CITY OF KETCHIKAN, ALASKA
2023 GENERAL GOVERNMENT OPERATING & CAPITAL BUDGET

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CITY OF KETCHIKAN, ALASKA

RESOLUTION NO. 22-2867

A RESOLUTION OF THE COUNCIL OF THE CITY OF KETCHIKAN, ALASKA ADOPTING THE BUDGET FOR THE YEAR 20223; APPROPRIATING FROM THE GENERAL GOVERNMENT FUNDS FOR THE FISCAL YEAR 2023; AND ESTABLISHING AN EFFECTIVE DATE

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Ketchikan, Alaska as follows:

Section 1: That the budget for the year 2023, entitled CITY OF KETCHIKAN, ALASKA, 2023 GENERAL GOVERNMENT OPERATING AND CAPITAL BUDGET is hereby adopted.

Section 2: That the sum of $32,916,509 as shown in the following items of appropriations is appropriated for the General Fund of the City of Ketchikan for the fiscal year beginning January 1, 2023:

Item of Appropriation	
Mayor and Council	$ 211,630
City Attorney	379,139
City Clerk	421,690
City Manager	1,035,056
Finance	2,430,649
Information Technology	1,552,486
Fire	4,725,607
Police	6,587,332
Library	1,531,803
Museum	1,236,868
Civic Center	611,684
Public Health	14,325
Public Works - Engineering	2,365,642
Public Works - Cemetery	107,120
Public Works - Streets	2,060,985
Public Works - Garage	872,801
Public Works - Building Maintenance	613,656
Transfers	866,464
Appropriated Reserves	5,291,572
	$ 32,916,509

Section 3: That the sum of $6,887,130 as shown in the following items of appropriations is appropriated for the Hospital Sales Tax Fund of the City of Ketchikan for the fiscal year beginning January 1, 2023:

Item of Appropriation	
Public Health	$ 205,140
Transfers	2,997,075
Appropriated Reserves	3,684,915
Total	$ 6,887,130

Section 4: That the sum of $13,119,782 as shown in the following items of appropriations is appropriated for the Public Works Sales Tax Fund of the City of Ketchikan for the fiscal year beginning January 1, 2023:

Item of Appropriation	
Finance	$ 20,000
Fire	378,200
Police	610,830
Museum	49,800
Public Works - Engineering	60,000
Public Works - Streets	4,580,955
Public Works - Garage	15,000
Public Works - Building Maintenance	57,757
Transfers	2,358,865
Appropriated Reserves	4,988,375
Total	$ 13,119,782

Section 5: That the sum of $20,788,542 as shown in the following items of appropriations is appropriated for other Special Revenue Funds of the City of Ketchikan for the fiscal year beginning January 1, 2023:

Fund	Item of Appropriation		
Transient Sales Tax Fund	Transfers	$ 826,684	
	Appropriated Reserves	686,230	$ 1,512,914
Marijuana Sales Tax Fund	Mayor and Council	185,000	
	Transfers	200,000	
	Appropriated Reserves	103,438	488,438
Solid Waste Services Fund	Public Works - Solid Waste	4,465,466	
	Appropriated Reserves	1,176,613	5,642,079
Boat Harbor Fund	Port & Harbors	1,830,374	
	Appropriated Reserves	516,192	2,346,566
Cemetery O & M Fund	Transfers	5,000	
	Appropriated Reserves	43,255	48,255
Cemetery Development Fund	Public Works - Cemetery	12,000	
	Appropriated Reserves	34,559	46,559
Cemetery Endowment Fund	Appropriated Reserves	26,683	26,683
Shoreline Fund	Transfers	6,374	
	Appropriated Reserves	77,576	83,950
Community Grant Fund	Mayor and Council	360,000	
	Appropriated Reserves	20,629	380,629
Economic Parking & Development Fund	Appropriated Reserves	289,026	289,026
Commercial Passenger Vessel Excise Tax Fund	Tourism & Economic Development	478,960	
	Transfers	510,227	
	Appropriated Reserves	7,515,980	8,505,167
US Marshall Fund	Appropriated Reserves	132,192	132,192
Fire Department SEMT	Transfers	454,482	
	Appropriated Reserves	500,000	954,482
Federal and State Grant Fund	Police	331,602	331,602
Total			$ 20,788,542

Section 6: That the sum of $3,622,404 as shown in the following items of appropriations is appropriated for the General Obligation Bond Debt Service Fund of the City of Ketchikan for the fiscal year beginning January 1, 2023:

Item of Appropriation	
Debt Service	$ 3,622,404

Section 7: That the sum of $8,476,518 as shown in the following items of appropriations is appropriated for the Capital Project Funds of the City of Ketchikan for the fiscal year beginning January 1, 2023:

Fund	Item of Appropriation		
Major Capital Improvement Fund	Fire	$ 1,470,000	
	Civic Center	300,000	
	Tourism & Economic Development	75,000	
	Public Works - Streets	1,250,000	
	Appropriated Reserves	73,138	$ 3,168,138
Harbor Construction Fund	Port & Harbors	130,000	
	Appropriated Reserves	1,411,703	1,541,703
Community Facilities Development Fund	Museum	65,900	
	Appropriated Reserves	2,586,736	2,652,726
Hospital Construction Fund	Public Health	1,009,899	
	Appropriated Reserves	1,523	1,011,422
CPV Capital Improvement Fund	Tourism & Economic Development	100,000	
	Appropriated Reserves	2,529	102,529
Total			$ 8,476,518

Section 8: That the sum of $43,218,567 as shown in the following items of appropriations is appropriated for the General Government Enterprise Funds of the City of Ketchikan for the fiscal year beginning January 1, 2023:

Fund	Item of Appropriation		
Wastewater Fund	Public Works - Wastewater	$ 10,196,089	
	Appropriated Reserves	3,597,977	$ 13,794,066
Ketchikan Port Fund	Port & Harbors	14,997,241	
	Appropriated Reserves	7,955,649	$ 22,952,890
Port Repair & Replacement Fund	Port & Harbors	87,300	
	Appropriated Reserves	6,384,311	6,471,611
Total			$ 43,218,567

Section 9: That the sum of $3,249,260 as shown in the following items of appropriations is appropriated for the Self Insurance Internal Service Fund of the City of Ketchikan for the fiscal year beginning January 1, 2023:

Item of Appropriation	
Risk Management	$ 2,247,990
Appropriated Reserves	1,001,270
Total	$ 3,249,260

Section 10: This resolution shall become effective immediately upon adoption.

PASSED AND APPROVED by a duly constituted quorum of the City Council for the City of Ketchikan on this 15th day of December, 2022.

Dave Kiffer, Mayor

ATTEST:

Kim Stanker, City Clerk

November 4, 2022

The Honorable Mayor David Kiffer
 and Members of the City Council
City of Ketchikan, Alaska
334 Front Street
Ketchikan, Alaska 99901

Pursuant to Section 5-2 of the Ketchikan City Charter, the proposed 2023 General Government Operating and Capital Budget (the "2023 Budget") is respectfully submitted. In accordance with Section 5-4 of the Charter, the City Council must adopt a final spending plan no later than the third day before the beginning of the next fiscal year, which is December 29, 2022. At least one public hearing on the proposed budget is required prior to adoption of the final spending plan.

INTRODUCTION AND EXECUTIVE OVERVIEW

The 2023 Budget represents the City's plan for how it proposes to accumulate and spend the financial resources necessary to support cost-effective programs and services consistent with the City Council's stated goal of preserving and enhancing the quality of life currently enjoyed by the citizens of Ketchikan while complying with the Council's fund balance policy and maintaining acceptable debt service coverage. The development of a financially sound spending plan for the City began by considering the expectations that the citizens of the community have for its local government, the City's role in the local economy and the state of the economy of the community that the City serves.

The programs and services contained within the proposed spending plan for 2023 were developed by the various departments and were subsequently reviewed and modified as necessary by the Offices of the City Manager and the Finance Director. Department goals and programs were predicated on the continuation of basic service delivery, restoring positions suspended during the COVID-19 pandemic and addressing long-range issues that have manifested themselves over the course of the past year and during the development of the capital improvement program.

Key Budget Assumptions

In order to present a complete spending plan for 2023, it was necessary for management to make certain assumptions regarding the operations and finances of General Government. The key assumptions used to compile the spending plan for 2023 are as follows:

- Staffing levels remained the same as 2022 except for some minor staffing changes and the addition of a full time equivalent tourism manager as request by the City Council and a grant writer requested by the City Manager. Compensation is expected to increase 2.5% due to a cost of living increase for City IBEW and non-represented personnel and step increases required by the compensation plan and collective bargaining agreements have been programmed for all eligible employees.

- Most employee benefit costs have not been programmed to increase. There are two key exceptions - health insurance and pensions. Health insurance premiums have been projected to rise by 10%. The increase in the cost for health insurance will be shared in accordance with a tiered formula for its non-represented and City IBEW employees. Increases in retirement costs will be limited to rising salaries and wages caused by COLA's and step increases. This also assumes that the State of Alaska will not raise the current PERS employer contribution rate of 22 percent.

- Salaries and wages have been programmed to increase 2.5% due to a COLA approved for the City IBEW – Local 1547. Public Safety Employee Association and the International Association of Fire Fighters are currently negotiating their collective bargaining agreements for 2022-2024 term but have yet to reach an agreement. Any changes reached before the end of 2022 will change 2023 personnel services and benefits and will be presented as a budget update.

- The sales tax rate will remain at the current rate of 4% through March 31, 2023. The Council implemented a seasonal sales tax starting April 1, 2023. The sales tax rate will increase to 5.5% and will be effective April 1 through September 30. An off season rate of 3.0% will be effective October 1 through March 31 starting in October of 2023. Since the new seasonal tax will take effect in April additional revenues should be realized in 2023 that will not continue in 2024.

- A three percent rate increase has been programmed for solid waste services. A solid waste rate increase is necessary to keep up with price escalators built into the agreement for the transporting and disposal of the City's solid waste to a regional landfill in Washington State.

- Liability, property and auto insurance premiums have been programmed to increase by 22.0%, 8.0% and 5.0%, respectively. The City's liability and property insurance policies expire annually on July 1 and, therefore, the renewals overlap the City's calendar fiscal year. The recent increases are due to the addition of a new cyber policy reflecting the increased costs related to cyberattacks, phishing and e-mail fraud in addition to poor claims experience in the property, casualty and liability markets. The rising cost of construction and materials is also having an impact on replacement values. The City has been required to increase its replacement values to ensure that its facilities are adequately insured.

- Workers compensation insurance policies will also expire on July 1, 2023 and overlap the City's calendar fiscal year. Premiums for workers compensation insurance have been projected to increase by an overall 5% on July 1, 2023 and have been programmed for such. Premiums for workers compensation are based on staffing demographics and the rates are set for each employee classification by the National Council on Compensation Insurance. As a result some departments may experience an increase in the cost of workers compensation by more than 5% and others will experience an increase of less than 5%.

- Charges for services provided by the City's General Fund are expected to be at budgeted levels for 2022. The ambulance revenues exceeded expectations but this was offset by a change in accounting for Supplemental Emergency Medical Transport program (SEMT) funds in a separate fund. The SEMT funds will now show under transfers as they are utilized.

- Approximately 1.5 million cruise ship passengers and 656 ships have been projected to visit the Port of Ketchikan and cruise port at Ward Cove in 2023. This represents a 26.7% increase from the 1,171,620 passengers that visited Ketchikan in 2019. The City is projecting 55% of the 1.5 million passengers based on two assumptions – (1) about 25% of passengers will disembark at Ward Cove and (2) fear of a recession could affect the number of passengers sailing in 2023. We expect this will result in about 811,000 passengers disembarking at the Port of Ketchikan after adjusting for the loss of passengers to Ward Cove. The revenues and expenses of the Port Enterprise Fund have been programmed accordingly.

- Annual debt service is projected to remain nearly the same as 2022, at $6.37 million, only decreasing $1,960 in 2023.

- In 2023 departments were directed to keep operating expenditures low as possible but to also evaluate the increase in the cost of fuel, freight and materials and services to ensure their operating budget reflects these increases when necessary. Capital projects were deferred the last two years due to the COVID-19 pandemic so departments were also directed to bring back a capital budget that reflects the needs of their respective department.

Staff recognizes that some of the assumptions may require modification as more information becomes available and further direction is provided by the City Council. In particular, the projections for sales and marijuana tax revenues may need revision pending the results of third quarter sales and marijuana tax and online sales tax collections. This information will not be available until December 2022.

Issues that Impacted or May Impact the Proposed 2023 Budget and Beyond

In June of 2022, the City and the City IBEW – Local 1547 came to terms with a new collective bargaining agreement effective January 1, 2022. The non-represented employees are also given similar consideration in order to keep compensation levels equitable. This agreement resulted in a cost of living adjustment of 2.0%, 2.5%, and 4.0% for 2022, 2023 and 2024 and will be factored into the budget accordingly.

The cost of heating fuel has increased from $2.56 per gallon in January to a high of $5.73 or a 123% in July and currently remains at $4.94 or a 93% increase per gallon as of the date of this letter. The total fuel budget for general government services was originally budgeted at $360,796. The 2022 amended budget increased $100,115 and may need additional appropriations before the year is finished. The increase in fuel also affects the cost of shipping goods to Ketchikan, travel costs and the contract costs for shipping solid waste materials. In the event the utility would need to run the diesel for generation the general government departments could potentially see an additional increase in their utilities accounts. This is something that could have far-reaching impacts to Ketchikan's economy.

Employee vacancies and wages have become a major area of concern for the City. The City is competing with other local governments and businesses to hire and retain qualified personnel. It can be challenging to find qualified personnel locally and our current wages scales are not competitive. Hiring outside the community can be costly but necessary to ensure that adequate personnel is available to provide the services that make our community a desirable place to live.

Current global issues could result in continued inflation and increased cost of goods and services. The economic outlook is pointing towards a recession which could further increase costs, delay goods and affect revenues. A recession could cause housing prices to decrease, reduce state and federal funding and decrease tax revenues. The interest rates are increasing, affecting the cost of borrowing and possibly making it cost prohibitive if rates continue to increase. The 2023 budget is based on a static economy but if a recession hits Ketchikan it could significantly affect property tax and sales tax revenues as well as the number of passengers expected to visit Ketchikan.

Other Issues - State of Alaska Fiscal Challenges The State of Alaska continues to address the fiscal challenges caused by a diminishing supply of oil available for sale. While the oil prices have increased it is unclear if the State will be able to increase funding to communities. The State continues to look for ways to lower its own costs. Some of the measures taken have resulted in the elimination of services or service reductions, cuts in state revenue sharing and grant programs, and the loss of state employment in Ketchikan. The City should continue to carefully monitor future efforts undertaken by the Governor's Office and the State Legislature to develop solutions to solve the state's fiscal challenges. Some of the more important areas of interest to the City and the associated fiscal impacts are as follows:

- Public Employees Retirement System – the current PERS employer contribution rate is 22%. This is a statutory rate. It is not an actuarially determined rate required to fund the PERS. The difference between the actuarially determined rate and the statutory rate is currently funded by the State of Alaska. Any changes to the statutory rate could be costly for local municipalities. A one percent (1%) increase in the PERS employer contribution rate would cost the City about $120,000

- Community Assistance Program - this program is the old State Revenue Sharing Program. At one point, the City received as much as $700,000 under this program. In 2023, the City is projected to receive $110,000.

- University of Alaska Southeast - Ketchikan Campus – this program provides local employment development opportunities and a low cost option for many local residents attending their first two years of college or considering one of the Campus's vocational programs.

- Alaska Marine Highway System – the AMHS serves as a large employer and provides a vital transportation system that is important to the overall economic health of Ketchikan and Southeast Alaska. It is the primary means for connecting Ketchikan to the national highway system. Senator Lisa Murkowski is working to restore some of the $43.6 million the governor cut out of the state budget; without adequate operational funding, critical ferry transportation for residents and cargo is reduced or made cost prohibitive for Southeast Alaska communities including Ketchikan, which further strains Ketchikan's economy.

- Ketchikan Pioneer Home – the Pioneer Home provides local employment and a much needed long-term nursing facility for senior citizens who have chosen to make Ketchikan their home. The lack of long-term nursing facilities could result in many long-time residents being required to uproot and move away from Ketchikan.

- ADEC Clean and Drinking Water Loan Programs – this is a low interest loan program administered by the Alaska Department of Environmental Conservation. This program has been used by the City to finance many of its water and wastewater utility infrastructure projects. The programs also offers loan subsidies in the form of principal forgiveness. The elimination of these programs would increase the cost of repairing and replacing utility infrastructure and thus shifting the full cost directly to ratepayers causing utility rates to increase.

- Alaska Municipal Bond Bank Authority - this loan program is administered by the Alaska Department of Revenue that permits municipalities to issue debt based on the State's bond rating, which is usually near the top of the investment grade category. By comparison, the City's standalone bond rating is at the bottom of the investment grade category. This program has been used by the City to finance many of its building projects such as the library, fire station and hospital; and infrastructure projects for the Port and electric utility. The elimination of this program would increase the cost of financing the repair and replacement of buildings and utility infrastructure, which would then result in tax and utility rate to increases.

The remainder of this transmittal letter is devoted to a detailed financial overview of the 2023 Budget. The overview is intended to provide a better understanding of how the financial component of the budget was developed and to identify opportunities for changes that bring the proposed spending plan more in line with the goals and objectives of the City Council and the community at large.

FINANCIAL OVERVIEW OF THE
2023 GENERAL GOVERNMENT ANNUAL OPERATING AND CAPITAL BUDGET

The 2023 Budget includes all governmental funds and all proprietary funds of the City, except for Ketchikan Public Utilities. A separate budget has been prepared for Ketchikan Public Utilities. The table below summarizes the 2023 Budget and compares it with the 2022 Budget and 2021 Actual.

	2021 Actual	2022 Budget	2022 Estimate	2023 Budget
Estimated Beginning Reserves, Jan 1	$ 43,354,171	$ 43,135,058	$ 44,936,242	$ 54,525,759
Revenues and Transfers:				
Operating Revenues	46,970,122	49,217,358	51,649,969	57,946,727
Non-Operating Revenues	3,879,162	7,511,877	5,069,340	8,987,949
Total Revenues	50,849,284	56,729,235	56,719,309	66,934,676
Transfers from Other Funds	7,657,377	8,596,940	8,583,642	8,518,570
Total Revenues and Transfers	58,506,661	65,326,175	65,302,951	75,453,246
Total Funds Available	101,860,832	108,461,233	110,239,193	129,979,005
Expenditures and Transfers:				
Operating Expenditures	44,231,992	45,819,884	43,532,517	50,774,682
Capital Expenditures	5,035,221	13,551,505	3,597,275	25,315,909
Total Expenditures	49,267,213	59,371,389	47,129,792	76,090,591
Transfers to Other Funds	7,657,377	8,596,940	8,583,642	8,518,570
Total Expenditures and Transfers	56,924,590	67,968,329	55,713,434	84,609,161
Estimated Ending Reserves, Dec 31	$ 44,936,242	$ 40,492,904	$ 54,525,759	$ 45,369,844

Total funds available for appropriations in 2023, including beginning reserves of $54.53 million, is $129.98 million. The projection for total revenues in 2023 is $75.45 million, an increase of $10.13 million from 2022. The amount requested for appropriations in 2023 is $84.61 million; or $16.64 million more than 2022. Operating expenditures increased by $4.95 million, capital expenditures increased by $11.76 million and transfers to other funds decreased by $78,370. The 2023 Budget will require a $9.16 million drawdown of total General Government reserves.

The graph below gives a bird's eye view of the total reserves, total revenues and total expenditures 2017-2023. The 2017-2021 data is based on **actual** reserves, revenues and expenditures, 2022 data is based on **estimated** reserves, revenues and expenditures and the 2023 data is based on **budgeted** reserves, revenues and expenditures. As you can see the reserve balance is trending down as a result of revenues not keeping up with expenditures.

	2017	2018	2019	2020	2021	2022	2023
Reserves	38,558,498	44,507,242	48,898,175	43,025,760	44,936,242	54,527,772	45,371,858
Total Revenues	63,811,258	59,054,922	55,254,794	43,703,152	62,240,792	65,302,951	75,453,246
Total Expenditures	61,878,326	53,709,304	62,797,606	72,050,262	56,927,236	55,713,434	84,609,161

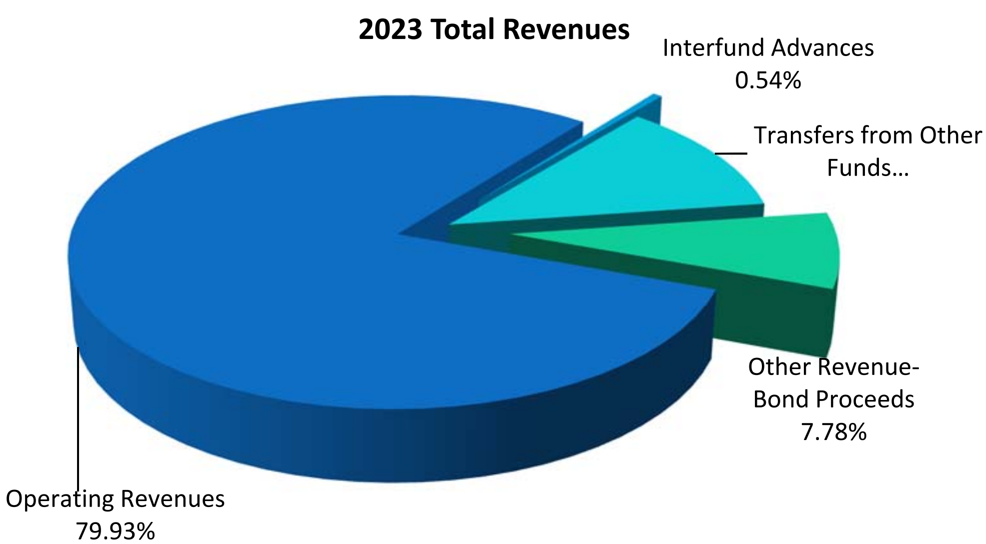
This overview contains a review of the proposed spending plan for 2023 and will include a discussion of the following areas: (1) Revenues – All Funds; (2) Transfers In from Other Funds – All Funds; (3) Operating and Capital Expenditures – All Funds; (4) Transfers Out and Advances to Other Funds – All Funds; (5) Review of Major Funds; (6) Capital Improvement Program; and (7) Debt Management.

REVENUES – ALL FUNDS

The revenues of the City come from a variety of sources. Most of the revenues are from external sources such as taxes and charges for services. Some of the revenues such as interdepartmental charges are internal to the City. This section includes a discussion of the major revenues realized by the City and information on major factors affecting the revenues. The table below summarizes the major revenues of the City.

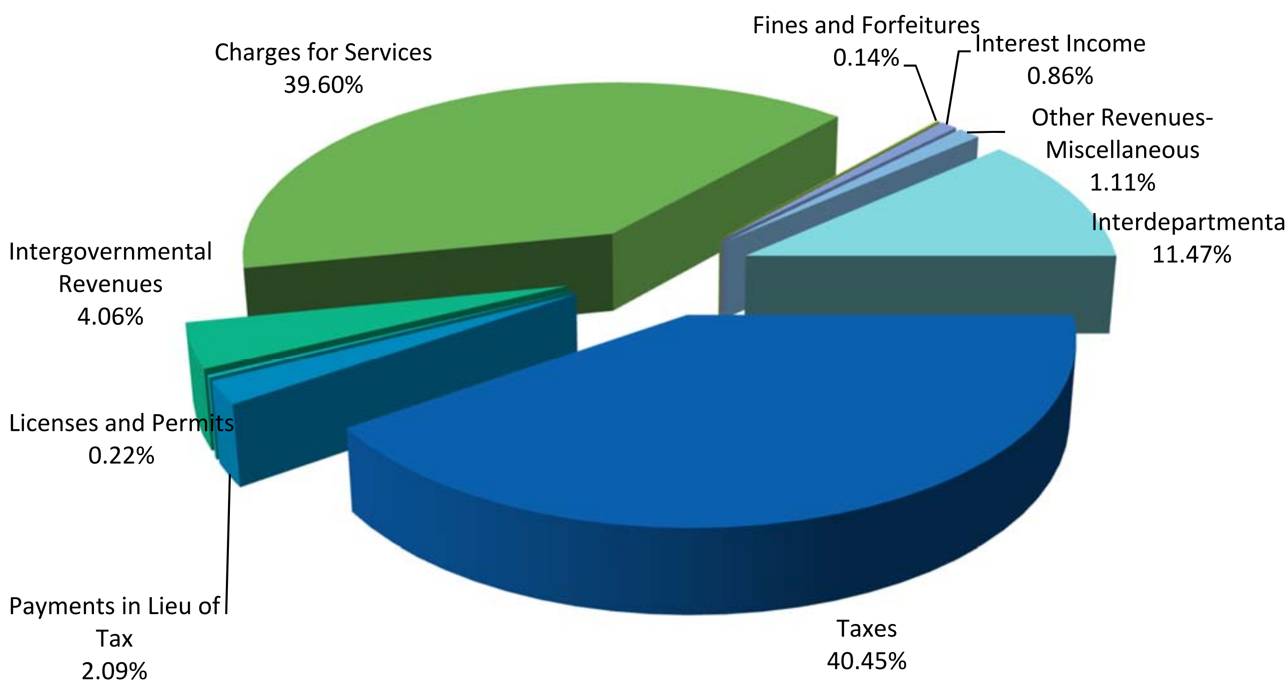
	2021 Actual	2022 Budget	2022 Estimate	2023 Budget
Operating Revenues:				
Taxes	$ 17,023,286	$ 18,638,758	$ 19,529,972	$ 23,438,900
Payment in Lieu of Taxes	1,213,857	1,301,100	1,213,428	1,210,000
Licenses and Permits	69,569	126,700	126,700	126,700
Revenue from Other Govmnts - Operating	3,090,430	1,745,093	1,794,048	2,350,375
Charges for Services	11,688,234	20,990,588	21,949,449	22,946,165
Fines and Forfeitures	63,875	63,875	95,500	83,000
Interdepartmental	5,118,780	5,868,337	5,530,458	6,648,133
Other Revenue - Miscellaneous	5,557,092	482,907	1,410,414	1,143,454
Total Operating Revenues	43,825,123	49,217,358	51,649,969	57,946,727
Non-Operating Revenues:				
Revenue from Other Govmnts - Capital	3,256,527	546,198	4,672,933	2,955,870
Interfund Advances	279,627	394,812	394,812	390,101
Transfers from Other Funds	7,657,377	8,596,940	8,583,642	8,518,570
Other Revenue - Bond Proceeds	3,388,008	6,570,867	1,595	5,641,978
Total Non-Operating Revenues	14,581,539	16,108,817	13,652,982	17,506,519
Total Revenues	$ 58,406,662	$ 65,326,175	$ 65,302,951	$ 75,453,246

The City is projecting that its operating revenues for 2023 will total $57.95 million, an increase of $6.3 million from 2022. Non-operating revenues will total $17.5 million, an increase of $1.4 million. The significant changes to revenues will be discussed below. The following chart identifies the major revenue sources of the City and their respective percentage of the total revenues projected for 2023.



The following chart identifies the operating revenues of the City and their respective percentage of total operating revenues projected for 2023.

2023 Operating Revenues



<u>**Taxes**</u>: At 40.45%, tax revenues are the highest category of operating revenues collected by the City. Previously, tax revenues were ranked second highest behind charges for services. Tax revenues are used to finance the programs of the City's General Fund, two sales tax funds and a transient tax fund. The City currently assesses four types of taxes: (1) ad valorem real and personal property taxes; (2) 4% consumer sales tax January-March, an in season tax of 5.5% April-September and an off season tax of 3.0% October-December; (3) 7.0% transient occupancy tax; and (4) 5.0% marijuana sales tax. The table below summarizes the major tax revenues of the City.

	2021 Actual	2022 Budget	2022 Estimate	2023 Budget
Property Taxes	$ 5,765,768	$ 6,286,758	$ 5,868,972	$ 5,951,900
Sales Taxes	10,295,496	11,550,000	12,680,000	16,365,000
Transient Occupancy Taxes	585,306	450,000	650,000	620,000
Marijuana Sales Taxes	257,525	250,000	230,000	400,000
Other Taxes	119,191	102,000	101,000	102,000
Total	$ 17,023,286	$ 18,638,758	$ 19,529,972	$ 23,438,900

Other taxes include automobile and liquor taxes shared by the State of Alaska with the City.

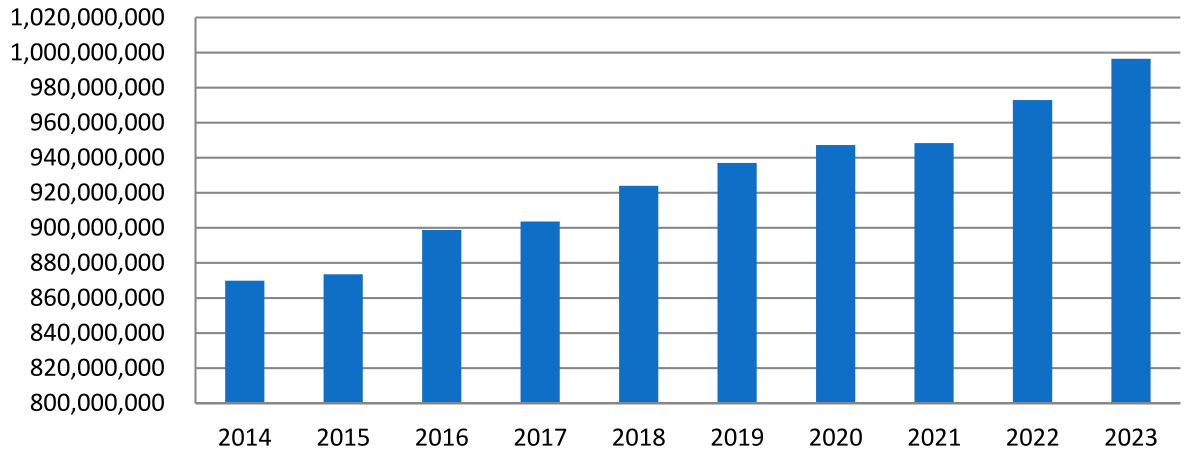
Property Taxes Revenues from property taxes are a function of assessed property values and the mill rate. Assessed property values are determined by the Ketchikan Gateway Borough Assessment Department and certified by the Borough Assembly acting as the Board of Equalization. The Borough reappraises property located within the City on a four-year cycle as follows:

Cycle 1 – residential zoned property from Schoenbar Bypass to the south City limits.
Cycle 2 – commercial and industrial zoned property.
Cycle 3 – no city property appraised in Cycle 3.
Cycle 4 – residential zoned property from Schoenbar Bypass to the north City limits.

In 2023, the Ketchikan Gateway Borough will reappraise all Cycle 4 properties. Properties not scheduled for reappraisal are generally subject to a market analysis and adjusted accordingly. Assessed values have been conservatively programmed to increase by 2.7% percent in 2023. This projection is based on a five-year average for increases in the assessed values of properties located in the City. In 2022 the overall property values increased 3.8%.

The City currently receives $6.60 per $1,000 of assessed valuation from property owners located within the City limits. If the assessed values are not sufficient to fund the budgeted revenue the Council may want to consider a mill rate increase to make up for the shortfall. A 1.0 mil increase would generate approximately $892,000 and a 0.1 mil rate increase would generate $89,200 in revenue. Actual assessed property values will not be known until the Ketchikan Gateway Borough Board of Equalization certifies the assessment roll in May of 2023. The City is required to adopt its annual mill levy by June 15 each year.

Property Tax Assessments 2014-2023

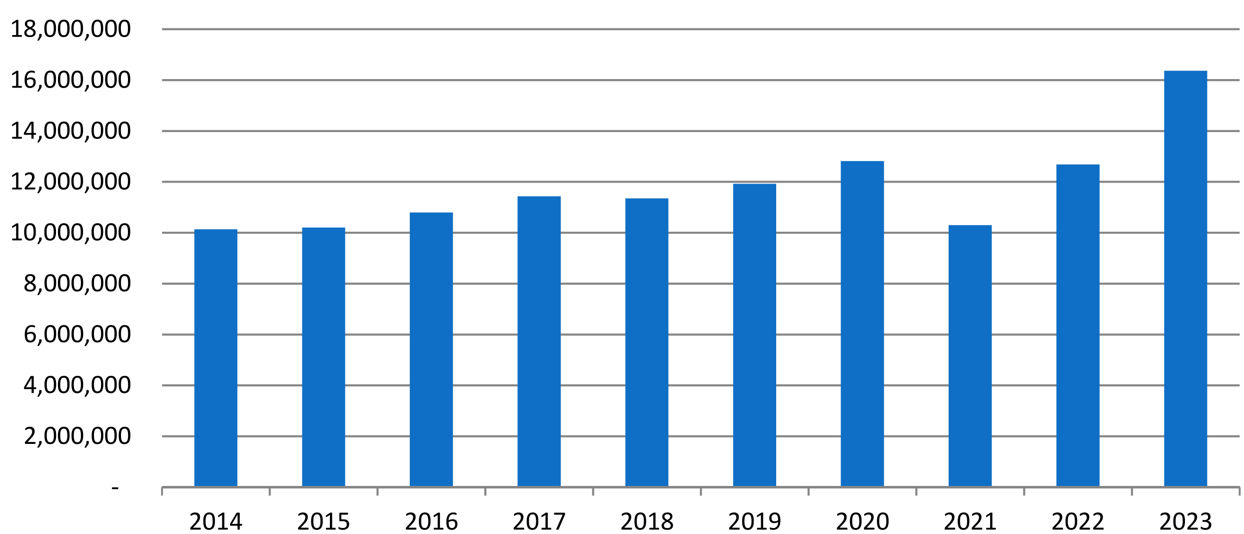


Sales Taxes Sales tax revenues are generated from a four percent sales tax imposed on retail sales within the City limits. Sales tax revenues are accounted for in three separate funds as follows:

- General Fund – 1.5% January - March, 3.0% April –September, 0.5% October-December
- Hospital Sales Tax Fund – 1%
- Public Works Sales Tax Fund – 1.5%

For 2023, sales tax revenues have been projected to total $16.4 million due to the implementation of a seasonal sales tax. The projected revenues are based on the projected taxable sales from 2022. A share of the increase will come from a 5.5% tax rate during the peak tourism months along with the increase in the cost of goods and services. For example fuel prices have doubled and don't show any signs of dropping. Also included is $500,000 for sales taxes from remote seller sales. In late 2020, the City became a member of the Alaska Remoter Sellers Sales Tax Commission and began participating in the collection of sales taxes from online sales.

Sales Tax Revenues 2014-2023



Transient Occupancy and Marijuana Sales Taxes A seven percent transient occupancy tax is assessed against consumers using overnight lodging facilities located within the City limits. This tax is used to provide financial support to the Ted Ferry Civic Center and community promotion. A five percent sales tax assessed on retail marijuana sales within the City limits became effective April 1, 2017. This tax is used to support humanitarian programs. Both taxes are in addition to the City's four percent retail sales tax. The revenues seem to have flattened in 2022 showing the need to increase the rate in order to keep up with expenditures. An increase in the Marijuana Sales Tax has been proposed for 2023 due to the increase in humanitarian funding approved and distributed in 2022. A 4.0% increase is estimated to generate an additional $170,000 in revenue.

Payment in Lieu of Taxes (PILOT): Governments are exempt from property taxes, however, many municipalities, including the City, have a policy of requiring their enterprise funds to pay an amount in lieu of property taxes. The payments in lieu of taxes are based on the estimated assessed values of enterprise fund properties located within the City limits and the proposed mill rate.

	2021 Actual	2022 Budget	2022 Estimate	2023 Budget
Ketchikan Public Utilities	$ 786,000	$ 786,000	$ 786,000	$ 786,000
Port of Ketchikan	319,000	319,000	319,000	319,000
Wastewater	80,000	80,000	80,000	80,000
Affordable Housing Programs	28,857	24,000	28,428	25,000
Total	$ 1,213,857	$ 1,209,000	$ 1,213,428	$ 1,210,000

Included in the PILOT is an estimate of the payment in lieu of taxes that will be made by certain organizations administering affordable housing programs.

Revenues From Other Governments: This category includes operating and capital grants and other forms of financial assistance from the federal and state governments. Although the City generally receives a substantial amount of revenues from other governments, the amount received tends to fluctuate widely from year-to-year. Operating grants tend to be more stable and capital grants for infrastructure and major maintenance tend to fluctuate widely from year-to-year. In 2021 the Federal ARPA funding was distributed to municipalities to help offset revenue loss and the continuation of COVID-19 mitigation programs. The City received ARPA funds of $1,999,692 in two installments of $999,846 in 2021 and 2022. The City also received $4.46 million in Local Government Lost Revenue-ARPA Funds in 2022. This funding will not continue in 2023 but staff is actively looking for other grants that are available through new grant programs in 2022. The following table below summarizes the major sources of revenues from other governments.

	2021 Actual	2022 Budget	2022 Estimate	2023 Budget
Operating Grants:				
License Refunds	$ -	$ 30,000	$ 25,000	$ 25,000
State Grants - Shared Fisheries Tax	2,562	2,500	7,550	5,000
State Raw Fish Tax	123,177	115,500	305,910	305,000
Community Assistance Program	112,311	125,000	110,000	100,000
State CPV	-	188,750	185,233	1,875,000
Fire Department Grants	37,977	409,747	64,629	21,875
Library Department Grants	-	7,000	7,000	7,000
Museum Department Grants	37,880	104,000	82,000	10,000
CARES Act	674,175	-	-	-
Federal-Operating Grants	-	-	-	-
NEU (Non Entitlement Units)	999,847	999,846	1,005,226	-
Other	2,200	1,500	1,500	1,500
	1,990,129	1,983,843	1,794,048	2,350,375
Capital Grants:				
Police Department Grants	-	248,702	-	248,702
Museum Department Grants	-	-	85,000	75,000
Public Works Grants	-	-	1,950,000	2,500,000
Harbors Grants	532,659	58,746	131,746	132,168
Port Grants	3,824,169	-	2,506,187	-
	4,356,828	307,448	4,672,933	2,955,870
Total	$ 6,346,957	$ 2,291,291	$ 6,466,981	$ 5,306,245

Capital grant awards are subject to the availability of funding and tend to be project specific. All of the programmed $2,707,168 in grant revenues to be received from other governments in 2023 has been awarded to the City. The capital grants will be used for the Salmon Walk project, Harbor projects, Schoenber Culvert Rehabilitation project, and Tongass Avenue Sewer Force Main project. A security camera system for the Ketchikan Gateway Borough School District which will be funded by a COPS grant acquired by the Ketchikan Police Department.

The State's raw fish tax is subject to harvest volumes and market prices for fish, this variance tends to make the amount the City receives a challenge to projects. Seventy-seven percent of the raw fish tax is dedicated for harbor infrastructure improvements. The remaining 23% is accounted for in the KPU Enterprise Fund and is used to subsidize water rates for the seafood processors.

Funding for the Community Assistance Program for 2023 is predicated on the Alaska Legislature funding the program for FY2023. The State Commercial Passenger Vessel Excise Tax that is shared with the City is based on the number of cruise ship passengers visiting the State of Alaska. The City receives $2.50 per passenger arriving at the Port of Ketchikan. The City is expecting to receive approximately $1,875,000 in CPV Excise Tax after a full cruise ship season in 2022. While the number of ships visiting Ketchikan resumed to reflect a full cruise ship season, the number of passengers onboard the cruise ships is at 70-80% capacity. The City is expecting the passenger counts to increase as passengers build confidence in health and safety standards onboard cruise ships and CDC rules are relaxed. The City's projections remain conservative due health and safety concerns as well as the economic conditions and rising inflation facing the Country. The increasing cost of goods and services could push travelers to travel closer to home in an effort to save money.

<u>Charges For Services</u>: Charges for services accounts for 39.6% of the City's total operating revenue and is the second largest source of operating revenues. It includes user fees for general government and utility services provided by the City. Fees for services include building inspections and plan reviews, parking, emergency medical services including transportation, harbor moorage, port dockage, library facilities for residents and nonresidents of the City, solid waste collection and disposal, and wastewater. The following table summarizes the major categories of charges for services.

	2021 Actual	2022 Budget	2022 Estimate	2023 Budget
Parking	$ 74,560	$ 90,000	$ 98,000	$ 98,000
Ambulance	653,004	600,000	854,000	700,000
E-911 Services	394,141	390,000	390,000	390,000
Borough Library Services	523,051	516,326	522,275	519,998
UAS Library Services	44,526	-	-	-
Civic Center	17,293	105,000	89,000	85,000
Solid Waste Fees	3,465,352	3,755,440	3,800,621	3,879,845
Wastewater Fees	3,459,403	3,467,350	3,491,200	3,491,000
Harbor Fees	1,550,342	1,579,000	1,609,000	1,609,000
Port Fees	1,353,021	9,960,950	10,728,820	11,793,200
Museum Fees	46,854	152,500	202,564	212,100
Tideland Leases	108,997	55,000	55,000	55,000
Other	106,687	374,000	163,969	168,022
Total	$ 11,797,231	$ 21,045,566	$ 22,004,449	$ 23,001,165

Total charges for services for 2023 have been projected to increase from 2022 by $1.96 million, or by 9.3%, to $23.0 million. Most of the revenues from fees for service will remain unchanged for 2023, except for the following:

- Fees for the port, museum and ambulance services have been projected to collectively increase by $1.9, or 18.6%, due to the resumption of the cruise ship season. Port fees accounts for 92.0% of the increase. The projections for 2023 are based on a cruise ship season operating at slightly higher than 2022 levels after factoring in the loss of about 26.7% of traffic volume to the berthing facilities located at Ward Cove.

<u>Interdepartmental Charges</u>: Interdepartmental charges are fees assessed against the revenue generating and enterprise funds that collect fees from users and other funds of the City. The General Fund and the Self-Insurance Fund provides certain services for these funds. The services include City Council, City Clerk, Legal, Engineering, Central Garage, Finance, Information Technology, Human Resources, and Risk Management. Since KPU maintains a separate garage, it is not charged for this service.

	2021 Actual	2022 Budget	2022 Estimate	2023 Budget
KPU	$ 2,099,442	$ 2,412,607	$ 2,293,513	$ 2,832,500
Port Fund	232,068	277,760	260,137	332,523
Harbor Fund	130,510	170,210	151,613	206,790
Solid Waste Fund	305,131	399,640	344,725	433,900
Wastewater Fund	397,414	530,410	459,090	594,430
Self Insurance Fund	1,954,215	2,077,710	2,021,380	2,247,990
Total	$ 5,118,780	$ 5,868,337	$ 5,530,458	$ 6,648,133

Interdepartmental charges are determined using a variety of methods. The amount charged for the cost of services provided to KPU is based on a model developed by a consultant engaged by the KPU Telecommunications Division. Services charged to other revenue generating funds of the City are based on labor. An increase of $779,796 for Interdepartmental charges has been programmed in 2023. Premiums for property and liability insurance continue to rise because of poor claims experience at the national level and replacement values have been impacted by the rising cost of construction and building materials. As a result, insurance premiums have been projected to increase by $170,280. For information about insurance premiums, please refer to the Risk Management section of the 2023 Budget. The increase in other interdepartmental services of $609,516 is a result of increased personnel services and the overall cost of goods and services for those divisions that provide services to the KPU, Port, Harbor, Solid Waste and Wastewater Funds.

TRANSFERS IN FROM OTHER FUNDS – ALL FUNDS

Transfers in from other funds include operating subsidies, the movement of financial resources from one fund to another, in order to share the cost of programs or activities accounted for in another fund and the transfer of financial resources for debt service. For 2023, $8.9 million has been programmed for transfers in from other funds to the funds listed below.

	2021 Actual	2022 Budget	2022 Estimate	2023 Budget
General Fund	$ 3,362,497	$ 3,347,451	$ 3,517,617	$ 3,486,666
Community Grant Fund	134,375	134,375	157,890	180,000
Major Capital Improvements Fun	-	-	-	580,000
CPV Capital Improvement Fund	-	865,000	794,151	100,000
GO Bond Debt Service Fund	3,539,307	3,623,114	3,507,990	3,622,404
Port Fund	479,774	420,911	482,627	27,500
Port Repair & Replacement Fund	521,051	522,000	522,000	522,000
Self Insurance Fund	-	78,901	78,901	390,101
Total	$ 8,037,004	$ 8,991,752	$ 9,061,176	$ 8,908,671

For detailed information about transfers in, please refer to the Transfers and Advances section of the 2023 Budget.

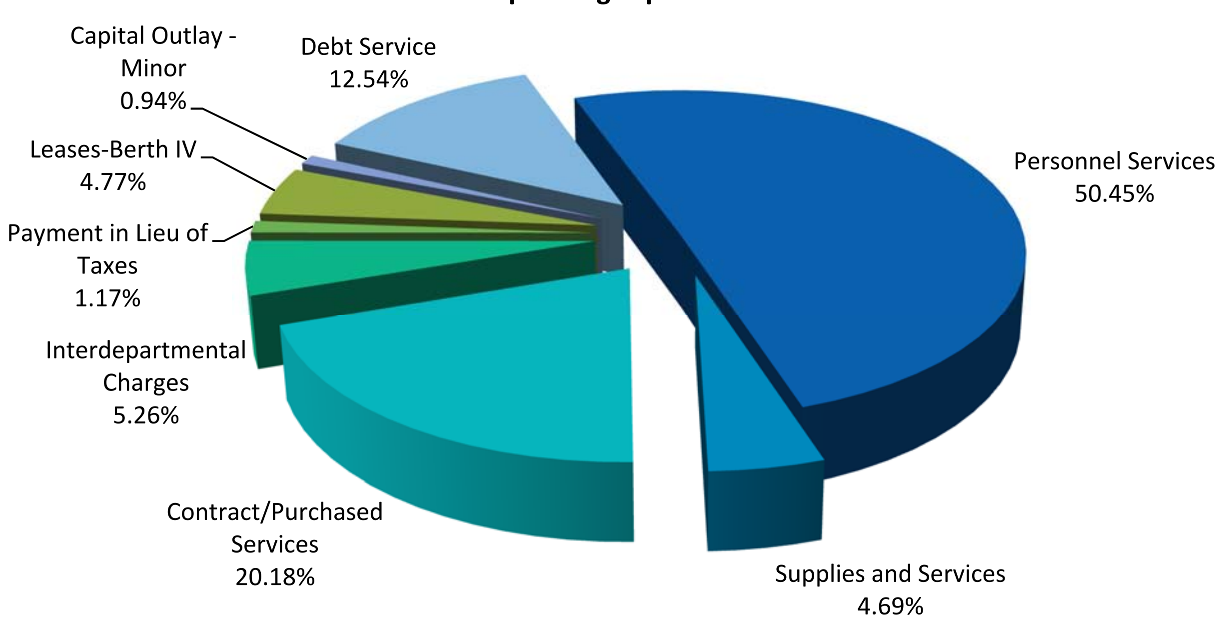
OPERATING AND CAPITAL EXPENDITURES – ALL FUNDS

Total operating and capital expenditures in the amount of $84.6 million have been programmed for 2023. The table below summarizes the major expenditures of the City and compares 2023 with 2022 and 2021.

	2021 Actual	2022 Budget	2022 Estimate	2023 Budget
Personnel Services	$ 19,833,622	$ 23,089,158	$ 21,653,798	$ 25,613,562
Supplies	1,702,214	2,019,839	2,121,743	2,381,899
Contractual and Purchased Services				
Leases - Berth IV	1,820,833	2,210,833	1,820,833	2,420,833
Other Contract. and Purch. Services	8,112,714	8,881,287	8,571,788	10,245,677
Repayment of Interfund Advance	-	-	-	-
Interdepartmental Charges	2,026,263	2,371,333	2,190,518	2,673,083
Payment In-Lieu of Taxes	566,186	629,586	588,285	592,100
Capital Outlay - Minor	255,210	246,480	252,814	478,120
Debt Service	9,472,581	6,371,368	6,332,738	6,369,408
Total Operating Expenditures	43,789,623	45,819,884	43,532,517	50,774,682
Capital Outlay - Major	5,477,790	13,551,505	3,597,275	25,315,909
Total Operating and Cap.Expenditures	$ 49,267,413	$ 59,371,389	$ 47,129,792	$ 76,090,591

Total operating expenditures for 2023 are projected to increase by $4.96 million from 2023. Capital outlay-major is projected to increase by $11.76 million. Total operating and capital expenditures have been programmed to increase by $16.72 million. The following chart summarizes the major categories of operating expenditures.

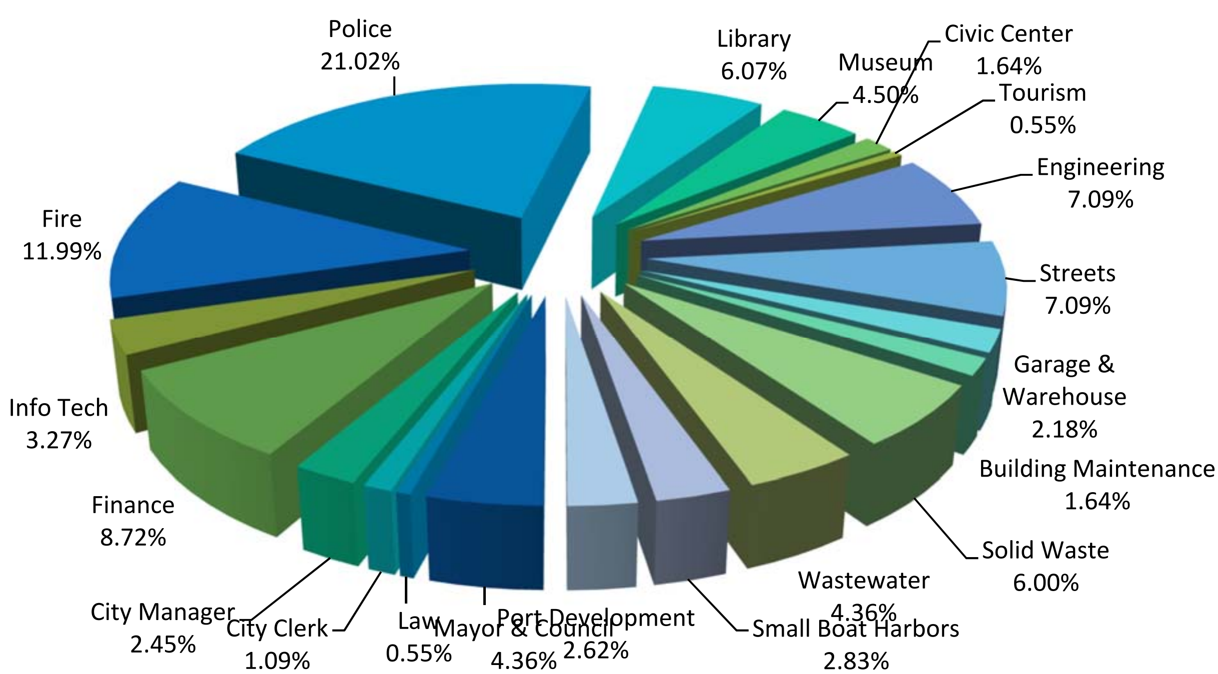
2023 Operating Expenditures



Personnel Services: The cost of personnel is projected to consume 50.45% of the City's annual operating expenses, which is the same share as 2022. This category includes salaries and wages for regular and temporary employees, overtime and employee benefits. Employee benefits include health insurance, life insurance, retirement, workers compensation, social security, unemployment, accrued leave and allowances for uniforms and clothing. The cost of personnel services is summarized as follows:

	2021 Actual	2022 Budget	2022 Estimate	2023 Budget
Salaries and Wages-Regular	$ 11,723,542	$ 12,865,853	$ 11,862,363	$ 13,761,142
Salaries and Wages-Temporary	301,634	918,837	1,115,990	1,311,220
Overtime	714,964	853,225	1,002,200	857,700
Payroll Taxes	952,719	1,120,633	1,054,095	1,220,200
Pension Benefits	2,496,668	2,720,635	2,470,785	3,018,290
Health Insurance Benefits	3,008,570	3,724,304	3,298,025	4,289,610
Workers Compensation	314,863	399,506	393,945	447,730
Other Benefits	188,171	343,500	343,630	567,830
Allowances	132,491	142,665	112,765	139,840
Total	$ 19,833,622	$ 23,089,158	$ 21,653,798	$ 25,613,562
Number of Employees (FTE)	183.065	182.375	182.375	183.425

The chart below shows how the 183.425 FTE employees are distributed among the various City departments.



The proposed level of staffing for 2023 is 183.425 FTE. An increase of 1.05 FTE's has been proposed for 2023.

Regular salaries and wages have been projected to increase by $865,289 to $13.76 million in 2023. The increase is due the negotiation of a collective bargaining agreement with the City-IBEW Local 1547, the implementation of a 2.5% COLA for 2023, and annual step increases. The costs of temporary wages have been programmed to increase by a total of $392,383 due to increased wages due to the demand for temporary workers and the resumption of the cruise ship season which requires port security while ships are in port. Overtime has also been programmed to increase by $4,475 due to staff shortages. Further overtime expense due to shortages can be offset with salary savings from vacant positions.

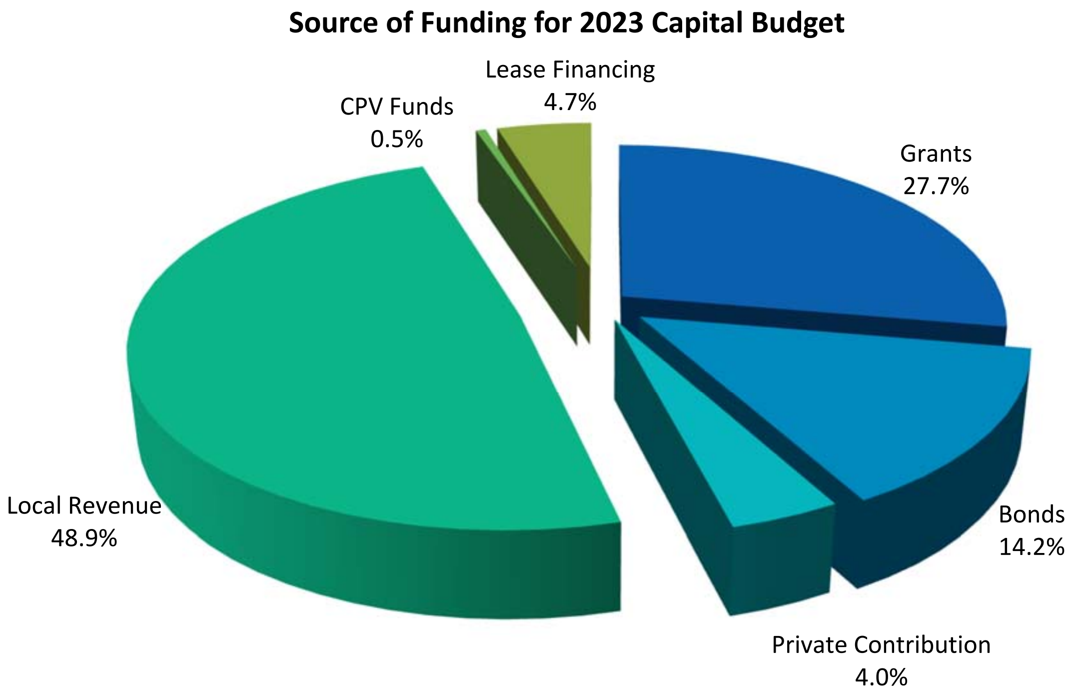
Workers compensation, which is based on a rate per $100 of compensation at the straight time rate for hours worked, has been programmed to increase by $48,224. Wages increased 2.0% in 2022 and will increase 2.5% in 2023 causing a majority of the increase for 2023. The other reason for the increase is the change in the City's workers compensation premium loss modifier, which increased from 1.15 to 1.25.

Health insurance costs, which are not based on a percentage of compensation, have been programmed to increase $565,306 due to the redistribution of the employer share of premiums due to negotiations. Health insurance premiums have been projected to increase 10%. The effective dates vary because the City participates in five health insurance plans. Health insurance premiums are also difficult to project because they are based on the claims experience of the health insurance plans, the type of coverage selected by the employee and vacancies. Three of City's plans offer different levels of coverage with different premiums and the other two offer a "one size fits all" coverage with a uniform premium. Since the annual cost of health insurance premiums range between $10,972 and $42,828, vacancies can have a significant impact on the City's total outlay for health insurance benefits for its employees.

Supplies: Supplies include office and operating supplies, maintenance materials, fuel, postage, books and publications, chemicals and similar expendable items used in operations. This category accounts for 4.69% of operating expenditures. The amount requested for supplies in 2023 is $362,060 or 17.9% more than the amount requested in 2022. This increase is being driven by an overall increase in the cost of supplies and transportation to Ketchikan.

All Other Contractual and Purchased Services: All other contractual and purchased services include travel, training, advertising, maintenance services, software and equipment maintenance agreements, leases and rentals of property and equipment, professional services, utilities and technical services. This category accounts for 20.18% of operating expenditures. The amount requested for contractual and purchased services in 2023 is $1,364,390, or 15.36%, more than the amount requested in 2022. The solid waste transport and disposal contract and the rising cost of insurance premiums accounted for most of the increases.

Capital Outlay: The amount requested for major capital outlay has been programmed to increase by $11.76 million to $25.3 million. Several projects have been deferred over the last two years and must be addressed along with completion of grant-funded projects. The amount requested for minor capital outlay has increased by $231,730 to $478,210. The chart below identifies the source of funding for the capital projects proposed for 2023. For more information regarding the City's capital spending plans for 2023, please see the 2023 – 2027 Capital Improvement Program.



Debt Service: Debt service accounts for 12.54% of operating expenses. The amount requested for debt service in 2023 is $6,369,408 or $1,960, less than the amount requested in 2022. Any new debt related to capital improvements in 2023 will require voter approval. Please see the discussion under Debt Management, which begins on page B-31, for further information about the City's debt obligations.

The General Government Budget Overview Report Section beginning with page C-1 provides additional analyses for expenditures.

TRANSFERS OUT AND ADVANCES TO OTHER FUNDS

Transfers out from other funds include operating subsidies, the movement of financial resources from one fund to another in order to share the cost of programs or activities accounted for in another fund and the transfer of financial resources for debt service. For 2023, $8.52 million has been programmed for transfers out from other funds and nothing has been programmed for advances.

	2021 Actual	2022 Budget	2022 Estimate	2023 Budget
Transfers Out:				
General Fund	$ 807,457	$ 858,953	$ 858,953	$ 866,464
Hospital Sales Tax Fund	2,983,170	2,991,545	2,991,545	2,997,075
Public Works Sales Tax Fund	2,301,236	2,350,506	2,311,876	2,358,865
Transient Tax Fund	439,163	454,907	454,907	826,684
Marijuana Sales Tax Fund	200,000	200,000	200,000	200,000
Bayview Cemetery O & M Fund	5,000	5,000	5,000	5,000
Shoreline Fund	6,374	6,374	6,374	6,374
CPV Special Revenue Fund	392,107	1,239,431	955,777	281,626
SEMT Fund	-	290,000	290,000	454,482
Port Enterprise Fund	522,000	522,000	522,000	522,000
	-			
Total	$ 7,656,507	$ 8,918,716	$ 8,596,432	$ 8,518,570

The transfers out of one fund to another have been programmed to decrease by $77,862. Transfers out from the CPV Special Revenue Fund have decreased by $957,805. Transfers out from the Transient Tax Fund increased by $371,777 because the operational costs have increased and the civic center building is need of some much needed capital improvements.

For more information about transfers out and advances, please refer to the Transfers and Advances section of the 2023 Budget.

REVIEW OF MAJOR FUNDS

This section contains a review of all the major funds of the City except for the KPU Enterprise Fund. Included are the following funds:

- General Fund
- Sales Tax Funds
  - Public Works Sales Tax
  - Hospital Sales Tax
- Special Revenue Generating Funds
  - Small Boat Harbor
  - Solid Waste Services
- Enterprise Funds
  - Wastewater
  - Port

The seven funds listed above account for $51.7 million, or 89.1%, of the City of Ketchikan's total operating revenue, $43.5 million, or 85.7%, of the City's total operating expenditures and 100% of all general government personnel. For information about the KPU Enterprise Fund, please see the 2023 KPU Operating and Capital Budget.

General Fund: The General Fund is the main operating fund of the City and is considered its most important fund. This fund provides the financial resources for the administration of the City and many of its vital services such as fire and police protection, library, museum and civic center facilities, public health, street and cemetery operations and maintenance, and the maintenance of the City's rolling stock and buildings. The General Fund accounts for:

- 153.425 of the City's 183.425 general government employees and 90.6% of its annual general government payroll;
- 39.2% of the City's annual operating revenues for general government; and
- 52.2% of the City's annual operating expenses for general government

A summary of the proposed 2023 Budget for the General Fund, with a comparison to 2022 and 2021 is provided below.

	2021 Actual	2022 Budget	2022 Estimate	2023 Budget
Revenues				
Taxes:				
Property	$ 5,765,768	$ 5,911,695	$ 5,868,972	$ 5,951,900
Sales	3,860,811	4,325,000	4,755,000	8,440,000
Other	98,943	90,000	86,000	86,000
Total Taxes	9,725,522	10,326,695	10,709,972	14,477,900
PILOT	1,213,857	1,209,000	1,213,428	1,210,000
Licenses and Permits	69,569	126,700	126,700	126,700
Intergovernmental	1,190,215	1,438,343	1,295,355	165,375
Charges for Services	1,846,361	2,014,148	2,308,758	2,159,420
Fines & Forfeitures	61,526	92,000	75,035	79,500
Other	181,632	91,000	242,407	119,500
Interdepartmental Charges	3,164,565	3,790,627	3,509,078	4,400,143
Total Revenues	17,453,247	19,088,513	19,480,733	22,738,538
Transfers In - Sales Tax Funds	2,420,000	2,420,000	2,420,000	2,420,000
Transfers In - Transient Tax	439,163	454,907	454,907	526,684
Transfers In - Marijuana Tax	200,000	200,000	200,000	200,000
Transfers In - Other Funds	303,334	593,334	442,710	339,982
Total Revenues and Transfers	20,815,744	22,756,754	22,998,350	26,225,204
Expenditures				
Personnel Services	17,303,158	19,018,176	17,423,693	20,622,892
Supplies	1,137,582	1,405,561	1,369,683	1,543,620
Contract & Purchased Services	2,327,857	2,884,771	2,782,356	3,400,108
Capital Outlay - Minor	192,397	162,834	152,314	350,470
Public Safety Grants	68,184	244,147	122,736	43,750
Interdepartmental Charges	473,851	496,703	466,163	555,803
In-Kind Services	-	21,286	-	-
Capital Outlay - Major	12,499	50,000	50,000	235,000
Total Expenditures	21,515,528	24,283,478	22,366,945	26,751,643
Transfers Out	807,457	858,953	858,953	866,464
	22,322,985	25,142,431	23,225,898	27,618,107
Surplus (Deficit)	$ (1,507,241)	$ (2,385,677)	$ (227,548)	$ (1,392,903)
Reserves at December 31	$ 5,765,620	$ 2,770,659	$ 5,538,072	$ 4,145,169
Number of Employees	153.375	153.375	153.375	153.425

The General Fund relies heavily on tax revenues to finance its operations. Between tax revenues that are deposited directly into the General Fund, tax revenues transferred from other funds, and the PILOT that is assessed against enterprise funds of the City, a total of about $15.69 million of tax revenues has been programmed to finance 59.82% of the General Fund's $27.62 million budget for 2023. Charges for services and interdepartmental revenues have been forecasted to finance $6.56 million, or 23.8% of the General Fund's 2023 Budget. For more information about tax revenues and charges for services, see pages B-9, B-10, B-11, B-12, B-13, and B-14.

