

- Dockage: Charged for use of the cruise ship dock.
- Port development fee: Charged in addition to dockage for use of port facilities. Revenue supports the operation, maintenance, design, and construction of those facilities.
- Port transient fee: Charged for use of the summer float or other transient floats.
- Commercial passenger wharfage: Charged to cruise lines at $9 per passenger when a vessel ties up or $7 per passenger when passengers are lightered ashore.

Vessels may also pay separately for services such as potable water and garbage collection.

### Port Development Fee

Wrangell assesses a port development fee on vessels more than 120 feet long that carry revenue-generating passengers and dock or lighter passengers to Borough port facilities. The fee applies when the vessel uses the facilities.

Under Borough code, proceeds are dedicated to the operation, maintenance, design, and construction of port facilities. The fee is assessed in addition to other applicable charges.

The FY 2027 budget includes $88,000 in projected port development fee revenue.

### Passenger Wharfage and Dockage

Wrangell also charges cruise lines for passenger wharfage and the use of port facilities. Passenger wharfage is separate from the state commercial passenger vessel tax.

The passenger wharfage fee is $9 per passenger when a vessel ties up and $7 per passenger when passengers are lightered ashore.

Dockage and lightering charges also apply under the Borough's fee schedule. Amounts vary by vessel characteristics, use of facilities, and passenger counts.

The FY 2027 budget includes $375,000 in projected commercial passenger wharfage revenue. This is a budget projection, not actual revenue collected.

### Water and Garbage Services

Cruise vessels may also be charged for services provided in Wrangell, including potable water and garbage service. These are service charges associated with the vessel's use of those services.

The FY 2027 Port Fund budget includes $10,500 in projected cruise garbage and water charges. The amount ultimately collected will depend on the services provided.

### Example Economics by Ship Size

The following examples show how port fees can vary by vessel size and passenger count. Each example assumes the vessel ties up at a Borough dock and all passengers at the listed capacity go ashore.

| Example vessel | Passenger capacity | Dockage | Port development fee | Passenger wharfage | Estimated port fees per call |
|---|---|---|---|---|---|
| Small: American Constellation | 170 | $528.66 | $453.90 | $1,530.00 | $2,512.56 |
| Mid-sized: Viking Orion | 930 | $2,276.96 | $2,014.81 | $8,370.00 | $12,661.77 |
| Large: Queen Elizabeth | 2,092 | $2,933.60 | $2,595.85 | $18,828.00 | $24,357.45 |

These are planning examples for one call, not records of revenue collected. Actual charges depend on applicable rates, passenger counts, how the vessel accesses the port, and services provided. The examples exclude water, garbage, and other service charges, as well as the state commercial passenger vessel tax and spending at local businesses.

## Travel Wrangell Marketing and Industry Development

### Website Updates

Our website work focuses on helping visitors plan a trip and find local businesses, activities, and services.

The work includes changes to menu navigation, a Partners and Resources section, itinerary improvements, recreation and cultural content, event pages, and respectful-travel information. Interactive features and mailing-list improvements are also part of the work.

The Wrangell seafood page will connect visitors and residents with local direct-market suppliers. Listings will explain what suppliers offer and how to purchase their products, helping people find information that is often spread across social media or shared by word of mouth.



info@travelwrangell.com

# Tourism Stakeholder Report

## Marketing Assessment and Plan Improvements

The September 2026 Element assessment reviewed Travel Wrangell's brand, marketing materials, website, and implementation. It identified a need to simplify priorities, improve consistency, and make better use of existing content and website traffic.

The assessment also recognized the limits of a small team managing tourism marketing alongside Borough communications. Our next plan needs to reflect the time and resources available.

We are using the assessment to revise the marketing plan around a manageable annual work program. This includes a shared content calendar, reusable design templates, and clearer priorities for what we complete now and what follows.

Independent travel remains a focus, along with evaluating opportunities for meetings and retreats. Content will emphasize experiences specific to Wrangell and provide the information people need to plan a visit. We will also improve connections between frequently visited website pages, local businesses, and related activities.

Measurement will focus on a small number of useful indicators that we can track consistently. Stakeholder feedback will help us determine where this work can best support local operations.

## Marketing Analytics

From April through September 2026, the Travel Wrangell website recorded approximately 21,000 visits and 36,000 pageviews. Search was the leading source of website traffic, followed by people navigating directly to the site.

The cruise ship schedule was the most-viewed page in both quarters. Anan, Petroglyph Beach, and the business directory also received consistent attention. The business directory recorded approximately 1,750 pageviews across the two quarters, reinforcing the value of keeping business listings current.

Travel Wrangell's Facebook and Instagram content generated approximately 264,000 views during the six-month period. These are content views, not individual people; one person may view content more than once. Posts featuring local events and experiences were among the most viewed.

Staff mailed 125 travel guides and recorded 45 visitor inquiries by email and phone. Inquiries included questions about Anan and Stikine River tours and available transportation.

These results show continued interest in both practical trip-planning information and Wrangell's visitor experiences. We will use the marketing assessment and stakeholder feedback to improve how the website connects that interest with local businesses and activities.

## ATIA Convention

Wrangell was on the main stage at the 2026 Alaska Travel Industry Association Convention in Fairbanks, sharing our community's activities and experiences with nearly 600 attendees.

Our presentation combined the destination video with remarks about what visitors can do here and the businesses that provide those experiences. It put Wrangell in front of tourism operators, cruise representatives, travel partners, and others working across Alaska's visitor industry.

The convention also provided time to meet with industry partners, exchange information, and participate in professional development.

# Tourism Stakeholder Report

## Port Communities of Alaska

The City and Borough of Wrangell has joined Port Communities of Alaska, which brings local governments together to address cruise industry issues and coordinate regional work.

Three priority projects are underway: a regional cruise ship rate study; support for regional policies on communicable disease management; and legislative tracking and advocacy concerning potential changes to federal maritime rules.

Participation gives Wrangell a voice in these discussions and access to information that can support local decisions about cruise operations, infrastructure, and community impacts.

## Seattle Travel and Adventure Show

Travel Wrangell will attend the Seattle Travel & Adventure Show on March 20–21, 2027. This will be our third year participating in the show series and our second consecutive year focusing on Seattle.

Last year, Jake Harris joined us at the show. His participation supported booth activities and helped us engage with thousands of attendees. We will communicate marketing opportunities for local businesses in advance of the upcoming show so businesses have time to consider participating.

The show also offers an opportunity to present cultural performances at no additional charge from the show. We will explore interest and participation as planning proceeds.

While in Seattle, we also plan to share information with marinas and yacht clubs to encourage independent cruising visits to Wrangell. This outreach will complement our work at the show and connect boaters with information about local harbors, services, and activities.

## Wander Map Business Listings

Wander's latest update allows businesses to claim and manage their listings on Wrangell's interactive map. Owners can update business details, add photos, and change operating hours directly, without asking Travel Wrangell to enter each change. The service is free, and no account creation is required.

Please review your listing and keep hours, contact information, and photos current. Accurate listings help visitors and residents find your business and plan their activities.

New businesses and those missing from the map can submit business information to request a free listing. To begin, email info@travelwrangell.com with your business's current email address and/or phone number so Travel Wrangell can help initiate the claim process.

Claim Business Link: https://bit.ly/Claim_Wander_Listing

# Tourism Stakeholder Report

### Relocation Guide

We are completing a revised relocation guide to help prospective residents understand living and working in Wrangell. It covers housing, employment, transportation, utilities, climate, services, and recreation.

The guide will give employers a resource to share with prospective employees and help answer questions from people considering a move. Final design is expected to be complete by Thanksgiving.

### Meetings and Conventions Manual

The meetings and conventions manual and accompanying webpages are projected to be released by the new year. These resources will help organizers understand local facilities, services, transportation, and planning needs.

We also plan to host a planning meeting with pertinent Borough departments, businesses, and community planners. The discussion will focus on the types of meetings and conventions Wrangell can accommodate with existing facilities, services, and staffing.

This work will help us focus recruitment on events suited to Wrangell's capacity and coordinate the resources needed to host them.

## Visitor Management and Business Training

### Tourism Best Management Practices

Wrangell's Tourism Best Management Practices program provides a way for businesses to coordinate activities and address concerns about visitor use of community places.

This year, the Borough facilitated responses to three reports, largely involving passengers walking in the street and guided activities encroaching on camps being used for personal recreation. Parking at the post office was also a recurring complaint.

These concerns point to changes operators can make through staff instruction and daily practices. Borough staff and operators can direct groups toward sidewalks and crossings, keep access routes clear, respect occupied camps, and select parking and staging locations that leave access for post office customers.

We encourage businesses to review the practices with their employees and seasonal guides and participate in the program. Participating businesses receive a TBMP badge beside their company listing on the Travel Wrangell website.

Participation helps us address issues with the people involved and maintain access and experiences that residents and visitors value.

### Wrangell Ranger District Update

- Anan had a successful season, with the Forest Service's Anan Bear Awards receiving national coverage. (https://www.popsci.com/environment/mama-bear-award-alaska/)
- Construction of the Áax'w Sáani Cabin is expected to be completed in December, with reservations available through Recreation.gov in January. A ribbon cutting is being planned for April or May, depending on snow conditions.

# Tourism Stakeholder Report

- The 1.5-mile Rainbow Falls Trail reconstruction project has been submitted for contracting, with construction anticipated in 2027–2028.
- The Fools Loop timber sale on Wrangell Island has been awarded.
- Design work for the Middle Ridge Road landslide repair is complete and will be submitted for contracting this winter; construction is possible in 2027 but more likely in 2028.
- The Roosevelt Dock repair contract has been delayed by supply chain issues. The Ranger District also continues to seek ways to maintain and repair its road system.

## Petroglyph Beach Permit Reporting

Operators holding a 2026 Alaska State Parks Commercial Use Permit must submit their end-of-season reports by December 31, 2026. For permits that include Petroglyph Beach, reporting involves two steps:

1. Contact the Borough at 907-874-2381 to report Petroglyph Beach use and pay the $6 per client per day fee. The Borough will provide a receipt to the operator and Alaska State Parks documenting receipt of the report and payment.
2. Report use of other State Park units separately through the Alaska State Parks reporting portal, excluding Petroglyph Beach from that submission.

Have your LAS permit number and client counts for each permitted location ready. A zero-use report is required for permitted locations where you did not operate.

Questions about State Parks reporting can be directed to **parkpermitting@alaska.gov**.

Operators who have already completed reporting and payment do not need to resubmit.

## Adventure Green Alaska

Businesses interested in reviewing their sustainability practices can explore Adventure Green Alaska, ATIA's voluntary certification program.

The program considers business management and economic, environmental, and social sustainability. Certified businesses may use the Adventure Green Alaska label and participate in related ATIA promotional opportunities.

Applications are accepted through two annual cycles, with deadlines of March 31 and November 30. Information is available through ATIA's Adventure Green Alaska page. https://www.adventuregreenalaska.org/

## AlaskaHost and CulturalHost Training

We are working toward bringing AlaskaHost and CulturalHost trainers to Wrangell so businesses and their employees can participate locally. We also want to have a local trainer credentialed to support future training.

This would give employers another way to prepare new and returning employees and support visitor service and cultural awareness.

Please identify your training interests in the stakeholder survey, including whether your employees would participate. Responses will help us determine demand and plan scheduling and instruction.
https://www.alaskatia.org/opportunities/alaskahost_culturalhost

# Tourism Stakeholder Report
## Community and Stakeholder Input

### Community Sentiment Survey

Wrangell is participating in a second community sentiment survey through Oregon State University's Sustainable Tourism Lab. This work will help us understand how residents' views have changed since the previous survey.

The survey asks about tourism's benefits and costs, its effects on daily life, and residents' preferences for future tourism development. The findings will inform discussions about community priorities, visitor activity, infrastructure, and services.

The survey is live. Please complete it and share it with your staff, family, and friends who live in Wrangell. We want to hear from people across the community, including those who do not work in tourism.

Survey link: https://bit.ly/2026_Community_Survey

### Previous Community Sentiment Findings

The previous OSU report included 241 responses. Approximately 52% of respondents believed tourism's benefits outweighed its costs, while 20% believed the costs outweighed the benefits.

Residents identified local spending, jobs, and tax revenue as benefits. Concerns included crowding, traffic, pressure on infrastructure, and effects on community life. The report also described support for further tourism development, alongside an interest in protecting residents' quality of life.

The new survey will help us assess whether these views have changed and identify issues that need attention.

### Business and Organization Survey

We are releasing a survey for businesses and organizations involved in or affected by tourism. This survey focuses on the 2026 season and the support needed to sustain or improve operations.

Questions address business performance, staffing, visitor markets, capacity, and barriers to growth. We are also asking about satisfaction with Travel Wrangell's work, the usefulness of visitor resources, and how municipal facilities and services support tourism activities. We want to understand where businesses can accommodate more customers, where demand is concentrated, and what changes would help. The survey also asks about training interests and priorities for the next three years.

Please submit one response per business or organization. Estimates are welcome. Financial questions and written comments are optional. Survey link: https://bit.ly/Tourism_Stakeholder_Survey

# Tourism Stakeholder Report

### Release of Findings

Community sentiment survey results, stakeholder survey results, and roundtable findings will be released following the close of those activities. The findings will help inform recommendations and next steps for Travel Wrangell and the Borough.

## Local Projects Updates

### Downtown Wayfinding Project

We are developing priorities for an in-town wayfinding project, funded locally through the Commercial Passenger Vessel Fund. Directional information is one of the most frequently requested visitor services we hear about from residents, businesses, and visitors.

We are considering two priority locations for larger kiosks with full-scale maps and visitor information, along with smaller signs throughout the immediate downtown area directing people to areas of interest.

A roundtable discussion will help identify the destinations that should be included and how best to scope the project. The signs will incorporate the Travel Wrangell brand for consistency. We plan to install them on Borough property to address liability and long-term maintenance.

### Downtown Waterfront Tidelands Fill and Abutment

The Borough's project engineers, PND Engineers, has completed the 95% design drawings, ready for the Borough's review and comment. Simultaneously, the Borough and PND Engineers are working with the U.S. Army Corps of Engineers (USACE) to modify a special condition in the original tidelands permit. The original permit restriction disallowed in-water placement of aggregate fill; however, because the project requires placing fill in the water, the Borough is requesting the removal of this condition. To resolve this permit condition, USACE has initiated an interagency consultation with the National Marine Fisheries Service (NMFS). The timeline for finalizing this agency consultation is currently pending. Once the permit condition is resolved, the Borough will finalize the engineering design and issue the project for competitive construction bidding. It is the intent of the Borough to complete as much of the permitted fill area (an area adjacent to the former barge terminal to the Nolan Center) as our available funding allows (or otherwise using supplemental funding).

### Alaska Marine Lines Barge Terminal

AML has completed 50% design of the barge terminal to be located at the 6-mile deepwater port site, and their design engineers, PND Engineers, and Discovery Drilling performed upland borehole investigations in September 2026, in the vicinity of the proposed new AML transfer bridge abutment.

Based on their provided communication, AML is currently navigating the federal permitting process for their new barge terminal project in Wrangell. Their current permitting status includes a Summer 2026 application submission to the US Army Corps of Engineers who is currently engaged in their required interagency consultations. The federal entities have confirmed that an Incidental Harassment Authorization (IHA) permit will be required for the project, the process for which generally requires a lengthier review process, often a twelve-to-eighteen-month time frame.

# Tourism Stakeholder Report

### Wrangell Harbor Basin Float System Replacement

Coordination continues between the RAISE grant team and the US Army Corps of Engineers (USACE) to align the Borough's project with the authorized navigation channel dredging. Meanwhile, the Borough has selected PND Engineers to design the project and have recently executed the contract. A kickoff meeting has occurred and PND will be moving to develop a workplan for approval by the federal funding program, RAISE, before performing ground disturbing bore hole investigations and their survey work. The project design schedule that has been developed with input by the federal agencies for environmental permitting requirements targets permit completion by May 2028. Based on this timeline, the Borough anticipates a Winter 2028 / Spring 2029 construction season.

## Fisheries Notices and Opportunities

### USDA Fuel Relief Notice

USDA announced an $8 billion Harvest Fuel Relief Program on October 19, 2026. The announcement includes a request for fuel-cost information from fishermen to inform payment rates. Further payment methodology and eligibility details remain subject to USDA guidance.

United Fishermen of Alaska and Pacific Seafood Processors Association are working with USDA's Office of Seafood on development of the application process. Based on the industry update provided to the Borough, aggregated information is most useful at this stage.

Fishermen can prepare by gathering this season's total fuel costs and retaining supporting records. USDA also encourages eligible producers to create a Login.gov account before the application period is announced.

This is advance notice so fishermen can prepare. Further instructions will be shared as the process develops.

### Southeast Alaska Shellfish and Sea Otter Initiative

The Borough is helping begin a regional discussion among commercial fishermen, subsistence harvesters, processors, Tribal organizations, and others connected to Southeast Alaska's shellfish fisheries. The effort follows concerns about declining fisheries, including the early closure of the commercial Dungeness crab season. Discussion topics may include fisheries health, research needs, management, economic impacts, and sea otter predation.

Participants will determine whether a regional organization should move forward and guide its priorities, structure, and leadership. We plan to begin with a virtual introductory meeting. An in-person gathering in Wrangell is proposed for January through early March 2027, with timing informed by participants and fishing schedules.

Those interested are encouraged to complete the interest form. It will help establish contacts and plan the discussions; completing it does not commit anyone to membership. Interest form link: https://bit.ly/WRG_Crab_SF_Signup

To: Mason Villarma

Cc: City & Borough Assembly, Wrangell Port Commission

From: Steve Miller

Subject: November Harbormaster Report

Date: 11/5/2026

**Overview**

October was a busy month as we moved into winter operations and kept several waterfront projects moving. Harbor and Marine Service Center staff handled the regular day-to-day work, winterized facilities, responded to the Samson III fire, and followed up on our stormwater sampling. We also continued working with PND, federal agencies, and our project partners on City Dock, the downtown fill, the cruise dock, the barge terminal, and the harbor basin project.

**Operations and Winter Preparation**

- We continued winterizing harbor facilities. Summer floats have been put away, water lines have been drained, and staff worked on pressure washing, general cleanup, inspections, and small repairs as weather allowed.

- The Heritage Harbor sewer pump-out remains out of service. It appears someone used it to pump used oil or possibly hydraulic oil, which destroyed the rubber hose inside the pump housing. The pump has been rebuilt, and we are now waiting for the ordered motor parts to arrive.

- Staff kept up with harbor patrols, customer service, haul-outs, and yard work as activity slowed for the winter.

**Marine Service Center Fire Response**

Harbor staff reported a fire aboard the Samson III at about 4:09 p.m. Our crew was on scene within minutes and used extinguishers and a 1.5-inch fire hose until the Fire Department arrived. The fire was contained in less than 20 minutes and was out by about 4:30 p.m. No one was injured. The fire appeared to start in a forward stateroom and was not related to work being done by Marine Service Center vendors.

**Stormwater Compliance SWPPP MSC**

Following the September 9 stormwater results, Marine Service Center personnel cleaned all water-quality units, including the separators and sediment traps. Staff are now preparing for fourth-quarter benchmark testing and the required quarterly report.

**Capital and Waterfront Projects**

- **City Dock Dolphin Repair:** We are working with PND Engineers and our insurance company to move the repair ahead. PND is preparing design, bid documents, permits, and construction administration. Insurance proceeds will pay for the work, and our goal is to have it finished before cruise ship operations resume in May 2027.

- **Downtown Waterfront Tidelands Fill and Abutment:** PND has completed the 95 percent design, and it is ready for Borough review. We are working with the U.S. Army Corps of Engineers to remove a permit condition that does not allow aggregate fill to be placed in the water. USACE has started its consultation with the National Marine Fisheries Service, but we do not yet have a completion date. Once that issue is resolved, we can finish the design and advertise the project for construction. We intend to complete as much of the permitted area between the former barge terminal and the Nolan Center as available funding allows.
- **American Cruise Lines Mooring Dock:** ACL continues its design and environmental permitting work in coordination with the Borough's fill project. A possible shift in the dock location is still being reviewed. If permitting stays on track, ACL plans to select a contractor and begin construction in summer 2027.

**Capital and Waterfront Projects Continued**

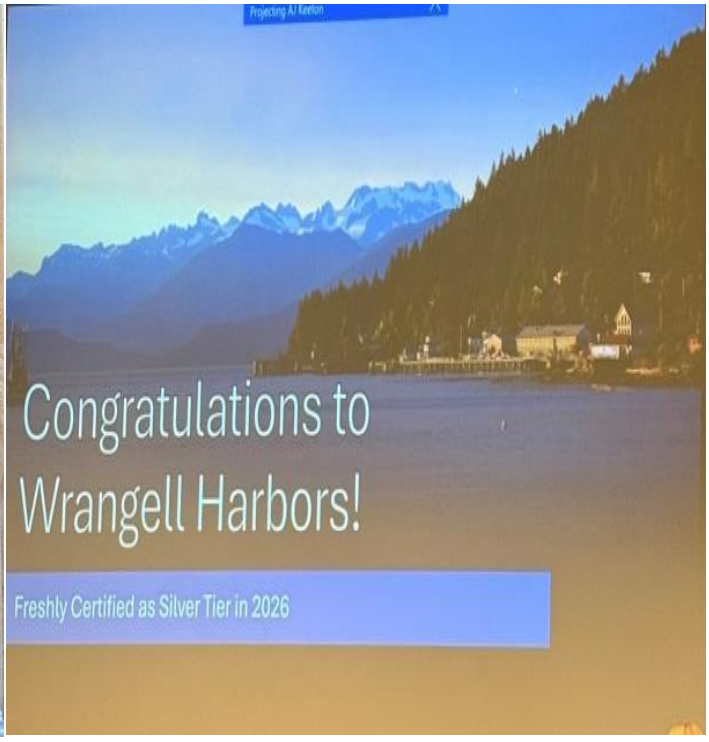
- **Alaska Marine Lines Barge Terminal:** AML has reached 50 percent design for the terminal at the Six Mile Deepwater Port. PND and Discovery Drilling completed upland borehole work in September near the proposed transfer bridge abutment. AML submitted its application to USACE this summer, and the federal agencies are now completing their consultations. An Incidental Harassment Authorization will be required, and that review generally takes 12 to 18 months.
- **Wrangell Harbor Basin Float System Replacement:** PND is under contract for the design, and we have held the kickoff meeting. The RAISE grant team and USACE are coordinating the project with the authorized navigation channel dredging. PND will prepare a work plan for RAISE approval before starting the borehole and survey work. The current schedule calls for permits by May 2028 and construction in winter 2028 or spring 2029.
- **EDA Funding:** EDA notified the Borough that it intends to award more than $43 million for three projects. Our application requested about $10 million for downtown waterfront work, including City Dock, and $30.7 million for infrastructure at the Six-Mile Deepwater Port. The funding is still pending while the final grant agreements are completed.

