



Alice Ruby, **Mayor**

Council Members

- Holly Johnson (Seat A) • Chris Maines (Seat B) • Misty Savo (Seat C)
- Curt Armstrong (Seat D) • Andy Anderson (Seat E) • Paul Liedberg (Seat F)

DILLINGHAM CITY COUNCIL

David B. Carlson Council Chambers

Dillingham City Hall, 141 Main Street, Dillingham, AK 99576 (907) 842-5212

WORKSHOP TO REVIEW MARCH FINANCIAL STATEMENTS	6:30 P.M.	JUNE 16, 2016
REGULAR MEETING	7:00 P.M.	JUNE 16, 2016

1. CALL TO ORDER

2. ROLL CALL

3. APPROVAL OF MINUTES

- a. Special Council Meeting, May 27, 2016page 3
- b. Special Council Meeting, May 31, 2016page 5
- c. Regular Council Meeting, June 2, 2016page 9

4. APPROVAL OF CONSENT AGENDA

APPROVAL OF AGENDA

5. STAFF REPORTS

- a. City Manager Report
- b. Standing Committee Reportspage 15

6. PUBLIC HEARINGS

- a. Adopt Ordinance No. 2016-09 (SUB-1), An Ordinance of the Dillingham City Council Adopting the Budget and Appropriating Funds for the FY2017 City of Dillingham Budgetpage 17
- b. Adopt Ordinance No. 2016-10, An Ordinance of the Dillingham City Council Amending Title 4 to Establish Fixed Costs to be Paid by Delinquent Taxpayers in Order to Remove a Property from the Annual Real Property Foreclosure List or to Redeem Such a Property After Foreclosurepage 43

7. CITIZEN'S DISCUSSION (Prior Notice or Agenda Items)

8. ORDINANCES AND RESOLUTIONS

- a. Adopt Ordinance No. 2016-09 (SUB-1), An Ordinance of the Dillingham City Council Adopting the Budget and Appropriating Funds for the FY2017 City of Dillingham Budgetpage 17
- b. Adopt Ordinance No. 2016-10, An Ordinance of the Dillingham City Council Amending Title 4 to Establish Fixed Costs to be Paid by Delinquent Taxpayers in Order to Remove a Property from the Annual Real Property Foreclosure List or to Redeem Such a Property After Foreclosurepage 43
- c. Adopt Resolution No. 2016-37, A Resolution of the Dillingham City Council Authorizing the City Manager to Approve a Collective Bargaining Agreement Between the City of Dillingham and PSEA (*Clerk Note: A completed resolution will be a laydown at the meeting.*).....page 53
- d. Adopt Resolution No. 2016-38, A Resolution of the Dillingham City Council Authorizing the City Manager to Approve a Collective Bargaining Agreement Between the City of Dillingham and Public Employees Local 71 (*Clerk Note: A completed resolution will be a laydown at the meeting.*)page 55

9. UNFINISHED BUSINESS

- a. Citizen Committee Appointments
 - 1) Planning Commission, 2 Seats Open
 - 2) Senior Advisory Commission, 1 Seat Open
 - 3) Wood-Tikchik State Park Advisory Council
- b. Annexation Updatepage 57
- c. Interim Task Force Borough Feasibility Study Update

10. NEW BUSINESS

- a. Action Memorandum 2016-13, Authorizing a Contract to _____ to Provide City Assessment Services (*Clerk Note: This item will be a laydown at the meeting.*)

11. CITIZEN’S DISCUSSION (Open to the Public)

12. COUNCIL COMMENTS

13. MAYOR’S COMMENTS

14. EXECUTIVE SESSION

- a. Legal Matter
 - 1) Dillingham & Manokotak Annexation Petitions
 - 2) Bingman Foreclosure Sale

15. ADJOURNMENT

1. CALL TO ORDER

A special meeting of the Dillingham City Council scheduled for Friday, May 27, 2016, at the Dillingham City Council Chambers, Dillingham, Alaska was canceled due to lack of a quorum, a quorum being four Council members.

2. ROLL CALL

3. APPROVAL OF AGENDA

4. CITIZEN'S DISCUSSION (Prior Notice or Agenda Items)

5. SPECIAL BUSINESS

- a. Adopt Resolution No. 2016-31, A Resolution of the Dillingham City Council Authorizing the City Manager to Waive the Competitive Bid Process and Repair the Manitowoc Crane

6. CITIZEN'S DISCUSSION (Open to the Public)

7. COUNCIL COMMENTS

8. MAYOR'S COMMENTS

9. ADJOURNMENT

Mayor Alice Ruby

ATTEST: [SEAL]

Janice Williams, City Clerk

Approval Date: _____

1. CALL TO ORDER

A special meeting of the Dillingham City Council was held on Tuesday, May 31, 2016, at the Dillingham City Council Chambers, Dillingham, Alaska. Mayor Alice Ruby called the meeting to order at 12:20 p.m.

2. ROLL CALL

Mayor Alice Ruby - present

Council Members present and establishing a quorum (a quorum being four):

Paul Liedberg	Chris Maines	Andy Anderson
Curt Armstrong		

Council Members absent and excused:

Holly Johnson	Misty Savo
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Staff in attendance:

Rose Loera	Janice Williams	Jean Barrett
Eric Suttles	Navin Bissram	

3. APPROVAL OF AGENDA

MOTION: Chris Maines moved and Paul Liedberg seconded the motion to approve the agenda.

VOTE: The motion passed unanimously by roll call vote.

4. CITIZEN’S DISCUSSION (Prior Notice or Agenda Items)

There was no citizen’s discussion.

5. SPECIAL BUSINESS

- a. Committee of the Whole
 - 1. Discuss Purchase of Crane

MOTION: Paul Liedberg moved and Chris Maines seconded the motion to enter the Committee of the Whole to discuss the purchase of a crane.

VOTE: The motion to enter into the Committee of the Whole passed unanimously by roll call vote.

Discussion ensued regarding the pros and cons of buying a newer model for \$1.5M, landed in Dillingham, over purchasing a newly refurbished 1982 model crane for \$520,000, landed in Dillingham:

- 1982 model expect 15 year life; will not need to finance;

- New model 35-40 life with regular maintenance; will need to finance;
- Old crane will be put out for bid, but cost to ship it out, about \$77K, will be part of the bid, if looking to help pay down the debt of a new purchase;
- Wells Fargo provided the lowest interest rate for lease financing, but will have more up to date information on Thursday for a report to the Council.

MOTION: Chris Maines moved and Curt Armstrong seconded the motion to come out of the Committee of the Whole.

VOTE: The motion to come out of the Committee of the Whole passed unanimously by roll call vote.

- b. Adopt Resolution No. 2016-31 (AM), A Resolution of the Dillingham City Council Authorizing the City Manager to Waive the Competitive Bid Process and Purchase a 175 ton 4000 Manitowac Crane

MOTION: Paul Liedberg moved and Chris Maines seconded the motion to adopt Resolution No. 2016-31 (AM).

VOTE: The motion to adopt Resolution No. 2016-31 (AM) failed with Paul Liedberg, Chris Maines, Curt Armstrong, and Andy Anderson opposed.

- c. Adopt Resolution No. 2016-36, A Resolution of the Dillingham City Council Authorizing the City Manager to Waive the Competitive Bid Process and Purchase a 200 ton 2016 Linkbelt 248HSL Crane (laydown)

MOTION: Chris Maines moved and Paul Liedberg seconded the motion to adopt Resolution No. 2016-36

VOTE: The motion to adopt Resolution No. 2016-36 passed unanimously by roll call vote.

6. CITIZEN'S DISCUSSION (Open to the Public)

There was no citizen's discussion.

7. COUNCIL COMMENTS

There were no council comments.

8. MAYOR'S COMMENTS

There were no mayor's comments.

9. ADJOURNMENT

Mayor Ruby adjourned the meeting at 12:47 p.m.

Mayor Alice Ruby

ATTEST:

[SEAL]

Janice Williams, City Clerk

Approval Date: _____

DRAFT

1. CALL TO ORDER

A regular meeting of the Dillingham City Council was held on Thursday, June 2, 2016, at the Dillingham City Council Chambers, Dillingham, Alaska. Mayor Alice Ruby called the meeting to order at 7:03 p.m. The meeting was preceded by a workshop at 6:00 PM to review the City of Dillingham’s FY17 proposed budget.

2. ROLL CALL

Mayor Alice Ruby was present.

Council Members present and establishing a quorum (a quorum being four):

Misty Savo	Chris Maines	Curt Armstrong	Paul Liedberg
Andy Anderson			

Council members absent and excused:

Holly Johnson

Staff in attendance:

Rose Loera	Dan Pasquariello	Janice Williams
Navin Bissram	Ken Morton	

Guest: Attorney Brooks Chandler – attended via teleconference

3. APPROVAL OF MINUTES

- a. Regular Council Meeting, May 12, 2016
- b. Board of Equalization Regular Meeting, May 18, 2016
- c. Special Council Meeting, May 20, 2016

MOTION: Chris Maines moved and Andy Anderson seconded the motion to approve the minutes of May 12, May 18, and May 20, 2016.

VOTE: The motion passed unanimously by voice vote.

4. APPROVAL OF CONSENT AGENDA

- a. Resolution No. 2016-32, A Resolution of the Dillingham City Council Expressing Thanks and a Commendation to Maryanne Dickey
- b. Resolution No. 2016-33, A Resolution of the Dillingham City Council Expressing Thanks and a Commendation to Jim McMurray

MOTION: Chris Maines moved and Curt Armstrong seconded the motion to approve the consent agenda.

VOTE: The motion passed unanimously by voice vote.

APPROVAL OF AGENDA

MOTION: Misty Savo moved and Chris Maines seconded the motion to approve the agenda as amended with the removal of Bingman Foreclosure Sale from the Executive Session.

VOTE: The motion passed unanimously by voice vote.

5. STAFF REPORTS

a. City Manager and Staff Reports

City Manager reported on the following items not included in her report:

- RFP for Assessment Services: Extended filing date to June 9;
- BBEDC also provided three youth internships, one for each dept: Senior Center, Library and Finance;
- BBHA will meet with Tribe and City in August to discuss proposed housing developments in 2017.

Mayor Ruby recommended prior to any new contracts coming before the Council to meet with the MOU Committee and BBHA. The purpose would be to review the property tax computation, a percentage of the total tax that will be assessed on properties for a number of years before being turned over to the owner.

b. Standing Committee Reports

Finance and Budget Committee: Paul Liedberg reported the committee had finalized the budget; would be introducing an ordinance on the agenda regarding foreclosure expenses; reviewed landfill fees during the budget review of revenues, took no action, but may look at them again in the fall.

6. PUBLIC HEARINGS

Mayor Ruby opened the hearing on Ordinance No. 2016-08. There being no comments the hearing closed.

- a. Adopt Ordinance No. 2016-08, An Ordinance of the Dillingham City Council Amending Dillingham Municipal Code Chapter 8.30 – Marijuana Regulation by the Addition of a Section Limiting Operating Hours for Retail Marijuana Establishments

7. CITIZEN'S DISCUSSION (Prior Notice or Agenda Items)

There was no citizen's discussion.

8. ORDINANCES AND RESOLUTIONS

- a. Adopt Ordinance No. 2016-08, An Ordinance of the Dillingham City Council Amending Dillingham Municipal Code Chapter 8.30 – Marijuana Regulation by the Addition of a Section Limiting Operating Hours for Retail Marijuana Establishments

MOTION: Chris Maines moved and Paul Liedberg seconded the motion to adopt Ordinance No. 2016-08.

VOTE: The motion to adopt Ordinance No. 2016-08 passed unanimously by voice vote.

- b. Introduce Ordinance No. 2016-09, An Ordinance of the Dillingham City Council Adopting the Budget and Appropriating Funds for the FY2017 City of Dillingham Budget

MOTION: Paul Liedberg moved and Andy Anderson seconded the motion to introduce Ordinance No. 2016-09 and schedule for a public hearing June 16, 2016.

VOTE: The motion to introduce Ordinance No. 2016-09 and schedule for a public hearing June 16, 2016, passed unanimously by voice vote.

- c. Introduce Ordinance No. 2016-10, An Ordinance of the Dillingham City Council Amending Title 4 to Establish Fixed Costs to be Paid by Delinquent Taxpayers in Order to Remove a Property from the Annual Real Property Foreclosure List or to Redeem Such a Property After Foreclosure

MOTION: Chris Maines moved and Paul Liedberg seconded the motion to introduce Ordinance No. 2016-10 and schedule for a public hearing June 16, 2016.

VOTE: The motion to introduce Ordinance No. 2016-10 and schedule for a public hearing June 16, 2016, passed unanimously by voice vote.

- d. Adopt Resolution No. 2016-34, A Resolution of the Dillingham City Council Establishing the Rate of Levy of Tax, the Date Taxes are Due, and the Delinquent Date for Calendar Year 2014, and Accepting the Certification of the Tax Roll (C)

MOTION: Misty Savo moved and Andy Anderson seconded the motion to Adopt Resolution No. 2016-34.

The Council adopted the copy that was a laydown.

VOTE: The motion to adopt Resolution No. 2016-34 passed unanimously by voice vote.

- e. Adopt Resolution No. 2016-35, A Resolution of the Dillingham City Council Requesting FY17 Payment in Lieu of Taxes Funding from the Department of Commerce, Community, and Economic Development

MOTION: Chris Maines moved and Paul Liedberg seconded the motion to Adopt Resolution No. 2016-35.

VOTE: The motion to adopt Resolution No. 2016-35 passed unanimously by voice vote.

9. UNFINISHED BUSINESS

- a. Citizen Committee Appointments
 - 1) Planning Commission, 2 Seats Open

There were no letters of interest on file.

- 2) Senior Advisory Commission, 1 Seat Open

There were no letters of interest on file.

- b. Annexation Update

Mayor Ruby noted this item would be discussed under the Executive Session.

- c. Interim Task Force Borough Feasibility Study Update

Mayor Ruby reported the task force met on May 25, and she would circulate the packet at the next Council meeting. She noted a survey would be circulated to the communities requesting their thoughts on boroughs, and the resulting draft report provided in the fall.

10. NEW BUSINESS

- a. Action Memorandum 2016-12, Authorizing Task Order No. 2 to CRW Engineering to Provide Construction Support Services for the Dillingham Lift Station Improvements Project

MOTION: Chris Maines moved and Paul Liedberg seconded the motion to Adopt Action Memorandum No. 2016-12.