The biggest expenditure of the General Fund is personnel services, which amounts to $20.6 million and accounts for 77.0% of the General Fund's proposed budget for 2023. Since the General Fund's labor force is relatively static, the primary factors impacting costs are step increases, cost of living adjustments, staff turnover, retirement and health insurance costs. Employer contribution rates for retirement plans have remained unchanged since 2013. The cost of employee benefits is approximately 37.8% of compensation. For more information about the cost of personnel services, see page B-17, B-18 and B-19.

Although a deficit of $1.39 million has been programmed for the General Fund in 2023, it is somewhat unlikely that it will materialize because the City rarely comes close to spending all the appropriations of the General Fund. Prior to the COVID-19 pandemic, the City has spent, on average about 91% of the General Fund's annual appropriations. In 2020 and 2021 the percentage of expenditures was much less due a hiring freeze and reduced budgets to mitigate losses resulting from the pandemic. In 2022 the cost of personnel wages and benefits, materials and services have increased so we are projecting to spend approximately 93.67% of budgeted expenditures. Due to current economic factors there is an expectation that costs will continue to increase. If the City were to spend 95% of budgeted expenditures the deficit would be $55,321 and the reserve balance would be $5,482,751. Given the uncertainty of the economy, the most likely outcome is that the General Fund will realize a deficit.

Under the City's fund balance policy, which requires reserves of no less than 25% of expenditures, reserves at the end of 2023 should amount to $6.90 million in order to be in compliance with the policy. The projected reserves balance, which is based on the assumption that all appropriations will be spent by the end of 2023, is $4.15 million, which represents a $2.75 million shortfall. It is important to note that expenditures in fiscal year 2024 will be less once grant funds are fully expended thus the fiscal year 2024 reserve requirement may be less.

***Sales Tax Funds*:** The City currently assesses a sales tax rate of 4%. Sales tax collections are accounted for in the General Fund and the City's two sales tax funds. The proceeds from the 1.5% City Public Works Sales Tax are accounted for in the Public Works Sales Tax fund. The proceeds from the 1% City Hospital Sales Tax are accounted for in the Hospital Sales Tax Fund. The remaining 1.5% goes into the General Fund.

The Council implemented a seasonal sales tax starting April 1, 2023. The sales tax rate will increase to 5.5% and will be effective April 1 through September 30. An off season rate of 3.0% will be effective October 1 through March 31 starting in October of 2023.

In 2023, the General Fund will receive 1.5% January 1 through March 31, 2023, 3.0% April 1 through September 30, 2023 and 0.5% October 1 through December 31, 2023. The Public Works Sales Tax Fund will continue to receive 1.5% and the Hospital Sales Tax Fund will continue to receive 1.0% annually.

The **Public Work Sales Tax Fund** is the primary source of local funding for major maintenance and capital projects for departments and functions that are not supported by the revenue-generating or enterprise funds of the City. An annual transfer of $2 million is also made from the Public Works Sales Tax Fund to the General Fund to support public works operations accounted for in the General Fund. The total cost of the public works functions accounted for in the General Fund is $5.3 million. Transfers are also made to the Community Grant Fund to support the City's Community Grant Program.

A summary of the proposed 2023 Budget for the Public Works Sales Tax Fund, with a comparison to 2022 and 2021 is provided below.

	2021 Actual	2022 Budget	2022 Estimate	2023 Budget
Revenues				
Sales Taxes	$ 3,860,811	$ 4,325,000	$ 4,755,000	$ 4,755,000
Intergovernmental - LGLR-ARPA	-	1,950,000	1,950,000	-
Other	17,023	7,500	54,000	33,000
Total Revenues	3,877,834	6,282,500	6,759,000	4,788,000
Expenditures				
General Government	-	20,000	-	20,000
Fire and Police	77,421	1,011,000	961,558	1,060,130
Library, Museum and Civic Center	-	200,000	153,907	49,800
Public Works	337,385	2,188,920	765,746	5,270,625
Transfers to General Fund	2,000,000	2,000,000	2,000,000	2,000,000
Transfers to Community Grant Fund	50,390	50,390	59,210	67,500
Transfers to CPV Capital Improv. Fund	-	-	-	-
Transfers to GO Debt Service Fund	250,846	291,296	252,666	291,365
Total Expenditures	2,716,042	5,761,606	4,193,087	8,759,420
Surplus (Deficit)	$ 1,161,792	$ 520,894	$ 2,565,913	$ (3,971,420)
Reserves at December 31	$ 5,219,051	$ 5,657,060	$ 7,784,964	$ 3,813,544

The proposed budget for the Public Works Sales Tax Fund is expected to generate a deficit of $3.97 million. Approximately 73.0% of the expenditures programmed for this fund are for major maintenance or capital improvements. The actual disbursement of these expenditures is contingent on such factors as the weather, the availability of contractors to perform the work, and project coordination with other City departments and the State of Alaska. The transfers to the General Fund and the Community Grant Fund will occur as programmed. The $2 million transfer to the General Fund is used to partially offset the cost of the Public Works functions accounted for in the General Fund and is necessary in order to keep the programmed mil rate at 6.6.

The Public Works Sales Tax Fund is projected to end 2023 with $3.8 million in reserves. Prior to the COVID-19 pandemic, the average annual capital expenditures were $3.6 million. Since 2019 inflation has increased The Fund balance policy has targeted this fund to maintain 25% of annual expenditures plus an amount consistent with the capital improvement plan. Management is recommending a minimum reserve balance of $4.9 million. This recommendation is based on the age of the City's infrastructure, the increase in the cost of materials and services, the need to continue the transfer to help fund public works operations in the General Fund and the limited availability of funding to finance capital improvements for functions that are not supported by user charges. In addition, the City cannot issue general obligation or revenue bonds without voter approval. For this reason it important to maintain adequate reserves to address contingencies and emergency repairs.

The **Hospital Sales Tax Fund** is primarily used to accumulate and account for resources to be used to acquire, operate and maintain city owned health care facilities. Resources not required to satisfy its primary purpose may, at the discretion of the City Council, be used for public works purposes or to partially pay for the general operational cost of the City government. Currently, the Hospital Sales Tax Fund is providing the resources required for the annual debt service on the 2014 Hospital General Obligation Bond and a $420,000 transfer to the General Fund that is used to help hold the mill rate at the level currently programmed. The fund is also used to cover the cost of major maintenance that may be required for the Ketchikan Medical Center and funding for the Community Grant Program.

A summary of the proposed 2023 Budget for the Hospital Sales Tax Fund, with a comparison to 2022 and 2021 is provided below.

	2021 Actual	2022 Budget	2022 Estimate	2023 Budget
Revenues				
Sales Taxes	$ 2,573,874	$ 2,900,000	$ 3,170,000	$ 3,170,000
Hospital Lease	25,000	100,000	100,000	100,000
Other	59,170	9,000	23,310	18,000
Total Revenues	2,658,044	3,009,000	3,293,310	3,288,000
Expenditures				
Health Care Operations	94,145	155,130	155,130	155,140
Health Care Facility Improvements	79,256	62,000	12,000	50,000
Transfers to General Fund	420,000	420,000	420,000	420,000
Transfers to Community Grant Fund	33,595	39,470	39,470	45,000
Transfers to GO Debt Service Fund	2,529,575	2,532,075	2,532,075	2,532,075
Total Expenditures	3,156,571	3,208,675	3,158,675	3,202,215
Surplus (Deficit)	$ (498,527)	$ (199,675)	$ 134,635	$ 85,785
Reserves at December 31	$ 2,865,340	$ 2,388,060	$ 2,999,975	$ 3,085,760

A surplus of $85,785 has been programmed for the Hospital Sales Tax Fund for 2023 and end of the year reserves have been projected to total $3.09 million. Currently, 77.0% of the sales tax revenues of the Hospital Sales Tax Fund must be set aside for debt service on the 2014 Hospital General Obligation Bond. Given the potential volatility of sales tax revenues, maintaining an adequate level of reserves is important in order for the City to keep its promise to the voters that it would not increase property taxes to pay for the debt service on the 2014 Hospital General Obligation Bond. In addition, the City should maintain sufficient reserves to cover emergency repairs for the older sections of the Ketchikan Medical Center, some of which are nearly 50 years old.

Based on projected reserves of $3.09 million, the City has sufficient reserves for 1.2 times annual debt service. This is an increase from .94 times annual debt service in 2021. The reserve component for debt service should not be permitted to fall below $2.5 million, or approximately 1.0 times annual debt service. The balance of reserves should be dedicated for emergency repairs and contingencies. Given that the Ketchikan Medical Center is a very important asset to community, the City should consider engaging the services of a consultant to determine how much should be put aside in reserves for emergency repairs and other contingencies and whether or not it should continue the practice of transferring about $460,000 annually to the General and Community Grant Funds. The Council should consider discontinuing the transfer to the General Fund in order increase reserves to a level that is sufficient to make emergency repairs and address contingencies as needed. Just in the past 10 years, the City has transferred $4.2 million to the General Fund. The decrease or discontinuation of the transfer to the General Fund could reduce the need for significant bond funding at a later date but would require the development of other sustainable funding strategies to make up the shortfall in the General Fund.

Special Revenue Generating Funds: The City has two special revenue generating funds. They are the Small Boat Harbor Fund and the Solid Waste Services Fund.

A summary of the proposed 2023 Budget for the **Small Boat Harbor Fund**, with a comparison to 2023 and 2021 is provided below.

	2021 Actual	2022 Budget	2022 Estimate	2023 Budget
Revenues				
Charges for Services	$ 1,550,342	$ 1,579,000	$ 1,609,000	$ 1,609,000
Shared Fisheries Tax	2,562	2,500	7,550	5,000
Other	3,856	4,000	7,365	8,500
Total Revenues	1,556,760	1,585,500	1,623,915	1,622,500
Expenditures				
Personnel Services	583,257	705,881	646,180	727,654
Supplies	47,722	77,935	77,935	90,925
Contract/Purchased Services	384,876	331,880	329,690	343,490
Minor Capital Outlay	3,652	12,050	12,050	18,700
Major Capital Outlay	-	-	-	-
Interdepartmental Charges	210,663	257,386	235,910	299,930
Debt Service	348,550	349,425	349,425	349,675
Total Expenditures	1,578,720	1,734,557	1,651,190	1,830,374
Surplus (Deficit)	$ (21,960)	$ (149,057)	$ (27,275)	$ (207,874)
Reserves at December 31	$ 751,342	$ 623,109	$ 724,067	$ 516,193
Number of Employees	5.20	5.20	5.20	5.20

The Small Boat Harbor Fund is used to account for the resources required to operate and maintain City owned and managed harbors. It relies primarily on user fees to support its operations and provide for debt service. The fund's ability to support capital spending is currently limited to minor capital outlay. The current rate structure is not adequate to support major capital outlay. If there are no plans to increase rates in the immediate future to support capital spending, the Harbor Department will have to rely on the proceeds from the State's raw fish tax, grants and/or future bond issues to finance major capital improvements for the City's harbors. If bond financing is used to fund capital improvements, harbor rates would eventually have to be adjusted accordingly to provide for the annual debt service.

The short-term finances of the Small Boat Harbor Fund are adequate but its reserves are projected to continue to decrease because revenues are not keeping up with increasing operational costs. As stated in 2021, the City Council should give serious consideration to raising harbor fees or modifying the rate structure to account for inflation and stem the outflow of reserves in order to keep rate increases stable and avoid unnecessary spikes in the rates. The fund is projected to incur a deficit of $207,874 in 2023 and end the year with a fund balance of $516,193. The City's fund balance policy requires 6 months of operations costs which is $915,187 or 25% of total costs $457,594. There is insufficient revenue to support basic operations as well as a years-long waiting list for harbor services; both aspects support an increase in harbor rates.

A summary of the proposed 2023 Budget for the **Solid Waste Services Fund**, with a comparison to 2022 and 2021 is provided below.

	2021 Actual	2022 Budget	2022 Estimate	2023 Budget
Revenues				
Charges for Services	$ 3,465,352	$ 3,755,440	$ 3,800,621	$ 3,879,845
Other	1,623	1,750	7,100	8,000
Total Revenues	3,466,975	3,757,190	3,807,721	3,887,845
Expenditures				
Personnel Services	1,226,097	1,240,370	1,189,175	1,385,625
Supplies	251,753	304,380	303,521	317,568
Contract/Purchased Services	1,417,840	1,670,959	1,670,650	1,825,343
Minor Capital Outlay	2,200	23,900	23,900	35,100
Major Capital Outlay	-	180,000	135,000	375,000
Interdepartmental Charges	395,061	488,679	435,775	526,830
Total Expenditures	3,292,951	3,908,288	3,758,021	4,465,466
Surplus (Deficit)	$ 174,024	$ (151,098)	$ 49,700	$ (577,621)
Reserves at December 31	$ 1,704,534	$ 1,437,707	$ 1,754,234	$ 1,176,613
Number of Employees	11.00	11.00	11.00	11.00

The Solid Waste Services Fund is used to account for the resources required to operate and maintain the municipal solid waste landfill and solid waste collection and recycling services. It relies solely on user fees to support its operations and provide for capital improvements. Bonds can also be issued to fund capital improvements.

A deficit of $577,621 has been programmed for the Solid Waste Services Fund for 2023. The deficit is the result of escalating operating costs, particularly related to solid waste transport. In 2020, the City entered into a new agreement for the transport and disposal of putrescible solid waste to regional landfill in Washington State. Since this agreement was put in place the fees for disposal have increased 17.75% at the same time the recycling costs have also increased due to limited recycling plants that are willing to take certain recyclable materials. These increases are further exacerbated by the increase in fuel costs. Rate increases approved by the City Council in 2020 were calculated to offset the increase in the disposal contract but did not include other increasing costs since they were not known at the time the rates were approved. A rate increase of 3% is factored into the 2023 budget but as is evident by deficit a rate increase of 10-15% is needed. Staff will be bringing forward a proposed increase to offset these significant cost increases that have taken place over the last two years. Management recommends an additional review of solid waste fees in order to ensure that the Solid Waste Services Fund is generating sufficient reserves to address some of the capital needs of the municipal solid waste landfill.

The Solid Waste Services Fund has the reserves to fund the deficit for 2023 but management is not recommending the use of reserves to fund operational cost increases. The fund is projected to have reserves totaling $1.17 million at the end of 2023. The minimum amount recommended under the City's fund balance policy is $1.12 million plus $977,940 that is required for closing the landfill for a total of $2.15 million. The fund is not in compliance with the City's fund balance policy once the landfill closure is factored in. The City Council will need to consider raising rates to restore funds for closing the landfill, and to keep up with increasing operating costs and comply with the Council's fund balance policy.

Enterprise Funds: The City has two enterprise funds under the General Government umbrella. They are the Wastewater Fund and the Port Fund.

A summary of the proposed 2023 Budget for the **Wastewater Fund**, with a comparison to 2022 and 2021 is provided below.

	2021 Actual	2022 Budget	2022 Estimate	2023 Budget
Revenues				
Charges for Services	$ 3,459,403	$ 3,467,350	$ 3,491,200	$ 3,491,000
Grants and Bond Proceeds	-	4,070,867	1,595	5,701,978
Other	3,528	500	18,369	18,000
Total Revenues	3,462,931	7,538,717	3,511,164	9,210,978
Expenditures				
Personnel Services	867,071	950,572	939,070	1,078,182
Supplies	218,825	261,650	259,650	287,050
Contract/Purchased Services	355,369	409,810	407,310	547,810
Minor Capital Outlay	53,109	59,000	59,000	61,650
Major Capital Outlay	521,127	5,105,867	451,535	7,004,478
Interdepartmental Charges	502,008	641,434	569,390	704,990
Debt Service	162,491	162,829	162,829	162,829
Payment in Lieu of Taxes	80,000	80,000	80,000	86,100
Total Expenditures	2,760,000	7,671,162	2,928,784	9,933,089
Surplus (Deficit)	$ 702,931	$ (132,445)	$ 582,380	$ (722,111)
Reserves at December 31	$ 3,972,708	$ 3,744,777	$ 4,555,088	$ 3,832,977
Number of Employees	8.00	8.00	8.00	8.00

The Wastewater Fund is used to account for the resources required to operate and maintain the municipal wastewater utility. It relies solely on user fees to support its operations and provide for capital improvements. Grants, if available, and bond financing are also used to help fund capital improvements.

No rate increases have been programmed for the Wastewater Fund for 2023. As result, revenues for 2023 will be comparable to 2022. Due to little growth in residential housing and limited opportunities for commercial property expansion, the customer base for the wastewater utility remains constant from year-to-year. In years when rates are not raised, revenues typically remain flat. An aggressive capital budget totaling $7.0 million has been programmed for 2023. Of this amount, $4.45 million will be financed from the issuance of debt. For more information about the proposed capital program, please see the Wastewater Division's 2023 – 2027 Capital Improvement Program. The fund is expected to generate a deficit of $716,011 in 2023 and end the year with $3.8 million in reserves. A series of six rate increases over a six year period have helped to restore and strengthen the finances of the Wastewater Fun but the City Council will need to consider a rate increase upon completion of bond funded capital projects in order to fund the increase in debt service.

Under the City's fund balance policy, the Wastewater Fund should maintain a minimum reserve balance of three months of operation or $1.46 million. The fund balance policy also recommends that 25% of total expenditures or $2.48 million remain in reserves. The proposed budget for the Wastewater Fund for 2023 satisfies the City's fund balance policy.

A summary of the proposed 2023 Budget for the **Port Fund**, with a comparison to 2022 and 2021 is provided below.

	2021 Actual	2022 Budget	2022 Estimate	2023 Budget
Revenues				
Charges for Services	$ 1,353,021	$ 9,960,950	$ 10,728,820	$ 11,793,200
Grants and Bond Proceeds	3,824,169	2,506,187	2,506,187	-
Transfers In - CPV	100,147	105,000	7,500	27,500
Advances	379,627	315,911	315,911	-
Other	2,023,983	12,786	11,462	25,000
Total Revenues	7,680,947	12,900,834	13,569,880	11,845,700
Expenditures				
Personnel Services	642,092	1,419,651	1,376,480	1,480,309
Supplies	41,735	94,254	94,254	118,200
Contract/Purchased Services	374,875	573,316	523,816	636,370
Berth IV Lease	1,820,833	1,821,583	1,820,833	2,420,833
Minor Capital Outlay	3,652	7,050	5,550	12,200
Major Capital Outlay	146,772	280,685	14,677	6,583,687
Interdepartmental Charges	441,866	505,760	483,150	579,420
Debt Service	2,230,172	2,236,000	2,236,000	2,234,500
Property Taxes	486,186	496,200	486,999	506,000
Transfer to Port R&R Fund	521,051	522,000	522,000	522,000
Total Expenditures	6,709,234	7,956,499	7,563,759	15,093,519
Surplus (Deficit)	$ 971,713	$ 4,944,335	$ 6,006,121	$ (3,247,819)
Reserves at December 31	$ 5,128,569	$ 4,895,441	$ 11,134,690	$ 7,886,871
Number of Employees	4.80	4.80	4.80	4.80

The Port Fund is used to account for the resources required to operate and maintain the Port of Ketchikan. It relies solely on user fees to support its operations and provide for capital improvements. Grants from the State of Alaska and bond financing are also used to help fund capital improvements.

The COVID-19 pandemic severely impacted the finances of the Port Enterprise Fund. At the beginning of 2020, the Port Enterprise Fund was well positioned to receive a record 1,260,000 passengers, generate a surplus of $3.28 million and conclude the year with $13.7 million in reserves. The cancellation of the 2020 cruise season and a minimal cruise season in 2021 showed how dependent the Port and community are on a vibrant and growing tourism industry. As a result of the cancellation of the season, operating revenues decreased from a projected $11.5 million to $82,139 and finished 2020 with $4.1 million in reserves. The 2021 season generated $1.35 million in operating revenues which is 8% of the 2019 season leaving big gaps in the already ailing port fund. The port fund is on its way to recovery but will need assistance to fund the future capital needs in order to remain to preferred destination in Southeast Alaska.

The 2023 Budget for the Port Enterprise Fund was based on the premise that the cruise lines will be operating at full capacity in Southeast Alaska in 2023, taking into consideration a 25% reduction in revenue due to passenger loss to Ward Cove and a conservative passenger count stemming from the ongoing increases in inflation and an expected recession

CAPITAL IMPROVEMENT PROGRAM

The proposed 2023- 2027 Capital Improvement Program (CIP) was developed to address the long-term capital needs of the community and ensure the proper maintenance of the City's infrastructure. The estimated cost of the CIP for the five-year period ending December 31, 2027 is $183.55 million. The first year of the CIP, also known as the Capital Budget, has been incorporated into the 2023 General Government Operating and Capital Budget. The cost of the 2023 Capital Budget is $25.32 million, of which $11.51 million will be funded from local revenues. For detailed information regarding specific projects, please refer to the CIP, which contains cost estimates and narratives for each project.

DEBT MANAGEMENT

In 2023, the City will have to fund the annual debt service for nine general obligation bonds totaling $47,313,001, three revenue bond issues totaling $21,450,177 and two capital leases totaling $1,026,821. The table below summarizes the City's 14 outstanding debt issues and their annual debt service requirements.

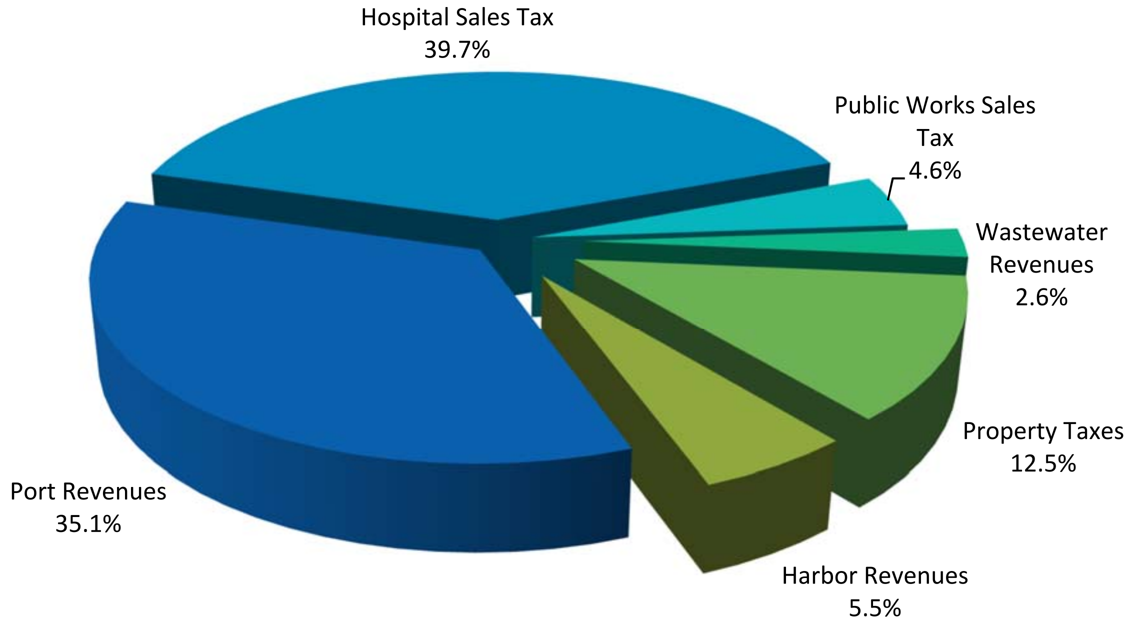
Issue	Balance Jan 1, 2023	Final Maturity	Type	Annual Debt Service Requirements 2022 Budget	2022 Estimate	2023 Budget
2016 Port Refund	$ 20,990,000	2035	Revenue	$ 2,236,000	$ 2,236,000	$ 2,234,500
Wastewater 481011	485,342	2032	GO	52,447	52,447	52,447
Wastewater 481071	188,768	2033	GO	17,933	17,933	17,933
Wastewater 481072	194,372	2033	GO	18,465	18,465	18,465
Wastewater 481101	449,519	2035	GO	36,908	36,908	36,908
Wastewater 481111	188,740	2033	Revenue	17,930	17,930	17,930
Wastewater 481031	271,437	2038	Revenue	19,146	19,146	19,146
2010 Fire Station	2,970,000	2030	GO	458,250	458,250	458,500
2012 Library	2,820,000	2031	GO	341,493	341,493	340,464
2014 Harbor	1,930,000	2034	GO	201,925	201,925	205,925
2014 Hospital	36,900,000	2043	GO	2,532,075	2,532,075	2,532,075
2016 Harbor	1,375,000	2036	GO	147,500	147,500	143,750
2022 Ambulance Lease	240,378	2029	Lease	38,630	-	38,699
2019 Fire Lease	966,443	2027	Lease	252,666	252,666	252,666
Total	$ 69,969,999			$ 6,371,368	$ 6,332,738	$ 6,369,408

All of the bonds have been issued through the Alaska Municipal Bond Bank with the exception of the ADEC Wastewater Bonds and the Fire Equipment Lease. The Wastewater Bonds were issued through the Alaska Department of Environmental Conservation's Clean Water Loan Fund and the Fire Equipment Lease was issued through Bank of America. Bonds issued through the Bond Bank permit the City to take advantage of the Bond Bank's AAA credit rating and lower issuance costs. The ADEC loans are subsidized by the federal government and carry an interest rate of 1.5%.

The table below summarizes where the funds will come from to pay for the annual debt service.

Source	Amount
Port Revenues	$ 2,234,500
Hospital Sales Tax	2,532,075
Public Works SalesTax	291,365
Wastewater Revenues	162,829
Property Taxes	798,964
Harbor Revenues	349,675
Total	$ 6,369,408

Source of Funding for 2023 Debt Service



Total annual debt service in the amount of $6,369,408 has been programmed in the 2023 Budget. On January 1, 2023 the total debt service required to maturity, including interest of $29,100,463, will be $99,070,462. Please see page C-17 for schedule of the City's debt obligations. For information regarding bonds issued for KPU, please see page C-7 of the 2023 KPU Operating and Capital Budget.

CONCLUSION

The proposed 2023 Budget allows for the continuation of basic local government services as well as needed infrastructure maintenance and improvements. It is a fiscally responsible spending plan that employs a number of strategies to ensure that cash flows will be sufficient to permit the City to continue operations throughout the year.

A secondary goal for this budget was to ensure that the City would have sufficient reserves on hand at the end of 2023 that could be used for emergency needs in 2023 or balance the City's budget for future years. The draft 2023 General Government Operating and Capital Budget does not achieve this secondary objective for all funds. It is imperative the Council and staff evaluate its rate structure and develop a plan to ensure the City works towards strengthening its financial situation rather than weaken it. Management would also like to make sure the City Council is considering the future needs of the City. The Port and Harbor Funds will need to plan for infrastructure improvements that are currently not possible with their respective reserves. While it has been necessary to focus on current needs, thought must be given to future projects and how to provide sufficient resources for operating and capital needs. The City Council must commit to new strategies regarding responsible rate setting, ensure timely infrastructure maintenance and replacement and remain responsive to changes later in 2023 when more definitive information becomes available about a possible recession and how the global, national, state and local economy responds. Even if Ketchikan's tourism sector improves and a recession fails to materialize management believes it is necessary to start planning for the future with good budget policies and practices if the City is to have sufficient reserves for future needs.

Over the next few weeks, the City Manager, the Assistant City Manager, the Finance Director and the department heads look forward to working with the City Council to develop a spending plan that ensures that the needs of the community stay in the forefront. By working together, staff is convinced that the challenges facing the community of Ketchikan and the City can be met and that Ketchikan will continue to be a community in which its residents desire to work and live, and enjoy a special quality of life.

We would like to take this opportunity to express our appreciation to the department heads and their respective staffs for their assistance during the preparation of the 2023 General Government Operating and Capital Budget. Special thanks go to Financial Analyst Camille Nelson, Executive Assistant Myrna Johannsen, Senior General Government Accountant Patty Keeley, Senior Electric and Water Accountant Stan Aegerter, Senior Telecommunications Accountant Joe Graham, Treasury and Customer Service Supervisor Meghan Traudt, Capital Asset and Grant Accountant Cristina Doyle and Staff Accountant Anita Beaudoin. Without their efforts and dedication, it would not have been possible to deliver this document to you in a professional and timely manner.

Respectfully submitted,

Delilah A. Walsh
City Manager

Lacey Simpson

Lacey G. Simpson
Assistant City Manager

Michelle L Joh

Michelle L. Johansen
Finance Director

(Note: This transmittal letter does not reflect any subsequent action taken by the City Council during its budget deliberations to modify the spending plan proposed for 2023.)

CITY OF KETCHIKAN, ALASKA
2023 ANNUAL BUDGET
REVENUES AND APPROPRIATIONS SUMMARY BY FUND
ALL FUNDS

	Est Funds Available	Revenues					Appropriations			Appropriated Reserves		
Fund	**Jan 1, 2023**	**Operating**	**Capital Grants**	**Bond Proceeds**	**Transfers In**	**Advances**	**Operating**	**Capital**	**Transfers Out**	**Dec. 31, 2023**	**Compliance**	**25% of Total Exp**
101 General	6,435,204	22,738,538			3,742,767		26,523,473	235,000	866,464	5,291,572	No	6,906,234
Special Revenue Tax Funds	-	-		-	-	-	-		-	-		
110 Hospital Sales Tax	3,599,130	3,288,000	-	-	-	-	155,140	50,000	2,997,075	3,684,915	None	
111 Public Works Sales Tax	8,331,782	4,788,000	-	-	-	-	-	5,772,542	2,358,865	4,988,375	No	2,032,852
210 Transient Tax	889,914	623,000	-	-	-	-	-		826,684	686,230	None	
211 Marijuana Sales Tax	88,188	400,250					185,000		200,000	103,438	None	
Special Revenue Funds - Revenue Generating	-	-		-	-	-	-		-	-		
220 Solid Waste Services	1,754,234	3,887,845	-	-		-	4,090,466	375,000	-	1,176,613	No	1,116,367
240 Small Boat Harbor	724,066	1,622,500		-	-	-	1,830,374		-	516,192	No	457,594
250 Bayview Cemetery O & M	45,455	2,800	-	-	-	-	-		5,000	43,255	CC Restricted	
251 Bayview Development	36,559	10,000	-	-	-	-	-	12,000	-	34,559	CC Restricted	
252 Cemetery Endowment	25,483	1,200	-	-	-	-	-		-	26,683	CC Restricted	
Special Revenue Funds - Other	-	-		-	-	-	-		-	-		
112 Shoreline	83,550	400	-	-	-	-	-		6,374	77,576	CC Restricted	
117 Community Grant Fund	20,629	180,000	-	-	180,000	-	360,000			20,629	Zero	
118 Economic & Parking Development	287,526	1,500	-	-		-	-			289,026	CC Restricted	
260 CPV Fund	6,590,167	1,915,000	-	-	-		478,960		510,227	7,515,980	Restricted	
280 US Marshall Property Seizure	131,692	500	-	-	-	-	-			132,192	Restricted	
285 Fire Department SEMT	454,482	500,000	-	-	-	-	-		454,482	500,000	CY Receipts	500,000
290 Federal and State Grant	-	82,900	248,702	-	-	-	331,602		-	-		
Debt Service Funds	-	-		-	-	-	-		-	-		
410 GO Bond Debt Service	-	-	-	-	3,622,404	-	3,622,404		-	-		
Capital Project Funds	-	-		-	-	-	-		-	-		
310 Major Capital Improvements	73,138	-	1,325,000	1,190,000	580,000	-	-	3,095,000	-	73,138	None	
320 Harbor Construction Fund	1,098,535	311,000	132,168	-	-	-	-	130,000	-	1,411,703	Restricted	
330 Community Facilities Development	2,652,726	-	-	-	-	-	-	65,990	-	2,586,736	None	
340 Hospital Construction Fund	1,011,422	-	-	-	-	-	-	1,009,899	-	1,523	Restricted	
360 CPV Capital Improvement Fund	2,529	-	-	-	100,000		-	100,000	-	2,529	Restricted	
Enterprise and Internal Service Funds	-	-		-	-	-	-		-	-		
505 Wastewater Services	4,583,088	3,509,000	1,250,000	4,451,978	-	-	2,928,611	7,267,478	-	3,597,977	Yes	2,549,022
510 Ketchikan Port Fund	11,134,690	11,818,200	-	-	-	-	7,944,054	6,531,187	522,000	7,955,649	Yes	3,749,310
511 Port Repair & Replacement Fund	5,947,111	2,500	-	-	522,000	-	-	87,300		6,384,311	Restricted	
610 Self-Insurance Fund	595,565	2,263,594	-	-	-	390,101	2,247,990		-	1,001,270	None	
Total	**56,596,865**	**57,946,727**	**2,955,870**	**5,641,978**	**8,747,171**	**390,101**	**50,698,074**	**24,731,396**	**8,747,171**	**48,102,071**		

CITY OF KETCHIKAN, ALASKA
2023 ANNUAL BUDGET
COMPARATIVE SCHEDULE OF RESERVES-All FUNDS
2017 - 2023

Fund		2017	2018	2019	2020	2021	2022 Budget	2022 Estimate	Budget 2023
101	General	6,223,738	7,306,630	6,755,622	6,364,204	5,765,620	3,464,702	6,435,204	5,291,572
Special Revenue Funds - Tax									
110	Hospital Sales Tax	4,278,119	4,436,199	4,541,921	3,279,198	2,865,340	2,393,935	3,599,130	3,684,915
111	Public Works Sales Tax	4,816,165	4,428,518	4,763,882	3,911,647	5,219,051	4,144,228	8,331,782	4,988,375
210	Transient Tax	747,396	926,736	827,082	532,401	679,031	507,829	889,914	686,230
211	Marijuana Sales Tax	-	95,049	199,358	315,363	242,188	151,463	88,188	103,438
Special Revenue Funds - Revenue Generating									
220	Solid Waste Services	2,633,618	1,724,315	1,888,728	1,459,904	1,704,534	1,467,146	1,754,234	1,176,613
240	Boat Harbor	1,052,873	960,884	963,956	768,302	751,341	597,595	724,066	516,192
250	Bayview Cemetery O & M	53,201	52,603	51,204	51,205	47,555	46,705	45,455	43,255
251	Bayview Development	24,872	33,445	16,920	21,944	31,559	35,474	36,559	34,559
252	Cemetery Endowment	18,968	20,703	21,693	23,083	24,433	25,483	25,483	26,683
Special Revenue Funds - Other									
112	Shoreline	111,182	106,022	101,410	100,418	89,524	87,670	83,550	77,576
117	Community Grant	8	17,131	17,141	17,181	17,181	17,181	20,629	20,629
118	Economic and Parking Development	981,655	815,390	615,054	457,853	316,126	316,060	287,526	289,026
260	CPV Fund	2,794,666	4,284,199	5,263,981	7,876,354	7,492,736	6,228,559	6,590,167	7,515,980
280	US Marshall Property Seizure	182,929	141,587	169,594	174,302	142,273	119,462	131,692	132,192
285	Fire Department SEMT	-	-	-	-	-	-	454,482	500,000
290	Federal State and Grant	-	-	-	-	-	-	-	-
Debt Service Funds									
410	GO Bond Debt Service	-	-	-	-	-	-	-	-
Capital Improvement Funds									
310	Major Capital Improvements	74,621	66,167	72,648	73,904	73,138	73,954	73,138	73,138
320	Harbor Construction	404,924	399,323	663,547	470,451	778,779	669,688	1,098,535	1,411,703
330	Community Facilities Development	2,793,453	2,580,225	2,534,425	3,320,509	2,645,726	2,633,010	2,652,726	2,586,736
340	Hospital Construction	1,406,896	1,277,669	1,229,741	1,087,864	1,010,022	-	1,011,422	1,523
360	CPV Capital Improvement	-	436	2,529	2,529	2,529	2,529	2,529	2,529
Enterprise and Internal Service Funds									
505	Wastewater	1,239,406	1,509,861	2,422,311	3,153,625	3,972,708	3,624,856	4,583,088	3,597,977
510	Port	4,897,863	8,960,132	10,820,983	4,152,210	5,128,569	7,425,769	11,134,690	7,955,649
511	Port Repair & Replacement	3,196,536	3,724,677	4,324,000	4,896,274	5,437,251	5,824,274	5,947,111	6,384,311
610	Self Insurance	625,409	639,341	630,445	515,035	499,028	635,332	595,565	1,001,270
Total All Funds		**38,558,498**	**44,507,242**	**48,898,175**	**43,025,760**	**44,936,242**	**40,492,904**	**56,596,865**	**48,102,071**

CITY OF KETCHIKAN, ALASKA

2023 ANNUAL BUDGET

REVENUES AND APPROPRIATIONS SUMMARY BY DEPARTMENT

ALL FUNDS

	General	Hospital Sales Tax	Public Works Sales Tax	Shoreline Area	Community Grant	Economic & Parking Development	Transient Sales Tax	Marijuana Sales Tax	Solid Waste Services	Ketchikan Boat Harbor	Bayview Cemetery O & M	Cemetery Development	Cemetery Endowment	CPV Fund
Beginning Reserves, January 1	**6,435,204**	**3,599,130**	**8,331,782**	**83,550**	**20,629**	**287,526**	**889,914**	**88,188**	**1,754,234**	**724,066**	**45,455**	**36,559**	**25,483**	**6,590,167**
Revenues														
Operating														
Taxes	14,477,900	3,178,000	4,763,000				620,000	400,000						
Payments in Lieu of Tax	1,210,000													
Licenses and Permits	126,700													
Intergovermental	165,375									5,000				1,875,000
Charges for Services	2,159,420								3,879,845	1,609,000	2,500	10,000	1,200	
Fines and Forfeitures	79,500									3,500				
Other Revenues	3,687,785	110,000	25,000	400	180,000	1,500	3,000	250	8,000	5,000	300			40,000
Bond Proceeds														
Interdepartmental Charges	4,400,143													
Total Operating Revenues	**26,306,823**	**3,288,000**	**4,788,000**	**400**	**180,000**	**1,500**	**623,000**	**400,250**	**3,887,845**	**1,622,500**	**2,800**	**10,000**	**1,200**	**1,915,000**
Other														
Capital Grants														
Bond Proceeds														
Transfers In	174,482				180,000									
Interfund Advances														
Total Revenues	**26,481,305**	**3,288,000**	**4,788,000**	**400**	**360,000**	**1,500**	**623,000**	**400,250**	**3,887,845**	**1,622,500**	**2,800**	**10,000**	**1,200**	**1,915,000**
Funds Available	**32,916,509**	**6,887,130**	**13,119,782**	**83,950**	**380,629**	**289,026**	**1,512,914**	**488,438**	**5,642,079**	**2,346,566**	**48,255**	**46,559**	**26,683**	**8,505,167**
Expenditures														
Mayor Council	211,630				360,000			185,000						
Law	379,139													
Clerk	421,690													
Manager	1,035,056													
Finance	2,430,649		20,000											
Information Technology	1,552,486													
Fire	4,725,607		378,200											
Police	6,587,332		610,830											
Library	1,531,803													
Museum	1,236,868		49,800											
Civic Center	611,684													
Tourism & Economic Development														478,960
Public Health	14,325	205,140												
Public Works-Engineering	2,365,642		60,000											
Public Works-Streets	2,060,985		4,580,955											
Public Works-Solid Waste									4,465,466					
Public Works-Cemetery	107,120											12,000		
Public Works-Garage	872,801		15,000											
Public Works-Wastewater														
Public Works-Building Maintenanc	613,656		57,757											
Small Boat Harbors										1,830,374				
Port														
Risk Management														
Debt Service														
Transfers	866,464	2,997,075	2,358,865	6,374			826,684	200,000			5,000			510,227
Total Expenditures	**27,624,937**	**3,202,215**	**8,131,407**	**6,374**	**360,000**		**826,684**	**385,000**	**4,465,466**	**1,830,374**	**5,000**	**12,000**		**989,187**
Ending Reserves, December 31	**5,291,572**	**3,684,915**	**4,988,375**	**77,576**	**20,629**	**289,026**	**686,230**	**103,438**	**1,176,613**	**516,192**	**43,255**	**34,559**	**26,683**	**7,515,980**

CITY OF KETCHIKAN, ALASKA

2023 ANNUAL BUDGET

REVENUES AND APPROPRIA TIONS SUM TIONS SUMMARY BY DEPARTMENT

ALL FUNDS

	US Marshal Property Seizure	Fire Department SEMT	Federal & State Grant	Major Capital Improvements	Harbor Construction	Community Facilities Development	Hospital Construction	CPV Capital Improvements	General Obligation Debt Service	Wastewater Services	Ketchikan Port	Port Repair and Replacement	Self Insurance	Total
Beginning Reserves, January 1	**131,692**	**454,482**		**73,138**	**1,098,535**	**2,652,726**	**1,011,422**	**2,529**		**4,583,088**	**11,134,690**	**5,947,111**	**595,565**	**56,596,865**
Revenues														
Operating														
Taxes														23,438,900
Payments in Lieu of Tax														1,210,000
Licenses and Permits														126,700
Intergovermental			248,702		437,168									2,731,245
Charges for Services		500,000								3,491,000	11,793,200			23,446,165
Fines and Forfeitures														83,000
Other Revenues	500		82,900	580,000	6,000					1,268,000	25,000	2,500	15,604	6,041,739
Bond Proceeds														
Interdepartmental Charges													2,247,990	6,648,133
Total Operating Revenues	**500**	**500,000**	**331,602**	**580,000**	**443,168**					**4,759,000**	**11,818,200**	**2,500**	**2,263,594**	**63,725,882**
Other														
Capital Grants				1,325,000										1,325,000
Bond Proceeds				1,190,000						4,451,978				5,641,978
Transfers In								100,000	3,622,404			522,000		4,598,886
Interfund Advances													390,101	390,101
Total Revenues	**500**	**500,000**	**331,602**	**3,095,000**	**443,168**			**100,000**	**3,622,404**	**9,210,978**	**11,818,200**	**524,500**	**2,653,695**	**75,681,847**
Funds Available	**132,192**	**954,482**	**331,602**	**3,168,138**	**1,541,703**	**2,652,726**	**1,011,422**	**102,529**	**3,622,404**	**13,794,066**	**22,952,890**	**6,471,611**	**3,249,260**	**132,278,712**
Expenditures														
Mayor Council														756,630
Law														379,139
Clerk														421,690
Manager														1,035,056
Finance														2,450,649
Information Technology														1,552,486
Fire														5,103,807
Police			331,602	1,470,000										8,999,764
Library														1,531,803
Museum						65,990								1,352,658
Civic Center				300,000										911,684
Tourism & Economic Development				75,000				100,000						653,960
Public Health							1,009,899							1,229,364
Public Works-Engineering														2,425,642
Public Works-Streets				1,250,000										7,891,940
Public Works-Solid Waste														4,465,466
Public Works-Cemetery														119,120
Public Works-Garage														887,801
Public Works-Wastewater										10,196,089				10,196,089
Public Works-Building Maintenanc														671,413
Small Boat Harbors					130,000									1,960,374
Port											14,997,241	87,300		15,084,541
Risk Management													2,247,990	2,247,990
Debt Service									3,622,404					3,622,404
Transfers		454,482												8,225,171
Total Expenditures		**454,482**	**331,602**	**3,095,000**	**130,000**	**65,990**	**1,009,899**	**100,000**	**3,622,404**	**10,196,089**	**14,997,241**	**87,300**	**2,247,990**	**84,176,641**
Ending Reserves, December 31	**132,192**	**500,000**		**73,138**	**1,411,703**	**2,586,736**	**1,523**	**2,529**		**3,597,977**	**7,955,649**	**6,384,311**	**1,001,270**	**48,102,071**

CITY OF KETCHIKAN, ALASKA

2023 ANNUAL BUDGET

REVENUES AND APPROPRIATIONS SUMMARY BY MAJOR EXPENDITURE CATEGORIES

ALL FUNDS

	General	Hospital Sales Tax	Public Works Sales Tax	Shoreline Area	Community Grant	Economic & Parking Development	Transient Sales Tax	Marijuana Sales Tax	Solid Waste Services	Ketchikan Boat Harbor	Bayview Cemetery O & M	Cemetery Development	Cemetery Endowment	CPV Fund
Beginning Reserves, January 1	**6,435,204**	**3,599,130**	**8,331,782**	**83,550**	**20,629**	**287,526**	**889,914**	**88,188**	**1,754,234**	**724,066**	**45,455**	**36,559**	**25,483**	**6,590,167**
Revenues														
Taxes	14,477,900	3,178,000	4,763,000				620,000	400,000						
Payments in Lieu of Tax	1,210,000													
Licenses and Permits	126,700													
Intergovermental	165,375									5,000				1,875,000
Charges for Services	2,159,420								3,879,845	1,609,000	2,500	10,000	1,200	
Fines and Forfeitures	79,500									3,500				
Other Revenues	5,255,428	110,000	25,000	400	180,000	1,500	3,000	250	8,000	5,000	300			40,000
Bond Proceeds														
Interfund Advances														
Interdepartmental Charges	2,832,500													
Total Revenues	**26,306,823**	**3,288,000**	**4,788,000**	**400**	**180,000**	**1,500**	**623,000**	**400,250**	**3,887,845**	**1,622,500**	**2,800**	**10,000**	**1,200**	**1,915,000**
Transfers In														
Transfers From Other Funds	174,482				180,000									
Total Transfers In	**174,482**				**180,000**									
Funds Available	**32,916,509**	**6,887,130**	**13,119,782**	**83,950**	**380,629**	**289,026**	**1,512,914**	**488,438**	**5,642,079**	**2,346,566**	**48,255**	**46,559**	**26,683**	**8,505,167**
Expenditures														
Personnel Services	20,627,222								1,385,625	727,654				275,150
Supplies	1,543,620	10,000							317,568	90,925				8,000
Contract & Purchased Services	3,402,608	145,000			360,000			185,000	1,825,343	343,490				189,840
Capital Outlay - Minor	350,470								35,100	18,700				
In-kind Services														
Operating Grants - (Police & Fire)	43,750													
Interdepartmental Charges	555,803	140							526,830	299,930				5,970
Debt Service										349,675				
Risk Management														
Payment In Lieu of Taxes														
Total Operating Expenditures	**26,523,473**	**155,140**			**360,000**			**185,000**	**4,090,466**	**1,830,374**				**478,960**
Capital Outlay - Major	235,000	50,000	5,772,542						375,000			12,000		
Transfers Out	866,464	2,997,075	2,358,865	6,374			826,684	200,000			5,000			510,227
Total Expenditures	**27,624,937**	**3,202,215**	**8,131,407**	**6,374**	**360,000**		**826,684**	**385,000**	**4,465,466**	**1,830,374**	**5,000**	**12,000**		**989,187**
Ending Reserves, December 31	**5,291,572**	**3,684,915**	**4,988,375**	**77,576**	**20,629**	**289,026**	**686,230**	**103,438**	**1,176,613**	**516,192**	**43,255**	**34,559**	**26,683**	**7,515,980**

CITY OF KETCHIKAN, ALASKA
2023 ANNUAL BUDGET
REVENUES AND APPROPRIATIONS SUMMARY BY MAJOR EXPENDITURE CATEGORIES
ALL FUNDS

	US Marshal Property Seizure	Fire Department SEMT	Federal & State Grant	Major Capital Improvements	Harbor Construction	Community Facilities Development	Hospital Construction	CPV Capital Improvements	General Obligation Debt Service	Wastewater Services	Ketchikan Port	Port Repair and Replacement	Self Insurance	Total
Beginning Reserves, January 1	**131,692**	**454,482**		**73,138**	**1,098,535**	**2,652,726**	**1,011,422**	**2,529**		**4,583,088**	**11,134,690**	**5,947,111**	**595,565**	**56,596,865**
Revenues														
Taxes														23,438,900
Payments in Lieu of Tax														1,210,000
Licenses and Permits														126,700
Intergovermental			248,702	1,325,000	437,168									4,056,245
Charges for Services		500,000								3,491,000	11,793,200			23,446,165
Fines and Forfeitures														83,000
Other Revenues	500		82,900	580,000	6,000					1,268,000	25,000	2,500	15,604	7,609,382
Bond Proceeds				1,190,000						4,451,978				5,641,978
Interfund Advances													390,101	390,101
Interdepartmental Charges													2,247,990	5,080,490
Total Revenues	**500**	**500,000**	**331,602**	**3,095,000**	**443,168**					**9,210,978**	**11,818,200**	**2,500**	**2,653,695**	**71,082,961**
Transfers In														
Transfers From Other Funds								100,000	3,622,404			522,000		4,598,886
Total Transfers In								**100,000**	**3,622,404**			**522,000**		**4,598,886**
Funds Available	**132,192**	**954,482**	**331,602**	**3,168,138**	**1,541,703**	**2,652,726**	**1,011,422**	**102,529**	**3,622,404**	**13,794,066**	**22,952,890**	**6,471,611**	**3,249,260**	**132,278,712**
Expenditures														
Personnel Services										1,078,182	1,480,309			25,574,142
Supplies			6,536							287,050	118,200			2,381,899
Contract & Purchased Services			325,066							547,810	3,013,425			10,337,582
Capital Outlay - Minor										61,650	12,200			478,120
In-kind Services														
Operating Grants - (Police & Fire)														43,750
Interdepartmental Charges										704,990	579,420			2,673,083
Debt Service									3,622,404	162,829	2,234,500			6,369,408
Risk Management													2,247,990	2,247,990
Payment In Lieu of Taxes										86,100	506,000			592,100
Total Operating Expenditures			**331,602**						**3,622,404**	**2,928,611**	**7,944,054**		**2,247,990**	**50,698,074**
Capital Outlay - Major				3,095,000	130,000	65,990	1,009,899	100,000		7,267,478	6,531,187	87,300		24,731,396
Transfers Out		454,482									522,000			8,747,171
Total Expenditures		**454,482**	**331,602**	**3,095,000**	**130,000**	**65,990**	**1,009,899**	**100,000**	**3,622,404**	**10,196,089**	**14,997,241**	**87,300**	**2,247,990**	**84,176,641**
Ending Reserves, December 31	**132,192**	**500,000**		**73,138**	**1,411,703**	**2,586,736**	**1,523**	**2,529**		**3,597,977**	**7,955,649**	**6,384,311**	**1,001,270**	**48,102,071**

CITY OF KETCHIKAN, ALASKA
2023 ANNUAL BUDGET
COMPARATIVE SCHEDULE OF APPROPRIATIONS BY DEPARTMENT
2019 - 2023

	2019	2020	2021	2022 ADOPTED BUDGET	2022 AMENDED BUDGET	2022 ESTIMATES	2023 BUDGET	2022 ADOPTED-2023 % INCR(DECR)
Operating Expenditures								
Mayor & Council	619,459	651,785	629,503	636,970	770,000	766,960	756,630	18.79%
City Law	323,403	330,973	333,543	361,172	361,172	351,025	379,139	4.97%
City Clerk	294,792	285,634	264,889	324,913	342,883	339,109	421,690	29.79%
City Manager	700,430	804,128	713,671	789,553	797,803	763,865	1,035,056	31.09%
Finance	2,028,568	2,174,136	1,966,385	2,209,401	2,209,401	2,125,185	2,430,649	10.01%
Information Technology	921,561	980,358	985,401	1,087,947	1,120,837	966,450	1,317,486	21.10%
Fire	3,475,062	2,477,212	3,743,325	4,284,764	4,433,514	4,047,429	4,725,607	10.29%
Police	4,982,281	3,645,936	5,367,355	6,480,460	6,498,299	5,606,433	6,918,934	6.77%
Library	1,292,090	1,350,932	1,314,719	1,372,020	1,374,120	1,290,414	1,531,803	11.65%
Museum	1,071,885	968,389	975,564	1,228,192	1,228,192	1,170,314	1,236,868	0.71%
Civic Center	507,705	466,071	461,529	530,117	560,907	532,095	611,684	15.39%
Tourism & Economic Development	215,945	162,450	142,143	168,625	168,625	164,025	478,960	184.04%
Public Health	261,002	12,536,934	779,298	169,455	169,455	167,630	169,465	0.01%
PW-Engineering & Bldg Inspection	1,467,898	1,556,245	1,370,665	2,146,871	2,146,871	1,711,340	2,365,642	10.19%
PW-Streets	1,557,904	1,571,590	1,629,869	1,802,129	1,802,129	1,713,840	2,060,985	14.36%
PW-Solid Waste	3,001,230	3,161,866	3,292,951	3,703,849	3,728,288	3,623,021	4,090,466	10.44%
PW-Cemetery	77,539	83,469	90,680	88,940	88,940	88,780	107,120	20.44%
PW-Garage & Warehouse	567,668	648,881	680,669	691,301	790,301	779,300	872,801	26.25%
PW-Wastewater	2,170,546	2,143,600	2,238,873	2,552,771	2,565,295	2,477,249	2,928,611	14.72%
PW-Building Maintenance	508,253	511,885	505,355	576,905	576,905	565,517	613,656	6.37%
Small Boat Harbors	1,527,147	1,472,003	1,578,720	1,734,071	1,734,557	1,651,190	1,830,374	5.55%
Port Development	7,454,287	7,071,006	6,041,411	7,178,634	7,153,814	7,027,082	7,944,054	10.66%
Risk Management	1,436,305	1,713,770	1,954,215	2,077,710	2,077,710	2,021,380	2,247,990	8.20%
Debt Service	3,501,174	8,254,928	6,731,368	3,623,114	3,623,114	3,584,484	3,622,404	-0.02%
Total Operating	**39,964,134**	**55,024,181**	**43,792,101**	**45,819,884**	**46,323,132**	**43,534,117**	**50,698,074**	**10.65%**

CITY OF KETCHIKAN, ALASKA
2023 ANNUAL BUDGET
COMPARATIVE SCHEDULE OF APPROPRIATIONS BY DEPARTMENT
2019 - 2023

				2022				
	2019	2020	2021	ADOPTED BUDGET	AMENDED BUDGET	ESTIMATES	2023 BUDGET	2022 ADOPTED-2023 % INCR(DECR)
Capital Expenditures								
Mayor & Council	-	-	-	-	-	-	-	0.00%
City Law	-	-	-	-	-	-	-	0.00%
City Clerk	-	-	-	-	-	-	-	0.00%
City Manager	-	-	-	-	-	-	-	0.00%
Finance	-	-	-	20,000	20,000	-	20,000	0.00%
Information Technology	73,411	142,989	12,499	50,000	17,110	50,000	235,000	370.00%
Fire	2,114,332	165,935	262,991	988,750	1,161,606	895,559	1,848,200	86.92%
Police	595,387	475,673	57,438	88,144	88,144	66,000	610,830	592.99%
Library	47,178	-	-	-	-	-	-	0.00%
Museum	74,318	119,075	-	200,000	200,000	153,907	115,790	-42.11%
Civic Center	256,933	200,072	-	-	-	-	300,000	0.00%
Tourism & Economic Development	126,912	791,113	-	865,000	1,002,471	879,151	175,000	-79.77%
Public Health	151,647	2,105,189	3,900,516	1,066,498	1,066,498	18,000	1,059,899	-0.62%
PW-Engineering & Bldg Inspection	227,072	34,087	-	70,000	70,000	45,000	60,000	-14.29%
PW-Streets	1,688,102	1,094,060	320,320	4,233,428	4,498,150	1,009,646	5,830,955	37.74%
PW-Solid Waste	188,656	273,826	-	175,000	180,000	135,000	375,000	114.29%
PW-Cemetery	110,750	11,635	-	2,500	2,500	2,500	12,000	380.00%
PW-Garage & Warehouse	60,173	127,630	17,065	-	-	-	15,000	NA
PW-Wastewater	568,117	668,481	521,127	5,105,867	5,105,867	423,535	7,267,478	42.34%
PW-Building Maintenance	-	9,900	-	130,000	150,770	93,013	57,757	-55.57%
Small Boat Harbors	84,456	1,663,251	239,030	275,633	275,633	122,500	130,000	-52.84%
Port Development	7,755,476	334,946	146,772	280,685	280,685	27,377	6,618,487	2257.98%
Total Capital	**14,122,920**	**8,217,862**	**5,477,758**	**13,551,505**	**14,119,434**	**3,921,188**	**24,731,396**	**82.50%**

CITY OF KETCHIKAN, ALASKA
2023 ANNUAL BUDGET
COMPARATIVE SCHEDULE OF APPROPRIATIONS BY DEPARTMENT
2019 - 2023

				2022				
	2019	2020	2021	ADOPTED BUDGET	AMENDED BUDGET	ESTIMATES	2023 BUDGET	2022 ADOPTED-2023 % INCR(DECR)
Transfers Out								
Transfers/Advances to Other Funds	8,710,552	8,808,219	7,657,377	8,596,940	8,918,716	8,583,642	8,747,171	1.75%
Total Transfers Out	**8,710,552**	**8,808,219**	**7,657,377**	**8,596,940**	**8,918,716**	**8,583,642**	**8,747,171**	1.75%
Combined Operating, Capital and Transfers Out								
Mayor & Council	619,459	651,785	629,503	636,970	770,000	766,960	756,630	18.79%
City Law	323,403	330,973	333,543	361,172	361,172	351,025	379,139	4.97%
City Clerk	294,792	285,634	264,889	324,913	342,883	339,109	421,690	29.79%
City Manager	700,430	804,128	713,671	789,553	797,803	763,865	1,035,056	31.09%
Finance	2,028,568	2,174,136	1,966,385	2,229,401	2,229,401	2,125,185	2,450,649	9.92%
Information Technology	994,972	1,123,347	997,900	1,137,947	1,137,947	1,016,450	1,552,486	36.43%
Fire	5,589,394	2,643,147	4,006,316	5,273,514	5,595,120	4,942,988	6,573,807	24.66%
Police	5,577,668	4,121,609	5,424,793	6,568,604	6,586,443	5,672,433	7,529,764	14.63%
Library	1,339,268	1,350,932	1,314,719	1,372,020	1,374,120	1,290,414	1,531,803	11.65%
Museum	1,146,203	1,087,464	975,564	1,428,192	1,428,192	1,324,221	1,352,658	-5.29%
Civic Center	764,638	666,143	461,529	530,117	560,907	532,095	911,684	71.98%
Tourism & Economic Development	342,857	953,563	142,143	1,033,625	1,171,096	1,043,176	653,960	-36.73%
Public Health	412,649	14,642,123	4,679,814	1,235,953	1,235,953	185,630	1,229,364	-0.53%
PW-Engineering & Bldg Inspection	1,694,970	1,590,332	1,370,665	2,216,871	2,216,871	1,756,340	2,425,642	9.42%
PW-Streets	3,246,006	2,665,650	1,950,189	6,035,557	6,300,279	2,723,486	7,891,940	30.76%
PW-Solid Waste	3,189,886	3,435,692	3,292,951	3,878,849	3,908,288	3,758,021	4,465,466	15.12%
PW-Cemetery	188,289	95,104	90,680	91,440	91,440	91,280	119,120	30.27%
PW-Garage & Warehouse	627,841	776,511	697,734	691,301	790,301	779,300	887,801	28.42%
PW-Wastewater	2,738,663	2,812,081	2,760,000	7,658,638	7,671,162	2,900,784	10,196,089	33.13%
PW-Building Maintenance	508,253	521,785	505,355	706,905	727,675	658,530	671,413	-5.02%
Small Boat Harbors	1,611,603	3,135,254	1,817,750	2,009,704	2,010,190	1,773,690	1,960,374	-2.45%
Port Development	15,209,763	7,405,952	6,188,183	7,459,319	7,434,499	7,054,459	14,562,541	95.23%
Risk Management	1,436,305	1,713,770	1,954,215	2,077,710	2,077,710	2,021,380	2,247,990	8.20%
Debt Service	3,501,174	8,254,928	6,731,368	3,623,114	3,623,114	3,584,484	3,622,404	-0.02%
Transfers/Advances to Other Funds	8,710,552	8,808,219	7,657,377	8,596,940	8,918,716	8,583,642	8,747,171	1.75%
Total Expenditures	**62,797,606**	**72,050,262**	**56,927,236**	**67,968,329**	**69,361,282**	**56,038,947**	**84,176,641**	**23.85%**

CITY OF KETCHIKAN, ALASKA
2023 ANNUAL BUDGET
COMPARATIVE SCHEDULE OF REVENUES-ALL FUNDS
2019 - 2023

	2019	2020	2021	2022 ADOPTED BUDGET	2022 AMENDED BUDGET	2022 ESTIMATES	2023 BUDGET	2022 ADOPTED-2023 % INCR(DECR)
Revenues								
Taxes								
Real Property	5,270,266	5,253,175	5,378,855	5,848,715	5,486,317	5,490,972	5,578,900	-4.61%
Business - Personal	399,066	395,109	386,913	438,043	425,378	378,000	373,000	-14.85%
Sales	12,814,774	8,578,022	10,295,496	11,550,000	11,550,000	15,076,619	16,365,000	41.69%
Transient	215,857	260,043	585,306	450,000	450,000	650,000	620,000	37.78%
Marijuana	534,075	336,624	257,525	250,000	250,000	230,000	400,000	60.00%
Other	112,104	145,439	119,191	102,000	102,000	101,000	102,000	
Payments in Lieu of Tax	1,209,726	1,210,786	1,213,857	1,301,100	1,209,000	1,213,428	1,210,000	-7.00%
Licenses and Permits	178,309	189,949	69,569	126,700	126,700	126,700	126,700	
Intergovernmental	5,269,366	5,812,473	17,738,464	2,291,291	4,957,478	4,516,981	4,056,245	77.03%
Charges for Services								
General Fund Services	2,104,293	1,574,270	1,846,361	2,214,148	2,014,148	2,308,758	2,159,420	-2.47%
Solid Waste	3,242,406	3,057,512	3,465,352	3,755,440	3,755,440	3,800,621	3,879,845	3.31%
Wastewater	3,427,454	3,417,871	3,459,403	3,467,350	3,467,350	3,491,200	3,491,000	0.68%
Small Boat Harbor	1,568,936	1,433,953	1,550,342	1,579,000	1,579,000	1,609,000	1,609,000	1.90%
Port	10,751,929	82,139	1,353,021	9,960,950	9,960,950	10,728,820	11,793,200	18.39%
Other	10,340	13,060	13,755	13,700	758,182	755,532	513,700	3649.64%
Fines and Forfeitures	112,343	48,528	63,875	95,500	95,500	77,150	83,000	-13.09%
Other Revenues	1,451,928	1,785,540	5,557,092	451,282	2,424,797	2,634,282	1,893,454	319.57%
Bond Proceeds	1,644,830		3,388,008	6,570,867	6,570,867	1,595	5,641,978	-14.14%
Interfund Advances	350,987	4,982,928	379,627	394,812	394,812	394,812	390,101	-1.19%
Interdepartmental Charges								
Administration	3,149,500	3,436,007	3,164,565	3,790,627	3,790,627	3,509,078	4,400,143	16.08%
Insurance	1,436,305	1,689,724	1,954,215	2,077,710	2,077,710	2,021,380	2,247,990	8.20%
Total Revenues	**55,254,794**	**43,703,152**	**62,240,792**	**56,729,235**	**61,446,256**	**59,115,928**	**66,934,676**	**17.99%**