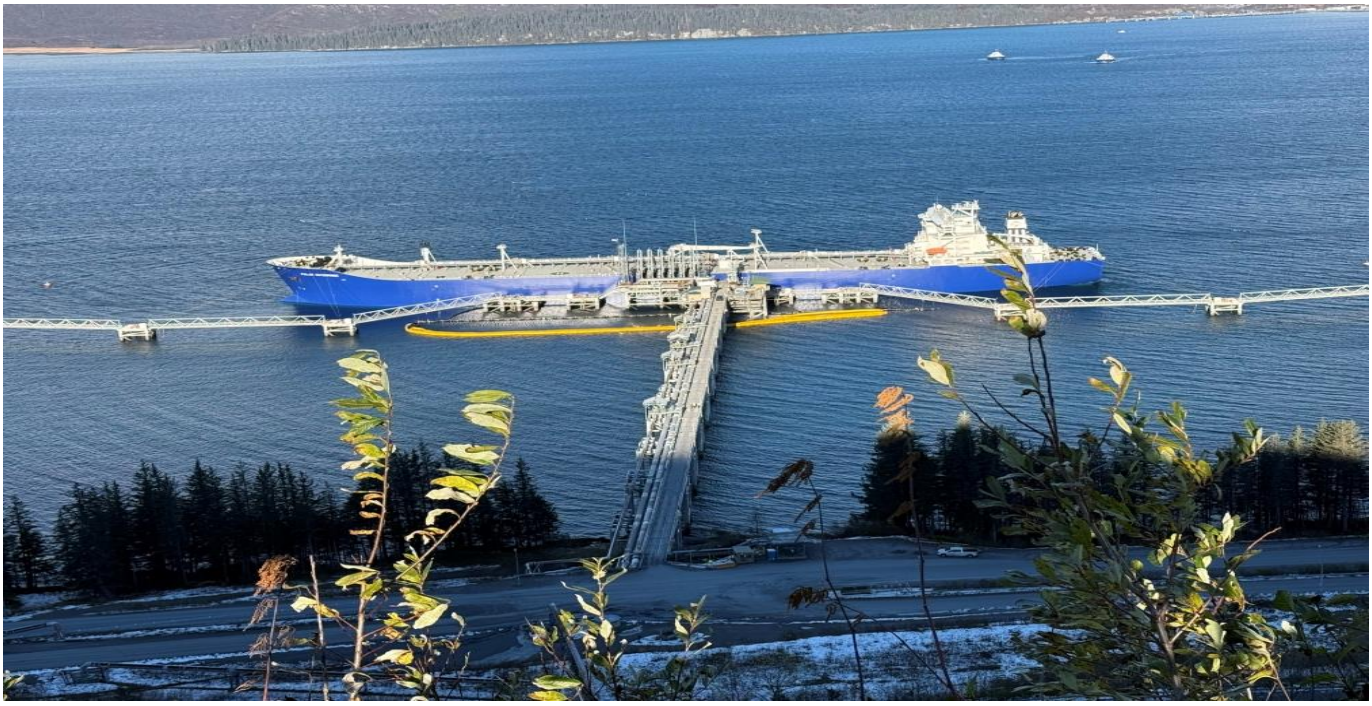
**AAHPA Conference**

I attended the 47th annual Alaska Association of Harbormasters and Port Administrators conference in Valdez October 19-22. As a board member, I also took part in the association's business meetings and gave Wrangell's waterfront update during the Call of Ports. Some of the most useful sessions were Rear Admiral Bob Little's Coast Guard Arctic update and the funding discussions with MARAD Director Xochitl Castañeda and DOT&PF's Sarah Cripe. Maryann Fidel and Tracy Coon covered water quality and stormwater compliance, Chip Courtright of PND Engineers spoke about waterfront design, and Mike Day and Shannon Hamerly of Alyeska SERVS discussed spill-response readiness.

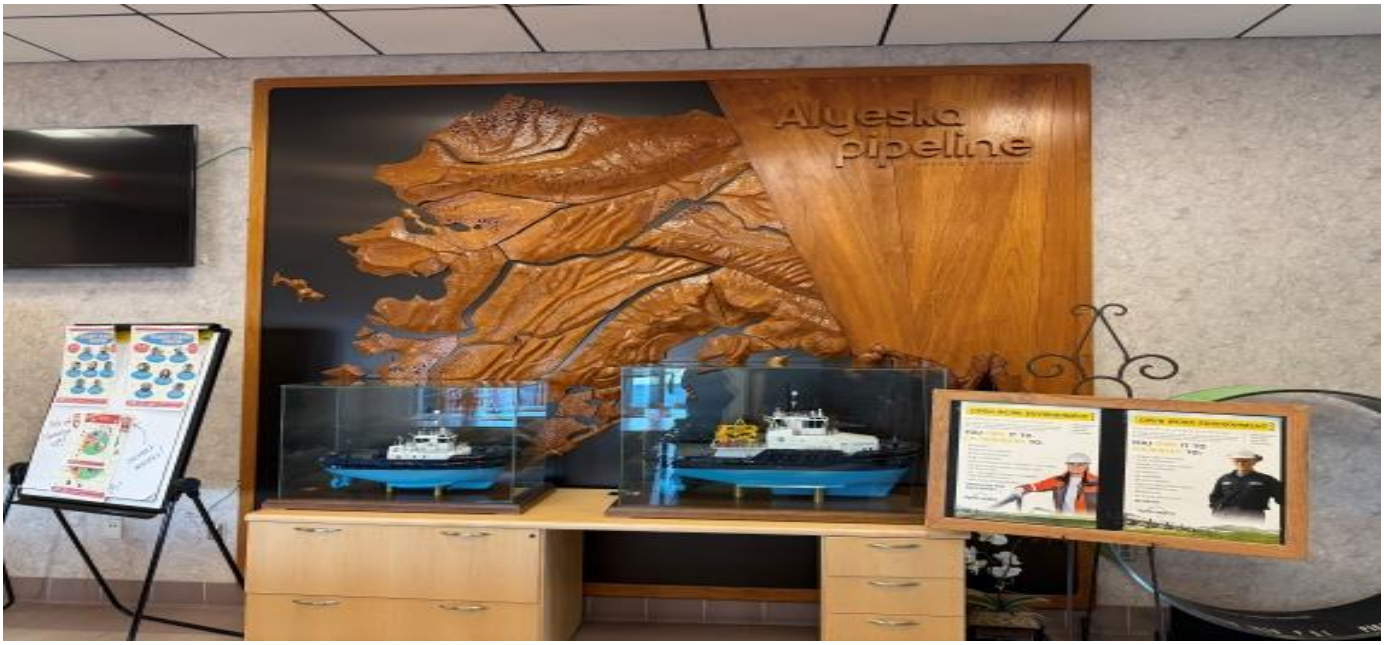
AAHPA continues to advocate for full FY2028 funding of $20.6 million for the Municipal Harbor Facility Grant Program and for raising the maximum grant award to $7.5 million. We also raised another $10,000 for the scholarship program during the conference.





Alyeska Crude oil loading facility




**AAHPA Board member tour of Alyeska Oil Terminal Valdez Alaska**

## Cruise Ship Security

During the 2026 cruise ship season, staff logged a total of 1,634.65 hours providing security coverage. The total personnel cost for this coverage was $60,771.86. The department billed $64,800 for security coverage.

## Upcoming Priorities

Our priorities for November are winter inspections and maintenance, follow-up stormwater sampling, City Dock design and permitting, and review of the 95 percent downtown fill design. We will also keep working with PND on the RAISE work plan and with EDA on the final grant package.

# Aged Accounts Receivable

**Wrangell Ports & Harbors**

*Customer Type: ALL  Group: ALL Sorted By Full Name October, 2026*

| Due | | Name | Current | >30 Days | >60 Days | >90 Days | >120 Days |
|---|---|---|---|---|---|---|---|
| $1,021.12 | 10712 | abandoned trailer marine lot | $720.08 | $301.04 | $0.00 | $0.00 | $0.00 |
| -$165.79 | 1618 | Alaska Vistas | -$165.79 | $0.00 | $0.00 | $0.00 | $0.00 |
| $600.04 | 8057 | Allen, Gary & Carly | $24.13 | $23.78 | $23.78 | $528.35 | $0.00 |
| $377.31 | 10449 | Allen, Mike | $377.31 | $0.00 | $0.00 | $0.00 | $0.00 |
| $75,420.00 | 8161 | American Cruise Lines | $20,688.33 | $35,393.16 | $19,338.51 | $0.00 | $0.00 |
| $151,123.16 | 10391 | AML Reconcilliation Acct | $38,044.38 | $32,705.05 | $24,260.11 | $7,852.67 | $48,260.95 |
| $410.88 | 1417 | Angerman, Mercedes | $410.88 | $0.00 | $0.00 | $0.00 | $0.00 |
| $53.99 | 7249 | Armstrong, William | $53.99 | $0.00 | $0.00 | $0.00 | $0.00 |
| $1,258.41 | 7789 | Barnes, Michael | $36.39 | $17.80 | $17.80 | $1,186.42 | $0.00 |
| $793.69 | 10726 | Bezenek, Clay | $793.69 | $0.00 | $0.00 | $0.00 | $0.00 |
| $219.57 | 10265 | Biasutti, Jayne | $6.35 | $3.11 | $3.06 | $3.02 | $204.03 |
| $333.40 | 8912 | Blakeley, Cuff | $212.76 | $120.64 | $0.00 | $0.00 | $0.00 |
| $1,775.88 | 8376 | Blenz, John | $1,775.88 | $0.00 | $0.00 | $0.00 | $0.00 |
| $808.92 | 9242 | BLM - Seth Kiester | $808.92 | $0.00 | $0.00 | $0.00 | $0.00 |
| $4,426.81 | 8180 | Botsford, Tristan | $785.93 | $712.49 | $1,323.30 | $364.32 | $1,240.77 |
| $488.72 | 1829 | Breakaway Adventures | $7.22 | $240.75 | $240.75 | $0.00 | $0.00 |
| -$679.00 | 10684 | Brick, Ralph | -$679.00 | $0.00 | $0.00 | $0.00 | $0.00 |
| $483.87 | 10559 | Bridges, Greg | $14.00 | $6.86 | $90.92 | $372.09 | $0.00 |
| -$384.74 | 10485 | Bristol Bay Fuels | -$384.74 | $0.00 | $0.00 | $0.00 | $0.00 |
| -$0.73 | 10266 | Buchanan, Norman | -$0.73 | $0.00 | $0.00 | $0.00 | $0.00 |
| -$0.45 | 10621 | Budgeon, Dianna | -$0.45 | $0.00 | $0.00 | $0.00 | $0.00 |
| $120.64 | 6444 | Buness, Chris | $120.64 | $0.00 | $0.00 | $0.00 | $0.00 |
| $462.94 | 5110 | Buness, Terry | $42.20 | $27.97 | $27.97 | $364.80 | $0.00 |
| $82.18 | 9094 | Byers, Blake | $82.18 | $0.00 | $0.00 | $0.00 | $0.00 |
| $127.96 | 8000 | Campbell, Jon | $3.72 | $0.00 | $124.24 | $0.00 | $0.00 |
| -$0.12 | 9628 | Carlson, Samuel | -$0.12 | $0.00 | $0.00 | $0.00 | $0.00 |
| $493.57 | 8272 | Carney, Jack | $172.01 | $160.78 | $160.78 | $0.00 | $0.00 |
| $356.95 | 9412 | Carruth, Tom | $356.95 | $0.00 | $0.00 | $0.00 | $0.00 |
| $1,138.39 | 10374 | Cavitt, David & Rachel | $573.43 | $564.96 | $0.00 | $0.00 | $0.00 |
| $1,175.37 | 7876 | CHAILLE, PETER | $403.37 | $386.00 | $386.00 | $0.00 | $0.00 |
| -$3.46 | 8380 | Christansen, Oliver | -$3.46 | $0.00 | $0.00 | $0.00 | $0.00 |
| $364.91 | 9745 | Clark, Jason | $185.15 | $179.76 | $0.00 | $0.00 | $0.00 |
| $1,753.33 | 8756 | Cook, Lorne | $50.71 | $24.80 | $24.78 | $1,586.08 | $66.96 |
| $321.00 | 9379 | Crane, Thomas | $321.00 | $0.00 | $0.00 | $0.00 | $0.00 |
| -$868.84 | 10312 | Cruise Line Agencies Of Alaska Hanseatic In | -$868.84 | $0.00 | $0.00 | $0.00 | $0.00 |
| -$522.16 | 9188 | Cruise Line Agencies Of Alaska Roald Amundsen | -$522.16 | $0.00 | $0.00 | $0.00 | $0.00 |
| -$449.40 | 10665 | Cruise Line Agencies of Alaska The World of Resid | -$449.40 | $0.00 | $0.00 | $0.00 | $0.00 |
| $3,839.08 | 8432 | Currall, Timothy | $3,839.08 | $0.00 | $0.00 | $0.00 | $0.00 |
| $7,546.66 | 8429 | Curtis, Tony | $0.00 | $0.00 | $799.40 | $0.00 | $6,747.26 |
| $28.50 | 9377 | Deboer, Gavin | $2.00 | $1.00 | $5.98 | $19.52 | $0.00 |
| $299.60 | 3875 | Decker, Gig | $299.60 | $0.00 | $0.00 | $0.00 | $0.00 |
| $309.24 | 9030 | Delong, Mike | $108.94 | $4.37 | $4.31 | $4.25 | $187.37 |
| -$132.64 | 9169 | Devore, Keenan | -$132.64 | $0.00 | $0.00 | $0.00 | $0.00 |
| $294.79 | 1686 | Doak, Dan | $294.79 | $0.00 | $0.00 | $0.00 | $0.00 |
| $3,472.39 | 10434 | Dometrovich III, Frank Paul | $3,472.39 | $0.00 | $0.00 | $0.00 | $0.00 |
| -$3.08 | 10719 | Dougherty, Gabe | -$3.08 | $0.00 | $0.00 | $0.00 | $0.00 |
| $1,056.46 | 10424 | Dueber Pacific Fisheries LLC | $1,056.46 | $0.00 | $0.00 | $0.00 | $0.00 |

# Aged Accounts Receivable

**Wrangell Ports & Harbors**

*Customer Type: ALL  Group: ALL Sorted By Full Name October, 2026*

| Due | | Name | Current | >30 Days | >60 Days | >90 Days | >120 Days |
|---|---|---|---|---|---|---|---|
| $1,910.74 | 10732 | Duman, Mike | $1,910.74 | $0.00 | $0.00 | $0.00 | $0.00 |
| $770.70 | 7612 | Easterly, Darren | $34.10 | $22.38 | $22.38 | $691.84 | $0.00 |
| $523.13 | 10731 | Eken, Viveka Ljungstrom/Erik | $523.13 | $0.00 | $0.00 | $0.00 | $0.00 |
| $871.10 | 8256 | Eldridge, James | $230.39 | $112.71 | $211.84 | $4.63 | $311.53 |
| $385.20 | 10343 | Ellis, Pat | $385.20 | $0.00 | $0.00 | $0.00 | $0.00 |
| $59.92 | 5233 | Ellis, Wayne | $59.92 | $0.00 | $0.00 | $0.00 | $0.00 |
| $417.30 | 10294 | Elmes, Jaclyn | $417.30 | $0.00 | $0.00 | $0.00 | $0.00 |
| $388.82 | 10613 | Emerald Sea LLC | $11.32 | $377.50 | $0.00 | $0.00 | $0.00 |
| $1,062.64 | 8116 | Enviro-Tech Diving | $1,062.64 | $0.00 | $0.00 | $0.00 | $0.00 |
| $801.89 | 8957 | Ercolin, Barbara | $801.89 | $0.00 | $0.00 | $0.00 | $0.00 |
| -$5.21 | 8959 | F/V Erika AnnInc. | -$5.21 | $0.00 | $0.00 | $0.00 | $0.00 |
| $406.87 | 10111 | Feeman, Vickie | $406.87 | $0.00 | $0.00 | $0.00 | $0.00 |
| $30.96 | 8578 | Fenner, Orion | $2.00 | $1.00 | $1.00 | $26.96 | $0.00 |
| $112.35 | 8084 | File, Mike | $112.35 | $0.00 | $0.00 | $0.00 | $0.00 |
| $5,321.41 | 1716 | Fish & Game | $153.89 | $75.26 | $75.26 | $5,017.00 | $0.00 |
| $120.64 | 8159 | Fisher, Allan | $120.64 | $0.00 | $0.00 | $0.00 | $0.00 |
| $374.29 | 8061 | Fisher, Tom | $5.53 | $28.67 | $28.67 | $311.42 | $0.00 |
| $149.80 | 6699 | Flickinger, Dan | $149.80 | $0.00 | $0.00 | $0.00 | $0.00 |
| $569.24 | 1540 | Florschutz, Ben | $569.24 | $0.00 | $0.00 | $0.00 | $0.00 |
| $2,899.07 | 9629 | Freedom Isn't Free Properties | $81.54 | $48.31 | $48.31 | $2,720.91 | $0.00 |
| -$19.68 | 10097 | Freelund, Monica | -$19.68 | $0.00 | $0.00 | $0.00 | $0.00 |
| $404.46 | 7717 | Garbisch, Tyler | $404.46 | $0.00 | $0.00 | $0.00 | $0.00 |
| $787.82 | 8147 | Gillen, Matt | $396.84 | $390.98 | $0.00 | $0.00 | $0.00 |
| $441.41 | 9002 | Glenn, Sterling | $128.23 | $192.54 | $120.64 | $0.00 | $0.00 |
| $448.60 | 10357 | Gnad, Henry | $448.60 | $0.00 | $0.00 | $0.00 | $0.00 |
| -$171.99 | 5001 | Golds, Dan | -$171.99 | $0.00 | $0.00 | $0.00 | $0.00 |
| -$77.23 | 6847 | Gore, Matthew | -$77.23 | $0.00 | $0.00 | $0.00 | $0.00 |
| $67.42 | 8767 | Gorton, Jeff | $2.00 | $1.00 | $64.42 | $0.00 | $0.00 |
| $1,061.11 | 8876 | Green, Tyler | $1,061.11 | $0.00 | $0.00 | $0.00 | $0.00 |
| -$10.47 | 10110 | Greene, Jon | -$10.47 | $0.00 | $0.00 | $0.00 | $0.00 |
| $96.92 | 10568 | Grumbles, Guy | $2.80 | $1.37 | $1.37 | $91.38 | $0.00 |
| $737.42 | 10754 | Grutter, Fabian | $737.42 | $0.00 | $0.00 | $0.00 | $0.00 |
| $101.38 | 2199 | Guggenbickler, Chris | $101.38 | $0.00 | $0.00 | $0.00 | $0.00 |
| -$59.92 | 9937 | Hagen, Tom | -$59.92 | $0.00 | $0.00 | $0.00 | $0.00 |
| $2,505.97 | 8209 | Haley Marie Fisheries LLC | $2,505.97 | $0.00 | $0.00 | $0.00 | $0.00 |
| $640.35 | 1385 | Hay, Chuck | $322.56 | $317.79 | $0.00 | $0.00 | $0.00 |
| $1,633.51 | 9416 | Heller, Orion/Timothy | $0.00 | $0.00 | $0.00 | $0.00 | $1,633.51 |
| -$0.10 | 9245 | Henery, Michael | -$0.10 | $0.00 | $0.00 | $0.00 | $0.00 |
| $923.20 | 6419 | Higbee, Lee and Kitrina | $923.20 | $0.00 | $0.00 | $0.00 | $0.00 |
| $462.88 | 10268 | Hockenstein, Brian | $13.48 | $449.40 | $0.00 | $0.00 | $0.00 |
| $84,470.36 | 8034 | Holland America Group | $56,603.14 | $27,867.22 | $0.00 | $0.00 | $0.00 |
| $120.64 | 8427 | Holmquist, Ray | $120.64 | $0.00 | $0.00 | $0.00 | $0.00 |
| $481.50 | 10725 | Hooks, David | $481.50 | $0.00 | $0.00 | $0.00 | $0.00 |
| $89.88 | 7401 | Hoover, Ken | $89.88 | $0.00 | $0.00 | $0.00 | $0.00 |
| $238.34 | 10533 | Host, Amory | $238.34 | $0.00 | $0.00 | $0.00 | $0.00 |
| $144.05 | 10062 | Humphrey, Carl | $0.00 | $2.10 | $2.07 | $2.04 | $137.84 |
| $2,422.23 | 9967 | Inouye, James | $0.00 | $0.00 | $0.00 | $0.00 | $2,422.23 |
| $98.97 | 10638 | Jackson, Jeffrey | $5.21 | $93.76 | $0.00 | $0.00 | $0.00 |
| $217.21 | 4162 | Jamieson, Bruce | $217.21 | $0.00 | $0.00 | $0.00 | $0.00 |