VOTE: The motion to adopt Action Memorandum No. 2016-12 passed unanimously by voice vote.

11. CITIZEN'S DISCUSSION (Open to the Public)

There was no citizen's discussion.

12. COUNCIL COMMENTS

Chris Maines:

- Thanked Paul and Finance and Budget committee for all their hard work on the budget.

Paul Liedberg:

- Thanked Navin and Rose for all of their work on the budget as well as the members of the committee.

Misty Savo:

- Thanked the Finance and Budget Committee and City staff for their budget work; and
- Welcomed the new public works director.

Andy Anderson:

- Welcomed the new public works director.

13. MAYOR'S COMMENTS

Mayor Ruby:

- Commended Chief Pasquariello for an excellent job addressing the Mental Health Trust Board and the State Drug and Alcohol Advisory Board;
- Appreciated the Boards' support for addressing the District Attorney's office;
- Attended Borough Task Force Meeting;
- Welcomed the new public works director; and
- Asked for a moment of silence to recognize those lost since the last meeting.

14. EXECUTIVE SESSION

a. Legal Matter

1) — Bingman Foreclosure Sale

2) Dillingham & Manokotak Annexation Petitions

MOTION: Chris Maines moved and Curt Armstrong seconded the motion to enter into executive session to discuss Legal Matter, Dillingham & Manokotak Annexation Petition. [7:34 p.m.]

VOTE: The motion to enter into executive session passed unanimously by voice vote.

The Council was joined by Manager Loera and Janice Williams.

MOTION: Misty Savo moved and Paul Liedberg seconded the motion to come out of executive session 8:04 p.m.].

VOTE: The motion to come out of executive session passed unanimously by voice vote.

15. ADJOURNMENT

Mayor Ruby adjourned the meeting at 8:04 p.m.

Mayor Alice Ruby

ATTEST:

[SEAL]

Janice Williams, City Clerk
Approval Date: _____

DRAFT

1. CALL TO ORDER

The School Facility Committee met on June 9, 2016, at the Dillingham Council Chambers, Dillingham, AK. Mayor Alice Ruby called the meeting to order at 12:27 p.m.

2. ROLL CALL

Committee Members present:

Mayor Alice Ruby	Danny Frazier	Rose Loera
Chris Napoli	Andy Anderson	Corey Evans
Russell Nelson	Ken Morton	

Committee Members absent: Robin Samuelsen

Guests: Vince Luckhurst Jesus "Chuy" Rameriz

3. APPROVAL OF AGENDA

MOTION: Chris Napoli moved and Russell Nelson seconded the motion to approve the agenda.

VOTE: The motion passed unanimously by voice vote.

4. APPROVAL OF MINUTES

a. Minutes of January 20, 2016

MOTION: Chris Napoli moved and Rose Loera seconded the motion to approve the minutes of January 20, 2016.

VOTE: The motion passed unanimously by voice vote.

5. UNFINISHED BUSINESS

a. Teacher Housing

Chris Napoli and Danny Frazier reported the school will be going out to bid to lease apartments (possibly up to four for FY17) for teacher housing. The school will enter into a contract and then payroll deduct the units. They will also be leasing an apartment for incoming consultants and guests and hope to save around \$15,000 a year.

Discussion ensued including a request to be sure and add the City sales tax to the lease agreement when the housing is turned over to an individual.

6. NEW BUSINESS

a. Review School Facility Director’s Report

Russell Nelson reviewed his facilities report in the packet noting the heat exchanger would be undergoing some repairs. He also shared a copy of the 2016 Summer List of things to do in both schools.

b. Preventive Maintenance Recertification Site Visit

Russell Nelson reported on the onsite inspection of the school facilities, which is conducted by State Dept. of Education every five years. The packet included the 37-page report, Dillingham City School District Site Visit, dated February 2, 2016. Staff was applauded in the cover letter for a job well done.

The last OSHA inspection was around seven years ago. Staff noted it may be attributed to budget restraints.

Russell Nelson recognized his staff support, Vince and Jesus, noting his appreciation for their capability in their jobs.

c. Tour of the Middle/High and Elementary Schools

The committee proceeded to close the meeting to take a tour of the school facilities.

7. PUBLIC COMMENT/COMMITTEE COMMENTS

The committee welcomed Ken Morton, the City’s new Public Works Director.

8. ADJOURNMENT

Mayor Ruby adjourned the meeting at 1:10 p.m.

Mayor Alice Ruby, Chair

ATTEST:

Janice Williams, City Clerk

Approval Date: _____

CITY OF DILLINGHAM, ALASKA

ORDINANCE NO. 2016-09 (SUB-1)

AN ORDINANCE OF THE DILLINGHAM CITY COUNCIL ADOPTING THE BUDGET AND APPROPRIATING FUNDS FOR THE FY 2017 CITY OF DILLINGHAM BUDGET

WHEREAS, the City Council has approved the Operating Budget and Capital Improvement Budget for FY17 to the City Council in accordance with Title 4 of the Dillingham Municipal Code pursuant to A.S. 20.20.500(3); and

WHEREAS, duly advertised public workshops were held and the City Council reviewed the budget amendment recommendations presented; and

WHEREAS, the City Council has set the rate of levy of property tax for the City of Dillingham for FY 2017 budget at 13 mills; and

WHEREAS, the budget presented, reviewed and changed is in accordance with sound and efficient municipal management principles. The City Council should have the power to transfer appropriated monies from one General Government Fund or Special Revenue Fund to another and from one Capital Project to another by resolution and the City Manager should have the power to transfer funds from one line item object to another object code within a fund and within a Capital Improvement Project; and

WHEREAS, additional FY 2017 funds are available for appropriation by ordinance;

NOW, THEREFORE, BE IT RESOLVED by the Dillingham City Council that:

1. The FY 2017 Operating Budget and Capital Improvement Budget as recommended by the City Manager is hereby adopted for the City of Dillingham.
2. The amounts set forth in the budget by the City Council for the respective departments and/or funds shall be, and hereby are, appropriated for the fiscal year ending June 30, 2017.
3. The City Council shall have the power to transfer approved and appropriated General Fund or Special Revenue Fund monies from one to another and from one Capital Project to another by resolution.
4. The City Manager shall have the power to transfer funds from one line item object code to another within a fund and within a Capital Improvement Project.

(Items highlighted in gray shading are being introduced as SUB-1.)

BE IT ENACTED BY THE COUNCIL OF THE CITY OF DILLINGHAM that:

Section 1. Classification. This ordinance is a non-code ordinance.

Section 2. Severability. If any portion of this ordinance or any application thereof to any person or circumstances is held invalid, the remainder of the ordinance and the application to other persons or circumstances shall not be affected thereby.

Section 3. Appropriation summary. The total appropriation from the Treasury in Section 4 was a total of \$12,100,882.

Section 4. Appropriations.

A. General Fund Government Operations

City Council	\$ 52,750
City Clerk	130,571
Administration	312,893
Finance	604,540
Legal	62,000
Insurance	166,000
Non-Departmental	174,644
Planning	142,870
PS Administration	166,237
PS Dispatch	469,091
PS Patrol	815,416
PS Corrections	616,647
PS DMV	42,525
PS Animal Control Officer	93,207
PS Fire Department	232,018
PS IT Support	-0-
PW Administration	162,023
PW Buildings & Grounds	325,450
PW Shop	383,932
PW Streets	461,243
Library	108,194
Meeting Hall	3,000
Foreclosures	5,000
City School District	1,300,000
Transfer Subsidy for Operations	1,134,305
Transfer to Equipment/Capital	
Reserves Fund	-0-
Total General Fund Appropriations:	\$ 7,964,556

Special Revenue & Other Funds Appropriations

Nushagak Fish Tax	\$ -0-
Water	241,991
Waste Water	266,290
Landfill	764,029

Port-Dock	691,009
Port-Harbor	199,317
E-911	49,026
Senior Center	289,681
Debt Service	1,176,340
Library Grants	102,543
Equipment Replacement/Reserve	70,100
Ambulance Replacement Fund	279,000
Mary Carlson Estate	7,000
Capital Project (Planning) Fund	-0-
Total Special Revenue & Other Funds Appropriations	<u>\$ 3,996,326</u>

Total Appropriations **\$ 12,100,882**

Section 5. Revenues

General Fund

Taxes

Sales Taxes	\$ 2,700,000
Alcohol Sales Taxes	300,000
Transient Lodging Sales Taxes	85,000
Real Property Taxes	1,600,000
Personal Property Taxes	550,000
Penalty and Interest on Property Taxes	60,000
Penalty and Interest on Sales Taxes	16,000
Gaming Sales Tax	70,000
Payment in Lieu Taxes (PILT)	430,000

Other Revenues

Jail Contract Revenue	527,000
Revenue Sharing	132,764
Shared Fisheries	20,000
Raw Fish Tax	350,000
Revenues from State of Alaska	269,213
Administrative Overhead	383,145
Charges for Current Services	55,000
Lease and Rental Income	40,000

Investment Income	30,000
Other Revenues	80,350
Transfer from E-911	49,026
Transfer from Nushagak Fish Tax	-0-

Total General Fund Revenues **\$ 7,747,498**

Special Revenue & Other Funds Revenues

Nushagak Fish Tax	\$ -0-
Water	182,951
Waste Water	329,146
Landfill	148,707
Port – Dock	653,900

Port – Harbor	138,336
E-911	86,760
Senior Center	184,100
Library Grants	102,543
Debt Service	823,438
Mary Carlson Estate Permanent Fund	<u>3,000</u>
Total Special Revenue Funds & Other Funds Revenues	<u>\$ 2,652,881</u>
TOTAL REVENUES	<u>\$ 10,400,379</u>

Section 6. Transfers

Transfers from General Fund to Other Funds

Water	\$ -0-
Waste Water	-0-
Landfill	615,322
Senior Center	105,581
Ambulance Reserve	60,500
Equipment Replacement	-0-
Capital Project (Planning)	-0-
Debt Service	<u>352,902</u>
Total General Fund Transfers	\$ 1,134,305

Transfer from Dock Fund to Harbor Fund \$ 64,981

Total Revenues and Transfers	\$ 11,599,665
Total Appropriations	<u>\$ 12,100,882</u>
Net Increase (Decrease) to Fund Balances	\$ (501,217)

Section 7. Effective Date. This ordinance is effective upon passage.

PASSED and ADOPTED by a duly constituted quorum of the Dillingham City Council on

Alice Ruby, Mayor

ATTEST:

[SEAL]

Janice Williams, City Clerk

(Items highlighted in gray shading are being introduced as SUB-1.)

City of Dillingham Information Memorandum

Agenda of: June 16, 2016

Attachment to:

Ordinance No. 2016-09 (SUB-1) / Resolution No. _____

Subject:

Adopting the Budget and Appropriating Funds for the FY2017 City of Dillingham Budget

City Manager: Recommend Approval

Signature: Rose Doera

Fiscal Note: Yes No

Funds Available: Yes No

Other Attachments:

- Two amortization reports to finance crane purchase based on 2.9648% interest on 120 monthly payments, and 3.00542% interest on 10 annual payments - increase of \$140,000 per year
- Revised FY17 Dock Budget spreadsheet w/ addition of \$140,000 to Leased Equipment
- Revised FY17 Draft Budget Review Summary, decrease to fund balances of \$140,000

Summary Statement:

The FY17 proposed budget (Ordinance No. 2016-09) was vetted through the Finance and Budget Committee and was introduced at a Council workshop June 2, 2016. The Council voted to introduce the ordinance and to come back with a revised ordinance to include the financing of a new crane. The crane was purchased for \$1.5M with a down payment. The vendor provided a 90 day period to secure financing for the remainder of the balance. The ordinance is being brought back as Ordinance No. 2016-09 Substitute 1 with a revision of \$140,000 added to the Port expense, an increase in total appropriations of \$140,000, and a decrease to fund balances of \$140,000.

An advertisement for a Public Hearing on Ordinance No. 2016-09 is scheduled to be placed in the June 9, 2016, edition of the Bristol Bay Times as required to be advertised in a local newspaper five days in advance of the public hearing, which is scheduled for June 16, 2016.

Attachment to: 2016-09 (SUB-1) / Resolution No. _____
Ordinance No. _____

Summary Statement continued:

Route to	Department Head	Date
X	Finance Director	
	Police Chief	
X	City Clerk	

DILLINGHAM

Prepared by: International Decision Systems, Inc.

Info Analysis

6/7/2016 11:44:17 AM

Book Income Amortization Report/Conditional Sales Contract

Dillingham_MUNI-Lease_BQ_120mo.iadx

Lender: Wells Fargo Equipment Finance, Inc.

Customer: Municipal_Bank Qualified

FOR INFORMATIONAL PURPOSES ONLY
Does not include fees for prepayment of the contract.
Please save this document for interest paid referencing.