CITY OF KETCHIKAN, ALASKA

2023 ANNUAL BUDGET

COMPARATIVE SCHEDULE OF REVENUES - CHARGES FOR SERVICES - ALL FUNDS

2019 - 2023

				2022				
				ADOPTED	AMENDED		2023	2021 ADOPTED/2022
	2019	2020	2021	BUDGET	BUDGET	ESTIMATES	BUDGET	% INCR(DECR)
Revenues-Charges for Services								
General Fund								
Civic Center	104,296	18,962	17,293	105,000	105,000	89,000	85,000	-19.0%
Ambulance	606,756	496,359	653,004	600,000	600,000	854,000	700,000	16.7%
Emergency Medical Transport Program	-	-	-	200,000	-	-	-	-100.0%
Parking Revenue	91,065	28,105	74,560	90,000	90,000	98,000	98,000	8.9%
Fees for Service	7,060	2,367	6,456	7,500	7,500	3,800	7,500	0.0%
Borough Library Service	457,801	470,352	523,051	516,326	516,326	522,275	519,998	0.7%
UAS Library Services	37,226	79,070	44,526	0	0	0	0	NA
Library Services to KGBSD	15,692	16,941	20,641	24,422	24,422	24,422	24,422	0.0%
911 Services	399,912	391,059	394,141	390,000	390,000	390,000	390,000	0.0%
Museum Services & Admission Fees	311,754	10,666	46,854	152,500	152,500	202,564	212,100	39.1%
Tideland Leases	47,685	48,334	108,997	55,000	55,000	55,000	55,000	0.0%
Other	72,731	60,389	65,835	128,400	128,400	124,697	122,400	-4.7%
General Fund Total	2,151,978	1,622,604	1,955,358	2,269,148	2,069,148	2,363,758	2,214,420	-2.41%
Fire Department SEMT								
Emergency Medical Transport Program	0	0	0	0	744,482	744,482	500,000	NA
Total	0	0	0	0	744,482	744,482	500,000	NA
Cemetery								
Burial & Endowment Fees	10,340	13,060	13,755	13,700	13,700	11,050	13,700	0.0%
Total	10,340	13,060	13,755	13,700	13,700	11,050	13,700	0.00%
Solid Waste								
Recycling	6,210	12,307	25,051	0	0	18,500	10,000	NA
Fees for Services	42,403	40,020	39,740	39,750	39,750	39,750	35,000	-11.9%
Residential Collections	327,002	326,946	329,421	327,000	327,000	327,000	336,810	3.0%
Business Collections	789,035	678,095	818,497	872,550	872,550	828,923	898,727	3.0%
Sanitary Landfill Charges	789,609	703,324	780,732	970,490	970,490	1,122,081	1,007,889	3.9%
Residential Access Fees	1,267,405	1,293,346	1,452,959	1,525,650	1,525,650	1,449,368	1,571,420	3.0%
Other	20,742	3,474	18,952	20,000	20,000	15,000	20,000	0.0%
Solid Waste Total	3,242,406	3,057,512	3,465,352	3,755,440	3,755,440	3,800,621	3,879,845	3.31%

CITY OF KETCHIKAN, ALASKA
2023 ANNUAL BUDGET
COMPARATIVE SCHEDULE OF REVENUES - CHARGES FOR SERVICES - ALL FUNDS
2019 - 2023

				2022				
				ADOPTED	AMENDED		2023	2021 ADOPTED/2022
	2019	2020	2021	BUDGET	BUDGET	ESTIMATES	BUDGET	% INCR(DECR)
Wastewater								
Residential Sewer Service	2,178,539	2,208,342	2,217,692	2,221,600	2,221,600	2,220,000	2,220,000	-0.1%
Business Sewer Service	1,226,097	1,203,454	1,227,575	1,229,250	1,229,250	1,256,000	1,256,000	2.2%
Other	22,818	6,075	14,136	16,500	16,500	15,200	15,000	-9.1%
Wastewater Total	3,427,454	3,417,871	3,459,403	3,467,350	3,467,350	3,491,200	3,491,000	0.68%
Small Boat Harbor								
Electrical Service	109,071	102,470	144,554	125,000	125,000	125,000	125,000	0.0%
Solid Waste Fees	77,525	74,746	88,737	90,000	90,000	81,000	90,000	0.0%
Reserved Moorage	872,886	875,158	880,639	860,000	860,000	900,000	870,000	1.2%
Transient Moorage	458,698	360,833	463,188	440,000	440,000	425,000	460,000	4.5%
Other	50,756	20,746	(26,776)	64,000	64,000	78,000	64,000	0.0%
Small Boat Harbor Total	1,568,936	1,433,953	1,550,342	1,579,000	1,579,000	1,609,000	1,609,000	1.90%
Port								
Electric Service	53,274	21,826	38,512	47,000	47,000	500	30,000	-36.2%
Additional Docking Fees	865,755	2,636	162,039	780,000	780,000	1,219,551	1,210,000	55.1%
Wharfage	8,097,798	0	682,848	7,300,000	7,300,000	6,730,000	7,700,000	5.5%
Water	2,520	120	9,300	230,000	230,000	116,100	175,000	-23.9%
Parking Revenue	67,267	0	35,386	65,000	65,000	94,095	80,000	23.1%
Rental Income	421,180	0	20,968	425,000	425,000	370,445	425,000	0.0%
Transient Docking Fees	1,228,215	57,459	391,264	1,105,000	1,105,000	2,167,734	2,160,000	95.5%
Other	15,920	98	12,704	8,950	8,950	30,395	13,200	47.5%
Port Total	10,751,929	82,139	1,353,021	9,960,950	9,960,950	10,728,820	11,793,200	18.39%
Total Charges for Services	**21,153,043**	**9,627,139**	**11,797,231**	**21,045,588**	**21,590,070**	**22,748,931**	**23,501,165**	**11.67%**

CITY OF KETCHIKAN, ALASKA
2023 ANNUAL BUDGET
COMPARATIVE SCHEDULE OF EMPLOYEES
2019 -2023

Department/Division		2019 Actual	2020 Actual	2021 Actual	2022 Adopted	2022 Amended	2022 Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
1110	Mayor and Council	8.000	8.000	8.000	8.000	8.000	8.000	8.000	-	0.00%
1120	Law	1.000	1.000	1.000	1.000	1.000	1.000	1.000	-	0.00%
1130	Clerk	2.000	2.000	2.000	2.000	2.000	2.000	2.000	-	0.00%
1140	City Manager	4.500	4.500	4.500	4.500	4.500	4.500	4.500	-	0.00%
1150	Finance	16.000	16.000	16.000	16.000	16.000	16.000	16.000	-	0.00%
1160	Information Technology	6.000	6.000	6.000	6.000	6.000	6.000	6.000	-	0.00%
1210	Fire	19.000	22.000	22.000	22.000	22.000	22.000	22.000	-	0.00%
1220	Police	35.300	38.550	38.550	38.550	38.550	38.550	38.550	-	0.00%
1410	Library	11.815	11.815	11.815	11.125	11.125	11.125	11.125	-	0.00%
1420	Museum	8.200	8.200	8.200	8.200	8.200	8.200	8.250	0.050	0.61%
1430	Civic Center	3.000	3.000	3.000	3.000	3.000	3.000	3.000	-	0.00%
1440	Tourism & Econ Development		-	-	-	-	-	1.000	1.000	New
1510	Engineering	12.000	13.000	13.000	13.000	13.000	13.000	13.000	-	0.00%
1530	Streets	13.000	13.000	13.000	13.000	13.000	13.000	13.000	-	0.00%
1540	Garage and Warehouse	4.000	4.000	4.000	4.000	4.000	4.000	4.000	-	0.00%
1550	Building Maintenance	3.000	3.000	3.000	3.000	3.000	3.000	3.000	-	0.00%
1560	Solid Waste	11.000	11.000	11.000	11.000	11.000	11.000	11.000	-	0.00%
3000	Wastewater	8.000	8.000	8.000	8.000	8.000	8.000	8.000	-	0.00%
1710	Harbor	5.200	5.200	5.200	5.200	5.200	5.200	5.200	-	0.00%
4000	Port Development	4.800	4.800	4.800	4.800	4.800	4.800	4.800	-	0.00%
	TOTAL	**175.815**	**183.065**	**183.065**	**182.375**	**182.375**	**182.375**	**183.425**	**1.050**	**0.58%**

CITY OF KETCHIKAN, ALASKA
2023 OPERATING AND CAPITAL BUDGET
SCHEDULE OF ASSESSED VALUATION AND PROPERTY TAX REVENUES
2003 - 2023

Year	Total Taxable Real Property Valuation	Total Taxable Personal Property Valuation	Total Taxable Valuation	Senior & Veterans Exemption Valuation	Total Assessed Valuation	Millage Rate	Property Tax Revenue
2003	506,057,500	41,012,900	547,070,400	42,467,500	589,537,900	6.4	3,501,251
2004	499,380,800	41,280,300	540,661,100	42,700,100	583,361,200	6.4	3,460,231
2005	504,640,800	45,248,700	549,889,500	45,078,700	594,968,200	6.4	3,519,293
2006	545,172,200	42,419,800	587,592,000	45,729,300	633,321,300	6.4	3,760,589
2007	600,749,000	48,912,700	649,661,700	47,670,500	697,332,200	6.1	3,962,936
2008	617,742,500	50,809,700	668,552,200	50,094,600	718,646,800	6.1	4,078,168
2009	641,686,700	50,913,200	692,599,900	52,754,100	745,354,000	6.1	4,224,859
2010	649,369,000	41,375,000	690,744,000	55,101,700	745,845,700	6.1	4,213,538
2011	642,145,600	47,370,800	689,516,400	55,829,300	745,345,700	6.2	4,275,002
2012	646,701,600	44,177,700	690,879,300	58,818,800	749,698,100	6.2	4,283,452
2013	677,685,000	60,238,000	737,923,000	59,737,600	797,660,600	6.7	4,944,084
2014	749,607,500	56,347,400	805,954,900	63,874,100	869,829,000	6.7	5,399,898
2015	751,995,930	56,376,718	808,372,648	65,124,800	873,497,448	6.7	5,416,097
2016	770,751,000	59,603,200	830,354,200	68,375,500	898,729,700	6.7	5,563,373
2017	776,296,200	57,251,300	833,547,500	70,068,900	903,616,400	6.7	5,584,768
2018	794,399,300	57,541,900	851,941,200	72,028,600	923,969,800	6.6	5,622,812
2019	801,191,800	61,092,000	862,283,800	74,723,300	937,007,100	6.6	5,691,073
2020	811,133,700	60,724,600	871,858,300	75,368,400	947,226,700	6.6	5,754,265
2021	810,586,100	58,295,700	868,881,800	79,450,100	948,331,900	6.6	5,734,620
2022 (1)	831,965,500	60,724,600	892,690,100	80,194,200	972,884,300	6.6	5,891,755
2023 (1)	853,901,744	62,325,712	916,227,455	80,194,200	996,421,655	6.6	6,047,101

(1) Estimated

CITY OF KETCHIKAN, ALASKA
2023 OPERATING AND CAPITAL BUDGET
SCHEDULE OF SALES AND OCCUPANCY TAX REVENUES
2003 - 2023

	Total		Transient	Total	Retail Sales Tax Revenues		
	Sales &	Marijuana	Occupancy	Retail		Hospital	Public Works
	Occupancy	Sales Tax	Tax	Sales Tax	General	Sales Tax	Sales Tax
Year	Tax Revenues	Fund	Fund	Revenues	Fund	Fund	Fund
2003	8,172,300	-	301,833	7,870,467	2,248,705	2,248,705	3,373,057
2004	8,863,703	-	353,376	8,510,327	2,431,522	2,431,522	3,647,283
2005	9,461,638	-	395,074	9,066,564	2,590,447	2,590,447	3,885,670
2006	9,418,433	-	333,763	9,084,670	2,595,620	2,595,620	3,893,430
2007	10,100,375	-	518,652	9,581,723	2,737,635	2,737,635	4,106,453
2008	10,775,305	-	444,862	10,330,443	2,951,555	2,951,555	4,427,333
2009	9,858,380	-	366,856	9,491,524	2,711,864	2,711,864	4,067,796
2010	9,603,050	-	385,286	9,217,764	2,633,647	2,633,647	3,950,470
2011	10,343,269	-	378,096	9,965,173	2,847,192	2,847,192	4,270,789
2012	10,493,942	-	362,739	10,131,203	2,894,745	2,894,745	4,341,713
2013	10,587,816	-	386,230	10,201,586	2,914,739	2,914,739	4,372,108
2014	11,186,057	-	389,342	10,796,715	3,746,390	2,820,130	4,230,195
2015	11,914,756	-	486,838	11,427,918	4,285,469	2,856,980	4,285,469
2016	11,846,982	-	497,374	11,349,608	4,256,103	2,837,402	4,256,103
2017	12,390,019	97,152	552,867	11,740,000	4,402,500	2,935,000	4,402,500
2018	13,199,080	190,549	544,305	12,464,226	4,674,085	3,116,056	4,674,085
2019	13,564,936	215,857	534,305	12,814,774	4,805,540	3,203,694	4,805,540
2020	9,174,689	260,043	336,624	8,578,022	3,216,758	2,144,506	3,216,758
2021	11,231,845	257,523	585,306	10,389,016	3,895,881	2,597,254	3,895,881
2022 (1)	15,956,619	230,000	650,000	15,076,619	5,653,732	3,769,155	5,653,732
2023 (1) & (2)	17,385,000	400,000	620,000	16,365,000	8,440,000	3,170,000	4,755,000

(1) Estimated
(2) The Marijuana Sales Tax Estimate includes an increase of 4%, from 5% to 9% and the Sales Tax Revenue estimate reflects the new seasonal sales tax rate effective April 1, 2023. The first year the sales tax rate will increase from 4.0% to 5.5% April through September and decrease to 3% in October.

CITY OF KETCHIKAN, ALASKA
2023 ANNUAL BUDGET
SCHEDULE OF SHARED STATE REVENUES
2003 - 2023

Year		Total State Revenues	Safe Communities	Revenue Sharing	Raw Fish Tax		Shared Fisheries Business Tax	Other State Assistance		Liquor License Refunds	Commercial Passenger Vessel
2003		375,990	128,258	53,397	141,758		20,377			32,200	-
2004		199,039			142,925		14,314			41,800	-
2005		236,122			181,411		20,911			33,800	-
2006		506,356			194,279		21,389	252,538	(2)	38,150	-
2007		721,852			234,757		20,846	434,949	(2)	31,300	-
2008		805,985		494,469	254,399		11,617			45,500	-
2009		749,798		479,015	218,560		20,473			31,750	-
2010		1,036,432		472,287	277,158		11,457	225,630	(2)	49,900	-
2011		1,137,762		661,607	424,942		23,288			27,925	-
2012		3,144,800		698,801	425,507		27,744			45,500	1,947,248
2013		2,980,533		490,456	454,435		25,872			32,000	1,977,770
2014		3,548,845		491,771	743,083		43,781			30,000	2,240,210
2015		2,699,743		467,635	137,875		30,608			31,250	2,032,375
2016		2,664,558		309,695	153,565	(3)	15,665			44,000	2,141,633
2017		2,798,871		277,931	311,828	(3)	14,592			30,950	2,163,570
2018		2,863,501		231,248	319,098	(3)	13,767			46,900	2,252,488
2019		2,927,797		190,514	255,346	(3)	10,654			30,300	2,440,983
2020		2,926,328		75,000	123,177	(3)	2,094			2,189	2,723,868
2021		230,373		112,311	115,500	(3)	2,562			-	-
2022	(1)	633,693		110,000	305,910	(3)	7,550			25,000	185,233
2023	(1)	2,310,000		100,000	305,000	(3)	5,000			25,000	1,875,000

(1) Estimated
(2) Municipal Energy Assistance
(3) Does not include the portion accounted for in the KPU Enterprise Fund for the Water Division

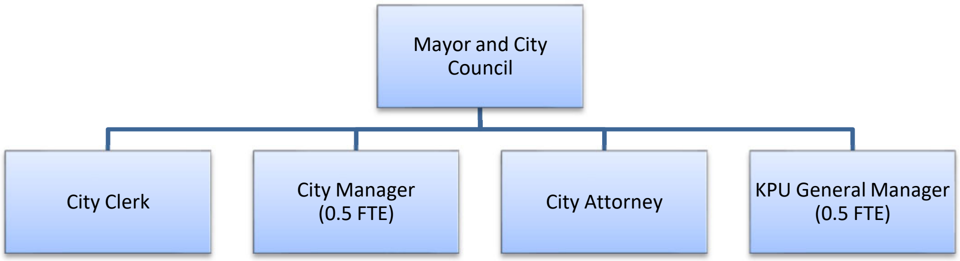
CITY OF KETCHIKAN, ALASKA

2023

SCHEDULE OF ANNUAL DEBT SERVICE TO MATURITY

	General Obligation Bonds									Other		Revenue Bonds			
Year	ADEC 481011 Wastewater Tongass Ave Phase I	ADEC 481071 Wastewater Tongass Ave Phase II	ADEC 481072 Wastewater Tongass Ave Phase II	ADEC 481101 Wastewater Jackson & Monroe	2020 Fire Station	2021 Library	2014 Harbor	2014 Hospital	2016 Harbor	Fire Apparatus Lease	Ambulance Lease	ADEC 481111 Wastewater Alaska Ave	ADEC 481031 Wastewater Front/Stedman	2016 Port	Total
2023	52,447	17,933	18,465	36,908	458,500	340,464	205,925	2,532,075	143,750	252,666	38,699	17,930	19,146	2,234,500	6,369,408
2024	52,447	17,933	18,465	36,908	463,000	339,135	204,550	2,529,575	145,000	252,666	38,699	17,930	19,146	2,235,250	6,370,704
2025	52,447	17,933	18,465	36,908	461,500	342,041	202,925	2,529,450	146,000	252,666	38,699	17,930	19,146	2,233,000	6,369,110
2026	52,447	17,933	18,465	36,908	459,250	338,894	205,925	2,531,450	146,750	252,666	38,699	17,930	19,146	2,232,750	6,369,213
2027	52,447	17,933	18,465	36,908	461,250	340,288	203,550	2,530,450	147,250		38,699	17,930	19,146	2,234,250	6,118,566
2028	52,447	17,933	18,465	36,908	457,250	340,542	206,600	2,533,000	147,500		38,699	17,930	19,146	2,237,250	6,123,670
2029	52,447	17,933	18,465	36,908	457,500	345,090	205,100	2,529,600	147,500		38,699	17,930	19,146	2,231,500	6,117,818
2030	52,447	17,933	18,465	36,908	456,750	338,681	203,400	2,534,000	147,250			17,930	19,146	2,237,250	6,080,160
2031	52,447	17,933	18,465	36,908		342,109	201,500	2,531,100	146,750			17,930	19,146	2,233,750	5,618,038
2032	52,447	17,933	18,465	36,908			204,300	2,530,900	146,000			17,930	19,146	2,236,250	5,280,279
2033		17,933	18,465	36,908			201,800	2,533,200	145,000			17,930	19,146	2,234,250	5,224,632
2034		8,959	9,229	36,908			204,000	2,532,900	148,750			8,961	19,146	2,237,750	5,206,603
2035				36,908				2,530,000	147,000				19,146	2,231,250	4,964,304
2036				18,441				2,534,300					19,146		2,571,887
2037								2,530,700					19,146		2,549,846
2038								2,534,100					19,132		2,553,232
2039								2,529,400							2,529,400
2040								2,531,500							2,531,500
2041								2,530,200							2,530,200
2042								2,530,400							2,530,400
2043								2,531,900							2,531,900
2044								2,529,600							2,529,600
Total	**524,470**	**206,222**	**212,344**	**498,245**	**3,675,000**	**3,067,244**	**2,449,575**	**55,689,800**	**1,904,500**	**1,010,664**	**270,893**	**206,191**	**306,322**	**29,049,000**	**99,070,470**

As the elected governing board, the Mayor and City Council are charged with the responsibility of working together to represent the interests of the City of Ketchikan, uniting together to facilitate the effective management, growth and sustainability of the community at large.



The Mayor and City Council is comprised of one operating division and oversees the Community Grant and Humanitarian Services Grant Programs.

DEPARTMENT EXECUTIVE SUMMARY

	2021	2022 Budget			2023	2022 Adopted/2023	
Divisions/Cost Center/Programs	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Operations	229,753	237,220	269,220	266,180	211,630	(25,590)	-10.8%
Community Grant Program	268,750	268,750	315,780	315,780	360,000	91,250	34.0%
Humanitarian Services Grant Program	131,000	131,000	185,000	185,000	185,000	54,000	41.2%
Total	**629,503**	**636,970**	**770,000**	**766,960**	**756,630**	**119,660**	**18.8%**

	2021	2022 Budget			2023	2022 Adopted/2023	
Expenditures by Category	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Personnel Services and Benefits	91,709	101,760	101,760	100,260	102,180	420	0.4%
Supplies	860	1,050	1,050	620	1,050	-	0.0%
Contract/Purchased Services	534,724	528,950	660,780	659,680	647,700	118,750	22.5%
Minor Capital Outlay	-	3,000	4,200	4,200	3,000	-	0.0%
Interdepartmental Charges	2,210	2,210	2,210	2,200	2,700	490	22.2%
Total	**629,503**	**636,970**	**770,000**	**766,960**	**756,630**	**119,660**	**18.8%**

	2021	2022 Budget			2023	2022 Adopted/2023	
Funding Source	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
General Fund	136,938	139,740	160,620	159,490	147,220	7,480	5.4%
Hospital Sales Tax Fund	33,595	33,595	39,470	39,470	45,000	11,405	33.9%
Public Works Sales Tax Fund	50,390	50,390	59,210	59,210	67,500	17,110	34.0%
Marijuana Sales Tax Fund	131,000	131,000	185,000	185,000	185,000	54,000	41.2%
Solid Waste Fund	7,995	8,260	9,370	9,260	7,360	(900)	-10.9%
Harbor Fund	4,136	4,270	4,850	4,790	3,810	(460)	-10.8%
Wastewater Fund	6,157	6,360	7,220	7,130	5,670	(690)	-10.8%
Port Fund	10,040	10,370	11,760	11,630	9,250	(1,120)	-10.8%
KPU Enterprise Fund	249,252	252,985	292,500	290,980	285,820	32,835	13.0%
Total	**629,503**	**636,970**	**770,000**	**766,960**	**756,630**	**119,660**	**18.8%**

	2021	2022 Budget		2023		2022 Adopted/2023	
Full-time Equivalent Personnel	**Actual**	**Adopted**	**Amended**	**Budget**	**Salary**	**Incr(Decr)**	**%**
Operations	8.00	8.00	8.00	8.00	83,070	-	0.0%
Total	**8.00**	**8.00**	**8.00**	**8.00**	**83,070**	**-**	**0.0%**

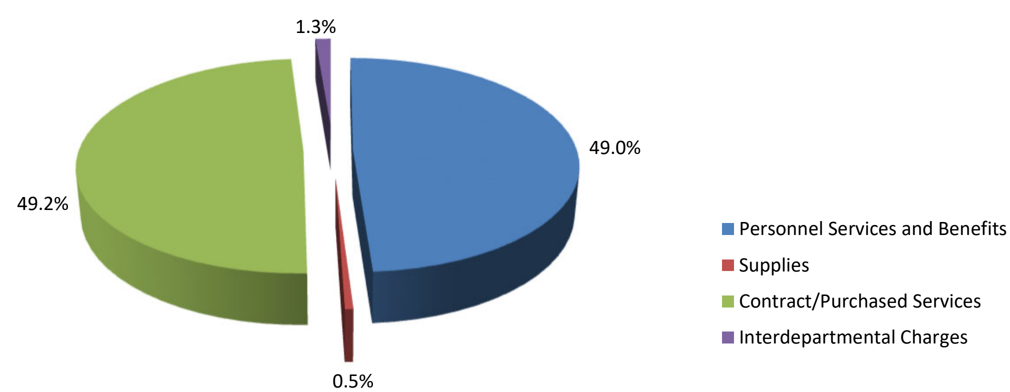
DIVISION SUMMARY

Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Personnel Services and Benefits	91,709	101,760	101,760	100,260	102,180	420	0.4%
Supplies	860	1,050	1,050	620	1,050	-	0.0%
Contract/Purchased Services	134,974	129,200	160,000	158,900	102,700	(26,500)	-20.5%
Minor Capital Outlay	-	3,000	4,200	4,200	3,000	-	0.0%
Interdepartmental Charges	2,210	2,210	2,210	2,200	2,700	490	22.2%
Total Expenditures	**229,753**	**237,220**	**269,220**	**266,180**	**211,630**	**(25,590)**	**-10.8%**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
General Fund	86,548	89,350	101,410	100,280	79,720	(9,630)	-10.8%
Solid Waste Fund	7,995	8,260	9,370	9,260	7,360	(900)	-10.9%
Wastewater Fund	6,157	6,360	7,220	7,130	5,670	(690)	-10.8%
Harbor Fund	4,136	4,270	4,850	4,790	3,810	(460)	-10.8%
Port Fund	10,040	10,370	11,760	11,630	9,250	(1,120)	-10.8%
KPU Enterprise Fund	114,877	118,610	134,610	133,090	105,820	(12,790)	-10.8%
			-				
Total Funding	**229,753**	**237,220**	**269,220**	**266,180**	**211,630**	**(25,590)**	**-10.8%**

Full-time Equivalent Personnel	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2023 Budget	2023 Salary	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Mayor	1.00	1.00	1.00	1.00	11,670	-	0.0%
Council	7.00	7.00	7.00	7.00	71,400	-	0.0%
Total	**8.00**	**8.00**	**8.00**	**8.00**	**83,070**	**-**	**0.0%**

2023 Expenditures by Type



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- Travel-Business (Account No. 600.01) increased by $6,500, or by 118.2%, to reflect the rise in travel costs within the State and actual expenditures for the Mayor and City Council to attend conferences, legislative meetings, and other business requiring travel.

- Community Promotion (Account No. 610.01) decreased by $8,000, or by 26.7%, to reflect no longer requiring the increase adopted in 2022 to account for the City's share of co-hosting the 2022 Southeast Conference annual meeting.

- Management and Consulting Services (Account No. 640.04) decreased by $25,000, or by 33.3% in response to the anticipated needs for lobbyist contract services.

DIVISION OPERATING BUDGET DETAIL

		2021	2022 Budget			2023	2022 Adopted/2023	
Operating Expenditures		Actual	Adopted	Amended	Estimate	Budget	Incr(Decr)	%
Personnel Services and Benefits								
500. 01	Regular Salaries and Wages	72,600	83,070	82,460	80,970	83,070	-	0.0%
505. 00	Payroll Taxes	6,400	7,210	7,690	7,690	7,210	-	0.0%
506. 00	Pension	1,387	-	-	-	-	-	NA
507. 30	Workers Compensation	195	260	260	250	260	-	0.0%
508. 00	Other Benefits	72	60	190	190	480	420	700.0%
509. 05	Allowances-Expense	11,055	11,160	11,160	11,160	11,160	-	0.0%
	Personnel Services and Benefits	**91,709**	**101,760**	**101,760**	**100,260**	**102,180**	**420**	**0.4%**
Supplies								
510. 01	Office Supplies	840	1,000	1,000	600	1,000	-	0.0%
520. 02	Postage	20	50	50	20	50	-	0.0%
	Supplies	**860**	**1,050**	**1,050**	**620**	**1,050**	**-**	**0.0%**
Contract/Purchased Services								
600. 01	Travel-Business	5,520	5,500	15,500	15,500	12,000	6,500	118.2%
605. 01	Ads and Public Announcements	218	750	650	200	750	-	0.0%
610. 01	Community Promotion	11,906	30,000	24,000	24,000	22,000	(8,000)	-26.7%
615. 02	Assn. Membership Dues & Fees	14,434	14,500	14,500	14,500	14,500	-	0.0%
635. 07	Machinery & Equip Maint Services	357	800	700	400	800	-	0.0%
635. 12	Technical Services	6,771			-	-	-	NA
640. 04	Management and Consulting Services	93,500	75,000	102,000	102,000	50,000	(25,000)	-33.3%
650. 01	Telecommunications	2,268	2,650	2,650	2,300	2,650	-	0.0%
	Contract/Purchased Services	**134,974**	**129,200**	**160,000**	**158,900**	**102,700**	**(26,500)**	**-20.5%**
Minor Capital Outlay								
790. 25	Machinery & Equipment	-	-	3,000	3,000	-	-	NA
790. 26	Minor Computers, Printers & Copiers	-	3,000	1,200	1,200	3,000	-	0.0%
	Minor Capital Outlay	**-**	**3,000**	**4,200**	**4,200**	**3,000**	**-**	**0.0%**
Interdepartmental Charges/ Reimbursable Credits								
825. 01	Interdepartmental-Insurance	2,210	2,210	2,210	2,200	2,700	490	22.2%
	Interdepartmental Charges	**2,210**	**2,210**	**2,210**	**2,200**	**2,700**	**490**	**22.2%**
	Total Expenditures by Type	**229,753**	**237,220**	**269,220**	**266,180**	**211,630**	**(25,590)**	**-10.8%**

NARRATIVE

500.01 Regular Salaries and Wages: $83,070 – This account provides expenditures for the compensation paid to the Mayor and City Councilmembers for attending Council meetings. It includes compensation for the Mayor in the amount of $330 per regular meeting and $187.50 per special meeting. It also includes compensation for the Councilmembers in the amount of $300 per regular meeting and $150 per special meeting. Twenty special meetings have been budgeted.

505.00 Payroll Taxes: $7,210 – This account provides expenditures for employer contributions to Social Security and Medicare and other similar payroll taxes.

507.30 Workers Compensation: $260 – This account provides expenditures for employer contributions to workers compensation.

508.00 Other Benefits: $480 - This account provides expenditures for unemployment benefits.

509.05 Allowances - Expense: $11,160 – This account provides expenditures for taxable allowances for the Mayor and Councilmembers.

510.01 Office Supplies: $1,000 – This account provides expenditures for the cost of expendable supply items used by the City Clerk's office in support of the Mayor and Council.

520.02 Postage: $50 – This account provides expenditures for the cost of postal related services such as postage and mailing materials.

600.01 Travel-Business: $12,000 – This account provides expenditures for transportation, lodging, meals, per diems and other incidental expenses associated with the travel of the Mayor and City Councilmembers for business meetings.

605.01 Advertising and Public Announcements: $750 – This account provides expenditures for public service announcements and community issues.

610.01 Community Promotion: $22,000 – This account provides expenditures for promotion of community activities and programs and the annual fireworks display.

615.02 Assn. Membership Dues & Fees: $14,500 – This account provides expenditures for membership in the Alaska Municipal League, Alaska Conference of Mayors, Southeast Conference and the Alaska Miners' Association.

635.07 Machinery & Equipment Maintenance Services: $800 – This account provides expenditures for services for routine and non-routine maintenance associated with equipment located on the 3rd and 4th floor.

640.04 Management & Consulting Services: $50,000– This account provides expenditures for engaging state and federal lobbyists to represent General Government and Ketchikan Public Utilities for the 2023-24 legislative year.

650.01 Telecommunications: $2,650 – This account provides expenditures for the Mayor and City Council's monthly telephone charges, long-distance services, line rentals and maintenance of the telephone systems.

790.26 Minor Computers, Printers & Copiers: $3,000– This account provides expenditures for the replacement of two Councilmember iPads.

825.01 Interdepartmental Charges-Insurance: $2,700 – This account provides expenditures for risk management services.

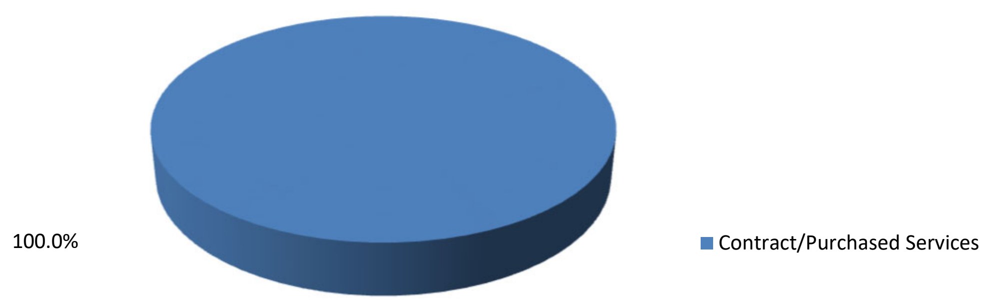
The Community Grant Program was established to provide financial support to community based non-profit humanitarian agencies. The level of funding has traditionally been determined on an annual basis and was previously based on a percentage of the City's annual sales tax revenues. The City Council determined that funding would be budgeted at 3.24 percent of annual sales tax revenue for the year ending September 30th. General Government provided fifty percent of the annual funding with Ketchikan Public Utilities providing the remaining fifty percent. The City's contribution traditionally comes from the General Fund and its two sales tax funds. KPU's contribution comes from the KPU Enterprise Fund. In 2018, the City Council determined that community grants for homeless programs and services would be funded through revenues generated by the City's new five percent sales tax assessed against marijuana products, which are now dedicated to the homeless population. Applications for funding are reviewed by the Community Grant Committee and are typically awarded in February.

PROGRAM SUMMARY

	2021	2022 Budget			2023	2022 Adopted/2023	
Expenditures by Category	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Contract/Purchased Services	268,750	268,750	315,780	315,780	360,000	91,250	34.0%
Total Expenditures	**268,750**	**268,750**	**315,780**	**315,780**	**360,000**	**91,250**	**34.0%**

	2021	2022 Budget			2023	2022 Adopted/2023	
Funding Source	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
General Fund	50,390	50,390	59,210	59,210	67,500	17,110	34.0%
Hospital Sales Tax Fund	33,595	33,595	39,470	39,470	45,000	11,405	33.9%
Public Works Sales Tax Fund	50,390	50,390	59,210	59,210	67,500	17,110	34.0%
KPU Enterprise Fund	134,375	134,375	157,890	157,890	180,000	45,625	34.0%
Total Funding	**268,750**	**268,750**	**315,780**	**315,780**	**360,000**	**91,250**	**34.0%**

2023 Expenditures by Type



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- Grant Awards (Account No. 610.02) increased by $91,250, or by 34.0%, due to the City Council awarding grant applications at $315,780, which exceeded the 2022 adopted budget appropriation, and basing 203 grant awards on the on the formula set forth for this program.

PROGRAM OPERATING BUDGET DETAIL

Operating Expenditures		2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Contract/Purchased Services								
610. 02	Grant Awards	268,750	268,750	315,780	315,780	360,000	91,250	34.0%
	Contract/Purchased Services	**268,750**	**268,750**	**315,780**	**315,780**	**360,000**	**91,250**	**34.0%**
	Total Expenditures by Type	**268,750**	**268,750**	**315,780**	**315,780**	**360,000**	**91,250**	**34.0%**

NARRATIVE

610.02 Grant Awards: $360,000 - This account provides for financial assistance awards for community agency grant programs.

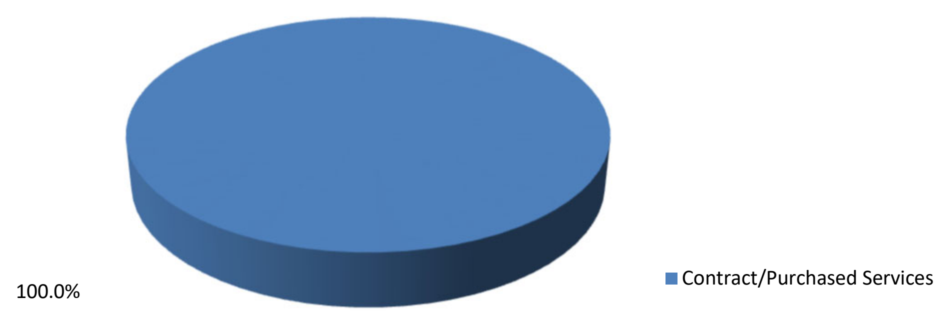
The Humanitarian Services Grant Program was established primarily to assist and address the needs of the homeless population in the City of Ketchikan. In 2018, the Ketchikan Municipal Code (KMC) was amended by adding 3.04.020 (b), which established a five percent marijuana sales tax. The KMC was also amended by adding 3.04.130 (e), which required that the proceeds from the five percent marijuana sales tax be used to support the needs of the City's homeless population. Any proceeds not required for assisting and addressing needs of the homeless shall be used for other humanitarian purposes.

PROGRAM SUMMARY

Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Contract/Purchased Services	131,000	131,000	185,000	185,000	185,000	54,000	41.2%
Total Expenditures	**131,000**	**131,000**	**185,000**	**185,000**	**185,000**	**54,000**	**41.2%**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Marijuana Sales Tax Fund	131,000	131,000	185,000	185,000	185,000	54,000	41.2%
Total Funding	**131,000**	**131,000**	**185,000**	**185,000**	**185,000**	**54,000**	**41.2%**

2023 Expenditures by Type



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- Grant Awards (Account No. 610.02) increased by $54,000, or by 41.2%, due to the grant awards finalized and approved by the City Council in April 2022 being based upon amounts requested by the humanitarian agencies as opposed to actual tax proceeds, which exceeded the adopted budget. The 2023 adopted budget is predicated on actual tax proceeds received per the program's intent.

PROGRAM OPERATING BUDGET DETAIL

Operating Expenditures		2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Contract/Purchased Services								
610. 02	Grant Awards	131,000	131,000	185,000	185,000	185,000	54,000	41.2%
	Contract/Purchased Services	**131,000**	**131,000**	**185,000**	**185,000**	**185,000**	**54,000**	**41.2%**
	Total Expenditures by Type	**131,000**	**131,000**	**185,000**	**185,000**	**185,000**	**54,000**	**41.2%**

NARRATIVE

610.02 Grant Awards: $185,000 - This account provides for financial assistance for homeless and humanitarian grant programs.

The City Attorney provides certain legal services to the City Council, General Government and Ketchikan Public Utilities; provides legal representation to General Government and Ketchikan Public Utilities on matters where legal representation is not otherwise provided; drafts contracts, ordinances and other legal documents for General Government and Ketchikan Public Utilities; and interprets, applies and prosecutes the ordinances and policies of General Government and Ketchikan Public Utilities. This office does not provide legal services or advice to private individuals.

The City Attorney's Office is comprised of one operating division.

DEPARTMENT EXECUTIVE SUMMARY

Divisions/Cost Center/Programs	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Operations	333,543	361,172	361,172	351,025	379,139	17,967	5.0%
Total	**333,543**	**361,172**	**361,172**	**351,025**	**379,139**	**17,967**	**5.0%**

Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Personnel Services and Benefits	114,907	120,197	123,227	120,590	134,414	14,217	11.8%
Supplies	20,231	25,300	25,300	25,300	25,300	-	0.0%
Contract/Purchased Services	196,572	211,235	208,205	201,235	211,385	150	0.1%
Minor Capital Outlay	-	2,600	2,540	2,000	5,700	3,100	119.2%
Interdepartmental Charges	1,833	1,840	1,900	1,900	2,340	500	27.2%
Total	**333,543**	**361,172**	**361,172**	**351,025**	**379,139**	**17,967**	**5.0%**

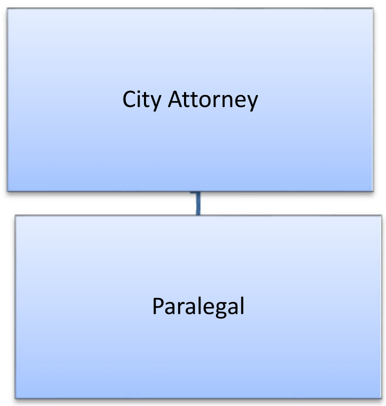
Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
General Fund	147,518	158,762	158,762	154,625	166,069	7,307	4.6%
Solid Waste Services Fund	10,911	11,870	11,870	11,520	12,500	630	5.3%
Wastewater Fund	8,403	9,140	9,140	8,870	9,620	480	5.3%
Harbor Fund	5,644	6,140	6,140	5,960	6,460	320	5.2%
Port Fund	13,702	14,910	14,910	14,470	15,690	780	5.2%
KPU Enterprise Fund	147,365	160,350	160,350	155,580	168,800	8,450	5.3%
Total	**333,543**	**361,172**	**361,172**	**351,025**	**379,139**	**17,967**	**5.0%**

Full-time Equivalent Personnel	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2023 Budget	2023 Salary	2022 Adopted/2023 Incr(Decr)	%
Operations	1.00	1.00	1.00	1.00	70,554	-	0.0%
Total	**1.00**	**1.00**	**1.00**	**1.00**	**70,554**	**-**	**0.0%**

MISSION STATEMENT

It is the mission of the Law Department to:

- Provide advice on legal matters to the City Council and all of the departments of General Government and Ketchikan Public Utilities;
- Provide legal representation to General Government and Ketchikan Public Utilities on legal matters when representation is not otherwise provided;
- Interpret, apply and prosecute the ordinances and policies of General Government and Ketchikan Public Utilities; and
- Draft contracts, ordinances and other legal documents for General Government and Ketchikan Public Utilities.



GOALS FOR 2023

The Law Department is perhaps unique in that it has less control over its direction and goals than other departments. Unlike policy-making departments or the departments providing direct services to the public, the Law Department finds itself most often in the role of supporting and achieving the goals set by other departments. For these reasons the primary goal of the Law Department is to effectively advance the goals and objectives of the City Council, the managers and the various departments. General goals for 2023 include the following:

- Maintain accessibility to City Officers, Councilmembers and employees;
- Continued effort in digitization of archived files being held within the parameters of the City's records retention schedule; and
- Continued review of law library for outdated materials to streamline and organize.

ACCOMPLISHMENTS FOR 2022

- Dedicated substantial time to updating rent increases, extensions and renewals of City controlled tidelands leases;
- Dedicated substantial time working with outside counsel on litigation matters;
- Expended considerable effort in establishing City watershed protections in conjunction with local, State and Federal agencies;
- Other accomplishments, which have been set forth in periodic reports to the City Council.

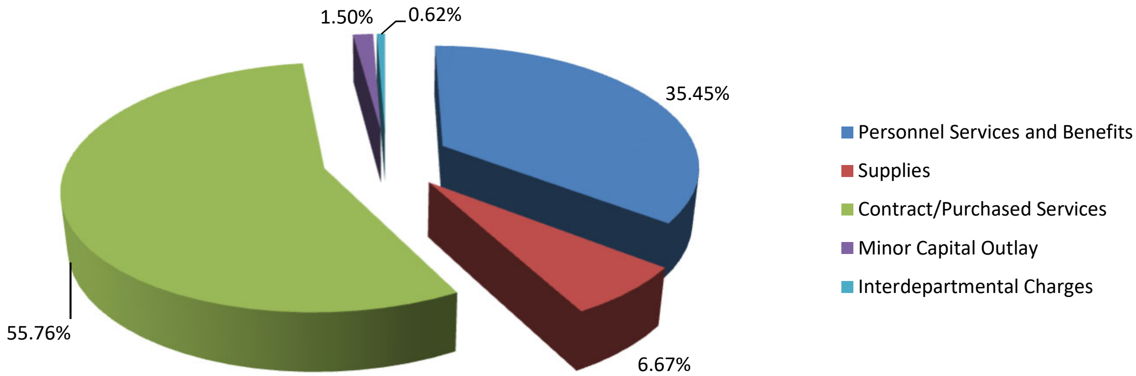
DIVISION SUMMARY

	2021	2022 Budget			2023	2022 Adopted/2023	
Expenditures by Category	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Personnel Services and Benefits	114,907	120,197	123,227	120,590	134,414	14,217	11.8%
Supplies	20,231	25,300	25,300	25,300	25,300	-	0.0%
Contract/Purchased Services	196,572	211,235	208,205	201,235	211,385	150	0.1%
Minor Capital Outlay	-	2,600	2,540	2,000	5,700	3,100	119.2%
Interdepartmental Charges	1,833	1,840	1,900	1,900	2,340	500	27.2%
Total Expenditures	**333,543**	**361,172**	**361,172**	**351,025**	**379,139**	**17,967**	**5.0%**

	2021	2022 Budget			2023	2022 Adopted/2023	
Funding Source	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
General Fund	147,518	158,762	158,762	154,625	166,069	7,307	4.6%
Solid Waste Fund	10,911	11,870	11,870	11,520	12,500	630	5.3%
Wastewater Fund	8,403	9,140	9,140	8,870	9,620	480	5.3%
Harbor Fund	5,644	6,140	6,140	5,960	6,460	320	5.2%
Port Fund	13,702	14,910	14,910	14,470	15,690	780	5.2%
KPU Enterprise Fund	147,365	160,350	160,350	155,580	168,800	8,450	5.3%
Total Funding	**333,543**	**361,172**	**361,172**	**351,025**	**379,139**	**17,967**	**5.0%**

	2021	2022 Budget		2023		2022 Adopted/2023	
Full-time Equivalent Personnel	**Actual**	**Adopted**	**Amended**	**Budget**	**Salary**	**Incr(Decr)**	**%**
Paralegal	1.00	1.00	1.00	1.00	70,554	-	0.0%
Total	**1.00**	**1.00**	**1.00**	**1.00**	**70,554**	**-**	**0.0%**

2023 Expenditures by Type



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- Personnel Services and Benefits increased by $14,217, or by 11.8%, due to annual employee step increases, a 2.5% cost of living adjustment for non-represented employees that will become effective January 1, 2023; and projected increases in pension, health insurance and other benefit costs.

DIVISION OPERATING BUDGET DETAIL

			2021	2022 Budget			2023	2022 Adopted/2023	
Operating Expenditures			**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Personnel Services and Benefits									
500	.01	Regular Salaries and Wages	64,812	66,477	67,727	67,720	70,554	4,077	6.1%
501	.01	Overtime	326	-	400	400	-	-	NA
502	.01	Temporary Wages	4,784	6,500	6,500	4,140	6,500	-	0.0%
505	.00	Payroll Taxes	4,931	5,590	5,590	5,320	5,900	310	5.5%
506	.00	Pension	15,055	14,960	15,100	15,100	15,880	920	6.1%
507	.00	Health and Life Insurance	24,141	24,630	25,870	25,870	28,700	4,070	16.5%
507	.30	Workers Compensation	173	200	200	200	210	10	5.0%
508	.00	Other Benefits	536	1,840	1,840	1,840	6,670	4,830	262.5%
509	.13	Allowances-Education Reimbursement	149	-	-	-	-	-	NA
		Personnel Services and Benefits	**114,907**	**120,197**	**123,227**	**120,590**	**134,414**	**14,217**	**11.8%**
Supplies									
510	.01	Office Supplies	1,862	2,000	2,000	2,000	2,000	-	0.0%
510	.05	Small Tools and Equipment	17	300	300	300	300	-	0.0%
520	.02	Postage	92	500	500	500	500	-	0.0%
530	.03	Professional and Trade Publications	18,260	22,500	22,500	22,500	22,500	-	0.0%
		Supplies	**20,231**	**25,300**	**25,300**	**25,300**	**25,300**	**-**	**0.0%**

Operating Expenditures			2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Contract/Purchased Services									
600	.01	Travel-Business	-	500	500	500	500	-	0.0%
600	.02	Travel-Training	-	250	250	250	250	-	0.0%
600	.03	Travel-Training and Education	-	250	250	250	250	-	0.0%
605	.01	Ads & Public Announcements	-	1,500	1,500	1,500	1,500	-	0.0%
615	.01	Professional and Technical Licenses	336	375	375	375	375	-	0.0%
630	.03	Bank & Merchant Fees	20	60	60	60	60	-	0.0%
630	.06	Service Charges and Fees	408	1,500	1,500	1,500	1,500	-	0.0%
635	.07	Machinery & Equipment Maint Services	151	700	700	700	700	-	0.0%
640	.01	Legal and Accounting Services	194,000	204,000	200,970	194,000	204,000	-	0.0%
650	.01	Telecommunications	1,567	2,000	2,000	2,000	2,150	150	7.5%
650	.02	Electric, Water, Sewer & Solid Waste	90	100	100	100	100	-	0.0%
		Contract/Purchased Services	**196,572**	**211,235**	**208,205**	**201,235**	**211,385**	**150**	**0.1%**
Minor Capital Outlay									
790	.25	Machinery & Equipment	-	500	40	-	-	(500)	-100.0%
790	.26	Computers, Printers and Copiers	-	1,600	2,000	2,000	5,700	4,100	256.3%
790	.35	Software	-	500	500	-	-	(500)	-100.0%
		Minor Capital Outlay	**-**	**2,600**	**2,540**	**2,000**	**5,700**	**3,100**	**119.2%**
Interdepartmental Charges									
825	.01	Insurance Premiums and Claims	1,833	1,840	1,900	1,900	2,340	440	27.2%
		Interdepartmental Charges	**1,833**	**1,840**	**1,900**	**1,900**	**2,340**	**500**	**27.2%**
		Total Expenditures by Type	**333,543**	**361,172**	**361,172**	**351,025**	**379,139**	**17,967**	**5.0%**

NARRATIVE

500.01 Regular Salaries and Wages: $70,554– This account provides expenditures for the cost of the annual salary paid to the Law Department's Paralegal.

502.01 Temporary Wages: $6,500 - This account provides expenditures for compensation paid for temporary personnel services for those occasions when the Paralegal is absent.

505.00 Payroll Taxes: $5,900 – This account provides expenditures for employer contributions for Social Security and Medicare and other similar payroll related taxes.

506.00 Pension: $15,880 – This account provides expenditures for employer contributions to retirement plans.

507.00 Health and Life Insurance: $28,700 – This account provides expenditures for employer contributions to employee health and life insurance plans.

507.30 Workers Compensation: $210 – This account provides expenditures for employer contributions to workers compensation.

508.00 Other Benefits: $6,670 – This account provides expenditures for direct claims from former employees for unemployment benefits paid by the State of Alaska and accrued vacation and sick leave.

510.01 Office Supplies: $2,000 - This account provides expenditures for paper, pens, pencils, adding machine ribbons and tape, note pads, file folders, scotch tape, toner, ink cartridges, photocopy charges, small desk accessories and minor office equipment such as adding machines, staplers, comb binding machines and tape dispensers.

510.05 Small Tools and Equipment: $300 - This account provides expenditures for minor tools and operating and office equipment with a value of less than $1,000. Included are computer accessories, space heaters, calculators, file cabinets and similar types of minor tools and equipment.

520.02 Postage: $500 - This account provides expenditures for postal related services such as postage, express delivery and mailing materials.

530.03 Professional and Technical Publications: $22,500 - This account provides expenditures for subscription costs to professional and technical publications. Included are electronic subscription services for legal research (BNA Labor and Employment Law Resource Center, Westlaw Database) as well as subscriptions to maintain the Law Department's library; *i.e.*, Alaska Statutes, Alaska Digest, Alaska Administrative Code and Pacific Reporter

600.01 Travel-Business: $500 – This account provides expenditures for transportation, lodging, meals, per diems and other incidental expenses associated with travel for business or litigation.

600.02 Travel-Training: $250 - This account provides expenditures for transportation, lodging, meals, per diems and other incidental expenses associated with travel for training.

600.03 Travel-Training and Education: $250 – This account provides expenditures for registration fees, training fees, training materials, tuition reimbursements and other incidental expenses associated with training and educating employees; and on-premises training programs provided by staff or third-parties.

605.01 Ads and Public Announcements: $1,500 - This account provides expenditures for advertising and announcements in publications, newspapers, trade journals, Internet or broadcasts over radio and television. Included are legal notices and recruiting.

615.01 Professional and Technical Licenses: $375 – This account provides expenditures for licensing professional, technical and other employees requiring a license in order to perform their duties. Included are fees paid for the Paralegal's Notary Public Commission and continuing required membership and renewal in Paralegal certifying body.

630.03 Bank and Merchant Charges: $60 – This account provides expenditures for monthly bank account service charges, merchant fees for use of credit and debit cards, wire transfer fees and other fees for banking services.

630.06 Service Charges and Fees: $1,500 - This account provides expenditures for payment of fees and services provided by the state and local process servers. Included are filing fees paid to the state for opening civil cases, fees paid to Department of Motor Vehicles for re-titling of vehicles taken through the DWI forfeiture process, recording of documents and fees charged by local process servers.

635.07 Machinery and Equipment Maintenance Services: $700 - This account provides expenditures for the repair and maintenance of office equipment, machinery and other operating equipment owned or leased by the Law Department. This account includes labor and materials required to provide the service to the Law Department's facsimile and color copier.

640.01 Legal and Accounting Services: $204,000 - This account provides expenditures for legal services. Included are contract attorney services, public defender services, specialized legal services for complex issues that cannot be addressed by the Law Department and other legal services.

650.01 Telecommunications: $2,150 - This account provides expenditures for telecommunication services. Included are charges for wired and wireless telecommunications services, Internet, long distance and toll-free numbers.

650.02 Electric, Water, Sewer & Solid Waste: $100 - This account provides expenditures for solid waste utility services associated with incineration of Law Department files that are no longer retained according to the retention schedule.

790.26 Computers, Printers: $5,700 - This account provides expenditures for computers, printers and copiers. Two workstations, one printer, and one UPC battery backup will be replaced per the replacement schedule developed by the Information Technology Department due to aging.

825.01 Interdepartmental Charges – Insurance: $2,340 - This account provides expenditures for risk management services and claims.

The City Clerk's Office makes every effort to provide quality administrative support to the City's elected officials and staff, and to serve the public by providing a liaison between the community and government through the dissemination of information. The City Clerk is appointed by the Mayor and City Council.

The City Clerk's Office is comprised of one operating division.

DEPARTMENT EXECUTIVE SUMMARY

Divisions/Cost Center/Programs	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Operations	264,889	324,913	342,883	339,109	421,690	96,777	29.8%
Total	**264,889**	**324,913**	**342,883**	**339,109**	**421,690**	**96,777**	**29.8%**

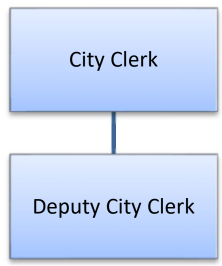
Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Personnel Services and Benefits	208,856	254,149	272,909	272,850	337,181	83,032	32.7%
Supplies	2,194	5,870	5,080	4,320	5,870	-	0.0%
Contract/Purchased Services	44,593	59,544	59,244	56,289	68,039	8,495	14.3%
Minor Capital Outlay	5,504	1,600	1,800	1,800	5,850	4,250	265.6%
Interdepartmental Charges	3,742	3,750	3,850	3,850	4,750	1,000	26.7%
Total	**264,889**	**324,913**	**342,883**	**339,109**	**421,690**	**96,777**	**29.8%**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
General Fund	99,784	122,383	129,173	127,749	158,850	36,467	29.8%
Solid Waste Services Fund	9,218	11,310	11,930	11,800	14,670	3,360	29.7%
Wastewater Fund	7,099	8,710	9,190	9,090	11,300	2,590	29.7%
Harbor Fund	4,768	5,850	6,170	6,100	7,590	1,740	29.7%
Port Fund	11,576	14,200	14,980	14,820	18,430	4,230	29.8%
KPU Enterprise Fund	132,445	162,460	171,440	169,550	210,850	48,390	29.8%
Total	**264,889**	**324,913**	**342,883**	**339,109**	**421,690**	**96,777**	**29.8%**

Full-time Equivalent Personnel	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2023 Budget	2023 Salary	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Operations	2.00	2.00	2.00	2.00	181,481	-	0.0%
Total	**2.00**	**2.00**	**2.00**	**2.00**	**181,481**	**-**	**0.0%**

MISSION STATEMENT

The mission of the City Clerk's Office is to provide quality services and staff support efficiently and effectively to the public at large, to the City Council and to City and KPU staff. Additionally, the City Clerk's Office oversees municipal elections and other such elections as may be required by law or ordinance. The City Clerk serves as the clerical officer to the City Council. The City Clerk's Office records the minutes of all proceedings of the City Council and maintains resolutions and ordinances as may be adopted. The City Clerk is the custodian of such documents, records and archives as may be provided by law or ordinance.



GOALS FOR 2023

- Maintain the same level of quality service to the City Council, staff and citizens of Ketchikan.
- Continue to operate the City Clerk's Office in a manner that reflects positively on the City of Ketchikan.
- Continue to inventory and, as appropriate, supervise the destruction of departments' records.
- Continue training on the City-wide records program with multiple departments and divisions.
- Continue an effort toward as much transparency as possible in order to engage the public in many aspects of City Council and City operations.
- One election has been scheduled for 2023.
- Continue educational training towards the Deputy City Clerk's Master Municipal Clerk designation.
- Update the Ketchikan Municipal Code in regards to Cemetery rules and regulations.
- Train newly Elected Officials.
- Maintain City historical and legislative documents as required.
- Update fees and rules for the Bayview Cemetery.
- Update the City's retention schedule.
- Participate in the Ketchikan High School Government Class field trip.

ACCOMPLISHMENTS FOR 2022

- Conducted a regular election on October 4, 2022. Two Councilmembers were elected for a three-year term each, and one Councilmember to a one-year seat.
- Trained election workers and prepared election material for the October 4, 2022 regular municipal election.
- Assisted with the State of Alaska on the States special, primary and general elections.
- Continued to provide assistance to all departments regarding administration of their pages on the City's website.
- Continued to coordinate activities of the City Council in accordance with policy and law, including additional special meetings, agenda preparation and legal notices, etc.
- Continued to improve the delivery of video and agenda management software with PrimeGov.
- Issued public vehicle certificates to taxi cab and sightseeing tour operators for a total of 107 in 2022. Forms, certificates, files, etc. were created as required by ordinance.
- Received the new election equipment, updated operations manual.
- Assisted with the Ketchikan Gateway Borough Clerk to hold a Ketchikan High School Government Class field trip.

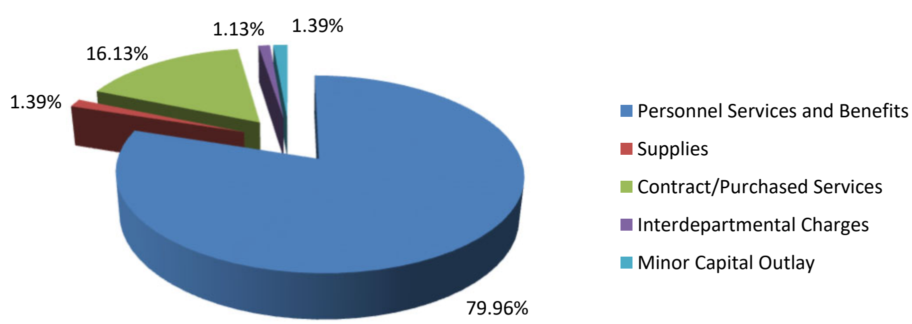
- Created and implemented a training program for current and newly elected officials.
- Assisted other City departments with record requests and retention.
- Deputy Clerk Taylor Lee earned her Certified Municipal Clerk designation.

	2021	2022 Budget			2023	2022 Adopted/2023	
Expenditures by Category	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Personnel Services and Benefits	208,856	254,149	272,909	272,850	337,181	83,032	32.7%
Supplies	2,194	5,870	5,080	4,320	5,870	-	0.0%
Contract/Purchased Services	44,593	59,544	59,244	56,289	68,039	8,495	14.3%
Minor Capital Outlay	5,504	1,600	1,800	1,800	5,850	4,250	265.6%
Interdepartmental Charges	3,742	3,750	3,850	3,850	4,750	1,000	26.7%
Total Expenditures	**264,889**	**324,913**	**342,883**	**339,109**	**421,690**	**96,777**	**29.8%**

	2021	2022 Budget			2023	2022 Adopted/2023	
Funding Source	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
General Fund	99,784	122,383	129,173	127,749	158,850	36,467	29.8%
Solid Waste Fund	9,218	11,310	11,930	11,800	14,670	3,360	29.7%
Wastewater Fund	7,099	8,710	9,190	9,090	11,300	2,590	29.7%
Harbor Fund	4,768	5,850	6,170	6,100	7,590	1,740	29.7%
Port Fund	11,576	14,200	14,980	14,820	18,430	4,230	29.8%
KPU Enterprise Fund	132,445	162,460	171,440	169,550	210,850	39,410	29.8%
Total Funding	**264,889**	**324,913**	**342,883**	**339,109**	**421,690**	**96,777**	**29.8%**

	2021	2022 Budget		2023		2022 Adopted/2023	
Full-time Equivalent Personnel	**Actual**	**Adopted**	**Amended**	**Budget**	**Salary**	**Incr(Decr)**	**%**
Clerk	1.00	1.00	1.00	1.00	96,140	-	0.0%
Deputy Clerk	1.00	1.00	1.00	1.00	85,341	-	0.0%
Total	**2.00**	**2.00**	**2.00**	**2.00**	**181,481**	**-**	**0.0%**

2023 Expenditures by Type



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- Personnel Services and Benefits increased by $83,032, or by 32.7%, due to the Council's action with respect to the City Clerk's evalution on September 1, 2022; reclassification of the Deputy Clerk to a higher wage classification on October 6, 2022; annual employee step increases, a 2.5% cost of living adjustment for the City Clerk and non-represented employees that will become effective January 1, 2023; and projected increases in pension, health insurance and other benefits costs.

- Travel-Training (Account No. 600.02) increased by $5,400, or by 100%, to account for expenditures for the Clerk and Deputy Clerk to attend the International Institute of Municipal Clerks Conference in Minneapolis, MN and the Alaska Association of Municipal Clerks conference in Anchorage, AK for continuing education purposes.