# Aged Accounts Receivable

**Wrangell Ports & Harbors**

*Customer Type: ALL  Group: ALL Sorted By Full Name October, 2026*

| Due | | Name | Current | >30 Days | >60 Days | >90 Days | >120 Days |
|---|---|---|---|---|---|---|---|
| $674.54 | 8063 | Jenkins Welding | $674.54 | $0.00 | $0.00 | $0.00 | $0.00 |
| $463.47 | 8148 | Jenkins, Josh | $302.78 | $160.69 | $0.00 | $0.00 | $0.00 |
| $560.27 | 6785 | JG Marine | $133.72 | $31.67 | $31.57 | $363.31 | $0.00 |
| -$138.40 | 4443 | Johnson, Chris | -$138.40 | $0.00 | $0.00 | $0.00 | $0.00 |
| $749.00 | 10618 | Jorgens, Brent | $749.00 | $0.00 | $0.00 | $0.00 | $0.00 |
| $144.81 | 9605 | Kaer, Sean | $144.81 | $0.00 | $0.00 | $0.00 | $0.00 |
| $1,566.48 | 8422 | Kandoll, Scot | $1,566.48 | $0.00 | $0.00 | $0.00 | $0.00 |
| $680.33 | 10723 | Kasper, Randy | $680.33 | $0.00 | $0.00 | $0.00 | $0.00 |
| -$49.99 | 9987 | Kelley, Thomas | -$49.99 | $0.00 | $0.00 | $0.00 | $0.00 |
| -$1.00 | 9281 | Kleven, Greg | -$1.00 | $0.00 | $0.00 | $0.00 | $0.00 |
| -$76.34 | 8062 | Kvale, Jack | -$76.34 | $0.00 | $0.00 | $0.00 | $0.00 |
| $100.17 | 8076 | Leese, William | $2.90 | $1.44 | $95.83 | $0.00 | $0.00 |
| $210.85 | 7392 | Lemke, Robert | $150.49 | $30.20 | $30.16 | $0.00 | $0.00 |
| $2,035.72 | 8778 | Lewis, James | $0.00 | $0.00 | $0.00 | $0.00 | $2,035.72 |
| $505.58 | 10403 | Linard, Jacob | $505.58 | $0.00 | $0.00 | $0.00 | $0.00 |
| $928.17 | 7901 | Little, Steve | $0.00 | $0.00 | $0.00 | $0.00 | $928.17 |
| -$210.33 | 8808 | Lopata, Stanley | -$210.33 | $0.00 | $0.00 | $0.00 | $0.00 |
| $395.17 | 9671 | Maleski, Mike | $11.43 | $5.59 | $5.51 | $5.43 | $367.21 |
| $88.18 | 10741 | Marilyn J Vessel LLC | $88.18 | $0.00 | $0.00 | $0.00 | $0.00 |
| $635.12 | 10257 | Marks II, Paul | $18.37 | $8.98 | $8.94 | $410.08 | $188.75 |
| $1,301.60 | 8035 | Mathisen, Wayne | $1,301.60 | $0.00 | $0.00 | $0.00 | $0.00 |
| $344.11 | 9390 | McClelland, Tom | $9.95 | $4.87 | $4.80 | $4.73 | $319.76 |
| -$56.82 | 8419 | McGrath, Bennett | -$56.82 | $0.00 | $0.00 | $0.00 | $0.00 |
| $335.45 | 3928 | Mcholland, Wayne | $335.45 | $0.00 | $0.00 | $0.00 | $0.00 |
| $4,245.97 | 2184 | Mcmurren, Pat | $122.80 | $60.05 | $59.59 | $1,895.95 | $2,107.58 |
| $120.64 | 9958 | Meek, Dale & Mechel | $120.64 | $0.00 | $0.00 | $0.00 | $0.00 |
| $2,571.31 | 1676 | Meissner, Michelle | $74.36 | $36.36 | $36.36 | $2,424.23 | $0.00 |
| $243.28 | 2413 | Meissner, Vern | $243.28 | $0.00 | $0.00 | $0.00 | $0.00 |
| $485.16 | 10628 | Menish, Jesse | $14.03 | $6.96 | $464.17 | $0.00 | $0.00 |
| $689.08 | 10727 | Mercer, Ed | $689.08 | $0.00 | $0.00 | $0.00 | $0.00 |
| $788.33 | 8969 | Meschnark, Jenayle | $18.76 | $18.76 | $25.87 | $724.94 | $0.00 |
| $134.46 | 8058 | Metal Head Marine LLC | $134.46 | $0.00 | $0.00 | $0.00 | $0.00 |
| $183.99 | 10315 | meury, eric | $5.32 | $2.60 | $2.56 | $2.53 | $170.98 |
| $565.43 | 10104 | Miera, Chris | $16.36 | $8.00 | $7.88 | $7.77 | $525.42 |
| $802.50 | 10722 | Miller, Christopher | $802.50 | $0.00 | $0.00 | $0.00 | $0.00 |
| $742.48 | 1815 | Miller, Dave | $21.62 | $720.86 | $0.00 | $0.00 | $0.00 |
| $321.90 | 8413 | Miller, Garrett | $321.90 | $0.00 | $0.00 | $0.00 | $0.00 |
| $1,063.20 | 8320 | Mitchell, Gary | $1,063.20 | $0.00 | $0.00 | $0.00 | $0.00 |
| $164.78 | 9256 | Morelli, Joaquin | $164.78 | $0.00 | $0.00 | $0.00 | $0.00 |
| $492.44 | 3921 | Muddy Water Adventures | $492.44 | $0.00 | $0.00 | $0.00 | $0.00 |
| $19,723.62 | 7896 | Mundt, Corey | $0.00 | $0.00 | $0.00 | $10,500.00 | $9,223.62 |
| $401.39 | 10534 | Munkres, Kaden | $401.39 | $0.00 | $0.00 | $0.00 | $0.00 |
| -$242.53 | 9454 | Nuckols, John | -$242.53 | $0.00 | $0.00 | $0.00 | $0.00 |
| $4,006.82 | 9191 | Nurco, Michael | $1,662.62 | $1,537.58 | $806.62 | $0.00 | $0.00 |
| $6,866.68 | 8171 | Olin II, Richard | $6,866.68 | $0.00 | $0.00 | $0.00 | $0.00 |
| -$0.12 | 10352 | Olson, Craig | -$0.12 | $0.00 | $0.00 | $0.00 | $0.00 |
| $179.76 | 7966 | Olson, Ron | $179.76 | $0.00 | $0.00 | $0.00 | $0.00 |
| $649.50 | 10098 | Ostman, Pete | $18.92 | $630.58 | $0.00 | $0.00 | $0.00 |
| $59.10 | 8335 | Otto, George | $59.10 | $0.00 | $0.00 | $0.00 | $0.00 |

# Aged Accounts Receivable

**Wrangell Ports & Harbors**

*Customer Type: ALL  Group: ALL Sorted By Full Name October, 2026*

| Due | | Name | Current | >30 Days | >60 Days | >90 Days | >120 Days |
|---|---|---|---|---|---|---|---|
| $525.80 | 10740 | Overley, Todd | $525.80 | $0.00 | $0.00 | $0.00 | $0.00 |
| -$0.12 | 8129 | Packard, Richard | -$0.12 | $0.00 | $0.00 | $0.00 | $0.00 |
| $284.62 | 9978 | Padgett, Levi | $284.62 | $0.00 | $0.00 | $0.00 | $0.00 |
| $2,265.62 | 9959 | PDC Holdings | $2,265.62 | $0.00 | $0.00 | $0.00 | $0.00 |
| $6,930.94 | 8623 | PEAK Engineering | $200.45 | $98.04 | $96.61 | $95.20 | $6,440.64 |
| $188.72 | 8520 | Peeler, Alfred | $5.46 | $2.67 | $2.63 | $2.59 | $175.37 |
| $5,271.38 | 9435 | Peninsula Seafoods | $2,245.43 | $1,538.14 | $1,487.81 | $0.00 | $0.00 |
| $356.31 | 10389 | Percy, Kelly | $356.31 | $0.00 | $0.00 | $0.00 | $0.00 |
| $119.84 | 6722 | PETERSON, KIM | $119.84 | $0.00 | $0.00 | $0.00 | $0.00 |
| $1,400.97 | 1585 | Petticrew, Charles | $1,400.97 | $0.00 | $0.00 | $0.00 | $0.00 |
| -$208.32 | 9908 | Peyton, Paul | -$208.32 | $0.00 | $0.00 | $0.00 | $0.00 |
| $239.68 | 8121 | Phillips, Dustin | $239.68 | $0.00 | $0.00 | $0.00 | $0.00 |
| $642.53 | 5669 | Phillips, R. Scott | $431.52 | $211.01 | $0.00 | $0.00 | $0.00 |
| -$14.90 | 10690 | Pierantozzi, Craig | -$14.90 | $0.00 | $0.00 | $0.00 | $0.00 |
| $95.79 | 10452 | Powers, Daniel | $95.79 | $0.00 | $0.00 | $0.00 | $0.00 |
| -$11.49 | 3661 | Prysunka, Steve | -$11.49 | $0.00 | $0.00 | $0.00 | $0.00 |
| -$31.31 | 9826 | Read, Melissa | -$31.31 | $0.00 | $0.00 | $0.00 | $0.00 |
| $1,664.80 | 7841 | Rhoades, Rod | $48.14 | $23.89 | $27.97 | $1,564.80 | $0.00 |
| $115.92 | 8748 | Robinson, Lucy | $115.92 | $0.00 | $0.00 | $0.00 | $0.00 |
| $29.96 | 9565 | Rocky's Marine | $29.96 | $0.00 | $0.00 | $0.00 | $0.00 |
| -$45.27 | 8008 | Roher, Donald | -$45.27 | $0.00 | $0.00 | $0.00 | $0.00 |
| $438.17 | 10410 | Ross, Conner & Rebecca | $438.17 | $0.00 | $0.00 | $0.00 | $0.00 |
| -$3.42 | 10150 | Russell, Dave | -$3.42 | $0.00 | $0.00 | $0.00 | $0.00 |
| -$163.00 | 8167 | Sackmann, Steven | -$163.00 | $0.00 | $0.00 | $0.00 | $0.00 |
| $3,833.73 | 10679 | Saiget, David | $3,833.73 | $0.00 | $0.00 | $0.00 | $0.00 |
| -$0.37 | 9367 | Sampson, Myles | -$0.37 | $0.00 | $0.00 | $0.00 | $0.00 |
| $20,744.22 | 3829 | Samson | $16,630.88 | $4,113.34 | $0.00 | $0.00 | $0.00 |
| $3,122.02 | 3810 | Sanford, Daniel | $91.73 | $120.05 | $46.40 | $45.72 | $2,818.12 |
| -$0.26 | 9235 | Schenenback, Ron | -$0.26 | $0.00 | $0.00 | $0.00 | $0.00 |
| $56.10 | 9946 | Schwartz, Teagen | $2.00 | $1.00 | $1.00 | $1.00 | $51.10 |
| $46.06 | 8423 | Sedgemore, Jeff | $46.06 | $0.00 | $0.00 | $0.00 | $0.00 |
| -$7.39 | 9200 | Sellars, Chris | -$7.39 | $0.00 | $0.00 | $0.00 | $0.00 |
| $2,076.84 | 5874 | Shilts, Michael W. | $60.06 | $29.37 | $29.37 | $1,958.04 | $0.00 |
| $639.45 | 4359 | Shipley, Marie | $24.45 | $15.00 | $25.94 | $574.06 | $0.00 |
| -$98.87 | 7226 | Short, Mathew | -$98.87 | $0.00 | $0.00 | $0.00 | $0.00 |
| $112.35 | 8964 | Shumaker, Stephen | $112.35 | $0.00 | $0.00 | $0.00 | $0.00 |
| $1,071.40 | 10405 | Sidaras, Stephen | $30.99 | $15.27 | $516.77 | $508.37 | $0.00 |
| $352.03 | 8441 | Simpson, Clark | $352.03 | $0.00 | $0.00 | $0.00 | $0.00 |
| $184.25 | 9096 | Slattery, Wesley E. | $184.25 | $0.00 | $0.00 | $0.00 | $0.00 |
| -$173.25 | 9904 | Smith, Carlin | -$173.25 | $0.00 | $0.00 | $0.00 | $0.00 |
| $571.08 | 7312 | Sorric, Don | $571.08 | $0.00 | $0.00 | $0.00 | $0.00 |
| -$0.01 | 8761 | South Lagoon Point Holdings LLC | -$0.01 | $0.00 | $0.00 | $0.00 | $0.00 |
| $2,214.95 | 10743 | Sportsman's Cove Lodge | $2,214.95 | $0.00 | $0.00 | $0.00 | $0.00 |
| $1,188.82 | 10735 | Stevens Jr., Don | $1,188.82 | $0.00 | $0.00 | $0.00 | $0.00 |
| $5,202.36 | 1588 | Stevens, Mark | $528.65 | $324.49 | $320.32 | $2,792.88 | $1,236.02 |
| $7,614.61 | 6252 | Stoican, George | $3,434.67 | $1,334.86 | $1,348.75 | $1,496.33 | $0.00 |
| $2,246.74 | 9417 | Stricker, Ida Christine | $0.00 | $0.00 | $0.00 | $0.00 | $2,246.74 |
| $2,002.35 | 3589 | Superior Marine SVC | $2,002.35 | $0.00 | $0.00 | $0.00 | $0.00 |
| $1,239.96 | 9973 | Swanson, Robert | $1,239.96 | $0.00 | $0.00 | $0.00 | $0.00 |

# Aged Accounts Receivable

**Wrangell Ports & Harbors**

*Customer Type: ALL  Group: ALL Sorted By Full Name October, 2026*

| Due | | Name | Current | >30 Days | >60 Days | >90 Days | >120 Days |
|---|---|---|---|---|---|---|---|
| -$48.15 | 9108 | The Bay Company | -$48.15 | $0.00 | $0.00 | $0.00 | $0.00 |
| -$36.41 | 10348 | The R.K. Barnhart Family Limited Partnership | -$36.41 | $0.00 | $0.00 | $0.00 | $0.00 |
| $1,949.13 | 9043 | Thiele, Rolf | $28.39 | $27.97 | $27.97 | $1,864.80 | $0.00 |
| $510.72 | 6844 | THOMPSON, DANIEL | $510.72 | $0.00 | $0.00 | $0.00 | $0.00 |
| $1,122.99 | 7708 | Thompson, James | $153.78 | $135.40 | $137.21 | $696.60 | $0.00 |
| $847.13 | 8112 | Thompson, Tyler | $439.74 | $407.39 | $0.00 | $0.00 | $0.00 |
| $2,631.08 | 8965 | Thorstenson, Robert | $1,334.91 | $656.31 | $639.86 | $0.00 | $0.00 |
| $2,641.92 | 8038 | Trident Seafoods | $2,641.92 | $0.00 | $0.00 | $0.00 | $0.00 |
| $417.30 | 10420 | Upham, David | $417.30 | $0.00 | $0.00 | $0.00 | $0.00 |
| $106.94 | 5824 | US FOREST SERVICE | $1.58 | $52.68 | $52.68 | $0.00 | $0.00 |
| $1,821.74 | 8279 | Vonick, Jason | $1,821.74 | $0.00 | $0.00 | $0.00 | $0.00 |
| $121.64 | 1524 | Wagner, Charles | $121.64 | $0.00 | $0.00 | $0.00 | $0.00 |
| $120.64 | 7271 | Wakefield, Bill | $120.64 | $0.00 | $0.00 | $0.00 | $0.00 |
| $912.28 | 9089 | Wakefield, Douglas | $313.08 | $299.60 | $299.60 | $0.00 | $0.00 |
| $142.99 | 10031 | Ward, Lloyd | $4.13 | $2.02 | $2.02 | $134.82 | $0.00 |
| $3,352.26 | 3502 | Warfel Jr., Frank | $3,352.26 | $0.00 | $0.00 | $0.00 | $0.00 |
| -$6,210.41 | 8344 | Watts, Jonathan | -$6,210.41 | $0.00 | $0.00 | $0.00 | $0.00 |
| $262.15 | 10733 | Weathers, Valon | $262.15 | $0.00 | $0.00 | $0.00 | $0.00 |
| -$0.15 | 9336 | Weekly, Todd | -$0.15 | $0.00 | $0.00 | $0.00 | $0.00 |
| $523.92 | 8909 | Welch, Jeremy & Dawn | $523.92 | $0.00 | $0.00 | $0.00 | $0.00 |
| $121.64 | 8081 | Welch, Nicholas | $121.64 | $0.00 | $0.00 | $0.00 | $0.00 |
| $1,574.18 | 8395 | Welch, Todd | $1,574.18 | $0.00 | $0.00 | $0.00 | $0.00 |
| $1,065.25 | 10701 | Wells, John | $1,065.25 | $0.00 | $0.00 | $0.00 | $0.00 |
| $104.86 | 7414 | Wells, Jonathan | $104.86 | $0.00 | $0.00 | $0.00 | $0.00 |
| $462.98 | 10417 | Whitney, Brian | $13.39 | $6.55 | $6.45 | $6.36 | $430.23 |
| $770.40 | 6057 | Wickman, Tom | $770.40 | $0.00 | $0.00 | $0.00 | $0.00 |
| $256.80 | 10571 | Wiechecki, Henry | $256.80 | $0.00 | $0.00 | $0.00 | $0.00 |
| -$1,204.55 | 9034 | Wrangell Boatshop LLC | -$1,204.55 | $0.00 | $0.00 | $0.00 | $0.00 |
| -$308.57 | 9303 | Wrangell Cooperative Association | -$308.57 | $0.00 | $0.00 | $0.00 | $0.00 |
| **$519,866.82** | | | **$212,567.28** | **$113,536.55** | **$54,056.87** | **$49,228.24** | **$90,477.88** |

Count: 223

Total Debits: **$532,763.58**

Total Credits: **-$12,896.76**

City & Borough of Wrangell

# CAPITAL PROJECTS DEPARTMENT

## Administrative Report

To: HONORABLE MAYOR AND MEMBERS OF THE ASSEMBLY

Cc: MASON VILLARMA, BOROUGH MANAGER

From: AMBER AL-HADDAD, CAPITAL PROJECTS DIRECTOR

Subject: CAPITAL PROJECTS DEPARTMENT REPORT

Date: NOVEMBER 12, 2026

The Capital Facilities Department provides for the planning and management of CIP capital projects and major maintenance to City and Borough of Wrangell infrastructure. Capital projects for which State or Federal funding applications have been made are additional, and the Borough's projects for which funding requests are pending are listed at the end of this report. Highlights of projects which have received funding are provided below.

## Projects in Construction/Implementation Phase

**Above Ground Tank Install (Fuel/Storage Tank), Public Safety Building and High School.** This project Is underway. The tank has been set in place at the Public Safety Building and connections will be finalized. The tank for the High School has arrived in a configuration that exceeds the footprint of the new concrete pad constructed. The Contractor is reviewing the discrepancy and will return with a corrective solution.

**Stikine Middle School Boiler Replacement.** This new boiler installation is complete, and we are working with the contractor to finalize programming and complete the required Department of Education commissioning effort, expected t be complete by the end of November 2026.

**McKinnon Street Rehabilitation; Water and Sewer Utilities Replacement.** The contractor has completed the water, sewer and storm utilities, as well as the main line concrete roadway. Sidewalks and miscellaneous concrete work remains, along with joint work, site finishes and pedestrian safety rails. The contract runs through November 15, and the contractor is aiming to be able to open the road for public use soon.

**Wrangell Schools Renovations and Swimming Pool Roofs Replacement.** A contract award was made to McG Constructors. The contractor has begun construction of the Evergreen Elementary School roof replacement and will finalize this facility before mobilizing to the Middle School. The High School will follow, and the Swimming Pool roofs replacement is

scheduled as the last facility work in the schedule line-up. The contract runs through August 31, 2027.

**Public Safety Building Rehabilitation.** A contract award was made to Dawson Construction. Despite a two-month delay in contract review and approval by our federal funding agency, the contractor committed to starting the work and accomplishing a portion of the exterior wall scope before the end of 2026. Part of this expedited schedule involved seeking a window manufacturer with a reduced lead time. The contractor was able to reduce the window delivery by approximately seven weeks; however, there was an added expense to the Borough, in the amount of $27,000 for the substitute window product. The contractor expects to complete several wall sections before the end of the calendar year 2026 before a winter shutdown. Their schedule has them resuming construction on or around March 1, 2027. The contract runs through June 30, 2027.

**6-Mile Deep-Water Port Environmental Site Assessment (ESA) Phase I and II.** Nortech finalized their work plan with the ADEC and performed the ESA Phase II site investigation work in October. Soil samples will be tested, and the final report is due by the end of January 2027.

## Projects in Construction Bidding Phase

**Sunset Gardens Cemetery Expansion and Columbarium.** The construction bidding phase began in October, and the receipt of bids are expected by the end of November.

## Projects in Planning and Design Phase

**Skeet Range Improvements, Phase II.** The City and Borough of Wrangell is combining the Skeet Range Improvements and Trap House Construction into a single project. Funding for the skeet range portion is provided by the Alaska Department of Fish & Game (ADF&G) through a federal U.S. Fish & Wildlife Service pass-through grant, while the trap house is funded by a National Rifle Association (NRA) grant administered by the Stikine Sportsmen's Association. The ADF&G grant manager recently issued a formal grant amendment updating the performance period to December 2027.