120 MONTHLY PAYMENTS

Per	Date	Payment	Principal	Interest	Principal Balance	Accrued Interest	Net Balance
0	7/ 1/16	11,510.44	11,510.44	0.00	1,185,489.56	0.00	1,185,489.56
1	8/ 1/16	11,510.44	8,581.49	2,928.95	1,176,908.06	2,928.95	1,176,908.06
2	9/ 1/16	11,510.44	8,602.70	2,907.75	1,168,305.37	2,907.75	1,168,305.37
3	10/ 1/16	11,510.44	8,623.95	2,886.49	1,159,681.42	2,886.49	1,159,681.42
4	11/ 1/16	11,510.44	8,645.26	2,865.19	1,151,036.16	2,865.19	1,151,036.16
5	12/ 1/16	11,510.44	8,666.62	2,843.83	1,142,369.54	2,843.83	1,142,369.54
	2016	69,062.66	54,630.46	14,432.20		14,432.20	
6	1/ 1/17	11,510.44	8,688.03	2,822.41	1,133,681.51	2,822.41	1,133,681.51
7	2/ 1/17	11,510.44	8,709.49	2,800.95	1,124,972.02	2,800.95	1,124,972.02
8	3/ 1/17	11,510.44	8,731.01	2,779.43	1,116,241.01	2,779.43	1,116,241.01
9	4/ 1/17	11,510.44	8,752.58	2,757.86	1,107,488.42	2,757.86	1,107,488.42
10	5/ 1/17	11,510.44	8,774.21	2,736.23	1,098,714.21	2,736.23	1,098,714.21
11	6/ 1/17	11,510.44	8,795.89	2,714.56	1,089,918.33	2,714.56	1,089,918.33
12	7/ 1/17	11,510.44	8,817.62	2,692.82	1,081,100.71	2,692.82	1,081,100.71
13	8/ 1/17	11,510.44	8,839.40	2,671.04	1,072,261.30	2,671.04	1,072,261.30
14	9/ 1/17	11,510.44	8,861.24	2,649.20	1,063,400.06	2,649.20	1,063,400.06
15	10/ 1/17	11,510.44	8,883.14	2,627.31	1,054,516.92	2,627.31	1,054,516.92
16	11/ 1/17	11,510.44	8,905.08	2,605.36	1,045,611.84	2,605.36	1,045,611.84
17	12/ 1/17	11,510.44	8,927.09	2,583.36	1,036,684.75	2,583.36	1,036,684.75
	2017	138,125.32	105,684.79	32,440.53		32,440.53	
18	1/ 1/18	11,510.44	8,949.14	2,561.30	1,027,735.61	2,561.30	1,027,735.61
19	2/ 1/18	11,510.44	8,971.25	2,539.19	1,018,764.36	2,539.19	1,018,764.36
20	3/ 1/18	11,510.44	8,993.42	2,517.03	1,009,770.94	2,517.03	1,009,770.94
21	4/ 1/18	11,510.44	9,015.64	2,494.81	1,000,755.31	2,494.81	1,000,755.31
22	5/ 1/18	11,510.44	9,037.91	2,472.53	991,717.40	2,472.53	991,717.40
23	6/ 1/18	11,510.44	9,060.24	2,450.20	982,657.16	2,450.20	982,657.16
24	7/ 1/18	11,510.44	9,082.63	2,427.82	973,574.53	2,427.82	973,574.53
25	8/ 1/18	11,510.44	9,105.07	2,405.38	964,469.47	2,405.38	964,469.47
26	9/ 1/18	11,510.44	9,127.56	2,382.88	955,341.91	2,382.88	955,341.91
27	10/ 1/18	11,510.44	9,150.11	2,360.33	946,191.79	2,360.33	946,191.79
28	11/ 1/18	11,510.44	9,172.72	2,337.72	937,019.07	2,337.72	937,019.07
29	12/ 1/18	11,510.44	9,195.38	2,315.06	927,823.69	2,315.06	927,823.69
	2018	138,125.32	108,861.06	29,264.26		29,264.26	
30	1/ 1/19	11,510.44	9,218.10	2,292.34	918,605.59	2,292.34	918,605.59
31	2/ 1/19	11,510.44	9,240.88	2,269.57	909,364.72	2,269.57	909,364.72
32	3/ 1/19	11,510.44	9,263.71	2,246.74	900,101.01	2,246.74	900,101.01

Book Income Amortization Report/Conditional Sales Contract Willingham_MUNI-Lease_BQ_120mo.iidx

Lender: Wells Fargo Equipment Finance, Inc.

Customer: Municipal_Bank Qualified

Income Rate: 2.9648%

Per	Date	Payment	Principal	Interest	Principal Balance	Accrued Interest	Net Balance
33	4/ 1/19	11,510.44	9,286.59	2,223.85	890,814.42	2,223.85	890,814.42
34	5/ 1/19	11,510.44	9,309.54	2,200.91	881,504.88	2,200.91	881,504.88
35	6/ 1/19	11,510.44	9,332.54	2,177.90	872,172.34	2,177.90	872,172.34
36	7/ 1/19	11,510.44	9,355.60	2,154.85	862,816.74	2,154.85	862,816.74
37	8/ 1/19	11,510.44	9,378.71	2,131.73	853,438.03	2,131.73	853,438.03
38	9/ 1/19	11,510.44	9,401.88	2,108.56	844,036.15	2,108.56	844,036.15
39	10/ 1/19	11,510.44	9,425.11	2,085.33	834,611.04	2,085.33	834,611.04
40	11/ 1/19	11,510.44	9,448.40	2,062.05	825,162.64	2,062.05	825,162.64
41	12/ 1/19	11,510.44	9,471.74	2,038.70	815,690.90	2,038.70	815,690.90
	2019	138,125.32	112,132.79	25,992.53		25,992.53	
42	1/ 1/20	11,510.44	9,495.14	2,015.30	806,195.75	2,015.30	806,195.75
43	2/ 1/20	11,510.44	9,518.60	1,991.84	796,677.15	1,991.84	796,677.15
44	3/ 1/20	11,510.44	9,542.12	1,968.32	787,135.03	1,968.32	787,135.03
45	4/ 1/20	11,510.44	9,565.70	1,944.75	777,569.34	1,944.75	777,569.34
46	5/ 1/20	11,510.44	9,589.33	1,921.11	767,980.01	1,921.11	767,980.01
47	6/ 1/20	11,510.44	9,613.02	1,897.42	758,366.99	1,897.42	758,366.99
48	7/ 1/20	11,510.44	9,636.77	1,873.67	748,730.22	1,873.67	748,730.22
49	8/ 1/20	11,510.44	9,660.58	1,849.86	739,069.63	1,849.86	739,069.63
50	9/ 1/20	11,510.44	9,684.45	1,825.99	729,385.19	1,825.99	729,385.19
51	10/ 1/20	11,510.44	9,708.38	1,802.07	719,676.81	1,802.07	719,676.81
52	11/ 1/20	11,510.44	9,732.36	1,778.08	709,944.45	1,778.08	709,944.45
53	12/ 1/20	11,510.44	9,756.41	1,754.04	700,188.04	1,754.04	700,188.04
	2020	138,125.32	115,502.86	22,622.47		22,622.47	
54	1/ 1/21	11,510.44	9,780.51	1,729.93	690,407.53	1,729.93	690,407.53
55	2/ 1/21	11,510.44	9,804.68	1,705.77	680,602.85	1,705.77	680,602.85
56	3/ 1/21	11,510.44	9,828.90	1,681.54	670,773.95	1,681.54	670,773.95
57	4/ 1/21	11,510.44	9,853.18	1,657.26	660,920.77	1,657.26	660,920.77
58	5/ 1/21	11,510.44	9,877.53	1,632.91	651,043.24	1,632.91	651,043.24
59	6/ 1/21	11,510.44	9,901.93	1,608.51	641,141.30	1,608.51	641,141.30
60	7/ 1/21	11,510.44	9,926.40	1,584.05	631,214.91	1,584.05	631,214.91
61	8/ 1/21	11,510.44	9,950.92	1,559.52	621,263.99	1,559.52	621,263.99
62	9/ 1/21	11,510.44	9,975.51	1,534.94	611,288.48	1,534.94	611,288.48
63	10/ 1/21	11,510.44	10,000.15	1,510.29	601,288.32	1,510.29	601,288.32
64	11/ 1/21	11,510.44	10,024.86	1,485.58	591,263.46	1,485.58	591,263.46
65	12/ 1/21	11,510.44	10,049.63	1,460.81	581,213.84	1,460.81	581,213.84
	2021	138,125.32	118,974.21	19,151.12		19,151.12	

Book Income Amortization Report/Conditional Sales Contract Williamham_MUNI-Lease_BQ_120mo.iadx

Lender: Wells Fargo Equipment Finance, Inc.

Customer: Municipal_Bank Qualified

Income Rate: 2.9648%

Per	Date	Payment	Principal	Interest	Principal Balance	Accrued Interest	Net Balance
66	1/ 1/22	11,510.44	10,074.46	1,435.99	571,139.38	1,435.99	571,139.38
67	2/ 1/22	11,510.44	10,099.35	1,411.10	561,040.03	1,411.10	561,040.03
68	3/ 1/22	11,510.44	10,124.30	1,386.14	550,915.73	1,386.14	550,915.73
69	4/ 1/22	11,510.44	10,149.31	1,361.13	540,766.41	1,361.13	540,766.41
70	5/ 1/22	11,510.44	10,174.39	1,336.05	530,592.02	1,336.05	530,592.02
71	6/ 1/22	11,510.44	10,199.53	1,310.92	520,392.50	1,310.92	520,392.50
72	7/ 1/22	11,510.44	10,224.73	1,285.72	510,167.77	1,285.72	510,167.77
73	8/ 1/22	11,510.44	10,249.99	1,260.45	499,917.78	1,260.45	499,917.78
74	9/ 1/22	11,510.44	10,275.31	1,235.13	489,642.47	1,235.13	489,642.47
75	10/ 1/22	11,510.44	10,300.70	1,209.74	479,341.77	1,209.74	479,341.77
76	11/ 1/22	11,510.44	10,326.15	1,184.29	469,015.62	1,184.29	469,015.62
77	12/ 1/22	11,510.44	10,351.66	1,158.78	458,663.95	1,158.78	458,663.95
	2022	138,125.32	122,549.88	15,575.44		15,575.44	
78	1/ 1/23	11,510.44	10,377.24	1,133.21	448,286.72	1,133.21	448,286.72
79	2/ 1/23	11,510.44	10,402.88	1,107.57	437,883.84	1,107.57	437,883.84
80	3/ 1/23	11,510.44	10,428.58	1,081.87	427,455.26	1,081.87	427,455.26
81	4/ 1/23	11,510.44	10,454.34	1,056.10	417,000.92	1,056.10	417,000.92
82	5/ 1/23	11,510.44	10,480.17	1,030.27	406,520.74	1,030.27	406,520.74
83	6/ 1/23	11,510.44	10,506.07	1,004.38	396,014.68	1,004.38	396,014.68
84	7/ 1/23	11,510.44	10,532.02	978.42	385,482.65	978.42	385,482.65
85	8/ 1/23	11,510.44	10,558.04	952.40	374,924.61	952.40	374,924.61
86	9/ 1/23	11,510.44	10,584.13	926.31	364,340.48	926.31	364,340.48
87	10/ 1/23	11,510.44	10,610.28	900.16	353,730.20	900.16	353,730.20
88	11/ 1/23	11,510.44	10,636.49	873.95	343,093.71	873.95	343,093.71
89	12/ 1/23	11,510.44	10,662.77	847.67	332,430.93	847.67	332,430.93
	2023	138,125.32	126,233.02	11,892.30		11,892.30	
90	1/ 1/24	11,510.44	10,689.12	821.33	321,741.82	821.33	321,741.82
91	2/ 1/24	11,510.44	10,715.53	794.92	311,026.29	794.92	311,026.29
92	3/ 1/24	11,510.44	10,742.00	768.44	300,284.29	768.44	300,284.29
93	4/ 1/24	11,510.44	10,768.54	741.90	289,515.75	741.90	289,515.75
94	5/ 1/24	11,510.44	10,795.15	715.30	278,720.60	715.30	278,720.60
95	6/ 1/24	11,510.44	10,821.82	688.63	267,898.78	688.63	267,898.78
96	7/ 1/24	11,510.44	10,848.55	661.89	257,050.23	661.89	257,050.23
97	8/ 1/24	11,510.44	10,875.36	635.09	246,174.87	635.09	246,174.87
98	9/ 1/24	11,510.44	10,902.23	608.22	235,272.64	608.22	235,272.64
99	10/ 1/24	11,510.44	10,929.16	581.28	224,343.48	581.28	224,343.48
100	11/ 1/24	11,510.44	10,956.17	554.28	213,387.31	554.28	213,387.31

Book Income Amortization Report/Conditional Sales Contract

Willingham_MUNI-Lease_BQ_120mo.iadx

Lender: Wells Fargo Equipment Finance, Inc.

Customer: Municipal_Bank Qualified

Income Rate: 2.9648%

Per	Date	Payment	Principal	Interest	Principal Balance	Accrued Interest	Net Balance
101	12/ 1/24	11,510.44	10,983.23	527.21	202,404.08	527.21	202,404.08
	2024	138,125.32	130,026.86	8,098.47		8,098.47	
102	1/ 1/25	11,510.44	11,010.37	500.07	191,393.71	500.07	191,393.71
103	2/ 1/25	11,510.44	11,037.57	472.87	180,356.13	472.87	180,356.13
104	3/ 1/25	11,510.44	11,064.84	445.60	169,291.29	445.60	169,291.29
105	4/ 1/25	11,510.44	11,092.18	418.26	158,199.11	418.26	158,199.11
106	5/ 1/25	11,510.44	11,119.59	390.86	147,079.52	390.86	147,079.52
107	6/ 1/25	11,510.44	11,147.06	363.38	135,932.46	363.38	135,932.46
108	7/ 1/25	11,510.44	11,174.60	335.84	124,757.86	335.84	124,757.86
109	8/ 1/25	11,510.44	11,202.21	308.24	113,555.65	308.24	113,555.65
110	9/ 1/25	11,510.44	11,229.89	280.56	102,325.77	280.56	102,325.77
111	10/ 1/25	11,510.44	11,257.63	252.81	91,068.14	252.81	91,068.14
112	11/ 1/25	11,510.44	11,285.44	225.00	79,782.69	225.00	79,782.69
113	12/ 1/25	11,510.44	11,313.33	197.12	68,469.37	197.12	68,469.37
	2025	138,125.32	133,934.71	4,190.61		4,190.61	
114	1/ 1/26	11,510.44	11,341.28	169.16	57,128.09	169.16	57,128.09
115	2/ 1/26	11,510.44	11,369.30	141.14	45,758.79	141.14	45,758.79
116	3/ 1/26	11,510.44	11,397.39	113.05	34,361.40	113.05	34,361.40
117	4/ 1/26	11,510.44	11,425.55	84.90	22,935.85	84.90	22,935.85
118	5/ 1/26	11,510.44	11,453.78	56.67	11,482.08	56.67	11,482.08
119	6/ 1/26	11,510.44	11,482.08	28.37	0.00	28.37	0.00
	2026	69,062.66	68,469.37	593.29		593.29	
Totals:		1,381,253.23	1,197,000.00	184,253.23		184,253.23	

DILLINGHAM

Prepared by: International Decision Systems, Inc.

Info Analysis

6/7/2016 12:02:37 PM

Book Income Amortization Report/Conditional Sales Contract_MUNI-Lease_BQ_120mo_annual.iadx

Lender: Wells Fargo Equipment Finance, Inc.