DIVISION OPERATING BUDGET DETAIL

			2021	2022 Budget			2023	2022 Adopted/2023	
Operating Expenditures			**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Personnel Services and Benefits									
500	.01	Regular Salaries and Wages	133,292	138,499	150,219	150,210	181,481	42,982	31.0%
501	.01	Overtime Wages	4,014	5,550	6,340	6,340	6,500	950	17.1%
502	.01	Temporary Wages	5,651	3,900	2,500	2,450	3,900	-	0.0%
505	.00	Payroll Taxes	10,722	11,510	11,560	11,560	14,870	3,360	29.2%
506	.00	Pension	31,736	32,420	33,750	33,750	42,300	9,880	30.5%
507	.00	Health and Life Insurance	25,022	55,610	61,860	61,860	68,680	13,070	23.5%
507	.30	Workers Compensation	360	400	420	420	530	130	32.5%
508	.00	Other Benefits	(4,341)	3,860	3,860	3,860	16,520	12,660	328.0%
509	.05	Allowances-Expense	2,400	2,400	2,400	2,400	2,400	-	0.0%
		Personnel Services and Benefits	**208,856**	**254,149**	**272,909**	**272,850**	**337,181**	**83,032**	**32.7%**
Supplies									
510	.01	Office Supplies	1,740	3,500	3,500	3,000	3,500	-	0.0%
510	.02	Operating Supplies	163	2,000	1,210	1,000	2,000	-	0.0%
520	.02	Postage	130	200	200	150	200	-	0.0%
530	.02	Periodicals	161	170	170	170	170	-	0.0%
		Supplies	**2,194**	**5,870**	**5,080**	**4,320**	**5,870**	**-**	**0.0%**
Contract/Purchased Services									
600	.02	Travel-Training	785	2,100	2,100	2,100	7,500	5,400	100.0%
600	.03	Travel-Training and Education	250	1,550	1,550	1,550	2,800	1,250	80.6%
605	.01	Advertising & Public Announcements	16,124	18,000	18,000	18,000	20,000	2,000	11.1%
605	.03	Printing and Binding	2,566	3,200	3,200	3,200	3,200	-	0.0%
615	.02	Assn. Membership Dues & Fees	604	689	689	589	689	-	0.0%
635	.01	Government Contractual Services	2,069	3,600	4,000	4,000	4,000	400	11.1%
635	.04	Software Maintenance Services	8,400	9,305	9,305	8,700	9,300	(5)	-0.1%
635	.07	Machinery & Equipment Maint Services	340	1,400	1,400	1,000	1,400	-	0.0%
635	.12	Technical Services	4,615	10,000	9,300	8,500	10,000	-	0.0%
645	.02	Rents and Leases-Machinery & Equipment	7,364	7,400	7,400	6,850	6,850	(550)	-7.4%
650	.01	Telecommunications	1,476	2,000	2,000	1,500	2,000	-	0.0%
650	.02	Electric, Water, Sewer & Solid Waste	-	300	300	300	300	-	0.0%
		Contract/Purchased Services	**44,593**	**59,544**	**59,244**	**56,289**	**68,039**	**8,495**	**14.3%**

Operating Expenditures			2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Minor Capital Outlay									
790	.26	Computers, Printers & Copiers	5,504	1,600	1,800	1,800	5,850	4,250	265.6%
		Minor Capital Outlay	**5,504**	**1,600**	**1,800**	**1,800**	**5,850**	**4,250**	**265.6%**
Interdepartmental Charges									
825	.01	Insurance Premiums and Claims	3,742	3,750	3,850	3,850	4,750	900	26.7%
		Interdepartmental Charges	**3,742**	**3,750**	**3,850**	**3,850**	**4,750**	**1,000**	**26.7%**
		Total Expenditures by Type	**264,889**	**324,913**	**342,883**	**339,109**	**421,690**	**96,777**	**29.8%**

NARRATIVE

500.01 Regular Salaries and Wages: $181,481 – This account provides expenditures for compensation paid to all regular salaried and hourly employees of the City Clerk’s Office.

501.01 Overtime Wages: $6,500 - This account provides expenditures for compensation paid to the Deputy Clerk for hours worked in excess of a regular working cycle.

502.01 Temporary Wages: $3,900 - This account provides expenditures for compensation paid for temporary personnel services when the City Clerk and/or Deputy Clerk are out of the office.

505.00 Payroll Taxes: **$14,870** – This account provides expenditures for employer contributions for Social Security and Medicare and other similar payroll related taxes.

506.00 Pension: $42,300 – This account provides expenditures for employer contributions to retirement plans.

507.00 Health and Life Insurance: $68,680 – This account provides expenditures for employer contributions to employee health and life insurance plans.

507.30 Workers Compensation: $530 – This account provides expenditures for employer contributions to workers compensation.

508.00 Other Expenses: $16,520 - This account provides expenditures for the reimbursement of direct claims from former employees for unemployment benefits paid by the State of Alaska and accrued vacation and sick leave.

509.05 Allowances - Expense: $2,400 - This account provides expenditures for the cost of the $200 per month vehicle expense stipend granted to the City Clerk for attending City Council meetings as well as other incidental expenses.

510.01 Office Supplies: $3,500 - This account provides expenditures for paper, pens, pencils, adding machine ribbons and tape, note pads, file folders, scotch tape, toner, toner cartridges, photocopy charges, small desk accessories and minor office equipment such as adding machines, staplers, comb binding machines, and tape dispensers.

510.02 Operating Supplies: $2,000 - This account provides expenditures for minutes, resolution and ordinance books; specialized supplies for archival records and election supplies.

520.02 Postage: $200 - This account provides expenditures for postal related services such as postage, express delivery, and mailing materials for the City Clerk’s Office, including elections.

530.02 Periodicals: $170 - This account provides expenditures for a subscription to the Ketchikan Daily News.

600.02 Travel-Training: $7,500 - This account provides expenditure for travel for the City Clerk and Deputy Clerk to attend the International Institute of Municipal Clerk's conference in Minneapolis Minnesota and the Alaska Association of Municipal Clerks Conference in Anchorage, Alaska.

600.03 Training and Education: $2,800 - This account provides expenditures for registration fees associated with educational training for the City Clerk and Deputy City Clerk to attend the International Institute of Municipal Clerk's conference in Minneapolis Minnesota and the Alaska Association of Municipal Clerks Conference in Anchorage, Alaska.

605.01 Advertising and Public Announcements: $20,000 - This account provides expenditures for advertising and announcements primarily in the local newspaper. Included are legal notices, election notices, agenda advertisements, special meeting announcements, etc.

605.03 Printing and Binding: $3,200 – This account provides expenditures for job printing and binding services. Included is the printing of election ballots.

615.02 Assn. Membership Dues & Fees: $689 – This account provides expenditures for memberships for the City Clerk and Deputy Clerk in both the International Institute of Municipal Clerks, the Alaska Association of Municipal Clerks (AAMC) and the National Association of Government Archives and Records Administrators (NAGARA)

635.01 Governmental Contractual Services: $4,000 - This account provides expenditures for the reimbursement paid to the Ketchikan Gateway Borough for compensation paid to election workers and canvass board assistance.

635.04 Software Maintenance Services: $9,300 - This account provides expenditures for video streaming and agenda management services and licensing and warranties for new ADA election equipment.

635.07 Machinery & Equipment Maintenance Services: $1,400 - This account provides expenditures for services for the repair and maintenance of office equipment such as transcribers and recorders.

635.12 Technical Services: $10,000 - This account provides expenditures for codification updates to the Ketchikan Municipal Code.

645.02 Rents and Leases-Machinery & Equipment: $6,850 - This account provides expenditures for the lease of voting equipment needed for the local municipal election.

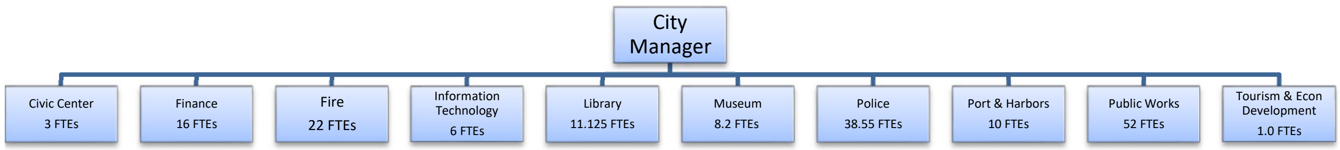
650.01 Telecommunications: $2,000 - This account provides expenditures for telecommunication services. Included are charges for wired and wireless telecommunications services, long-distance and the iPad LTE network.

650.02 Electric, Water, Sewer & Solid Waste: $300 - This account provides expenditures primarily for the disposal of records of the City Clerk's Office that have reached the end of retention life.

790.26 Computers, Printers & Copiers: $5,850 - This account provides expenditures for a second PrimeGov encoder, a new workstation and monitor for the City Clerk, a laptop, and two battery backups. Per the 2023 replacement schedule developed by the Information Technology Department.

825.01 Interdepartmental Charges – Insurance: $4,750 - This account provides expenditures for risk management services and claims.

The City Manager serves as the chief executive of the City of Ketchikan municipal government. The office oversees the daily operation of eleven (11) separate departments and numerous operating divisions that have a combined annual budget of approximately $84.6 million.



The City Manager's Office is comprised of two operating divisions and oversees one Capital Improvement Program.

DEPARTMENT EXECUTIVE SUMMARY

Divisions/Cost Center/Programs	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Operations	315,891	323,985	332,235	323,320	408,018	84,033	25.9%
Grant Writer Program	-	-	-	-	90,000	90,000	NA
Human Resources	397,780	465,568	465,568	440,545	537,038	71,470	15.4%
Total	**713,671**	**789,553**	**797,803**	**763,865**	**1,035,056**	**245,503**	**31.1%**

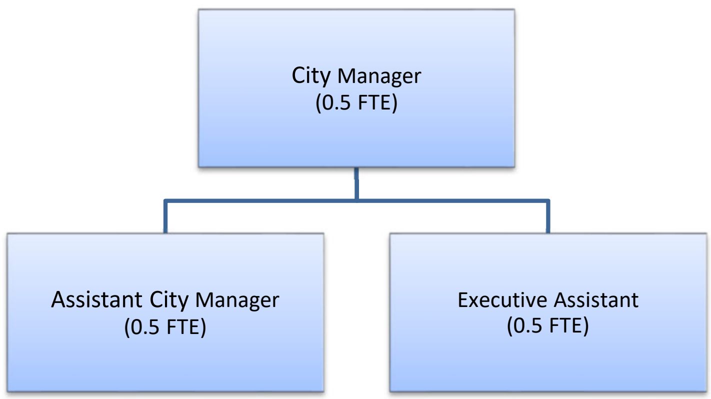
Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Personnel Services and Benefits	641,253	645,928	654,703	637,310	781,931	136,003	21.1%
Supplies	12,208	28,965	28,515	26,990	37,315	8,350	28.8%
Contract/Purchased Services	47,932	99,580	99,305	86,630	194,580	95,000	95.4%
Minor Capital Outlay	-	2,800	3,000	2,165	7,950	5,150	183.9%
Interdepartmental Charges	12,278	12,280	12,280	10,770	13,280	1,000	8.1%
Total	**713,671**	**789,553**	**797,803**	**763,865**	**1,035,056**	**245,503**	**31.1%**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
General Fund	300,885	472,363	480,613	462,625	666,126	193,763	41.0%
CPV Fund	137,834	-	-	-	-	-	NA
Solid Waste Fund	24,836	27,760	27,760	26,580	32,890	5,130	18.5%
Wastewater Fund	19,126	21,380	21,380	20,470	25,320	3,940	18.4%
Harbor Fund	12,846	14,360	14,360	13,750	17,010	2,650	18.5%
Port Fund	31,187	34,870	34,870	33,380	41,300	6,430	18.4%
KPU Enterprise Fund	186,957	218,820	218,820	207,060	252,410	33,590	15.4%
Total	**713,671**	**789,553**	**797,803**	**763,865**	**1,035,056**	**245,503**	**31.1%**

Full-time Equivalent Personnel	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2023 Budget	2023 Salary	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Operations	1.500	1.500	1.500	1.500	228,938	-	0.0%
Human Resources	3.000	3.000	3.000	3.000	264,473	-	0.0%
Total	**4.500**	**4.500**	**4.500**	**4.500**	**493,411**	**-**	**0.0%**

MISSION STATEMENT

The mission of the City of Ketchikan government is to provide quality municipal services as efficiently and effectively as possible within guidelines established by federal and state law; the Charter of the City of Ketchikan; the Ketchikan Municipal Code; and the citizens of Ketchikan as represented by the City Council. The City Manager's Office exercises line authority over all municipal departments with combined operating and capital improvement budgets in support of daily service delivery and furtherance of long-range goals. The City Manager's Office ensures implementation, supervision and evaluation of all municipal activities, programs and facilities. This includes the normal range of programs and projects associated with all City departments and special projects and/or tasks that do not fall within the scope of the City's traditional departmental structure. The mission of this office is to ensure that these responsibilities and duties are carried out in a timely and efficient manner that reflects positively on the City of Ketchikan.



GOALS FOR 2023

- Provide timely information and recommendations to the City Council.
- Follow through on direction provided by the City Council as the result of business conducted at regular meetings of the City Council or through enactment of policies provided for in the 2023 General Government Operating and Capital Budget.
- Continue management oversight of Ketchikan Public Utilities.
- Coordinate and improve citizen participation and public information efforts.
- Coordinate and improve employee outreach and recognition programs.
- Strengthen employee focus on customer service and improvement of all municipal programs and services.
- Encourage team building among staff.
- Work with the department heads, in order to advance City Council approved Capital Improvement Programs.
- Work with the Public Works Director, City Attorney, NAC Architecture, DOWL and Layton Dawson Joint Venture Constructors, in order to resolve outstanding issues associated with Phase I of the Ketchikan Medical Center Expansion Project.
- Continue working with the cruise ship industry, in order to develop a long-term strategy and financial plan for the effective management, maintenance and expansion of the Port of Ketchikan to compete with cruise facilities located at Ward Cove, and remain a viable, premier port within the Alaska market.

- Work with the cruise ship industry, in order to undertake a series of upland improvements to attract and accommodate cruise ship visitors to downtown Ketchikan. Promote downtown Ketchikan as a world class visitor destination.

- Work with the City's state legislative lobbyist, in order to ensure the continued distribution of state Commercial Passenger Vessel (CPV) tax revenues to the City of Ketchikan and to ensure fair consideration for any and all applicable Bipartisan Infrastructure Law funded grant programs administered by the State of Alaska.

- Work with the City's federal lobbyist, in order to ensure funding for critical infrastructure projects proposed to the federal delegation to be funded with Bipartisan Infrastructure Law funds or via Congressionally Directed Spending Allocations relative to the project priorities established by the City Council.

- Work with the Human Resources Division to conclude negotiations with the Public Safety Employees Association and the International Association of Fire Fighters, Local 2761 for successor collective bargaining agreements expired June 30, 2022 and December 31, 2021 respectively.

- Continue working with the City Council and PeaceHealth to apply the terms of a new long-term lease agreement for the Ketchikan Medical Center through the function of the Healthcare Advisory Committee (HAC).

- Continue to monitor and work to better the issue of homelessness in Ketchikan as determined appropriate by the City Council including implementing any recommendations of the completed community needs assessment in partnership with the Alaska Mental Health Trust.

- Continue working with the Engineering Division, the Fire Department and the City Attorney's Office to address abandoned and/or blighted buildings within City limits.

- Prepare the draft 2024 General Government Annual Budget and the 2024-2028 Capital Improvement Program. Evaluate traditional service delivery in light of continued reductions in state programs and/or direct assistance to municipalities.

- Work with the City Council, staff, public and stakeholders identified by the City Council to develop a comprehensive strategic plan for General Government.

- With the City Council, Human Resources Division, and Finance Department, evaluate current employee compensation and develop solutions to address recruitment and retention issues.

- Work with the City Council, Department Heads and Division Managers, Finance Department and third party consultants as appropriate to evaluate current utilities rates and develop sustainable rate structures to support operations.

- Continue work with the Alaska Legislative Delegation and Pubic Works - Wastewater Division to avoid the addition of disinfection as a mandate of the Alaska Department of Environmental Conservation and/or finance, develop and implement an acceptable project solution to enhance the City's wastewater discharge levels to retain a 301(h) waiver as part of the NPDES repermitting process.

ACCOMPLISHMENTS FOR 2022

- Continued management oversight responsibility of Ketchikan Public Utilities.

- Submitted the draft 2023 General Government Operating and 2023-2027 Capital Improvement Program to the City Council.

- Assisted the City Council with the recruitment of a new City Manager/KPU General Manager following the retirement of Karl R. Amylon on August 31, 2021. Delilah Walsh of Las Cruces, New Mexico was selected as the successful candidate for City Manager/KPU General Manager and began the position October 1, 2022.

- Assistant City Manager/Assistant KPU General Manager Lacey G. Simpson served as the Acting City Manager/Acting KPU General Manager thorough City Council appointment from September 1, 2021 through September 30, 2022 and assisted new Manager Delilah Walsh in the leadership transition.

- Convened and represented the City on the established Healthcare Advisory Committee (HAC) as a function of the City and PeaceHealth to monitor and apply the terms of the new long-term lease agreement for occupation and operation of the Ketchikan Medical Center by PeaceHealth.

- Worked closely with state lobbyist Ray Matiashowski, in order to raise awareness for the City's continued financial needs as a result of the COVID-19 pandemic and in consideration of available Bipartisan Infrastructure Law funds.

- Worked closely with federal lobbyist Steve Silver, in order to secure Congressionally Directed Spending Allocations for critical capital improvement projects including $1.25 million for the Schoenbar Culvert Rehabilitation project and $1.25 million for the Tongass Sewer Force Main Rehabilitation Phase II project.

- Completed the renovation and expansion of the Ketchikan Youth Initiatives/Water Warehouse facility for 24-hour community homeless shelter operations as the Park Avenue Safe Shelter, operated by First City Homeless Services.

- With the City Council and Public Works Director, completed the homelessness needs assessment conducted by consultants Rider Consulting through assistance from the Alaska Mental Health Trust.

- With the Human Resources Division, successfully negotiated a successor 3-year collective bargaining agreement with the International Brotherhood of Electrical Workers, Local 1547, which expired December 31, 2022.

- With the Human Resources Division, hired Jeffrey Walls of Pearl River, Louisiana as the new Police Chief, effective January 31, 2022, to replace Joseph White, who retired June 22, 2021.

- With the Human Resources Division, hired Darryl Verfaillie of Valdez, Alaska as the new Port & Harbors Director, effective March 11, 2022, to replace Steve Corporon, who retired November 1, 2020.

- With the Human Resources Division, hired Rick Hines of Ketchikan, Alaska as the new Fire Chief, effective May 1, 2022, to replace Abner Hoage, who retired October 2021.

- With the Human Resources Division, hired Brock Hecla, Senior Systems Administrator for the City of Ketchikan Information Technology Department, as the new Information Technology Director to replace Curtis Thomas, who retired June 30, 2022.

- With the Human Resources Division, hired Myrna Johannsen of Ketchikan, Alaska as the new Executive Assistant to replace Diane Bixby, who resigned July 30, 2022.

- Continued to participate as staff in the Ketchikan Gateway Borough/City of Ketchikan Cooperative Relations, Lobbying Executive and Legislative Liaison Committees.

- Continued to update and keep current the General Government and Ketchikan Public Utilities' website.

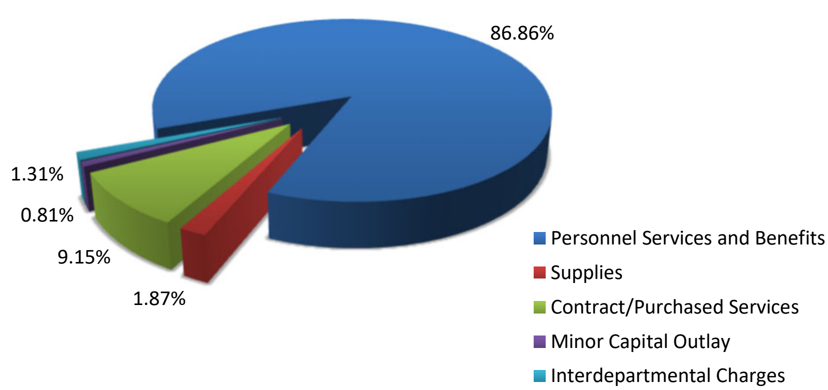
DIVISION SUMMARY

Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr (Decr)	2022 Adopted/2023 %
Personnel Services and Benefits	295,079	257,585	267,360	263,830	354,408	96,823	37.6%
Supplies	4,260	7,265	7,415	6,090	7,615	350	4.8%
Contract/Purchased Services	10,766	52,345	50,470	47,895	37,345	(15,000)	-28.7%
Minor Capital Outlay	-	1,000	1,200	1,165	3,300	2,300	230.0%
Interdepartmental Charges	5,786	5,790	5,790	4,340	5,350	(440)	-7.6%
Total Expenditures	**315,891**	**323,985**	**332,235**	**323,320**	**408,018**	**84,033**	**25.9%**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr (Decr)	2022 Adopted/2023 %
General Fund	139,108	283,025	291,275	283,460	357,718	74,693	26.4%
CPV Fund	137,834	-	-	-	-	-	NA
Solid Waste Fund	10,993	11,560	11,560	11,250	14,200	2,640	22.8%
Wastewater Fund	8,466	8,900	8,900	8,660	10,930	2,030	22.8%
Harbor Fund	5,686	5,980	5,980	5,820	7,340	1,360	22.7%
Port Fund	13,804	14,520	14,520	14,130	17,830	3,310	22.8%
Total Funding	**315,891**	**323,985**	**332,235**	**323,320**	**408,018**	**84,033**	**25.9%**

Full-time Equivalent Personnel	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2023 Budget	2023 Salary	2022 Adopted/2023 Incr (Decr)	2022 Adopted/2023 %
City Manager	0.5000	0.5000	0.5000	0.5000	107,500	-	0.0%
Acting City Manager	-	0.3750	0.3750	-	-	(0.375)	-100.0%
Assistant City Manager	0.5000	0.1250	0.1250	0.5000	84,990	0.375	300.0%
Executive Assistant	0.5000	0.5000	0.5000	0.5000	36,448	-	0.0%
Total	**1.5000**	**1.5000**	**1.5000**	**1.5000**	**228,938**	**-**	**0.0%**

2023 Expenditures by Type



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- Personnel Services and Benefits increased by $96,823, or by 37.6%, as a result of the appointment of the City Manager, who began employment October 1, 2022; annual employee step increases, a 2.5% cost of living adjustment for non-represented employees that will become effective January 1, 2023; and projected increases in pension, health insurance and other benefits costs.

- Management & Consulting Services (Account No. 640.04) decreased by $15,000, or by 42.9%, to reflect the projected costs of any professional third party consultant needed to develop a strategic plan for General Government.

DIVISION OPERATING BUDGET DETAIL

		2021	2022 Budget			2023	2022 Adopted/2023	
Operating Expenditures		**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr (Decr)**	**%**
Personnel Services and Benefits								
500. 01	Regular Salaries and Wages	192,159	163,775	165,300	162,950	228,938	65,163	39.8%
501. 01	Overtime Wages	591	1,000	1,000	790	1,000	-	0.0%
502. 01	Temporary Wages	-	2,000	7,490	7,490	2,000	-	0.0%
505. 00	Payroll Taxes	14,230	12,760	13,940	13,910	17,750	4,990	39.1%
506. 00	Pension	44,551	37,080	37,080	36,390	51,740	14,660	39.5%
507. 00	Health and Life Insurance	29,260	25,770	27,350	27,350	46,360	20,590	79.9%
507. 30	Workers Compensation	637	450	500	500	630	180	40.0%
508. 00	Other Benefits	13,351	4,450	4,450	4,450	5,990	1,540	34.6%
509. 07	Allowances-Moving Expense	-	10,000	10,000	10,000	-	(10,000)	-100.0%
509. 10	Allowances-Add'l Life Benefit	300	300	250	-	-	(300)	-100.0%
	Personnel Services and Benefits	**295,079**	**257,585**	**267,360**	**263,830**	**354,408**	**96,823**	**37.6%**
Supplies								
510. 01	Office Supplies	3,807	5,000	4,800	4,000	5,000	-	0.0%
515. 01	Vehicle Maintenance Materials	-	400	400	400	400	-	0.0%
520. 02	Postage	26	200	200	200	200	-	0.0%
525. 04	Vehicle Motor Fuel & Lubricants	209	500	850	850	850	350	70.0%
530. 02	Periodicals	136	165	165	140	165	-	0.0%
535. 02	Business and Meal Expenses	82	1,000	1,000	500	1,000	-	0.0%
	Supplies	**4,260**	**7,265**	**7,415**	**6,090**	**7,615**	**350**	**4.8%**
Contract/Purchased Services								
600. 01	Travel-Business	879	8,000	10,995	10,995	8,000	-	0.0%
605. 01	Advertising and Public Announcements	1,523	200	200	200	200	-	0.0%
615. 02	Assn. Membership Dues & Fees	3,761	4,200	4,200	4,200	4,200	-	0.0%
630. 03	Bank & Merchant Fees	95	150	150	100	150	-	0.0%
635. 07	Machinery & Equip Maint Services	1,226	1,000	1,200	1,200	1,000	-	0.0%
640. 04	Management & Consulting Services	-	35,000	30,130	28,000	20,000	(15,000)	-42.9%
650. 01	Telecommunications	3,282	3,700	3,500	3,200	3,700	-	0.0%
650. 02	Electric, Water, Sewer & Solid Waste	-	95	95	-	95	-	0.0%
	Contract/Purchased Services	**10,766**	**52,345**	**50,470**	**47,895**	**37,345**	**(15,000)**	**-28.7%**

Operating Expenditures		2021 Actual	2022 Budget Adopted	Amended	Estimate	2023 Budget	2022 Adopted/2023 Incr (Decr)	%
Minor Capital Outlay								
790. 26	Minor Computers, Printers & Copiers	-	1,000	1,200	1,165	3,300	2,300	230.0%
	Minor Capital Outlay	**-**	**1,000**	**1,200**	**1,165**	**3,300**	**2,300**	**230.0%**
Interdepartmental Charges								
825. 01	Interdepartmental-Insurance	5,786	5,790	5,790	4,340	5,350	(440)	-7.6%
	Interdepartmental Charges	**5,786**	**5,790**	**5,790**	**4,340**	**5,350**	**(440)**	**-7.6%**
	Total Expenditures by Type	**315,891**	**323,985**	**332,235**	**323,320**	**408,018**	**84,033**	**25.9%**

NARRATIVE

500.01 Regular Salaries and Wages: $228,938 – This account provides expenditures for the cost of the annual salaries paid to the employees of the City Manager's Office.

501.01 Overtime Wages: $1,000 – This account provides expenditures for the compensation paid to the Executive Assistant for hours worked in excess of a regular working cycle. These excess hours typically occur during budget and legislative preparation periods.

502.01 Temporary Wages: $2,000 - This account provides expenditures for the compensation paid for temporary secretarial/clerical help for those occasions when the Executive Assistant is absent or for additional hours worked when workloads are unusually heavy.

505.00 Payroll Taxes: $17,750 – This account provides expenditures for employer contributions to Social Security and Medicare and other similar payroll taxes.

506.00 Pension: $51,740– This account provides expenditures for employer contributions to retirement plans.

507.00 Health and Life Insurance: $46,360 – This account provides expenditures for employer contributions to employee health and life insurance plans.

507.30 Workers Compensation: $630 – This account provides expenditures for employer contributions to workers compensation.

508.00 Other Benefits: $5,990 – This account provides expenditures for direct claims from former employees for unemployment benefits paid by the State of Alaska and accrued vacation and sick leave.

510.01 Office Supplies: $5,000 – This account provides expenditures for expendable office supply items such as pens, markers, paper, tape, paperclips, staples, envelopes, notepads, correction tape, post-its, etc. It also provides funds to supply all departments housed at City Hall with their copy paper needs.

515.01 Vehicle Maintenance Materials: $400 – This account provides expenditures for the cost associated with the materials to maintain the City Manager's vehicle.

520.02 Postage: $200 – This account provides expenditures for the cost of postal related services such as postage and mailing materials.

525.04 Vehicle Motor Fuel and Lubricants: $850 – This account provides expenditures for the purchase of gasoline and other lubricants used for the operations of the City Manager's vehicle.

530.02 Periodicals: $165 - This account provides expenditures for the cost of newspapers, magazines and trade journals.

535.02 Business and Meal Expenses: $1,000 – This account provides expenditures for general expenses incurred by the City Manager's staff during the course of the year.

600.01 Travel - Business: $8,000 – This account provides expenditures for the cost associated with business travel by the City Manager and office staff to attend conferences, legislative meetings, and other business requiring travel.

605.01 Advertising and Public Announcements: $200 - This account provides expenditures for public notice and classified ad expenses.

615.02 Assn. Membership Dues & Fees: $4,200 - This account provides expenditures for the cost of membership in the International City/County Management Association and the Alaska Municipal League.

630.03 Bank & Merchant Fees: $150 - This account provides expenditures for merchant fees for use of credit cards, foreign transaction fees, and service charges.

635.07 Machinery & Equipment Maintenance Services: $1,000 – This account provides expenditures for services for routine and non-routine maintenance associated with equipment located in the 3rd and 4th floor copier rooms.

640.04 Management and Consulting Services: $20,000 – This account provides expenditures for services for management and consulting services associated with developing a strategic plan for General Government.

650.01 Telecommunications: $3,700 – This account provides expenditures for monthly wired and wireless charges, long-distance services, long-distance facsimile transmission, line rentals and maintenance of the phone system as well as the iPad 4G Network for the City Manager's Office.

650.02 Electric, Water, Sewer & Solid Waste: $95 – This account provides expenditures for the cost associated with the destruction of records from the City Manager's Office that have reached the end of their retention life.

790.26 Minor Computers, Printers & Copiers: $3,300 – This account provides for half of the purchase costs for one new desktop computer, two monitors and a UPS backup batteries for the Executive Assistant's workstation, a laptop for the City Manager, and a printer for the City Manager Department per the replacement schedule developed by the Information Technology Department.

825.01 Interdepartmental Charges-Insurance: $5,350 – This account provides expenditures for the division's share of the City's risk management program.

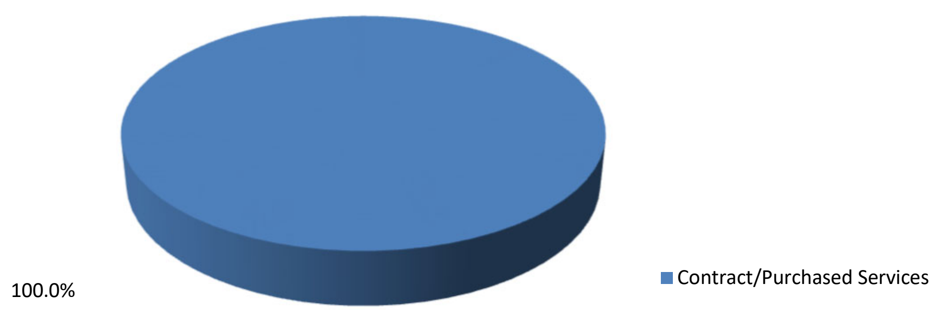
The Grant Writer Program was established to account for the resources used to support the services needed to search grant opportunities, write compelling grant proposals to acquire funding, and work with our leadership team to ensure we have enough capital each year.

PROGRAM SUMMARY

Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Contract/Purchased Services	-	-	-	-	90,000	90,000	NA
Total Expenditures	**-**	**-**	**-**	**-**	**90,000**	**90,000**	**NA**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
General Fund	-	-	-	-	90,000	90,000	NA
Total Funding	**-**	**-**	**-**	**-**	**90,000**	**90,000**	**NA**

2023 Expenditures by Type



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- Other Contractual Services (Account No. 635.14) a new account in 2023, increased by $90,000, in order to provide the funding to develop and implement a grant writing program for the City of Ketchikan.

PROGRAM OPERATING BUDGET DETAIL

		2021	2022 Budget			2023	2022 Adopted/2023	
Operating Expenditures		**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Contract/Purchased Services								
635. 14	Other Contractual Services	-	-	-	-	90,000	90,000	NA
	Contract/Purchased Services	**-**	**-**	**-**	**-**	**90,000**	**90,000**	**NA**
	Total Expenditures by Type	**-**	**-**	**-**	**-**	**90,000**	**90,000**	**NA**

NARRATIVE

635.14 Other Contractual Services: $90,000 - This account provides for contractual services for the Grant Writer Program.

MISSION STATEMENT

The mission of the Human Resources Division is to assist management staff and employees of both General Government and Ketchikan Public Utilities, in order to attract and retain a workforce that can provide efficient and cost-effective services to the community. The division provides centralized personnel and employment services to all City and KPU departments including, but not limited to: employee recruitment and selection; establishing and maintaining job descriptions; updating the employee performance evaluation system and notifying supervisors when evaluations are due; administering the compensation plan; developing and administering personnel policies and procedures; ensuring compliance with state and federal labor, safety and health laws; assisting managers in eliminating time losses from accidents; maintaining employee records; assisting managers with grievance resolution and disciplinary actions; serving as a member of the City and KPU's collective bargaining teams; ensuring that the City and KPU have well-trained work forces; and managing employee recognition programs.

GOALS FOR 2023

- Assist the City Manager's Office in negotiating successor collective bargaining agreements with the International Association of Firefighters, which the extension expired on December 31, 2021, and the Public Safety Employees Association which the extension expired on June 30, 2022.
- Assist the City Manager's Office in the recruitment of an Electric Division Manager. Mr. Andrew Donato submitted his notice of retirement from City service effective January 3, 2022.
- Continue to update and maintain all City/KPU personnel policies and procedures.
- Continue to enhance and streamline Human Resources Division systems, processes, records and work environment.
- Conduct 3-5 year rotational review of all City/KPU job descriptions and revise as necessary.
- Collaborate with departments/divisions to provide education and training on issues related to human resources, supervision, workers' compensation, FMLA and payroll.
- Conduct employee training in the areas of sexual harassment and ethics.
- Continue to promote the City of Ketchikan as a great place to work and live.
- Continue to maintain the average return of seven (7) days on background check completions.

ACCOMPLISHMENTS FOR 2022

- Assisted various departments and divisions with position recruitment consisting of seven management; thirty non-management; eighty-seven temporary; seventeen promotions; and one transfer. Recruitment efforts included advertising, conducting thorough background checks and orientation for all new employees.

- Assisted the City Manager's Office in negotiating a three-year successor collective bargaining agreement with the International Brotherhood of Electrical Workers, Local 1547 for represented employees within Public Works and the Clerical unit.

- Assisted the General Manager's Office in negotiating a three-year successor collection bargaining agreement with the International Brotherhood of Electrical Workers, Local 1547 for represented employees within Ketchikan Public Utilities.

- Assisted the City Manager's Office in the recruitment of a Police Chief. Mr. Jeffrey Walls accepted the position and his first day of employment was January 31, 2022.

- Assisted the City Manager's Office in the recruitment of a Port & Harbors Director. Mr. Darryl Verfaillie accepted the position and his first day of employment was March 11, 2022.

- Assisted the City Manager's Office in the recruitment of a Fire Chief. Mr. Rick Hines accepted the position and his first day of employment was May 1, 2022.

- Hired and trained an Administrative Assistant for Human Resources. Ms. Kelly Brown accepted the position and her first day of employment was September 26, 2022 following the resignation of Ms. Danielle Rodriguez effective July 29, 2022.

- Assisted the City Manager's Office in the recruitment of a KPU Telecommunications Division Manager. Mr. Dan Lindgren accepted the position and his first day of employment was October 7, 2022.

- Assisted the City Manager's Office in the recruitment of a Information Technology Director. Mr. Brock Hecla accepted the position and his first day of employment was October 7, 2022.

- Continued to assist the City Manager's Office in following the CDC guidelines as it relates to the COVID pandemic.

- Continued to approve and process an increased number of Family and Medical Leave.

- Continued employee identification badges for all City of Ketchikan and Ketchikan Public Utilities employees.

- Conducted monthly audits on premium pay.

- Continued to revise and update Human Resources Division forms.

- Continued the employee service award program.

- Continued to monitor the employee evaluation program.

- Continued to conduct a portion of the background check process. Human Resources Division staff conducts the employer and/or reference check portion of the background check process. In addition, The City of Ketchikan changed background checks companies for criminal screenings therefore reducing the overall cost by approximately $2,000 or more annually.

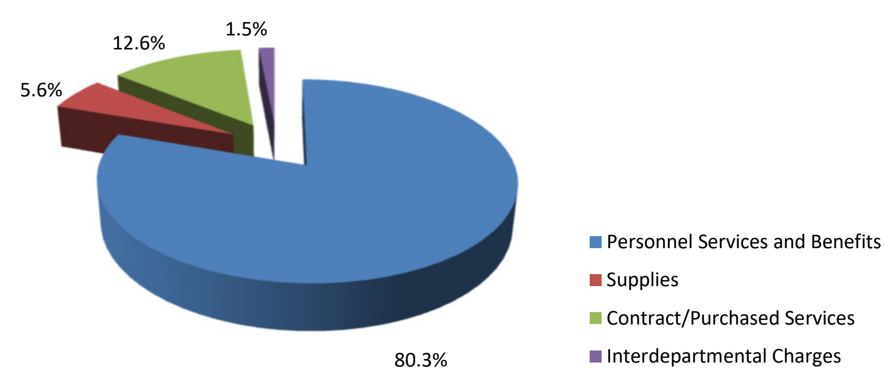
- OSHA Enforcement Officers (2) conducted surprise inspections at eight (8) city owned facilities over a three-day period and the City received no monetary fines, but did receive three letters of "No Apparent Violations" from OSHA.

Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr (Decr)	2022 Adopted/2023 %
Personnel Services and Benefits	346,174	388,343	387,343	373,480	427,523	39,180	10.1%
Supplies	7,948	21,700	21,100	20,900	29,700	8,000	36.9%
Contract/Purchased Services	37,166	47,235	48,835	38,735	67,235	20,000	42.3%
Minor Capital Outlay	-	1,800	1,800	1,000	4,650	2,850	NA
Interdepartmental Charges	6,492	6,490	6,490	6,430	7,930	1,440	22.2%
Total Expenditures	**397,780**	**465,568**	**465,568**	**440,545**	**537,038**	**71,470**	**15.4%**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr (Decr)	2022 Adopted/2023 %
General Fund	161,777	189,338	189,338	179,165	218,408	29,070	15.4%
Solid Waste Fund	13,843	16,200	16,200	15,330	18,690	2,490	15.4%
Wastewater Fund	10,661	12,480	12,480	11,810	14,390	1,910	15.3%
Harbor Fund	7,160	8,380	8,380	7,930	9,670	1,290	15.4%
Port Fund	17,383	20,350	20,350	19,250	23,470	3,120	15.3%
KPU Enterprise Fund	186,957	218,820	218,820	207,060	252,410	33,590	15.4%
Total Funding	**397,780**	**465,568**	**465,568**	**440,545**	**537,038**	**71,470**	**15.4%**

Full-time Equivalent Personnel	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2023 Budget	2023 Salary	2022 Adopted/2023 Incr (Decr)	2022 Adopted/2023 %
Human Resources Manager	1.00	1.00	1.00	1.00	134,145	-	0.0%
Safety Coordinator	1.00	1.00	1.00	1.00	75,250	-	0.0%
Administrative Assistant	1.00	1.00	1.00	1.00	55,078	-	0.0%
Total	**3.00**	**3.00**	**3.00**	**3.00**	**264,473**	**-**	**0.0%**

2023 Expenditures by Type



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- Personnel Services and Benefits increased by $39,180, or by 10.1%, as a result of annual employee step increases, a 2.5% cost of living adjustment for non-represented employees that will become effective January 1, 2023; and projected increases in pension, health insurance and other benefits costs.

- Operating Supplies (Account No. 510.02) increased by $8,000, or by 47.1%, in order to provide a 2023 employee appreciation Holiday Party. The cost for the catering for the annual employee appreciation Holiday Party has more than doubled, in order to continue with a 2023 employee Holiday Party an increase of $8,000 will be necessary.

- Training and Education (Account 600.03) increased by $5,000, or by 100%, in order for an employee in Human Resources to attend the annual IPMA or SHRM Human Resources conference. In addition, Human Resources would like to schedule city-wide training for sexual harassment and ethics.

- Management and Consulting Services (Account No. 640.04) increased by $14,000, or by 127.3%, in order to cover the cost associated with travel expenses and professional fees paid to Victor-Four Labor Relations to negotiate the successor collective bargaining agreement for the International Brotherhood of Electrical Works, representing Ketchikan Public Utilities, which expires on December 31, 2023.

DIVISION OPERATING BUDGET DETAIL

		2021	2022 Budget			2023	2022 Adopted/2023	
Operating Expenditures		**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr (Decr)**	**%**
Personnel Services and Benefits								
500. 01	Regular Salaries and Wages	238,191	247,113	249,660	249,660	264,473	17,360	7.0%
505. 00	Payroll Taxes	17,581	18,910	19,070	19,070	20,240	1,330	7.0%
506. 00	Pension	55,054	55,600	55,600	55,350	59,510	3,910	7.0%
507. 00	Health and Life Insurance	29,543	57,300	53,593	39,980	66,170	8,870	15.5%
507. 30	Workers Compensation	590	670	670	670	720	50	7.5%
508. 00	Other Benefits	5,215	8,750	8,750	8,750	16,410	7,660	87.5%
	Personnel Services and Benefits	**346,174**	**388,343**	**387,343**	**373,480**	**427,523**	**39,180**	**10.1%**
Supplies								
510. 01	Office Supplies	3,506	3,800	3,200	3,000	3,800	-	0.0%
510. 02	Operating Supplies	3,862	17,000	17,000	17,000	25,000	8,000	47.1%
510. 03	Safety Program Supplies	-	250	250	250	250	-	0.0%
520. 02	Postage	43	100	100	100	100	-	0.0%
530. 03	Professional & Technical Publications	537	550	550	550	550	-	0.0%
	Supplies	**7,948**	**21,700**	**21,100**	**20,900**	**29,700**	**8,000**	**36.9%**

Operating Expenditures		2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr (Decr)	%
Contract/Purchased Services								
600. 02	Travel-Training	-	-	-		3,000	3,000	0.0%
600. 03	Training and Education	-	5,000	5,000	-	10,000	5,000	100.0%
605. 01	Ads & Public Announcements	420		600	600		-	0.0%
615. 02	Assn. Membership Dues & Fees	419	575	575	575	575	-	0.0%
635. 07	Machinery & Equipment Maint Services	1,274	2,560	2,560	2,560	2,560	-	0.0%
635. 12	Technical Services	10,036	12,000	13,000	13,000	10,000	(2,000)	-16.7%
640. 01	Legal and Accounting Services	3,944	14,000	3,000	3,000	14,000	-	0.0%
640. 04	Management and Consulting Services	18,813	11,000	22,000	17,000	25,000	14,000	127.3%
650. 01	Telecommunications	2,062	2,000	2,000	1,900	2,000	-	0.0%
650. 02	Electric, Water, Sewer & Solid Waste	198	100	100	100	100	-	0.0%
	Contract/Purchased Services	**37,166**	**47,235**	**48,835**	**38,735**	**67,235**	**20,000**	**42.3%**
Minor Capital Outlay								
790. 26	Minor Computers, Printers & Copiers	-	1,800	1,800	1,000	4,650	2,850	0.0%
	Minor Capital Outlay	**-**	**1,800**	**1,800**	**1,000**	**4,650**	**2,850**	**0.0%**
Interdepartmental Charges								
825. 01	Interdepartmental Charges-Insurance	6,492	6,490	6,490	6,430	7,930	1,440	22.2%
	Interdepartmental Charges	**6,492**	**6,490**	**6,490**	**6,430**	**7,930**	**1,440**	**22.2%**
	Total Expenditures by Type	**397,780**	**465,568**	**465,568**	**440,545**	**537,038**	**71,470**	**15.4%**

NARRATIVE

500.01 Regular Salaries & Wages: $264,473 – This account provides expenditures for the cost of the annual salaries paid to the employees of the Human Resources Division.

505.00 Payroll Taxes: $20,240 – This account provides expenditure for employer contributions to Social Security, Medicare and other similar payroll taxes.

506.00 Pension: $59,510 – This account provides expenditure for employer contributions to retirement plans.

507.00 Health and Life Insurance: $66,170 – This account provides expenditures for employer contributions to employee health and life insurance plans.

507.30 Workers Compensation: $720 – This account provides expenditures for employer contributions to workers' compensation.

508.00 Other Benefits: $16,410 – This account provides expenditures for direct claims from former employees for unemployment benefits paid by the State of Alaska and accrued vacation and sick leave.

510.01 Office Supplies: $3,800 – This account provides expenditures for expendable office supply items such as pens, markers, paper, tape, paperclips, files, staples, envelopes, notepads, correction tape, post-its, etc.

510.02 Operating Supplies: $25,000 – This account provides expenditures for costs associated with service recognition pins and retirement watches awarded to employees; employee recognition gifts; new and updated State and Federal Labor Compliance poster kits; printing of forms such as PAF's; maintenance items for department printer and the cost of supplies and services for the annual employee appreciation Holiday Party.

510.03 Safety Program Supplies: $250 – This account provides expenditures for the cost of supplies utilized to conduct ongoing safety programs for both General Government and Ketchikan Public Utilities.

520.02 Postage: $100 – This account provides expenditures for the costs of postal related services such as postage and mailing materials.

530.03 Professional & Technical Publications: $550 – This account provides expenditures for costs associated with subscriptions to the Alaska Labor & Employment Law, Personnel Problems in Alaska; and updates to the Fair Labor Standards Act and the Family Medical Leave Handbook.

600.02 Travel & Training: $3,000 - This account provides expenditures for costs associated with transportation, lodging, per diem/meals and other incidental travel expenses by the Safety Coordinator and staff to attend the annual IPMA-HR or SHRM conference.

600.03 Training & Education: $10,000 – This account provides expenditures for required annual sexual harassment training and for the Safety Coordinator to attend the IPMA-HR or SHRM annual conference.

615.02 Assn. Membership Dues & Fees: $575 – This account provides expenditures for the costs associated with the membership in the Society for Human Resources Management Association and the International Personnel Management Association, as well as annual consortium fees for Tongass Substance Screening.

635.07 Machinery & Equipment Maintenance Services: $2,560 – This account provides expenditures for services for routine and non-routine maintenance associated with equipment located in the 3rd floor copier room.

635.12 Technical Services: $10,000 – This account provides expenditures for the expenses associated with employee background checks and drug testing services for all random, post-accident and DOT screens for current employees.

640.01 Legal & Accounting Services: $14,000 – This account provides expenditures for the expense of grievance and disciplinary appeal arbitration hearings for General Government and KPU employees.

640.04 Management & Consulting Services: $25,000 – This account provides expenditures for the annual costs associated with routine job description reviews conducted by Ralph Andersen & Associates ($5,000) and the cost of travel expenses and professional fees paid to Victor-Four Labor Relations to negotiate the collective bargaining agreement with the International Brotherhood of Electrical Workers, Local 1547 for represented employees within Ketchikan Public Utilities, ($20,000) which expires on December 31, 2023.

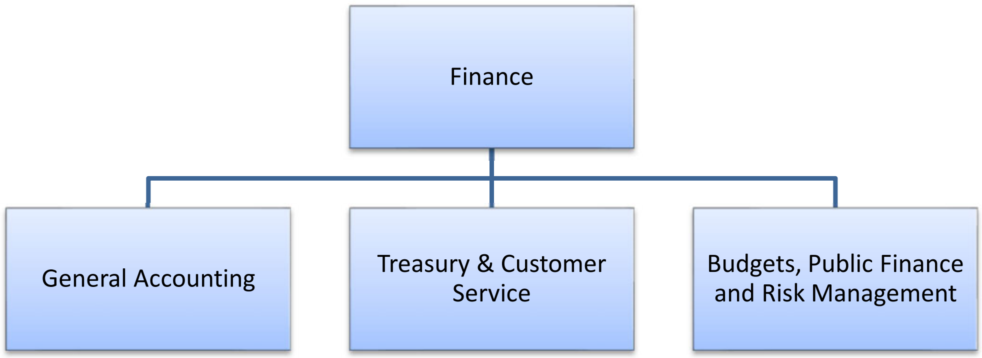
650.01 Telecommunications: **$2,000** – This account provides expenditures for monthly cell phone charges, long-distance services, long-distance facsimile transmissions, line rentals and maintenance of the phone system in the Human Resources Offices.

650.02 Electric, Water, Sewer & Solid Waste: $100 – This account provides expenditures for the costs associated with the destruction of records for the division, which have reached the end of their retention life.

790.26 Minor Computers, Printers & Copiers: $4,650 - This account provides expenditures for the cost associated with a new computer, monitor, printer and to replace a UPS battery backup for the Human Resources Manager per the replacement schedule developed by the Information Technology Department.

825.01 Interdepartmental Charges-Insurance: $7,930 – This account provides expenditures for the division's share of the City's risk management program.

The Finance Department is committed to supporting the citizens of Ketchikan, the City Council and the City management team by providing accurate, timely and reliable financial services.



The Finance Department is comprised of one operating division that encompasses three functional units and one Capital Improvement Program.

DEPARTMENT EXECUTIVE SUMMARY

Divisions/Cost Center/Programs	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted /2023 Incr(Decr)	2022 Adopted /2023 %
Operations	1,966,385	2,209,401	2,209,401	2,125,185	2,430,649	221,248	10.0%
Capital Improvement Program	-	20,000	20,000	-	20,000	-	0.0%
Total	**1,966,385**	**2,229,401**	**2,229,401**	**2,125,185**	**2,450,649**	**221,248**	**9.9%**

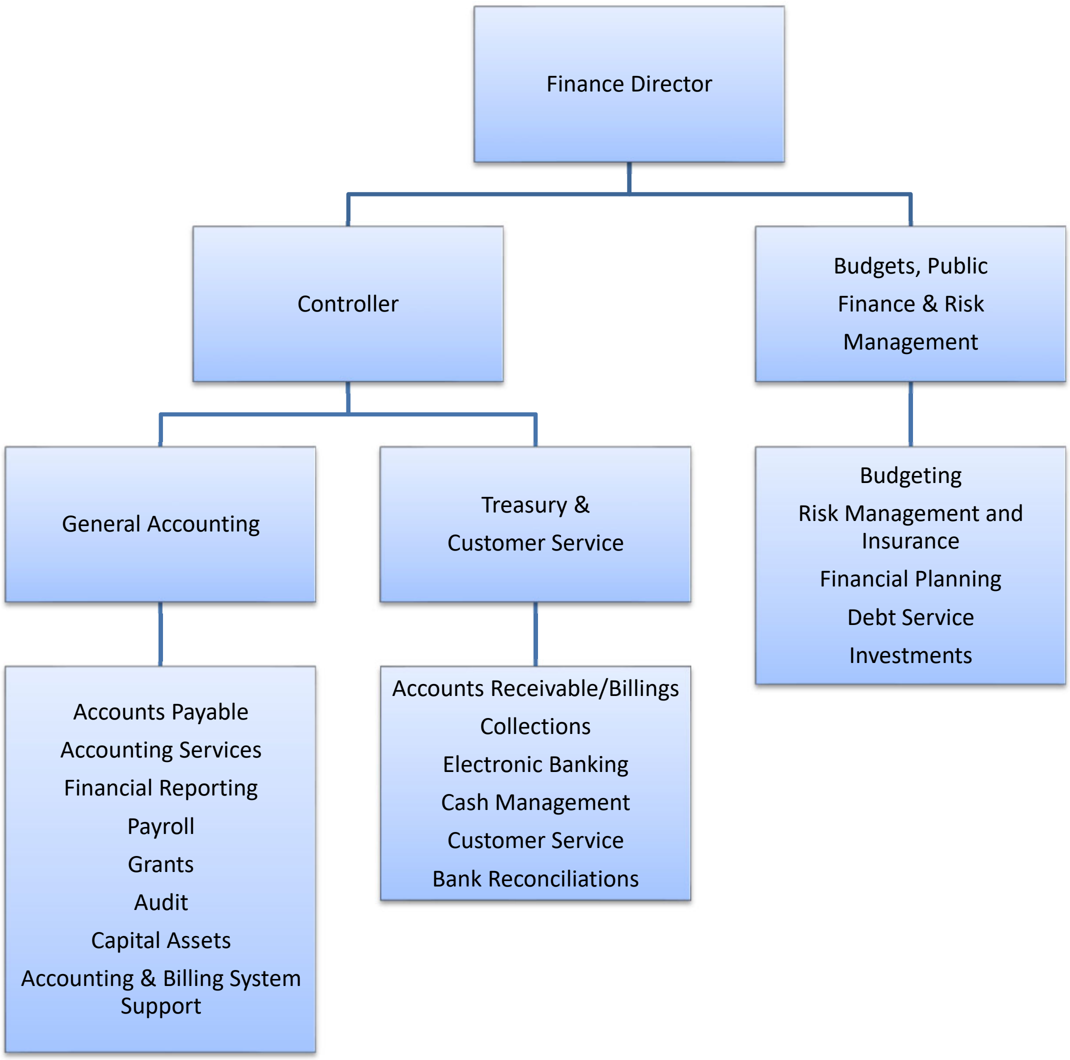
Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted /2023 Incr(Decr)	2022 Adopted /2023 %
Personnel Services and Benefits	1,605,741	1,842,586	1,842,386	1,760,170	2,012,939	170,353	9.2%
Supplies	31,069	32,300	33,300	33,300	37,050	4,750	14.7%
Contract/Purchased Services	286,970	296,975	296,175	294,175	321,000	24,025	8.1%
Minor Capital Outlay	11,558	6,500	6,500	6,500	21,350	14,850	228.5%
Interdepartmental Charges	31,047	31,040	31,040	31,040	38,310	7,270	23.4%
Major Capital Outlay	-	20,000	20,000	-	20,000	-	0.0%
Total	**1,966,385**	**2,229,401**	**2,229,401**	**2,125,185**	**2,450,649**	**221,248**	**9.9%**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted /2023 Incr(Decr)	2022 Adopted /2023 %
General Fund	799,735	898,561	898,561	864,315	988,539	89,978	10.0%
Public Works Sales Tax Fund	-	20,000	20,000	-	20,000	-	0.0%
Solid Waste Fund	68,430	76,890	76,890	73,960	84,590	7,700	10.0%
Wastewater Fund	52,700	59,210	59,210	56,950	65,140	5,930	10.0%
Harbor Fund	35,390	39,770	39,770	38,250	43,750	3,980	10.0%
Port Fund	85,930	96,550	96,550	92,870	106,220	9,670	10.0%
KPU Enterprise Fund	924,200	1,038,420	1,038,420	998,840	1,142,410	103,990	10.0%
Total	**1,966,385**	**2,229,401**	**2,229,401**	**2,125,185**	**2,450,649**	**221,248**	**9.9%**

Full-time Equivalent Personnel	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2023 Budget	2023 Salary	2022 Adopted /2023 Incr(Decr)	2022 Adopted /2023 %
Operations	16.00	16.00	16.00	16.00	1,238,279	-	0.0%
Total	**16.00**	**16.00**	**16.00**	**16.00**	**1,238,279**	**-**	**0.0%**

MISSION STATEMENT

The Finance Department is committed to providing accurate, timely and reliable financial services to the general public and all departments of General Government and Ketchikan Public Utilities. The department's services include accounting, billing, budgeting, cash management, debt service management, financial planning and forecasting, financial reporting, grants administration, risk management and customer services. The Finance Department's mission is to ensure that the quality of these services meets or exceeds the highest professional standards; the level of these services meets the needs of all departments of General Government and Ketchikan Public Utilities; and that the delivery of these services reflects positively on the City of Ketchikan.



GOALS FOR 2023

- Complete the City's 2022 Financial and Compliance Audit by May 31, 2023.
- In conjunction with the office of the City Manager/KPU General Manager, prepare the proposed 2024 General Government and KPU Operating and Capital Budgets and their respective 2024 – 2028 Capital Improvement Programs.
- Continue to provide support for the City's accounting, human resources and utility billing systems and expand the support to include internal help desk services and more user training.

- Implement the electronic personnel action forms, capital assets and e-suites functions of the City's financial and accounting information system.

- Continue the process of updating and documenting written procedures to incorporate the City's accounting, human resources and utility billing systems.

- Finalize a metered rate structure for water and wastewater service in anticipation of implementing metered billing for the commercial customers of the water and wastewater utilities.

- Implement GASB Statement No. 87, *Leases.* This new accounting pronouncement requires municipalities to report in their financial statements capital and operating leases as liabilities. The pronouncement will significantly impact the Berth IV lease agreement between the City and Ketchikan Dock Company.

ACCOMPLISHMENTS FOR 2022

- Completed the City's 2021 Financial and Compliance Audit. The City received a clean opinion and there were no single audit findings.

- Completed, in conjunction with the office of City Manager/KPU General Manager, the proposed 2023 General Government and KPU Operating and Capital Budgets and their respective 2023 – 2027 Capital Improvement Programs.

- Applied for a certificate of achievement for excellence in financial reporting from the Government Finance Officers Association for the City's 2021 Financial and Compliance Audit. This will be the City's 43rd certificate, the most awarded to a municipality in the State of Alaska.

- Continued working on a metered rate structure for water and wastewater service in anticipation of implementing metered billing for the commercial customers of the water and wastewater utilities.

- Expanded the procurement card program to all departments.

- Began recruitment for a new Senior Accountant to fill the position vacated by Patty Keeley. Ms. Keeley retired in December 2022 after 40 years of service to the City and Ketchikan Public Utilities.

- Recruited Sharon Walls to serve as the Financial Accounting System Specialist position vacated by Taylor Martinez.

- Recruited Kevin Heaton to serve as the Office Services Technician position vacated by Meadow Meunch.

- Began recruitment for a new Accounts Payable Technician vacated by Korry Olsen in 2021.

- Compiled and filed all the reports necessary for seeking reimbursement from FEMA and the State for expenses incurred by the City in responding to the COVID-19 pandemic and addressing the needs of the community.

- Implemented a seasonal sales tax plan for 2023 to capitalize on revenue streams per City Council direction.

- Assisted the City Manager/KPU General Manager's Office in providing financial information with respect to ongoing collective bargaining agreement negotiations between the City and Ketchikan Public Utilities -International Brotherhood of Electrical Workers, Local 1547, City of Ketchikan - International Brotherhood of Electrical Workers, Local 1547, Police Department - Public Safety Employee Association employees (PSEA) and the International Association of Fire Fighters Union - Local 2761.

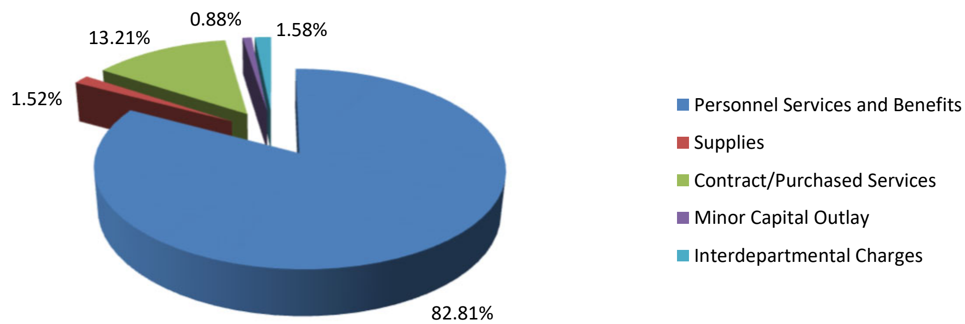
DIVISION SUMMARY

Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted /2023 Incr(Decr)	2022 Adopted /2023 %
Personnel Services and Benefits	1,605,741	1,842,586	1,842,386	1,760,170	2,012,939	170,353	9.2%
Supplies	31,069	32,300	33,300	33,300	37,050	4,750	14.7%
Contract/Purchased Services	286,970	296,975	296,175	294,175	321,000	24,025	8.1%
Minor Capital Outlay	11,558	6,500	6,500	6,500	21,350	14,850	228.5%
Interdepartmental Charges	31,047	31,040	31,040	31,040	38,310	7,270	23.4%
Total Expenditures	**1,966,385**	**2,209,401**	**2,209,401**	**2,125,185**	**2,430,649**	**221,248**	**10.0%**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted /2023 Incr(Decr)	2022 Adopted /2023 %
General Fund	799,735	898,561	898,561	864,315	988,539	89,978	10.0%
Solid Waste Fund	68,430	76,890	76,890	73,960	84,590	7,700	10.0%
Wastewater Fund	52,700	59,210	59,210	56,950	65,140	5,930	10.0%
Harbor Fund	35,390	39,770	39,770	38,250	43,750	3,980	10.0%
Port Fund	85,930	96,550	96,550	92,870	106,220	9,670	10.0%
KPU Enterprise Fund	924,200	1,038,420	1,038,420	998,840	1,142,410	103,990	10.0%
Total Funding	**1,966,385**	**2,209,401**	**2,209,401**	**2,125,185**	**2,430,649**	**221,248**	**10.0%**

Full-time Equivalent Personnel	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2023 Budget	2023 Salary	2022 Adopted /2023 Incr(Decr)	2022 Adopted /2023 %
Finance Director	1.00	1.00	1.00	1.00	143,674	-	0.0%
Controller	1.00	1.00	1.00	1.00	124,566	-	0.0%
Treasury & Customer Service Supervisor	1.00	1.00	1.00	1.00	77,103	-	0.0%
Senior Accountant - Telecom	1.00	1.00	1.00	1.00	81,834	-	0.0%
Senior Accountant - Electric/Water	1.00	1.00	1.00	1.00	88,159	-	0.0%
Senior Accountant - General Gov't	1.00	1.00	1.00	1.00	88,159	-	0.0%
Staff Accountant	2.00	2.00	2.00	2.00	154,059	-	0.0%
Financial Analyst	1.00	1.00	1.00	1.00	79,867	-	0.0%
Financial Accounting System Specialist	1.00	1.00	1.00	1.00	63,544	-	0.0%
Accounts Payable Coordinator	1.00	1.00	1.00	1.00	64,251	-	0.0%
Payroll Coordinator	1.00	1.00	1.00	1.00	63,565	-	0.0%
Accounts Payable Technician	1.00	1.00	1.00	1.00	48,714	-	0.0%
Customer Services Representative II	2.00	2.00	2.00	2.00	113,048	-	0.0%
Office Services Technician	1.00	1.00	1.00	1.00	47,736	-	0.0%
Total	**16.00**	**16.00**	**16.00**	**16.00**	**1,238,279**	**-**	**0.0%**

2023 Expenditures by Type



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- Personnel Services and Benefits increased by $170,353, or by 9.2% due to a 2.5% COLA for the City-IBEW collective bargaining unit and the non-represented employees; increases in pension, health and other benefits.

- Training & Education (Account No. 600.03) increased by $6,575, or by 271.1%, due to the need to return the department's training back to pre-pandemic levels.

- Legal & Accounting Services (Account No. 640.01) increased by $9,800, or by 11.0%, due to the increased contract fee and additional services to perform the City's annual financial audit.

- Computer, Printers & Copiers (Account No. 790.26) increased by $12,850, or by 214.2%, due to the cost to replace four workstations, three monitors, one printer and two laptops.

- Interdepartmental Charges-Insurance (Account No. 825.01) increased by $7,270, or by 23.4%, due to increased insurance premiums and claims.