The competitive solicitation for the construction phase is expected to be complete and released in early December. The target substantial completion date for the project is August 31, 2027, allowing the majority of construction to occur during the Spring and Summer 2027 season. To accommodate variable weather conditions, the contract will allow the contractor to phase the work, providing the flexibility to construct the high and low houses prior to pouring the concrete elements as weather permits.

**40-Acre Deep Water Port Development.** The Port Infrastructure Development Program (PIDP) funding is being used to develop the early planning and design of the Deepwater Port Development project, which is expected to be advanced through the anticipated EDA grant for that project. PIDP project development planning activities including property survey, Phase II Environmental Analysis, permit risk assessment, preliminary engineering assessment of property bulkhead, and preliminary engineering assessment of utility extension requirement. PND Engineers is working toward completing the 30% design of the road and utilities.

**Reservoir Bypass.** The environmental permitting documents are under review by the federal agencies. Meanwhile, the design work has advanced to the 100% submittal level and plan review has been completed by the State DEC. The environmental and cultural work remains, and the consultation documentation is expected to be ready to send to SHPO and local tribal entities by December. Once NEPA is complete, the construction bidding phase will be able to commence. We anticipate a late winter bidding schedule.

**Wrangell Harbor Basin Revitalization.** Coordination continues between the RAISE grant team and the U.S. Army Corps of Engineers (USACE) to align the Borough's project with the authorized navigational channel dredging project of the USACE. Meanwhile, the Borough selected PND Engineers to design the project, and we have had several multi-agency meetings now with PND joining that discussion as they plan to begin design. PND is in town this week to perform survey of the project site, and they have developed a workplan for approval by RAISE, before they can perform ground disturbing bore hole investigations for the new parking lots area adjacent to the former Marine Bar site. The project design schedule that has been developed, with input by the federal agencies for environmental permitting requirements, targets design and permitting complete by May 2028. Based on this timeline, the Borough anticipates a Winter 2028 / Spring 2029 construction season.

**Downtown Waterfront Fill and Abutment.** PND Engineers, have completed the 95% design drawings, ready for Borough review and comment. Simultaneously, the Borough and PND are working with the U.S. Army Corps of Engineers (USACE) to modify a special condition in the original tidelands fill permit. The original permit restrictions disallowed in-water placement of aggregate fill; however, because the project requires placing fill in the water, the Borough is requesting the removal of this condition. To resolve this permit condition, USACE has initiated an interagency consultation with the National Marine Fisheries Service (NMFS). The timeline for finalizing this agency consultation is currently pending. Once the permit concern is resolved, the Borough

will finalize the engineering design and release the project for competitive construction bidding. It is the intent of the Borough to complete as much of the permitted fill area, an area adjacent to the former barge terminal to the Nolan Center, as our available funding allows (or otherwise supplemental funding, not yet identified).

**WWTP Secondary Disinfection Analysis.** The Preliminary Engineering Report, with alternatives analysis and selection of the preferred alternative, was completed at the end of October and notification was provided to EPA and ADEC in order to comply with our permit requirements that a preferred alternative be selected by November 1, 2027.

Based on the evaluation of disinfection alternatives, Ultraviolet (UV) Disinfection sized for Future Maximum-Month Loading, is recommended as the preferred alternative for the Wrangell Wastewater Treatment Plant. This alternative provides the most balanced solution when considering life cycle costs, treatment performance, environmental protection, operational requirements, site constraints, and future expandability.

Ultraviolet (UV) Disinfection achieved the highest overall score in the evaluation matrix and offers the lowest anticipated long-term cost while maintaining compliance with current and future NPDES permit requirements. The proposed UV system is capable of reliably disinfecting the treated effluent under the range of wastewater conditions observed at the facility while eliminating the need for chemical storage, handling, and dechlorination systems.

The UV alternative also minimizes environmental risks associated with chlorine-based disinfection. Because no chemical residual is introduced into the receiving water, the risk of adverse impacts to aquatic organisms is substantially reduced. In addition, the compact footprint and reduced infrastructure requirements make the UV system more compatible with the physical constraints of the existing wastewater treatment facility.

While the Borough awaits federal funding advancement of the $10,000,000 Congressionally Directed Spending (CDS) appropriation that was awarded to Wrangell for the Wastewater Treatment Plant Effluent Disinfection Facility, we have submitted a funding request through the State Revolving Fund, requesting $900,000 for design and permitting. The Borough must complete the design of the preferred option and request construction approval within 24 months of the permit's effective date. This funding request to the State of Alaska seeks support for the engineering design phase of the chosen disinfection solution for the wastewater treatment plant. Design services will include geotechnical and survey, 35%, 65%, and 95% design submittals, advance selection of UV Equipment at 65% design level, and final construction bid documents.

**Wrangell Harbor Basin Float System Replacement.** Coordination continues between the RAISE grant team and the US Army Corps of Engineers (USACE) to align the Borough's project with the authorized navigation channel dredging. While the USACE awaits federal funding for their maintenance dredging, Borough administration is evaluating options to self-fund a portion of the USACE scope. This proactive strategy is intended to prevent delays if federal work plans do not materialize in time to meet the Borough's construction schedule, allowing us to maintain control over the project timeline.

**Dam Safety and Stabilization Improvements.** The Dam Stabilization Alternatives Analysis, conducted by Shannon & Wilson, has reached approximately 35% completion. The project will advance to the next design phase, including the environmental permitting phase, which will culminate in a biddable project package, developed in coordination with the DNR Dam Safety Office.

**Eastern Channel Emergency Access Route.** Staff have identified the site survey as the primary scope of work for the initial planning phase, which will be funded by the $200,000 State of Alaska planning grant. The Borough is currently coordinating with the USFS for their project with WCA proposed to replace the Hermit Creek Bridge, as the USFS holds an easement on a section of this State-owned roadway. There is a significant opportunity to engage the USFS for long-term project sustainability, provided the work aligns with current federal administration initiatives.

## Projects with Pending Funding Requests

**EDA FY2025 Disaster Supplemental Grant Program.** The three project applications were submitted to the EDA on March 3. Although the agency has issued a Notice of Intent to award $43.1 million to Wrangell for our three component projects, in October they requested additional information to confirm project scopes, reaffirm match commitments, and address numerous environmental and cultural questions for each project. A timeline for the final award has not yet been determined.

**Congressional Direct Spending (CDS) Requests for FFY 2027.** The Borough submitted funding requests for the following projects for Congressional Direct Spending consideration. We received notice this week with updates to the following requests:

- The Senate Appropriations Committee has begun releasing the FY27 appropriations bill. To date, the Energy and Water Development Appropriations Bill includes the $4.3M in programmatic funding that the Borough requested on behalf of the Alaska division of the USACE Maintenance and Operations for their Wrangell Harbor Basin

Maintenance Dredging project. This is good news for the Borough's Wrangell Harbor Basin project since having the USACE dredging performed will enhance the navigational channel associated with our facilities.

- The Transportation, Housing and Urban Development bill has not yet been released. This is the bill our request for the Deepwater Port Subdivision Development, in the amount of $15,500,000, would fall. We will continue to track his bill to determine if our request is successful.

- We understand from our lobbyist that the Wrangell Diesel Power Plant Roof Replacement funding request, in the amount of $1,136,243, was not funded.

**Denali Commission FY26 Transportation Match / Gap Funding.** In September, the Borough submitted a request for $979,200 for gap funding to complement the Wrangell Harbor Basin project's float replacements by integrating approximately 8,000 cubic yards of critical maintenance dredging within the federal harbor channel footprint into the Borough's primary contract.

**Alaska DOT Harbor Facilities Grant Program.** In August the Borough submitted a request for $5,000,000 (the program's max award per project) for the Inner Harbor Replacement, as supplemental funding to our RAISE grant for the Wrangell Harbor Basin Revitalization project. This is a 50/50 matching grant whereby the RAISE grant is eligible to serve as the match to the State grant.

**State Revolving Fund Program.** In October, the Borough submitted funding requests to the State SRF program for the following projects:

- Wastewater Treatment Plant Effluent Disinfection Facility, Design and Permitting only ($900,000)
- First Avenue and Mission Street Water Utility Replacement ($2,471,759)
- First Avenue and Mission Street Sewer Utility Replacement ($2,888,436)
- Zimovia Highway Sewer System Improvements (4,018,960)

**State of Alaska, Recreation Trails Program.** In October, the Borough submitted a funding request for the design and permitting phase of the Sháchk Kináa Deiyí Trail Extension, a 0.7-mile non-motorized route connecting the Mt. Dewey Trail to Evergreen Avenue. This project will enhance local pedestrian connectivity and safety by linking downtown Wrangell directly to Petroglyph Beach State Park and Wrangell Elementary School. The initiative supports regional economic development, expands

outdoor recreational opportunities, and improves overall quality of life for both residents and visitors. The projected cost is $195,227 and if awarded, the Borough would be obliged to provide 10% of this amount in local match contribution.

City & Borough of Wrangell

# OFFICE OF THE BOROUGH CLERK

## Administrative Report

To: Mayor and Borough Assembly Members

From: Kim Lane, MMC, Borough Clerk

Subject: November 17, 2026 Borough Clerk's Report

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

| DATE | MEETING TYPE/EVENT | WS? | TIME | WS Topic / Notes |
|---|---|---|---|---|
| 2026-11-17 | REGULAR (Rescheduled fr. 11-10) | WS \| NO | 6PM REG | |
| 2026-11-24 | Cancelled | | | |
| 2026-12-15 | REGULAR – **Rescheduled fr. 12/8** | WS \| ?? | 6PM REG | |
| 2027-01-12 | REGULAR | WS \| ?? | 6PM REG | |
| 2027-01-26 | REGULAR | WS \| ?? | 6PM REG | |

**NIXLE:** It is extremely important to borough staff, the assembly, and residents to encourage everyone to sign up to receive local NIXLE alerts. Please open the link above to register.

Nixle Community Information Service allows us to create and publish messages to be delivered to subscribed residents instantly via cell phone text message and/or email. Notifications can also be accessed online at Nixle's website.

The service is secure and reliable for Wrangell residents to use. Wrangell emergency services will be utilizing NIXLE for critical situations such as severe weather events or evacuation alerts.

**Purchasing or Leasing Borough-owned property:**

Applying to purchase or lease borough-owned land can be a bit confusing. We have created applications for both purchasing and leasing in order to make the process easier. Below are the steps one would take to lease or purchase borough-owned land.

Steps for Leasing Borough-Owned Real Property as per WMC 16.10

## Steps for Leasing Borough-Owned Tidelands as per WMC 16.08

Applications for tidelands leases shall be submitted to the borough clerk and then shall be submitted to the borough manager, planning and zoning and port commissions before being presented to the borough assembly for consideration.

Applications for real property leases shall be submitted to the borough clerk and then shall be submitted to the borough manager and the planning and zoning commission for review before being presented to the borough assembly for consideration.

The applicant shall provide additional information, including a development plan, designs, and specifications, as the planning and zoning and/or port commissions may request. The planning and zoning and port commissions may require the applicant to amend its development plan. All fees associated with the lease shall be paid by the applicant. Such fees include but are not limited to an application fee, survey, assessment, public notices, and recording fees.

For procedural questions, please contact City Hall at (907) 874-2381 Kim Lane (Borough Clerk) by email to clerk@wrangell.com.

For land questions and documents, please contact City Hall at (907) 874-2381 or Kate Thomas (Economic Development Director) by email to kthomas@wrangell.com.

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

| AGENDA ITEM TITLE: | DATE: | November 17, 2026 |
|---|---|---|
| | Agenda Section | **9** |

SEAPA Board Appointments for Calendar Year 2027 (1 *voting member & 1 alternate member*)

SUBMITTED BY:

Kim Lane, Borough Clerk

ATTACHMENTS: 1. Letters of Interest

**RECOMMENDATION MOTION:**

**For CY 2027, Wrangell has ONE voting members and ONE non-voting (alternate) members for the SEAPA Board. These appointments will be from January 1, 2027, through December 31, 2027.**

***Received Letters of Interest from:***

***Submitted for the Voting Member Seat:***

- ***MASON VILLARMA***

***Submitted for the Alternate (non-voting) Member Seat:***

- ***PATRICIA GILBERT***
- ***DAVID MCHOLLAND***

***Submitted for either the Voting Member OR Alternate Member Seat:***

-

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

Mayor: If there are no objections, I will appoint _____ to fill the VOTING SEAPA Board Member seat, from January 1, 2027 through December 31, 2027.

Mayor: If there are no objections, I will appoint _____ to fill the NON-VOTING (alternate) SEAPA Board Member seat, from January 1, 2027 through December 31, 2027.

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

***Motion: Move to appoint _____ to fill the vacancy of the voting SEAPA Board member seat, from January 1, 2027 through December 31, 2027.***

***Motion: Move to appoint _____ to fill the vacancy of the alternate SEAPA Board member seat, from January 1, 2027 through December 31, 2027.***

Please note that I did advertise these vacancies with a deadline to submit letters of interest by Wednesday, November 4th, before 4pm.

Also, as per Resolution No. 12-13-1290, the Assembly approved the following:

*"… that the City and Borough of Wrangell would make as policy that the SEAPA board appointment from Wrangell each year would first be chosen, if a candidate is available, from the borough assembly prior to any other candidates being considered."*

# Mason Villarma (for Voting Member Seat)

Good afternoon,

I'd like to express my interest in the voting member seat for the SEAPA board of directors.

Thank you,

Mason Villarma

# Patricia Gilbert (for Non-Voting Member Seat)

October 2, 2026

I would like to be re-appointed to the SEAPA board as a non-voting member for the term January 1, 2027 to December 31, 2027.

Patricia Gilbert

City and Borough of Wrangell Assembly

Dear Mayor and Assembly Members,

I would like to express my interest in continuing to serve as an alternate board member for the Southeast Alaska Power Agency (SEAPA), representing the City and Borough of Wrangell.

As the Electrical Utility Superintendent, I believe my experience and knowledge of Wrangell's electrical system allow me to provide valuable input to SEAPA. I have appreciated the opportunity to serve and would welcome the chance to continue contributing to the agency's operations and future and future planning.

Thank you for your consideration.

Sincerely,

David Mcholland

Electrical Utility Superintendent

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

| AGENDA ITEM TITLE: | DATE: | November 17, 2026 |
|---|---|---|
| | Agenda Section | **9** |

Economic Development Board Appointment

| SUBMITTED BY: |
|---|
| Kim Lane, MMC, Borough Clerk |

| FISCAL NOTE: | | |
|---|---|---|
| **Expenditure Required:** $XXX Total | | |
| FY 20: $ | FY 21: $ | FY22: $ |
| | | |
| **Amount Budgeted:** | | |

ATTACHMENTS: 1.

**RECOMMENDATION**

**Appointments are to be made by the Mayor, with the consent of the Assembly for the following:**

| Board/Committee | Letter of Interest Received from: |
|---|---|
| | |
| **Economic Development Board (1 avail.)** | **1. Catherine (Katie) Hermanns** |
| | |

**Procedure - Mayor**: If there are no objections to the above appointments to the City Boards and Committees, I will declare them appointed for terms ending October 2029.

If there are seats that are left vacant (no letters received), the Borough Clerk will advertise for the vacancies.

Appointments to be filled by the Mayor with the consent of the assembly for the various seats.

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

*Motion: Move to appoint _____ to fill the vacancy on the _____ for the term up until October 2029.*

October 28, 2026

To Whom It May Concern:

I am interested in joining the Economic Development Board and serving our community as we grow into the future. Please consider this letter my formal application for consideration and I look forward to continuing to support the community my family calls home long into the future.

Respectfully,

Katie Hermanns

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

| AGENDA ITEM TITLE: | DATE: | November 17, 2026 |
|---|---|---|
| | Agenda Section | **11** |

ORDINANCE No. 1112 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, ADDING A NEW SECTION 14.13.075, PERSONAL OBLIGATION AND IMPOSITION OF LIENS, TO TITLE 14, HARBOR AND PORT FACILITIES, OF THE WRANGELL MUNICIPAL CODE

| SUBMITTED BY: |
|---|
| STEVE MILLER, HARBORMASTER |

| Reviews/Approvals/Recommendations | |
|---|---|
| ☒ | Commission, Board or Committee |
| Name(s) | |
| Name(s) | |
| ☒ | Attorney |
| ☐ | Insurance |

| FISCAL NOTE: | |
|---|---|
| **Expenditure Required:** $XXX Total | |
| Fiscal Year (FY): | Amount: $ |
| | |
| **Amount Budgeted:** | |
| | FY: $ |
| **Account Number(s):** | |
| | XXXXX XXX XXXX |
| **Account Name(s):** | |
| | Enter Text Here |
| **Unencumbered Balance(s) (prior to expenditure):** | |
| | $XXX |

ATTACHMENTS: 1. Ordinance No. 1112

**RECOMMENDATION MOTION:**
Move to Approve first reading of Ordinance No. 1112 and move to a second reading with a Public Hearing to be held on December 15, 2026.

**SUMMARY STATEMENT:** The proposed ordinance would strengthen the City and Borough of Wrangell's ability to recover costs associated with abandoned, impounded, derelict, or disposed vessels. The amendment adds a new section to Title 14 authorizing the Borough Assembly to

impose personal liability on vessel owners and persons entitled to possession for costs incurred during impoundment, storage, removal, sale, destruction, or disposal of vessels.

The ordinance also provides the Borough the ability, when necessary, to place liens against real property owned by responsible parties to secure unpaid costs. The proposed language includes due process protections requiring reasonable notice and an opportunity for affected property owners to object prior to the recording of any lien. Enforcement procedures would follow applicable Alaska Statutes governing liens.

Adoption of this ordinance would provide an additional enforcement and cost-recovery mechanism to help protect harbor users and Borough taxpayers from bearing the financial burden associated with abandoned or derelict vessels. The amendment aligns with the Borough's ongoing efforts to improve harbor management, strengthen compliance with municipal code provisions, and ensure responsible parties remain accountable for costs incurred by the public.

CITY AND BOROUGH OF WRANGELL, ALASKA

ORDINANCE NO. 1112

AN ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, ADDING A NEW SECTION 14.13.075, PERSONAL OBLIGATION AND IMPOSITION OF LIENS, TO TITLE 14, HARBOR AND PORT FACILITIES, OF THE WRANGELL MUNICIPAL CODE

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

[The changes to the existing code are shown as tract changes.]

SEC. 1. Action. The purpose of this ordinance is to add a new Section 14.13.075, Personal Obligation and Imposition of Liens, to Title 14, Harbor and Port Facilities, of the Wrangell Municipal Code.

SEC. 2. New Section. A new Section 14.13.075, Personal Obligation and Liens, is added to Title 14, Harbor and Port Facilities, of the Wrangell Municipal Code to read:

**§ 14.13.075 Personal Obligation and Imposition of Liens.**

A. General. Upon the sale, disposal, or destruction of a vessel pursuant to WMC § 14.13.035 or WMC § 14.13.040, the borough assembly may order that all costs incurred by the borough arising, arisen, or to arise out of or referring or relating in any way to the impoundment, storage, removal, sale, destruction, or disposal of the vessel be made the personal obligation, jointly and severally, of the owner of the vessel and any person(s) entitled to its possession. Alternatively, or in combination, the borough may impose a lien against any real property located in the borough owned by such persons to secure said costs.

B. Personal Obligation. If the borough orders that the costs shall be a personal obligation of the vessel owners or person(s) entitled to possession, it shall direct the borough attorney or his or her designee to collect the same on behalf of the borough by use of all appropriate legal remedies.

C. Notice and Opportunity to Object. Prior to the creation, recording, and notice of a lien on real property under this section, the borough shall provide written notice to the vessel owner or person(s) entitled to possession, at his or her last known address of record. The vessel owner or person(s) entitled to possession, may object to the notice of lien by submitting a written objection with supporting documentation within fourteen (14) days of the date on the written notice. The Harbormaster shall issue a final written decision within ten (10) days of receipt of the written objection.

D. Lien. If the borough orders that the cost shall be imposed as a lien upon the real property of the vessel owner or person(s) entitled to possession, the lien shall be recorded and may be enforced as provided in Alaska Stat. §§ 34.35.005–34.35.045.

SEC. 3. Classification. This ordinance is of a permanent nature and shall be codified in the Wrangell Municipal Code.

SEC. 4. Effective Date. This ordinance shall be effective upon adoption.

PASSED IN FIRST READING: _____, 2026

PASSED IN SECOND READING: _____, 2026.

_____
Patricia Gilbert, Borough Mayor

ATTEST:

_____
Kim Lane, MMC, Borough Clerk

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

| AGENDA ITEM TITLE: | DATE: | November 17, 2026 |
|---|---|---|
| | Agenda Section | **11** |

ORDINANCE NO. 1113 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING SECTIONS 3.04.080 – REGULAR MEETINGS AND 3.05.020 – ORDER OF BUSINESS, IN THE WRANGELL MUNICIPAL CODE

| SUBMITTED BY: |
|---|
| Kim Lane, MMC, Borough Clerk |

| Reviews/Approvals/Recommendations | |
|---|---|
| ☐ | Commission, Board or Committee |
| Name(s) | |
| Name(s) | |
| ☐ | Attorney |
| ☐ | Insurance |

| FISCAL NOTE: | |
|---|---|
| **Expenditure Required:** $XXX Total | |
| Fiscal Year (FY): | Amount: $ |
| | |
| **Amount Budgeted:** | |
| | FY: $ |
| **Account Number(s):** | |
| | XXXXX XXX XXXX |
| **Account Name(s):** | |
| | Enter Text Here |
| **Unencumbered Balance(s) (prior to expenditure):** | |
| | $XXX |

ATTACHMENTS: 1. Ordinance No. 1113

**RECOMMENDATION MOTION:**
Move to Approve first reading of Ordinance No. 1113 and move to a second reading with a Public Hearing to be held on December 15, 2026.