Customer: Municipal_Bank Qualified

FOR INFORMATIONAL PURPOSES ONLY
Does not include fees for prepayment of the contract.
Please save this document for interest paid referencing

10
ANNUAL PAYMENTS

1

2

3

Per	Date	Payment	Principal	Interest	Principal Balance	Accrued Interest	Net Balance
0	7/ 1/16	136,268.31	136,268.31	0.00	1,060,731.69	0.00	1,060,731.69
1	8/ 1/16	0.00	0.00	0.00	1,060,731.69	2,656.62	1,063,388.32
2	9/ 1/16	0.00	0.00	0.00	1,060,731.69	2,656.62	1,066,044.94
3	10/ 1/16	0.00	0.00	0.00	1,060,731.69	2,656.62	1,068,701.56
4	11/ 1/16	0.00	0.00	0.00	1,060,731.69	2,656.62	1,071,358.18
5	12/ 1/16	0.00	0.00	0.00	1,060,731.69	2,656.62	1,074,014.80
	2016	136,268.31	136,268.31	0.00		13,283.11	
6	1/ 1/17	0.00	0.00	0.00	1,060,731.69	2,656.62	1,076,671.42
7	2/ 1/17	0.00	0.00	0.00	1,060,731.69	2,656.62	1,079,328.04
8	3/ 1/17	0.00	0.00	0.00	1,060,731.69	2,656.62	1,081,984.66
9	4/ 1/17	0.00	0.00	0.00	1,060,731.69	2,656.62	1,084,641.29
10	5/ 1/17	0.00	0.00	0.00	1,060,731.69	2,656.62	1,087,297.91
11	6/ 1/17	0.00	0.00	0.00	1,060,731.69	2,656.62	1,089,954.53
12	7/ 1/17	136,268.31	104,388.85	31,879.46	956,342.84	2,656.62	956,342.84
13	8/ 1/17	0.00	0.00	0.00	956,342.84	2,395.18	958,738.02
14	9/ 1/17	0.00	0.00	0.00	956,342.84	2,395.18	961,133.20
15	10/ 1/17	0.00	0.00	0.00	956,342.84	2,395.18	963,528.38
16	11/ 1/17	0.00	0.00	0.00	956,342.84	2,395.18	965,923.55
17	12/ 1/17	0.00	0.00	0.00	956,342.84	2,395.18	968,318.73
	2017	136,268.31	104,388.85	31,879.46		30,572.24	
18	1/ 1/18	0.00	0.00	0.00	956,342.84	2,395.18	970,713.91
19	2/ 1/18	0.00	0.00	0.00	956,342.84	2,395.18	973,109.09
20	3/ 1/18	0.00	0.00	0.00	956,342.84	2,395.18	975,504.27
21	4/ 1/18	0.00	0.00	0.00	956,342.84	2,395.18	977,899.44
22	5/ 1/18	0.00	0.00	0.00	956,342.84	2,395.18	980,294.62
23	6/ 1/18	0.00	0.00	0.00	956,342.84	2,395.18	982,689.80
24	7/ 1/18	136,268.31	107,526.17	28,742.13	848,816.67	2,395.18	848,816.67
25	8/ 1/18	0.00	0.00	0.00	848,816.67	2,125.88	850,942.55
26	9/ 1/18	0.00	0.00	0.00	848,816.67	2,125.88	853,068.42
27	10/ 1/18	0.00	0.00	0.00	848,816.67	2,125.88	855,194.30
28	11/ 1/18	0.00	0.00	0.00	848,816.67	2,125.88	857,320.18
29	12/ 1/18	0.00	0.00	0.00	848,816.67	2,125.88	859,446.05
	2018	136,268.31	107,526.17	28,742.13		27,395.63	
30	1/ 1/19	0.00	0.00	0.00	848,816.67	2,125.88	861,571.93
31	2/ 1/19	0.00	0.00	0.00	848,816.67	2,125.88	863,697.80
32	3/ 1/19	0.00	0.00	0.00	848,816.67	2,125.88	865,823.68

Book Income Amortization Report/Conditional Sales Contract MUNI-Lease_BQ_120mo_annual.iadx

Lender: Wells Fargo Equipment Finance, Inc.

Customer: Municipal_Bank Qualified

Income Rate: 3.00542%

Per	Date	Payment	Principal	Interest	Principal Balance	Accrued Interest	Net Balance	
33	4/ 1/19	0.00	0.00	0.00	848,816.67	2,125.88	867,949.56	
34	5/ 1/19	0.00	0.00	0.00	848,816.67	2,125.88	870,075.43	
35	6/ 1/19	0.00	0.00	0.00	848,816.67	2,125.88	872,201.31	
4	36	7/ 1/19	136,268.31	110,757.79	25,510.52	738,058.88	2,125.88	738,058.88
37	8/ 1/19	0.00	0.00	0.00	738,058.88	1,848.48	739,907.36	
38	9/ 1/19	0.00	0.00	0.00	738,058.88	1,848.48	741,755.84	
39	10/ 1/19	0.00	0.00	0.00	738,058.88	1,848.48	743,604.33	
40	11/ 1/19	0.00	0.00	0.00	738,058.88	1,848.48	745,452.81	
41	12/ 1/19	0.00	0.00	0.00	738,058.88	1,848.48	747,301.29	
	2019	136,268.31	110,757.79	25,510.52		24,123.54		
42	1/ 1/20	0.00	0.00	0.00	738,058.88	1,848.48	749,149.77	
43	2/ 1/20	0.00	0.00	0.00	738,058.88	1,848.48	750,998.25	
44	3/ 1/20	0.00	0.00	0.00	738,058.88	1,848.48	752,846.73	
45	4/ 1/20	0.00	0.00	0.00	738,058.88	1,848.48	754,695.21	
46	5/ 1/20	0.00	0.00	0.00	738,058.88	1,848.48	756,543.70	
47	6/ 1/20	0.00	0.00	0.00	738,058.88	1,848.48	758,392.18	
5	48	7/ 1/20	136,268.31	114,086.53	22,181.78	623,972.35	1,848.48	623,972.35
49	8/ 1/20	0.00	0.00	0.00	623,972.35	1,562.75	625,535.10	
50	9/ 1/20	0.00	0.00	0.00	623,972.35	1,562.75	627,097.85	
51	10/ 1/20	0.00	0.00	0.00	623,972.35	1,562.75	628,660.60	
52	11/ 1/20	0.00	0.00	0.00	623,972.35	1,562.75	630,223.35	
53	12/ 1/20	0.00	0.00	0.00	623,972.35	1,562.75	631,786.10	
	2020	136,268.31	114,086.53	22,181.78		20,753.12		
54	1/ 1/21	0.00	0.00	0.00	623,972.35	1,562.75	633,348.85	
55	2/ 1/21	0.00	0.00	0.00	623,972.35	1,562.75	634,911.60	
56	3/ 1/21	0.00	0.00	0.00	623,972.35	1,562.75	636,474.35	
57	4/ 1/21	0.00	0.00	0.00	623,972.35	1,562.75	638,037.10	
58	5/ 1/21	0.00	0.00	0.00	623,972.35	1,562.75	639,599.85	
59	6/ 1/21	0.00	0.00	0.00	623,972.35	1,562.75	641,162.60	
6	60	7/ 1/21	136,268.31	117,515.31	18,753.00	506,457.04	1,562.75	506,457.04
61	8/ 1/21	0.00	0.00	0.00	506,457.04	1,268.43	507,725.48	
62	9/ 1/21	0.00	0.00	0.00	506,457.04	1,268.43	508,993.91	
63	10/ 1/21	0.00	0.00	0.00	506,457.04	1,268.43	510,262.34	
64	11/ 1/21	0.00	0.00	0.00	506,457.04	1,268.43	511,530.77	
65	12/ 1/21	0.00	0.00	0.00	506,457.04	1,268.43	512,799.20	
	2021	136,268.31	117,515.31	18,753.00		17,281.40		

Book Income Amortization Report/Conditional Sales Contract

Lender: Wells Fargo Equipment Finance, Inc.

Customer: Municipal_Bank Qualified

Income Rate: 3.00542%

Per	Date	Payment	Principal	Interest	Principal Balance	Accrued Interest	Net Balance
66	1/ 1/22	0.00	0.00	0.00	506,457.04	1,268.43	514,067.63
67	2/ 1/22	0.00	0.00	0.00	506,457.04	1,268.43	515,336.06
68	3/ 1/22	0.00	0.00	0.00	506,457.04	1,268.43	516,604.49
69	4/ 1/22	0.00	0.00	0.00	506,457.04	1,268.43	517,872.92
70	5/ 1/22	0.00	0.00	0.00	506,457.04	1,268.43	519,141.35
71	6/ 1/22	0.00	0.00	0.00	506,457.04	1,268.43	520,409.78
72	7/ 1/22	136,268.31	121,047.14	15,221.17	385,409.91	1,268.43	385,409.91
73	8/ 1/22	0.00	0.00	0.00	385,409.91	965.27	386,375.17
74	9/ 1/22	0.00	0.00	0.00	385,409.91	965.27	387,340.44
75	10/ 1/22	0.00	0.00	0.00	385,409.91	965.27	388,305.70
76	11/ 1/22	0.00	0.00	0.00	385,409.91	965.27	389,270.97
77	12/ 1/22	0.00	0.00	0.00	385,409.91	965.27	390,236.24
	2022	136,268.31	121,047.14	15,221.17		13,705.34	
78	1/ 1/23	0.00	0.00	0.00	385,409.91	965.27	391,201.50
79	2/ 1/23	0.00	0.00	0.00	385,409.91	965.27	392,166.77
80	3/ 1/23	0.00	0.00	0.00	385,409.91	965.27	393,132.03
81	4/ 1/23	0.00	0.00	0.00	385,409.91	965.27	394,097.30
82	5/ 1/23	0.00	0.00	0.00	385,409.91	965.27	395,062.57
83	6/ 1/23	0.00	0.00	0.00	385,409.91	965.27	396,027.83
84	7/ 1/23	136,268.31	124,685.11	11,583.19	260,724.79	965.27	260,724.79
85	8/ 1/23	0.00	0.00	0.00	260,724.79	652.99	261,377.78
86	9/ 1/23	0.00	0.00	0.00	260,724.79	652.99	262,030.77
87	10/ 1/23	0.00	0.00	0.00	260,724.79	652.99	262,683.76
88	11/ 1/23	0.00	0.00	0.00	260,724.79	652.99	263,336.75
89	12/ 1/23	0.00	0.00	0.00	260,724.79	652.99	263,989.74
	2023	136,268.31	124,685.11	11,583.19		10,021.81	
90	1/ 1/24	0.00	0.00	0.00	260,724.79	652.99	264,642.73
91	2/ 1/24	0.00	0.00	0.00	260,724.79	652.99	265,295.72
92	3/ 1/24	0.00	0.00	0.00	260,724.79	652.99	265,948.71
93	4/ 1/24	0.00	0.00	0.00	260,724.79	652.99	266,601.70
94	5/ 1/24	0.00	0.00	0.00	260,724.79	652.99	267,254.69
95	6/ 1/24	0.00	0.00	0.00	260,724.79	652.99	267,907.68
96	7/ 1/24	136,268.31	128,432.43	7,835.88	132,292.36	652.99	132,292.36
97	8/ 1/24	0.00	0.00	0.00	132,292.36	331.33	132,623.69
98	9/ 1/24	0.00	0.00	0.00	132,292.36	331.33	132,955.02
99	10/ 1/24	0.00	0.00	0.00	132,292.36	331.33	133,286.35
100	11/ 1/24	0.00	0.00	0.00	132,292.36	331.33	133,617.68

Book Income Amortization Report/Conditional Sales Contract

Lender: Wells Fargo Equipment Finance, Inc.

Customer: Municipal_Bank Qualified

Income Rate: 3.00542%

Per	Date	Payment	Principal	Interest	Principal Balance	Accrued Interest	Net Balance
101	12/ 1/24	0.00	0.00	0.00	132,292.36	331.33	133,949.01
	2024	136,268.31	128,432.43	7,835.88		6,227.57	
102	1/ 1/25	0.00	0.00	0.00	132,292.36	331.33	134,280.34
103	2/ 1/25	0.00	0.00	0.00	132,292.36	331.33	134,611.66
104	3/ 1/25	0.00	0.00	0.00	132,292.36	331.33	134,942.99
105	4/ 1/25	0.00	0.00	0.00	132,292.36	331.33	135,274.32
106	5/ 1/25	0.00	0.00	0.00	132,292.36	331.33	135,605.65
107	6/ 1/25	0.00	0.00	0.00	132,292.36	331.33	135,936.98
108	7/ 1/25	136,268.31	132,292.36	3,975.94	0.00	331.33	0.00
	2025	136,268.31	132,292.36	3,975.94		2,319.30	
Totals:		1,362,683.06	1,197,000.00	165,683.06		165,683.06	