DIVISION OPERATING BUDGET DETAIL

			2021	2022 Budget			2023	2022 Adopted /2023	
Operating Expenditures			Actual	Adopted	Amended	Estimate	Budget	Incr(Decr)	%
Personnel Services and Benefits									
500	.01	Regular Salaries and Wages	1,031,862	1,167,626	1,167,426	1,123,030	1,238,279	70,653	6.1%
501	.01	Overtime Wages	1,567	11,500	11,500	8,640	11,500	-	0.0%
502	.01	Temporary Wages	7,310	15,000	15,000	10,950	15,000	-	0.0%
505	.00	Payroll Taxes	77,030	91,360	91,360	85,030	96,760	5,400	5.9%
506	.00	Pension	217,230	242,470	242,470	231,670	262,020	19,550	8.1%
507	.00	Health and Life Insurance	244,826	279,590	279,590	265,960	335,370	55,780	20.0%
507	.30	Workers Compensation	2,648	3,220	3,220	3,070	3,420	200	6.2%
508	.00	Other Benefits	12,203	31,670	31,670	31,670	50,440	18,770	59.3%
508	.07	Allowances-Moving Expense (Taxed)	11,065	-	-	-	-	-	NA
509	.08	Allowances-Medical Expenses	-	150	150	150	150	-	0.0%
		Personnel Services and Benefits	**1,605,741**	**1,842,586**	**1,842,386**	**1,760,170**	**2,012,939**	**170,353**	**9.2%**

Operating Expenditures			2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted /2023 Incr(Decr)	2022 Adopted /2023 %
Supplies									
510	.01	Office Supplies	20,462	21,000	21,000	21,000	22,500	1,500	7.1%
510	.02	Operating Supplies	2,396	250	250	250	2,500	2,250	900.0%
510	.05	Small Tools and Equipment	-	250	250	250	250	-	0.0%
520	.02	Postage	7,216	9,000	10,000	10,000	10,000	1,000	11.1%
530	.02	Periodicals	231	-	-	-	-	-	NA
530	.03	Professional and Technical Publications	764	1,800	1,800	1,800	1,800	-	0.0%
		Supplies	**31,069**	**32,300**	**33,300**	**33,300**	**37,050**	**4,750**	**14.7%**
Contract/Purchased Services									
600	.01	Travel-Business	5,985	-	-	-	-	-	NA
600	.02	Travel-Training	-	1,850	1,850	1,850	5,000	3,150	170.3%
600	.03	Training and Education	4,140	2,425	2,425	2,425	9,000	6,575	271.1%
605	.01	Ads and Public Announcements	1,217	500	500	500	500	-	0.0%
615	.01	Professional Licenses & Certifications	-	-	-	-	500	500	NA
615	.02	Assn. Membership Dues & Fees	295	1,000	1,000	1,000	1,000	-	0.0%
630	.03	Bank & Merchant Fees	70,482	69,000	69,000	69,000	72,000	3,000	4.3%
630	.06	Service Charges and Fees	2,985	3,000	3,000	3,000	3,000	-	0.0%
635	.04	Software Maintenance Services	78,819	82,000	81,000	79,000	82,000	-	0.0%
635	.07	Machinery & Equipment Maintenance Ser	6,833	7,000	7,000	7,000	7,000	-	0.0%
635	.12	Technical Services	-	300	300	300	300	-	0.0%
640	.01	Legal and Accounting Services	78,984	89,000	89,000	89,000	98,800	9,800	11.0%
640	.03	Information Technology Services	-	1,500	1,500	1,500	1,500	-	0.0%
640	.04	Management and Consulting Services	29,410	30,000	30,000	30,000	30,000	-	0.0%
645	.02	Rents and Leases-Machinery & Equip	967	750	750	750	750	-	0.0%
650	.01	Telecommunications	6,780	8,500	8,500	8,500	9,300	800	9.4%
650	.02	Electric, Water, Sewer & Solid Waste	73	150	350	350	350	200	133.3%
		Contract/Purchased Services	**286,970**	**296,975**	**296,175**	**294,175**	**321,000**	**24,025**	**8.1%**
Minor Capital Outlay									
790	.15	Furniture and Fixtures	4,758	500	500	500	500	-	0.0%
790	.25	Machinery & Equipment	-	-	-	-	2,000	2,000	NA
790	.26	Computers, Printers & Copiers	6,800	6,000	6,000	6,000	18,850	12,850	214.2%
		Minor Capital Outlay	**11,558**	**6,500**	**6,500**	**6,500**	**21,350**	**14,850**	**228.5%**
Interdepartmental Charges/ Reimbursable Credits									
825	.01	Interdepartmental-Insurance	31,047	31,040	31,040	31,040	38,310	7,270	23.4%
		Interdepartmental Charges	**31,047**	**31,040**	**31,040**	**31,040**	**38,310**	**7,270**	**23.4%**
		Total Expenditures by Type	**1,966,385**	**2,209,401**	**2,209,401**	**2,125,185**	**2,430,649**	**221,248**	**10.0%**

NARRATIVE

500.01 Regular Salaries and Wages: **$1,238,279** – This account provides expenditures for compensation paid to regular employees for personnel services.

501.01 Overtime Wages: **$11,500** – This account provides expenditures for compensation paid to non-exempt regular and temporary employees for hours worked in excess of a regular working cycle.

502.01 Temporary Wages: $15,000 – This account provides expenditures for compensation paid for temporary help during staff absences or during periods when workloads are unusually heavy.

505.00 Payroll Taxes: $96,760 – This account provides expenditures for employer contributions for Social Security and Medicare and other similar payroll taxes.

506.00 Pension: $262,020 – This account provides expenditures for employer contributions to retirement plans.

507.00 Health and Life Insurance: $335,370 – This account provides expenditures for employer contributions to employee health and life insurance plans.

507.30 Workers Compensation: $3,420 – This account provides expenditures for employer contributions for mandatory workers compensation insurance.

508.00 Other Benefits: $50,440 – This account provides expenditures for the reimbursement of direct claims from former employees for unemployment benefits paid by the State of Alaska and accrued vacation and sick leave.

509.08 Allowances-Medical Expenses: $150 – This account provides expenditures for employee medical exams paid directly to employees.

510.01 Office Supplies: $22,500 – This account provides expenditures for expendable office supplies.

510.02 Operating Supplies: $2,500 – This account provides expenditures for supplies that are not of a maintenance nature and are required to support division operations.

510.05 Small Tools and Equipment: $250 – This account provides expenditures for calculators, space heaters and minor computer accessories.

520.02 Postage: $10,000 – This account provides expenditures for postage and mailing materials used for customer invoices and statements for City services and general correspondence.

530.03 Professional and Technical Publications: $1,800 - This account provides expenditures for professional literature, technical publications and a subscription to an electronic data base used to keep current with accounting and auditing standards and financial management practices.

600.02 Travel – Training: **$5,000** – This account provides expenditures for transportation, lodging, meals, per diems and other incidental expenses incurred by employees to attend training and educational opportunities not available in the community.

600.03 Training and Education: $9,000 – This account provides expenditures for the registration fees, training materials and fees for training programs. Included are an annual governmental accounting update for the professional staff, industry specific training for the utility accountants, and training for the new financial and accounting information system.

605.01 Ads and Public Announcements: $500 – This account provides expenditures for legal notices and community information notices.

615.01 Professional Licenses & Certifications: $500 – This account provides expenditures for licensing professional employees requiring a license in order to perform their duties.

615.02 Assn. Membership Dues & Fees: $1,000 – This account provides expenditures for membership fees for the American Institute of Certified Public Accountants, Government Finance Officers Association, Northern Credit Bureau, American Payroll Association and American Accounts Payable Association.

630.03 Bank & Merchant Fees: $72,000– This account provides expenditures for account maintenance fees for the City's primary bank account, credit card equipment and transaction fees, and fees for storing customer credit card information.

630.06 Service Charges and Fees: $3,000 – This account provides expenditures for application fees required for the review of the City's Comprehensive Annual Financial Report by the Government Finance Officers Association, escrow fees for the source code for the financial management and accounting system, mandatory fees paid to the State of Alaska for administering the Statewide FICA Program and mandatory patient centered outcome research fees arising from the health reimbursement accounts paid to the IRS.

635.04 Software Maintenance Services: $82,000 – This account provides expenditures for the annual software maintenance support agreement for the financial management and accounting system.

635.07 Machinery and Equipment Maintenance Services: $7,000 – This account provides expenditures for the maintenance service agreements for office equipment, copiers and document scanners.

635.12 Technical Services: $300 – This account provides expenditures for monitoring services required for the silent alarm system.

640.01 Legal and Accounting Services: $98,800 – This account provides expenditures for the annual audit of the City's financial statements and other professional accounting and legal services. Legal services generally include bond and payroll tax matters.

640.03 Information Technology Services: $1,500 – The account provides expenditures for technical assistance required to install upgrades to the financial accounting and management system.

640.04 Management and Consulting Services: $30,000 – The account provides expenditures for management and consulting services required to improve workflow processes and comply with industry or governmental rules and regulations. Included in this request is funding for a third party review of the City's compliance with Payment Card Industry Data Security Standards. Merchants accepting credit cards are mandated by the credit card companies to adhere to these standards.

645.02 Rents and Leases – Machinery and Equipment: $750 – This account provides expenditures for the lease of the postage meter.

650.01 Telecommunications: $9,300 – This account provides expenditures for the monthly charges, long-distance services, long-distance facsimile transmission, line rentals and maintenance of the phone system.

650.02 Electric, Water, Sewer & Solid Waste: $350 – This account provides expenditures for disposal of records that have reached the end of their retention life.

790.15 Furniture and Fixtures: $500 – This account provides expenditures for the purchase of minor office furniture and fixtures in the event of needed replacements.

790.25 Machinery and Equipment: $2,000 – This account provides expenditures for the purchase of minor machinery and equipment in the event of needed replacements.

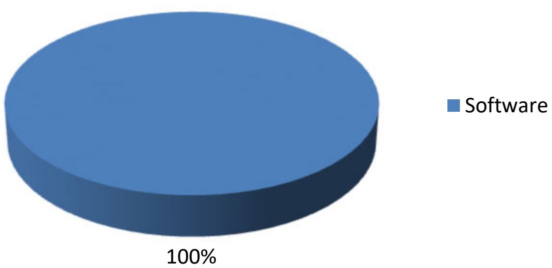
790.26 Computers, Printers and Copiers: $18,850 – This account provides expenditures for the replacement of four workstations, three monitors, two laptops, and one printer as recommended by the Information Technology Department. The replacement schedule is predicated on replacing personal computers every five years.

825.01 Interdepartmental Charges-Insurance: $38,310 – This account provides expenditures for the department's share of the City's risk management program.

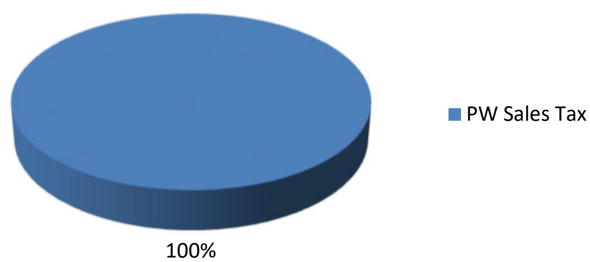
Major Capital Outlay		2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted /2023 Amount	2022 Adopted /2023 %
735.00	Software	-	20,000	20,000	-	20,000	-	0.0%
Total Major Capital Outlay		**-**	**20,000**	**20,000**	**-**	**20,000**	**-**	**0.0%**

Capital Improvement Projects Project #	Project	Funding Sources PW Sales Tax	Funding Sources	Funding Sources	Total
735.00 Software					
	Financial & Accounting System Implementation	20,000	-	-	20,000
	Total Software	**20,000**	**-**	**-**	**20,000**
	Total Capital Budget	**20,000**	**-**	**-**	**20,000**

Expenditures by Type



Expenditures by Funding Source



The Information Technology Department is committed to matching advances in technology with the needs of City and Ketchikan Public Utilities departments and analyzing benefits and costs to ensure that the new technology is cost-effective. These services include collecting, processing, and distributing data via the City's central computer systems; supporting personal computers and area-wide networks; programming, evaluating, and designing systems; and maintaining the integrity of the department's hardware and the data flowing through its information systems.

The Information Technology Department is comprised of one operating division and oversees a Capital Improvement Program.

DEPARTMENT EXECUTIVE SUMMARY

Divisions/Cost Center/Programs	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Operations	985,401	1,087,947	1,087,947	966,450	1,317,486	229,539	21.1%
Capital Improvement Program	12,499	50,000	50,000	50,000	235,000	185,000	370.0%
Total	**997,900**	**1,137,947**	**1,137,947**	**1,016,450**	**1,552,486**	**414,539**	**36.4%**

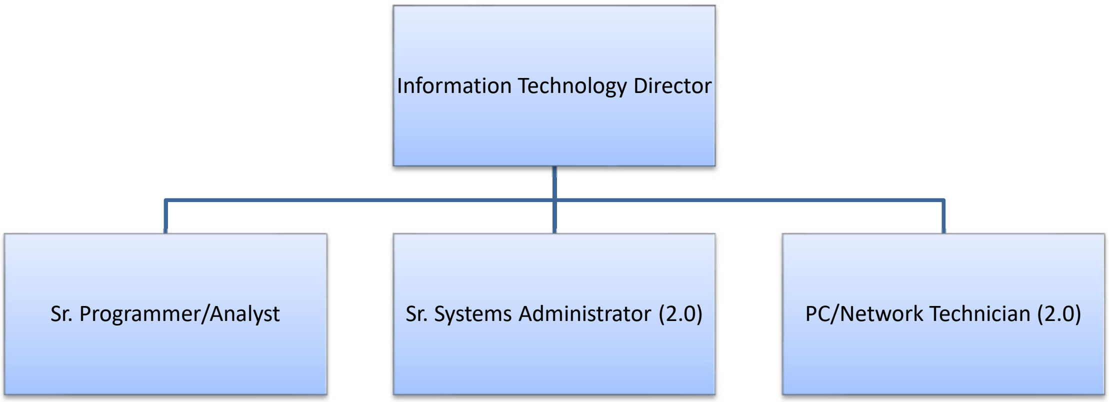
Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Personnel Services and Benefits	773,654	835,197	832,197	713,960	930,476	95,279	11.4%
Supplies	6,928	10,150	10,150	9,920	17,980	7,830	77.1%
Contract/Purchased Services	176,783	218,540	221,540	221,540	318,800	100,260	45.9%
Minor Capital Outlay	12,597	6,950	6,950	6,950	30,250	23,300	335.3%
Interdepartmental Charges	15,439	17,110	17,110	14,080	19,980	2,870	16.8%
Major Capital Outlay	12,499	50,000	50,000	50,000	235,000	185,000	370.0%
Total	**997,900**	**1,137,947**	**1,137,947**	**1,016,450**	**1,552,486**	**414,539**	**36.4%**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
General Fund	375,910	428,667	428,667	382,890	584,826	156,159	36.4%
Solid Waste Fund	34,730	39,600	39,600	35,370	54,030	14,430	36.4%
Wastewater Fund	26,740	30,500	30,500	27,240	41,610	11,110	36.4%
Harbor Fund	17,960	20,480	20,480	18,300	27,940	7,460	36.4%
Port Fund	43,610	49,730	49,730	44,420	67,840	18,110	36.4%
KPU Enterprise Fund	498,950	568,970	568,970	508,230	776,240	207,270	36.4%
Total	**997,900**	**1,137,947**	**1,137,947**	**1,016,450**	**1,552,486**	**414,539**	**36.4%**

Full-time Equivalent Personnel	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2023 Budget	2023 Salary	2022 Adopted/2023 Incr(Decr)	%
Operations	6.00	6.00	6.00	6.00	547,376	-	0.0%
Total	**6.00**	**6.00**	**6.00**	**6.00**	**547,376**	**-**	**0.0%**

MISSION STATEMENT

The mission of the Information Technology Department is to provide efficient and timely computing services and support to all departments of General Government and Ketchikan Public Utilities. These services include collecting, processing, and distributing data through the City's central computer systems; supporting personal computers and local and area-wide networks; evaluating, designing and programming systems; and maintaining the security and the integrity of the data flowing through the City's information systems while providing external vendor access to needed applications. The department is committed to matching advances in technologies with the needs of City and Utility departments and analyzing benefits and costs to ensure that the new technologies are cost effective.



GOALS FOR 2023

- Expand the primary NVMe storage array and install supporting equipment in phase two of the deployment plan. This will provide the required capacity and low latency necessary for critical City systems. This equipment supports all departments and is critical for business operations.
- Install new host servers and supporting equipment to support the 70+ virtual machines used by all City departments.
- Expand the multi-factor authentication solution for remote (non-console) access to systems both internally and externally. This will provide needed security enhancements that have become the industry standard. These systems are becoming recommended and even required by some cybersecurity insurance policies.
- Continue security group cleanup creating additional security groups and removing individual profile access rights to data and systems.
- Deploy offsite host servers and storage system to allow for expedited recovery of business operations, if required due to an incident at City Hall.
- Continue streamlining operational procedures within the department for intake and deployment of new equipment along with a surplus of old equipment.
- Lockdown portable drives (thumb drives and external hard drives). Devices can be allowed based on need.
- Upgrade the Office Productivity Suite to Microsoft Office 2019. This will be in preparation for a move to Office 365 subscription licensing planned for 2024.
- Support an organization that includes 260 workstations, 90 laptops, 80 servers, 100 printers, and numerous other mobile devices.
- Recruit, hire, and train a new Senior Systems Administrator to replace Brock Hecla, who was promoted to Information Technology Director effective October 7, 2022.

ACCOMPLISHMENTS FOR 2022

- Major progress migrating legacy AS/400 Utility Billing, HR, Payroll, Finance, and Police databases into the Laserfiche archive system. This is required for the removal of all non KPU Telephone systems from the AS/400 iSeries server.
- Expanded monitoring for notification of service outages and system errors. The department now monitors more equipment allowing for faster isolation of errors and efficient service restoration. Many times the department is correcting issues before users are aware a problem exists.
- Began streamlining the upgrade and deployment procedures. This has already reduced the time required to deploy new equipment and eased the transition for staff.
- Completed phase one of the installation of the new primary NVMe storage array. It has much faster read and write speeds allowing for smoother operation of various software systems supporting all departments. The department can now continue with phase 2 and expand its storage capacity and upgrade associated network equipment to support even more critical business systems.
- Assisted the Library with the upgrade and move of the Sirsi online system.
- Deployed management servers and assigned a trial users group for testing multi-factor authentication. This secures internal and external remote (non-console) login to systems increasing security.
- Expanded and adjusted robotic tape library schedules and job scopes to enhance backup and data retention procedures.
- Appointed Kyan Kimberley to PC/Network Technician effective June 1, 2022.
- Appointed LeAnn Pickard to PC/Network Technician effective September 19, 2022.
- Senior Systems Administrator Brock Hecla was appointed to Information Technology Director effective October 7, 2022 following the retirement of Director Curtis Thomas on July 1, 2022.
- Supported an organization which includes 260 workstations, 90 laptops, 80 servers, 100 printers, and numerous other mobile devices.

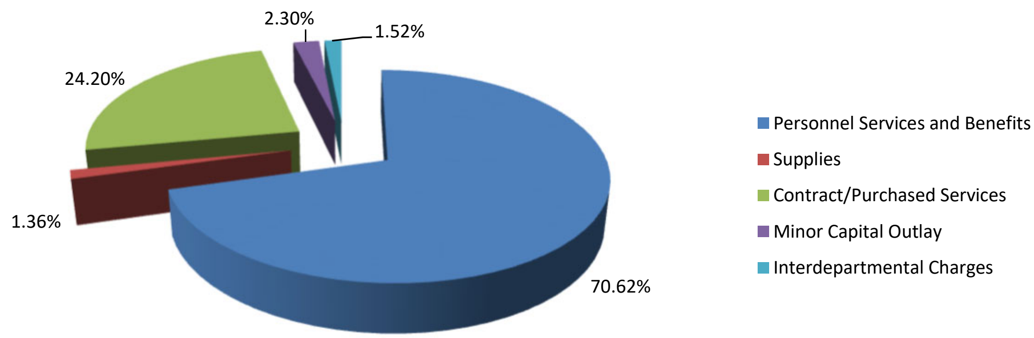
DIVISION SUMMARY

	2021	2022 Budget			2023	2022 Adopted/2023	
Expenditures by Category	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incur(Decr)**	**%**
Personnel Services and Benefits	773,654	835,197	832,197	713,960	930,476	95,279	11.4%
Supplies	6,928	10,150	10,150	9,920	17,980	7,830	77.1%
Contract/Purchased Services	176,783	218,540	221,540	221,540	318,800	100,260	45.9%
Minor Capital Outlay	12,597	6,950	6,950	6,950	30,250	23,300	335.3%
Interdepartmental Charges	15,439	17,110	17,110	14,080	19,980	2,870	16.8%
Total Expenditures	**985,401**	**1,087,947**	**1,087,947**	**966,450**	**1,317,486**	**229,539**	**21.1%**

	2021	2022 Budget			2023	2022 Adopted/2023	
Funding Source	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incur(Decr)**	**%**
General Fund	385,587	425,727	425,727	378,160	515,536	89,809	21.1%
Solid Waste Fund	34,193	37,750	37,750	33,540	45,720	7,970	21.1%
Wastewater Fund	26,015	28,720	28,720	25,510	34,780	6,060	21.1%
Harbor Fund	18,624	20,560	20,560	18,270	24,900	4,340	21.1%
Port Fund	28,281	31,220	31,220	27,740	37,810	6,590	21.1%
KPU Enterprise Fund	492,701	543,970	543,970	483,230	658,740	114,770	21.1%
Total Funding	**985,401**	**1,087,947**	**1,087,947**	**966,450**	**1,317,486**	**229,539**	**21.1%**

Full-time Equivalent Personnel	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2023 Budget	2023 Salary	2022 Adopted/2023 Incur(Decr)	2022 Adopted/2023 %
Information Technology Director	1.00	1.00	1.00	1.00	119,689	-	0.0%
Sr. Systems Administrator	2.00	2.00	2.00	2.00	201,044	-	0.0%
Sr. Programmer/Analyst	1.00	1.00	1.00	1.00	97,311	-	0.0%
PC/Network Technician	2.00	2.00	2.00	2.00	129,332	-	0.0%
Total	**6.00**	**6.00**	**6.00**	**6.00**	**547,376**	**-**	**0.0%**

2023 Expenditures by Type



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- Personnel Services and Benefits increased by $95,279, or by 11.4%, due to annual employee step increases, a 2.5% cost of living adjustment for IBEW, Local 1547 employees and non-represented employees that will become effective January 1, 2023; and projected increases in pension, health insurance and other benefits costs.

- Moving Expenses -Taxed (Account No. 509.07) is newly funded at $15,000 to fund potential relocation costs to fill vacant positions.

- Travel-Training (Account No. 600.02) is newly funded at $6,250 to pay for anticipated training related travel expenses.

- Software Maintenance Services (Account No. 635.04) increased $59,700, or by 65.6%, to pay for increased vendor support fees, deployment, support and subscription fees for multi-factor authentication services and network monitoring software services from KPU Telephone.

- Rents and Leases - Infrastructure (Account No. 645.04) is newly funded at $20,000 to account for leased equipment cabinet space used for offsite disaster recovery and downtime mitigation.

- Computers, Printers & Copiers (Account No. 790.26) increased by $11,300, or by 753.3%, to pay for the replacement of computers used by staff to perform duties per the replacement schedule developed by the Information Technology Department.

DIVISION OPERATING BUDGET DETAIL

Operating Expenditures			2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Personnel Services and Benefits									
500	.01	Regular Salaries and Wages	499,157	532,557	529,557	445,700	547,376	14,819	2.8%
501	.01	Overtime Wages	1,213	2,800	2,800	1,340	2,800	-	0.0%
505	.00	Payroll Taxes	37,882	40,960	40,960	36,660	42,090	1,130	2.8%
506	.00	Pension	104,286	108,840	108,840	91,380	116,530	7,690	7.1%
507	.00	Health and Life Insurance	118,109	134,200	134,200	123,180	182,060	47,860	35.7%
507	.30	Workers Compensation	1,294	1,450	1,450	1,310	1,490	40	2.8%
508	.00	Other Benefits	(3,089)	14,390	14,390	14,390	23,130	8,740	60.7%
509	07	Moving Expenses -Taxed	14,802	-	-	-	15,000	15,000	NA
		Personnel Services and Benefits	**773,654**	**835,197**	**832,197**	**713,960**	**930,476**	**95,279**	**11.4%**
Supplies									
510	.01	Office Supplies	1,726	1,800	1,800	1,800	1,800	-	0.0%
510	.02	Operating Supplies	1,074	2,800	2,800	2,800	4,800	2,000	71.4%
515	.04	Machinery & Equip Maint Materials	4,078	4,700	4,700	4,700	9,500	4,800	102.1%
520	.02	Postage	20	380	380	150	380	-	0.0%
525	.04	Vehicle Motor Fuel & Lubricants	30	470	470	470	1,500	1,030	219.1%
		Supplies	**6,928**	**10,150**	**10,150**	**9,920**	**17,980**	**7,830**	**77.1%**
Contract/Purchased Services									
600	.02	Travel-Training	-	-	-	-	6,250	6,250	NA
600	.03	Training and Education	1,605	3,750	3,750	3,750	5,500	1,750	46.7%
605	01	Ads and Public Announcements	1,011	-	3,000	3,000	4,500	4,500	NA
630	.02	Vehicle Licenses	10	10	10	10	20	10	100.0%
635	.04	Software Maintenance Services	90,861	91,000	91,000	91,000	150,700	59,700	65.6%
635	.07	Machinery & Equipment Maintenance	22,695	46,000	46,000	46,000	50,850	4,850	10.5%
645	04	Rents and Leases - Infrastructure	-	-	-	-	20,000	20,000	NA
650	.01	Telecommunications	60,567	77,500	77,500	77,500	80,500	3,000	3.9%
650	.02	Electric, Water, Sewer & Solid Waste	34	280	280	280	480	200	71.4%
		Contract/Purchased Services	**176,783**	**218,540**	**221,540**	**221,540**	**318,800**	**100,260**	**45.9%**
Minor Capital Outlay									
790	.15	Furniture and Fixtures	-	-	-	-	4,500	4,500	NA
790	.25	Machinery and Equipment	3,970	4,500	4,500	4,500	9,000	4,500	100.0%
790	.26	Computers, Printers & Copiers	8,427	1,500	1,500	1,500	12,800	11,300	753.3%
790	.35	Software	200	950	950	950	3,950	3,000	315.8%
		Minor Capital Outlay	**12,597**	**6,950**	**6,950**	**6,950**	**30,250**	**23,300**	**335.3%**
Interdepartmental Charges									
825	.01	Interdepartmental-Insurance	14,537	14,470	14,470	14,080	17,340	2,870	19.8%
850	.01	Interdepartmental-Garage	902	2,640	2,640	-	2,640	-	0.0%
		Interdepartmental Charges	**15,439**	**17,110**	**17,110**	**14,080**	**19,980**	**2,870**	**16.8%**
		Total Expenditures by Type	**985,401**	**1,087,947**	**1,087,947**	**966,450**	**1,317,486**	**229,539**	**21.1%**

NARRATIVE

500.01 Regular Salaries and Wages: $547,376 – This account provides expenditures for compensation paid to all regular salaried and hourly employees for personnel services.

501.01 Overtime Wages: $2,800 – This account provides expenditures for compensation paid to all regular and temporary hourly employees for hours worked in excess of a regular working cycle. IT supports the following departments that provide services after standard work hours: KPU Telecommunications, KPU Customer Service, Police, Fire, and Library. In addition, some tasks are scheduled after normal work hours to reduce the effect on City personnel.

505.00 Payroll Taxes: $42,090 – This account provides expenditures for employer contributions for Social Security and Medicare and other similar payroll-related taxes.

506.00 Pension: $116,530 – This account provides expenditures for employer contributions to retirement plans.

507.03 Health and Life Insurance: **$182,060** – This account provides expenditures for employer contributions to employee health and life insurance plans.

507.30 Workers Compensation: **$1,490** – This account provides expenditures for employer contributions to workers compensation.

508.00 Other Benefits: $23,130 – This account provides expenditures for direct claims from former employees for unemployment benefits paid by the State of Alaska and accrued vacation and sick leave.

509.07 Allowances-Moving Expense (Taxed): 15,000 - Expenditures to relocate new employees to Ketchikan. We anticipate the need to fill a vacant Sr. Systems Administrator position in 2023. Historically there are few, if any, qualified local candidates. Well-qualified candidates often request relocation assistance as part of negotiations. The increase from $0 to $15,000 for the 2023 budget reflects this.

510.01 Office Supplies: $1,800 - This account provides expenditures for toner, laser printer maintenance kits, and minor office equipment and supplies such as staplers and note pads.

510.02 Operating Supplies: **$4,800** - This account provides expenditures for supplies that are normally not of a maintenance nature and are required to support department operations. Copy paper and envelopes are included for miscellaneous billing and payroll processing. We have seen a 100% increase in the cost of envelopes per box and expect that additional funds will be required to operate as normal in 2023.

515.04 Machinery and Equipment Maintenance Materials: $9,500 – This account provides expenditures for the materials used to repair personal computers and networks maintained or operated by Information Technology. Included are personal computer replacement components, computer network cables and hardware, and other information technology parts required to maintain systems.

520.02 Postage: **$380** - This account provides expenditures for postal services to ship computer equipment to vendors for return or repair service.

525.04 Vehicle Motor Fuel and Lubricants: **$1,500** - This account provides expenditures for gasoline and lubricants used by Information Technology Department vehicles. We have staff using City vehicles to travel to sites on a more frequent basis and believe this will continue. We have increased the fuel and lubricants budget to reflect anticipated expenditures.

600.02 Travel-Training: $6,250 - Expenditures for transportation, lodging, meals, per diems, and other incidental expenses associated with travel for training. We anticipate sending multiple staff off island for in-person training opportunities. This will allow for focused and in-depth training experiences not available through online sources.

600.03 Training and Education: $5,500 - This account provides expenditures for registration fees, training fees, training materials, tuition reimbursements, and other incidental expenses associated with training and educating employees; and on-premises training programs provided by staff or third parties. The department needs to continually train staff to ensure proper support for its computing environment. We also need to keep reference materials up to date.

605.01 Ads and Public Announcements: $4,500 - This account provides expenditures for advertising and announcements in publications, newspapers, trade journals, Internet, or broadcasts over radio and television. Included are legal notices, public service announcements, community issues, recruiting, Etc.

630.02 Vehicle Licenses: $20 – This account provides expenditures for licensing Information Technology Department vehicles for operations on public highways. An increase of $10 is anticipated as we are trying to source a second vehicle for IT staff use through surplus from another department. If one is located, it may require registration in 2023.

635.04 Software Maintenance Services: **$150,700** - This account provides expenditures for maintenance agreements to support licensed software systems. This includes, but is not limited to, hosted web services (City's Website, LogMeIn, ShareFile, WebEx, etc.), mail system maintenance, Anti-Virus, remote access, document archival, deploying the new Cisco 'DUO' multi-factor authentication (MFA), Laserfiche document archiving, and other software maintenance, migration, and licenses. Many of the annual renewal and support fees have increased in recent years, and it is expected this will continue into 2023.

635.07 Machinery and Equipment Maintenance Services: **$50,850** - This account provides expenditures for services required to repair and maintain office equipment, computers, networks, servers, and other operating equipment owned or leased by the Information Technology Department. This account includes contract labor and materials required to provide the service for hardware systems such as the iSeries, Dell storage arrays, Pitney Bowes inserter, Network Firewalls, and other hardware systems. A $4,850 increase has been proposed to cover increased parts, equipment, and vendor service fees.

645.04 Rents and Leases - Infrastructure: $20,000 – This account provides expenditures for the rent and lease of infrastructure. An increase of $20,000 has been proposed for this year to cover costs to lease server and network cabinet space at KPU's datacenter. This leased cabinet will provide offsite equipment space for City IT with connectivity back to the city network. This allows critical operational systems and data to be replicated and made accessible as needed in the event of an incident at City Hall. Offsite data replication would benefit all departments and potentially provide avenues for savings on insurance rates through proactive risk mitigation on our part.

650.01. Telecommunications: **$80,500** - This account provides expenditures for telecommunication services. This account funds efficient access to the City Hall data center for all City/KPU sites. Also included in this account are landlines, cell phones, and long-distance.

650.02 Electric, Water, Sewer & Solid Waste: **$480** - This account provides expenditures for solid waste fees for obsolete computer equipment disposal. An increase of $200 is proposed as we are reducing the amount of surplus and obsolete equipment sorted at City Hall. Additional trips to the solid waste facility are anticipated.

790.15 Minor Furniture and Fixtures: $4,500 – Minor purchases of furniture and fixtures. An increase of $4,500 has been requested for the replacement of older and inefficient office furniture and fixtures. Items included are desks, workbenches, and storage shelves. This will allow the development of new workflows allowing staff to operate in a more organized and efficient manner and fully utilize the space available.

790.25 Machinery and Equipment: $9,000 - This account provides expenditures for the acquisition of machinery and equipment usually composed of a complex combination of parts, including devices to maintain the City’s network infrastructure such as switches, routers, test equipment, etc. An increase of $4,500 has been included to cover the additional costs of equipment, tools, and parts in 2023. This will also allow us to stock spare critical equipment and components, allowing faster service recovery in the event of hardware failure.

790.26 Computers, Printers and Copiers: **$12,800** - This account provides expenditures for the acquisition of computers, printers, and copiers. Two workstations, two monitors, two laptops, one printer, and two UPS battery backups will be replaced in 2023 per the City-wide replacement schedule developed by the Information Technology Department.

790.35 Software: $3,950 - This account provides expenditures for the acquisition of software systems and upgrades not covered by maintenance agreements. IT uses many software utilities like Adobe Acrobat, FTP software, Conversion utilities, etc. These software programs need to be upgraded periodically. An increase of $3,000 has been proposed to cover the costs of new automation programs for use by both System Administrators and PC Technicians. We also need to update and replace various other software tools IT uses to support our operations.

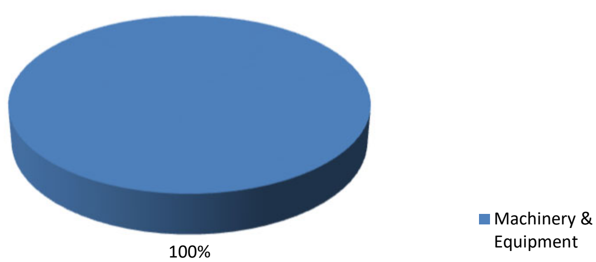
825.01 Interdepartmental Charges – Insurance: **$17,340** - This account provides expenditures for risk management services and claims.

850.01 Interdepartmental Charges – Garage: **$2,640** - This account provides expenditures for fleet maintenance services provided by the Public Works Department-Garage Division.

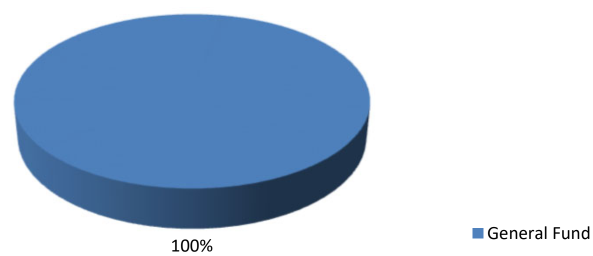
Major Capital Outlay		2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
725.00	Machinery & Equipment	-	50,000	50,000	50,000	235,000	185,000	0.0%
735.00	Software	12,499	-	-	-	-	-	0.0%
Total Major Capital Outlay		**12,499**	**50,000**	**50,000**	**50,000**	**235,000**	**185,000**	**370.0%**

Capital Improvement Projects Project #	Project	Funding Sources General Fund	Total
725.00 Machinery & Equipment			
	2023.1 - Primary storage array expansion	112,000	112,000
	2023.2 - Host server replacements	80,000	80,000
	2023.3 - Storage network capacity upgrade	43,000	43,000
	Total Machinery and Equipment	**235,000**	**235,000**
	Total Capital Budget	**235,000**	**235,000**

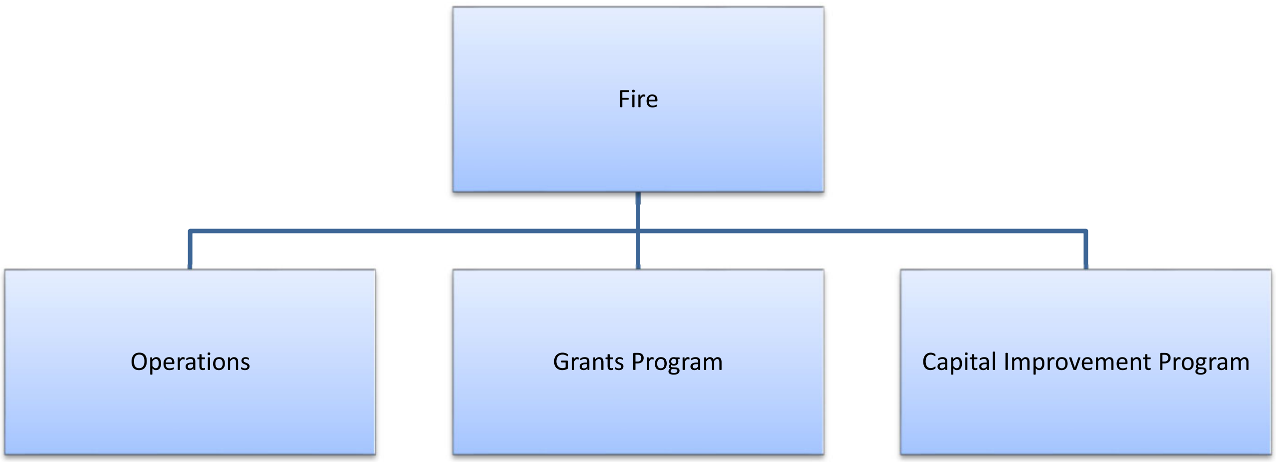
Expenditures by Type



Expenditures by Funding Source



The Ketchikan Fire Department is dedicated to protecting lives, property and the environment through the delivery of fire suppression, emergency medical and hazardous materials response. Disaster management, fire prevention and public education services are provided by well trained, professional and dedicated personnel.



The Fire Department is comprised of one operating division and oversees a Grant Program and a Capital Improvement Program.

DEPARTMENT EXECUTIVE SUMMARY

Divisions/Cost Center/Programs	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Operations	3,672,495	4,099,367	4,189,367	3,945,979	4,681,857	582,490	14.2%
Grants	68,184	185,397	244,147	101,450	43,750	(141,647)	-76.4%
Capital Improvement Program	262,991	988,750	1,161,606	895,559	1,848,200	859,450	86.9%
Total	**4,003,670**	**5,273,514**	**5,595,120**	**4,942,988**	**6,573,807**	**1,300,293**	**24.7%**

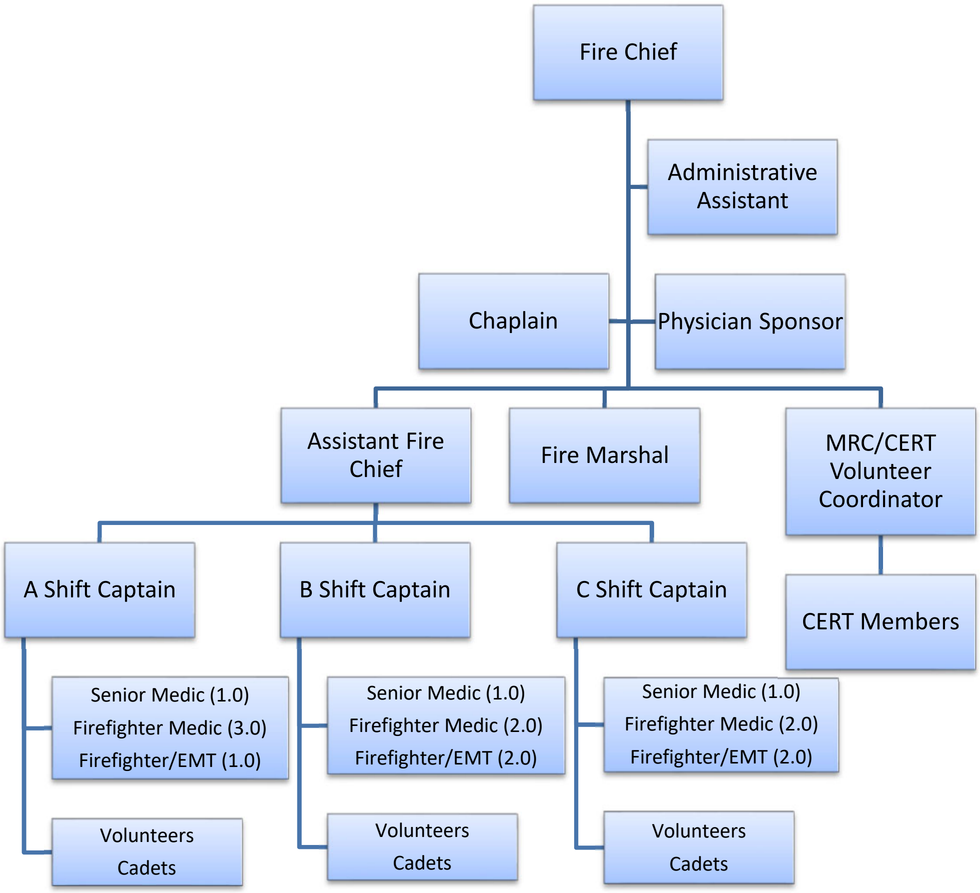
Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Personnel Services and Benefits	3,212,063	3,592,302	3,626,052	3,364,070	3,669,217	76,915	2.1%
Supplies	127,622	228,112	248,112	161,538	207,660	(20,452)	-9.0%
Contract/Purchased Services	227,775	273,400	354,280	326,871	571,180	297,780	108.9%
Minor Capital Outlay	16,110	22,680	22,680	12,560	69,800	47,120	207.8%
Interdepartmental Charges-Public Safety	(2,678)	-	-	-	-	-	NA
Interdepartmental Charges	159,787	168,270	182,390	182,390	207,750	39,480	23.5%
Major Capital Outlay	262,991	988,750	1,161,606	895,559	1,848,200	859,450	86.9%
Total	**4,003,670**	**5,273,514**	**5,595,120**	**4,942,988**	**6,573,807**	**1,300,293**	**24.7%**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
General Fund							
Tax Support	1,630,425	1,371,193	1,303,068	1,106,180	1,895,848	524,655	38.3%
Charges for Services	673,806	830,000	920,000	873,500	727,500	(102,500)	-12.3%
Public Safety Sales Tax	1,286,937	1,601,847	1,601,847	1,601,847	1,969,057	367,210	22.9%
Operating Grants	38,184	170,397	207,272	64,575	21,875	(148,522)	-87.2%
Public Works Sales Tax Fund	19,983	750,000	922,856	895,559	378,200	(371,800)	-49.6%
Lease Financing	243,008	-	-	-	1,190,000	1,190,000	NA
Federal and State Grant Fund	-	238,750	238,750	-	-	(238,750)	-100.0%
SEMT Funds							
Fire Department Operations	-	200,000	290,000	290,000	-	(200,000)	-100.0%
Fire Dept Capital Acquisitions	-	-	-	-	280,000	280,000	New
CPV Special Revenue Fund	111,327	111,327	111,327	111,327	111,327	-	0.0%
Total	**4,003,670**	**5,273,514**	**5,595,120**	**4,942,988**	**6,573,807**	**1,300,293**	**24.7%**

Full-time Equivalent Personnel	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2023 Budget	2023 Salary	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Operations	22.00	22.00	22.00	22.00	2,008,247	-	0.0%
Total	**22.00**	**22.00**	**22.00**	**22.00**	**2,008,247**	**-**	**0.0%**

MISSION STATEMENT

The Ketchikan Fire Department is dedicated to the community through safety, service and excellence.



GOALS FOR 2023

- Continue to use performance standards to ensure proficiency in both career and volunteer members and develop performance-based standards to be used for evaluations and promotions.
- Continue to provide and obtain leadership training, guidance and support for the department's future leaders (career and volunteer) as part of a succession planning program.
- Continue to provide an EMT-III or higher level of care or greater on all primary (frontline) EMS responses.
- Continue to assemble on-scene, twenty (20) "interior" qualified and equipped fire suppression personnel within 20 minutes of an alarm for all reported structure fires.
- Continue to pursue Federal Emergency Management Agency (FEMA), Department of Homeland Security (DHS), Center for Disease Control (CDC) and/or Assistance to Firefighters (AFG) Grants and other State grant funding for the department and community.
- Continue to train and drill quarterly with mutual-aid fire departments to ensure safety and continuity of operations at all fires and emergency scenes.
- Continue to provide a Joint Fire Investigation Team with the Ketchikan Fire Department (KFD) and the North Tongass and South Tongass Volunteer Fire Departments (NTVFD) (STVFD) to identify the origin and cause of all fires in the community.
- Continue to improve the infrastructure for the department's emergency radio communications.
- Expand the use of the Alaska Land Mobile Radio (ALMR) system
- Improve emergency dispatch integration.

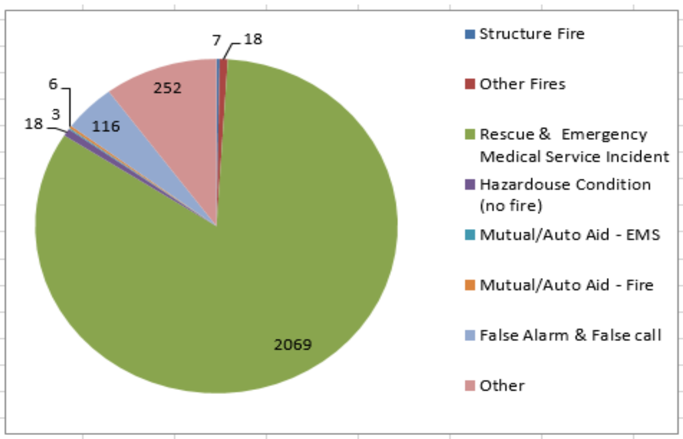
- Distribute training on active shooter tactics received during Alert Lockdown Inform Counter Evacuate (ALICE) training with local law enforcement and school district to first responders.
- Continue work on the CIP project to repair/renovate Fire Station 2.
- Continue to participate in the Supplemental Emergency Medical Transportation (SEMT) Medicare reimbursement program.
- Continue to improve vehicle preventative maintenance with the City Garage.
- Continue to provide EMS response, inter facility and medivac transport service for cruise ship passengers and crew.
- Work towards replacement of the Harry Newell fireboat per City Council direction and the development of interim firefighting solutions.
- Continue to conduct drills and training with Tower 1 and Squad 1.
- Participate in an active shooter drill with the USCG to improve Port Security and Safety.
- Expand training for water rescue scenarios as funding becomes available.
- Train four new personnel to Firefighter I and Firefighter II certification levels as well as to EMT-1
- Increase the department's training capabilities by providing training for staff instructors and providing them the tools to conduct thorough classes.
- Fill the vacant Captain position created by the retirement of Capt. James Kleinschmidt effective May 1, 2022 and backfill any position created via promotion.
- Implement promotional training to paramedic level for current staff.
- Offer critical care level paramedic training.
- Initiate company officer training.
- Evaluate medical director responsibilities and program.
- Establish a wellness program for our employees.
- Advertise for and award contract to a new Medical Director and work with the Police Department to engage with a shared psychological evaluator for staff.

ACCOMPLISHMENTS FOR 2022

- Emergency Medical Services transported 1,590 people that generated revenue of $469,023.

Fire Department Run Volume	
Structure Fire	7
Other Fires	18
Rescue & Emergency Medical Service Incident	2069
Hazardouse Condition (no fire)	18
Mutual/Auto Aid - EMS	3
Mutual/Auto Aid - Fire	6
False Alarm & False call	116
Other	252
Total	2489

Special Studies Report	
Cruise Ship Patients	130
Alcohol Related	548
Other Intoxicating Substance	141



- Conducted CPR, AED and First Aid Classes for City staff, Department Volunteers, and KPD members.
- Volunteers and career staff attended and participated in various fire and EMS trainings.
- Conducted several hundred business and seasonal inspections to catch those inspections not conducted in prior year(s) due to COVID.
- Collected inspection fees for seasonal businesses for the first time since the onset of COVID-19 in 2020.
- Working on an agreement to implement the use of Compliance Engine to track and record business fire systems inspections and compliance through the Fire Marshal's office and KPU Water Division.

- Fire Department resumed limited fire prevention talks, fire extinguisher training and station tours that were halted due to the pandemic.
- The department did not host the annual Fire Department Open House or Safety Fair due to the pandemic.
- Completed recruitment efforts to fill three vacant position for firefighter/EMT.
- Other public events normally supported or attended by the Fire Department during the year were resumed. They included the Public Safety Day, Totem to Totem Run, IAFF-Operation Warm, Community Christmas Tree Lighting and Holiday Festival, Public Radio support events, reading events at the Library and school programs.
- Completed the Automatic Aid Response to any active structure fire with the adjoining fire departments.
- With Emergency Reporting software, the department continues to streamline its payroll procedures and improved tracking of physical inventory.
- First submissions completed for the Alaska Supplemental Emergency Medical Transportation (SEMT) cost report. These reports included 2019, 2020, and 2021 with an estimate $128,245 interim payment expected for 2019, $522,677 for 2020, and $747,494 for 2021. Final payments for 2019 and 2020 should be received in mid-2023 and final payment for 2021 should be received at the end of 2023.
- Fire Marshal continued to work with the Red Cross after house fires and with their smoke detector program.
- Completed and received the new ambulance purchase.
- Completed the ambulance remount capital improvement project. This catches the department up in our vehicle replacement plan.
- Completed self-contained breathing apparatus (SCBA) replacement CIP.
- Rick Hines of Ketchikan, Alaska was appointed to the position of Fire Chief, to succeed Chief Abner Hoage, effective May 1, 2022
- Assistant Fire Chief Scott Brainard served as Acting Fire Chief after the retirement of Chief Abner Hoage, effective October 15, 2021, until Chief Rick Hines was instated on May 1, 2022.
- Senior Medic Greg Karlik served as Acting Assistant Fire Chief upon the appointment of Assistant Fire Chief Brainard to Acting Fire Chief.
- Applied for and was awarded the State of Alaska Emergency Responder/Public Safety Integration of Technology to Enhance Substance Use Disorder Treatment Linkage to Care Sponsorship for $15,000.
- The fire investigation team continued to investigate fires island wide.

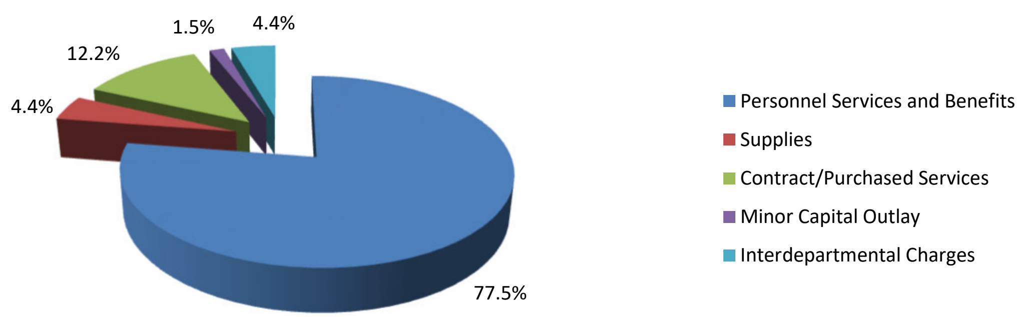
DIVISION SUMMARY

	2021	2022 Budget			2023	2022 Adopted/2023	
Expenditures by Category	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Personnel Services and Benefits	3,148,476	3,503,202	3,493,202	3,284,870	3,625,467	122,265	3.5%
Supplies	123,025	144,815	164,815	154,838	207,660	62,845	43.4%
Contract/Purchased Services	227,775	270,400	336,280	311,321	571,180	300,780	111.2%
Minor Capital Outlay	16,110	12,680	12,680	12,560	69,800	57,120	450.5%
Interdepartmental Charges-Public Safety	(2,678)	-	-	-	-	-	NA
Interdepartmental Charges	159,787	168,270	182,390	182,390	207,750	39,480	23.5%
Total Expenditures	**3,672,495**	**4,099,367**	**4,189,367**	**3,945,979**	**4,681,857**	**582,490**	**14.2%**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
General Fund	1,600,425	1,556,193	1,556,193	1,069,305	1,617,872	61,679	4.0%
Public Safety Sales Tax	1,286,937	1,601,847	1,601,847	1,601,847	1,969,057	367,210	22.9%
Service Fees	5,802	15,000	15,000	4,500	12,500	(2,500)	-16.7%
Ambulance Fees	653,004	600,000	600,000	854,000	700,000	100,000	16.7%
Emergency Medical Transport Program (SEMT)	-	200,000	290,000	290,000	-	(200,000)	-100.0%
Borough Emergency Management Services	15,000	15,000	15,000	15,000	15,000	-	0.0%
CPV Special Revenue Fund	111,327	111,327	111,327	111,327	367,428	256,101	230.0%
Total Funding	**3,672,495**	**4,099,367**	**4,189,367**	**3,945,979**	**4,681,857**	**582,490**	**14.2%**

Full-time Equivalent Personnel	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2023 Budget	2023 Salary	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Fire Chief	1.00	1.00	1.00	1.00	140,935	-	0.0%
Assistant Fire Chief	1.00	1.00	1.00	1.00	117,943	-	0.0%
Fire Marshal	1.00	1.00	1.00	1.00	104,773	-	0.0%
Administrative Assistant	1.00	1.00	1.00	1.00	52,686	-	0.0%
Captain	3.00	3.00	3.00	3.00	315,819	-	0.0%
Senior Medic	3.00	3.00	3.00	3.00	295,656	-	0.0%
Firefighter/Medic	8.00	8.00	8.00	7.00	597,188	(1.00)	-12.5%
Firefighter/EMT	4.00	4.00	4.00	5.00	383,247	1.00	25.0%
Subtotal	**22.00**	**22.00**	**22.00**	**22.00**	**2,008,247**	**-**	**0.0%**
Less Salaries and Wages Reported in Grant Program					(28,316)		
Total					**1,979,931**		

2023 Expenditures by Type



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- Personnel Services and Benefits increased by $122,265, or by 3.5%, due to annual employee step increases, a 2.5% cost of living adjustment for non-represented employees that will become effective January 1, 2023; a projected cost of living for represented International Association of Fire Fighters, Local 2761 employees to mirror the recent increase approved by the City Council for IBEW, Local 1547 employees and non-represented employees, and projected increases in pension, health insurance and other benefit costs.

- Operating Supplies (Account No. 510.02) increased by $9,160 or by 25.6% due to increase in cost of medical supplies along with the volume of supplies needed.

- Small Tool & Equipment (Account No. 510.05) increased by $8,480 or 116.2% due to the need to replace damaged fire hose and obsolete office phones.

- Building & Grounds Maint. Materials (Account No. 515.02) increased by $8,150 or 120.7% due to the need to replace all 4 stage air filters in the apparatus bay at Station 1.

- Uniforms/Badges/Clothing (Account No. 535.04) increased by $20,400 or 277.6% due to the need for replacing worn uniforms and purchasing Class A dress uniforms.

- Special Protective Clothing (Account No. 535.05) increased by $6,000 or 66.7% due to the need for additional turnout gear to replace those that have failed inspection.

- Travel-Business (Account No. 600.01) increase by $20,500 or 525.6% due to need to attend fire academy graduations and leadership conference.

- Travel-Training (Account No. 600.02) increased by $60,720 or 1,265.0% due to the need to send personnel off-island for fire, EMS, and officer training.

- Training and Education (Account No. 600.03) increase by $153,320 or 1,092.0% due to the need to provide locally delivered trainings for firefighter II, EMT, and paramedic certifications.

- Software & Equipment Maintenance Service (Account No. 635.04) increase by $31,560 or 467.6% due to the increase in service fees for our incident reporting software as well as new license fees for Knox Box and Nixle.

- Medical Services (Account No. 640.05) increase by $28,000 or 212.1% due to the cost of contracting for a new medical director for the department and psychological evaluator shared with the Police Department.

- Furniture and Fixtures (Account No. 790.15) increased by $10,000 due to the need to replace the refrigerator/freezer at Station 2 and worn out mattresses and/or furniture at both stations.

- Machinery & Equipment (Account No. 790.25) increase by $30,380 or 315.8% to purchase training props and replace exercise equipment that is broken, aged or in disrepair.

- Computers, Printers, & Copiers (Account No. 790.26) increase by $16,740 or 547.1% per the recommendations of the Information Technology Department.

- Interdepartmental-Insurance (Account No. 825.01) increased by $19,480, or by 18.0%, due to an increase in insurance premiums and new vehicle coverage.

- Interdepartmental Charges-Garage (Account No. 850.01) increased by $20,000 or 33.3% due to the increase in garage fees for older vehicles

DIVISION OPERATING BUDGET DETAIL

Operating Expenditures	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Personnel Services and Benefits							
500 .01 Regular Salaries and Wages	1,736,743	1,944,856	1,791,856	1,693,348	1,979,931	35,075	1.8%
501 .01 Overtime Wages	267,199	200,000	390,770	390,770	200,000	-	0.0%
502 .01 Temporary Wages	10,454	38,500	98,500	98,490	38,500	-	0.0%
505 .00 Payroll Taxes	152,276	167,128	167,128	161,377	169,714	2,586	1.5%
506 .00 Pension	464,485	482,688	482,688	440,317	490,489	7,801	1.6%
507 .00 Health and Life Insurance	317,360	505,070	405,835	349,143	522,093	17,023	3.4%
507 .30 Workers Compensation	67,962	78,150	79,615	79,615	86,560	8,410	10.8%
508 .00 Other Benefits	114,397	54,210	54,210	54,210	118,380	64,170	118.4%
509 .06 Allowances-Meals	17,600	17,600	17,600	17,600	19,800	2,200	12.5%
509 .07 Moving Expense - Taxed	-	15,000	5,000	-	-	(15,000)	-100.0%
Personnel Services and Benefits	**3,148,476**	**3,503,202**	**3,493,202**	**3,284,870**	**3,625,467**	**122,265**	**3.5%**
Supplies							
510 .01 Office Supplies	2,389	3,460	3,460	3,200	3,650	190	5.5%
510 .02 Operating Supplies	40,662	35,760	35,760	35,760	44,920	9,160	25.6%
510 .03 Safety Program Supplies	10,435	18,800	18,800	15,000	18,800	-	0.0%
510 .04 Janitorial Supplies	4,131	5,400	5,400	4,500	5,900	500	9.3%
510 .05 Small Tools & Equipment	5,023	7,300	7,300	6,900	15,780	8,480	116.2%
510 .07 Food/Catering	1,161	625	625	625	4,150	3,525	564.0%
515 .01 Vehicle Maintenance Materials	4,212	1,500	1,883	1,883	1,900	400	26.7%
515 .02 Building & Grounds Maint Materials	6,691	6,750	6,750	6,000	14,900	8,150	120.7%
515 .03 Furniture and Fixtures Maint Materials	-	750	750	500	850	100	13.3%
515 .04 Machinery & Equipment Maint Materials	4,747	7,000	6,617	3,000	7,000	-	0.0%
520 .02 Postage	2,509	3,000	3,000	3,000	3,210	210	7.0%
525 .03 Heating Fuel	13,416	17,000	17,000	17,000	21,600	4,600	27.1%
525 .04 Vehicle Motor Fuel & Lubricants	12,572	18,140	18,140	18,140	18,900	760	4.2%
525 .07 Machinery & Equip Fuel & Lubricants	619	500	500	500	650	150	30.0%
530 .03 Professional and Technical Publications	1,660	2,480	2,480	2,480	2,700	220	8.9%
535 .04 Uniforms/Badges/Clothing	6,701	7,350	9,350	9,350	27,750	20,400	277.6%
535 .05 Special Protective Clothing	6,097	9,000	27,000	27,000	15,000	6,000	66.7%
535 .07 Allowances - Food & Catering	-	-	-	-	-	-	NA
Supplies	**123,025**	**144,815**	**164,815**	**154,838**	**207,660**	**62,845**	**43.4%**

Operating Expenditures			2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Contract/Purchased Services									
600	.01	Travel-Business	1,308	3,900	3,900	3,086	24,400	20,500	525.6%
600	.02	Travel-Training	1,662	4,800	49,300	49,300	65,520	60,720	1265.0%
600	.03	Training and Education	14,043	14,040	39,540	39,540	167,360	153,320	1092.0%
605	.01	Ads and Public Announcements	6,094	3,000	3,000	2,500	3,000	-	0.0%
615	.01	Professional Licenses and Certifications	1,038	6,160	6,160	3,500	6,340	180	2.9%
615	.02	Assn. Membership Dues & Fees	428	2,305	2,305	500	2,200	(105)	-4.6%
625	.03	Insurance Premiums-Liability	464	1,050	1,050	515	550	(500)	-47.6%
630	.01	Building & Operating Permits	-	250	250	250	-	-	-100.0%
630	.02	Vehicle Licenses	160	250	250	200	250	-	0.0%
630	.03	Bank & Merchant Fees	273	600	600	200	600	-	0.0%
630	.06	Service Charges and Fees	9,436	13,320	13,320	11,000	12,720	(600)	-4.5%
635	.02	Janitorial and Cleaning Services	-	1,000	1,000	700	2,500	1,500	150.0%
635	.03	Vehicle Maintenance Services	3,404	3,410	3,410	3,410	5,000	1,590	46.6%
635	.04	Software & Equip Maintenance Services	8,092	6,750	8,500	8,500	38,310	31,560	467.6%
635	.06	Building & Grounds Maint Services	8,862	10,420	12,920	10,200	13,480	3,060	29.4%
635	.07	Machinery & Equipment Maint Services	9,873	13,905	11,405	8,000	13,910	5	0.0%
635	.12	Technical Services	42,829	42,860	42,860	42,860	44,660	1,800	4.2%
640	.05	Medical Services	10,000	13,200	11,450	10,000	41,200	28,000	212.1%
645	.01	Rents and Leases-Land and Buildings	6,057	6,060	6,060	6,060	6,060	-	0.0%
650	.01	Telecommunications	33,591	42,720	38,600	36,000	42,720	-	0.0%
650	.02	Electric, Water, Sewer & Solid Waste	70,161	80,400	80,400	75,000	80,400	-	0.0%
		Contract/Purchased Services	**227,775**	**270,400**	**336,280**	**311,321**	**571,180**	**300,780**	**111.2%**
Minor Capital Outlay									
790	.15	Furniture and Fixtures	-	-	-	-	10,000	10,000	New
790	.25	Machinery & Equipment	13,444	9,620	9,620	9,500	40,000	30,380	315.8%
790	.26	Computers, Printers & Copiers	2,666	3,060	3,060	3,060	19,800	16,740	547.1%
		Minor Capital Outlay	**16,110**	**12,680**	**12,680**	**12,560**	**69,800**	**57,120**	**450.5%**
Interdepartmental Charges-Public Safety									
820	.90	Public Safety Compliance-COVID Leave	(2,678)	-	-	-	-	-	NA
		Interdepartmental Charges-Public Safety	**(2,678)**	**-**	**-**	**-**	**-**	**-**	**NA**
Interdepartmental Charges									
825	.01	Interdepartmental Charges-Insurance	112,076	108,270	112,390	112,390	127,750	19,480	18.0%
850	.01	Interdepartmental Charges-Garage	47,711	60,000	70,000	70,000	80,000	20,000	33.3%
		Interdepartmental Charges	**159,787**	**168,270**	**182,390**	**182,390**	**207,750**	**39,480**	**23.5%**
		Total Expenditures by Type	**3,672,495**	**4,099,367**	**4,189,367**	**3,945,979**	**4,681,857**	**582,490**	**14.2%**

NARRATIVE

500.01 Regular Salaries and Wages: $1,979,931 - This account provides expenditures for compensation paid to all regular salaried and hourly employees of the department.