**SUMMARY STATEMENT:**

The purpose of this ordinance is to amend Section 3.04.080 – Regular Meetings and Section 3.05.020 – Order of Business, in the Wrangell Municipal Code to modify the time in which regular assembly meetings begin, provide language for work session when there is one to be held before a regular assembly meeting, and provide that there shall be no regular assembly meeting scheduled for the fourth Tuesday in November.

We are asking that the 2nd Tuesday of the month Assembly Meeting be held at NOON and the 4th Tuesday of the month Assembly Meeting be held at 6:00pm.

Note that for the 4th Tuesday of the month, if there is no work session before the assembly meeting, the assembly meeting will begin at 6:00pm. If there is a work session before the assembly meeting (and assuming it is an hour long), the work session will be from 5:30-6:30pm and the regular assembly meeting will begin at 6:30pm.

Please note that the agenda will state this information and if there is a work session, a public notice will be posted to reflect the purpose of the work session and the times for the work session and regular assembly meeting.

If approved, this is how the code sections would read:

3.04.080 Regular meetings

**B.** The second Tuesday meeting shall be held at 12:00 p.m.(noon) and the fourth Tuesday meeting shall be held at 6:00 p.m. in the assembly chambers, City Hall, Wrangell. If a work session is scheduled preceding the regular assembly meeting held on the fourth Tuesday of the month, the assembly meeting shall begin at 6:30 p.m. If possible, there will be no work session held preceding the regular assembly meeting held on the second Tuesday of the month.

3.05.020 Order of business.

**A.** Call to Order. The mayor shall call the meeting to order at the prescribed time in the Borough Assembly Chambers. If a work session is scheduled preceding the regular assembly meeting, publication shall be made on the website and posted at City Hall and the post office with the time that the assembly meeting (and work session, if applicable) are to begin.

CITY AND BOROUGH OF WRANGELL, ALASKA
ORDINANCE NO. 1113

AN ORDINANCE OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING SECTIONS 3.04.080 – REGULAR MEETINGS AND 3.05.020 – ORDER OF BUSINESS, IN THE WRANGELL MUNICIPAL CODE

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

[The changes to the existing code are shown as tract changes.]

**S**EC. 1. Action. The purpose of this ordinance is to amend Section 3.04.080 – Regular Meetings and Section 3.05.020 – Order of Business, in the Wrangell Municipal Code to modify the time in which regular assembly meetings begin, provide language for work session when there is one to be held before a regular assembly meeting, and provide that there shall be no regular assembly meeting scheduled for the fourth Tuesday in November.

SEC. 2. Amendment. Section 3.04.080 is hereby amended in the Wrangell Municipal Code to read as follows:

3.04.080 **Regular meetings.**

**A.** Regular meetings of the assembly shall be held on the second and fourth Tuesdays of each month, except that no regular meetings shall be held the second Tuesday of July and August and on the fourth Tuesday of November and December.

**B.** The second Tuesday meeting~~s~~ shall be held at 12:00 p.m.(noon) and the fourth Tuesday meeting shall be held at ~~7:00~~6:00 p.m. in the assembly chambers, City Hall, Wrangell. If a work session is scheduled preceding the regular assembly meeting held on the fourth Tuesday of the month, the assembly meeting shall begin at 6:30 p.m. If possible, there will be no work session held preceding the regular assembly meeting held on the second Tuesday of the month.

**C.** If any such Tuesday falls on a legal holiday as defined by the laws of the state, the meeting scheduled for that day shall be held at the same hour on the next succeeding day which is not a holiday.

**D.** Separate notice for regular assembly meetings shall not be required; instead, the clerk shall cause to be published in the local newspaper a semiannual notice indicating the above-described regular assembly meeting plan.

SEC. 3. Amendment. Section 3.05.020 is hereby amended in the Wrangell Municipal Code to read as follows:

3.05.020 **Order of business.**

At all regular meetings of the assembly, the order of business shall be:

**A.** Call to Order. The mayor shall call the meeting to order at ~~6:00 p.m.~~the prescribed time in the Borough Assembly Chambers. If a work session is scheduled preceding the regular assembly meeting, publication shall be made on the website and posted at City Hall and the post office ~~that the regular assembly meeting shall begin at 7:00 p.m.~~with the time that the assembly meeting (and work session, if applicable) are to begin.

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: _____, 2026

PASSED IN SECOND READING: _____, 2026

_____
Patricia Gilbert, Borough Mayor

ATTEST:_____
Kim Lane, MMC, Borough Clerk

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

| AGENDA ITEM TITLE: | DATE: | November 17, 2026 |
|---|---|---|
| | Agenda Section | **11** |

RESOLUTION No. 11-26-2099 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, ADDING THE TEMPORARY CRUISE SHIP SECURITY COORDINATOR JOB DESCRIPTION AND PROVIDING FOR AN EFFECTIVE DATE

| SUBMITTED BY: |
|---|
| Steve Miller, Port Director |

| Reviews/Approvals/Recommendations | |
|---|---|
| ☐ | Commission, Board or Committee |
| Name(s) | |
| Name(s) | |
| ☐ | Attorney |
| ☐ | Insurance |

| FISCAL NOTE: | |
|---|---|
| **Expenditure Required:** | |
| Fiscal Year (FY): | Amount: $ |
| | |
| **Amount Budgeted:** | |
| | FY: $ |
| **Account Number(s):** | |
| | |
| **Account Name(s):** | |
| | |
| **Unencumbered Balance(s) (prior to expenditure):** | |
| | |

ATTACHMENTS: 1. RES . 11-26-2099| 2. Job Description

**RECOMMENDATION MOTION:**
Move to Approve Resolution No. 11-26-2099 .

## SUMMARY STATEMENT:

This resolution approves a new job description for the Temporary Cruise Ship Security Coordinator position effective January 1, 2027.

The creation of this position is intended to improve the coordination and oversight of cruise ship security operations while reducing the impact on regular Ports and Harbors staffing. During the 2026 cruise ship season, harbor employees were pulled away from their regular duties to provide **293 hours of security coverage**, while the Port Director contributed an additional **210 hours**. Including seasonal security personnel, the department logged a total of **1,634.65 hours** supporting cruise ship security operations.

These additional responsibilities place a significant demand on harbor staff and take time away from daily harbor operations, maintenance, and other departmental responsibilities.

The proposed seasonal coordinator would oversee security staffing, scheduling, training, and daily operations while serving as the Alternate Facility Security Officer (AFSO). This position would provide consistent oversight, help maintain compliance with federal maritime security requirements, and reduce the need to divert regular harbor personnel from their primary duties.

The recommended Grade 13 classification reflects the increased responsibilities, supervisory duties, and specialized security knowledge required for the position. Establishing this position will allow the department to better manage cruise ship security operations while maintaining essential harbor services.

**CITY AND BOROUGH OF WRANGELL, ALASKA**

**RESOLUTION NO. 11-26-2099**

**A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, APPROVING THE TEMPORARY CRUISE SHIP SECURITY COORDINATOR JOB DESCRIPTION, AND PROVIDING FOR AN EFFECTIVE DATE**

**WHEREAS**, the City and Borough of Wrangell is responsible for coordinating security operations at its cruise ship facilities in accordance with its approved Facility Security Plan and applicable maritime security requirements; and

**WHEREAS**, during the 2026 cruise ship season, regular harbor employees provided 293 hours of cruise ship security coverage and the Port Director provided an additional 210 hours, with a total of 1,634.65 security-related hours recorded when seasonal security personnel are included; and

**WHEREAS**, these assignments diverted regular Ports and Harbors personnel from harbor operations, maintenance, and other departmental responsibilities; and

**WHEREAS**, the proposed temporary, part-time, seasonal Cruise Ship Security Coordinator will coordinate security staffing, schedules, training, daily operations, and documentation and serve as the designated Alternate Facility Security Officer during the cruise ship season, under the direction of the Port Director; and

**WHEREAS**, the responsibilities and specialized security knowledge required for this position support will be listed as Grade 13 on the temporary non-union wage scale; and

**WHEREAS**, the Borough Assembly desires to approve the attached job description and establish the corresponding classification.

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

**Section 1.** The attached Temporary Cruise Ship Security Coordinator job description is hereby approved as a temporary, part-time, seasonal position within the Ports and Harbors Department.

**Section 2.** Grade 13 is hereby established on the temporary non-union wage scale for the Temporary Cruise Ship Security Coordinator position, subject to the applicable adopted wage schedule.

**Section 3.** This resolution and the approved position classification shall be effective January 1, 2027.

**PASSED AND APPROVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, THIS 17th DAY OF November, 2026.**

_____
Patricia Gilbert, Borough Mayor

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ATTEST: _____
Kim Lane, MMC, Borough Clerk

| | | | |
|---|---|---|---|
| Position | *Cruise Ship Security Coordinator* | Type | *Temporary / Part-Time / Seasonal* |
| Department | *Ports & Harbors* | Class | *Non-Exempt (Hourly; Overtime Eligible)* |
| Supervisor | *Port Director* | Salary | *Non-Union /Temporary Grade # 13* |

## Summary

The Cruise Ship Security Coordinator plans and coordinates seasonal security activities for cruise ship calls at City & Borough of Wrangell port facilities. The season runs from April through October. Reporting directly to the Port Director, the Coordinator serves as the operational lead for seasonal cruise ship security officers and is designated as the Alternate Facility Security Officer (AFSO) for the duration of the cruise ship season.

The position supports implementation of the approved Wrangell Port Facility Security Plan, applicable Maritime Transportation Security Act (MTSA) requirements, and established port procedures. Responsibilities include coordinating recruitment and onboarding, staff scheduling, post assignments, training, operational coverage, security documentation, and communication with cruise vessel personnel, port staff, law enforcement, emergency services, and regulatory partners.

The Coordinator performs assigned AFSO duties and exercises only the authority granted under the approved Facility Security Plan or delegated by the Facility Security Officer (FSO). The position does not independently amend or approve the Facility Security Plan.

## Distinguishing Career Features

This seasonal lead position combines field security responsibilities with staff coordination, scheduling, training, documentation, and interagency communication. The Coordinator provides day-to-day operational direction to seasonal cruise ship security officers and serves as the designated AFSO during the cruise ship season.

The position requires the ability to understand and apply the approved Facility Security Plan, brief and assign personnel, monitor compliance, recognize potential security concerns, and promptly escalate issues through established reporting channels. Work schedules

and staffing requirements are driven by cruise ship arrivals and departures, tender operations, passenger movements, and applicable security requirements.

## Essential Duties and Responsibilities

The following duties are representative of the work performed. Other related duties may be assigned as necessary.

- Participate with the Port Director and Borough hiring staff in recruiting, screening, interviewing, selecting, and onboarding seasonal cruise ship security officers. Provide job-related input in accordance with Borough hiring procedures.
- Review the cruise ship calendar and operational information to develop staffing plans, work schedules, post assignments, shift rotations, breaks, and backup coverage appropriate to each vessel call.
- Coordinate pre-arrival and day-of-call security activities with port staff, vessel and cruise line security representatives, ship agents, tour operators, and other authorized partners as directed by the Port Director or FSO.
- Read, understand, apply, and help security officers follow the approved Wrangell Port Facility Security Plan, applicable MARSEC-level measures, post orders, access-control procedures, and other lawful directives. Protect Sensitive Security Information (SSI) and other confidential security information.
- Coordinate and document initial, refresher, and call-specific training for security officers, including access control, TWIC verification, restricted-area protection, radio use, incident reporting, public interaction, emergency procedures, drills, and exercises.
- Provide functional work direction during cruise operations; conduct post checks; verify continuous coverage; coach staff; address routine operational issues; and refer conduct, safety, and performance concerns to the Port Director.
- Coordinate access control, credential checks, patrols, perimeter monitoring, passenger and pedestrian movements, vehicle control, tender and gangway security, and placement of approved barricades and signs.

- Serve as the primary on-shift coordination point for security officers and, when assigned, cruise ship security personnel, the U.S. Coast Guard, Wrangell Police Department, Fire/EMS, and other response partners.
- Recognize, respond to, document, and immediately report suspected security breaches, suspicious activity, safety hazards, medical events, and emergencies. Preserve the scene and evidence and assist emergency responders within the limits of training and assigned authority.
- Perform assigned AFSO duties and assist the FSO with required security documents, declarations, logs, drills, audits, corrective actions, and records retention. Sign or approve regulated documents only when authorized by the Facility Security Plan or written delegation.
- Review daily logs, incident reports, training records, and time records for completeness and timely submission. Prepare after-action notes and recommend operational or training improvements.
- Verify the readiness of radios, batteries, vests, credentials, forms, barriers, personal protective equipment, and other assigned supplies before each port call. Report shortages, damage, or equipment defects.
- Support seasonal startup and closeout activities, including training calendars, staff files, equipment inventory, records turnover, and preparation of a summary of lessons learned following the conclusion of cruise ship security operations.
- Perform assigned security officer duties and other related responsibilities as necessary to maintain safe, effective, and compliant port operations.

Qualifications

Knowledge and Skills

- Maritime and facility security principles, including access control, patrol procedures, incident recognition, chain of command, and protection of restricted areas.
- The ability to learn and correctly apply the Wrangell Port Facility Security Plan, applicable MARSEC-level requirements,

post orders, and relevant federal, state, and municipal requirements.

- Coordinating personnel, schedules, training, drills, briefings, and time-sensitive vessel operations.
- Communicating clearly through radio, telephone, email, face-to-face interactions, and written reports.
- Providing professional customer service and de-escalating conflicts involving passengers, crew, vendors, tenants, employees, and the public.
- Using basic computer applications for email, word processing, spreadsheets, electronic scheduling, training records, and document filing.

## Abilities

- Provide respectful work direction, make appropriate staff assignments, and maintain required security coverage under changing operational conditions.
- Exercise sound judgment under pressure, remain calm and observant, follow escalation procedures, and distinguish between service issues, safety concerns, and potential security incidents.
- Work cooperatively across departments and with vessel personnel, law enforcement, emergency responders, and regulatory partners without exceeding assigned authority.
- Handle security-sensitive and personnel information with discretion and maintain reliable attendance for scheduled vessel calls.
- Operate assigned radios, computers, vehicles, and port equipment following required training and authorization.

## Physical Abilities

The employee must be able to stand and walk for extended periods; climb stairs, ramps, and gangways; traverse wet, slippery, uneven, or moving surfaces; and work outdoors in varying weather conditions. The position requires sufficient physical mobility, balance, coordination, and stamina to conduct security patrols, monitor access points,

respond to security incidents, and maintain situational awareness in crowded and active marine environments.

The employee must be able to communicate clearly in person and by radio, hear and respond to alarms and verbal instructions, and lift, carry, or move equipment and supplies weighing up to 50 pounds. The employee must be able to perform assigned duties safely in environments that may include vessel and vehicle traffic, crowds, machinery, noise, rain, wind, and cold temperatures.

Reasonable accommodations may be made to enable qualified individuals with disabilities to perform the essential functions of the position.

## Education and Experience

- High school diploma or General Education Development (GED) certificate.
- Two years of experience in security, public safety, maritime or transportation operations, emergency services, facility operations, military service, or a closely related field.
- Demonstrated experience leading staff, coordinating schedules, conducting training, or organizing time-sensitive operations.
- An equivalent combination of education, training, and experience that provides the required knowledge and abilities may be considered.

## Licenses and Certificates

- Valid Alaska driver's license, or the ability to obtain one within a timeframe approved by the Borough.
- Valid Transportation Worker Identification Credential (TWIC) at hire, or the ability to obtain and maintain a TWIC within 90 days of hire. Until the credential is issued, the employee may not exercise unescorted access where a TWIC is required and must comply with applicable escort and access restrictions.
- Ability to successfully complete Borough-required background screening and all training required for assigned security duties and AFSO designation.
- First Aid/CPR/AED certification at hire or within 90 days, if required by the Borough.

- Continued employment is contingent upon maintaining required licenses, credentials, training, reliability, and eligibility for assigned secure-area access.

## Working Conditions

Work is performed in office, terminal, dock, float, vessel-interface, and outdoor environments. The position requires extended periods of standing and walking; climbing stairs and ramps; traversing wet, slippery, uneven, or moving surfaces; communicating in noisy environments; and lifting or carrying up to 50 pounds.

Working conditions may include rain, wind, cold temperatures, vessel and vehicle traffic, crowds, machinery, exhaust, and other conditions typical of an active Southeast Alaska marine facility. Reasonable accommodations may be made to enable qualified individuals with disabilities to perform the essential functions of the position.

## Schedule and Seasonal Employment

Weekly hours are variable and are not guaranteed. The position may require extended workdays, split shifts, early mornings, evenings, weekends, holidays, consecutive workdays, and short-notice schedule changes based on cruise ship operations and security requirements. Overtime must be authorized and will be paid in accordance with applicable law and Borough policy.

This job description and classification outline the general nature of the work performed, representative duties, and the typical qualifications required 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

| AGENDA ITEM TITLE: | DATE: | November 17, 2026 |
|---|---|---|
| | Agenda Section | **11** |

RESOLUTION No. 11-26-2100 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, ADDING THE TEMPORARY HARBOR ADMINISTRATIVE ASSISTANT JOB DESCRIPTION AND PROVIDING FOR AN EFFECTIVE DATE

| SUBMITTED BY: |
|---|
| Steve Miller, Port Director |

| Reviews/Approvals/Recommendations | |
|---|---|
| ☐ | Commission, Board or Committee |
| Name(s) | |
| Name(s) | |
| ☐ | Attorney |
| ☐ | Insurance |

| FISCAL NOTE: | |
|---|---|
| **Expenditure Required:** | |
| Fiscal Year (FY): | Amount: $ |
| | |
| **Amount Budgeted:** | |
| | FY: $ |
| **Account Number(s):** | |
| | |
| **Account Name(s):** | |
| | |
| **Unencumbered Balance(s) (prior to expenditure):** | |
| | |

ATTACHMENTS: 1. RES . 11-26-2100 2. Job Description

**RECOMMENDATION MOTION:**
Move to Approve Resolution No. 11-26-2100.

## SUMMARY STATEMENT:

This resolution approves a new job description for the Temporary Harbor Administrative Assistant position effective immediately.

The creation of the position Temporary Harbor Administrative Assistant position is to provide temporary administrative support during the Harbor Administrative Assistant's anticipated parental leave in March 2027. The temporary position will allow for an overlap period to facilitate training and knowledge transfer prior to the commencement of leave, ensuring continuity of operations and minimizing disruption to Harbor administrative functions. The position will be temporary in nature and intended to provide coverage for the duration of the employee's leave.

**CITY AND BOROUGH OF WRANGELL**
**RESOLUTION No. 11-26-2100**

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, ADDING THE TEMPORARY HARBOR ADMINISTRATIVE ASSISTANT JOB DESCRIPTION

**WHEREAS,** the City and Borough of Wrangell relies on the administrative support provided by the Harbor Administrative Assistant to maintain efficient and effective Harbor operations; and

**WHEREAS,** the current Harbor Administrative Assistant is anticipated to take parental leave beginning in March 2027; and

**WHEREAS**, continuity of administrative services is essential to the effective operation of the Ports and Harbors Department; and

**WHEREAS**, establishing a temporary position will allow for an overlap period to facilitate training, knowledge transfer, and familiarization with the duties and responsibilities of the position prior to the commencement of parental leave; and

**WHEREAS**, the temporary position will provide administrative coverage during the employee's absence and help minimize disruption to Harbor operations; and

**WHEREAS**, the Ports and Harbors Department position will be listed as Grade 12 on the temporary non-union wage scale; and

**WHEREAS,** the temporary position is intended to be limited in duration and will not constitute the establishment of a permanent position.

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

**Section 1.** The Assembly hereby authorizes the creation of a Temporary Harbor Administrative Assistant position within the Ports and Harbors Department to provide training overlap and temporary administrative coverage during the anticipated parental leave of the current Harbor Administrative Assistant.

**Section 2.** The temporary position shall be established for a limited duration, beginning as necessary to facilitate training and continuing through the period of parental leave. The position shall conclude upon the return of the regular employee or as otherwise determined by the Borough Manager.

**Section 3.** The Borough Manager is authorized to recruit, hire, and establish the appropriate compensation for the temporary position in accordance with applicable personnel policies, budgetary requirements, and established procedures.

**Section 4.** This resolution shall take effect immediately upon adoption.

PASSED AND APPROVED BY THE ASSEMBLY OF THE CITY & BOROUGH OF WRANGELL, ALASKA THIS 17th DAY OF NOVEMBER, 2026.

CITY & BOROUGH OF WRANGELL

_____

Patricia Gilbert, Borough Mayor

ATTEST:_____

Kim Lane, MMC, Borough Clerk

| | | | |
|---|---|---|---|
| Position | *Temporary Harbor Administrative Assistant* | Type | *Temporary/Full -Time* |
| Department | *Ports & Harbors* | Class | *Non-Exempt* |
| Supervisor | *Ports & Harbors Director* | Salary | *Non-Union Grade #12* |

## Summary

To provide comprehensive administrative, financial, and operational support to the Ports & Harbors Department. This position serves as a primary point of contact for harbor customers, visiting vessels, municipal departments, and external agencies. Responsibilities include customer service, moorage assignments, billing and collection, financial reconciliation, records management, utility coordination, and administrative support for Marine Service Center operations. The position works closely with the Finance and Utility Departments to ensure accurate financial transactions, effective account management, and coordinated delivery of harbor services.

## Distinguishing Career Features

The Administrative Assistant – Harbor serves as a central administrative and financial support position within the Ports & Harbors Department. In addition to traditional administrative and customer service functions, the position performs financial reconciliation, prepares journal entries and supporting documentation, coordinates utility account matters, and manages scheduling and dispatch activities for the Marine Service Center.