FY17 Dock Budget

	FY 14 Budget	FY 14 Actual	FY14 Variance	FY 15 Budget	FY 15 Actual	FY15 Variance	FY 16 Budget	FY 16 Actual as of 07/29/16	FY 16 Variance	FY17 Dept. Request	FY17 Manager Approve	FY17 Council Approve
2300 4490 70 70 0000 0 Penalty & Interest	0	315	319	2,000	0	0	0	0	0	0	0	0
2300 4630 70 70 0000 0 Grant Revenue - Local	0	0	319	0	0	0	0	0	0	0	0	0
2300 4700 70 70 0000 0 Investment Income	2,000	5,688	4,688	500	0	500	500	0	0	0	0	3,000
2300 4790 70 70 0000 0 Miscellaneous Revenue	21,000	672	(10,328)	1,000	9,337	8,337	1,500	2,125	(6,837)	2,000	2,000	2,000
2300 4800 70 70 0000 0 Docking/Moorage	71,000	58,026	(12,974)	60,000	51,882	8,118	70,000	97,371	(27,371)	75,000	75,000	75,000
2300 4810 70 70 0000 0 Wharfage & Handling	450,000	432,955	(17,045)	350,000	460,985	110,985	370,000	640,576	(270,576)	480,000	480,000	480,000
2300 4820 70 70 0000 0 Labor Income	3,500	(62,713)	(66,213)	3,500	2,416	(1,084)	3,500	8,198	(4,698)	4,000	4,000	4,000
2300 4830 70 70 0000 0 Fuel Flowage Fees	24,000	68,450	44,450	24,000	41,446	17,446	30,000	52,881	(22,881)	38,000	50,000	50,000
2300 4840 70 70 0000 0 Equipment Rental	35,000	48,857	14,857	30,000	16,709	(13,291)	30,000	58,413	(28,413)	31,000	31,000	31,000
2300 4960 70 70 0000 0 Insurance Proceeds	0	316,211	316,211	0	0	0	0	0	0	0	0	0
2300 4980 70 70 0000 0 PERS on Behalf	18,410	23,897	5,487	18,327	24,111	5,784	29,059	29,059	0	8,900	8,900	8,900
Total Revenues	\$ 624,910	\$ 865,774	\$ 260,864	\$ 488,327	\$ 608,288	\$ (117,961)	\$ 534,558	\$ 658,583	\$ (325,024)	\$ 638,900	\$ 638,900	\$ 638,900
Expenses												
2300 6000 70 70 0000 0 Salaries/Wages RT	138,329	131,110	7,219	141,279	132,328	8,951	142,375	68,685	72,710	136,856	136,856	136,856
2300 6010 70 70 0000 0 Overtime	25,000	40,768	(15,768)	30,580	47,220	(16,640)	35,000	25,388	9,612	34,620	34,620	34,620
2300 6100 70 70 0000 0 Payroll Taxes	12,859	12,473	426	13,147	13,757	(610)	12,670	7,254	5,415	13,118	13,118	13,118
2300 6200 70 70 0000 0 Fringe Benefits	27,477	24,084	3,393	37,220	24,601	12,619	35,562	108,201	(72,639)	17,948	17,948	17,948
2300 6210 70 70 0000 0 Health Insurance	4,170	105	4,065	4,170	0	4,170	500	500	0	500	500	500
2300 6215 70 70 0000 0 Dental Insurance	2,519	1,444	1,075	2,545	1,625	1,020	2,522	637	1,885	1,284	1,284	1,284
2300 6220 70 70 0000 0 Life Insurance	718	381	337	843	671	172	1,265	306	959	782	782	782
2300 6230 70 70 0000 0 PERS Employer	37,094	36,364	730	37,669	37,859	(190)	36,436	19,634	16,802	37,725	37,725	37,725
2300 6231 70 70 0000 0 PERS on Behalf	18,410	23,897	(5,487)	18,327	24,549	(6,222)	27,811	29,059	1,248	8,900	8,900	8,900
2300 6235 70 70 0000 0 Workers' Compensation	28,108	24,549	3,559	27,811	26,551	1,260	27,968	18,528	9,440	32,530	32,530	32,530
2300 6240 70 70 0000 0 Unemployment Compensation	5,000	7,658	(2,658)	0	0	0	0	0	0	0	0	0
2300 7080 70 70 0000 0 Contractual	15,000	11,843	3,157	15,000	14,212	788	0	0	0	26,000	26,000	26,000
2300 7110 70 70 0000 0 General Liability (Ins)	26,000	26,000	0	26,000	26,000	0	26,000	26,000	0	26,000	26,000	26,000
2300 7150 70 70 0000 0 Travel	2,175	2,258	(83)	2,400	2,463	(63)	500	1,324	(824)	1,000	1,000	1,000
2300 7310 70 70 0000 0 Supplies	500	1,270	(770)	500	1,616	(1,116)	1,000	366	614	1,000	1,000	1,000
2300 7365 70 70 0000 0 Gas/Oil/Grease	15,000	9,648	5,352	15,000	26,074	(11,074)	15,000	10,179	4,821	15,000	15,000	15,000
2300 7395 70 70 0000 0 Gravel	12,000	24,000	(12,000)	24,000	24,000	0	0	0	0	0	0	0
2300 7610 70 70 0000 0 Minor Tools & Equipment	1,400	1,331	69	1,400	636	764	1,000	1,402	(402)	1,500	1,500	1,500
2300 7620 70 70 0000 0 Major Equipment	0	0	0	0	0	0	0	0	0	0	0	0
2300 7630 70 70 0000 0 Leased Equipment	1,700	2,760	(1,060)	1,700	2,640	(940)	1,700	1,402	298	1,700	1,700	1,700
2300 7710 70 70 0000 0 Telephone	0	0	0	0	200	(200)	700	651	49	1,400	1,400	1,400
2300 7715 70 70 0000 0 Internet	0	0	0	0	200	(200)	700	651	49	1,400	1,400	1,400
2300 7720 70 70 0000 0 Electricity	9,000	13,247	(4,247)	11,000	12,620	(1,620)	9,000	5,028	3,972	9,000	9,000	9,000
2300 7730 70 70 0000 0 Heating Fuel	5,500	2,012	3,488	5,500	4,001	1,499	5,000	923	4,077	5,000	3,500	3,500
2300 7740 70 70 0000 0 Water/Sewer	550	982	(432)	550	1,389	(839)	1,100	759	341	1,100	1,100	1,100
2300 7750 70 70 0000 0 Reuse	2,000	6,000	(4,000)	2,000	2,544	(544)	2,200	1,056	1,144	2,000	2,000	2,000
2300 8110 70 70 0000 0 Vehicle Maintenance	0	174	(174)	0	0	0	500	140	360	500	250	250
2300 8120 70 70 0000 0 Equipment Maintenance	12,000	24,378	(12,378)	5,000	16,451	(11,451)	1,431	1,479	146	2,000	6,750	6,750
2300 8130 70 70 0000 0 Dock Maintenance	2,500	1,504	996	3,000	12,845	(9,845)	1,569	5,417	(3,848)	5,000	5,000	5,000
2300 8130 70 2014 0 Dock Maintenance Port Dock	0	0	0	0	150	(150)	0	0	0	0	0	0
2300 8131 70 70 0000 0 Dock Damage Repairs	0	341,211	(341,211)	0	2,980	(2,980)	0	0	0	0	0	0
2300 8135 70 70 0000 0 Bulkhead/Ramp Materials	0	358	(358)	0	0	0	0	0	0	0	0	0
2300 8210 70 70 0000 0 Required Inspections	900	716	184	1,200	910	290	1,200	1,200	0	1,750	1,750	1,750
2300 9010 70 70 0000 0 Administrative Overhead	81,170	118,235	(37,065)	85,816	130,484	(44,668)	97,192	23,345	73,847	102,811	101,875	91,835
2300 9955 70 70 0000 0 Transfer Out Equipment Rep	400,000	400,000	0	400,000	65,000	(335,000)	0	0	0	0	0	0
2300 9960 70 70 0000 0 Dock Transfer to Harbor	105,400	32,563	72,837	107,616	78,410	29,206	94,704	38,868	54,836	129,841	122,181	54,981
Total Expenses	\$ 953,419	\$ 1,232,323	\$ (278,904)	\$ 822,513	\$ 748,355	\$ (125,843)	\$ 583,153	\$ 332,880	\$ (250,727)	\$ 758,865	\$ 751,249	\$ 801,009
Excess Revenue Over (Under) Expenditures	\$ (368,509)	\$ (437,549)	\$ 590,768	\$ (134,186)	\$ (142,068)	\$ 7,882	\$ (48,594)	\$ 506,663	\$ (555,257)	\$ (117,965)	\$ (97,249)	\$ (37,009)

**FY2017 Dock Department
Budget Narrative**

2300 XXXX 70 70 0000 0

Salaries	6000	\$136,856
½ of Port Director wages, Seasonal Dock Assistant (approximately 6 months), Seasonal Dock Equipment Operator (approximately 8 months), Seasonal Dock Supervisor (approximately 8 months)		
Overtime	6010	34,600
Fringe Benefits	62XX	103,887
FICA/MED, Insurance (Health, Dental, Life), HRA, PERS Employer, Workers' Comp.		
PERS Relief	6230	8,900
State of Alaska is providing relief by paying a percentage of the PERS (revenue offset). FY16 rate was actually 5.19% and that is the amount that is being estimated for FY17.		
Unemployment Comp	6240	
Contract Labor	7060	26,000
Move power lines near Dock Office.		
Insurance	7110	26,000
Amount consistent with PY.		
Advertising	7130	0
Travel	7150	1,000
AAHPA Convention - Rental Car. (BBEDC to fund - \$600 RT to Anchorage, 5 nights hotel \$600)		
Supplies	7310	1,000
Printer Cartridges, 3 part NCR paper		
Gas, Oil & Grease	7385	15,000
Same as PY.		
Leased Equipment	7630	140,000
Annual Lease payments for LinkBelt 248HSL Crane.		
Minor Tools & Equip	7610	8,500
New hooks and shackles, \$7,000 for Volvo software – this will allow our mechanics to fix our equipment rather than bring in out-of-town mechanics.		
Telephone	7710	1,700
Amount consistent with PY.		

Internet	7715	1,400
Amount consistent with PY.		
Electricity	7720	9,000
Amount consistent with PY.		
Heating Fuel	7730	3,500
Lower fuel costs.		
Water/Sewer	7740	1,100
New W&S rates		
Refuse	7750	2,000
Lower compared to PY.		
Vehicle Maintenance	8110	250
Moved to Shop.		
Equipment Maintenance	8120	6,750
New wood bumpers for old pass ramps, Annual Crane Maintenance		
Dock Maintenance	8130	5,000
New 12 X 12 Bull Rails for T-Dock		
Required Inspections	8210	1,750
Crane and Fire Extinguishers new crane needs		
Administrative OH	9010	91,835
20% total expenses		
Dock Transfer to Harbor	9990	64,981
Total Dock Budget		\$691,009

**City of Dillingham
FY17 Draft Budget Review Summary**

<u>General Fund Appropriations</u>	FY15 Actuals	FY16 Budget Approved as Amended	FY17 Dept Req	FY17 City Mgr Rec	FY17 Council Approve
Department					
City Council	\$ 71,501	\$ 74,350	\$ 60,450	\$ 60,450	52,750
City Clerk	157,456	138,638	130,171	130,571	130,571
Administration	356,145	354,443	320,193	320,193	312,893
Finance	750,015	700,285	682,630	682,630	604,540
Legal	58,813	109,000	62,000	62,000	62,000
Insurance	156,036	122,082	166,000	166,000	166,000
Non-Departmental	177,230	203,175	214,780	242,644	174,644
Planning	156,320	65,712	111,811	149,445	142,870
PS Administration	180,257	177,277	167,987	166,237	166,237
PS Dispatch	506,165	507,728	490,763	490,263	469,091
PS Patrol	856,709	889,426	818,289	815,439	815,416
PS Corrections	777,581	612,300	618,347	616,647	616,647
PS DMV	150,418	54,810	44,525	42,525	42,525
PS Animal Control Officer	117,414	107,681	95,297	93,207	93,207
PS IT Support	15,821	14,000	-	-	-
Fire Department	264,138	297,591	251,218	243,418	232,018
PW Administration	215,076	211,421	163,787	162,023	162,023
PW Buildings & Grounds	323,208	345,178	337,502	325,450	325,450
PW Shop	183,440	393,006	419,682	390,932	383,932
PW Streets	624,719	534,817	459,543	461,243	461,243
Library	137,728	121,165	107,456	108,194	108,194
Meeting Hall	2,889	3,000	3,000	3,000	3,000
Foreclosures	8,811	15,000	10,000	10,000	5,000
City School District	1,300,000	1,300,000	1,300,000	1,300,000	1,300,000
Transfer Subsidy for Operations	1,099,771	1,560,957	1,299,062	1,146,305	1,134,305
Transfer to Equipment/Capital Reserves	70,000	125,000	-	-	-
Total General Fund Appropriations:	\$ 8,717,661	\$ 9,038,042	\$ 8,334,493	\$ 8,188,816	\$ 7,964,556
Total General Fund Revenue:	\$ 8,464,922	\$ 8,311,468		\$ 7,698,934	\$ 7,747,498
Net General Fund:	\$ (252,739)	\$ (726,574)		\$ (489,882)	\$ (217,058)

**City of Dillingham
FY17 Draft Budget Review Summary**

	FY15 Actuals	FY16 Budget Approved as Amended	FY17 Dept Req	FY17 City Mgr Rec	FY17 Council Approve
Special Revenue Funds not dependent on General Fund					
Dock Expenses	716,168	670,653	756,865	751,249	691,009
Dock Revenues	746,010	866,559	638,900	653,900	653,900
Decrease/Increase to Fund Balance	29,842	195,906	(117,965)	(97,349)	(37,109)
Boat Harbor Expenses	212,077	247,364	275,977	267,317	199,317
Boat Harbor Revenues	149,372	150,160	146,136	145,136	138,336
Transfer from Dock Fund	(78,410)	(97,204)	(129,841)	(122,181)	(64,981)
	(15,705)	-	-	-	(4,000)
E-911 Expenses	7,130	53,071	49,026	49,026	49,026
E-911 Revenues	76,532	76,760	76,760	86,760	86,760
	69,402	23,689	27,734	37,734	37,734
Asset Forfeitures Expenses	2,000	-	-	-	-
Asset Forfeitures Revenues	41	-	-	-	-
Decrease/Increase to Fund Balance	(1,959)	-	-	-	-
Overall Budget Surplus/(Deficit):	18,875	122,391	(220,072)	(181,796)	(64,356)
Special Revenue Funds dependent on General Fund					
Water Expenses	259,987	390,252	241,822	241,991	241,991
Water Revenue	171,315	186,496	182,951	182,951	182,951
Due to/(from) General Fund	(100,282)	(203,756)	-	-	-
Waste Water Expenses	332,423	292,183	289,315	289,435	266,290
Waste Water Revenues	288,752	323,166	339,585	329,585	329,146
Due to/(from) General Fund	(66,892)	-	-	-	-
Landfill Expenses	543,383	971,844	924,829	776,029	764,029
Landfill Revenues	179,734	164,418	148,707	148,707	148,707
Due to/(from) General Fund	(366,921)	(807,426)	(776,122)	(627,322)	(615,322)

**City of Dillingham
FY17 Draft Budget Review Summary**

	FY15 Actuals	FY16 Budget Approved as Amended	FY17 Dept Req	FY17 City Mgr Rec	FY17 Council Approve
Senior Center Expenses	477,217	354,558	286,479	289,681	289,681
Senior Center Revenues	264,922	219,160	176,941	184,100	184,100
Due to/(from) General Fund	(212,645)	(135,398)	(109,538)	(105,581)	(105,581)
Debt Service Expenses	1,176,090	1,179,590	1,176,340	1,176,340	1,176,340
Debt Service Revenues	823,059	825,713	823,438	823,438	823,438
Due to/(from) General Fund	(353,031)	(353,877)	(352,902)	(352,902)	(352,902)
Equipment Replacement Fund Expenses	19,523	160,000	70,100	70,100	70,100
Equipment Replacement Fund Txfr in	50,000	105,000	-	-	-
Inc(Dec) to Equipment Rep Fund Balance	30,477	(55,000)	70,100	70,100	70,100
Public Safety Facility Planning Exp	11,918	20,000	-	-	-
Public Safety Facility Planning Txfr in	20,000	20,000	-	-	-
Inc(Dec) to Public Safety Facility	8,082	-	-	-	-
Ambulance Reserve Fund Expenses	25,713	0	279,000	279,000	279,000
Ambulance Reserve Fund Revenues	-	0	-	-	-
Contribution from General Fund	35	60,500	60,500	60,500	60,500
Inc(Dec) to Ambulance Fund Balance	(25,678)	60,500	(218,500)	(218,500)	(218,500)
Total Transfers from General Fund	\$(1,169,771)	\$(1,685,957)	\$(1,299,062)	\$(1,146,305)	\$(1,134,305)
Restricted & Capital Project Funds					
Carlson House Expenses	9,735	6,780	7,000	7,000	7,000
Carlson House Revenues	3,730	3,000	3,000	3,000	3,000
Increase/(Decrease) Fund Balance	(6,005)	(3,780)	(4,000)	(4,000)	(4,000)
Library Grant Funded Expenses	70,986	108,685	102,543	102,543	102,543
Library Grant Funded Revenues	70,986	108,685	102,543	102,543	102,543
Nushagak Fish Tax Funds					
Nushagak Fish Tax Refunds Expense	0	0	0	0	0