501.01 Overtime Wages: **$200,000** - This account provides expenditures for compensation paid to all regular and temporary hourly employees for hours worked in excess of a regular working cycle.

502.01 Temporary Wages: **$38,500** - This account provides expenditures for compensation paid to temporary employees during extended absences of full-time staff and in support of approved department programs such as the paramedic program, fire prevention program, etc. and additional personnel needed to provide adequate staffing during the cruise ship season.

505.00 Payroll Taxes: $169,714 – This account provides expenditures for employer contributions for Social Security and Medicare and other similar payroll related taxes.

506.00 Pension: $490,489 – This account provides expenditures for employer contributions to retirement plans.

507.00 Health and Life Insurance: **$522,093** – This account provides expenditures for employer contributions to employee health and life insurance plans.

507.30 Workers Compensation: **$86,560** – This account provides expenditures for employer contributions to workers compensation.

508.00 Other Benefits: $118,380 – This account provides expenditures for direct claims from former employees for unemployment benefits paid by the State of Alaska and accrued vacation and sick leave.

509.06 Allowances-Meals: $19,800 – This account provides expenditures for employer provided semi-annual meal stipends to employees of the Fire Department. These benefits are taxable to the employees.

510.01 Office Supplies: **$3,650** - This account provides expenditures for copy paper, pens, pencils, note pads, file folders, toner, ink cartridges, photocopy charges, small desk accessories and minor office equipment such as adding machines, staplers and tape dispensers.

510.02 Operating Supplies: **$44,920** - This account provides expenditures for supplies that are normally not of a maintenance nature and are required to support department operations. Included are supplies such as expendable medical supplies for ambulance and rescue type calls, fire suppression, inspection supplies, smoke detectors, flags and public education supplies, awards and volunteer recognition, and other departmental supplies used by the division during the course of a year.

510.03 Safety Program Supplies: **$18,800** - This account provides expenditures for the City safety program. Included are safety training audio and video programs, safety equipment, physical fitness equipment, OSHA required medical exams, immunizations, specialized hazardous materials handling and disposal information, and traffic control items.

510.04 Janitorial Supplies: $5,900 – This account provides expenditures for cleaning and sanitation supplies such as paper towels, toilet paper, cleaning solutions, etc. used by in-house, and contracted janitors.

510.05 Small Tools and Equipment: **$15,780** - This account provides expenditures for minor tools, operating and office equipment with a value of less than $1,000. Included are hand tools, chain saws, blow torches, hydraulic jacks, sump pumps, computer accessories, space heaters, kitchen and dining equipment, radios, calculators, file cabinets and similar types of minor tools and equipment. Per direction by KPU Telecommunications, the major increase in 2023 is for the replacement of obsolete Cisco office phones.

510.07 Food/Catering: **$4,150** - This account provides expenditures for food, water or catering services during extended training exercises or emergencies as well as for coffee for each station.

515.01 Vehicle Maintenance Materials: **$1,900** – This account provides expenditures for the repair and maintenance of vehicles owned or leased and operated by the department. Included are licensed and unlicensed rolling stock and boats.

515.02 Building and Grounds Maintenance Materials: $14,900 – This account provides expenditures for the repair and maintenance of buildings and upkeep of the grounds used by the department. Salt, paint, caulk and HVAC filters are examples of purchases under this line item.

515.03 Furniture and Fixtures Maintenance Materials: $850 - This account provides expenditures for the repair and maintenance of furniture and building fixtures owned or leased and operated by the division.

515.04 Machinery and Equipment Maintenance Materials: $7,000 – This account provides expenditures for the repair and maintenance of machinery and equipment owned or leased and operated by the division. Included are office equipment, operating equipment, HazMat equipment, computer networks and computers.

520.02 Postage and Freight: $3,210 - This account provides expenditures for postal related services such as postage, express delivery, barge line freight, HazMat shipping and mailing materials.

525.03 Heating Fuel: **$21,600** - This account provides expenditures for heating fuel used to heat facilities owned or leased and operated by the department.

525.04 Vehicle Motor Fuel and Lubricants: **$18,900** - This account provides expenditures for gasoline, diesel fuel and lubricants used in the operations of division vehicles and boats.

525.07 Machinery and Equipment Fuel and Lubricants: **$650** – This account provides expenditures for gasoline, diesel fuel, propane and lubricants used in the operations of department machinery, equipment and generators.

530.03 Professional and Technical Publications: **$2,700** - This account provides expenditures for professional and technical publications. Included are professional handbooks, print and electronic subscription services for management, building codes, professional standards and technical journals.

535.04 Uniforms/Badges/Clothing: $27,750 - This account provides expenditures for direct purchases of or reimbursements to employees for work related clothing required by department policies. Included are work clothes, collar insignia, patches, raingear, hats, boots, belts, badges, and class A dress uniforms.

535.05 Special Protective Clothing: $15,000 - This account provides expenditures for direct purchases of or reimbursements to employees for special protective clothing required by department policies.

600.01 Travel-Business: **$24,400** – This account provides expenditures for transportation, lodging, meals, per diems and other incidental expenses associated with travel for business and trade meetings.

600.02 Travel-Training: $65,520 - This account provides expenditures for transportation, lodging, meals, per diems and other incidental expenses associated with travel for training and education not locally available.

600.03 Training and Education: $167,360 – This account provides expenditures for registration fees, training fees, training materials, tuition reimbursements and other incidental expenses associated with training and educating employees as well as on-premises training programs provided by staff or third-parties. This also includes our contractually obligated paramedic reimbursement program.

605.01 Ads and Public Announcements: **$3,000** - This account provides expenditures for advertising and announcements in publications, newspapers, trade journals, Internet or broadcasts over radio and television. Included are public service announcements, community issues, requests for proposals and recruiting.

615.01 Professional Licenses and Technical Certifications: **$6,340** – This account provides for licensing professional, technical and other employees requiring a license in order to perform their duties. Included are fees paid to licensed Paramedics; and fees paid for technical certifications required by medical technicians, divers and operators of special equipment.

615.02 Assn. Dues and Membership Fees: $2,200 – This account provides expenditures for memberships in professional and trade associations and regional organizations.

625.03 Insurance Premiums-Liability: $550 – This account provides expenditures for a KFD Volunteer supplemental insurance program that is not grant funded effective 2019.

630.02 Vehicle Licenses: $250 – This account provides expenditures for licensing division vehicles for operations on public highways.

630.03 Bank and Merchant Charges: $600 – This account provides expenditures for monthly bank account service charges, merchant fees for use of credit and debit cards, wire transfer fees and other fees for banking services.

630.06 Licenses and Fees Service Charges and Fees: $12,720 – This account provides expenditures for payment of fees that are charged by the Ketchikan Gateway Borough for medical transport to and from the Ketchikan International Airport as well as Medicare billing.

635.02 Janitorial and Cleaning Services: **$2,500** – This account provides expenditures for services to clean facilities and equipment owned by the department.

635.03 Vehicle Maintenance Services: $5,000 – This account provides expenditures for the repair and maintenance of department vehicles and boats by outside maintenance facilities, including storage of the fire boat while out of service.

635.04 Software and Equipment Maintenance Services: $38,310 – This account provides expenditures for maintenance agreements to support licensed software systems and other technology based systems that include both software and hardware components. Included are expenses for R911 annual software support, Emergency Reporting/ESO annual license and support fees, Basecamp annual license and support fees, Knox Box annual licenses and Nixle. The major increase in fees for 2023 is for the new services provided by ESO as Emergency Reporting will no longer be supported.

635.06 Buildings and Grounds Maintenance Services: **$13,480** - This account provides expenditures for contractual services required to repair and maintain buildings and the upkeep of grounds owned or leased by the department. This account includes contract labor and materials required to provide the service. It also includes annual elevator contract and sprinkler/backflow testing.

635.07 Machinery and Equipment Maintenance Services: **$13,910** - This account provides expenditures for contractual services required to repair and maintain office equipment, machinery and other operating equipment owned or leased by the department. This account includes contract labor and materials required to provide the service. It also includes maintenance service agreements and monitoring services from Johnson Controls as well as a copier contract with Tongass Business Center.

635.12 Technical Services: **$44,660** - This account provides expenditures for services that are not regarded as professional but require technical or special knowledge provided under written contract and/or purchase order. Included are service contracts on monitor/defibrillators, radio repairs, alarm monitoring, R-911 annual software support, background checks, employee drug testing, database management, website maintenance, pest control and contract ambulance billing with Systems Design West**.**

640.05 Medical Services: $41,200 – This account provides expenditures for services provided by medical practitioners and medical facilities. Included are services provided by physicians for Medical Director services and mental health services. The major increase is due to a new medical director contract which will be more competitive in the current market.

645.01 Rents and Leases - Land and Buildings: **$6,060** - This account provides expenditures for the costs of leasing storage space at Fire Station No. 3 from the Public Works Department - Building Maintenance Division.

650.01 Telecommunications: $42,720 - This account provides expenditures for telecommunication services. Included are charges for wired and wireless telecommunications services, cell phones, Internet, long distance and toll-free numbers.

650.02 Electric, Water, Sewer & Solid Waste: $80,400 - This account provides expenditures for electric, water, sewer and solid waste utility services.

790.15 Furniture and Fixtures: $10,000 - This account provides expenditures for minor purchases for furniture and fixtures. The expected major purchases will include replacement of a refrigerator/freezer at Station 2 and worn out mattresses and/or furniture at both stations.

790.25 Machinery and Equipment: **$40,000** - This account provides expenditures for the acquisition of machinery and equipment usually composed of a complex combination of parts. Included are fire truck appliances, HazMat Equipment, IPad(s) for in-cab dispatching, and operating equipment, like thermal imagers and rope rescue equipment, required to provide services or maintain capital assets. The major purchases planned for 2023 include fire training props such as forcible entry doors and exercise equipment that is no longer usable.

790.26 Computers, Printers, & Copiers: $19,800 - This account provides expenditures for desktops, monitors, laptops, battery backups, tablets, computer printers, scanners, photocopiers and fax machines. The 2023 PC Replacement Schedule recommended by the Information Technology Department includes 3 desktops, 5 battery backups, 4 monitors, 1 laptop, 1 printer, and 1 copier.

825.01 Interdepartmental Charges – Insurance: **$127,750** - This account provides expenditures for risk management services and claims.

850.01 Interdepartmental Charges – Garage: **$80,000** - This account provides expenditures for fleet maintenance services provided by the Public Works Department-Garage Division.

MISSION STATEMENT

The Ketchikan Fire Department is looked upon by its peers as being one of the leaders in Alaska's Fire Service, EMS and Hazardous Materials response. Every year management seeks out additional funding sources to ensure the community is prepared for not only the routine day-to-day calls, but for any incident that goes beyond the norm. If the department is prepared for those extreme events, personnel will be better equipped to handle the common, day-to-day incidents.

GOALS FOR 2023

- The department will apply to Alaska Department of Homeland Security and Emergency Management (ADHS&EM) for 2023 EMPG and SHSP grants.

- Funding through grants continues to remain tight and there does not appear to be any relief on the horizon. Staff will continue to seek additional alternative funding sources whenever possible.

ACCOMPLISHMENTS FOR 2022

- In 2022, the City was awarded $43,750 from the ADHS&EM for emergency management activities through the EMPG funding.

- Applied for and was awarded the State of Alaska Emergency Responder/Public Safety Integration of Technology to Enhance Substance Use Disorder Treatment Linkage to Care Sponsorship funding in the amount of $15,000.

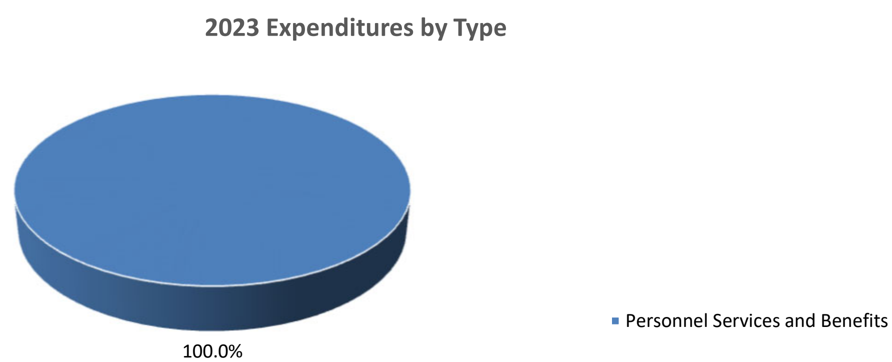
OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- All changes in this cost center are a result of the impact of anticipated grant funding availability and/or award amounts actually received.

DIVISION OPERATING BUDGET DETAIL

Operating Expenditures	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Personnel Services and Benefits							
500 .01 Regular Salaries and Wages	39,297	18,696	47,012	47,012	28,316	9,620	51.5%
501 .01 Overtime Wages	1,142	29,475	29,475	-	-	(29,475)	-100.0%
502 .01 Temporary Wages	1,720	12,417	12,417	5,000	-	(12,417)	-100.0%
505 .00 Payroll Taxes	2,792	4,665	6,831	3,773	2,166	(2,499)	-53.6%
506 .00 Pension	8,302	10,457	16,828	10,483	6,371	(4,086)	-39.1%
507 .00 Health and Life Insurance	8,937	11,114	16,881	10,807	5,767	(5,347)	-48.1%
507 .30 Workers Compensation	1,397	2,276	3,406	2,125	1,130	(1,146)	-50.4%
Personnel Services and Benefits	**63,587**	**89,100**	**132,850**	**79,200**	**43,750**	**(45,350)**	-50.9%
Supplies							
510 .02 Operating Supplies	209	331	331	-	-	(331)	-100.0%
510 .03 Safety Program Supplies	3,509	23,151	23,151	3,500	-	(23,151)	-100.0%
535 .04 Uniforms/Badges/Clothing	879	2,065	2,065	200	-	(2,065)	-100.0%
535 .05 Special Protective Clothing	-	57,750	57,750	3,000	-	(57,750)	-100.0%
Supplies	**4,597**	**83,297**	**83,297**	**6,700**	**-**	**(83,297)**	-100.0%
Contract/Purchased Services							
605 .01 Ads and Public Announcements	-	3,000	3,000	550	-	(3,000)	-100.0%
635 .04 Software & Equip. Maintenance Services	-	-	15,000	15,000	-	-	New
Contract/Purchased Services	**-**	**3,000**	**18,000**	**15,550**	**-**	**(3,000)**	-100.0%
Minor Capital Outlay							
790 .25 Machinery & Equipment	-	10,000	10,000	-	-	(10,000)	-100.0%
Minor Capital Outlay	**-**	**10,000**	**10,000**	**-**	**-**	**(10,000)**	-100.0%
Total Expenditures by Type	**68,184**	**185,397**	**244,147**	**101,450**	**43,750**	**(141,647)**	**-76.4%**



Grant Program		2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Federal	EMPG - GY20							
	Grant	15,000	-	-	-	-	-	NA
	Local Match-General Fund	15,000	-	-	-	-	-	NA
Federal	EMPG - GY21							
	Grant	15,000	15,000	15,000	15,000	-	(15,000)	-100.0%
	Local Match-General Fund	15,000	15,000	15,000	15,000	-	(15,000)	-100.0%
Federal	EMPG - GY22							
	Grant	-	-	21,875	21,875	21,875	-	New
	Local Match-General Fund	-	-	21,875	21,875	21,875	-	New
Federal	SAFER							
	Grant	8,184	155,397	155,397	12,700	-	(155,397)	-100.0%
State	Technology Sponsorship							
	Grant	-	-	15,000	15,000	-	-	New
Total Funding by Grant Program		**68,184**	**185,397**	**244,147**	**101,450**	**43,750**	**(141,647)**	**-76.4%**

Summary of Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
General Fund							
Federal Grant	38,184	170,397	192,272	49,575	21,875	(148,522)	-87.2%
State Grant	-	-	15,000	15,000	-	-	NA
Local Match	30,000	15,000	36,875	36,875	21,875	6,875	45.8%
Total Funding	**68,184**	**185,397**	**244,147**	**101,450**	**43,750**	**(141,647)**	**-76.4%**

NARRATIVE

500.01 Regular Salaries: $28,316 – This account provides expenditures for compensation paid to all regular salaried and hourly employees of the department.

505.00 Payroll Taxes: $2,166 – This account provides expenditures for employer contributions for Social Security and Medicare and other similar payroll related taxes.

506.00 Pension: $6,371 – This account provides expenditures for employer contributions to retirement plans.

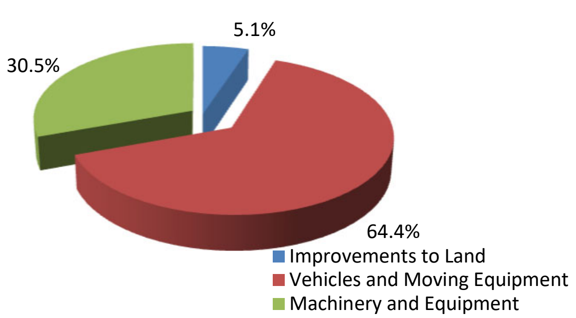
507.00 Health and Life Insurance: $5,767 – This account provides expenditures for employer contributions to employee health and life insurance plans.

507.30 Workers Compensation: $1,130 – This account provides expenditures for employer contributions to workers compensation.

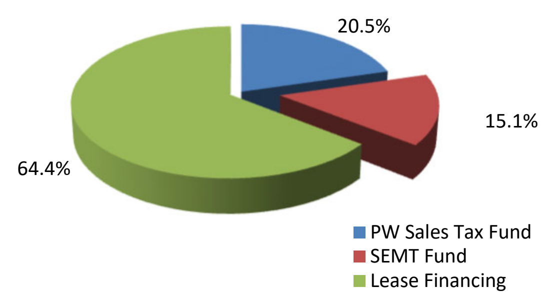
Major Capital Outlay		2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
710.00	Improvements to Land	19,983	110,000	112,856	102,126	95,000	(15,000)	-13.6%
720.00	Vehicles and Moving Equipment	243,008	290,000	410,000	403,903	1,190,000	900,000	310.3%
725.00	Machinery and Equipment	-	588,750	638,750	389,530	563,200	(25,550)	-4.3%
Total Major Capital Outlay		**262,991**	**988,750**	**1,161,606**	**895,559**	**1,848,200**	**859,450**	**86.9%**

Capital Improvement Projects Project #	Project	Funding Sources PW Sales Tax Fund	SEMT Fund	Lease Financing	Total
710.00	**Improvements to Land**				
	Station 2 Parking Lot and Drainage - Phase 2	95,000	-	-	95,000
	Total Improvements to Land	**95,000**	**-**	**-**	**95,000**
720.00	**Vehicles and Moving Equipment**				
	Replace Vehicle No. 52-753 (E2)	-	-	1,100,000	1,100,000
	Replace Vehicle No. 52-775 (Plow Truck)	-	-	90,000	90,000
	Total Vehicles and Moving Equipment	**-**	**-**	**1,190,000**	**1,190,000**
725.00	**Machinery and Equipment**				
	Automatic CPR Machines	-	50,000	-	50,000
	Apparatus Computers and Comm. Equip.	183,200	-	-	183,200
	Firehouse Alerting System St 1 & 2	100,000			100,000
	Critical Care EMS Equipment	-	230,000	-	230,000
	Total Machinery and Equipment	**283,200**	**280,000**	**-**	**563,200**
	Total Capital Budget	**378,200**	**280,000**	**1,190,000**	**1,848,200**

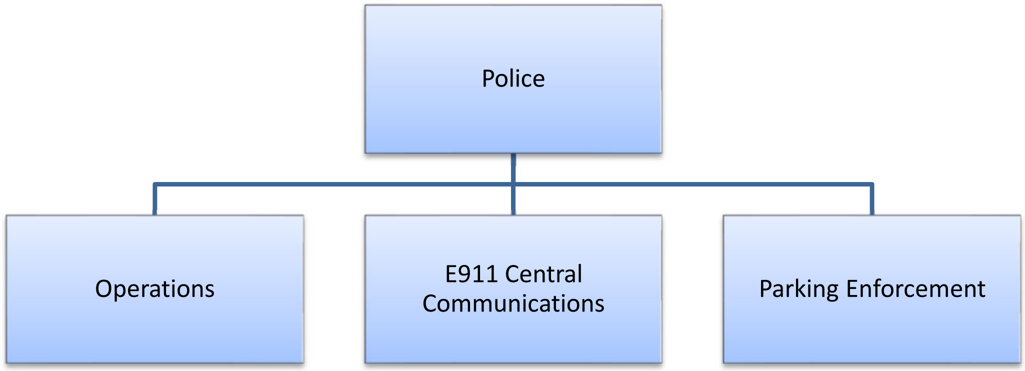
Expenditures by Type



Expenditures by Funding Source



It is the mission of the Ketchikan Police Department, together with all the residents of the City, to make the community a safe place within which to live and work.



The Police Department is comprised of three operating divisions and oversees a Grant Program and a Capital Improvement Program.

DEPARTMENT EXECUTIVE SUMMARY

Divisions/Cost Center/Programs	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	Adopted 2022/2023 Incr(Decr)	Adopted 2022/2023 %
Operations	3,989,929	4,656,676	4,636,666	4,213,582	5,140,481	483,805	10.4%
E911 Central Communications	1,246,800	1,367,458	1,367,458	1,255,490	1,311,923	(55,535)	-4.1%
Parking Enforcement	98,433	124,724	144,724	126,130	134,928	10,204	8.2%
Grants	-	331,602	331,602	-	331,602	-	0.0%
Forfeitures-Seizures	32,193	-	17,849	11,231	-	-	NA
Capital Improvement Program	57,438	88,144	88,144	66,000	610,830	522,686	593.0%
Total	**5,424,793**	**6,568,604**	**6,586,443**	**5,672,433**	**7,529,764**	**961,160**	**14.6%**

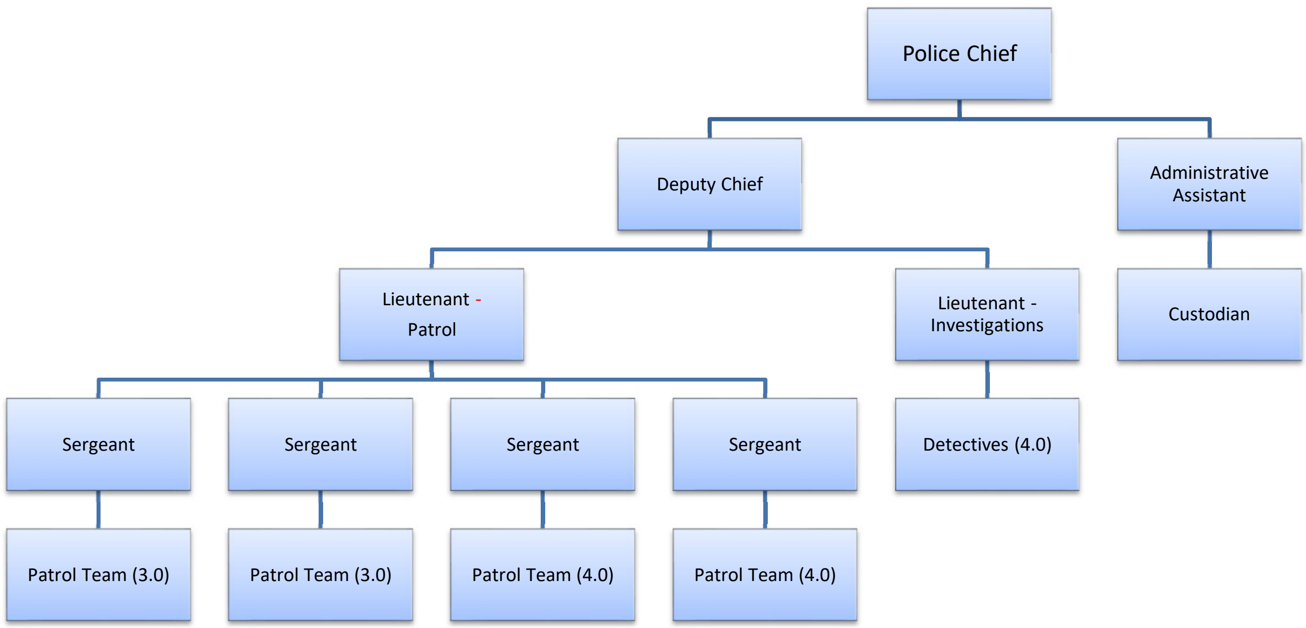
Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	Adopted 2022/2023 Incr(Decr)	Adopted 2022/2023 %
Personnel Services and Benefits	4,674,268	5,376,901	5,370,064	4,838,795	5,599,182	222,281	4.1%
Supplies	129,898	150,398	165,706	159,143	205,026	54,628	36.3%
Contract/Purchased Services	340,746	764,251	767,139	417,935	881,646	117,395	15.4%
Minor Capital Outlay	73,047	34,050	34,050	34,050	59,750	25,700	75.5%
Interdepartmental Charges	149,396	154,860	161,340	156,510	173,330	18,470	11.9%
Major Capital Outlay	57,438	88,144	88,144	66,000	610,830	522,686	593.0%
Total	**5,424,793**	**6,568,604**	**6,586,443**	**5,672,433**	**7,529,764**	**961,160**	**14.6%**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	Adopted 2022/2023 Incr(Decr)	Adopted 2022/2023 %
General Fund							
Tax Support	3,332,994	3,912,104	3,912,094	3,483,502	3,903,903	(8,201)	-0.2%
Public Safety Sales Tax	1,286,937	1,441,955	1,441,955	1,324,611	1,901,130	459,175	31.8%
Charges for Services	410,906	460,000	460,000	469,255	460,000	-	0.0%
Fines and Forfeitures	61,526	92,000	92,000	75,035	79,500	(12,500)	-13.6%
Federal and State Grants	-	331,602	331,602	-	331,602	-	0.0%
US Marshal Fund	32,193	-	17,849	11,231	-	-	0.0%
Public Works Sales Tax	57,438	88,144	88,144	66,000	610,830	522,686	593.0%
Marijuana Sales Tax	200,000	200,000	200,000	200,000	200,000	-	0.0%
CPV Special Revenue	42,799	42,799	42,799	42,799	42,799	-	0.0%
Total	**5,424,793**	**6,568,604**	**6,586,443**	**5,672,433**	**7,529,764**	**961,160**	**14.6%**

Full-time Equivalent Personnel	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2023 Budget	2023 Salary	Adopted 2022/2023 Incr(Decr)	Adopted 2022/2023 %
Operations	27.35	27.35	27.35	28.25	2,500,261	0.90	3.3%
E911 Central Communications	10.20	10.20	10.20	9.30	531,718	(0.90)	-8.8%
Parking Enforcement	1.00	1.00	1.00	1.00	51,938	-	0.0%
Total	**38.55**	**38.55**	**38.55**	**38.55**	**3,083,917**	**-**	**0.0%**

MISSION STATEMENT

To protect and serve the City of Ketchikan and its citizens by providing progressive public safety services.



GOALS FOR 2023

- Purchase and utilize Trimble Total Station for scene documentation for a variety of incidents.
- Train newer officers to transition into instructor positions that are currently held by employees ready to retire.
- Establish a joint arson investigation team with the Fire Department.
- Establish a designated group of highly trained Officers that can handle a variety of tactical issues using advanced equipment.
- Purchase and train a K-9 Officer; provide training to staff that will work with the K-9 Officer.
- Restructure the homicide team and provide specialized training to team members.
- Establish and implement Reserve Officer Program.
- Continue with current community engagement and develop additional ways to interact and be active in the community.

ACCOMPLISHMENTS FOR 2022

- Provided First Line supervisor training to members of the Department.
- Worked closely with Human Resources to develop a hiring plan involving upcoming staffing requirements.
- Completed many community outreach programs, such as Shop with a Cop, Coffee with a Cop, and Elementary Christmas card contest.
- Implemented "Ketch-Up", a monthly community meeting for all citizens to discuss community concerns and issues with the Police Department.
- Provided high threat Close Quarter Battle Training with other multiple agencies within the community.
- Created a monthly departmental newsletter.
- Jeffrey Walls of Pearl River, Louisiana was appointed to the position of Police Chief, to succeed Chief Joe White, effective January 31, 2022.
- Hired 5 new Police Officers; sent 2 Officers to homicide school.

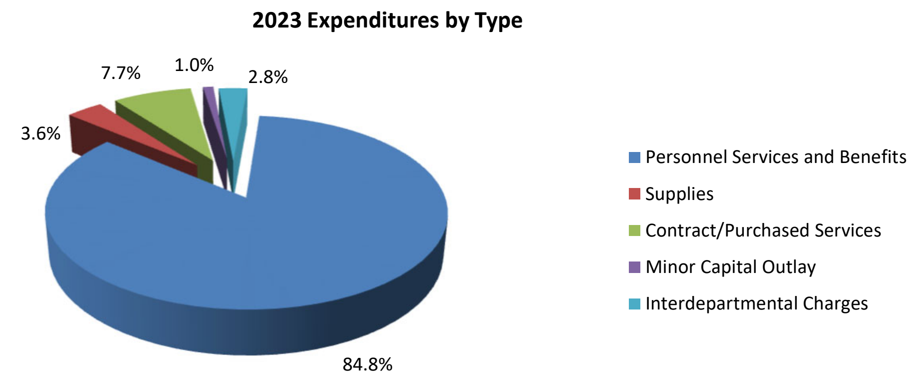
- Outfitted all marked police vehicles with moving and stationary radars.
- Created community information sheets in order for citizens to make anonymous reports to the Department.
- Reallocated overtime funds to address hawking concerns by issuing multiple citations to subjects with undercover operations.
- Worked closely with the Ketchikan Wellness Coalition to create programs to actively engage with community youth, which included a drunk driving demonstration, bingo with students and hidden in plain sight.
- Participated with Behavioral Health to have Sergeant Derek McGarrigan trained to be a mental health first aid instructor.
- Implemented monthly meetings with the School District Superintendent to discuss any issues and concerns within the District.
- Purchased and installed Knox Boxes on all schools within the District and labeled each door for quick identification.
- Created an annual Easter egg hunt program for the department.
- Created the first annual memorial for Police Week in memory of Earl Hoggard.
- Purchased and implemented Police One online training to all staff.
- Seized 6,283 Fentanyl pills, 1,374.4 grams of methamphetamine, 718.6 grams of heroin, 2.8 grams powder fentanyl, 1.7 grams of cocaine, 14 alprazolam bars, 28 grams of THC wax, 18 methadone pills, 4.6 grams of psilocybin mushrooms, 4 firearms and $193,231 in US currency.
- Assisted in seizure of 9,000 fentanyl pills and 2 ounces of methamphetamine in Juneau.

DIVISION SUMMARY

	2021	2022 Budget			2023	Adopted 2022/2023	
Expenditures by Category	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Personnel Services and Benefits	3,530,768	4,073,064	4,047,054	3,645,480	4,361,151	288,087	7.1%
Supplies	105,455	131,292	137,292	137,292	184,920	53,628	40.8%
Contract/Purchased Services	207,760	294,800	288,320	270,800	397,820	103,020	34.9%
Minor Capital Outlay	19,487	27,050	27,050	27,050	52,750	25,700	95.0%
Interdepartmental Charges-Public Safety	-	-	-	-	-	-	0.0%
Interdepartmental Charges	126,459	130,470	136,950	132,960	143,840	13,370	10.2%
Total Expenditures	**3,989,929**	**4,656,676**	**4,636,666**	**4,213,582**	**5,140,481**	**483,805**	**10.4%**

	2021	2022 Budget			2023	Adopted 2022/2023	
Funding Source	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
General Fund							
Tax Support	2,473,580	2,977,846	2,957,836	2,661,311	3,006,976	29,130	1.0%
Public Safety Sales Tax	1,286,937	1,441,955	1,441,955	1,324,611	1,901,130	459,175	31.8%
Fines and Forfeitures	9,537	17,000	17,000	7,785	12,500	(4,500)	-26.5%
Marijuana Sales Tax	189,060	189,060	189,060	189,060	189,060	-	0.0%
CPV Special Revenue	30,815	30,815	30,815	30,815	30,815	-	0.0%
Total Funding	**3,989,929**	**4,656,676**	**4,636,666**	**4,213,582**	**5,140,481**	**483,805**	**10.4%**

	2021	2022 Budget		2023		Adopted 2022/2023	
Full-time Equivalent Personnel	**Actual**	**Adopted**	**Amended**	**Budget**	**Salary**	**Incr(Decr)**	**%**
Police Chief	0.90	0.90	0.90	0.90	128,596	-	0.0%
Deputy Chief	0.95	0.95	0.95	0.95	126,129	-	0.0%
Lieutenant	1.00	1.00	1.00	2.00	234,980	1.00	100.0%
Sergeant	5.00	5.00	5.00	4.00	428,949	(1.00)	-20.0%
Police Officer	15.25	15.25	15.25	14.25	1,098,340	(1.00)	-6.6%
Detective/Investigations	3.00	3.00	3.00	4.00	367,912	1.00	33.3%
Administrative Assistant	0.95	0.95	0.95	0.95	52,324	-	0.0%
Evidence Custodian	-	-	-	0.90	50,170	0.90	New
Custodian	0.30	0.30	0.30	0.30	12,861	-	0.0%
Total	**27.35**	**27.35**	**27.35**	**28.25**	**2,500,261**	**0.90**	**3.3%**



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- Personnel Services and Benefits increased by $288,087, or by 7.1%, due to annual employee step increases, a 2.5% cost of living adjustment for non-represented employees that will become effective January 1, 2023; a projected cost of living for represented Public Safety Employee Association employees to mirror the recent increase approved by the City Council for IBEW, Local 1547 employees and non-represented employees, the addition of a Evidence Custodian .90 FTE position, and projected increases in pension, health insurance and other benefit costs.

- Heating Fuel (Account No. 525.03) increased by $29,324, or by 109.9%, due to the anticipated rising costs of heating fuel.

- Vehicle Motor Fuel & Lubricants (Account No. 525.04) increased by $20,000, or by 46.5%, due to anticipated rising costs of fuel and maintenance products.

- Travel-Training (Account No. 600.02) increased by $23,000, or by 85.2% due to the anticipated cost of travel for training in 2023 for new and established staff.

- Training and Education (Account No. 600.03) increased by $22,800, or by 76.0% due to the anticipated cost of training and education in 2023 for new and established staff.

- Other Contractual Services (Account No. 635.14) is newly funded in 2023 at $50,000 to account for the costs of a contractual grant writer for the department.

- Telecommunications (Account No. 650.01) increased by $6,000, or by 12.2% due to increased rates and matching actual expenditures.

- Computers, Printers and Copiers (Account No. 790.26) increased by $22,700, or by 153.4% per the recommended replacement schedule developed by the Information Technology Department.

- Interdepartmental-Insurance (Account No. 825.01) increased by $12,370, or by 13.7%, due to an increase in insurance premiums and new vehicle coverage.

DIVISION OPERATING BUDGET DETAIL

Operating Expenditures			2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	Adopted 2022/2023 Incr(Decr)	Adopted 2022/2023 %
Personnel Services and Benefits									
500	.01	Regular Salaries and Wages	2,110,980	2,348,954	2,322,944	2,109,510	2,500,261	151,307	6.4%
501	.01	Overtime Wages	110,805	190,000	190,000	168,040	190,000	-	0.0%
505	.00	Payroll Taxes	180,858	194,230	194,230	176,910	205,810	11,580	6.0%
506	.00	Pension	510,054	568,580	568,580	503,510	602,410	33,830	5.9%
507	.00	Health and Life Insurance	466,106	560,750	560,750	497,390	620,070	59,320	10.6%
507	.30	Workers Compensation	72,397	82,720	82,720	75,990	88,050	5,330	6.4%
508	.00	Other Benefits	25,955	64,380	64,380	65,680	85,950	21,570	33.5%
509	.01	Allowances-Police Uniforms	48,613	46,850	46,850	46,850	47,000	150	0.3%
509	.07	Allowances-Moving Expense	5,000	15,000	15,000		20,000	5,000	33.3%
509	.08	Allowances-Medical Expenses	-	1,600	1,600	1,600	1,600	-	0.0%
		Personnel Services and Benefits	**3,530,768**	**4,073,064**	**4,047,054**	**3,645,480**	**4,361,151**	**288,087**	**7.1%**
Supplies									
510	.01	Office Supplies	6,395	7,000	7,000	7,000	7,200	200	2.9%
510	.02	Operating Supplies	28,821	28,000	28,000	28,000	28,000	-	0.0%
510	.03	Safety Program Supplies	894	7,000	7,000	7,000	7,000	-	0.0%
510	.04	Janitorial Supplies	3,147	2,900	2,900	2,900	2,900	-	0.0%
515	.02	Building & Grounds Maint Materials	8,431	10,000	13,900	13,900	12,000	2,000	20.0%
515	.04	Machinery & Equip Maint Materials	989	1,000	1,000	1,000	1,000	-	0.0%
520	.02	Postage	3,302	4,216	4,216	4,216	4,220	4	0.1%
525	.03	Heating Fuel	20,270	26,676	26,676	26,676	56,000	29,324	109.9%
525	.04	Vehicle Motor Fuel & Lubricants	33,205	43,000	43,000	43,000	63,000	20,000	46.5%
535	.04	Uniforms/Badges/Clothing	1	1,500	3,600	3,600	3,600	2,100	140.0%
		Supplies	**105,455**	**131,292**	**137,292**	**137,292**	**184,920**	**53,628**	**40.8%**
Contract/Purchased Services									
600	.01	Travel-Business	2,785	1,000	1,000	1,000	1,000	-	0.0%
600	.02	Travel-Training	3,429	27,000	27,000	27,000	50,000	23,000	85.2%
600	.03	Training and Education	29,224	30,000	30,000	30,000	52,800	22,800	76.0%
605	.01	Ads and Public Announcements	6,990	2,500	2,500	2,500	2,500	-	0.0%
610	.01	Community Promotion	6,961	5,000	5,000	5,000	5,000	-	0.0%
615	.02	Assn. Membership Dues & Fees	2,130	4,500	4,500	4,500	4,500	-	0.0%
620	.02	Towing of Impounded Property	2,505	2,000	2,000	2,000	2,000	-	0.0%
630	.02	Vehicle Licenses	165	500	500	500	500	-	0.0%
630	.03	Bank & Merchant Fees	999	1,300	1,300	1,300	1,300	-	0.0%
635	.01	Government Contractual Services	4,837	27,000	27,000	27,000	27,000	-	0.0%
635	.04	Software & Equip Maint Services	28,873	36,000	36,000	30,000	36,000	-	0.0%
635	.06	Building & Grounds Maint Services	4,948	5,000	5,000	5,000	5,000	-	0.0%
635	.07	Machinery & Equipment Maintenance Se	2,007	7,000	7,000	7,000	7,000	-	0.0%
635	.10	Investigation Services	6,000	12,000	12,000	12,000	12,000	-	0.0%
635	14	Other Contractual services					50,000	50,000	New
640	.05	Medical Services	3,171	24,000	17,520	6,000	24,000	-	0.0%
650	.01	Telecommunications	47,853	49,000	49,000	49,000	55,000	6,000	12.2%
650	.02	Electric, Water, Sewer & Solid Waste	54,883	61,000	61,000	61,000	62,220	1,220	2.0%
		Contract/Purchased Services	**207,760**	**294,800**	**288,320**	**270,800**	**397,820**	**103,020**	**34.9%**

Operating Expenditures	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	Adopted 2022/2023 Incr(Decr)	Adopted 2022/2023 %
Minor Capital Outlay							
790 .15 Furniture and Fixtures	-	-	-		3,000	3,000	New
790 .25 Machinery and Equipment	11,605	12,250	12,250	12,250	12,250	-	0.0%
790 .26 Computers, Printers & Copiers	7,882	14,800	14,800	14,800	37,500	22,700	153.4%
Minor Capital Outlay	**19,487**	**27,050**	**27,050**	**27,050**	**52,750**	**25,700**	**95.0%**
Interdepartmental Charges							
825 .01 Interdepartmental-Insurance	90,930	90,470	90,470	86,480	102,840	12,370	13.7%
850 .01 Interdepartmental-Garage	35,529	40,000	46,480	46,480	41,000	1,000	2.5%
Interdepartmental Charges	**126,459**	**130,470**	**136,950**	**132,960**	**143,840**	**13,370**	**10.2%**
Total Expenditures by Type	**3,989,929**	**4,656,676**	**4,636,666**	**4,213,582**	**5,140,481**	**483,805**	**10.4%**

NARRATIVE

500.01 Regular Salaries and Wages: $2,500,261 – This account provides expenditures for compensation paid to all regular salaried and hourly employees for personnel services.

501.01 Overtime Wages: **$190,000** - This account provides expenditures for compensation paid to all regular and temporary hourly employees for hours worked in excess of a regular working cycle.

505.00 Payroll Taxes: $205,810 – This account provides expenditures for employer contributions for Social Security and Medicare and other similar payroll related taxes.

506.00 Pension: $602,410 – This account provides expenditures for employer contributions to retirement plans.

507.00 Health and Life Insurance: **$620,070** – This account provides expenditures for employer contributions to employee health and life insurance plans.

507.30 Workers Compensation: **$88,050** – This account provides expenditures for employer contributions to workers compensation.

508.00 Other Benefits: $85,950 – This account provides expenditures for direct claims from former employees for unemployment benefits paid by the State of Alaska and accrued vacation and sick leave.

509.01 Allowances – Police Uniforms: $47,000 – This account provides expenditures for employer provided uniform allowances paid directly to police officers pursuant to collective bargaining agreements or the City Personnel Rules.

509.07 Allowances - Moving Expense: $20,000 - This account provides expenditures for direct payments or reimbursements to employees for expenditures incurred to relocate to Ketchikan.

509.08 Allowances- Medical Expenses: **$1,600** - This account provides expenditures for employee medical exams paid directly to employees. These benefits are taxable to the employees.

510.01 Office Supplies: **$7,200**- This account provides expenditures for paper, pens, pencils, note pads, file folders, scotch tape, toner, ink cartridges, photocopy charges, small desk accessories and minor office equipment such as staplers and tape dispensers.

510.02 Operating Supplies: **$28,000** - This account provides expenditures for supplies that are normally not of a maintenance nature and are required to support department operations. Included are supplies such as CDs, DVDs, batteries, narcotic test kits, training materials, crime scene investigation materials, taser cartridges, pepper spray, ammunition, targets and armor supplies.

510.03 Safety Program Supplies: **$7,000**- This account provides expenditures for supplies for the department safety program. Included are safety information brochures, safety training audio and video programs, soft body armors, ballistic vests, safety equipment, OSHA required medical exams, specialized hazardous materials handling and disposal information, specialized protective safety clothing and traffic control accessories.

510.04 Janitorial Supplies: $2,900 – This account provides expenditures for cleaning and sanitation supplies used by the in-house janitor.

515.02 Building and Grounds Maintenance Materials: $12,000 – This account provides expenditures for materials required to repair and maintain the building and the upkeep of the grounds at the Police Station.

515.04 Machinery and Equipment Maintenance Materials: $1,000 – This account provides expenditures for the materials required to repair and maintain machinery and equipment owned or leased and operated by the department. Included are office equipment, operating equipment, computer networks and computers.

520.02 Postage: **$4,220** - This account provides expenditures for postal related services such as postage, express delivery and mailing materials.

525.03 Heating Fuel: **$56,000** - This account provides expenditures for heating fuel for the Police Department.

525.04 Vehicle Motor Fuel and Lubricants: **$63,000** - This account provides expenditures for gasoline and lubricants used for the operation of Police vehicles.

535.04 Uniforms/Badges/Clothing: **$3,600**- This account provides expenditures for direct purchases of, or reimbursements to, employees for work related clothing required by department policies. Included are badges, collar insignia, patches and department awards.

600.01 Travel-Business: $1,000 – This account provides expenditures for transportation, lodging, meals, per diems and other incidental expenses associated with travel for department business.

600.02 Travel-Training: $50,000- This account provides expenditures for transportation, lodging, meals, per diems and other incidental expenses associated with travel for training.

600.03 Training and Education: $52,800 – This account provides expenditures for registration fees, training fees, training materials, tuition reimbursements and other incidental expenses associated with training and educating employees; and on-premises training programs provided by staff or third-parties. Tuition for new officers to attend the Public Safety Training Academy is also paid with this account as needed.

605.01 Ads and Public Announcements: **$2,500** - This account provides expenditures for advertising and announcements in publications, newspapers, trade journals, Internet or broadcasts over radio and television. Included are legal notices, public service announcements, community issues and recruiting.

610.01 Community Promotion: $5,000 – This account provides expenditures for the promotion of community activities and programs. Included activities are Shop with a Cop, Coffee with a Cop, Citizens Academy, Health Fair and Halloween Safety.

615.02 Assn. Membership Dues and Fees: $4,500 – This account provides expenditures for memberships in professional and trade associations such as the FBI National Academy Associates, Alaska Association of Chiefs of Police, International Association of Chiefs of Police and others.

620.02 Towing of Impounded Property: **$2,000** – This account provides expenditures for towing and/or storing of impounded vehicles.

630.02 Vehicle Licenses: $500 – This account provides expenditures for licensing department vehicles for operations on public highways.

630.03 Bank and Merchant Fees: **$1,300** - This account provides expenditures for monthly merchant fees for use of credit and debit cards associated with payment of parking tickets and fines.

635.01 Government Contractual Services: **$27,000** - This account provides expenditures for services provided by federal, state and local governments. Included are prisoner charges and fees paid for services provided by federal, state and local governments.

635.04 Software and Equipment Maintenance Services: **$36,000** - This account provides expenditures for maintenance agreements to support licensed software systems and other technology based systems that include both software and hardware components. The agreements in place for the division include support and updates for the digital evidence management system, Cellebrite Universal Forensic Electronic Device (UFED) and AXON body-worn cameras.

635.06 Building and Grounds Maintenance Services: **$5,000** - This account provides expenditures for services required to repair and maintain the building and the upkeep of the grounds at the Police Station.

635.07 Machinery and Equipment Maintenance Services: **$7,000**- This account provides expenditures for the contractual services required to repair and maintain office equipment, machinery and other operating equipment owned or leased by the department. This account includes contract labor and materials required to provide the service. It also includes maintenance service agreements.

635.10 Investigation Services: **$12,000** - This account provides expenditures for major criminal investigations, undercover operations and other types of investigation and inspection services.

635.14 Other Contractual services: $50,000 - This account provides expenditures for the cost of contracting third party to apply for and obtain funds for the department.

640.05 Medical Services: $24,000 – This account provides expenditures for the costs of medical examinations for individuals held in protective custody, medical screenings for arrestees and DUI blood draws. This account also provides for costs associated with Sexual Assault Response (SAR) kits, which are occasionally paid for by the State of Alaska.

650.01 Telecommunications: **$55,000** - This account provides expenditures for telecommunication services. Included are charges for wired and wireless telecommunications services, cell phones, Internet, long distance and toll-free numbers.

650.02 Electric, Water, Sewer & Solid Waste: **$62,220** - This account provides expenditures for electric, water, sewer and solid waste utility services.

790.15 Furniture and Fixtures: **$3,000** - This account provides for the acquisition of furniture and fixtures for the Police Station.

790.25 Machinery and Equipment: **$12,250** - This account provides expenditures for the acquisition of replacement X2 Tasers, body-worn cameras.

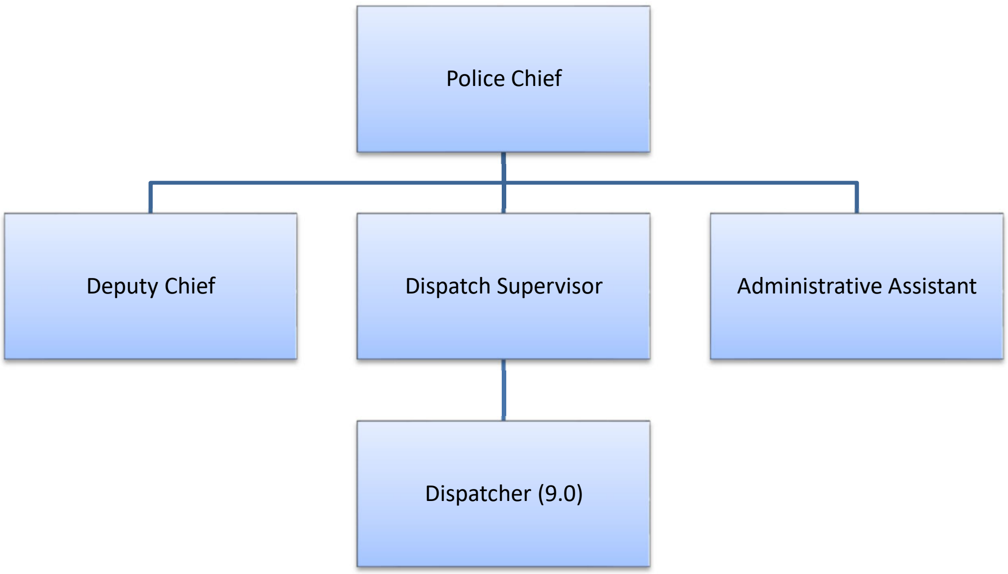
790.26 Computers, Printers and Copiers: $37,500 - This account provides expenditures for the replacement of 5 workstations, 6 monitors, 4 laptops, 2 printers and 4 UPC back up batteries per the replacement schedule developed by the Information Technology Department.

825.01 Interdepartmental Charges – Insurance: **$102,840** - This account provides expenditures for risk management services and claims.

850.01 Interdepartmental Charges – Garage: **$41,000** – This account provides expenditures for fleet maintenance services provided by the Public Works Department – Garage Division.

MISSION STATEMENT

It is the mission of the E-911 Central Communications Division to maintain 24-hour emergency dispatch services for the community in order to provide for expedited and professional responses from Police, Fire and EMS.



GOALS FOR 2023

- Continue to provide excellent service to the citizens of Ketchikan.
- Hire and train new employees.
- Create and implement a call review program to ensure best practices are being utilized.
- Implement Mobile Computer Automated Dispatch (MCAD) for police and South Tongass Fire Department.

ACCOMPLISHMENTS FOR 2022

- Provided excellent service to the citizens of Ketchikan.
- Conducted quarterly quality assurance reviews on medical calls.
- Maintained required training hours for Emergency Medical Dispatch certifications.
- Hired and trained a new Public Safety Dispatcher.
- Answered approximately 19,830 calls this year to-date.

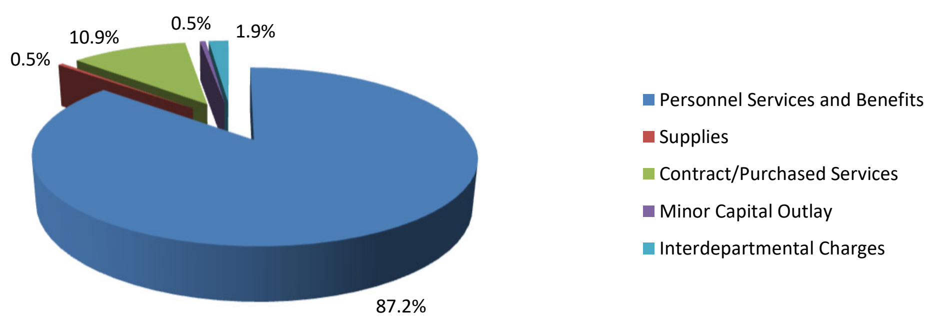
DIVISION SUMMARY

	2021	2022 Budget			2023	Adopted 2022/2023	
Expenditures by Category	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Personnel Services and Benefits	1,058,864	1,205,893	1,205,893	1,093,935	1,131,883	(74,010)	-6.1%
Supplies	1,836	5,200	5,200	5,200	6,200	1,000	19.2%
Contract/Purchased Services	112,797	129,625	129,625	129,625	142,500	12,875	9.9%
Minor Capital Outlay	53,560	7,000	7,000	7,000	7,000	-	0.0%
Interdepartmental Charges	19,743	19,740	19,740	19,730	24,340	4,600	23.3%
Total Expenditures	**1,246,800**	**1,367,458**	**1,367,458**	**1,255,490**	**1,311,923**	**(55,535)**	**-4.1%**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	Adopted 2022/2023 Incr(Decr)	Adopted 2022/2023 %
General Fund							
Tax Support	812,970	884,534	884,534	763,311	828,999	(55,535)	-6.3%
Charges for Services - Borough	16,765	70,000	70,000	79,255	70,000	-	0.0%
Charges for Services - E911	394,141	390,000	390,000	390,000	390,000	-	0.0%
Marijuana Sales Tax	10,940	10,940	10,940	10,940	10,940	-	0.0%
CPV Special Revenue	11,984	11,984	11,984	11,984	11,984	-	0.0%
Total Funding	**1,246,800**	**1,367,458**	**1,367,458**	**1,255,490**	**1,311,923**	**(55,535)**	**-4.1%**

Full-time Equivalent Personnel	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2023 Budget	2023 Salary	Adopted 2022/2023 Incr(Decr)	Adopted 2022/2023 %
Police Chief	0.10	0.10	0.10	0.10	14,088	-	0.0%
Deputy Chief	0.05	0.05	0.05	0.05	6,544	-	0.0%
Administrative Assistant	0.05	0.05	0.05	0.05	2,754	-	0.0%
Dispatch Supervisor	1.00	1.00	1.00	1.00	79,893	-	0.0%
Dispatcher	9.00	9.00	9.00	8.00	422,865	(1.00)	-11.1%
Evidence Custodian	-	-	-	0.10	5,574	0.10	0.0%
Total	**10.20**	**10.20**	**10.20**	**9.30**	**531,718**	**(0.90)**	**-8.8%**

2023 Expenditures by Type



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- Personnel Services and Benefits decreased by $74,010, or by 6.1%, due the staffing plan change to decrease the number of dispatchers by 1.0 FTE and adding the Evidence Custodian .10 FTE, the decrease was offset by annual employee step increases, a 2.5% cost of living adjustment for non-represented employees that will become effective January 1, 2023; a projected cost of living for represented Public Safety Employee Association employees to mirror the recent increase approved by the City Council for IBEW, Local 1547 employees and non-represented employees, and projected increases in pension, health insurance and other benefit costs.

- Travel-Training (Account No. 600.02) is newly funded in 2023 at $7,000 to account for the cost of sending dispatch staff to training for crisis management and field training certification.

DIVISION OPERATING BUDGET DETAIL

Operating Expenditures	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	Adopted 2022/2023 Incr(Decr)	Adopted 2022/2023 %
Personnel Services and Benefits							
500 .01 Regular Salaries and Wages	536,637	578,498	578,498	537,890	531,718	(46,780)	-8.1%
501 .01 Overtime Wages	111,036	140,000	140,000	123,990	140,000	-	0.0%
502 .01 Temporary Wages	12,413	40,000	40,000	25,870	40,000	-	0.0%
505 .00 Payroll Taxes	50,122	58,030	58,030	52,130	54,460	(3,570)	-6.2%
506 .00 Pension	149,211	161,670	161,670	144,520	151,150	(10,520)	-6.5%
507 .00 Health and Life Insurance	185,106	198,970	198,970	181,160	187,400	(11,570)	-5.8%
507 .30 Workers Compensation	4,595	4,970	4,970	4,650	5,140	170	3.4%
508 .00 Other Benefits	56	16,530	16,530	16,500	14,790	(1,740)	-10.5%
509 .01 Allowances-Police Uniforms	163	225	225	225	225	-	0.0%
509 .02 Allowances-Dispatch Uniforms	9,525	7,000	7,000	7,000	7,000	-	0.0%
Personnel Services and Benefits	**1,058,864**	**1,205,893**	**1,205,893**	**1,093,935**	**1,131,883**	**(74,010)**	**-6.1%**
Supplies							
510 01 Office Supplies	-	-	-	-	1,000	1,000	New
510 .02 Operating Supplies	1,836	4,700	4,700	4,700	4,700	-	0.0%
535 .04 Uniforms/Badges/Clothing	-	500	500	500	500	-	0.0%
Supplies	**1,836**	**5,200**	**5,200**	**5,200**	**6,200**	**1,000**	**19.2%**
Contract/Purchased Services							
600 .02 Travel-Training	-	-	-	-	7,000	7,000	New
600 .03 Training and Education	2,633	3,625	3,625	3,625	7,000	3,375	93.1%
605 .01 Ads and Public Announcements	476	500	500	500	500	-	0.0%
630 .05 Software Licenses	200	4,000	4,000	4,000	4,000	-	0.0%
635 .04 Software & Equip Maint Services	105,317	113,000	113,000	113,000	115,000	2,000	1.8%
635 .07 Machinery & Equip Maint Services	435	3,000	3,000	3,000	3,000	-	0.0%
635 .11 Subscription Services	-	1,500	1,500	1,500	1,500	-	0.0%
650 .01 Telecommunications	3,736	4,000	4,000	4,000	4,500	500	12.5%
Contract/Purchased Services	**112,797**	**129,625**	**129,625**	**129,625**	**142,500**	**12,875**	**9.9%**
Minor Capital Outlay							
790 .15 Furniture and Fixtures	2,819	2,500	2,500	2,500	2,500	-	0.0%
790 .25 Machinery & Equipment	50,741	2,500	2,500	2,500	2,500	-	0.0%
790 .35 Software	-	2,000	2,000	2,000	2,000	-	0.0%
Minor Capital Outlay	**53,560**	**7,000**	**7,000**	**7,000**	**7,000**	**-**	**0.0%**
Interdepartmental Charges							
825 .01 Interdepartmental Charges-Insurance	19,743	19,740	19,740	19,730	24,340	4,600	23.3%
Interdepartmental Charges	**19,743**	**19,740**	**19,740**	**19,730**	**24,340**	**4,600**	**23.3%**
Total Expenditures by Type	**1,246,800**	**1,367,458**	**1,367,458**	**1,255,490**	**1,311,923**	**(55,535)**	**-4.1%**

NARRATIVE

500.01 Regular Salaries and Wages: $531,718 – This account provides expenditures for compensation paid to all regular salaried and hourly employees for personnel services.

501.01 Overtime Wages: **$140,000** - This account provides expenditures for compensation paid to all regular and temporary hourly employees for hours worked in excess of a regular working cycle.

502.01 Temporary Wages: **$40,000** - This account provides expenditures for compensation paid to hourly employees for temporary personnel services.

505.00 Payroll Taxes: $54,460 This account provides expenditures for employer contributions for Social Security and Medicare and other similar payroll related taxes.

506.00 Pension: $151,150 – This account provides expenditures for employer contributions to retirement plans.

507.00 Health and Life Insurance: **$187,400** – This account provides expenditures for employer contributions to employee health and life insurance plans.

507.30 Workers Compensation: **$5,140** – This account provides expenditures for employer contributions to workers compensation.

508.00 Other Benefits: $14,790 – This account provides expenditures for direct claims from former employees for unemployment benefits paid by the State of Alaska and accrued vacation and sick leave.

509.01 Allowances - Police Uniforms: $225 - This account provides expenditures for employer provided uniform allowances paid directly to police officers pursuant to collective bargaining agreements or the Personnel Rules.

509.02 Allowances – Dispatch Uniforms: **$7,000** - This account provides expenditures for employer provided uniform allowances paid directly to police dispatchers pursuant to collective bargaining agreements or the Personnel Rules.

510.01 Office Supplies: **$1,000**- This account provides expenditures for paper, pens, pencils, note pads, file folders, scotch tape, toner, ink cartridges, photocopy charges, small desk accessories and minor office equipment such as staplers and tape dispensers.

510.02 Operating Supplies: $4,700 - This account provides expenditures for supplies that are normally not of a maintenance nature and are required to support department operations. Included are supplies such as communications wireless bases and headsets, batteries, employee awards and recognition pins, brochures, medical supplies, and general materials for classes and public programs.

535.04 Allowances-Uniforms/Badges/Clothing: **$500** - This account provides expenditures for direct purchases of or reimbursements to employees for work related clothing required by department policies. Included are work clothes, collar insignia, patches, badges, name plates, boots, shoes and branded logo wear.

600.02 Travel-Training: $7,000 - This account provides expenditures for transportation, lodging, meals, per diems and other incidental expenses associated with travel for training.

600.03 Training and Education: $7,000 – This account provides expenditures for registration fees, training fees, training materials, tuition reimbursements and other incidental expenses associated with training and educating employees; and on-premises training programs provided by staff or third-parties.

605.01 Ads and Public Announcements: **$500** - This account provides expenditures for advertising and announcements in publications, newspapers, trade journals, Internet or broadcasts over radio and television. Included are legal notices, public service announcements, community issues, recruiting, requests for proposals and contracts.

630.05 Software Licenses: $4,000 – This account provides expenditures for acquiring licenses for the right to use proprietary software such as Adobe and scheduling software for the Department.

635.04 Software and Equipment Maintenance Services: **$115,000** - This account provides expenditures for maintenance agreements to support licensed software systems and other technology based systems that include both software and hardware components. The agreements in place for the division include support and updates for the computer-aided dispatch system, records management system, recording system interface for the dispatch consoles and remote monitoring, dispatch consoles and the APSIN criminal justice information system for Alaska.

635.07 Machinery and Equipment Maintenance Services: **$3,000** - This account provides expenditures for the contractual services required to repair and maintain office equipment and operating equipment. It also includes maintenance service agreements.

635.11 Subscription Services: **$1,500** - This account provides expenditures for subscriptions for access to telephonic and web based services. Included are Alaska Public Safety Information System, Department of Motor Vehicles Photo Site, on-line reference databases, Statewide Gateway for APSIN, NCIC and Statewide Library Electronic Doorway.

650.01 Telecommunications: **$4,500** - This account provides expenditures for telecommunication services. Included are charges for wired and wireless telecommunications services, Internet and long distance.

790.15 Furniture and Fixtures: **$2,500** - This account provides expenditures for acquisition of furniture and fixtures. Included are desks, chairs, tables, workstations, file cabinets, storage cabinets and building fixtures.

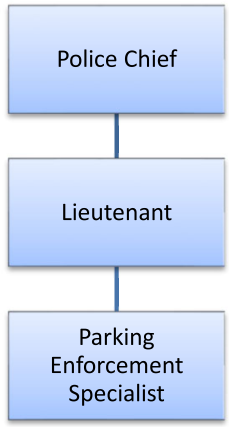
790.25 Machinery and Equipment: $2,500 - This account provides for the replacement of minor machinery and equipment, such as wireless base stations for E911 Central Communications and department owned wireless headsets.

790.35 Software: $2,000 - This account provides expenditures for acquisition of software systems and upgrades not covered by maintenance agreements.

825.01 Interdepartmental Charges – Insurance: **$24,340**- This account provides expenditures for risk management services and claims.

MISSION STATEMENT

The mission of the Parking Enforcement Division is to provide parking enforcement in the City Center District as well as all other areas within City jurisdiction in a fair and equitable manner and in accordance with the Ketchikan Municipal Code.