The position requires a high degree of accuracy, organization, technical proficiency, and independent judgment while coordinating multiple departmental functions. The position's responsibilities directly support the financial accountability, customer service, and operational efficiency of the Borough's harbor system.

## Essential Duties and Responsibilities

### Customer Service and Harbor Administration

- Answers and screens telephone and radio calls; responds to customer inquiries, complaints, and requests; refers matters requiring management action to the Port Director or designee.

- Provides information on harbor facilities and local services to visiting vessels and assists local, state, and federal agencies in communicating with harbor customers, consistent with applicable privacy requirements.
- Administers transient moorage assignments and associated electrical service; maintains permanent and liveaboard moorage waitlists and coordinates permanent moorage assignments with management approval.
- Processes moorage agreements, renewals, transfers, and cancellations, and maintains required vessel ownership, registration, insurance, and customer contact records.
- Coordinates harbor electrical service assignments, utility billing matters, service changes, outages, and customer account discrepancies with the Utility Department and harbor personnel.

Financial Administration, Billing and Collections

- Processes billing, collections, and payments for permanent and transient moorage, Marine Service Center services, and other Ports & Harbors operations.
- Performs daily cashiering functions and prepares and delivers deposits in accordance with established municipal procedures.
- Reviews and reconciles customer and departmental accounts, researches billing discrepancies, prepares journal entries and supporting documentation, and coordinates financial reporting with the Finance Department.
- Monitors delinquent accounts, prepares notices and related correspondence, and maintains supporting records for collection and enforcement actions as directed and authorized.
- Initiates and manages departmental employee requisitions for Accounts Payable and administers WellsOne Expense Manager transactions, including coding, tracking, review, and timely submission.
- Assists with monthly and year-end financial reporting, departmental budget documentation, and implementation of approved rate changes; follows municipal financial policies and approval procedures.

### Marine Service Center Administration and Scheduling

- Receives, reviews, and processes Marine Service Center applications, agreements, and related customer and vendor documentation.
- Coordinates vessel haul-out, grid, and facility scheduling and administrative dispatch with the Marine Service Center Lead; communicates schedules, changes, and customer requirements to appropriate personnel.
- Maintains Marine Service Center scheduling and operational records and coordinates related customer billing and account information.

### Cruise Ship and Commercial Vessel Coordination

- Maintains cruise ship and commercial vessel schedules and related administrative records; coordinates arrival information with vessel agents, operators, and harbor personnel.
- Assists with cruise ship dockage, wharfage, and other commercial vessel billing and supporting documentation.

### Port Commission and Departmental Administration

- Serves as Port Commission Secretary, preparing and distributing agendas, meeting packets, notices, minutes, and related materials; attends meetings and maintains official Commission records.
- Assists the Port Director with correspondence, reports, presentations, purchasing documentation, and other departmental administrative work.
- Maintains office supply and inventory records and an orderly, professional office workspace.

### Records Management and Interdepartmental Coordination

- Maintains accurate departmental records, customer accounts, databases, agreements, and electronic and written files in accordance with municipal records retention and confidentiality requirements.

- Coordinates with Finance, Utilities, harbor personnel, the Marine Service Center, external agencies, and customers to resolve administrative and account matters.
- Performs other related duties as required or assigned by the Port Director or designee.

## Qualifications

### Knowledge and Skills

- Knowledge of modern office procedures, administrative practices, and office equipment.
- Knowledge of accounting principles, financial recordkeeping, and account reconciliation procedures.
- Knowledge of municipal financial systems and related administrative processes.
- Knowledge of customer account management, billing, collections, and financial transaction processing.
- Working knowledge of harbor operations, moorage assignments, and waterfront activities.
- Working knowledge of utility account management and interdepartmental coordination.
- Knowledge of scheduling and dispatch procedures applicable to Marine Service Center operations.
- Strong written and verbal communication skills, including professional telephone and radio communication.
- Strong customer service and interpersonal skills, including the ability to communicate effectively with individuals who may be upset or dissatisfied.
- Strong organizational skills and attention to detail.
- Effective accounting, mathematical, and reconciliation skills.
- Proficiency in operating personal computers and using standard and specialized software applications.

Abilities

- Ability to maintain accurate records and prepare financial and administrative documentation.
- Ability to manage complex scheduling and coordinate activities across multiple operational areas.
- Ability to work independently and exercise sound judgment within established policies and procedures.
- Ability to manage competing priorities and meet time-sensitive deadlines.
- Ability to maintain accuracy when processing financial transactions and reconciling accounts.
- Ability to communicate and coordinate effectively with the Finance Department, Utility Department, harbor personnel, customers, and external agencies.
- Ability to handle confidential and sensitive information appropriately.
- Ability to adapt to changing operational needs and perform a variety of administrative and operational support duties.
- Ability to maintain professional and effective working relationships with employees and the public.

**Physical Abilities**

- Ability to perform routine office activities, including sitting, standing, walking, communicating, and operating office equipment.
- Ability to move throughout harbor facilities and waterfront areas as necessary to perform assigned duties.
- Ability to perform duties requiring occasional movement between office and outdoor operational environments.
- Ability to perform the physical requirements of the position with or without reasonable accommodation.

Education and Experience

- High school diploma or GED required.

- Office-related administrative experience required.
- Experience in accounting, financial administration, account reconciliation, or municipal finance preferred.
- Experience with financial management systems or expense management platforms preferred.
- Experience in scheduling, dispatch, or operational coordination preferred.
- Familiarity with waterfront activities, vessels, and harbor operations desirable.
- An equivalent combination of education, training, and experience may be considered.

## Licenses and Certificates

- Valid Alaska Driver's License, or ability to obtain one.
- Transportation Worker Identification Credential (TWIC), or ability to obtain one.

## Working Conditions

- Work is primarily performed in an office environment within the Ports & Harbors Department.
- Duties may require periodic work in harbor and waterfront areas.
- May be exposed to outdoor weather conditions, noise, and operational activity associated with harbor facilities.
- May be required to work outside normal business hours to support departmental operations or meetings.
- Must comply with applicable Borough policies, procedures, and safety requirements.

This job description and classification outline the general nature of the work performed, representative duties, and the typical qualifications required 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

| AGENDA ITEM TITLE: | DATE: | November 17, 2026 |
|---|---|---|
| | Agenda Section | **11** |

**RESOLUTION No. 11-26-2098** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FY2027 NON-UNION WAGE AND GRADE TABLE TO ADD THE TEMPORARY POSITIONS OF HARBOR ADMINISTRATIVE ASSISTANT AND CRUISE SHIP SECURITY COORDINATOR, AND ESTABLISHING GRADE 13 WITHIN THE TEMPORARY EMPLOYEE CLASSIFICATION

| SUBMITTED BY: |
|---|
| Rob Marshall, Finance Director |

| Reviews/Approvals/Recommendations | |
|---|---|
| ☐ | Commission, Board or Committee |
| Name(s) | |
| Name(s) | |
| ☐ | Attorney |
| ☐ | Insurance |

| FISCAL NOTE: | |
|---|---|
| **Expenditure Required:** | |
| FY 26: | |
| | |
| **Amount Budgeted:** | |
| | FY26$ |
| **Account Number(s):** | |
| | |
| **Account Name(s):** | |
| | |
| **Unencumbered Balance(s) (prior to expenditure):** | |
| | |

ATTACHMENTS: 1.) Res 11-26-2098

**RECOMMENDATION MOTION:**
Move to approve Resolution No. 11-26-2098.

## SUMMARY STATEMENT

The City and Borough of Wrangell is proposing an amendment to the FY2027 Non-Union Wage and Grade Table to include two temporary positions: Temporary Harbor Administrative Assistant and Cruise Ship Security Coordinator. Additionally, the amendment establishes Grade 13 within the temporary employee section of the wage and grade table.

These revisions will ensure that the newly identified temporary positions are appropriately classified within the Borough's established compensation structure and provide the necessary flexibility to address seasonal and operational staffing needs.

## Recommended Action

Move to approve the amendment to the FY2027 Non-Union Wage and Grade Table, adding the positions of Temporary Harbor Administrative Assistant and Cruise Ship Security Coordinator, and establishing Grade 13 within the temporary employee section of the table.

CITY AND BOROUGH OF WRANGELL

RESOLUTION NO. 11-26-2098

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FY2027 NON-UNION WAGE AND GRADE TABLE TO ADD THE TEMPORARY POSITIONS OF HARBOR ADMINISTRATIVE ASSISTANT AND CRUISE SHIP SECURITY COORDINATOR, AND ESTABLISHING GRADE 13 WITHIN THE TEMPORARY EMPLOYEE CLASSIFICATION

WHEREAS, the City and Borough of Wrangell maintains a Non-Union Wage and Grade Table to establish employee classifications and compensation ranges for non-union positions; and

WHEREAS, the Borough periodically reviews and amends its wage and grade table to address operational needs and ensure positions are appropriately classified; and

WHEREAS, the Borough has identified the need to add the temporary positions of Temporary Harbor Administrative Assistant and Cruise Ship Security Coordinator to support departmental operations and seasonal staffing requirements; and

WHEREAS, the temporary Administrative Harbor Administrative Assistant position is placed at Grade 12 on the Non-Union Wage and Grade Table; and

WHEREAS, the Borough has further identified the need to establish Grade 13 within the temporary employee section of the FY2027 Non-Union Wage and Grade Table to accommodate appropriate compensation classifications; and

WHEREAS, the proposed amendments will provide the Borough with the necessary staffing flexibility while maintaining an established and consistent compensation structure.

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

Section 1. The FY2027 Non-Union Wage and Grade Table is hereby amended to include the temporary positions of Temporary Harbor Administrative Assistant and Cruise Ship Security Coordinator.

Section 2. The temporary Administrative Harbor Administrative Assistant position is placed at Grade 12 on the Non-Union Wage and Grade Table attached hereto as Exhibit A.

Section 3. Grade 13 is hereby established within the temporary employee section of the FY2027 Non-Union Wage and Grade Table, with compensation rates as reflected in the amended table attached hereto as Exhibit A.

Section 4. The amended FY2027 Non-Union Wage and Grade Table, attached as Exhibit A, is hereby approved and adopted.

Section 5. This resolution shall become effective immediately upon adoption.

PASSED AND APPROVED BY THE ASSEMBLY OF THE CITY & BOROUGH OF WRANGELL, ALASKA THIS 17th DAY OF NOVEMBER 2026.

CITY & BOROUGH OF WRANGELL

_____
Patricia Gilbert, Borough Mayor

ATTEST: _____
Kim Lane, MMC, Borough Clerk

**Permanent Non-exempt Employee Pay Plan, City and Borough of Wrangell, Hourly Compensation**

**Resolution No. 11-26-2098**

Effective November 17, 2026

| Grade ↓ Step → | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 8 | 17.34 | 17.69 | 18.04 | 18.40 | 18.77 | 19.14 | 19.53 | 19.92 | 20.32 | 20.72 | 21.14 | 21.56 | 21.99 |
| 9 | 17.85 | 18.21 | 18.57 | 18.94 | 19.32 | 19.71 | 20.10 | 20.50 | 20.91 | 21.33 | 21.76 | 22.19 | 22.64 |
| 10 | 18.87 | 19.25 | 19.63 | 20.02 | 20.43 | 20.83 | 21.25 | 21.68 | 22.11 | 22.55 | 23.00 | 23.46 | 23.93 |
| 11 | 19.38 | 19.77 | 20.16 | 20.57 | 20.98 | 21.40 | 21.83 | 22.26 | 22.71 | 23.16 | 23.62 | 24.10 | 24.58 |
| 12 | 20.40 | 20.81 | 21.22 | 21.65 | 22.08 | 22.52 | 22.97 | 23.43 | 23.90 | 24.38 | 24.87 | 25.36 | 25.87 |
| 13 | 21.42 | 21.85 | 22.29 | 22.73 | 23.19 | 23.65 | 24.12 | 24.60 | 25.10 | 25.60 | 26.11 | 26.63 | 27.17 |
| 14 | 22.44 | 22.89 | 23.35 | 23.81 | 24.29 | 24.78 | 25.27 | 25.78 | 26.29 | 26.82 | 27.35 | 27.90 | 28.46 |
| 15 | 23.46 | 23.93 | 24.41 | 24.90 | 25.39 | 25.90 | 26.42 | 26.95 | 27.49 | 28.04 | 28.60 | 29.17 | 29.75 |
| 16 | 24.48 | 24.97 | 25.47 | 25.98 | 26.50 | 27.03 | 27.57 | 28.12 | 28.68 | 29.26 | 29.84 | 30.44 | 31.05 |
| 17 | 25.50 | 26.01 | 26.53 | 27.06 | 27.60 | 28.15 | 28.72 | 29.29 | 29.88 | 30.47 | 31.08 | 31.71 | 32.34 |
| 18 | 26.52 | 27.05 | 27.59 | 28.14 | 28.71 | 29.28 | 29.87 | 30.46 | 31.07 | 31.69 | 32.33 | 32.97 | 33.63 |
| 19 | 28.56 | 29.13 | 29.71 | 30.31 | 30.91 | 31.53 | 32.16 | 32.81 | 33.46 | 34.13 | 34.81 | 35.51 | 36.22 |
| 20 | 33.66 | 34.33 | 35.02 | 35.72 | 36.43 | 37.16 | 37.91 | 38.66 | 39.44 | 40.23 | 41.03 | 41.85 | 42.69 |
| 21 | 34.68 | 35.37 | 36.08 | 36.80 | 37.54 | 38.29 | 39.06 | 39.84 | 40.63 | 41.45 | 42.27 | 43.12 | 43.98 |
| 22 | 36.72 | 37.45 | 38.20 | 38.97 | 39.75 | 40.54 | 41.35 | 42.18 | 43.02 | 43.88 | 44.76 | 45.66 | 46.57 |

**8** Custodian

**9** Library Assistant I

**12** Library Assistant II
Library Programming Coordinator
Nolan Center Attendant
Nolan Center Coordinator

**13** Recreation Coordinator

**15** Accounting Clerk
Utility Accounts Clerk
Property & Sales Tax Clerk
Administrative Coordinator

**16** Dispatch/Corrections Officer

**17** Police Officer Recruit

**18** Administrative Assistant - Police
Senior Staff Accountant
Marketing & Community Development Coordinator

**19** Police Officer Probationary
Corrections Sergeant

**20** Police Officer

**21** Fire/EMS Administrator

**22** Police Sergeant

**Permanent, Salaried (Exempt) Employee Pay Plan, City and Borough of Wrangell, Monthly Compensation**

| Grade ↓ Step → | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 23 | 4,645.29 | 4,738.20 | 4,832.96 | 4,929.62 | 5,028.21 | 5,128.77 | 5,231.35 | 5,335.98 | 5,442.70 | 5,551.55 | 5,662.58 | 5,775.83 | 5,891.35 |
| 24 | 4,796.77 | 4,892.70 | 4,990.56 | 5,090.37 | 5,192.17 | 5,296.02 | 5,401.94 | 5,509.98 | 5,620.18 | 5,732.58 | 5,847.23 | 5,964.18 | 6,083.46 |
| 25 | 5,099.72 | 5,201.71 | 5,305.75 | 5,411.86 | 5,520.10 | 5,630.50 | 5,743.11 | 5,857.98 | 5,975.13 | 6,094.64 | 6,216.53 | 6,340.86 | 6,467.68 |
| 26 | 5,251.20 | 5,356.22 | 5,463.35 | 5,572.61 | 5,684.06 | 5,797.75 | 5,913.70 | 6,031.97 | 6,152.61 | 6,275.67 | 6,401.18 | 6,529.20 | 6,659.79 |
| 27 | 5,467.51 | 5,576.86 | 5,688.40 | 5,802.17 | 5,918.21 | 6,036.58 | 6,157.31 | 6,280.45 | 6,406.06 | 6,534.18 | 6,664.87 | 6,798.17 | 6,934.13 |
| 28 | 5,683.83 | 5,797.51 | 5,913.46 | 6,031.73 | 6,152.36 | 6,275.41 | 6,400.92 | 6,528.93 | 6,659.51 | 6,792.70 | 6,928.56 | 7,067.13 | 7,208.47 |
| 29 | 5,918.91 | 6,037.29 | 6,158.03 | 6,281.19 | 6,406.82 | 6,534.95 | 6,665.65 | 6,798.97 | 6,934.95 | 7,073.64 | 7,215.12 | 7,359.42 | 7,506.61 |
| 30 | 6,171.65 | 6,295.08 | 6,420.98 | 6,549.40 | 6,680.39 | 6,814.00 | 6,950.28 | 7,089.28 | 7,231.07 | 7,375.69 | 7,523.20 | 7,673.67 | 7,827.14 |
| 31 | 6,424.38 | 6,552.87 | 6,683.93 | 6,817.61 | 6,953.96 | 7,093.04 | 7,234.90 | 7,379.60 | 7,527.19 | 7,677.73 | 7,831.29 | 7,987.91 | 8,147.67 |
| 32 | 6,851.33 | 6,988.35 | 7,128.12 | 7,270.68 | 7,416.09 | 7,564.42 | 7,715.71 | 7,870.02 | 8,027.42 | 8,187.97 | 8,351.73 | 8,518.76 | 8,689.14 |
| 33 | 7,071.59 | 7,213.02 | 7,357.28 | 7,504.43 | 7,654.52 | 7,807.61 | 7,963.76 | 8,123.04 | 8,285.50 | 8,451.21 | 8,620.23 | 8,792.63 | 8,968.49 |
| 34 | 7,291.86 | 7,437.69 | 7,586.45 | 7,738.18 | 7,892.94 | 8,050.80 | 8,211.82 | 8,376.05 | 8,543.57 | 8,714.44 | 8,888.73 | 9,066.51 | 9,247.84 |
| 35 | 7,583.22 | 7,734.89 | 7,889.58 | 8,047.38 | 8,208.32 | 8,372.49 | 8,539.94 | 8,710.74 | 8,884.95 | 9,062.65 | 9,243.91 | 9,428.78 | 9,617.36 |
| 36 | 7,886.73 | 8,044.46 | 8,205.35 | 8,369.46 | 8,536.85 | 8,707.59 | 8,881.74 | 9,059.37 | 9,240.56 | 9,425.37 | 9,613.88 | 9,806.16 | 10,002.28 |
| 37 | 8,202.37 | 8,366.42 | 8,533.75 | 8,704.42 | 8,878.51 | 9,056.08 | 9,237.21 | 9,421.95 | 9,610.39 | 9,802.60 | 9,998.65 | 10,198.62 | 10,402.59 |
| 38 | 8,530.16 | 8,700.76 | 8,874.78 | 9,052.27 | 9,233.32 | 9,417.99 | 9,606.35 | 9,798.47 | 9,994.44 | 10,194.33 | 10,398.22 | 10,606.18 | 10,818.31 |
| 39 | 8,871.19 | 9,048.61 | 9,229.59 | 9,414.18 | 9,602.46 | 9,794.51 | 9,990.40 | 10,190.21 | 10,394.01 | 10,601.89 | 10,813.93 | 11,030.21 | 11,250.81 |
| 40 | 9,016.80 | 9,197.14 | 9,381.08 | 9,568.70 | 9,760.07 | 9,955.28 | 10,154.38 | 10,357.47 | 10,564.62 | 10,775.91 | 10,991.43 | 11,211.26 | 11,435.48 |

**26** Library Director
Executive Assistant

**28** Fire Chief
Nolan Center Director
Construction and Facility Manager

**30** Parks, Recreation & Grounds Director

**32** Planning & Lands Manager
Public Works Assistant Director
Construction Project Manager I

**33** Borough Controller

**34** Electrical Superintendent
Port & Harbor Director
Construction Project Manager II
Economic Development Director

**35** Public Works Director

**37** Finance Director
Capital Projects Director

**39** Police Chief

**Temporary/Part-time/Seasonal Employees**
**Hourly Compensation**

| Grade ↓ Step → | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 7 | 14.28 | 14.57 | 14.86 | 15.15 | 15.46 | 15.77 | 16.08 | 16.40 | 16.73 | 17.07 | 17.41 | 17.76 | 18.11 |
| 8 | 16.32 | 16.65 | 16.98 | 17.32 | 17.67 | 18.02 | 18.38 | 18.75 | 19.12 | 19.50 | 19.89 | 20.29 | 20.70 |
| 9 | 19.38 | 19.77 | 20.16 | 20.57 | 20.98 | 21.40 | 21.83 | 22.26 | 22.71 | 23.16 | 23.62 | 24.10 | 24.58 |
| 10 | **Fixed hourly rate of $20.00 per hour** | | | | | | | | | | | | |
| 11 | **Fixed hourly rate of $30.00 per hour** | | | | | | | | | | | | |
| 12 | 25.00 | 25.83 | 26.67 | 27.50 | 28.33 | 29.17 | 30.00 | 30.83 | 31.67 | 32.50 | 33.33 | 34.17 | 35.00 |
| 13 | 33.00 | 33.66 | 34.33 | 35.02 | 35.72 | 36.43 | 37.16 | 37.91 | 38.66 | 39.44 | 40.23 | 41.03 | 41.85 |

**7** Nolan Center Theater Temporary Worker

**8** Aquatics & Recreation Temporary Worker
Election Worker
Library Technician

**9** Election Chair and Co-Chair Person
Parks Maintenance Temporary Worker
Maintenance/Custodian Temporary Worker

**10** Intern Postion

**11** Dispatch/Corrections Officer Temporary Worker

**12** Cruise Ship Facility Security Officer
Temporary Harbor Administrative Assistant

**13** Cruise Ship Security Coordinator

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

| AGENDA ITEM TITLE: | DATE: | November 17, 2026 |
|---|---|---|
| | Agenda Section | **11** |

RESOLUTION No. 11-26-2095 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FY 2027 BUDGET BY TRANSFERRING FUNDS FROM THE GENERAL FUND FOR THE PURPOSE OF PROVIDING ATTORNEY FEE FUNDING ASSOCIATED WITH THE ONGOING EFFORTS TO ADDRESS SEA OTTERS

| SUBMITTED BY: |
|---|
| Mason Villarma, Borough Manager |

| Reviews/Approvals/Recommendations | |
|---|---|
| ☐ | Commission, Board or Committee |
| Name(s) | |
| Name(s) | |
| ☐ | Attorney |
| ☐ | Insurance |

| FISCAL NOTE: | |
|---|---|
| **Expenditure Required:** | |
| Fiscal Year (FY): 2027 | Amount: $50,000 |
| | |
| **Amount Budgeted:** | |
| | FY: $ |
| **Account Number(s):** | |
| | |
| **Account Name(s):** | |
| | |
| **Unencumbered Balance(s) (prior to expenditure):** | |
| | |

ATTACHMENTS: 1. RES. 11-26-2095

**RECOMMENDATION MOTION:**
Move to Approve Resolution No. 11-26-2095.

## SUMMARY STATEMENT:

The Borough is requesting a $50,000 amendment to the FY 2027 budget, transferred from the General Fund, to pay attorney fees and legal services for its work on sea otter predation in the Southeast Alaska Dungeness crab fishery.