**City of Dillingham
FY17 Draft Budget Review Summary**

	FY15 Actuals	FY16 Budget Approved as Amended	FY17 Dept Req	FY17 City Mgr Rec	FY17 Council Approve
Borough Study	0	0	0	0	0
Transfer to Equipment Replacement	0	0	0	0	0
Fisheries Fund	0	0	0	0	0
Transfer to General Fund	0	0	0	0	0
Total Fish Tax Expenses	0	0	0	0	0
Nushagak Fish Tax Revenues	0	0	0	0	0
			Total Revenues	Total Revenues	\$ 11,599,665.00
			Total Appropriations	Total Appropriations	\$ 12,100,882.00
			Net Increase/(Decrease) to Fund Balance	Net Increase/(Decrease) to Fund Balance	\$ (501,217.00)

CITY OF DILLINGHAM, ALASKA

ORDINANCE NO. 2016-09

AN ORDINANCE OF THE DILLINGHAM CITY COUNCIL ADOPTING THE BUDGET AND APPROPRIATING FUNDS FOR THE FY 2017 CITY OF DILLINGHAM BUDGET

WHEREAS, the City Council has approved the Operating Budget and Capital Improvement Budget for FY17 to the City Council in accordance with Title 4 of the Dillingham Municipal Code pursuant to A.S. 20.20.500(3); and

WHEREAS, duly advertised public workshops were held and the City Council reviewed the budget amendment recommendations presented; and

WHEREAS, the City Council has set the rate of levy of property tax for the City of Dillingham for FY 2017 budget at 13 mills; and

WHEREAS, the budget presented, reviewed and changed is in accordance with sound and efficient municipal management principles. The City Council should have the power to transfer appropriated monies from one General Government Fund or Special Revenue Fund to another and from one Capital Project to another by resolution and the City Manager should have the power to transfer funds from one line item object to another object code within a fund and within a Capital Improvement Project; and

WHEREAS, additional FY 2017 funds are available for appropriation by ordinance;

NOW, THEREFORE, BE IT RESOLVED by the Dillingham City Council that:

1. The FY 2017 Operating Budget and Capital Improvement Budget as recommended by the City Manager is hereby adopted for the City of Dillingham.
2. The amounts set forth in the budget by the City Council for the respective departments and/or funds shall be, and hereby are, appropriated for the fiscal year ending June 30, 2017.
3. The City Council shall have the power to transfer approved and appropriated General Fund or Special Revenue Fund monies from one to another and from one Capital Project to another by resolution.
4. The City Manager shall have the power to transfer funds from one line item object code to another within a fund and within a Capital Improvement Project.

BE IT ENACTED BY THE COUNCIL OF THE CITY OF DILLINGHAM that:

Section 1. Classification. This ordinance is a non-code ordinance.

Section 2. Severability. If any portion of this ordinance or any application thereof to any person or circumstances is held invalid, the remainder of the ordinance and the application to other persons or circumstances shall not be affected thereby.

Section 3. Appropriation summary. The total appropriation from the Treasury in Section 4 was a total of \$11,960,882.

Section 4. Appropriations.

A. General Fund Government Operations

City Council	\$ 52,750
City Clerk	130,571
Administration	312,893
Finance	604,540
Legal	62,000
Insurance	166,000
Non-Departmental	174,644
Planning	142,870
PS Administration	166,237
PS Dispatch	469,091
PS Patrol	815,416
PS Corrections	616,647
PS DMV	42,525
PS Animal Control Officer	93,207
PS Fire Department	232,018
PS IT Support	-0-
PW Administration	162,023
PW Buildings & Grounds	325,450
PW Shop	383,932
PW Streets	461,243
Library	108,194
Meeting Hall	3,000
Foreclosures	5,000
City School District	1,300,000
Transfer Subsidy for Operations	1,134,305
Transfer to Equipment/Capital Reserves Fund	-0-
Total General Fund Appropriations:	\$ 7,964,556

Special Revenue & Other Funds Appropriations

Nushagak Fish Tax	\$ -0-
Water	241,991
Waste Water	266,290
Landfill	764,029

Port-Dock	551,009
Port-Harbor	199,317
E-911	49,026
Senior Center	289,681
Debt Service	1,176,340
Library Grants	102,543
Equipment Replacement/Reserve	70,100
Ambulance Replacement Fund	279,000
Mary Carlson Estate	7,000
Capital Project (Planning) Fund	<u>-0-</u>
Total Special Revenue & Other Funds Appropriations	<u>\$ 3,996,326</u>

Total Appropriations **\$ 11,960,882**

Section 5. Revenues

General Fund

Taxes

Sales Taxes	\$ 2,700,000
Alcohol Sales Taxes	300,000
Transient Lodging Sales Taxes	85,000
Real Property Taxes	1,600,000
Personal Property Taxes	550,000
Penalty and Interest on Property Taxes	60,000
Penalty and Interest on Sales Taxes	16,000
Gaming Sales Tax	70,000
Payment in Lieu Taxes (PILT)	430,000

Other Revenues

Jail Contract Revenue	527,000
Revenue Sharing	132,764
Shared Fisheries	20,000
Raw Fish Tax	350,000
Revenues from State of Alaska	269,213
Administrative Overhead	383,145
Charges for Current Services	55,000
Lease and Rental Income	40,000

Investment Income	30,000
Other Revenues	80,350
Transfer from E-911	49,026
Transfer from Nushagak Fish Tax	<u>-0-</u>

Total General Fund Revenues **\$ 7,747,498**

Special Revenue & Other Funds Revenues

Nushagak Fish Tax	\$ -0-
Water	182,951
Waste Water	329,146
Landfill	148,707
Port – Dock	653,900

Port – Harbor	138,336
E-911	86,760
Senior Center	184,100
Library Grants	102,543
Debt Service	823,438
Mary Carlson Estate Permanent Fund	<u>3,000</u>
Total Special Revenue Funds & Other Funds Revenues	<u>\$ 2,652,881</u>
TOTAL REVENUES	<u>\$ 10,400,379</u>

Section 6. Transfers

Transfers from General Fund to Other Funds

Water	\$ -0-
Waste Water	-0-
Landfill	615,322
Senior Center	105,581
Ambulance Reserve	60,500
Equipment Replacement	-0-
Capital Project (Planning)	-0-
Debt Service	<u>352,902</u>
Total General Fund Transfers	\$ 1,134,305

Transfer from Dock Fund to Harbor Fund \$ 64,981

Total Revenues and Transfers	\$ 11,599,665
Total Appropriations	<u>\$ 11,960,882</u>
Net Increase (Decrease) to Fund Balances	\$ (361,217)

Section 7. Effective Date. This ordinance is effective upon passage.

PASSED and ADOPTED by a duly constituted quorum of the Dillingham City Council on _____.

Alice Ruby, Mayor

ATTEST:

[SEAL]

Janice Williams, City Clerk

CITY OF DILLINGHAM, ALASKA

ORDINANCE NO. 2016-10

AN ORDINANCE OF THE DILLINGHAM CITY COUNCIL AMENDING TITLE 4 TO ESTABLISH FEES AND COSTS TO BE PAID BY DELINQUENT TAXPAYERS IN ORDER TO REMOVE A PROPERTY FROM THE ANNUAL REAL PROPERTY FORECLOSURE LIST OR TO REDEEM SUCH A PROPERTY AFTER FORECLOSURE

WHEREAS, city and state law require delinquent property tax payers to pay for the costs incurred by the City to initiate and carry out real property tax foreclosure cases; and

WHEREAS, the delinquent tax payer must pay some of these costs whether the property is ultimately foreclosed upon or not because the City incurs court, publication and attorney's costs just to initiate the foreclosure case; and

WHEREAS, taxpayers who pay delinquent taxes after the foreclosure case starts but before it concludes should not be required to pay as much of the costs as those who pay after the case concludes; and

WHEREAS, neither city nor state law prescribes a mechanism for determining the costs to be paid by each delinquent taxpayer; and

WHEREAS, it is often difficult or impossible to precisely calculate the amount owed by each delinquent taxpayer, especially at the time a particular taxpayer is ready to remit payment; and

WHEREAS, the City desires to establish a more consistent and easy to use system for both City staff and taxpayers to determine the foreclosure costs that a delinquent taxpayer owes by prescribing such costs by ordinance;

NOW, THEREFORE, BE IT ENACTED BY THE DILLINGHAM CITY COUNCIL:

Section 1. Amendment of Section 4.15.200. Section 4.15.200 of the Dillingham Municipal Code is hereby amended as follows with new language underlined and deleted language displayed as ~~strikethrough~~.

4.15.200 Foreclosure list.

A. The clerk shall, after taxes have become delinquent and due prior to December 31st of each year, make up a roll of all property then subject to foreclosure and present the list to the city council. The city council shall direct that the city:

1. Annually present a petition for judgment and a certified copy of the foreclosure list for the previous year's delinquent taxes in the Superior Court for judgment;
2. Publish the foreclosure list for four consecutive weeks in a newspaper of general circulation distributed in the city, or if there is no newspaper of general circulation distributed in the city, post the list at three public places for at least thirty days;
3. Within ten days after the first publication or posting, mail to the last known owner of each property as the owner's name and address appear on the list a notice advising of the foreclosure proceeding, in which a petition for judgment of foreclosure has been filed, and describing the property and the amount due as stated on the list.

B. The list shall be arranged in alphabetical order~~[- as to]~~ by the last name and must include [;] the last known owner; the property description as stated on the assessment roll; year and amount of delinquency; penalty and interest due as of the date the list is prepared; the applicable foreclosure cost fee set forth in DMC 4.15.235(B); ~~[costs, which include publication and attorney fees];~~ a statement that the list is available for public inspection at the clerk's office; and a statement that the list has been presented to the Superior Court with a petition for judgment and decree.

C. Completion of the requirements of subsection A of this section constitutes, and has the same force and effect, as the filing of an individual and separate complaint and service of summons to foreclose a lien against each property described on the foreclosure list.

Section 2. Amendment of Section 4.15.210. Section 4.15.210 of the Dillingham Municipal Code is hereby amended as follows with new language underlined and deleted language displayed as ~~strikethrough~~.

4.15.210 Clearing delinquencies.

During the publication or posting of the foreclosure list, and up to the time of transfer to the municipality at the time judgment is entered, a person may pay the taxes, together with the penalty, interest, and the applicable foreclosure costs set forth in DMC 4.15.235(B). ~~[all costs such as publication, attorney fees and any other associated costs of foreclosure.]~~ The collector shall note payment on the foreclosure list.

Section 3. Amendment of Section 4.15.230. Section 4.15.230 of the Dillingham Municipal Code is hereby amended as follows with new language underlined and deleted language displayed as ~~strikethrough~~.

4.15.230 [Real and p]Personal property—Collection, delinquency, remedies.

A. A Demand for Payment of Personal Property Taxes. Prior to December 31st of each year the city clerk will work with the collections person and together shall mail, postage fully paid, to all persons whose personal property taxes are delinquent, demand payment of the taxes plus penalty and interest. This shall be the date of mailing of the notice of tax due referred to in subsections (C) (2) (a) and (b) of this section.

B. Methods of Collection of Personal Property Taxes. Personal property taxes together with the penalty and interest, may be collected, after the same become due, either by distraint or in a personal action brought in the name of the city against such owner in the courts of the state, or both such methods of collection may be used, in the discretion of the council. Neither of such methods shall be deemed exclusive remedies.

C. Collection by Distraint and Sale.

1. Persons Subject to Enforcement. If at any time a taxpayer is more than six months delinquent in any of the sales or personal property taxes levied by the city due the city, he/she shall be subject to the enforcement procedures provided in this chapter, which are in addition to any other enforcement procedures already provided for and are not exclusive.

2. Distraint. The lien of personal property taxes and other nonreal taxes may be enforced by distraint and sale of the personal property of the person assessed. The procedure shall be as follows:

a. Demand shall be made of the person assessed by sending him/her a notice of the amount of tax due, the penalty and interest and the total and notice to the effect that if the taxes and all penalty and interest are not paid by a date certain which date shall not be less than thirty days from the date of mailing, that his/her personal property shall be subject to distraint and sale. The notice shall be sent by certified mail, return receipt requested or may be served in person with return of the person making service. The notice shall be signed by the city clerk.

b. If no payment is made within the time specified or in accordance with any repayment plan authorized by this chapter, the city clerk shall issue a warrant directed to an enforcement officer of the city to be designated by the city manager, direct him to seize, levy upon, distraint, and sell by public auction such personal property of the person assessed as the tax may have been levied upon, and that if the same is not sufficient to satisfy the tax, penalty, interest, costs, and expenses of sale, such warrant may authorize seizure, levy, distraint and sale of such other personal property of the person against whom the tax was assessed as may be sufficient to satisfy such tax, penalty, interest, costs and expenses of sale.

i. No sale of any property may be made without at least fifteen days' notice being given by publishing a notice of the sale at least

two times in a newspaper of general circulation within the city, or if there is no such newspaper, by posting within the times stated a notice in seven public places within the city, and by mailing by certified first class prepaid mail a copy of the notice to the person assessed.

ii. Sale. The sale of such property shall be made at public auction and such personal property shall be sold to the highest bidder for cash. All sales of personal property shall be made at a time of day to be fixed by the city clerk in such notice, and the same shall be fixed between the hours of ten a.m. and five p.m. of the day of the sale, and the sale may be adjourned by the city clerk from day to day for want of purchasers of sufficient bids, or if for any valid reason the city clerk is prevented from attending at the time and place set for the sale, the sale may be adjourned and continued from day to day if necessary until all of such personal property has been sold to pay the costs and expenses provided in this chapter, and the tax, penalty and interest in full.

iii. From the proceeds of the sale which shall convey all the right title and interest of the person assessed, shall be paid, in the following order: the actual expenses of sale, tax, penalty, interest, and other costs including attorney's fees.

iv. Schedule of Costs. The following shall be the schedule of costs and attorney's fees applicable to all personal property tax delinquencies collected or sought to be collected using the provisions of this chapter:

(A) If redemption is made prior to sale:

(1) Actual costs of seizing and preserving the property;

(2) Actual costs of publication and giving notice;

(3) Attorney's fees in the amount of twenty percent of the first one hundred dollars, but with a minimum of ten dollars, fifteen percent of the next five hundred dollars and ten percent thereafter.