GOALS FOR 2023

- Identify a more effective timed parking enforcement procedure.
- Establish a traffic and parking plan for the downtown area in conjunction with the City Manager's office and Public Works.
- Continue to work with Public Works to implement signage on City streets and in City parking lots, as well as paint and re-paint areas of public safety concern.
- Identify an improved hardware and software tool for the parking enforcement specialist.

ACCOMPLISHMENTS FOR 2022

- Implemented a seasonal parking enforcement specialist to supplement enforcement in the downtown area.
- Continued to identify and solve problem areas by removing abandoned vehicles and vehicular trash.
- Continue to work with Public Works to implement signage on City streets and in City parking lots, as well as paint and re-paint areas of public safety concern.
- Worked to educate seasonal tour business traffic due to an increased number of tour vehicles in the downtown area.

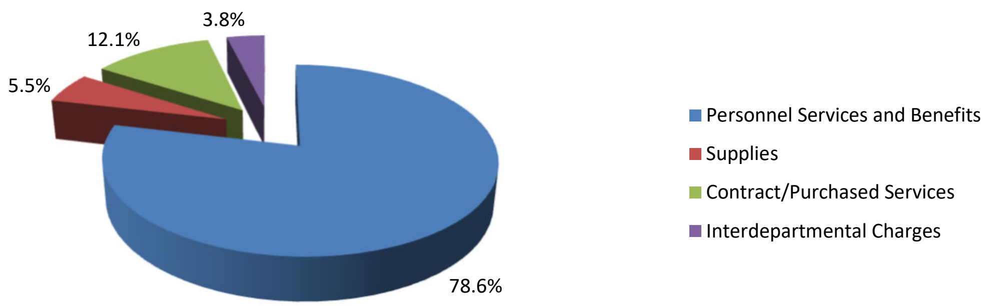
DIVISION SUMMARY

	2021	2022 Budget			2023	Adopted 2022/2023	
Expenditures by Category	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Personnel Services and Benefits	84,636	97,944	117,117	99,380	106,148	8,204	8.4%
Supplies	4,573	7,370	8,197	8,170	7,370	-	0.0%
Contract/Purchased Services	6,030	14,760	14,760	14,760	16,260	1,500	10.2%
Interdepartmental Charges	3,194	4,650	4,650	3,820	5,150	500	10.8%
Total Expenditures	**98,433**	**124,724**	**144,724**	**126,130**	**134,928**	**10,204**	**8.2%**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	Adopted 2022/2023 Incr(Decr)	Adopted 2022/2023 %
General Fund							
Tax Supported	46,444	49,724	69,724	58,880	67,928	18,204	36.6%
Fines and Forfeitures	51,989	75,000	75,000	67,250	67,000	(8,000)	-10.7%
Total Funding	**98,433**	**124,724**	**144,724**	**126,130**	**134,928**	**10,204**	**8.2%**

Full-time Equivalent Personnel	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2023 Budget	2023 Salary	Adopted 2022/2023 Incr(Decr)	Adopted 2022/2023 %
Parking Enforcement Specialist	1.00	1.00	1.00	1.00	51,938	-	0.0%
Total	**1.00**	**1.00**	**1.00**	**1.00**	**51,938**	**-**	**0.0%**

2023 Expenditures by Type



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2021 and the proposed operating budget for 2022 that are greater than 5% and $5,000 are discussed below:

- Personnel Services and Benefits increased by $8,204, or by 8.4%, due to annual employee step increases, a 2.5% cost of living adjustment for IBEW, Local 1547 employees that will become effective January 1, 2023; and projected increases in pension, health insurance and other benefit costs.

DIVISION OPERATING BUDGET DETAIL

Operating Expenditures			2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	Adopted 2022/2023 Incr(Decr)	Adopted 2022/2023 %
Personnel Services and Benefits									
500	.01	Regular Salaries and Wages	48,410	48,984	48,984	47,830	51,938	2,954	6.0%
502	.01	Temporary Wages	-	10,000	28,163	11,780	10,000	-	0.0%
505	.00	Payroll Taxes	3,324	4,520	4,520	4,340	4,740	220	4.9%
506	.00	Pension	8,195	8,330	8,360	8,360	8,830	500	6.0%
507	.00	Health and Life Insurance	21,106	21,720	22,700	22,700	24,690	2,970	13.7%
507	.30	Workers Compensation	1,451	2,010	2,010	1,990	2,100	90	4.5%
508	.00	Other Benefits	1,156	1,380	1,380	1,380	2,850	1,470	106.5%
509	.01	Allowances-Police Uniforms	994	1,000	1,000	1,000	1,000	-	0.0%
		Personnel Services and Benefits	**84,636**	**97,944**	**117,117**	**99,380**	**106,148**	**8,204**	**8.4%**
Supplies									
510	.01	Office Supplies	2,693	3,200	3,200	3,200	3,200	-	0.0%
510	.02	Operating Supplies	-	400	400	400	400	-	0.0%
520	.02	Postage	1,543	3,100	3,100	3,100	3,100	-	0.0%
525	.04	Vehicle Motor Fuel & Lubricants	337	670	670	670	670	-	0.0%
535	04	Allowances-Uniforms/Badges/Clothing	-	-	827	800		-	NA
		Supplies	**4,573**	**7,370**	**8,197**	**8,170**	**7,370**	**-**	**0.0%**
Contract/Purchased Services									
605	.01	Ads and Public Announcements	-	350	350	350	350	-	0.0%
630	.02	Vehicle Licenses	-	10	10	10	10	-	0.0%
635	.04	Software & Equip Maint Services	-	5,200	5,200	5,200	6,700	1,500	28.8%
640	.03	Information Technology Services	5,078	8,000	8,000	8,000	8,000	-	0.0%
650	.01	Telecommunications	952	1,200	1,200	1,200	1,200	-	0.0%
		Contract/Purchased Services	**6,030**	**14,760**	**14,760**	**14,760**	**16,260**	**1,500**	**10.2%**
Interdepartmental Charges									
825	.01	Interdepartmental Charges-Insurance	1,983	1,900	1,900	2,020	2,400	500	26.3%
850	.01	Interdepartmental Charges-Garage	1,211	2,750	2,750	1,800	2,750	-	0.0%
		Interdepartmental Charges	**3,194**	**4,650**	**4,650**	**3,820**	**5,150**	**500**	**10.8%**
		Total Expenditures by Type	**98,433**	**124,724**	**144,724**	**126,130**	**134,928**	**10,204**	**8.2%**

NARRATIVE

500.01 Regular Salaries and Wages: $51,938 – This account provides expenditures for compensation paid to all regular salaried and hourly employees for personnel services.

502.01 Temporary Wages: $10,000 – This account provides expenditures for compensation paid to hourly employees for temporary personnel services.

505.00 Payroll Taxes: $4,740 – This account provides expenditures for employer contributions for Social Security and Medicare and other similar payroll related taxes.

506.00 Pension: $8,830 – This account provides expenditures for employer contributions to retirement plans.

507.00 Health and Life Insurance: **$24,690** – This account provides expenditures for employer contributions to employee health and life insurance plans.

507.30 Workers Compensation: **$2,100** – This account provides expenditures for employer contributions to workers compensation.

508.00 Other Benefits: $2,850 – This account provides expenditures for direct claims from former employees for unemployment benefits paid by the State of Alaska and accrued vacation and sick leave.

509.01 Allowances – Police Uniforms: **$1,000** – This account provides expenditures for employer provided clothing allowances paid directly to employees pursuant to collective bargaining agreements or the City's Personnel Rules.

510.01 Office Supplies: **$3,200** – This account provides expenditures for the cost of monthly, annual and temporary City parking permits, past-due notice forms and envelopes, new parking ticket stock, printer cartridges and other supplies.

510.02 Operating Supplies: **$400** - This account provides expenditures for supplies for the division during the course of the year.

520.02 Postage: **$3,100** - This account provides expenditures for postal related services such as postage, express delivery and mailing materials.

525.04 Vehicle Motor Fuel and Lubricants: **$670** - This account provides expenditures for gasoline, diesel fuel, propane and lubricants used in the operation of the Parking Enforcement Vehicle.

605.01 Ads and Public Announcements: **$350** - This account provides expenditures for advertising and announcements in publications and newspapers.

630.02 Vehicle Licenses: $10 – This account provides expenditures for licensing City vehicles for operations on public highways.

635.04 Software Maintenance Services: **$6,700** - This account provides expenditures for maintenance agreements to support licensed software systems.

640.03 Information Technology Services: $8,000 - This account provides expenditures for programming services for the City's parking ticket collection and billing system. The system needs a new interface with the State of Alaska Department of Motor Vehicles in order to keep its vehicle owner registration data base updated and current.

650.01 Telecommunications Services: **$1,200** - This account provides expenditures for telecommunication services.

825.01 Interdepartmental Charges – Insurance: **$2,400** - This account provides expenditures for risk management services and claims.

850.01 Interdepartmental Charges – Garage: **$2,750** - This account provides expenditures for fleet maintenance services provided by the Public Works Department-Garage Division.

MISSION STATEMENT

The Ketchikan Police Department prides itself in being a leader in Alaska's law enforcement community. Every year the department seeks out additional funding sources to ensure the community is prepared for routine, day-to-day calls, and any incidents that go beyond the norm. In the past, the department has received funds to help offset the cost of officer bullet proof vests, bicycle helmets and gun locks, as well as the new dispatch console. The department has also received funding to enhance law enforcement training programs from state and federal sources.

GOALS FOR 2023

- Actively pursue new state and federal grant funding opportunities

ACCOMPLISHMENTS FOR 2022

- The department remains partnered with the Ketchikan Gateway Borough School District and is currently in the planning phase of the U.S. Department of Justice grant awarded in 2020 for security upgrades for local schools. The district conducted a safety assessment and the department is incorporating that assessment into this grant project. The funding disbursement and the actual project are anticipated to begin in 2023.

DIVISION OPERATING BUDGET DETAIL

Operating Expenditures	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	Adopted 2022/2023 Incr(Decr)	Adopted 2022/2023 %
Supplies							
510 .02 Operating Supplies	-	6,536	6,536		6,536	-	0.0%
Supplies	**-**	**6,536**	**6,536**	**-**	**6,536**	**-**	**0.0%**
Contract/Purchased Services							
635 .07 Machinery and Equip Maint Services	-	325,066	325,066		325,066	-	0.0%
Contract/Purchased Services	**-**	**325,066**	**325,066**	**-**	**325,066**	**-**	**0.0%**
Total Expenditures by Type	**-**	**331,602**	**331,602**	**-**	**331,602**	**-**	**0.0%**

Grant Program	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	Adopted 2022/2023 Incr(Decr)	Adopted 2022/2023 %
COPS Office School Violence Prevention Program							
Grant	-	248,702	248,702	-	248,702	-	0.0%
Local Match-In-Kind	-	82,900	82,900	-	82,900	-	0.0%
Total Expenditures by Grant Program	**-**	**331,602**	**331,602**	**-**	**331,602**	**-**	**0.0%**

COST CENTER STATEMENT

The mission of the Forfeitures and Seizures cost center is to provide a resource and tracking mechanism to account for the operations of the Police Department as efficiently as possible. The Forfeitures and Seizures fund is used to account for revenues received from the seizure of assets during drug enforcement operations that are dedicated to law enforcement activities and the related expenditure of these funds. This cost center was established in 2019 to improve the City's ability to account for how the funds are spent and to satisfy federal reporting requirements.

COST CENTER SUMMARY

	2021	2022 Budget			2023	Adopted 2022/2023	
Expenditures by Category	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Supplies	18,034	-	8,481	8,481	-	-	NA
Contract/Purchased Services	14,159	-	9,368	2,750	-	-	NA
Total Expenditures	**32,193**	**-**	**17,849**	**11,231**	**-**	**-**	**NA**

	2021	2022 Budget			2023	Adopted 2022/2023	
Funding Source	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Forfeitures and Seizures Fund							
Federal	-	-	-	-	-	-	NA
State	32,193	-	17,849	11,231	-	-	NA
Total Funding	**32,193**	**-**	**17,849**	**11,231**	**-**	**-**	**NA**

OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

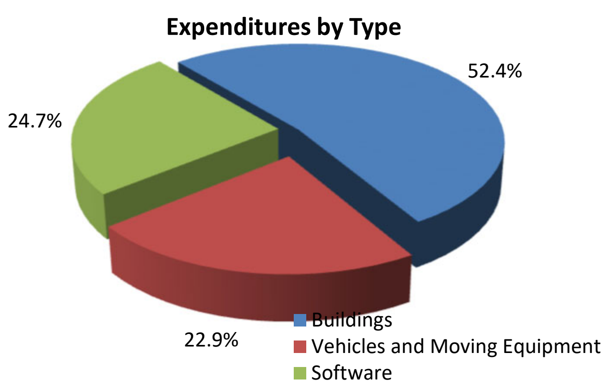
- There are no significant changes between the adopted operating budget for 2022 and the proposed budget for 2023.

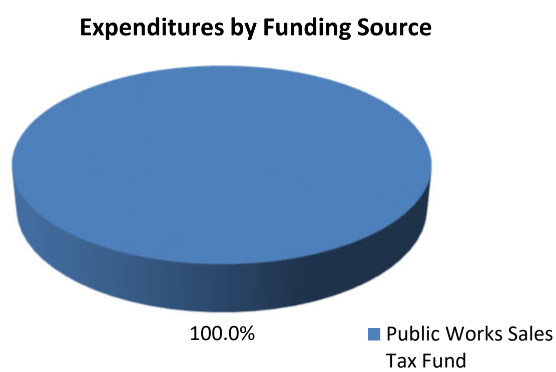
COST CENTER OPERATING BUDGET DETAIL

	2021	2022 Budget			2023	Adopted 2022/2023	
Operating Expenditures	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Supplies							
510 .02 Operating Supplies	18,034	-	8,481	8,481	-	-	NA
Supplies	**18,034**	**-**	**8,481**	**8,481**	**-**	**-**	**NA**
Contract/Purchased Services							
600 .02 Travel-Training	-	-	9,368	2,750	-	-	NA
600 .03 Training and Education	14,159	-	-	-	-	-	NA
Contract/Purchased Services	**14,159**	**-**	**9,368**	**2,750**	**-**	**-**	**NA**
Total Expenditures by Type	**32,193**	**-**	**17,849**	**11,231**	**-**	**-**	**NA**

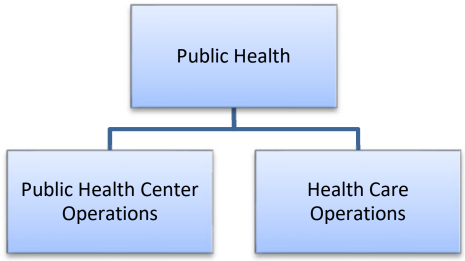
Major Capital Outlay		2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	Adopted 2022/2023 Incr(Decr)	Adopted 2022/2023 %
705.00	Buildings	-	-	-	-	320,000	320,000	New
720.00	Vehicles and Moving Equipment	57,438	88,144	88,144	66,000	140,000	51,856	58.8%
735.00	Software	-	-	-	-	150,830	150,830	New
Total Major Capital Outlay		**57,438**	**88,144**	**88,144**	**66,000**	**610,830**	**522,686**	593.0%

Capital Improvement Projects Project #	Project	Funding Sources PW Sales Tax Fund			Total
705.00 Buildings					
	Exit Gate Replacement and Upgrade/HVAC Design	320,000	-	-	320,000
	Total Buildings	**320,000**	**-**	**-**	**320,000**
720.00 Vehicles and Moving Equipment					
	Replace Police Vehicle(s)	140,000	-	-	140,000
	Total Vehicles and Moving Equipment	**140,000**	**-**	**-**	**140,000**
735-00 Software					
	Toughbook Replacement and MCAD	150,830	-	-	150,830
	Total Software	**150,830**	**-**	**-**	**150,830**
	Total Capital Budget	**610,830**	**-**	**-**	**610,830**





The Public Health Department is comprised of two operating divisions and oversees a Capital Improvement Program.



DEPARTMENT EXECUTIVE SUMMARY

Divisions/Cost Center/Programs	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Public Health Center	10,978	14,325	14,325	12,500	14,325	-	0.0%
Health Care Operations	94,145	155,130	155,130	155,130	155,140	10	0.0%
Emergency Public Health Operations	6,724	-	-	-	-	-	0.0%
Emergency Public Health CARES Act Programs	654,194	-	-	-	-	-	0.0%
Emergency Public Health Grants	13,257	-	-	-	-	-	0.0%
Capital Improvement Program	3,900,516	1,066,498	1,066,498	18,000	1,059,899	(6,599)	-0.6%
Total	**4,679,814**	**1,235,953**	**1,235,953**	**185,630**	**1,229,364**	**(6,589)**	**-0.5%**

Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Personnel Services and Benefits	9,717	-	-	-	-	-	0.0%
Supplies	7,019	18,825	18,825	17,500	18,825	-	0.0%
Contract/Purchased Services	759,289	150,000	150,000	149,500	150,000	-	0.0%
Minor Capital Outlay	459	500	500	500	500	-	0.0%
Interdepartmental Charges-Public Safety	2,678	-	-	-	-	-	0.0%
Interdepartmental Charges	136	130	130	130	140	10	7.7%
Major Capital Outlay	3,900,516	1,066,498	1,066,498	18,000	1,059,899	(6,599)	-0.6%
Total	**4,679,814**	**1,235,953**	**1,235,953**	**185,630**	**1,229,364**	**(6,589)**	**-0.5%**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
General Fund	10,978	14,325	14,325	12,500	14,325	-	0.0%
Hospital Sales Tax Fund	173,401	217,130	217,130	167,130	205,140	(11,990)	-5.5%
Community Facilities Development Fund	683,410	6,000	6,000	6,000	-	(6,000)	0.0%
Hospital Construction Fund	3,137,850	998,498	998,498	-	1,009,899	11,401	1.1%
Federal and State Grants	674,175	-	-	-	-	-	0.0%
Total	**4,679,814**	**1,235,953**	**1,235,953**	**185,630**	**1,229,364**	**(6,589)**	**-0.5%**

MISSION STATEMENT

The mission of the Ketchikan Public Health Center (KPHC) is protecting and improving the health of Alaskans through partnering with individuals, communities and systems while championing self-reliance, dignity and cultural integrity.

KPHC provides a multitude of essential services to Ketchikan residents as well as the greater Ketchikan population area, including Hyder and Metlakatla. KPHC serves as a safety-net provider for a range of individual services, including immunizations, women's health services, pregnancy testing; family planning services, prenatal counseling, postpartum outreach, well-child exams, TB screening and case management, school screenings, and sexually-transmitted infection (STI) and HIV screening. Public Health Nurses (PHN) work closely with local schools and other various agencies to provide health education on a variety of topics. KPHC also leverages on the unique skills and competencies of public health nursing to collaborate and partner with other agencies, coalitions, and organizations to identify community health needs and to develop activities and responses to meet these needs.

GOALS FOR 2023

- In response to the COVID-19 epidemic, KPHC will continue to provide guidance to the Ketchikan community for non-pharmaceutical intervention recommendations, as well as serve collaboratively with designated City and Tribal officials to mitigate transmission and impact. KPHC will follow State of Alaska and CDC guidance for contact tracing, testing, vaccination and other proven methods to reduce the burden of COVID-19 in the Ketchikan area.

- KPHC will continue to work toward fulfilling the goals as outlined in the Public Health Nursing (SOPHN) Strategic Plan with priority areas of substance misuse, sexually transmitted infections, vaccine preventable diseases, emergency preparedness, interpersonal violence, tuberculosis, external communication, and culture of quality.

- KPHC will continue to provide safety-net services to community members, while continuing to screen and offer appropriate services, referrals, and resources for immunizations, interpersonal violence, healthy lifestyle, and risky alcohol and substance use behavior at all encounters.

- KPHC will continue to lead efforts to assess the public health needs of Ketchikan and plans to partner with agencies, such as PeaceHealth Community Collaboration Committee, Ketchikan Indian Community, and Ketchikan Wellness Coalition, to conduct ongoing community health assessments and develop health improvement plans.

- KPHC will continue to participate in numerous community and state coalitions and committees such as: The Ketchikan Wellness Coalition, Women in Safe Homes, Community Collaboration Committee, Substance Abuse Task Force, Building a Healthy Community, Behavioral Health Task Force, Revilla Island Resilience Initiative, Ketchikan Reentry Coalition, Ketchikan Community Partnership for FASD, Southeast Alaska Networking Elderly Topics, Diabetes Advisory Board, Local Emergency Preparedness Committee, and Domestic Violence Task Force.

- PHNs will continue to aim to reduce health inequities by addressing social determinants of health and other root causes through this community work.

ACCOMPLISHMENTS FOR 2022

- KPHC staff implemented Project Gabe into the Ketchikan Community, provided Narcan education and emergency response kits to all Ketchikan Fish Processing Plants and the Ketchikan Harbor as a response effort to the Opioid Epidemic.

- KPHC staff continues to provide Narcan kits to the Ketchikan Community.

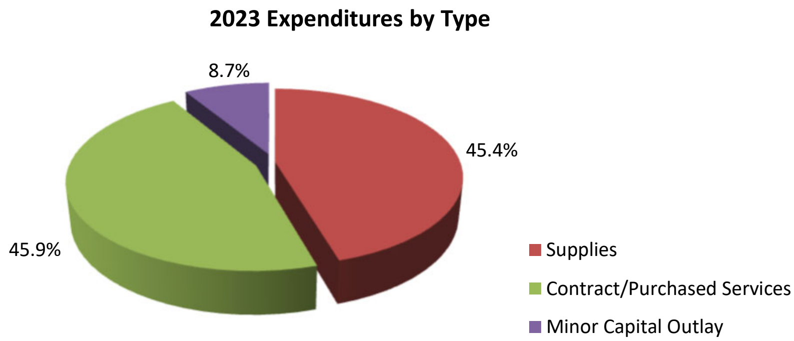
- KPHC staff have assisted in coordinating services including testing and vaccination for underserved members of the Ketchikan community such as persons experiencing homelessness.

- KPHC staff provided back to school immunization clinics to several Ketchikan Schools, including Tongass School or Arts and Sciences, Schoenbar Middle School, and Ketchikan High School.
- KPHC staff partnered with WISH to implement "Safe Bar" educational campaign to Ketchikan Bars to raise awareness on drink safety.
- KPHC has partnered with multiple community agencies to lead the community in the implementation of multiple COVID-19 Point of Dispensing (POD) events to provide COVID-19 and Flu vaccines.
- KPHC staff provided COVID-19 and Flu vaccinations to homebound Ketchikan residents.
- KPHC staff continue to provide infectious disease response to the Ketchikan community. Disease investigations include but are not limited to COVID-19, Sexually Transmitted Infections, Monkeypox, and Tuberculosis.
- KPHC has been a resource for the community and Ketchikan Gateway Borough School District. PHN's have educated school district staff, and worked to inform the public regarding COVID-19 and other Infectious Disease.
- KPHC provided reproductive health education to the Ketchikan High School.
- KPHC continued to promote health and educate citizens through individual encounters, public service announcements on the radio, and community events, such as the Blueberry Festival.
- KPHC continued to provide safety net services to the Ketchikan Community, including STI, reproductive health, immunizations, and TB case management.

DIVISION SUMMARY

	2021	2022 Budget			2023	2022 Adopted/2023	
Expenditures by Category	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Supplies	7,019	8,825	8,825	7,500	8,825	-	0.0%
Contract/Purchased Services	3,500	5,000	5,000	4,500	5,000	-	0.0%
Minor Capital Outlay	459	500	500	500	500	-	0.0%
Total Expenditures	**10,978**	**14,325**	**14,325**	**12,500**	**14,325**	**-**	**0.0%**

	2021	2022 Budget			2023	2022 Adopted/2023	
Funding Source	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
General Fund							
Tax Support	10,978	14,325	14,325	12,500	14,325	-	0.0%
Total Funding	**10,978**	**14,325**	**14,325**	**12,500**	**14,325**	**-**	**0.0%**



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below:

- There are no significant changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% or $5,000.

DIVISION OPERATING BUDGET DETAIL

	2021	2022 Budget			2023	2022 Adopted/2023	
Operating Expenditures	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Supplies							
510 .01 Office Supplies	735	1,000	1,000	750	1,000	-	0.0%
510 .02 Operating Supplies	3,380	4,750	4,750	4,750	5,825	1,075	22.6%
510 .07 Food/Catering	2,654	2,075	2,075	1,000	1,000	(1,075)	-51.8%
530 .02 Periodicals	250	1,000	1,000	1,000	1,000	-	0.0%
530 .03 Professional and Technical Publications	-	-	-			-	NA
Supplies	**7,019**	**8,825**	**8,825**	**7,500**	**8,825**	**-**	**0.0%**
Contract/Purchased Services							
605 .01 Ads and Public Announcements	-	1,000	1,000	500	1,000	-	0.0%
635 .06 Building & Grounds Maintenance Services	3,500	4,000	4,000	4,000	4,000	-	0.0%
Contract/Purchased Services	**3,500**	**5,000**	**5,000**	**4,500**	**5,000**	**-**	**0.0%**
Minor Capital Outlay							
790 .15 Furniture and Fixtures	263	250	250	250	250	-	0.0%
790 .25 Machinery and Equipment	196	250	250	250	250	-	0.0%
Minor Capital Outlay	**459**	**500**	**500**	**500**	**500**	**-**	**0.0%**
Total Expenditures by Type	**10,978**	**14,325**	**14,325**	**12,500**	**14,325**	**-**	**0.0%**

NARRATIVE

510.01 Office Supplies: **$1,000** - This account provides expenditures for paper, pens, pencils, adding machine ribbons and tape, note pads, file folders, scotch tape, toner, ink cartridges, photocopy charges, small desk accessories and minor office equipment such as adding machines, staplers, comb binding machines and tape dispensers.

510.02 Operating Supplies: **$5,825** - This account provides expenditures for supplies that are normally not of a maintenance nature and are required to support department operations. Included are supplies such as brochures, medical supplies, laboratory supplies, posters and general materials for classes and public programs.

510.07 Food/Catering: $1,000 – This account provides expenditures for food or catering services during trainings, health education sessions, or other public health community events.

530.02 Periodicals: **$1,000 -** This account provides expenditures for the newspapers, magazines and trade journals provided for the public health center clients and staff.

605.01 Ads and Public Announcements: **$1,000** - This account provides expenditures for advertising and announcements in publications, newspapers, Internet or broadcasts over radio and television. Included are legal notices, public service announcements and community issues.

635.06 Buildings and Grounds Maintenance Services: **$4,000** - This account provides expenditures for contractual services required for the repair and maintenance of buildings and the upkeep of grounds owned or leased by the State of Alaska Department of Health and Social Services. This account includes contract labor and materials required to provide the service.

790.15 Furniture and Fixtures: **$250** - This account provides expenditures for acquisition of furniture and fixtures. Included are desks, chairs, tables, workstations, file cabinets, storage cabinets and building fixtures.

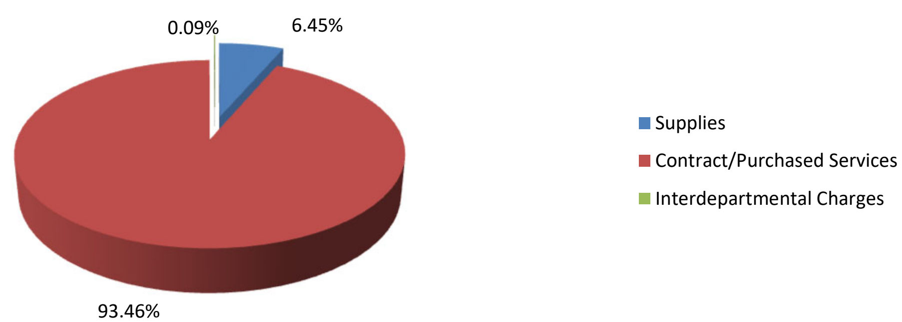
790.25 Machinery and Equipment: **$250** - This account provides expenditures for the acquisition of machinery and equipment usually composed of a complex combination of parts. Included are office equipment, computer equipment and operating equipment required to provide services or maintain capital assets.

DIVISION SUMMARY

Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Supplies	-	10,000	10,000	10,000	10,000	-	0.0%
Contract/Purchased Services	94,009	145,000	145,000	145,000	145,000	-	0.0%
Interdepartmental Charges	136	130	130	130	140	10	7.7%
Total Expenditures	**94,145**	**155,130**	**155,130**	**155,130**	**155,140**	**10**	**0.0%**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Hospital Sales Tax Fund	94,145	155,130	155,130	155,130	155,140	10	0.0%
Total Funding	**94,145**	**155,130**	**155,130**	**155,130**	**155,140**	**10**	**0.0%**

2023 Expenditures by Type



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- There are no significant changes between the adopted operating budget for 2022 and the proposed operating budget for 2023

DIVISION OPERATING BUDGET DETAIL

Operating Expenditures	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Supplies							
515 .02 Building & Grounds Maint Materials	-	10,000	10,000	10,000	10,000	-	0.0%
Supplies	**-**	**10,000**	**10,000**	**10,000**	**10,000**	**-**	**0.0%**
Contract/Purchased Services							
635 .06 Buildings & Grounds Maint Services	-	20,000	20,000	20,000	20,000	-	0.0%
640 .01 Legal & Accounting Services	-	125,000	125,000	125,000	125,000	-	0.0%
640 .04 Mgmt & Consulting Services	94,009	-	-			-	NA
Contract/Purchased Services	**94,009**	**145,000**	**145,000**	**145,000**	**145,000**	**-**	**0.0%**
Interdepartmental Charges							
825 .01 Interdepartmental Charges-Insurance	136	130	130	130	140	10	7.7%
Interdepartmental Charges	**136**	**130**	**130**	**130**	**140**	**10**	**7.7%**
Total Expenditures by Type	**94,145**	**155,130**	**155,130**	**155,130**	**155,140**	**10**	**0.0%**

NARRATIVE

515.02 Building and Grounds Maintenance Materials: **$10,000** – This account provides expenditures for the materials required for minor repair and maintenance of buildings and upkeep of the grounds of the Ketchikan Medical Center.

635.06 Buildings and Grounds Maintenance Services: **$20,000** - This account provides expenditures for contractual services required for the minor repair and maintenance of buildings and the upkeep of grounds of the Ketchikan Medical Center. This account includes contract labor and materials required to provide the service.

640.01 Legal & Accounting Services: $125,000 - This account provides expenditures for professional services associated with potential litigation efforts involving the Ketchikan Medical Center facility.

825.01 Interdepartmental Charges – Insurance: **$140** - This account provides expenditures for a policy to protect the City from pollution liability claims arising from the existence of an underground oil tank located near the Ketchikan Medical Center.

DIVISION SUMMARY

Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Contract/Purchased Services	6,724	-	-	-	-	-	0.0%
Total Expenditures	**6,724**	**-**	**-**	**-**	**-**	**-**	**0.0%**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
State and Federal Grants	6,724	-	-	-	-	-	0.0%
Total Funding	**6,724**	**-**	**-**	**-**	**-**	**-**	**0.0%**

DIVISION OPERATING BUDGET DETAIL

Operating Expenditures	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Contract/Purchased Services							
635 .04 Software & Equip Maint Services	900	-	-	-	-	-	0.0%
640 .04 Management & Consulting Services	5,824	-	-	-	-	-	0.0%
Contract/Purchased Services	**6,724**	**-**	**-**	**-**	**-**	**-**	**0.0%**
Total Expenditures by Type	**6,724**	**-**	**-**	**-**	**-**	**-**	**0.0%**

DIVISION SUMMARY

Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Contract/Purchased Services	651,516	-	-	-	-	-	0.0%
Interdepartmental Charges-Public Safety	2,678	-	-	-	-	-	0.0%
Total Expenditures	**654,194**	**-**	**-**	**-**	**-**	**-**	**0.0%**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
State and Federal Grants	555,223	-	-	-	-	-	0.0%
CARES Act Pass Thru - KGB	98,971	-	-	-	-	-	0.0%
Total Funding	**654,194**	**-**	**-**	**-**	**-**	**-**	**0.0%**

DIVISION OPERATING BUDGET DETAIL

Operating Expenditures	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Contract/Purchased Services							
610 .03 Program Subsidies	651,516	-	-	-	-	-	0.0%
Contract/Purchased Services	**651,516**	**-**	**-**	**-**	**-**	**-**	**0.0%**
Interdepartmental Charges-Public Safety							
820 .01 Public Safety Fire Dept Salaries	2,678	-	-	-	-	-	0.0%
Interdepartmental Charges-Public Safety	**2,678**	**-**	**-**	**-**	**-**	-	**0.0%**
Total Expenditures by Type	**654,194**	**-**	**-**	**-**	**-**	**-**	**0.0%**

Program	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
004 Residential Housing Assistance Program	651,516	-	-	-	-	-	0.0%
103 Public Health Payroll-COVID-19	2,678	-	-	-	-	-	0.0%
Total Program Expenditures by Type	**654,194**	**-**	**-**	**-**	**-**	**-**	**0.0%**

DIVISION SUMMARY

Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Personnel Services and Benefits	9,717	-	-	-	-	-	0.0%
Contract/Purchased Services	3,540	-	-	-	-	-	0.0%
Total Expenditures	**13,257**	**-**	**-**	**-**	**-**	**-**	**0.0%**

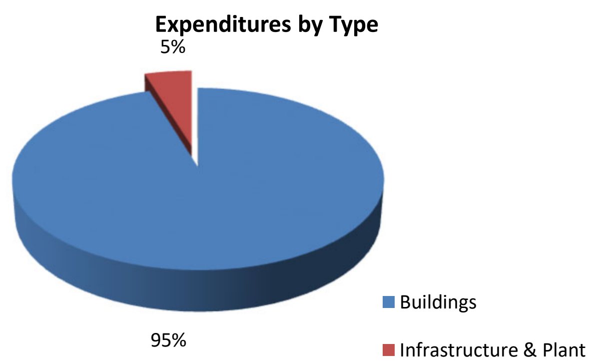
Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
State and Federal Grants	13,257	-	-	-	-	-	0.0%
Total Funding	**13,257**	**-**	**-**	**-**	**-**	**-**	**0.0%**

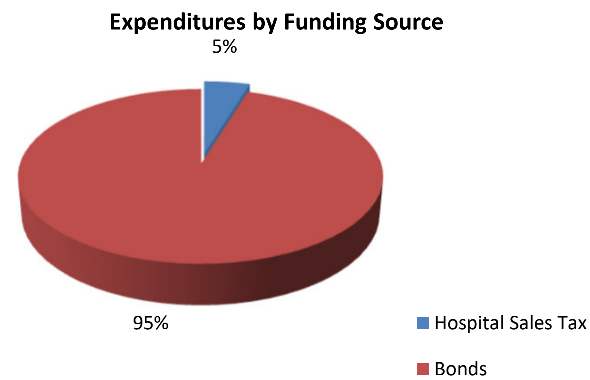
DIVISION OPERATING BUDGET DETAIL

Operating Expenditures	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Personnel Services and Benefits							
500 .01 Regular Salaries and Wages	1,519	-	-		-	-	0.0%
501 .01 Overtime Wages	3,429	-	-			-	0.0%
502 .01 Temporary Wages	1,497	-	-			-	0.0%
505 .00 Payroll Taxes	579	-	-			-	0.0%
506 .00 Pension	1,150	-	-			-	0.0%
507 .00 Health and Life Insurance	1,287	-	-			-	0.0%
507 .30 Workers Compensation	256	-	-			-	0.0%
Personnel Services and Benefits	**9,717**	**-**	**-**	**-**	**-**	-	**0.0%**
Contract/Purchased Services							
645 .01 Rents & Leases-Land & Buildings	3,540	-	-	-	-	-	0.0%
Contract/Purchased Services	**3,540**	**-**	**-**	**-**	**-**	**-**	**0.0%**
Total Expenditures by Type	**13,257**	**-**	**-**	**-**	**-**	**-**	**0.0%**

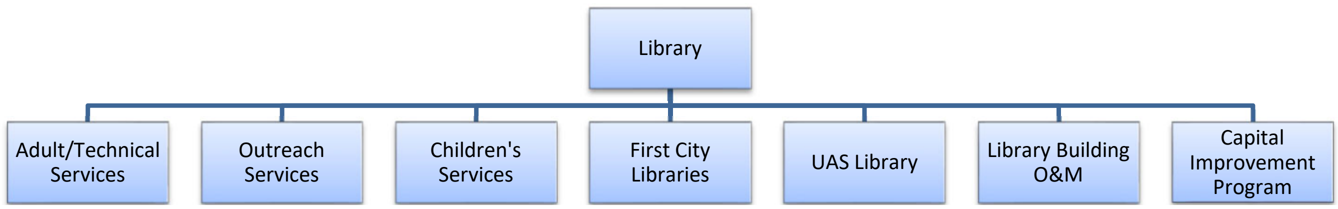
Major Capital Outlay		2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
705.00	Buildings	3,900,516	1,016,498	1,016,498	18,000	1,009,899	(6,599)	-0.6%
730.00	Infrastructure & Plant	-	50,000	50,000		50,000	-	0.0%
Total Major Capital Outlay		**3,900,516**	**1,066,498**	**1,066,498**	**18,000**	**1,059,899**	**(6,599)**	-0.6%

Capital Improvement Projects Project #	Project	Funding Sources Hospital Sales Tax	Funding Sources Bonds	Total
705.00 Buildings				
	Ketchikan Medical Center Expansion		1,009,899	1,009,899
				-
	Total Buildings	**-**	**1,009,899**	**1,009,899**
730.00 Infrastructure & Plant				
	Hospital ER Entrance Culvert Repair	50,000		50,000
	Total Infrastructure & Plant	**50,000**	**-**	**50,000**
	Total Capital Budget	**50,000**	**1,009,899**	**1,059,899**





The Ketchikan Public Library provides informational, educational and recreational materials and services for the people of Ketchikan. This is accomplished through development, maintenance, and promotion of materials, physical spaces, and programs receptive to the diverse interests and needs of the community.



The Library Department is comprised of six operating divisions and oversees one Capital Improvement Program.

DEPARTMENT EXECUTIVE SUMMARY

Divisions/Cost Center/Programs	2021 Actual	2022 Adopted	2022 Amended	2022 Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Adult Technical Services	647,691	674,671	674,671	608,299	746,470	71,799	10.6%
Outreach Services	93,307	94,314	94,314	93,514	104,816	10,502	11.1%
Children's Services	345,987	372,085	372,085	371,775	413,207	41,122	11.1%
First City Libraries	39,628	56,730	58,830	51,216	58,800	2,070	3.6%
UAS Library	44,526	-	-	-	-	-	NA
Library Building O&M	136,168	167,220	167,220	158,610	201,510	34,290	20.5%
Grants	7,412	7,000	7,000	7,000	7,000	-	0.0%
Total	**1,314,719**	**1,372,020**	**1,374,120**	**1,290,414**	**1,531,803**	**159,783**	**11.6%**

Expenditures by Category	2021 Actual	2022 Adopted	2022 Amended	2022 Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Personnel Services and Benefits	988,712	1,004,190	1,007,311	950,370	1,118,313	114,123	11.4%
Supplies	124,662	123,410	128,309	118,400	126,080	2,670	2.2%
Contract/Purchased Services	172,502	192,930	192,266	185,760	206,840	13,910	7.2%
Minor Capital Outlay	5,110	11,900	6,624	6,624	39,500	27,600	231.9%
Interdepartmental Charges/Reimb Credits	23,733	39,590	39,610	29,260	41,070	1,480	3.7%
Total	**1,314,719**	**1,372,020**	**1,374,120**	**1,290,414**	**1,531,803**	**159,783**	**11.6%**

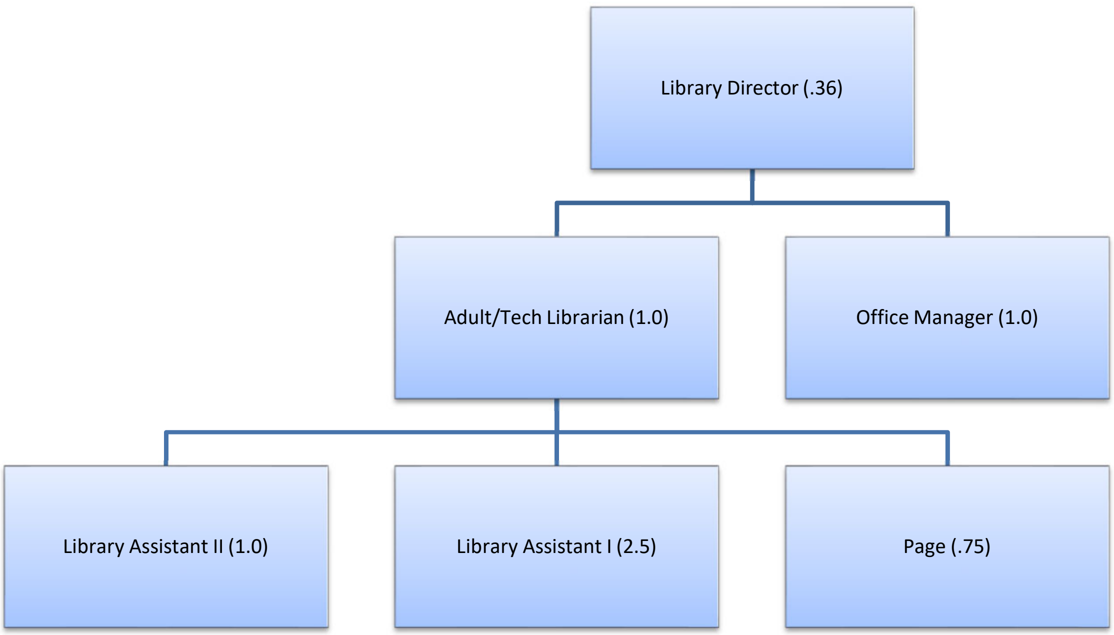
Funding Source	2021 Actual	2022 Adopted	2022 Amended	2022 Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
General Fund							
Property Taxes	715,812	820,072	822,172	732,976	976,683	156,611	19.1%
Charges for Services - KGB	523,051	516,326	516,326	522,274	519,998	3,672	0.7%
Charges for Services - KGBSD	20,641	24,422	24,422	24,422	24,422	-	0.0%
Charges for Services - UAS	44,526	-	-	-	-	-	NA
Charges for Services - Other	3,277	4,200	4,200	3,742	3,700	(500)	-11.9%
Grants	7,412	7,000	7,000	7,000	7,000	-	0.0%
Total	**1,314,719**	**1,372,020**	**1,374,120**	**1,290,414**	**1,531,803**	**159,783**	**11.6%**

Personnel	2021 Actual	2022 Adopted		2023		2022 Adopted/2023	
		Adopted	Amended	Budget	Salary	Incr(Decr)	%
Adult Technical Services	6.570	6.610	6.610	6.610	363,210	-	0.0%
Outreach Services	0.970	0.970	0.970	0.970	67,976	-	0.0%
Children's Services	3.545	3.545	3.545	3.545	199,567	-	0.0%
UAS Library	0.740	-	-	-	-	-	NA
Total	**11.825**	**11.125**	**11.125**	**11.125**	**630,753**	**-**	**0.0%**

MISSION STATEMENT

The Adult and Technical Services Division serves the needs of the community in three ways. It makes books, eBooks, magazines, videotapes, audiobooks, CDs, DVDs and electronic resources of the Internet available to library users. It provides reference and readers' advisory services to meet the needs of patrons. The division also performs the cataloging, processing and repair functions required to categorize and classify materials, in order to prepare them for circulation and to return them to circulation if they are damaged.

Collection areas receiving special attention are Alaskan, popular fiction, crafts, do-it-yourself, marine, travel, small business, health, consumer electronics and the Internet. Materials are selected from professional reviews and from patron requests. The collection is regularly evaluated for currency and relevancy. Staff of the Adult and Technical Services Division perform the majority of cataloging, processing and repairing of library materials for the entire department.



GOALS FOR 2023

- Implement the newly adopted Strategic Plan 2023-2027.
- Five Adult Services staff will attend the 2023 Alaska Library Association annual conference virtually.
- Conduct inventory of entire library collection.
- Hire and train a new Library Assistant II for Adult Services.

ACCOMPLISHMENTS FOR 2022

- Engaged with the community through literary and educational programs:
  - Alaskan mystery author John Straley presented "So Far and Good"
  - Juneau poet and professor Emily Wall presented "Breaking Into Air: Birth Poems"
  - Retired USCG Captain Steven Craig presented "All Present and Accounted For: The 1972 Alaska Grounding of the U.S. Coast Guard Cutter Jarvis and the Heroic Efforts that Saved the Ship"
  - Filipino author and professor Peter Bacho presented "Uncle Rico's Encore: Mostly True Stories of Filipino Seattle"
  - Ketchikan artist Evon Zerbetz and Montana author Susan Ewing presented "Alaska is for the Birds! Fourteen Favorite Feathered Friends "
  - Alaskan author Leigh Newman presented "Nobody Gets Out Alive: Stories"
  - Colorado historian and Chautauqua speaker John Voehl gave an Abraham Lincoln living-history presentation.

- Provided the community with opportunities for creative development:
  - Hosted an Adult Winter Reading challenge during the months of January, February and March. Over 110 people participated.
  - Hosted Adult craft afternoons.
  - Organized a Kindness Challenge to collect anonymous holiday greetings and cheerful crafts for the residents of Long Term Care and the Pioneer Home.
  - Hosted a bimonthly reading club for Adults.
- Engaged with the community through community partnerships:
  - Hosted an informational booth at the Ketchikan Wellness Coalition's Fil-Am festival to promote the library's Tagalog-language materials
  - Attended the "Welcome to Ketchikan" night hosted by the US Coast Guard to promote library services to newly arrived Guard members and their families
  - Worked with the Tongass Historical Museum and the Ketchikan High School to digitize yearbooks (1950-2020) and make them available online.
- Promoted library services for under-represented segments of the community:
  - Created a bibliography and display of works by Native American and Alaska Native authors for National Native American Heritage month
  - Created a bibliography and display of works by Filipino authors for Filipino American History month
  - Created a bibliography and display of works by LGBTQ+ authors for LGBTQ Pride month
- Promoted the library as a community gathering space:
  - Partnered with the Children's Library staff to celebrate May the Fourth with Star Wars-themed games, crafts and activities for all ages.
  - Hosted weekly Chess Club meetings for all ages and skill levels
  - Hosted weekly Chair Yoga classes led by instructor Hilary Koch
  - Partnered with the Children's Library staff to celebrate the 25th anniversary of Harry Potter with a variety of crafts and activities for all ages.
  - Hosted a community Craft Kit swap to encourage patrons to exchange extra and/or unwanted craft supplies
- Expanded library services:
  - Created a circulating collection of laminated American art posters. The posters were originally obtained through the Picturing America grant from the National Endowment for the Humanities
  - Created a circulating collection of board games for teens and adults, ranging from classic board games to strategy and cooperative board games
  - Began offering access to digital magazines through the Alaska Digital Library
- Encouraged staff development and training with a number of different educational opportunities:
  - The Post-Pandemic Library: Managing Issues Now That They are Our Daily Routine
  - Library Violence Prevention and De-escalation
  - We Are NOT Okay: Library Worker Trauma Before and During COVID-19 and What Happens After
  - Unattended children: how to talk to parents about their children's behavior
- The Adult Services Librarian presented a session for the 2022 Alaska Library Association annual conference: "Unique Collections, Unique Solutions: Creating a Library of Things for Small and Rural Libraries."
- Reorganized the staff workroom to create greater efficiencies and more equitable working spaces.
- Inventoried the entire collection.

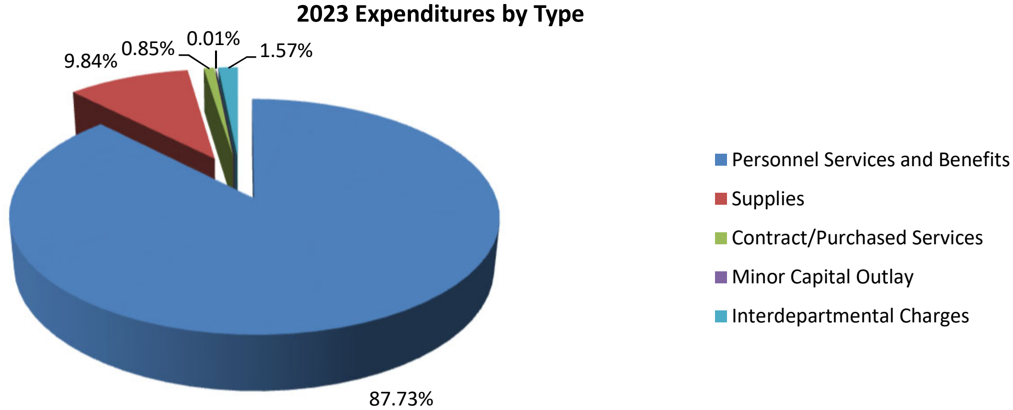
DIVISION SUMMARY

Expenditures by Category	2021 Actual	2022 Adopted	2022 Amended	2022 Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Personnel Services and Benefits	560,002	586,031	586,031	529,090	654,870	68,839	11.7%
Supplies	72,001	71,780	71,756	64,660	73,430	1,650	2.3%
Contract/Purchased Services	4,473	6,130	6,130	4,925	6,350	220	3.6%
Minor Capital Outlay	1,528	100	124	124	100	-	0.0%
Interdepartmental Charges	9,687	10,630	10,630	9,500	11,720	1,090	10.3%
Total Expenditures	**647,691**	**674,671**	**674,671**	**608,299**	**746,470**	**71,799**	**10.6%**

Funding Source	2021 Actual	2022 Adopted	2022 Amended	2022 Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
General Fund							
Property Taxes	376,137	410,624	411,031	357,015	487,460	76,836	18.7%
Charges for Services - KGB	268,277	259,847	259,440	247,542	255,310	(4,537)	-1.7%
Charges for Services - Other	3,277	4,200	4,200	3,742	3,700	(500)	-11.9%
Total Funding	**647,691**	**674,671**	**674,671**	**608,299**	**746,470**	**71,799**	**10.6%**

Full-time Equivalent Personnel	2021 Actual	2022 Adopted	2022 Amended	2023 Budget	2023 Salary	2022 Adopted/2023 Incr(Decr)	%
Director	0.32	0.36	0.36	0.36	32,851	-	0.0%
Adult Technical Services Librarian	1.00	1.00	1.00	1.00	76,020	-	0.0%
Library Office Manager	1.00	1.00	1.00	1.00	65,894	-	0.0%
Library Assistant II	1.00	1.00	1.00	1.00	44,512	-	0.0%
Library Assistant I	2.50	2.50	2.50	2.50	121,953	-	0.0%
Page	0.75	0.75	0.75	0.75	21,980	-	0.0%
Total	**6.57**	**6.61**	**6.61**	**6.61**	**363,210**	**-**	**0.0%**

2023 Expenditures by Type



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- Personnel Services and Benefits increased by $68,839, or by 11.7%, due to annual employee step increases, a 2.5% cost of living adjustment for IBEW, Local 1547 employees and non-represented employees that will become effective January 1, 2023; and projected increases in pension, health insurance and other benefit costs.

DIVISION OPERATING BUDGET DETAIL

			2021	2022 Adopted			2023	2022 Adopted/2023	
Operating Expenditures			Actual	Adopted	Amended	Estimate	Budget	Incr(Decr)	%
Personnel Services and Benefits									
500	.01	Regular Salaries and Wages	329,318	345,151	345,151	311,190	363,210	18,059	5.2%
502	.01	Temporary Wages	10,856	20,000	20,000	16,150	20,000	-	0.0%
505	.00	Payroll Taxes	25,724	27,710	27,710	23,830	29,320	1,610	5.8%
506	.00	Pension	57,579	58,240	58,240	53,530	64,000	5,760	9.9%
507	.00	Health and Life Insurance	116,507	124,530	124,530	114,100	155,660	31,130	25.0%
507	.30	Workers Compensation	921	980	980	870	1,040	60	6.1%
508	.00	Other Benefits	19,097	9,420	9,420	9,420	21,640	12,220	129.7%
		Personnel Services and Benefits	**560,002**	**586,031**	**586,031**	**529,090**	**654,870**	**68,839**	**11.7%**
Supplies									
510	.01	Office Supplies	5,057	6,000	6,000	6,000	6,000	-	0.0%
510	.02	Operating Supplies	6,923	7,000	7,000	6,600	7,000	-	0.0%
510	.05	Small Tools and Equipment	10	110	150	150	140	30	27.3%
510	.07	Food/Catering	143	100	100	80	3,100	3,000	3000.0%
520	.02	Postage	2,692	2,880	2,840	940	2,700	(180)	-6.3%
530	.01	Library Books	36,724	39,000	38,976	36,000	39,000	-	0.0%
530	.02	Periodicals	6,882	5,800	5,800	5,730	6,200	400	6.9%
530	.04	Movies and Visual Series	2,417	1,500	1,500	1,100	1,000	(500)	-33.3%
530	.05	Audio and Digital Books	9,951	8,000	8,000	7,000	7,000	(1,000)	-12.5%
530	.06	Music	968	1,000	1,000	910	900	(100)	-10.0%
535	.02	Business and Meal Expenses	234	390	390	150	390	-	0.0%
		Supplies	**72,001**	**71,780**	**71,756**	**64,660**	**73,430**	**1,650**	**2.3%**
Contract/Purchased Services									
600	.03	Training and Education	375	600	600	-	650	50	8.3%
605	.01	Ads and Public Announcements	194	350	350	250	350	-	0.0%
615	.02	Assn. Membership Dues & Fees	1,211	1,310	1,310	1,300	1,300	(10)	-0.8%
630	.03	Bank and Merchant Fees	32	120	120	30	120	-	0.0%
630	.04	Broadcast Content Fees	248	280	280	270	280	-	0.0%
630	.05	Software Licenses	426	430	430	430	450	20	4.7%
630	.06	Service Charges and Fees	-	100	100	-	100	-	0.0%
635	.11	Subscription Services	1,987	1,740	1,845	1,845	1,900	160	9.2%
635	.12	Technical Services	-	1,200	1,095	800	1,200	-	0.0%
		Contract/Purchased Services	**4,473**	**6,130**	**6,130**	**4,925**	**6,350**	**220**	3.6%
Minor Capital									
790	.15	Furniture and Fixtures	1,528	100	124	124	100	-	0.0%
		Minor Capital Outlay	**1,528**	**100**	**124**	**124**	**100**	**-**	0.0%

			2021	2022 Adopted			2023	2022 Adopted/2023	
Operating Expenditures			**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Interdepartmental Charges									
825	.01	Interdepartmental-Insurance	9,687	10,630	10,630	9,500	11,720	1,090	10.3%
		Interdepartmental Charges	**9,687**	**10,630**	**10,630**	**9,500**	**11,720**	**1,090**	**10.3%**
		Total Expenditures by Type	**647,691**	**674,671**	**674,671**	**608,299**	**746,470**	**71,799**	**10.6%**

NARRATIVE

500.01 Regular Salaries and Wages: $363,210 – This account provides expenditures for compensation paid to all regular salaried and hourly employees of the Adult/Technical Services Division.

502.01 Temporary Wages: $20,000 - This account provides expenditures for compensation paid to salaried and hourly employees for temporary personnel services. Substitute library assistants, who are called in year-round to fill in when regular staff are sick or on vacation, are paid from this account.

505.00 Payroll Taxes: $29,320 – This account provides expenditures for employer contributions for Social Security and Medicare and other similar payroll related taxes.

506.00 Pension: $64,000 – This account provides expenditures for employer contributions to retirement plans.

507.00 Health and Life Insurance: **$155,660** – This account provides expenditures for employer contributions to employee health and life insurance plans. Included are contributions to health plans administered by Blue Cross, the IBEW Alaska Health and Welfare Trust and employee life insurance plans.

507.30 Workers Compensation: **$1,040** – This account provides expenditures for employer contributions to workers compensation.

508.00 Other Benefits: $21,640 – This account provides expenditures for direct claims from former employees for unemployment benefits paid by the State of Alaska and accrued vacation and sick leave.

510.01 Office Supplies: $6,000 - This account provides expenditures for paper, pens, pencils, adding machine ribbons and tape, note pads, file folders, scotch tape, toner, ink cartridges, photocopy charges, small desk accessories and minor office equipment such as adding machines, staplers, comb binding machines and tape dispensers.

510.02 Operating Supplies: $7,000 - This account provides expenditures for supplies that are normally not of a maintenance nature and are required to support library operations. This includes supplies associated with the processing of books, videos, CDs, and other library materials to prepare them for circulation or for mending damaged items, such as plastic covers, special glues and tape, stamps, labels, plastic boxes, cleaning equipment and supplies, and security system supplies. The account also covers general materials for classes and public programs.

510.05 Small Tools and Equipment: $140 – This account provides expenditures for minor tools, operating and office equipment with a value of less than $1,000. In 2023 the Library will be purchasing two DVD players for patron checkout and use.

510.07 Food/Catering: $3,100 – This account provides expenditures for food for library programs, such as coffee and cookies during author presentations. In anticipation of a public celebration of the 10th anniversary of the new Library building $3,000 is included to fund the costs.

520.02 Postage: $2,700 - This account provides expenditures for the cost of mailing interlibrary loan items, library mailings, overdue and lost item notices to patrons and monthly event calendars to local organizations.

530.01 Library Books: $39,000 - This account provides expenditures for the acquisition of books and print materials for the library collection. Included are books, maps, reference books and other print materials.

530.02 Periodicals: $6,200 - This account provides expenditures for newspapers, magazines and trade journals.

530.04 Movies and Visual Series: $1,000 - This account provides expenditures for the acquisition of DVDs for the library collection. Included are educational and entertainment selections.

530.05 Audio and Digital Books: $7,000 - This account provides expenditures for the acquisition of books in electronic or digital format for patron use. Included are books on CDs, Playaways, e-books, online audiobooks, and other similar forms of electronic media.

530.06 Music: $900 - This account provides expenditures for the acquisition of music for the library collection.

535.02 Business and Meal Expenses: **$390** – This account provides expenditures for reimbursement to employees for mileage for use of personal vehicle used to empty the book drop at the Plaza Mall, delivery of Interlibrary Loan packages to the post office and document delivery and pickup to and from the Library and City Hall.

600.03 Training and Education: $650 – This account provides expenditures for registration fees, training fees, training materials, tuition and other incidental expenses associated with training and educating employees. The adult staff will be attending the 2023 Alaska Library Association conference virtually. We will also be providing cataloging training for the new Library Assistant II.

605.01 Ads and Public Announcements: $350 - This account provides expenditures for advertising and announcements in publications, newspapers, trade journals, Internet or broadcasts over radio and television. This will cover recruitment ads and announcements to fill vacant library positions.

615.02 Assn. Dues and Membership Fees: $1,300 – This account provides expenditures for memberships in professional associations, such as the American Library Association, the Alaska Library Association, the Pacific Northwest Library Association and the Alaska Library Network. These memberships allow staff to stay current in the field and provide discounts for training and educational opportunities.

630.03 Bank and Merchant Fees: $120 – This account provides expenditures for the service fees charged to the library for providing the library with the ability to receive fines and fees payments from patrons using their debit or credit cards.

630.04 Broadcast Content Fees: $280 – This account provides expenditures for the right to broadcast copyrighted intellectual property. The library has a license to show films during public programs.

630.05 Software Licenses: $450 – This account provides expenditures for acquiring licenses for the right to use proprietary software. The library uses PC Reservation to allocate public access on the library computers and DeepFreeze to protect public-use terminals from damage.

630.06 Service Charges and Fees: $100 – This account provides expenditures for miscellaneous service charges and fees. Included are service charges for collection agency services used to recover outstanding debts for lost and damaged materials.

635.11 Subscription Services: **$1,900** - This account provides expenditures for subscriptions for access to web-based services, website hosting fees, and domain registration for library websites. In 2023, the library will be providing patron access to the Alaska Digital Library, Mango Languages, and READSquared.

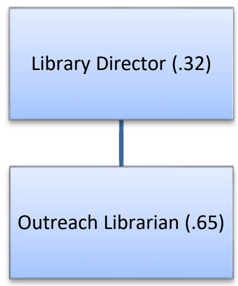
635.12 Technical Services: $1,200 - This account provides expenditures for contractual services, such as fees for visiting authors and instructors of educational programs for adults. In 2023 the Library will be partnering with the Tongass Historical Museum to host the traveling exhibit Illustrating Alaska and an accompanying book making workshop with artist Evon Zerbetz.

790.15 Furniture and Fixtures: $100 - This account provides expenditures for acquisition of furniture and fixtures. On average, the library loses one chair each year to damage in the main public area, and this allocation is to cover the replacement of a chair too damaged to be repaired.

825.01 Interdepartmental Charges – Insurance: **$11,720** - This account provides expenditures for risk management services and claims.

MISSION STATEMENT

The Outreach Services Division of the Ketchikan Public Library provides services to those who are unable to visit the library due to mobility or mental health issues. Services are also provided to residents of facilities such as the Pioneers Home, the Saxman-Ketchikan Senior Center, Rendezvous Senior Day Services, Seaview Terrace, New Horizons Long-Term Care, Park Avenue Temporary Home, First City Homeless, Salvation Army, Regional Youth Center and to the inmates of the Ketchikan Correctional Center. The Outreach Librarian maintains the large-print collection at the Public Library and several community bookshares throughout the island.



GOALS FOR 2023

- Develop and revise goals based on the Library's new strategic plan for 2023-27, scheduled to be finalized in late 2022.
- Provide continued services to individuals who are home- or facility-bound due to physical or mental health reasons.
- Collaborate with Women in Safe Homes, area homeless centers, Ketchikan Correctional Center administration and other community agencies to provide materials and services to all literacy levels of clients.
- Support area senior citizen organizations and their residents by providing materials and read-aloud times.
- Investigate new areas for community bookshares.

ACCOMPLISHMENTS FOR 2022

- Provided home and facility delivery services for patrons unable to visit the library due to mobility or mental health issues in ways that kept both patrons and staff safe during the pandemic. This included community agencies Women in Safe Homes, Rendezvous Senior Day Services, Ketchikan Pioneers Home, Saxman/Ketchikan Senior Services, Residential Youth Care, Ketchikan Addictions Recovery House, Salvation Army, Park Avenue Temporary Home, New Horizons, First City Homeless Services and Ketchikan Re-Entry Coalition.
- Provided donated or discarded books, magazines and newspapers to the Ketchikan Correctional Center for distribution to inmates.
- Maintained the large-print collection, including the purchase and weeding of the collection.
- Began weekly read alouds at the Ketchikan Pioneer Home and biweekly read alouds at Rendezvous Senior Day Services.
- Continued participation in monthly meetings at Rendezvous Senior Day Services, the Ketchikan Re-Entry Coalition and SEANET (a group of local agencies that assist senior citizens).
- Collaborated with KPU Telecom to offer "Senior Tech Time" for local elders in June, and area business owners for "Braving a New Business and Thriving" in May.
- Authored monthly "Here's Some Good News" sheets for area senior citizen homes and agencies. They were distributed each month to 80 seniors receiving meals on wheels, 30 seniors at the Ketchikan Pioneer Home, 15 seniors at Rendezvous Senior Day Services and New Horizons Long-term Care at the hospital.
- Assisted in re-shelving the Ketchikan Correctional Center's library, putting materials in correct alphabetical order.
- Authored the monthly Ketchikan Daily News column, "What's on Your Shelf," featuring all-local readers and their book recommendations to promote the library's impact and importance of reading. Readers included Grant EchoHawk, Evon Zerbetz, Jeff Fitzwater, Cade King, Michelle O'Brien, Abby Bradberry, Jeremy Yoder, Ethan Thomas and Rosie Roppel.
- Actively solicited donated magazines by using free radio and Local Paper ads to obtain materials for homeless individuals, senior centers, in-crisis youth and correctional center inmates.