The Assembly has adopted a Local Disaster Resolution documenting how sea otter predation is affecting the fishery. The Governor's Office has received the resolution and is reviewing it. Administration has also been working with Davis Wright Tremaine (DWT) and other outside counsel on a legal, legislative, and policy strategy. The central problem is that the Marine Mammal Protection Act (MMPA) gives sea otters broad federal protection and leaves local communities with few tools to manage predation on commercial shellfish stocks. With this funding, the Borough would formally hire counsel to carry this work forward.

Once hired, counsel would evaluate and pursue three approaches. The first is a petition to the U.S. Fish and Wildlife Service, the federal agency responsible for sea otters under the MMPA. The second is to look at whether a regulatory waiver or other administrative relief is possible under the current law. The third is to work with Alaska's congressional delegation on legislative changes that would give Southeast Alaska communities a meaningful role in managing sea otter impacts. These efforts are meant to protect the livelihoods of the more than 60 Wrangell Dungeness crab permit holders and their families. They are also meant to build a regional strategy to address long-term impacts to the fishery.

Petersburg Borough's fishing community also depends on the Dungeness crab fishery, so Administration will ask Petersburg Borough to split these attorney fees equally. If Petersburg agrees, Wrangell's net cost would drop from $50,000 to about $25,000. A joint effort by two Southeast Alaska boroughs would also present a stronger, unified case to state and federal decision-makers.

A detailed scope of work, a cost estimate, and an update on the cost-sharing request with Petersburg Borough will be brought to the Assembly for consideration and authorization before counsel is formally hired.

**CITY AND BOROUGH OF WRANGELL**
**RESOLUTION No. 11-26-2095**

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FY 2027 BUDGET BY TRANSFERRING FUNDS FROM THE GENERAL FUND FOR THE PURPOSE OF PROVIDING ATTORNEY FEE FUNDING ASSOCIATED WITH THE ONGOING EFFORTS TO ADDRESS SEA OTTERS

**WHEREAS**, the Wrangell Borough Assembly adopted the budget for all funds of the City and Borough of Wrangell, Alaska for the fiscal year 2027; and

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

**WHEREAS**, Administration is requesting a budget amendment to provide funding for attorney fees associated with the ongoing efforts to address sea otter predation impacts on the Southeast Alaska Dungeness crab fishery; and

**WHEREAS**, the Borough Assembly has adopted a Local Disaster Resolution addressing the impacts of sea otter predation on the fishery, which has been received by the Governor's Office and is currently under review. Administration is working with Davis Wright Tremaine (DWT) and outside counsel to develop a broader legal, legislative, and policy strategy to address the regulatory challenges under the Marine Mammal Protection Act; and

**WHEREAS,** Legal assistance is needed to evaluate potential administrative and legislative approaches, including federal petitions, potential regulatory waivers, and congressional advocacy. These efforts are intended to support more than 60 Wrangell Dungeness crab permit holders and their families, while building a regional strategy to address the long-term impacts to the fishery; and

**WHERAS,** the requested budget amendment will provide funding for attorney fees and legal services necessary to continue developing this strategy, coordinate with regional stakeholders, and advance advocacy efforts on behalf of the affected fishing community. A more detailed scope of work and cost estimate will be presented to the Assembly for consideration and authorization.

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

Section 1. The FY 2027 Budget is hereby amended to appropriate $50,000 from the

General Fund to 11000-001-7530 (Administration – Attorney) and authorize its expenditure.

Section 2. The Borough Clerk is directed to send a copy of this resolution to the Petersburg Borough Clerk and the Petersburg Borough Manager, together with a letter from the Wrangell Borough Manager. The letter shall ask Petersburg Borough to join the City and Borough of Wrangell in a cooperative effort to address sea otter predation on the Southeast Alaska Dungeness crab fishery, including sharing equally in the cost of attorney fees and legal services.

Section 3. This budget amendment shall become effective upon adoption.

PASSED AND APPROVED BY THE ASSEMBLY OF THE CITY & BOROUGH OF WRANGELL, ALASKA THIS 17th DAY OF NOVEMBER 2026.

CITY & BOROUGH OF WRANGELL

_____

Patricia Gilbert, Borough Mayor

ATTEST:_____

Kim Lane, MMC, Borough Clerk

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

| AGENDA ITEM TITLE: | DATE: | November 17, 2026 |
|---|---|---|
| | Agenda Section | **11** |

RESOLUTION No. 11-26-2096 OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FY 2027 BUDGET BY APPROPRIATING $6,000 FROM GENERAL FUND RESERVES TO THE ADMINISTRATION DEPARTMENT'S LOBBYIST ACCOUNT, TO APPROVE A TEMORARY INCREASE IN LOBBYING COMPENSATION TO FEDERAL LOBBYIST, ROBERTSON, MONAGLE & EASTAUGH LLC

| SUBMITTED BY: |
|---|
| Mason Villarma, Borough Manager |

| Reviews/Approvals/Recommendations | |
|---|---|
| ☐ | Commission, Board or Committee |
| Name(s) | |
| Name(s) | |
| ☐ | Attorney |
| ☐ | Insurance |

| FISCAL NOTE: | |
|---|---|
| **Expenditure Required:** | |
| Fiscal Year (FY): 2027 | Amount: $6,000 |
| | |
| **Amount Budgeted:** | |
| | FY: $ |
| **Account Number(s):** | |
| | |
| **Account Name(s):** | |
| | |
| **Unencumbered Balance(s) (prior to expenditure):** | |
| | |

ATTACHMENTS: 1. RES. 11-26-2096

**RECOMMENDATION MOTION:**
Move to Approve Resolution No. 11-26-2096.

## SUMMARY STATEMENT:

The Borough is requesting a $6,000 amendment to the FY 2027 budget, appropriated from General Fund Reserves to the Administration Department's Lobbyist Account. The funds would pay for a temporary increase in compensation to Robertson, Monagle & Eastaugh LLC (RME), the Borough's federal lobbyist.

RME currently represents the Borough's priorities with Alaska's congressional delegation and federal agencies. Over the past several months, the Borough has asked RME for much more help with the Wrangell Shipyard Project, and the work has gone well beyond what RME's current contract covers. Administration is proposing a temporary increase of $1,000 per month for six months, for a total of $6,000, so that RME's pay reflects this added workload. The FY 2027 budget did not include this cost, so a budget amendment is needed.

If approved, the resolution appropriates the funds, approves the temporary increase with a $6,000 cap, and authorizes the Borough Manager to amend the existing RME contract. Administration believes this targeted, short-term investment in federal advocacy will help move the Wrangell Shipyard Project forward and is in the best interest of the Borough and its residents.

The current contract with RME is $3,000 per month expiring January 2029.

**CITY AND BOROUGH OF WRANGELL**
**RESOLUTION No. 11-26-2096**

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FY 2027 BUDGET BY APPROPRIATING $6,000 FROM GENERAL FUND RESERVES TO THE ADMINISTRATION DEPARTMENT'S LOBBYIST ACCOUNT, TO APPROVE A TEMORARY INCREASE IN LOBBYING COMPENSATION TO FEDERAL LOBBYIST, ROBERTSON, MONAGLE & EASTAUGH LLC

**WHEREAS,** the City and Borough of Wrangell contracts with Robertson, Monagle & Eastaugh LLC (RME) for federal lobbying services to advance the Borough's priorities with Alaska's congressional delegation and federal agencies; and

**WHEREAS,** the Wrangell Shipyard Project is a high priority for the Borough and requires focused federal advocacy beyond the scope of RME's current contract; and

**WHEREAS,** RME has agreed to provide this additional work on the Wrangell Shipyard Project for a temporary increase of $1,000 per month for six (6) months, for a total of $6,000; and

**WHEREAS,** the FY 2027 budget did not include funds for this additional work, and a budget amendment is needed to appropriate $6,000 from General Fund Reserves to the Administration Department's Lobbyist Account; and

**WHEREAS,** the Assembly finds that federal advocacy for the Wrangell Shipyard Project is in the best interest of the City and Borough of Wrangell and its residents.

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

Section 1. The FY 2027 budget is amended by appropriating $6,000 from General Fund Reserves to the Administration Department's Lobbyist Account

Section 2. The Assembly approves a temporary increase in compensation to Robertson, Monagle & Eastaugh LLC of $1,000 per month for six (6) months for federal advocacy on the Wrangell Shipyard Project. The total increase shall not exceed $6,000..

Section 3. The Borough Manager is authorized to execute an amendment to the existing contract with Robertson, Monagle & Eastaugh LLC to carry out this resolution.

Section 4. This resolution shall take effect immediately upon adoption.

PASSED AND APPROVED BY THE ASSEMBLY OF THE CITY & BOROUGH OF WRANGELL, ALASKA THIS 17th DAY OF NOVEMBER 2026.

CITY & BOROUGH OF WRANGELL

_____

Patricia Gilbert, Borough Mayor

ATTEST:_____

Kim Lane, MMC, Borough Clerk

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

| AGENDA ITEM TITLE: | DATE: | November 17, 2026 |
|---|---|---|
| | Agenda Section | **11** |

**RESOLUTION No. 11-26-2097** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FY2027 BUDGET BY APPROPRIATING $36,000 FROM PORT AND HARBOR RESERVES FOR TEMPORARY PERSONNEL EXPENDITURES

| SUBMITTED BY: |
|---|
| Rob Marshall, Finance Director |

| Reviews/Approvals/Recommendations | |
|---|---|
| ☐ | Commission, Board or Committee |
| Name(s) | |
| Name(s) | |
| ☐ | Attorney |
| ☐ | Insurance |

| FISCAL NOTE: | |
|---|---|
| **Expenditure Required:** | |
| FY 27: $36,000 | |
| | |
| **Amount Budgeted:** | |
| | FY26$ 0 |
| **Account Number(s):** | |
| | 74020 000 6002: $13,500<br>74010 000 6002 : $22,500 |
| **Account Name(s):** | |
| | Temporary Wages |
| **Unencumbered Balance(s) (prior to expenditure):** | |
| | |

ATTACHMENTS: 1.) Res 11-26-2097

## RECOMMENDATION MOTION:
Move to approve Resolution No. 11-26-2097.

## SUMMARY STATEMENT

The City and Borough of Wrangell is proposing an amendment to the FY2027 Budget to appropriate $36,000 from Port and Harbor Reserves to fund two temporary positions within the Port and Harbor Department.

Of the total appropriation, $13,500 will be allocated to the Cruise Ship Security Coordinator position, and $22,500 will be allocated to the Temporary Harbor Administrative Assistant position. These positions will provide additional administrative and operational support to accommodate the department's staffing needs, particularly during periods of increased seasonal activity.

The proposed amendment will provide the necessary funding for these positions during FY2027 without requiring additional General Fund support.

**Recommended Action**

Move to approve Resolution No. 11-26-2097, amending the FY2027 Budget by appropriating $36,000 from Port and Harbor Reserves for temporary personnel expenditures.

CITY AND BOROUGH OF WRANGELL

RESOLUTION NO. 11-26-2097

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FY2027 BUDGET BY APPROPRIATING $36,000 FROM PORT AND HARBOR RESERVES FOR TEMPORARY PERSONNEL EXPENDITURES

WHEREAS, the City and Borough of Wrangell adopted the Fiscal Year 2027 Budget establishing appropriations for Borough operations; and

WHEREAS, the Port and Harbor Department has identified the need for additional temporary personnel to support administrative and operational activities; and

WHEREAS, the Borough has proposed the addition of the Temporary Harbor Administrative Assistant and Cruise Ship Security Coordinator positions to the FY2027 Non-Union Wage and Grade Table; and

WHEREAS, the Borough has identified a funding need of $13,500 for the Cruise Ship Security Coordinator position and $22,500 for the Temporary Harbor Administrative Assistant position, totaling $36,000 for FY2027; and

WHEREAS, the Borough proposes to fund these expenditures through an appropriation from Port and Harbor Reserves.

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

Section 1. The FY2027 Budget is hereby amended to appropriate $36,000 from Port and Harbor Reserves to fund temporary personnel expenditures within the Port and Harbor Department.

Section 2. The FY2027 Budget is hereby amended to appropriate $36,000 from Port and Harbor Reserves, of which $13,500 shall be allocated to the Cruise Ship Security Coordinator position and $22,500 shall be allocated to the Temporary Harbor Administrative Assistant position, to cover personnel expenditures associated with these temporary positions during FY2027.

Section 3. The Finance Director is authorized to make the necessary budgetary adjustments to reflect these appropriations within the FY2027 Budget.

Section 4. This resolution shall become effective immediately upon adoption.

PASSED AND APPROVED BY THE ASSEMBLY OF THE CITY & BOROUGH OF WRANGELL, ALASKA THIS 17th DAY OF NOVEMBER 2026.

CITY & BOROUGH OF WRANGELL

_____
Patricia Gilbert, Borough Mayor

ATTEST: _____
Kim Lane, MMC, Borough Clerk

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

| AGENDA ITEM TITLE: | DATE: | November 17, 2026 |
|---|---|---|
| | Agenda Section | **11** |

Approval of Change Order No. 1 to the Contract with McG Constructors for the Wrangell Schools Renovations – 3 Site and Swimming Pool Roof Replacement Project

| SUBMITTED BY: |
|---|
| Amber Al-Haddad, Capital Projects Director |

| Reviews/Approvals/Recommendations | |
|---|---|
| ☐ | Commission, Board or Committee |
| Name(s) | |
| Name(s) | |
| ☐ | Attorney |
| ☐ | Insurance |

| FISCAL NOTE: | |
|---|---|
| **Expenditure Required:** $211,599.29 | |
| Fiscal Year (FY): 27 | |
| | |
| **Amount Budgeted:** | |
| | FY:20267 |
| **Account Number(s):** | |
| | |
| **Account Name(s):** | |
| | Wrangell Schools Renovations – 3 Sites and Swimming Pool Roof Replacement CIP Funds |
| | |
| | |

ATTACHMENTS: 1. McG Constructors' Change Order Proposal

**RECOMMENDATION MOTION:**
Move to Approve Change Order No. 1 to the Contract with McG Constructors for the Wrangell Schools Renovations – 3 Site and Swimming Pool Roof Replacement Project.

## SUMMARY STATEMENT:

The Wrangell Schools Renovations – 3 Site and Swimming Pool Roof Replacement Project is underway with McG Constructors as the Prime Contractor for the project. Change Order No. 1 incorporates two changed conditions to the contract, as follows:

### Designated Warranty Wind Speed for Roof System

Through the roofing product submittal process, it was discovered that while the design wind speed was designated at 140 mph, the contract did not identify a warranty wind speed and rider coverage for a wind speed more than the roofing material manufacturer's standard warranty wind speed of 55 miles per hour (mph).

Coastal storms regularly exceed 55 mph, and relying on a standard warranty leaves the buildings' roof systems exposed to severe financial and structural risk. Fall and winter storms that Wrangell routinely experiences routinely can bring gusts between 60 and 90+ mph, making a 55 mph ceiling obsolete during normal seasonal weather. While a 55 mph warranty limit doesn't mean the roof fails at 56 mph, the manufacturer can deny leak repairs or damage claims when gusts over 55 mph are documented. Even if a roof assembly is engineered to meet the design wind speed as identified in the building code, the manufacturer's legal obligation to repair wind-related leaks stops at the mph listed on the warranty rider. High-wind assemblies require a variety of additional design considerations, and for the Wrangell project to achieve a 100 mph wind speed for warranty purposes, a higher frequency fastener pattern has been identified.

The Borough has opted to add a warranty rider based on a 100 mph wind speed to all four roof systems for a cost of $62,924.71. The School portion is $59,665.66 and the Swimming Pool portion is $3,259.05

### Carpet Replacement in the Evergreen Elementary School Gymnasium

The Wrangell School District contributed $90,000 for replacement of the existing carpet in the Evergreen Elementary School. While the material specified is a durable multi-purpose flooring material, it is not a suitable product for flooring in an area to be used as a gymnasium for primary and intermediary students. In working with the School to find a product that is suitable, and meets the Buy America Build America (BABA) requirements, we have identified a rubberized flooring material to pursue. This material has a higher cost than the material originally specified and may require an underlayment be installed.

The additional cost for the newly selected rubberized material, including the underlayment, is $148,674.58. If after removing the carpet the subfloor conditions are such that the underlayment is not required, we will eliminate the underlayment for a credit in the amount of $31,800.

Since the carpet replacement is justified due to the removal of several rotten beams under this subject floor, the Department of Education has expressed an initial agreement to expand the grant scope to include full replacement of the Evergreen Elementary gym flooring with the proposed rubber sports flooring and underlayment, provided the work fits within the existing project budget. We are confident that the total available project funding of $10,058,009 is ample to cover both the original scope of work and this added carpet replacement based on the competitive construction bid pricing received. To recount the pre-bid budget versus actual contracts in place, our original project budget identified a construction cost of $8,400,437, whereas the executed construction contract based on the low bid came in at $6,330,400. While we have established a reserve set aside to address potential unknown rot repair during roof replacement and during siding replacement at the High School, we believe the remaining balance of approximately $2M provides more than sufficient capacity to absorb those unknown conditions alongside the additional carpet replacement work.

The request for approval of this section of the Change Order is dependent on the Department of Education's final approval to expand the flooring scope.

Administration recommends the Borough Assembly approve Change Order No. 1 to the contract with McG Constructors for Wrangell Schools Renovations – 3 Site and Swimming Pool Roof Replacement Projects the in the amount of $211,599.29.

Of this amount, $208,340.25 will be funded through the Department of Education project grant for the School project and $3,259.04 will be funded through the SRS Fund for the Swimming Pool Roof project.

McG
constructors inc
po box 718 - sitka, ak 99835

October 27, 2026

To: Amber Al-Haddad
City and Borough of Wrangell

Subject: Wrangell Schools Project 100 mph Wind Rider COP

Hi Amber-

Below is our Change Order Proposal to add Manufacturer's 100mph Wind Speed Rider to Warranty

| | |
|---|---|
| EP Roofing: | $59,362.93 |
| McG MU @5%: | $2,968.15 |
| Bond @ 1%: | $593.63 |
| Total Proposal: | $62,924.71 |

If you have any questions, please let me know.

Sincerely,

Manuel Rogers

EP ROOFING

October 22, 2026

McG Constructors, Inc.
**Attn: Chad McGraw**
4513 Halibut Point Road
Sitka, AK 99835

**Subject:** **Wrangell 3 School Renovation**

**RE:** **Change Order Proposal**
**Add Manufacturer's 100 MPH Wind Speed Rider to Warranty**

Mr. McGraw:

This change order proposal is to provide all labor, material and equipment to add the manufacturer's 100 mph wind speed rider to their warranty. This requires increasing the number of fasteners in the roof to:

Zone 1: 12 (from 10)
Zone 2: 18 (from 10)
Zone 3: 32 (from 10)

| **Materials:** | | Unit | Price Per Unit | |
|---|---|---|---|---|
| Fasteners Needed for 100 MPH Warranty | 1 | LS | $ 74,923.00 | $ 74,923.00 |
| Dedcut - Fasteners Currently Onsite | 1 | LS | $ (44,477.00) | $ (44,477.00) |
| Manufacturer's Warranty with 100 MPH Rider | 1 | LS | $ 4,518.00 | $ 4,518.00 |
| Deduct - Manufacturer's Warranty with NO rider | 1 | LS | $ (2,510.00) | $ (2,510.00) |
| | | | | |
| | | | Sub-Total Materials: | $ 32,454.00 |
| 10% Overhead & Profit | | | **x 110%** | **$ 35,699.40** |
| | | | | |
| | | | | |
| **Labor:** | | | | $ - |
| Labor to install increased fasteners | 251 | Hours | $ 81.98 | $ 20,576.98 |
| 15% Overhead & Profit | | | **x 115%** | **$ 23,663.53** |
| | | | | |
| | | | **Total Change Order:** | **$ 59,362.93** |

**Attachments:**

- Elevate assembly letter increasing wind speed rider from 55 mph to 100 mph

Thank you for the opportunity to work with you. If you have any questions, please contact me.

Respectfully,
EP ROOFING, INC.