(B) If no redemption is made before the property is sold:

(1) All costs stated above plus any actual accruing costs;

(2) Attorney's fees in addition to those stated of fifteen percent of the first one hundred dollars but with a minimum of ten dollars, five percent of the balance.

v. Any remaining sums shall be returned to the person assessed, or if not claimed within six months shall become the property of the city, and sale is forever barred.

vi. The city clerk shall apply the proceeds of the sale in the manner set forth, and shall keep a record of all such sales and all such proceedings, and shall keep on file the returns of the city clerk relating thereto, and in all cases of sale of personal property, the city clerk shall, if requested, give the purchaser a bill of sale on behalf of the city under his/her hand.

~~[D.— General Foreclosure. The city shall bring one general foreclosure proceeding in rem against the property included in the foreclosure list. If the owner is unknown, the property is proceeded against as belonging to “unknown owner.”]~~

Section 4. Amendment of Chapter 4.15. Chapter 4.15 of the Dillingham Municipal Code is hereby amended by the addition of a new Section 4.15.235 to read as follows:

4.15.235 General foreclosure of Real Property.

A. The city shall bring one general foreclosure proceeding in rem against the real property included in the foreclosure list. If the owner is unknown, the property is proceeded against as belonging to “unknown owner.”

B. Costs of foreclosure. It is the intent of this chapter and AS 29.45.320-.480 that the costs of carrying out the foreclosure process shall ultimately be borne by the delinquent taxpayer, not the City of Dillingham.

1. In order to accomplish the intent of this chapter and AS 29.45.320-480, the city hereby establishes the following foreclosure cost fees, which are intended to reimburse the city for the costs of foreclosure, including but not limited to costs of publication, mailing, attorney's fees, filing and recording fees, title search, and costs incurred to comply with DMC 4.15.310(a):

i. A flat fee of \$150 per property identified on the foreclosure list if the delinquent amount is paid after the first publication or posting of the foreclosure list pursuant to DMC 4.15.200.A.2 and before judgment is entered; and

ii. Actual costs incurred, including attorney's fees and mailing, will be prorated equally to each property, and the cost of the each title search will

be assigned to each owner as identified on the foreclosure list if the delinquent amount is paid after judgment is entered and before the first publication of the notice of the expiration of the redemption period; and, if applicable; and

iii. Actual costs incurred, including the costs of publication, mailing, attorney's fees, and filing and recording fees, prorated equally to each property identified on the foreclosure list if the delinquent amount is paid after the first publication of the notice of the expiration of the redemption period.

2. If the city incurs extraordinary costs of foreclosure significantly in excess of the applicable fee and costs set forth above, or if the court awards specific costs or attorney's fees against a particular property, the fee and costs stated above will be in addition to the extraordinary costs.

3. All applicable fees and costs assessed pursuant to this section shall be included in the lien authorized by this chapter and must be paid to redeem or repurchase the property or otherwise release the lien. Unless otherwise ordered by the court, the applicable fee and costs set forth in DMC 4.15.235.B.1 may not be waived or reduced.

Section 5. Amendment of Section 4.15.260. Section 4.15.260 of the Dillingham Municipal Code is hereby amended as follows with new language underlined and deleted language displayed as ~~strikethrough~~.

4.15.260 Transfer and appeal.

A. Foreclosed properties are transferred to the city for the lien amount. When answers are filed the court may enter judgment against and order the transfer to the city of all other properties on the list pending determination of the matters in controversy. If the city prevails over any answer and objection, it shall be entitled to an award of the attorney's fees incurred to defeat the answer and objection, which shall be included in the judgment and lien authorized by this chapter. ~~The court shall hear and determine the issues raised by the complaint and answers in the same manner and under the same rules as it hears and determines other actions.~~

B. The court clerk shall deliver a certified copy of the judgment and decree to the city clerk. The certified judgment and decree constitutes a transfer to the city.

C. The judgment and decree stops objections to it that could have been presented before judgment and decree. Appeal from a judgment and decree of foreclosure, or from a final order in the proceeding, may be taken in a manner provided for appeals in civil actions.

Section 6. Amendment of Section 4.15.270. Section 4.15.270 of the Dillingham Municipal Code is hereby amended as follows with new language underlined and deleted language displayed as ~~strikethrough~~.

4.15.270 Redemption period.

Properties transferred to the municipality are held by the city for at least one year. During the redemption period a party having an interest in the property may redeem it by paying the lien amount plus penalties, interest, and the applicable foreclosure fee/costs set forth in DMC 4.15.235(B). ~~[costs, including all costs incurred under AS 29.45.440(a).]~~ Property redeemed is subject to all accrued taxes, assessments, liens and claims as though it had continued in private ownership. Only the amount applicable under the judgment and decree, including the applicable fee and costs, must be paid in order to redeem the property.

Section 7. Amendment of Section 4.15.310. Section 4.15.310 of the Dillingham Municipal Code is hereby amended as follows with new language underlined and deleted language displayed as ~~strikethrough~~.

4.15.310 Expiration.

A. At least thirty days before the expiration of the redemption period the clerk or the clerk's designee shall publish a redemption period expiration notice. The notice must contain the date of judgment, the date of expiration of the period of redemption, and a warning that all properties ordered sold under the judgment, unless redeemed, shall be deeded to the city immediately on expiration of the period of redemption, and that every right or interest of a person in the properties will be forfeited forever to the city. The notice appears once a week for four consecutive weeks in a newspaper of general circulation distributed in the city. If there is no newspaper of general circulation distributed in the city, the notice shall be posted in three public places for at least four consecutive weeks. The clerk shall send a copy of the notice by certified mail to each record owner of property against which a judgment of foreclosure has been taken, and if the assessed value of the property is more than ten thousand dollars, to all holders of mortgages or other liens of record on the property. The notice shall be mailed within five days after the first publication. The mailing shall be sufficient if mailed to the property owner and to the holder of a mortgage or recorded lien at the last address of record.

B. The right of redemption expires thirty days after the date of the first notice publication.

C. Costs incurred in the determination of holders of mortgages and other liens, if recorded, and costs of notice publication incurred by the city under subsection A of this section, are a lien on the property and may be recovered by the city as provided in DMC 4.15.235.

Section 8. Amendment of Section 4.15.340. Section 4.15.340 of the Dillingham Municipal Code is hereby amended as follows with new language underlined and deleted language displayed as ~~strikethrough~~.

4.15.340 Repurchase by record owner.

A. The record owner at the time of tax foreclosure of property acquired by the city, or the assigns of that record owner, may, within ten years and before the sale or contract of sale of the tax-foreclosed property by the city, repurchase the property. The city shall sell the property for the full amount applicable to the property under the judgment and decree plus: (1) interest not to exceed fifteen percent a year from the date of entry of the judgment of foreclosure to the date of repurchase; (2) delinquent taxes assessed and levied as though it had continued in private ownership; (3) costs of foreclosure and sale incurred by the city or the applicable foreclosure fee and costs set forth in DMC 4.15.235, whichever is greater; and (4) costs of maintaining and managing the property incurred by the city, including insurance, repairs, association dues and management fees, that exceed amounts received by the city for the use of the property.

B. After adoption of an ordinance providing for the retention of tax-foreclosed property by the city for a public purpose, the right of the former record owner to repurchase the property ceases.

Section 9. Effective Date. This ordinance is effective upon passage.

PASSED and ADOPTED by a duly constituted quorum of the Dillingham City Council on

Alice Ruby, Mayor

[SEAL]

ATTEST:

Janice Williams, City Clerk

City of Dillingham Information Memorandum

Agenda of: June 16, 2016

Attachment to:

Ordinance No. 2016-10 / Resolution No. _____

Subject:

Amending Title 4 to establish fees and costs to be paid by delinquent taxpayers in order to remove a property from the annual real property foreclosure list or to redeem such a property after foreclosure

City Manager: Recommend Approval

Signature: Rose Doeren

Fiscal Note: Yes No

Funds Available: Yes No

Other Attachments:

-None

Summary Statement:

The Finance and Budget Committee was tasked with reviewing alternatives for allocating foreclosure costs to establish a more consistent and easy to use system for both City staff and taxpayers to determine the foreclosure costs that a delinquent taxpayer owes.

This ordinance was introduced at the June 2, 2016 Council meeting.

An advertisement for a Public Hearing on Ordinance No. 2016-08 is scheduled to be placed in the June 9, 2016, edition of the Bristol Bay Times as required to be advertised in a local newspaper five days in advance of the public hearing, which is scheduled for June 16, 2016.

Attachment to: 2016-10 / Resolution No. _____
Ordinance No. _____

Summary Statement continued:

Route to	Department Head	Date
X	Finance Director	
	Police Chief	
X	City Clerk	

CITY OF DILLINGHAM, ALASKA

RESOLUTION NO. 2016-37

A RESOLUTION OF THE DILLINGHAM CITY COUNCIL AUTHORIZING THE CITY MANAGER TO APPROVE A COLLECTIVE BARGAINING AGREEMENT BETWEEN THE CITY OF DILLINGHAM AND PUBLIC EMPLOYEES LOCAL 71

WHEREAS, the Public Employees Local 71 (“Local 71”) represents the City of Dillingham’s (“City”) Public Works and Port Department employees (“Employees”); and

WHEREAS, the City has had an agreement with Local 71 from July 1, 2013 – June 30, 2016; and

WHEREAS, the City and Local 71 have reached a tentative three (3) year collective bargaining agreement (“CBA”); and

WHEREAS, the CBA shall take effect July 1, 2016, and will remain in full force and effect through June 30, 2019; and

WHEREAS, the CBA is subject to ratification by the Employees and approval by the Dillingham City Council; and

WHEREAS, the Employees ratified the tentative CBA on _____; and

WHEREAS, the ratified CBA authorizes a __% wage increase on July 1, 2016; a __% wage increase on July 1, 2017; and a __% on July 1, 2018;

NOW, THEREFORE, BE IT RESOLVED that the Dillingham City Council has authorized the City Manager to approve the CBA between the City and Local 71 commencing on July 1, 2016 and ending on June 30, 2019.

PASSED and ADOPTED by the Dillingham City Council on June 16, 2016.

Alice Ruby, Mayor

ATTEST:

[SEAL]

Janice Williams, City Clerk

CITY OF DILLINGHAM, ALASKA

RESOLUTION NO. 2016-38

A RESOLUTION OF THE DILLINGHAM CITY COUNCIL AUTHORIZING THE CITY MANAGER TO APPROVE A COLLECTIVE BARGAINING AGREEMENT BETWEEN THE CITY OF DILLINGHAM AND THE PUBLIC SAFETY EMPLOYEE ASSOCIATION

WHEREAS, the Public Safety Employee Association (“PSEA”) represents the City of Dillingham’s (“City”) Public Safety Department employees (“Members”); and

WHEREAS, the City has had an agreement with PSEA from July 1, 2013 and June 30, 2016; and

WHEREAS, the City and PSEA have reached a tentative three (3) year collective bargaining agreement (“CBA”); and

WHEREAS, the CBA shall take effect July 1, 2016, and will remain in full force and effect through June 30, 2019; and

WHEREAS, the CBA is subject to ratification by the Members and approval by the Dillingham City Council; and

WHEREAS, the Members ratified the tentative CBA on _____; and

WHEREAS, the ratified CBA authorizes a ___% wage increase on July 1, 2016 and a ___% wage increase on July 1, 2017, and an increase of ___% on July 1, 2018;

NOW, THEREFORE, BE IT RESOLVED that the Dillingham City Council has authorized the City Manager to approve the CBA between the City and PSEA commencing on July 1, 2016 and ending on June 30, 2019.

PASSED and ADOPTED by a duly constituted quorum of the Dillingham City Council on June 16, 2016.

Alice Ruby, Mayor

ATTEST:

[SEAL]

Janice Williams, City Clerk



Preliminary Report to the Local Boundary Commission

Concerning the Legislative Review Petition to Annex 396 Square Miles of Water
and Three Square Miles of Islands to the City of Dillingham

&

Concerning the Legislative Review Petition to Annex 118 Square Miles of Water
and 37 Square Miles of Land to the City of Manokotak

June 2016

Legend

- unorganized borough
- organized boroughs



550 W. 7th Avenue, Suite 1640, Anchorage, Alaska 99501
Telephone: (907) 269-4559 ♦ Fax: (907) 269-4563 ♦ Email: LBC@alaska.gov
Website: www.commerce.alaska.gov/web/dcra/LocalBoundaryCommission



This preliminary report was written by staff to the Local Boundary Commission (LBC or commission). The staff is part of the Division of Community and Regional Affairs of the Alaska Department of Commerce, Community, and Economic Development (Commerce). The report can also be found at the following address:

www.commerce.alaska.gov/web/dcra/LocalBoundaryCommission/CurrentPetitions/2015CityofDillinghamandCityofManokotakAnnexationPetitions/Reports.

In accordance with 3 AAC 110.530(c), the public may review and comment on the report. Comments must be received by 4:30 p.m. on July 15, 2016. The LBC staff will issue a final report after considering written comments on this preliminary report.

Commerce complies with Title II of the Americans with Disabilities Act of 1990. Upon request, this report will be made available in large print or other accessible formats. Such requests should be directed to the Local Boundary Commission staff at 907-269-4559, 907-269-4587, or at LBC@alaska.gov.

Graphic illustration only: This publication's maps are intended to be used only as general reference guides. Source documents remain the official record.

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EXECUTIVE SUMMARY

The City of Dillingham and the City of Manokotak each submitted a petition to the Local Boundary Commission to annex all or part of Nushagak Bay. Both annexation petitions seek to annex waters in order to exploit a fish tax in order to provide income for their respective city budgets. The LBC cannot grant both petitions because their proposed annexations overlap. The LBC staff finds that neither the Dillingham annexation petition nor the Manokotak annexation petition meet all of the annexation standards. For that reason, the LBC staff recommends that the commission deny both petitions.

Several of the public comments received suggested that the LBC consider proposing a borough. The LBC staff concurs with those comments, and accordingly, recommends that the commission propose to the Legislature the formation of a second class borough whose borders generally follow the concurrent land borders of the Dillingham Census Area and the Southwest Region School District. They also include some of the waters of Bristol Bay, including Nushagak Bay.

The recommendation did not originate with the LBC staff. This recommendation is based upon the submitted comments, past borough feasibility studies, and past LBC decisions. It is also based on the potential for a rational, equitable mechanism to share the common regional resource that is the valuable salmon and herring fishery. The recommendation provides a solution to a decades-long inability for these communities to share the valuable regional resource. This recommendation only applies to these petitions which are located in the Dillingham Census Area, which is an administrative boundary used only for statistical purposes as a county-equivalent in Alaska by the U.S. Census Bureau in the absence of a regional government. The staff is not suggesting that the LBC propose forming boroughs elsewhere in the state.

The Local Boundary Commission has the constitutional authority to submit this proposal to the Legislature under article 10, section 12 of the Constitution of the State of Alaska. There is also legal precedent for the LBC to initiate a proposed change. The Legislature may not legally amend the proposed change when submitted, but may disapprove it by a majority of each house within 45 days after presentation.

Local self-empowerment is in the best interests of the state and of the region. The LBC staff finds that the Dillingham Census Area is best empowered through borough formation. Western Bristol Bay and its fish that are a regional resource should be used for the common good. The regional resource can be equitably distributed most effectively through regional governance rather than through single cities dividing the waters.

Borough formation is a way to provide services that benefit an entire region. Individual cities and communities might not be able to provide these services individually. Neither Dillingham nor Manokotak should be the exclusive beneficiary of the fish in these waters.

Borough formation is in the best interests of the state because it would empower the local residents, give them a secure way of financing local services and education, and also save the state money. The proposed borough can be financially viable primarily through levying a tax on fish similar to those in Bristol Bay, Lake and Peninsula, and Aleutians East Boroughs. The LBC has an opportunity to propose a viable solution for an equitable distribution of the many resources found in the region that has eluded this area for many years.

CHAPTER I. BACKGROUND

LOCAL BOUNDARY COMMISSION

Local Boundary Commission's Constitutional Foundation

Article X of the Constitution of the State of Alaska created the Local Boundary Commission (also referred to as "LBC" or "commission"). It states that:

A local boundary commission or board shall be established by law in the executive branch of the state government. The commission or board may consider any proposed local government boundary change. It may present proposed changes to the Legislature during the first ten days of any regular session. The change shall become effective forty-five days after presentation or at the end of the session, whichever is earlier, unless disapproved by a resolution concurred in by a majority of the members of each house. The commission or board, subject to law, may establish procedures whereby boundaries may be adjusted by local action.

The commission is responsible for establishing and modifying proposed municipal government boundaries. The framers of the state constitution asserted their belief that the state should set municipal boundaries because "local political decisions do not usually create proper boundaries."¹ Placing decision-making authority with a state body allows debate about boundary changes to be analyzed objectively, taking areawide or statewide needs into consideration.²

LBC Duties and Functions

The LBC acts on proposals for several different municipal (cities and boroughs) boundary changes. These are:

- Incorporation
- Annexation
- Detachment
- Merger
- Consolidation
- Reclassification; and
- Dissolution.

Nature of the Commission

In 1974, 1976, and again in 1993, the Alaska Supreme Court stated that the Constitution of the State of Alaska gives the LBC legislative authority to make fundamental public policy decisions. The court stated that:

“[T]he Local Boundary Commission has been given a broad power to decide in the unique circumstances presented by each petition whether borough government is appropriate. Necessarily, this is an exercise of delegated legislative authority to reach basic policy decisions. Accordingly,

¹ *Fairview Public Utility District No. 1 v. City of Anchorage*, 368 P.2d 540, 543 (Alaska 1962) (citing Alaska Constitutional Convention Minutes of Committee on Local Government, November 28 and December 4, 1955).

² *Id.*

acceptance of the incorporation petition should be affirmed if we perceive in the record a reasonable basis of support for the Commission's reading of the standards and its evaluation of the evidence."³

Limits on Directly Contacting the LBC

LBC proceedings regarding a municipal boundary change must be conducted in a manner that upholds everyone's right to due process and equal protection. Those rights are preserved by ensuring that communications with the commission concerning municipal boundary proposals are conducted openly and publicly.

To regulate communications, the commission adopted 3 AAC 110.500(b) which expressly prohibits private (*ex parte*) contact between the LBC and any individual other than its staff, except during a public meeting called to address a municipal boundary proposal. The limitation takes effect upon a petition's filing and remains in place through the last date available for the commission to reconsider a decision. If a LBC decision is judicially appealed, the *ex parte* limitation extends to the last date of court ordered proceedings. All communications with the commission must be submitted through its staff.

LBC Membership

The LBC is an autonomous commission with five members. The governor appoints LBC members for five-year overlapping terms (AS 44.33.810). One member is appointed from each of Alaska's four judicial districts. The chair is appointed from the state at large. LBC members receive no pay for their service.

³ *Mobil Oil Corp. v. Local Boundary Comm'n*, 518 P.2d 92, 98-99 (Alaska 1974). See also *Moore v. State*, 553 P.2d 8, n. 20 at 36 (Alaska 1976); and *Valleys Borough Support v. Local Boundary Comm'n*, 863 P.2d 232, 234 (Alaska 1993).

MEMBER BIOGRAPHIES

Lynn Chrystal, Chair, At Large, Wasilla

Governor Palin appointed Lynn Chrystal as the member from the Third Judicial District on March 27, 2007. Governor Parnell appointed him as the Local Boundary Commission's chair on September 10, 2009, and reappointed him as chair on April 22, 2013. Although recently a Wasilla resident, Mr. Chrystal lived in Valdez for 39 years and served as the mayor of Valdez and as a member of the city council. Mr. Chrystal retired in 2002 from the federal government after four years in the Air Force and 36 years with the National Weather Service. He has worked in Tin City, Barrow, Yakutat, and Valdez. Chair Chrystal has served on the boards of several civic groups and other organizations including the Resource Development Council, Pioneers of Alaska, and Copper Valley Electric Cooperative. His current term on the LBC ends January 31, 2018.



John Harrington, First Judicial District, Ketchikan

Governor Parnell appointed John Harrington of Ketchikan as the member from the First Judicial District on the Local Boundary Commission on September 10, 2009. Governor Parnell reappointed Commissioner Harrington in April of 2011, and Governor Walker reappointed him on March 14, 2015. Mr. Harrington is a real estate manager and previously worked as an adult education coordinator in Ketchikan from 1985-97. He was also a special education teacher and administrator in Washington state from 1972-84. He served on the Ketchikan Gateway Borough Assembly 2005 through 2011, chairing the borough's Planning Liaison and Economic Development Advisory Committee, among others. His community service includes chairing the North Tongass Fire and EMS Service Area Board from 2002-05, serving on the Ketchikan Charter Commission from 2003-04, and serving as an elected member of the Ketchikan Gateway Borough school board from 1988-94. Commissioner Harrington earned a bachelor's degree in psychology and history from Western Washington University and a master's degree in educational administration from Seattle University. His current term on the LBC ends January 31, 2021.



Robert "Bob" Harcharek, Vice Chair, Second Judicial District, Barrow

Governor Knowles appointed Robert "Bob" Harcharek as the member from the Second Judicial District on the Local Boundary Commission on July 18, 2002. Governor Murkowski reappointed him to the LBC on March 24, 2004. He serves as the commission's vice chair. On March 9, 2009, Governor Palin reappointed him to the LBC. Commissioner Harcharek was again reappointed by Governor Parnell on May 14, 2014. In 1977, he earned a Ph.D. in international and development education from the University of Pittsburgh. Commissioner Harcharek served for three years in Thailand as a Peace Corps volunteer. Dr. Harcharek has lived and worked on the North Slope for more than 30 years. Commissioner Harcharek retired from the North Slope Borough as the Community and Capital Improvement Projects (CIP) Planner for the Department of Public Works. He served as a member of the Barrow City Council for fifteen years, and is currently Mayor and Chief Administrative Officer for the City of Barrow. His current LBC term ends January 31, 2019.

Darroll Hargraves, Third Judicial District, Wasilla

Governor Parnell appointed Darroll Hargraves of Wasilla to the Local Boundary Commission as the member from the Third Judicial District on June 1, 2013. Mr. Hargraves is a consultant and owner of School and Community Resources. He is a retired school superintendent of the Nome and Ketchikan Gateway Borough school districts, and has served as the executive director of the Alaska Council of School Administrators. Commissioner Hargraves is a charter member of the Alaska Council of Economic Education, Commonwealth North, and the Wasilla Chamber of Commerce. A former member and chair of the LBC, he holds a master's degree in education, an education specialist degree from University of Alaska Fairbanks, and an honorary doctorate of letters degree from Oakland City University. His term ends on January 31, 2017.



Lavell Wilson, Fourth Judicial District, Tok

Governor Palin appointed Lavell Wilson, a Tok resident, as the member from the Fourth Judicial District on the Local Boundary Commission, June 4, 2007. Governor Parnell reappointed him on October 6, 2010. Governor Walker reappointed him on September 21, 2015. Commissioner Wilson is a former member of the Alaska House of Representatives, serving the area outside of the Fairbanks North Star Borough in the Eighth State Legislature. He moved to Alaska in 1949 and has lived in the Northway/Tok area since. Commissioner Wilson attended the University of Alaska Fairbanks and Brigham Young University. Commissioner Wilson worked as a licensed aircraft mechanic, commercial pilot, and flight instructor for 40 Mile Air from 1981-1995, retiring as the company's chief pilot and office manager. Mr. Wilson became a licensed big game guide in 1963. He has also worked as a surveyor, teamster, and construction laborer, retiring from the Operating Engineer's Local 302 in Fairbanks. As a member of Local 302, he worked for 12 years on the U.S. Air Force's White Alice system, the ballistic missile defense site at Clear, and the radar site at Cape Newenham. His current term on the LBC ends January 31, 2020.

LOCAL BOUNDARY COMMISSION STAFF

Constitutional Origin

The Constitution of the State of Alaska called for establishing an executive branch agency to advise and assist local governments (article X, section 14). The duty to serve as that local government agency is presently delegated to the Alaska Department of Commerce, Community, and Economic Development (Commerce, DCCED, or department). Commerce serves as staff to the LBC per AS 44.33.020(a)(4). Within Commerce, the Division of Community and Regional Affairs (DCRA) performs the local government agency's functions. This includes providing staff, research, and assistance to the LBC.

LBC Staff Role

LBC staff is required by law to investigate and analyze each boundary change proposal and to make recommendations regarding the proposal to the LBC. For each petition, staff will write at least one report for the commission. The report(s) is made available to the public as well. Staff recommendations to the LBC are based on properly interpreting the applicable legal standards, and rationally applying those standards to the proceeding's evidence. Due process is best served by providing the LBC with a thorough, credible, and objective analysis of every municipal boundary proposal.

Besides providing support to the commission, the LBC staff also delivers technical assistance to municipalities, to petitioners, to residents of areas impacted by existing or potential petitions, to respondents, to agencies, and to the general public. Assistance the LBC staff provides includes:

- * Answering citizen, legislative, and other governmental inquiries relating to municipal government issues;
- Writing reports on petitions for the LBC;
- Drafting LBC decisions;
- Traveling to communities to hold meetings and to answer questions about proposed local boundary changes;
- Drafting for the LBC an annual report to the legislature;
- Developing and updating local boundary change petition forms;
- Sending local boundary change forms and materials to interested persons;
- Providing a link between the LBC and the public;
- Maintaining Alaska municipal incorporation and boundary records;
- Coordinating and scheduling LBC public meetings and hearings;
- Developing orientation materials and providing training for new LBC members; and
- Maintaining and preserving LBC records in accordance with Alaska's public records laws.

Two staff members serve the Local Boundary Commission and are located in Anchorage.

Local Boundary Commission staff
550 W. 7th Avenue, Suite 1640
Anchorage, AK 99501
LBC@alaska.gov

PETITION PROCEDURES

Procedures to establish and alter municipal boundaries and to reclassify cities are designed to ensure a reasonable and timely determination for each petition. The procedures are also intended to ensure that commission decisions are based on applying the standards to the facts.

Preparing and Filing a Petition

The LBC staff offers technical assistance, information, and forms to prospective petitioners. When a petition is prepared, it is then submitted to staff for filing. The staff will then review the petition to identify any deficiencies in form or content. If the staff finds that the petition contains the required information, Commerce accepts it for filing.

Public Notice and Public Review

Once a petition is accepted for filing, the staff arranges extensive public notice. This provides ample opportunity for public comment concerning the petition. Interested parties are given at least seven weeks to submit responsive briefs and comments supporting or opposing a petition. The petitioner is provided at least two weeks to file one brief replying to public comments and responsive briefs.

Analysis

Following the public comment period on the petition, the LBC staff analyzes the petition, written comments, briefs, and other materials. Both the petitioner and the staff can conduct public informational meetings. If the petition is for incorporation, the staff must hold at least one public meeting within the boundaries proposed for incorporation. When the staff finishes its analysis, it issues a preliminary report which includes a recommendation to the commission.

The preliminary report is available for public review and comment for a minimum of four weeks. After considering the comments, the LBC staff issues its publically available final report. The final report discusses comments received on the preliminary report, and notes any changes to the staff's recommendation. The final report must be issued at least three weeks prior to the LBC's public hearing.

Public Hearings and LBC Decisional Meeting

Before the hearing, commission members will review the petition, written comments, responsive briefs, reply briefs, and the staff reports. Following extensive public notice, the LBC conducts at least one public hearing. The commission may tour the area before the hearing to understand the area better. Typically, the hearing is in or near the boundaries of the proposed change. Parties may present sworn witnesses, and the public will have a chance to comment.

After the hearing, the LBC holds a decisional meeting. At the decisional meeting, the LBC may act by:

- approving the petition as presented;
- amending the petition (e.g., expanding or contracting the proposed boundaries);
- imposing conditions on approving the petition (e.g., requiring voter approval of a proposition authorizing levying taxes to ensure financial viability); and
- denying the petition.