Mike Slater



Phone (907) 334-9461 • 114 W. 91st Avenue • Anchorage, Alaska 99515 • www.eproofing.com

October 22, 2026

Skoler Building Resources
1101 N Northlake Way
Seattle, WA 98103

**Project: Wrangell School Renovations**

To Whom It May Concern:

Amrize Building Envelope is pleased to inform you that the Elevate™ roofing system listed below has been reviewed and is eligible for a 10-Year Red Shield™ Warranty with 100-mph peak gust wind speed coverage.

**Elevate PVC KEE Adhered Roofing System: Elementary School**

| | |
|---|---|
| **Construction:** | Complete Tear-Off & Reroof |
| **Slope:** | 1/4":12" |
| **Building/Roof Height:** | <30’ |
| **Deck:** | Plywood - 3/4" |
| **Thermal Barrier:** | DensDeck® Prime Roof Board, 1/2", 4'x8' boards |
| **Vapor Barrier:** | Elevate V-Force™ Vapor Barrier Membrane |
| **Insulation**: | Elevate ISOGARD™ GL, 6.00”, 4'x8' boards |
| Attachment: | Commonly Fastened |
| **Cover Board:** | DensDeck® Prime Roof Board, 1/2", 4'x8' boards |
| Attachment: | Elevate All-Purpose Fasteners and Insulation Plates |
| Rate: | Field Prime/ 12 fasteners per board;<br>Field/ 12 fasteners per board;<br>Perimeter/ 18 fasteners per board;<br>Corners/ 32 fasteners per board |
| **Membrane:** | .060 Elevate PVC KEE Membrane 10 ft wide sheets |
| Adhesive: | Elevate PVC LVOC Bonding Adhesive |
| Rate: | Field Prime/ Full Coverage;<br>Field/ Full Coverage;<br>Perimeter/ Full Coverage;<br>Corners/ Full Coverage |

**Elevate PVC KEE Adhered Roofing System: Middle School**

| | |
|---|---|
| **Construction:** | Complete Tear-Off & Reroof |
| **Slope:** | 1/4":12" |
| **Building/Roof Height:** | <30’ |
| **Deck:** | Plywood - 3/4" |
| **Thermal Barrier:** | DensDeck® Prime Roof Board, 1/2", 4'x8' boards |
| **Vapor Barrier:** | Elevate V-Force™ Vapor Barrier Membrane |
| **Insulation**: | Flat and 1/8” Tapered Elevate ISOGARD™ GL, varies,4’x4’ and 4'x8' boards |
| Attachment: | Commonly Fastened |
| **Cover Board:** | DensDeck® Prime Roof Board, 1/2", 4'x8' boards |
| Attachment: | Elevate All-Purpose Fasteners and Insulation Plates |

| | |
|---|---|
| Rate: | Field Prime/ 12 fasteners per board;<br>Field/ 12 fasteners per board;<br>Perimeter/ 18 fasteners per board;<br>Corners/ 32 fasteners per board |
| **Membrane:** | .060 Elevate PVC KEE Membrane 10 ft wide sheets |
| Adhesive: | Elevate PVC LVOC Bonding Adhesive |
| Rate: | Field Prime/ Full Coverage;<br>Field/ Full Coverage;<br>Perimeter/ Full Coverage;<br>Corners/ Full Coverage |

**Elevate PVC KEE Adhered Roofing System: High School: A,B, C**

| | |
|---|---|
| **Construction:** | Complete Tear-Off & Reroof |
| **Slope:** | 1/4":12" |
| **Building/Roof Height:** | <30’ |
| **Deck:** | Plywood - 3/4" |
| **Thermal Barrier:** | DensDeck® Prime Roof Board, 1/2", 4'x8' boards |
| Attachment: | Commonly Fastened |
| **Vapor Barrier:** | Elevate V-Force™ Vapor Barrier Membrane |
| **Insulation**: | Elevate ISOGARD™ GL, 3.00”, 4'x8' boards |
| Attachment: | Commonly Fastened |
| **Insulation**: | Elevate Tapered ISOGARD™ GL, varies, 4'x4' boards |
| Attachment: | Commonly Fastened |
| **Cover Board:** | DensDeck® Prime Roof Board, 1/2", 4'x8' boards |
| Attachment: | Elevate All-Purpose Fasteners and Insulation Plates |
| Rate: | Field Prime/ 12 fasteners per board;<br>Field/ 12 fasteners per board;<br>Perimeter/ 18 fasteners per board;<br>Corners/ 32 fasteners per board |
| **Membrane:** | .060 Elevate PVC KEE Membrane 10 ft wide sheets |
| Adhesive: | Elevate PVC LVOC Bonding Adhesive |
| Rate: | Field Prime/ Full Coverage;<br>Field/ Full Coverage;<br>Perimeter/ Full Coverage;<br>Corners/ Full Coverage |

**Elevate PVC KEE Adhered Roofing System: High School: D, E**

| | |
|---|---|
| **Construction:** | Complete Tear-Off & Reroof |
| **Slope:** | 1/4":12" |
| **Building/Roof Height:** | <30’ |
| **Deck:** | Plywood - 3/4" |
| **Thermal Barrier:** | DensDeck® Prime Roof Board, 1/2", 4'x8' boards |
| Attachment: | Commonly Fastened |
| **Vapor Barrier:** | Elevate V-Force™ Vapor Barrier Membrane |
| **Insulation**: | Elevate ISOGARD™ GL, 6.00”, 4'x8' boards |

| | |
|---|---|
| Attachment: | Commonly Fastened |
| **Insulation**: | Elevate Tapered ISOGARD™ GL, varies, 4'x4' boards |
| Attachment: | Commonly Fastened |
| **Cover Board:** | DensDeck® Prime Roof Board, 1/2", 4'x8' boards |
| Attachment: | Elevate All-Purpose Fasteners and Insulation Plates |
| Rate: | Field Prime/ 12 fasteners per board;<br>Field/ 12 fasteners per board;<br>Perimeter/ 18 fasteners per board;<br>Corners/ 32 fasteners per board |
| **Membrane:** | .060 Elevate PVC KEE Membrane 10 ft wide sheets |
| Adhesive: | Elevate PVC LVOC Bonding Adhesive |
| Rate: | Field Prime/ Full Coverage;<br>Field/ Full Coverage;<br>Perimeter/ Full Coverage;<br>Corners/ Full Coverage |

**Elevate PVC KEE Adhered Roofing System: Pool**

| | |
|---|---|
| **Construction:** | Complete Tear-Off & Reroof |
| **Slope:** | 1/4":12" |
| **Building/Roof Height:** | <30’ |
| **Deck:** | Plywood - 3/4" |
| **Thermal Barrier:** | DensDeck® Prime Roof Board, 1/2", 4'x8' boards |
| Attachment: | Commonly Fastened |
| **Vapor Barrier:** | Elevate V-Force™ Vapor Barrier Membrane |
| **Insulation**: | Elevate ISOGARD™ GL, 2.00”, 4'x8' boards |
| Attachment: | Commonly Fastened |
| **Insulation**: | Elevate Tapered ISOGARD™ GL, varies, 4'x4' boards |
| Attachment: | Commonly Fastened |
| **Cover Board:** | DensDeck® Prime Roof Board, 1/2", 4'x8' boards |
| Attachment: | Elevate All-Purpose Fasteners and Insulation Plates |
| Rate: | Field Prime/ 12 fasteners per board;<br>Field/ 12 fasteners per board;<br>Perimeter/ 18 fasteners per board;<br>Corners/ 32 fasteners per board |
| **Membrane:** | .060 Elevate PVC KEE Membrane 10 ft wide sheets |
| Adhesive: | Elevate PVC LVOC Bonding Adhesive |
| Rate: | Field Prime/ Full Coverage;<br>Field/ Full Coverage;<br>Perimeter/ Full Coverage;<br>Corners/ Full Coverage |

WARRANTY COVERAGE INCLUSIONS

The Elevate Roofing System listed above is also eligible for the following additional warranty coverage:

- 3 Second Gust of Wind up to 100mph.

Perimeter and corner areas should be calculated using the appropriate method outlined by the designer or relevant code agencies. Some acceptable methods for these calculations can be found in Factory Mutual Loss Prevention Data Sheet 1-28, ASCE 7 or ANSI/SPRI WD-1.

PERFORMANCE REQUIREMENTS

Performance standards and construction requirements regarding wind uplift and fire resistance are established by the agencies indicated in the construction specification and are subject to change. Please consult the appropriate agencies for full information regarding compliance with their current standards and requirements. This letter shall acknowledge that the listed assembly above, when conditions allow and when installed per the tested assembly, may resist the uplift pressures calculated in accordance with the referenced testing agency.

The Elevate Roofing System listed above meets the following performance requirements as specified by the project designer, architect, or engineer and validated by and installed per the following tested assemblies:

- Uplift pressures of 51/72/96 PSF (Field/Perimeter/Corners), were provided to Elevate. Please note that these values are approximations, based on the information on hand. If actual design pressures are required, please consult a structural engineer.
- UL Class A (resistance to severe fire).

ASCE 7 is the widely recognized standard and is referenced in and serves as the technical basis for wind load determination in the International Building Code (IBC). FM Global references ASCE 7 (in Property Loss Prevention Data Sheet FM 1-28) for uplift pressures as they pertain to wind speed in a given geographic area. Contributing factors to these pressure calculations include, roof area dimensions, mean roof height, roof slope, building configuration and exposure, risk category (occupancy) and basic wind speed. The information provided to Amrize by the design professional is then used to determine the appropriate assembly, based on the uplift requirements. Amrize assumes absolutely no liability for calculations provided to Amrize, and all uplift pressures should be verified by a design or engineering professional to determine the appropriate assembly.

PLEASE NOTE

Amrize Building Envelope does not engage in the practices of architecture or engineering. The Amrize review referenced in this letter is for warranty eligibility purposes only. Amrize's technical specifications are subject to change. For current information regarding Elevate roofing system design guidelines, detail drawings, and product information please visit http://www.elevatecommercialbp.com. The information in this letter expires twelve (12) months from the date shown above.

WARRANTY REQUIREMENTS

1. The licensed Elevate applicator must submit a Pre-Installation Notice (PIN) and an Approved Roof Drawing (ARD) to Amrize Technical Services at least two weeks prior to the anticipated project start date. All PINs are subject to review by Amrize.
2. Upon Amrize's approval of the PIN, the Elevate roofing system must be installed by a licensed Elevate applicator and installed in accordance with Amrize's current written Elevate technical specifications, warranty requirements, and detail drawings.
3. Upon substantial completion, the Elevate roofing system installation is subject to inspection by an Amrize Field Technical Representative.
4. Unless otherwise stated in writing by an Amrize technical representative, only Elevate branded materials, or materials specifically provided by Amrize are included within warranty coverage. Amrize specifically disclaims

liability for any materials not manufactured by or provided by Amrize. For the full Terms, Conditions, and Limitations of the Elevate warranty, please refer to the warranty sample(s) provided on http://www.elevatecommercialbp.com or generate a project-specific sample in the Elevate PIN Site.

5. Amrize does not approve of or recognize the results of destructive testing by others for the purposes of project close-out or to satisfy contract requirements. Any damage caused by such testing may prevent Amrize from issuing a warranty. Amrize is not responsible for costs associated with repairs or enhancements performed to the roof system as a result of testing.

Respectfully,
**Amrize Building Envelope LLC.**

Paul Bato

**Paul S. Bato**
Technical Coordinator - West
**Phone:** (909) 936-2931
**Email:** p.bato@amrize.com

McG
constructors inc
po box 718 - sitka, ak 99835

October 22, 2026

To: Amber Al-Haddad
City and Borough of Wrangell

Subject: Wrangell Schools Project-ASI 001

Hi Amber-

Below is our proposal for the change in scope identified in ASI 001.

| | |
|---|---|
| Aurora Flooring: | $140,190.09 |
| McG MU @5%: | $7,009.50 |
| Bond @ 1%: | $1,471.99 |
| Total Proposal: | $148,674.58 |

If you have any questions, please let me know.

Sincerely,

Manuel Rogers

# Change Order Request of Project 4225

Aurora Flooring LLC
7650 Old Seward Highway
Anchorage, Alaska 99518
Contractors License# CONS38549
www.Auroraflooringak.com
P:907-561-7766 | F:907-561-7762

For:
MCG Constructors Inc
4513 Halibut Point Road
Sitka, AK 99835

Job Site:
WRANGELL SCHOOLS
RENOVATION THREE SITES
PROJECT
350 Bennett St
Wrangell, AK 99929

Proposal# 11238
Customer PO
Contract #
Date 10/21/2026
Sales Person1 Dennis
Sales Person 2

| General Information / Description | Total |
|---|---|
| Credit for labor and materials associated with contract specified materials that are not needed to carry into Flooring proposal per ASI 001. | -$44,183.25 |
| Aurora Flooring proposes to furnish and install 9mm DynaForce® athletic flooring system and associated system components as specified in ASI 001. This pricing is in addition to the base bid and represents the additional cost to upgrade to the DynaForce® flooring system. All materials, additional labor, lodging, and per diem are included. As included in the base bid, all labor and materials are FOB jobsite.<br><br>Court striping, game lines, and logos are not included in this proposal.<br><br>This system still requires 1/4" APA-grade underlayment at all plywood assemblies. Due to unforeseen existing floor conditions and pending responses to the RFI, the cost for this underlayment has been broken out separately below. | $153,683.25 |
| Aurora Flooring proposes to furnish and install 1/4" APA-grade sanded birch plywood throughout the MPR. Plywood will be installed using an approved glue and staple method to provide a suitable substrate for the flooring system. All materials and labor are included FOB jobsite. | $30,690.09 |

| | Total |
|---|---|
| Contract Total | $140,190.09 |
| Sales Tax | |
| Grand Total | $140,190.09 |

Deposit Date _____ Ck # _____ $ _____

This Proposal is valid for 30 days.

Please Note: 3.5% Surcharge for Credit Card Payments.

Unless specifically requested and stated within the proposal, Aurora Flooring will not be responsible for ensuring the subfloor meets the manufacturer's standards. Subfloor preparation is crucial but often unforeseeable, and any required work to bring the subfloor to the necessary standards will be the responsibility of the general contractor. Should unforeseen subfloor conditions arise, Aurora Flooring can provide a quote upon request, and work will proceed only with proper authorization. Aurora Flooring will require the GC to independently manage the handling and unloading of all materials. Additionally, clear site access, secure storage, and coordination with other trades are essential for timely project completion. Any delays or additional costs due to site access issues, after-hours work, or restricted conditions will result in additional charges. Exclusions include subfloor moisture remediation, structural modifications, electrical or plumbing work, and the moving of furniture or equipment, unless specifically stated in the proposal. All other conditions are subject to the specific details outlined within the proposal.

The foregoing proposal is based on the costs of specified materials or alternate materials if specifications allow. If there is any change to such specified materials, Contractor shall bill for any resulting adjustments and the Customer shall be liable for all such cost adjustments

In [illegible] Flooring states we include the removal and disposal of existing flooring in the proposal, the general contractor is still responsible for

providing onsite disposal facilities unless otherwise agreed.

Open boxes of stocking materials will be left for the customer upon project completion unless the customer specifically requests to purchase additional replacement products beyond the estimated amount for the project. If the project requires attic stock but circumstances arise where the attic stock is damaged or must be used due to jobsite conditions, whether resulting from contractor fault or irregular phasing, the attic stock will not be reimbursed at the end of the project. For special order products, we apply a waste factor that we deem adequate for a successful installation. In some cases, this may result in excess materials remaining after project completion. Any such excess goods are provided for the customer to keep and cannot be returned. Our estimates incorporate industry standard overage calculations, but every project layout is unique, and overages can occur. Our priority is ensuring that the project is fully covered without material shortages.

Buyer _____ Date _____ Seller _____ Date _____

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

| AGENDA ITEM TITLE: | DATE: | November 17, 2026 |
|---|---|---|
| | Agenda Section | **11** |

**RESOLUTION No. 11-26-2101** OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FY 2027 BUDGET BY TRANSFERRING $60,000 FROM THE GENERAL FUND RESERVES TO THE MAINTENANCE MATERIALS AND SUPPLIES – STREETS FUND AND AUTHORIZING ITS EXPENDITURES

| SUBMITTED BY: |
|---|
| Wade Jack, Assistant Public Works Director |

| Reviews/Approvals/Recommendations | |
|---|---|
| ☐ | Commission, Board or Committee |
| Name(s) | |
| Name(s) | |
| ☐ | Attorney |
| ☐ | Insurance |

| FISCAL NOTE: | |
|---|---|
| **Expenditure Required: $60,000** | |
| Fiscal Year (FY): 27 | Amount: $60,000 |
| | |
| **Amount Budgeted:** | |
| | FY:2027 $130,500 |
| **Account Number(s):** | |
| | 11000-024-7030 |
| **Account Name(s):** | |
| | Streets Maintenance Materials and Supplies |
| **Unencumbered Balance(s) (prior to expenditure):** | |
| | $128,736 |

ATTACHMENTS: Resolution 11-26-2101

**RECOMMENDATION MOTION:**
Move to Approve Resolution No.11-26-2101.

## SUMMARY STATEMENT:

This proposal is being made to facilitate the improvement of the old baseball field to better serve the community. The baseball field is currently only mud, as the old wood chips have been cleared away in preparation for a covering of 6" clean rock. The area within will eventually be fenced in. Parks and Recreation will lead further development of the area as a useful space for the residents of Wrangell. Development of the area will provide more access to waterfront for recreation and to critical communications infrastructure.

### Background

The baseball fields have been in disrepair since construction of the new field next to the elementary school. The WCA has repurposed most of the field for use as a successful community garden. Areas unused for the community garden have become overgrown or have gone unmaintained. This area provides direct access to critical communication infrastructure for local telecommunication and radio services. This area also holds significant recreation value, as it is a waterfront property adjacent to City Park.

### Proposal

Public Works proposes a $60,000 Budget Amendment to be made to facilitate surfacing of the new recreation area. This amount would cover 1,200 yards of clean 6" crushed rock to fill in the 0.75 acre area 12" in depth. This would also cover culverts, ditching, geo fabric (if required during pre-installation), and labor from the Public Works Department.

## Exhibit A (Cost Breakdown)

| Item | Quantity | Price | Total | Description |
|---|---|---|---|---|
| 6" Clean Rock | 1,200 | $ 30.00 | $ 36,000.00 | Enough 6" clean rock for one foot of fill over an area of 3600 square yards |
| GeoMat | 8 | $ 785.00 | $ 6,280.00 | Enough geomat to cover 3600 square yards |
| Culvert | 30 | $ 100.00 | $ 3,000.00 | 30' of 24" culvert to redirect drainage |
| Labor | 1 | 30% of total material cost | $ 13,584.00 | Estimate of labor cost to install materials |
| Shipping | 1 | 15% of Culvert/geocloth value | $ 1,392.00 | Estimate of shipping fees based on previous orders |
| | | **TOTAL** | $ 60,256.00 | |

## Exhibit B (Community Garden Fill Area)



Exhibit C (Photo of Fill Area)



**CITY AND BOROUGH OF WRANGELL**
**RESOLUTION No. No 11-26-2101**

A RESOLUTION OF THE ASSEMBLY OF THE CITY AND BOROUGH OF WRANGELL, ALASKA, AMENDING THE FY 2027 BUDGET BY TRANSFERRING $60,000 FROM THE GENERAL FUND RESERVES TO THE MAINTENANCE MATERIALS AND SUPPLIES – STREETS FUND AND AUTHORIZING ITS EXPENDITURES

**WHEREAS**, the City and Borough of Wrangell, Alaska adopted the budget for all funds of the City and Borough of Wrangell, Alaska for the fiscal year 2026–2027 and requires that the Borough Assembly approve any budget amendments over those amounts adopted; and

**WHEREAS**, the renovation of the community garden / ballfield area is a valuable investment serving recreation and infrastructure access needs of the Wrangell community; and

**WHEREAS**, the City and Borough of Wrangell are committed to expanding accessible recreation areas and promoting access to infrastructure; and

**WHEREAS**, a transfer of $60,000 from the General Fund Reserves to the Streets Maintenance Materials and Supplies fund is necessary to support project funding in the FY27 Capital Budget.

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

**Section 1:** The Assembly of the City and Borough of Wrangell hereby amends the FY2027 Budget by transferring $60,000 from the General Fund Reserves to Streets Maintenance Materials and Supplies fund and authorizes its expenditures.

PASSED AND APPROVED BY THE ASSEMBLY OF THE CITY & BOROUGH OF WRANGELL, ALASKA THIS 17th DAY OF NOVEMBER 2026.

CITY & BOROUGH OF WRANGELL

_____
Patricia Gilbert, Borough Mayor

ATTEST:_____
Kim Lane, MMC, Borough Clerk

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

| AGENDA ITEM TITLE: | DATE: | November 17, 2026 |
|---|---|---|
| | Agenda Section | **15** |

**Executive Session:** 6-Mile Mill Site Property Strategy

| SUBMITTED BY: |
|---|
| Mason Villarma, Borough Manager |

| Reviews/Approvals/Recommendations | |
|---|---|
| ☐ | Commission, Board or Committee |
| Name(s) | |
| Name(s) | |
| ☐ | Attorney |
| ☐ | Insurance |

| FISCAL NOTE: | | |
|---|---|---|
| | | |
| | | |
| **Amount Budgeted:** | | |
| | | |
| **Account Number(s):** | | |
| | | |
| **Account Name(s):** | | |
| | | |
| **Unencumbered Balance(s) (prior to expenditure):** | | |
| | | |

ATTACHMENTS: 1. None.

**RECOMMENDATION MOTION** I move, pursuant to 44.62.310 (c)(1)&(2), that we recess into executive session to discuss matters of which, the immediate knowledge would clearly have an adverse effect upon the finances of the borough, specifically to discuss with the Borough Manager, the 6-Mile Mill Site Property Strategy.

**SUMMARY STATEMENT:**
None.