- Maintained seven community bookshares at Highliner Laundromat, Ketchikan Public Health, Green Bean Coffee Company, Frontier Shipping, the Rec Center and South Tongass Service Station. New bookshare at Just Dandy Apothecary was added.
- Attended free webinars that included "De-escalation: Library Violence," "Library Services to the Incarcerated," "Copyright for Librarians," "Library Patron Privacy: How to Navigate with Emerging Technology," and "Outreach to Business."
- Virtually attended the 2022 Association of Bookmobile and Outreach Services" conference October 4-6, 2022.
- Recorded Public Service Announcements for local public radio station KRBD and hosted several of the library staff's weekly radio production, "Reading the Classics." Also periodically represented the library during its twice-monthly KRBD report and regularly contributed columns for the library's weekly Ketchikan Daily News Ad Lib feature.

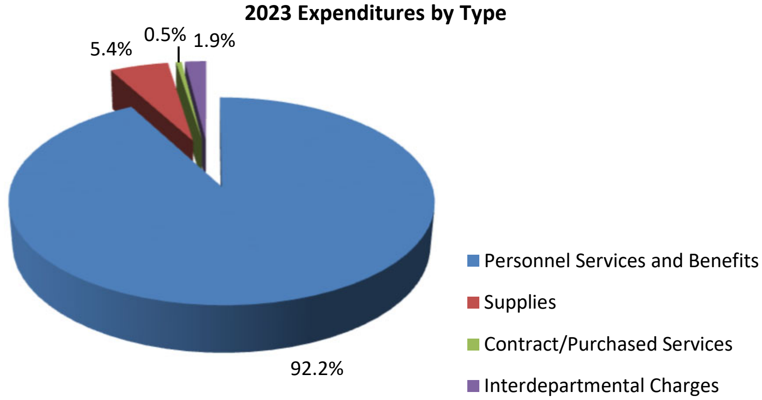
DIVISION SUMMARY

	2021	2022 Adopted			2023	2022 Adopted/2023	
Expenditures by Category	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Personnel Services and Benefits	86,424	86,514	86,720	86,720	96,586	10,072	11.6%
Supplies	5,138	5,630	5,404	5,105	5,650	20	0.4%
Contract/Purchased Services	133	550	550	49	550	-	0.0%
Interdepartmental Charges	1,612	1,620	1,640	1,640	2,030	410	25.3%
Total Expenditures	**93,307**	**94,314**	**94,314**	**93,514**	**104,816**	**10,502**	**11.1%**

	2021	2022 Adopted			2023	2022 Adopted/2023	
Funding Source	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
General Fund							
Property Taxes	54,659	57,989	58,046	55,459	68,839	10,850	18.7%
Charges for Services - KGB	38,648	36,325	36,268	38,055	35,977	(348)	-1.0%
Total Funding	**93,307**	**94,314**	**94,314**	**93,514**	**104,816**	**10,502**	**11.1%**

	2021	2022 Adopted		2023		2021 Adopted/2022	
Full-time Equivalent Personnel	**Actual**	**Adopted**	**Amended**	**Budget**	**Salary**	**Incr(Decr)**	**%**
Director	0.32	0.32	0.32	0.32	29,201	-	0.0%
Outreach Librarian	0.65	0.65	0.65	0.65	38,775	-	0.0%
Total	**0.97**	**0.97**	**0.97**	**0.97**	**67,976**	**-**	**0.0%**

2023 Expenditures by Type



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- Personnel Services and Benefits increased by $10,072, or by 11.6%, due to annual employee step increases, a 2.5% cost of living adjustment for IBEW, Local 1547 employees and non-represented employees that will become effective January 1, 2023; and projected increases in pension, health insurance and other benefit costs.

DIVISION OPERATING BUDGET DETAIL

Operating Expenditures			2021 Actual	2022 Adopted			2023 Budget	2022 Adopted/2023	
				Adopted	Amended	Estimate		Incr(Decr)	%
Personnel Services and Benefits									
500	.01	Regular Salaries and Wages	60,215	63,074	63,370	63,370	67,976	4,902	7.8%
505	.00	Payroll Taxes	4,565	4,830	4,830	4,830	5,200	370	7.7%
506	.00	Pension	11,375	11,610	11,460	11,460	13,170	1,560	13.4%
507	.00	Health and Life Insurance	4,447	3,600	3,720	3,720	4,080	480	13.3%
507	.30	Workers Compensation	435	1,690	1,630	1,630	1,820	130	7.7%
508	.00	Other Benefits	5,387	1,710	1,710	1,710	4,340	2,630	153.8%
		Personnel Services and Benefits	**86,424**	**86,514**	**86,720**	**86,720**	**96,586**	**10,072**	**11.6%**
Supplies									
510	.01	Office Supplies	46	50	50	25	50	-	0.0%
510	.02	Operating Supplies	10	100	100	50	100	-	0.0%
530	.01	Library Books	3,961	4,000	3,774	3,700	4,000	-	0.0%
530	.02	Periodicals	623	630	630	630	650	20	3.2%
530	.04	Movies and Visual Series	-	50	50	-	50	-	0.0%
530	.05	Audio and Digital Books	-	50	50	-	50	-	0.0%
535	.02	Business and Meal Expenses	498	750	750	700	750	-	0.0%
		Supplies	**5,138**	**5,630**	**5,404**	**5,105**	**5,650**	**20**	**0.4%**
Contract/Purchased Services									
600	.03	Training and Education	84	500	500	-	500	-	0.0%
615	.02	Assn Membership Dues and Fees	49	50	50	49	50	-	0.0%
		Contract/Purchased Services	**133**	**550**	**550**	**49**	**550**	**-**	**0.0%**
Interdepartmental Charges									
825	.01	Interdepartmental Charges-Insurance	1,612	1,620	1,640	1,640	2,030	410	25.3%
		Interdepartmental Charges	**1,612**	**1,620**	**1,640**	**1,640**	**2,030**	**410**	**25.3%**
		Total Expenditures by Type	**93,307**	**94,314**	**94,314**	**93,514**	**104,816**	**10,502**	**11.1%**

NARRATIVE

500.01 Regular Salaries and Wages: $67,976 – This account provides expenditures for compensation paid to all regular salaried and hourly employees of the Outreach Services Division.

505.00 Payroll Taxes: $5,200 – This account provides expenditures for employer contributions for Social Security and Medicare and other similar payroll related taxes.

506.00 Pension: $13,170 – This account provides expenditures for employer contributions to retirement plans.

507.00 Health and Life Insurance: $4,080 – This account provides expenditures for employer contributions to employee health and life insurance plans.

507.30 Workers Compensation: $1,820 – This account provides expenditures for employer contributions to workers compensation.

508.00 Other Benefits: $4,340 – This account provides expenditures for direct claims from former employees for unemployment benefits paid by the State of Alaska and accrued vacation and sick leave.

510.01 Office Supplies: $50 - This account provides expenditures for paper, pens, pencils, note pads, file folders, scotch tape, toner, ink cartridges, and small desk accessories such as staplers and tape dispensers.

510.02 Operating Supplies: $100 - This account provides expenditures for supplies that are normally not of a maintenance nature and are required to support department operations. Included are supplies such as brochures, library circulation preparation materials, posters and general materials for classes and programs.

530.01 Library Books: $4,000 - This account provides expenditures for the acquisition of large print books for the library collection.

530.02 Periodicals: $650 - This account provides expenditures for newspapers and magazines.

530.04 Movies and Visual Series: $50 - This account provides expenditures for the acquisition of DVD and other format films and television serials for the library collection. Included are education and entertainment selections.

530.05 Audio and Digital Books: $50 - This account provides expenditures for the acquisition of books in electronic or digital format for patron use. Included are books on CDs, Playaways, e-books, online audiobooks, online music and other similar forms of electronic media.

535.02 Business and Meal Expenses: **$750** – This account provides expenditures for reimbursement to employees for mileage for use of personal vehicle used to empty the bookdrop at the Plaza Mall and to deliver library materials to homebound patrons and various institutions.

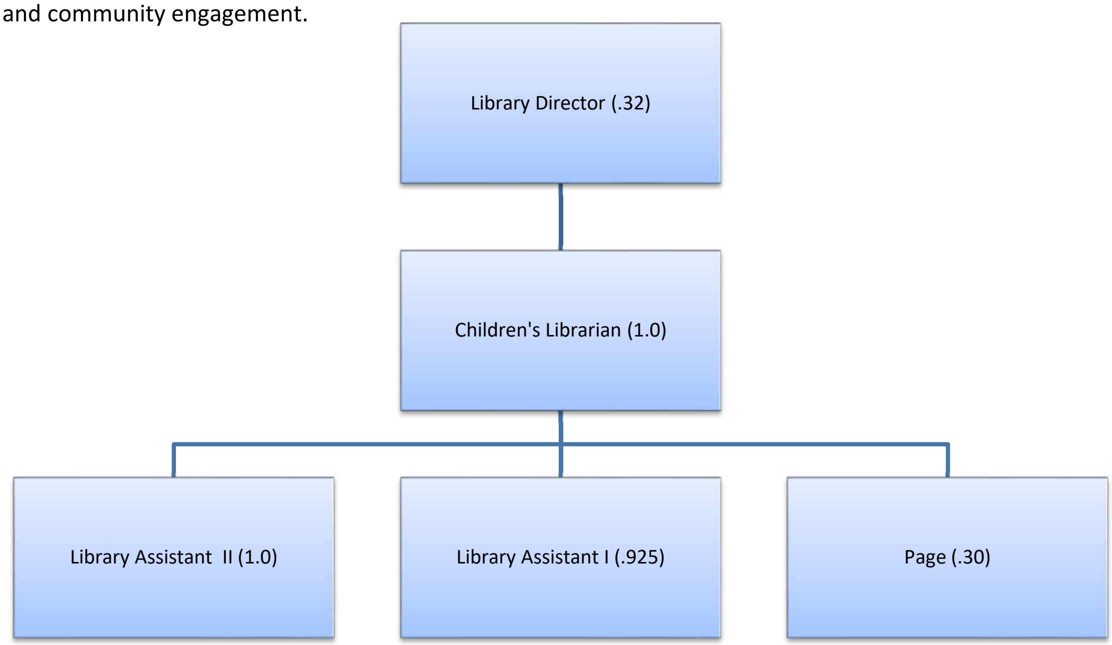
600.03 Training and Education: $500 – This account provides expenditures for registration fees for conferences associated with training and educating employees.

615.02 Assn Membership Dues and Fees: $50 – This account provides expenditures for memberships in professional and trade associations. Included are membership dues for the Alaska Library Association, the Association of Bookmobile and Outreach Services and the Association of Rural and Small Libraries.

825.01 Interdepartmental Charges – Insurance: $2,030 - This account provides expenditures for risk management services and claims.

MISSION STATEMENT

The Children's Services Division serves all the children and teens of the community with recreational and informational materials. Instilling a love of books and reading at an early age is the best way to combat illiteracy. In addition to children, the division serves all those who need children's materials in a variety of print and electronic formats, including parents and early childhood educators. The Children's Services Division strives to offer dynamic, educational programming that promotes library use as well as family and community engagement.



GOALS FOR 2023

Children's Services

- Division staff will continue to provide enriching programming in a variety of formats best suited to community needs at any given time. Each program will be planned out and connect back to the library's strategic plan. Each program will also promote literacy, education/learning, and/or love of reading and be guided by the 2023-2027 Strategic Plan.
- The Library will host at least three programs where children and/or families will be able to earn a new (free) book for their home libraries. This will promote family literacy and ensure that all children have access to their own book.
- In the winter of 2023 the children's library will host a winter reading program for school aged children. This will be designed to keep children actively learning and engaged in outside activities during the long winter nights.
- In the summer of 2023, Ketchikan Public Library will host an in-person summer reading program. The program will included a learning log, reading challenges, and programs that are designed to combat learning loss.
- Outreach within the community will continue utilizing digital, in-person, and/or non-congregate methods to meet the Division's mission. This may take the form of Head Start preschool visits, guest storytimes, and/or community partnerships with outside organizations, such as a community storywalk. The division will also place special focus on Native American Heritage Month, Filipino American History Month, African American History Month, Women's History Month, and Rainbow Month as those have been requested by the community.

Teen Services

- Working for T.A.G.'s continued growth, programming and kits for teens, and selecting new materials for the Teen Room is a big goal. Staff will be supporting T.A.G. by promoting T.A.G. and all their activities in the community and through online media.

- The Teen Room collections will continue to be reviewed and updated. The goal being to keep the collections interesting and educational as well as entertaining to the teens.
- While the pandemic set back community interactions, T.A.G. hopes to reestablish partnerships in 2023. There were beginnings of this with the Teen Summer Program presentations in the schools in May 2022 and T.A.G. are hoping to build on that in 2023. T.A.G. is hoping to do full displays in Schoenbar library again as well as working with Revilla, Ketchikan Charter and Kayhi on promoting programming.

ACCOMPLISHMENTS FOR 2022

Children's Services

- The library hosted two successful reading programs during the 2022 calendar year with *Summer @ Your Library* seeing a record number of participants. The division handed out over 1,000 new books to children in the community to help them build their home libraries. The library also handed out over 2,500 take home program bags to families. The library also began hosting in-house programs again to the delight of many library users.
- Outreach took place at all the elementary schools, Head Start Preschools, Community Connections, WISH, and Peace Health. This allowed the library to reach users that might not normally be reached. It also led to high sign-ups for *Summer @ Your Library*.
- The library was able to host Magician Alaska-Sam, from Seattle, this summer. This was the first outside performer in over three years. The two shows were at capacity and the library received requests to have Sam back.
- The Division prepared Maker Bags for families to pick up, with instructions and supplies to make a craft or engage in an activity. These were always available in the children's library and averaged 30 handed out per week.
- In June, the Library hosted its Pride Month Celebration with a Pride Wonder Bag, Reading Challenge, and the first-ever Drag Queen Storytime, which were all enjoyed and well supported. All 30 Wonder Bags where handed out in two days, we had to host three back-to-back storytimes to accommodate everyone who wanted to attend the Drag Queen Storytime, and we received 84 book reviews from our reading challenge.
- The Library also honored and celebrated Filipino American History Month in October and Native American Heritage Month in November with a number of activities that were well received by the community.
- The Library partnered with The Bus and KGB to provide free rides to children 17 years and younger to/from the library for the months of June, July, and August. This helped many get to the library.
- The Children's Services collection was successfully weeded for outdated and noncirculating items and the collection shifted enabling library users to browse the collection more easily and in the style of a bookstore with room to face titles out. This increased circulation and the amount of browsing that was happening.
- The Children's Library welcome new Library Assistant I Jayd Myers in January of 2022. Jayd has brought tons of energy and passion to her position.

Teen Services

- T.A.G. has met in person all year and the membership has been growing through 2022 adding 5 new members this summer alone. The group has been working hard coming up with ideas for new kits as well as actually putting them together. The group also revised the Teen Summer Program making it a three option program instead of the usual single activity event. And speaking of events, this group – which has never *attended* a teen program also created the first programs since the pandemic. The first program was a basic movie night kicking off the Teen Summer Program. The second event was a trivia night in collaboration with Keenan Sanderson - Kayhi's National Ocean Sciences Bowl coach. T.A.G. also hosted the Teen Summer Program finale and is looking forward to the 14th Not-Quite-Halloween event.
- T.A.G. is planning on continuing to offer kits to teens as many find it easier to pick up a kit than to make it to a library event with their busy schedules. Kits in 2022 have include tastings such as comparing various tostones and trying 'something on a stick' and the craft kits have included pot's o' gold, spring flowers and jellyfish! In fact in just the first 6 months of 2022 over 250 kits were given out to teens.

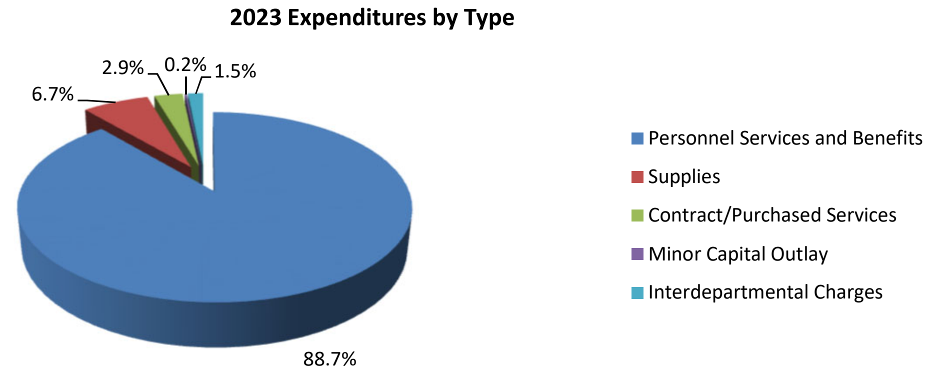
- The Teen Summer Program was the biggest focus of T.A.G. in 2022, especially since it was completely new to the T.A.G. members. They went with the Oceans of Possibility theme but made it their own with some serious tweaks to previous summer programs. They introduced a three option program with reading, visiting the library and tasks as ways to win prizes. Doing all three options got teens into the grand prize drawing. Happily, with the pandemic restrictions being eased off T.A.G. Staff Liaison Kelly Johnson was able to visit Schoenbar, Ketchikan Charter and Revilla Jr/Sr High School classrooms and spread the word about the program. Bookmarks, brochures and more were sent to Kayhi to let those students know about the program as well. With generous sponsorships by the Friends of the Library, the IBEW and many local business T.A.G. was able to give away amazing prizes to participants. T.A.G was also able to add one new sponsor to the Teen Summer Program in 2022. The program was a great success with over 40 teens attending the kickoff event and great participation all summer long.
- T.A.G. added some ocean flair to the Teen Room as part of the Teen Summer Program Oceans of Possibility theme and the sharks were a special hit with the teens – and the staff. The shark hanging in the entrance gave a bonus help to directing folks to the public computers and the teens enjoyed this new guardian to their domain. The new shark wall decal has also been a hit and both will continue their stay in the Teen Room for the foreseeable future. The teens liked the ocean window decals, but decided to switch them out with a more autumn themed display for fall and will most likely keep changing seasonally rather than biannually.
- All the Teen Room collections were evaluated and weeded this year, items with especially low circulations were closely looked and to make way for more popular titles. With the circulation of graphic novels and manga increasing so rapidly those collections needed a special critique to make sure no beloved series were cut, but more room was made for new items.
- T.A.G continues to be a strong force in the Teen Room, and the library in general. The members are growing more confident in their skills and creative in the tasks they are given. It has made for great changes in teen programs and teen interaction in general, which is a huge goal for T.A.G. T.A.G. will continue to actively create new ways to support teens, promote reading and encourage lifelong learning in young adults.

DIVISION SUMMARY

Expenditures by Category	2021 Actual	2022 Adopted Adopted	2022 Adopted Amended	2022 Adopted Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Personnel Services and Benefits	305,425	331,645	334,560	334,560	366,857	35,212	10.6%
Supplies	32,765	26,550	26,435	26,135	27,550	1,000	3.8%
Contract/Purchased Services	1,897	8,070	5,270	5,270	11,790	3,720	46.1%
Minor Capital Outlay	860	700	700	700	700	-	0.0%
Interdepartmental Charges	5,040	5,120	5,120	5,110	6,310	1,190	23.2%
Total Expenditures	**345,987**	**372,085**	**372,085**	**371,775**	**413,207**	**41,122**	**11.1%**

Funding Source	2021 Actual	2022 Adopted Adopted	2022 Adopted Amended	2022 Adopted Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
General Fund							
Property Taxes	202,677	228,778	229,002	220,484	271,310	42,532	18.6%
Charges for Services KGB	143,310	143,307	143,083	151,291	141,897	(1,410)	-1.0%
Total Funding	**345,987**	**372,085**	**372,085**	**371,775**	**413,207**	**41,122**	**11.1%**

Full-time Equivalent Personnel	2021 Actual	2022 Adopted Adopted	2022 Adopted Amended	2023 Budget	2023 Salary	2021 Adopted/2022 Incr(Decr)	2021 Adopted/2022 %
Director	0.320	0.320	0.320	0.320	29,201	-	0.0%
Children's Librarian	1.000	1.000	1.000	1.000	68,496	-	0.0%
Library Assistant II	1.000	1.000	1.000	1.000	54,059	-	0.0%
Library Assistant I	0.925	0.925	0.925	0.925	39,019	-	0.0%
Page	0.300	0.300	0.300	0.300	8,792	-	0.0%
Total	**3.545**	**3.545**	**3.545**	**3.545**	**199,567**	**-**	**0.0%**



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- Personnel Services and Benefits increased by $35,212, or by 10.6%, due to annual employee step increases, a 2.5% cost of living adjustment for IBEW, Local 1547 employees and non-represented employees that will become effective January 1, 2023; and projected increases in pension, health insurance and other benefit costs.

DIVISION OPERATING BUDGET DETAIL

			2021	2022 Adopted			2023	2022 Adopted/2023	
Operating Expenditures			**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Personnel Services and Benefits									
500	.01	Regular Salaries and Wages	170,492	184,995	186,390	186,390	199,567	14,572	7.9%
502	.01	Temporary Wages	9,617	11,500	8,480	8,480	11,500	-	0.0%
505	.00	Payroll Taxes	12,743	15,040	14,350	14,350	16,150	1,110	7.4%
506	.00	Pension	33,702	34,950	35,260	35,260	37,810	2,860	8.2%
507	.00	Health and Life Insurance	73,828	79,560	84,490	84,490	93,430	13,870	17.4%
507	.30	Workers Compensation	457	540	530	530	570	30	5.6%
508	.00	Other Benefits	4,586	5,060	5,060	5,060	7,830	2,770	54.7%
		Personnel Services and Benefits	**305,425**	**331,645**	**334,560**	**334,560**	**366,857**	**35,212**	**10.6%**
Supplies									
510	.01	Office Supplies	829	1,000	1,000	1,000	1,000	-	0.0%
510	.02	Operating Supplies	5,826	3,500	4,300	4,000	3,500	-	0.0%
510	.05	Small Tools and Equipment	186	200	200	200	200	-	0.0%
510	.07	Food/Catering	1,249	800	800	800	800	-	0.0%
530	.01	Library Books	16,454	14,000	14,000	14,000	15,000	1,000	7.1%
530	.02	Periodicals	497	800	800	800	800	-	0.0%
530	.04	Movies and Visual Series	2,091	2,000	1,550	1,550	2,000	-	0.0%
530	.05	Audio and Digital Books	5,497	4,000	3,535	3,535	4,000	-	0.0%
530	.06	Music	98	50	50	50	50	-	0.0%
535	.02	Business and Meal Expenses	38	200	200	200	200	-	0.0%
		Supplies	**32,765**	**26,550**	**26,435**	**26,135**	**27,550**	**1,000**	**3.8%**

			2021	2022 Adopted			2023	2022 Adopted/2023	
Operating Expenditures			**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Contract/Purchased Services									
600	.02	Travel-Training	-	-	-		3,000	3,000	NA
600	.03	Training and Education	115	300	300	300	1,000	700	233.3%
605	.01	Ads and Public Announcements	265	300	300	300	300	-	0.0%
615	.02	Assn Membership Dues & Fees	393	480	480	480	500	20	4.2%
630	.03	Bank and Merchant Fees	32	140	140	140	140	-	0.0%
630	.04	Broadcast Content Fees	300	300	300	300	300	-	0.0%
630	.06	Service Charges and Fees	-	50	50	50	50	-	0.0%
635	.11	Subscription Services	792	2,000	1,000	1,000	2,000	-	0.0%
635	.12	Technical Services	-	4,500	2,700	2,700	4,500	-	0.0%
		Contract/Purchased Services	**1,897**	**8,070**	**5,270**	**5,270**	**11,790**	**3,720**	**46.1%**
Minor Capital Outlay									
790	.15	Furniture and Fixtures	860	700	700	700	700	-	0.0%
		Minor Capital Outlay	**860**	**700**	**700**	**700**	**700**	**-**	**0.0%**
Interdepartmental Charges									
825	.01	Interdepartmental Charges-Insurance	5,040	5,120	5,120	5,110	6,310	1,190	23.2%
		Interdepartmental Charges	**5,040**	**5,120**	**5,120**	**5,110**	**6,310**	**1,190**	**23.2%**
		Total Expenditures by Type	**345,987**	**372,085**	**372,085**	**371,775**	**413,207**	**41,122**	**11.1%**

NARRATIVE

500.01 Regular Salaries and Wages: $199,567 – This account provides expenditures for compensation paid to all regular salaried and hourly employees of the Children's Services Division.

502.01 Temporary Wages: **$11,500** - This account provides expenditures for compensation paid to temporary salaried and hourly employees of the Children's Services Division.

505.00 Payroll Taxes: $16,150 – This account provides expenditures for employer contributions for Social Security and Medicare and other similar payroll related taxes.

506.00 Pension: $37,810 – This account provides expenditures for employer contributions to retirement plans.

507.00 Health and Life Insurance: **$93,430** – This account provides expenditures for employer contributions to employee health and life insurance plans.

507.30 Workers Compensation: **$570** – This account provides expenditures for employer contributions to workers compensation.

508.00 Other Benefits: $7,830 – This account provides expenditures for direct claims from former employees for unemployment benefits paid by the State of Alaska and accrued vacation and sick leave.

510.01 Office Supplies: **$1,000** - This account provides expenditures for paper, pens, pencils, note pads, file folders, scotch tape, toner, ink cartridges, photocopy charges, small desk accessories, and minor office equipment such as staplers, scissors, and tape dispensers.

510.02 Operating Supplies: **$3,500** - This account provides expenditures for supplies that are normally not of a maintenance nature and are required to support department operations. Included are the majority of arts and crafts supplies for the numerous children’s and teen programs, as well as promotional materials, educational games and toys for the children and teen areas, and small prizes.

510.05 Small Tools and Equipment: **$200** - This account provides expenditures for minor tools, operating and office equipment with a value of less than $1,000.

510.07 Food/Catering: **$800** - This account provides expenditures for food or catering services for children's and teen programs.

530.01 Library Books: **$15,000** - This account provides expenditures for the acquisition of books and print materials for the library collection. Included are books and other print materials. The cost of books has increased significantly over the last year, so we are asking for an increase of $1,000 to help cover the cost of rising prices without having to sacrifice the quality of items being acquired.

530.02 Periodicals: **$800** - This account provides expenditures for newspapers, magazines and trade journals.

530.04 Movies and Visual Series: $2,000 - This account provides expenditures for the acquisition of DVD and other format films and television series for the library collection. Included are education and entertainment selections.

530.05 Audio and Digital Books: **$4,000** - This account provides expenditures for the acquisition of books in electronic format for the library. Included are books on CDs, Playaways, e-books, online audiobooks, online music and other similar forms of electronic media.

530.06 Music: **$50** - This account provides expenditures for the acquisition of music CDs for the library collection.

535.02 Business and Meal Expenses: $200 – This account provides expenditures for reimbursement to employees for mileage for use of personal vehicle used to empty the bookdrop at the Plaza Mall, distribute promotional library posters throughout Ketchikan and deliver "Born to Read" materials to the Ketchikan Medical Center.

600.02 Travel - Training: $3,000 - This account provides expenditures for travel to conferences and in-person training. In May 2023 the Children's Librarian and one Children's staff member will attend the annual conference of the American Library Association in Seattle. This is the leading conference in the library field and will provide staff with knowledge about new and emerging trends.

600.03 Training and Education: $1,000 – This account provides expenditures for registration fees and training programs provided by staff or third-parties. Includes registration for library conferences and for continuing education classes.

605.01 Ads and Public Announcements: $300 – This account provides expenditures for announcements in publications, newspapers, trade journals, Internet or broadcasts over radio and television. Included are public service announcements, community issues and recruiting.

615.02 Assn. Dues and Membership Fees: $500 – This account provides expenditures for membership in professional organizations, such as the Alaska Library Association, the American Library Association, the Public Library Association, the Young Adult Library Services Association and the Association of Library Service to Young Children. These memberships provide access to information and discounts on continuing education classes that increase staff skills and resources.

630.03 Bank and Merchant Fees: $140 – This account provides expenditures for merchant fees for use of credit and debit cards.

630.04 Broadcast Content Fees: $300 – This account provides expenditures for the right to broadcast copyrighted intellectual property. Included in this are licenses from Movie Licensing USA and Motion Picture Licensing Corporation.

630.06 Service Charges and Fees: $50 – This account provides expenditures for miscellaneous service charges and fees. Included are service charges for collection agency services used to recover outstanding debts for lost and damaged materials.

635.11 Subscription Services: $2,000 - This account provides expenditures for children and teen databases.

635.12 Technical Services: **$4,500** - This account provides expenditures for contractual services, such as fees for visiting authors and performers for children's programs.

790.15 Furniture and Fixtures: **$700** - This account provides expenditures for acquisition of furniture and fixtures. Each year the Children's Library loses an average of one table and two chairs in the public area due to damage. This allocation is to replace a table and two chairs if they are damaged beyond repair.

825.01 Interdepartmental Charges – Insurance: **$6,310** - This account provides expenditures for risk management services and claims.

MISSION STATEMENT

The mission of the First City Libraries (FCL) Consortium is to provide informational, educational and recreational materials and services for the residents of the City of Ketchikan and the Ketchikan Gateway Borough. This is accomplished through development, maintenance and promotion of materials, physical spaces and programs responsive to the diverse interests and needs of the community. This consortium is a cooperative effort between the City of Ketchikan and the Ketchikan Gateway Borough School District. It links Ketchikan's public and school libraries, thereby giving all citizens access to materials.

GOALS FOR 2023

- Develop and document consistent cataloging practices into our shared online catalog, and train in these practices all staff across First City Libraries.
- Continue promoting library use between Ketchikan's Public Library and Ketchikan Gateway Borough School District Libraries.
- Work with the UAS Ketchikan Campus Library to serve Ketchikan residents who wish to access Campus Library collections.
- Hold an annual fall meeting of First City Libraries staff in the public and school libraries, to conduct training, share updates, and resolve any issues with our shared online catalog.

ACCOMPLISHMENTS FOR 2022

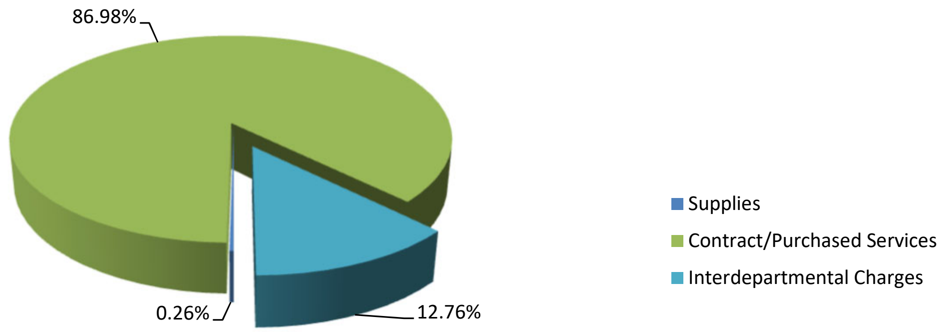
- Worked with SirsiDynix, the UAS-Ketchikan Campus Library, and City IT to complete the migration of UAS-Ketchikan Campus Library records from the First City Libraries catalog to the UAS Library Catalog, and collaborated with UAS Library staff to encourage Ketchikan residents to sign up for UAS-Ketchikan Library cards.
- Successfully applied for FY2023 Federal Erate discounts on consortial internet service for the shared online catalog.
- Promoted library use amongst all Consortia libraries through efficient delivery service.
- Completed the migration of the SirsiDynix online library system from KPU Telecommunications to the City IT Department to streamline troubleshooting of system issues.
- Worked with City IT and SirsiDynix to update SirsiDynix system software.

DIVISION SUMMARY

	2021	2022 Adopted			2023	2022 Adopted/2023	
Expenditures by Category	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Supplies	-	150	114	-	150	-	0.0%
Contract/Purchased Services	46,281	49,080	51,216	51,216	51,150	2,070	4.2%
Interdepartmental Charges	(6,653)	7,500	7,500	-	7,500	-	0.0%
Total Expenditures	**39,628**	**56,730**	**58,830**	**51,216**	**58,800**	**2,070**	**3.6%**

	2021	2022 Adopted			2023	2022 Adopted/2023	
Funding Source	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
General Fund							
Property Taxes	2,573	19,865	21,177	5,952	14,358	(5,507)	-27.7%
Charges for Services - KGB	16,414	12,443	13,231	20,842	20,020	7,577	60.9%
Charges for Services - KGBSD	20,641	24,422	24,422	24,422	24,422	-	0.0%
Total Funding	**39,628**	**56,730**	**58,830**	**51,216**	**58,800**	**2,070**	**3.6%**

2023 Expenditures by Type



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- There are no significant changes between the adopted operating budget for 2022 and the proposed operating budget for 2023.

DIVISION OPERATING BUDGET DETAIL

Operating Expenditures	2021 Actual	2022 Adopted			2023 Budget	2022 Adopted/2023	
		Adopted	Amended	Estimate		Incr(Decr)	%
Supplies							
510 .02 Operating Supplies	-	150	114	-	150	-	0.0%
Supplies	**-**	**150**	**114**	**-**	**150**	**-**	**0.0%**
Contract/Purchased Services							
635 .04 Software and Equipment Maintenance	29,150	29,880	31,980	31,980	31,000	1,120	3.7%
635 .11 Subscription Services	6,540	6,700	6,736	6,736	7,400	700	10.4%
650 .01 Telecommunications	10,591	12,500	12,500	12,500	12,750	250	2.0%
Contract/Purchased Services	**46,281**	**49,080**	**51,216**	**51,216**	**51,150**	**2,070**	**4.2%**
Interdepart'l Charges/Reimbursable Credits							
803 .01 Interdepart'l Charges - IT	-	7,500	7,500	-	7,500	-	0.0%
890 .00 Reimbursable Credits	(6,653)	-	-	-	-	-	NA
Interdept Chgs/Reimb Credits	**(6,653)**	**7,500**	**7,500**	**-**	**7,500**	**-**	**0.0%**
Total Expenditures by Type	**39,628**	**56,730**	**58,830**	**51,216**	**58,800**	**2,070**	**3.6%**

NARRATIVE

510.02 Operating Supplies: $150 – This account provides expenditures for supplies that are normally not of a maintenance nature and are required to support department operations. Included are supplies such as barcodes, security strips and carbon overdue mailers.

635.04 Software and Equipment Maintenance Services: **$31,000** - This account provides expenditures for maintenance agreements to support licensed software systems. Included is the yearly hardware and software system renewal for the SirsiDynix server.

635.11 Subscription Services: **$7,400** - This account provides expenditures for a subscription for access to the Online Computer Library Center (OCLC). The OCLC provides for unlimited cataloging, interlibrary loans and access to WorldCat (a catalog which itemizes the collections of 71,000 libraries in 112 countries).

650.01 Telecommunications: **$12,750** - This account provides expenditures for telecommunication services. Included are charges for the library server connection and server hosting and power.

803.01 Interdepartmental Charges – Information Technology: $7,500 – This account provides expenditures for information technology services provided by the Information Technology Department. The IT Department maintains the Consortium server.

MISSION STATEMENT

The UAS Library Division became inactive in 2022 due to UAS-Ketchikan Campus terminating its agreement with the City as of July 1, 2021. This cost center is reflected to show the actual cost of operations for 2021.

DIVISION SUMMARY

	2021	2022 Adopted			2023	2022 Adopted/2023	
Expenditures by Category	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Personnel Services and Benefits	36,861	-	-	-	-	-	NA
Contract/Purchased Services	6,653	-	-	-	-	-	NA
Interdepartmental Charges	1,012	-	-	-	-	-	NA
Total Expenditures	**44,526**	**-**	**-**	**-**	**-**	**-**	**NA**

	2021	2022 Adopted			2023	2022 Adopted/2023	
Funding Source	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
General Fund							
Charges for Services - UAS	44,526	-	-	-	-	-	NA
Total Funding	**44,526**	**-**	**-**	**-**	**-**	**-**	**NA**

	2021	2022 Adopted		2023		2022 Adopted/2023	
Full-time Equivalent Personnel	**Actual**	**Adopted**	**Amended**	**Budget**	**Salary**	**Incr(Decr)**	**%**
Director	0.05	-	-	-	-	-	NA
Library Assistant II	0.69	-	-	-	-	-	NA
Total	**0.74**	**-**	**-**	**-**	**-**	**-**	**NA**

DIVISION OPERATING BUDGET DETAIL

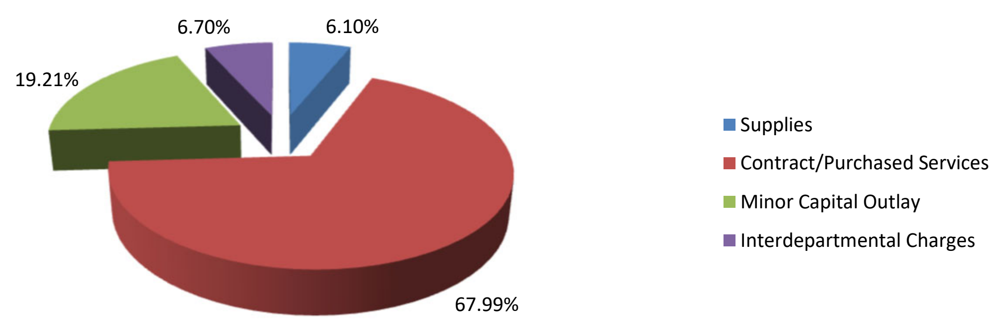
	2021	2022 Adopted			2023	2022 Adopted/2023	
Operating Expenditures	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Personnel Services and Benefits							
500 .01 Regular Salaries and Wages	19,852	-	-	-	-	-	NA
501 .01 Overtime Wages	-	-	-	-	-	-	NA
502 .01 Temporary Wages	216	-	-	-	-	-	NA
505 .00 Payroll Taxes	1,443	-	-	-	-	-	NA
506 .00 Pension	3,389	-	-	-	-	-	NA
507 .00 Health and Life Insurance	10,654	-	-	-	-	-	NA
507 .30 Workers Compensation	58	-	-	-	-	-	NA
508 .00 Other Benefits	1,249	-	-	-	-	-	NA
Personnel Services and Benefits	**36,861**	**-**	**-**	**-**	**-**	**-**	**NA**
Contract/Purchased Services							
635 .01 Government Contractual Services	6,653	-	-	-	-	-	NA
635 .07 Machinery & Equipment Maintenance Services						-	NA
Contract/Purchased Services	**6,653**	**-**	**-**	**-**	**-**	**-**	**NA**
Interdepartmental Charges							
825 .01 Interdepartmental-Insurance	1,012	-	-	-	-	-	NA
Interdepartmental Charges	**1,012**	**-**	**-**	**-**	**-**	**-**	**NA**
Total Expenditures by Type	**44,526**	**-**	**-**	**-**	**-**	**-**	**NA**

COST CENTER SUMMARY

Expenditures by Category	2021 Actual	2022 Adopted	2022 Amended	2022 Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Supplies	7,346	12,300	17,600	15,500	12,300	-	0.0%
Contract/Purchased Services	113,065	129,100	129,100	124,300	137,000	7,900	6.1%
Minor Capital Outlay	2,722	11,100	5,800	5,800	38,700	27,600	248.6%
Interdepartmental Charges	13,035	14,720	14,720	13,010	13,510	(1,210)	-8.2%
Total Expenditures	**136,168**	**167,220**	**167,220**	**158,610**	**201,510**	**34,290**	**20.5%**

Funding Source	2021 Actual	2022 Adopted	2022 Amended	2022 Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
General Fund							
Property Taxes	79,766	102,816	102,916	94,066	134,716	31,900	31.0%
Charges for Services - KGB	56,402	64,404	64,304	64,544	66,794	2,490	3.7%
Total Funding	**136,168**	**167,220**	**167,220**	**158,610**	**201,510**	**34,290**	**20.5%**

2023 Expenditures by Type



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- Building & Grounds Maintenance Services (Account No. 635.06) increased by $7,000, or by 411.8%, to provide an appropriation for a chain link enclosure to fully enclose the Library dumpster, to make it impervious to bears.

- Computers, Printers & Copiers (Account No. 790.26) increased by $27,600, or by 248.6%, due to the planned replacement of six staff computer workstations with UPSs, four printers, 5 laptops (4 for patrons), 1 patron workstation and 1 monitor, and one cataloging workstation, per the replacement schedule developed and provided by the Information Technology Department.

DIVISION OPERATING BUDGET DETAIL

Operating Expenditures	2021 Actual	2022 Adopted	2022 Amended	2022 Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Supplies							
510 .04 Janitorial Supplies	2,000	4,500	4,500	3,500	4,500	-	0.0%
510 .05 Small Tools & Equipment	266	300	300	200	300	-	0.0%
515 .02 Building & Grounds Maint Materials	831	500	500	500	500	-	0.0%
515 .03 Furniture & Fixtures Maint Materials	955	1,500	1,500	1,000	1,500	-	0.0%
515 .04 Machinery & Equip Maint Materials	852	1,000	1,000	1,000	1,000	-	0.0%
515 .05 Infrastructure & Plant Maint Materials	703	1,500	6,800	6,800	1,500	-	0.0%
525 .07 Machinery & Equip Fuel & Lubricants	1,739	3,000	3,000	2,500	3,000	-	0.0%
Supplies	**7,346**	**12,300**	**17,600**	**15,500**	**12,300**	**-**	**0.0%**
Contract/Purchased Services							
635 .02 Janitorial and Cleaning Services	21,600	22,000	22,000	22,000	23,000	1,000	4.5%
635 .06 Bldg & Grounds Maint Services	1,793	1,700	1,700	1,700	8,700	7,000	411.8%
635 .07 Machinery & Equip Maint Services	1,935	4,000	4,000	4,000	4,000	-	0.0%
635 .12 Technical Services	4,636	5,500	5,500	4,500	5,000	(500)	-9.1%
645 .01 Rents and Leases-Land and Buildings	2,100	2,100	2,100	2,100	2,100	-	0.0%
650 .01 Telecommunications	27,704	33,800	33,800	30,000	33,000	(800)	-2.4%
650 .02 Electric, Water, Sewer & Solid Waste	53,297	60,000	60,000	60,000	61,200	1,200	2.0%
Contract/Purchased Services	**113,065**	**129,100**	**129,100**	**124,300**	**137,000**	**7,900**	**6.1%**
Minor Capital Outlay							
790 .26 Computers, Printers, and Copiers	2,722	11,100	5,800	5,800	38,700	27,600	248.6%
Minor Capital Outlay	**2,722**	**11,100**	**5,800**	**5,800**	**38,700**	**27,600**	**248.6%**
Interdepartmental Charges							
825 .01 Interdepartmental-Insurance	13,035	14,720	14,720	13,010	13,510	(1,210)	-8.2%
Interdepartmental Charges	**13,035**	**14,720**	**14,720**	**13,010**	**13,510**	**(1,210)**	**-8.2%**
Total Expenditures by Type	**136,168**	**167,220**	**167,220**	**158,610**	**201,510**	**34,290**	**20.5%**

NARRATIVE

510.04 Janitorial Supplies: $4,500 – This account provides expenditures for cleaning and sanitation supplies used by contracted janitors as well as consumable materials such as toilet paper, paper towels, etc.

510.05 Small Tools and Equipment: $300 - This account provides expenditures for minor tools and operating equipment with a value of less than $1,000.

515.02 Building and Grounds Maintenance Materials: **$500 -** This account provides expenditures for the repair and maintenance of buildings and upkeep of the grounds owned or leased and operated by the City.

515.03 Furniture and Fixtures Maintenance Materials: **$1,500 -** This account provides expenditures for the repair and maintenance of furniture and building fixtures owned or leased and operated by the City.

515.04 Machinery and Equipment Maintenance Materials: $1,000 – This account provides expenditures for the repair and maintenance of machinery and equipment owned and operated by the City. Included are the library’s computers.

515.05 Infrastructure and Plant Maintenance Materials: $1,500 – This account provides expenditures for the repair and maintenance of infrastructure and plant owned and operated by the City. Included are sidewalks, parking lots and the wood pellet boiler.

525.07 Machinery and Equipment Fuel and Lubricants: $3,000 – This account provides expenditures for the propane used to operate the fireplace.

635.02 Janitorial and Cleaning Services: $23,000 - This account provides expenditures for services to clean the library building.

635.06 Buildings and Grounds Maintenance Services: $8,700 - This account provides expenditures for the repair and maintenance of buildings and the upkeep of grounds owned or leased by the City. This account includes contract labor and materials required to provide the service.

635.07 Machinery and Equipment Maintenance Services: $4,000 - This account provides expenditures for the repair and maintenance of office equipment, machinery and other operating equipment owned or leased by the City. This account includes contract labor and materials required to provide the service. It also includes maintenance service agreements for the public access copier machine and two microfilm readers. The library pays an annual fee for the propane tank; also included in this account is maintenance for the security camera system.

635.12 Technical Services: $5,000 – This account provides expenditures for services that are not regarded as professional but require technical or special knowledge, including fire extinguisher inspections, fire alarm inspection and monitoring, pest control and fire sprinkler inspection.

645.01 Rents and Leases - Land and Buildings: **$2,100** - This account provides expenditures for the rent of heated offsite storage at the Heckman Building for reference materials, repository documents and seasonal items and supplies.

650.01 Telecommunications Services: $33,000 - This account provides expenditures for wired and wireless telecommunication services. Included are landline services, network and data services, internet and long distance.

650.02 Electric, Water, Sewer & Solid Waste: $61,200 - This account provides expenditures for electric, water, sewer and solid waste utility services.

790.26 Computers, Printers, and Copiers: $38,700 - This account provides expenditures for desktop, laptops, and tablet computers; computer printers and scanners, photocopiers and fax machines. Per the replacement schedule developed by the Information Technology Department, in 2023 six staff computer workstations with UPSs, four printers, 5 laptops (4 for patrons), 1 patron workstation and 1 monitor, and one cataloging workstation, will all be replaced.

825.01 Interdepartmental Charges – Insurance: $13,510 - This account provides expenditures for risk management services and claims.

MISSION STATEMENT

A major tenet of the code of ethics in librarianship is a belief in lifelong learning. The Alaska State Library strongly supports continuing education for librarians, a profession of knowledgeable workers devoted to providing information in multiple formats to users. Librarians inhabit a world of change and libraries are not exempt from these forces. Grants allow staff to attend continuing education to enhance their knowledge of technology and learn about new sources of high-quality information, so they can quickly navigate the ever-changing information landscape and efficiently lead people to reliable information they need for school, work, life challenges and recreation.

GOALS FOR 2023

- Apply for the FY2023 Public Library Assistance grant.
- Identify and apply for local and other grants to enhance library collections, services and programs for the community.

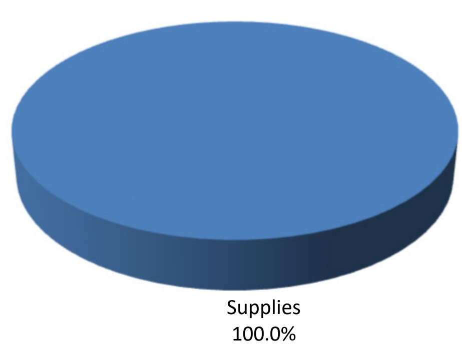
ACCOMPLISHMENTS FOR 2022

- Applied for and received the FY2022 Public Library Assistance grant, which provides funding for collection development.

DIVISION OPERATING BUDGET DETAIL

			2021	2022 Adopted			2023	2022 Adopted/2023	
Operating Expenditures			Actual	Adopted	Amended	Estimate	Budget	Incr(Decr)	%
Supplies									
530	.01	Library Books	7,412	7,000	7,000	7,000	7,000	-	0.0%
		Supplies	**7,412**	**7,000**	**7,000**	**7,000**	**7,000**	**-**	**0.0%**
		Total Expenditures by Type	**7,412**	**7,000**	**7,000**	**7,000**	**7,000**	**-**	**0.0%**

2023 Expenditures by Type



Grant Program	2021 Actual	2022 Adopted	2022 Amended	2022 Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
FY2023 Public Library Assistance Grant					7,000	7,000	New
FY2022 Public Library Assistance Grant		7,000	7,000	7,000			-100.0%
FY2021 Public Library Assistance Grant	7,000					-	NA
FY2020 Public Library Assistance Grant	412					-	NA
Total Expenditures by Grant Program	**7,412**	**7,000**	**7,000**	**7,000**	**7,000**	**-**	**0.0%**

OPERATING BUDGET CHANGES FOR 2023

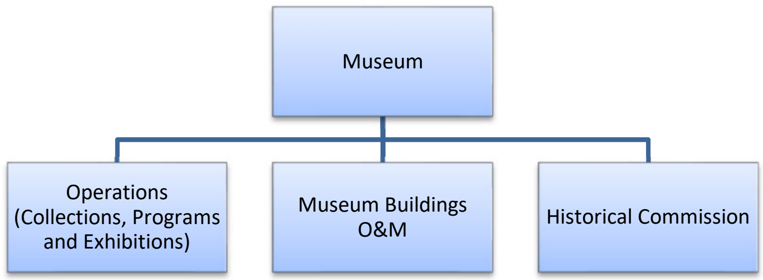
Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- There are no changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000. All changes in Grant Programs are a result of grant funding availability and/or award amounts actually received.

NARRATIVE

530.01 Library Books: $7,000 - This account provides expenditures for the acquisition of books and print materials for the library collection. Included are books, maps and other print materials.

Ketchikan Museums collect, preserve, interpret and creatively share the history and culture of the region to serve, educate, engage and enrich the community. The department operates two museums: the Tongass Historical Museum and the Totem Heritage Center. In addition to stewarding a collection of regional artifacts, photographs and archives, the museums offer exhibitions, public presentations, educational programs and research services.



The Museum Department is comprised of two operating divisions, a Historical Commission Program and oversees one Capital Improvement Program.

DEPARTMENT EXECUTIVE SUMMARY

Divisions/Cost Center/Programs	2021 Actual	2022 Adopted Adopted	2022 Adopted Amended	2022 Adopted Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Operations	790,499	972,166	951,166	920,098	1,060,028	87,862	9.0%
Museum Buildings O&M	144,856	150,676	171,676	166,866	165,840	15,164	10.1%
Historical Commission	-	1,350	1,350	1,350	1,000	(350)	-25.9%
Grants	40,209	104,000	104,000	82,000	10,000	(94,000)	-90.4%
Capital Improvement Program	-	200,000	200,000	153,907	115,790	(84,210)	-42.1%
Total	**975,564**	**1,428,192**	**1,428,192**	**1,324,221**	**1,352,658**	**(75,534)**	**-5.3%**

Expenditures by Category	2021 Actual	2022 Adopted Adopted	2022 Adopted Amended	2022 Adopted Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Personnel Services and Benefits	687,540	866,111	844,611	817,843	937,433	71,322	8.2%
Supplies	64,958	79,171	93,582	83,312	92,860	13,689	17.3%
Contract/Purchased Services	187,822	224,884	230,473	212,423	162,975	(61,909)	-27.5%
Minor Capital Outlay	4,486	3,750	3,750	3,750	7,750	4,000	106.7%
Interdepartmental Charges	30,758	32,990	34,490	31,700	35,850	2,860	8.7%
In-kind Expenses	-	21,286	21,286	21,286	-	(21,286)	NA
Major Capital Outlay	-	200,000	200,000	153,907	115,790	(84,210)	-42.1%
Total	**975,564**	**1,428,192**	**1,428,192**	**1,324,221**	**1,352,658**	**(75,534)**	**-5.3%**

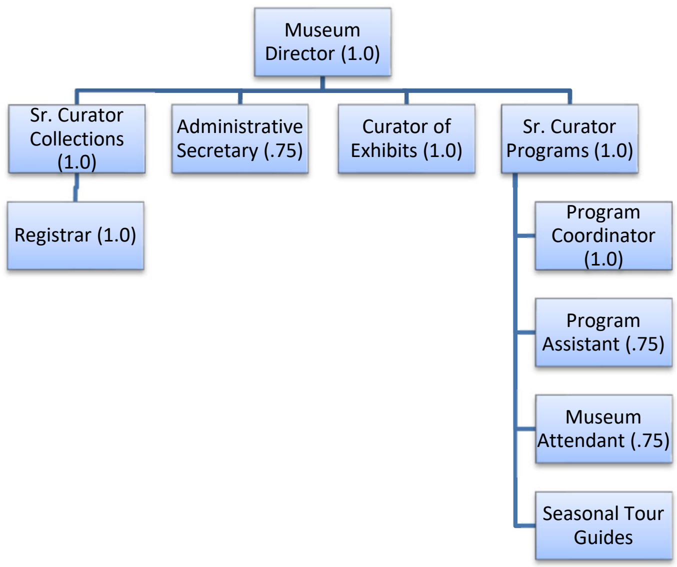
Funding Source	2021 Actual	2022 Adopted Adopted	2022 Adopted Amended	2022 Adopted Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
General Fund							
General Fund Support	888,501	971,692	971,692	882,014	1,011,668	39,976	4.1%
Charges for Services	46,854	152,500	152,500	206,300	215,200	62,700	41.1%
Public Works Sales Tax	-	200,000	200,000	153,907	49,800	(150,200)	-75.1%
Grants	40,209	104,000	104,000	82,000	10,000	(94,000)	-90.4%
Community Facilities Development Fund	-	-	-	-	65,990	65,990	NA
Total	**975,564**	**1,428,192**	**1,428,192**	**1,324,221**	**1,352,658**	**(75,534)**	**-5.3%**

	2021	2022 Adopted		2023		2022 Adopted/2023	
Full-time Equivalent Personnel	**Actual**	**Adopted**	**Amended**	**Budget**	**Salary**	**Incr(Decr)**	**%**
Operations	8.20	8.20	8.20	8.25	506,443	0.05	0.6%
Total	**8.20**	**8.20**	**8.20**	**8.25**	**506,443**	**0.05**	**0.6%**

MISSION STATEMENT

The mission of the Ketchikan Museums is to collect, preserve, interpret and creatively share the history and culture of our region to serve, educate, engage and enrich our community. In addition, the Totem Heritage Center preserves and perpetuates the living artistic traditions of the Tlingit, Haida and Tsimshian peoples that gave rise to the original totem poles on display and provides the opportunity to discover, learn and practice Native arts to inspire cultural understanding.

Core Values: **Discovery:** Ketchikan Museums will offer relevant experiences to explore, educate, and enlighten. **Community Identity:** Ketchikan Museums will safeguard and reflect Ketchikan's vibrant cultural landscape. **Integrity:** Ketchikan Museums will be credible stewards of the community's public trust, investment and its most treasured asset, its heritage. **Communication:** Ketchikan Museums will serve as a leader to innovatively inspire and encourage meaningful community-wide interaction,



GOALS FOR 2023

Facilities: The Tongass Historical Museum and the Totem Heritage Center safely house the collection and inspire our visitors to honor Ketchikan's history and heritage.

- Continue facility improvements
- Address collection storage needs

Collections Stewardship: Collections are safe, organized and accessible. Collection stewardship procedures meet or exceed best practices as defined by the American Alliance of Museums.

- Strengthen stewardship of the collection
- Conduct inventory
- Increase access to the collection and our capacity as a community resource
- Provide care for totem poles

Programs: Provide meaningful museum experiences for diverse audiences, which honor stories, build connections, and inspire life-long learning.

- Maintain the Native Arts Studies Program
- Develop school outreach opportunities
- Offer responsive community programming
- Continue to build an Oral History Program
- Offer an excellent visitor experience

Outreach: Outreach efforts will increase the awareness of Museum resources and will integrate new digital platforms.
- Provide numerous platforms for community engagement online
- Produce relevant publications
- Conduct other activities per the adopted Strategic Plan

Exhibitions: Exhibitions engage diverse audiences with our authentic and unique history and heritage.
- Implement new evaluation tools
- Seek ways to build upon the successes of Core Exhibits
- Develop a relevant annual Featured Exhibit and plan for future exhibits
- Continue to develop engaging Virtual Exhibits
- Facilitate interpretation outside of the Museums – the community is an extension of the exhibits

Personnel:
- Increase the Museum Attendant position from 0.7 to 0.75 FTE to provide benefits, making this position more attractive, more sustainable and more responsive to the tourist season.

ACCOMPLISHMENTS FOR 2022

Numbers reflect participation between September 1, 2021 and August 31, 2022

Facilities:
- Public Works-Building Maintenance Division addressed numerous facility issues related to aging HVAC systems, aging doors, aging gutters, and high-use restrooms.
- With the project management of Public Works-Engineering Division, successfully completed the Ramp Replacement project at the Totem Heritage Center to provide for ADA compliant access.

Collections:
- Accepted 94 new (donated and purchased) acquisitions for the collection
- Maintained public access to collections and archives
- Responded to 197 requests for research or historical photograph reproductions for a variety of personal, scholarly, or municipal inquiries
- Utilized 80.25 volunteer hours due to pandemic protocols
- Worked with the Ketchikan Daily News to publish “Artifact of the Month,” a monthly article highlighting collections in addition to monthly radio reports on KTKN and KRBD
- Finalized a disaster plan and staff training as part of the "Preparing Alaska's Cultural Organizations for Emergencies" program
- Awarded an intern for 10 weeks, Penske McCormack, for totem pole research

Programs & Outreach:
- Programming and staffing schedule changes were reduced for much of the year as a result of the Program Assistant position remaining vacant for the majority of the year.
- Hosted 46,882 visitors at the Tongass Historical Museum and the Totem Heritage Center. This includes locals, school groups, adult students, researchers, various program attendees, and independent travelers. This is about 72% of the number of visitors in 2019. The Museums are open year-round, but operated summer hours from April 28 – October 8. The Museums have an extensive online presence with the following virtual engagements: 10,657 users visited Virtual Exhibits and Past Perfect Online; 15,599 Facebook engagements (like, comment, or share); and 5,438 Instagram likes or comments. The Museum recently created a YouTube channel and has had 10,585 views.
- Offered nine Museum Midday virtual presentations (3 pending for fall 2022) featuring a diverse set of speakers including artists, educators, and experts in various fields relevant to the Ketchikan community
- Conducted a successful 46th season of the Native Arts Studies Program with a combination of virtual, hybrid, and in-person classes: 10 classes, 97 students, 292 hours of instruction. Open Craft Night suspended due to vacant Program Assistant position.

- Led 13 school tours for 406 students and 77 teachers/parents. 115 students and seven teachers were from virtual interactive field trips joining us from outside of Ketchikan to learn more about our museums, totem poles, and the Tlingit, Haida and Tsimshian.
- Continued development of an oral history program. Partnered with KRBD public radio to air oral history segments as we work to make collected oral histories more accessible to the community
- Produced a monthly email newsletter and continued development of KetchikanMuseums.org to increase accessibility with online platforms like the PastPerfect collections database

Exhibits:
- Featured exhibit *Into the Wind: Aviation as Southeast Alaska's Lifeline* was extended through January 22, 2022 due to COVID-19 related closures and community requests.
- Produced a new featured exhibit, *Sustaining Community: How We Gather and Why It Matters* (March 2022 - January 2023)
- Produced *Ketchikan at the Fair* (August 13 - September 5), featuring local art from the Southeast Alaska State Fair
- Continued update of 1990s interpretive panels at the Totem Heritage Center exhibit
- Produced virtual exhibits of current and previous exhibitions available at KetchikanMuseums.org, including digitized yearbooks from 1950-2020 (in partnership with the Ketchikan Public Library)

- Produced pop-up exhibits featuring a Nathan Jackson bentwood box donation and a celebration of Ketchikan's 100th anniversary of commercial aviation
- Featured traveling exhibit *Herring Protectors*, in January 2022

Other Projects:
- Completed the following grant projects: $15,000 from the Museum Alaska's Collections Management Fund for digitization of 298 pieces of unstable media yielding almost 500 hours of oral histories and other recordings, $2,000 from the State Museum's Grant-in-Aid program retrofitted seven exhibit cases for better environmental monitoring and safer access
- Convened the Museum Advisory Board four times and provided monthly updates

Ketchikan Historic Commission:
- Completed two $24,000 Historic Preservation Fund grants through the State of Alaska's Office of History and Archaeology for the first phase of development of a historic preservation plan and for creation and installation of 10 Colorful Characters and Places signs in partnership with Historic Ketchikan

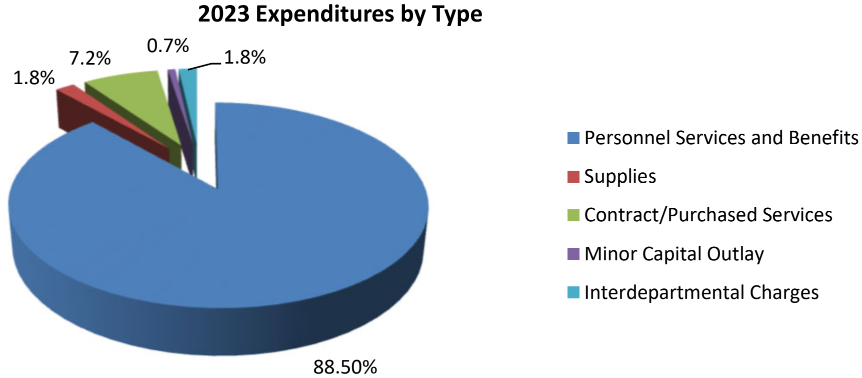
DIVISION SUMMARY

	2021	2022 Adopted			2023	2022 Adopted/2023	
Expenditures by Category	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Personnel Services and Benefits	685,189	856,368	834,868	808,100	937,433	81,065	9.5%
Supplies	18,883	19,601	19,601	19,601	19,610	9	0.0%
Contract/Purchased Services	68,394	78,887	77,887	73,587	76,675	(2,212)	-2.8%
Minor Capital Outlay	4,486	3,750	3,750	3,750	7,750	4,000	106.7%
Interdepartmental Charges-Public Safety	-	-	-	-	-	-	0.0%
Interdepartmental Charges	13,547	13,560	15,060	15,060	18,560	5,000	0.0%
Total Expenditures	**790,499**	**972,166**	**951,166**	**920,098**	**1,060,028**	**87,862**	**9.0%**

Funding Source	2021 Actual	2022 Adopted Adopted	2022 Adopted Amended	2022 Adopted Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
General Fund Support							
General Fund Support	743,645	819,666	798,666	713,798	844,828	25,162	3.1%
Charges for Services	46,854	152,500	152,500	206,300	215,200	62,700	41.1%
Total Funding	**790,499**	**972,166**	**951,166**	**920,098**	**1,060,028**	**87,862**	**9.0%**

Full-time Equivalent Personnel	2021 Actual	2022 Adopted Adopted	2022 Adopted Amended	2023 Budget	2023 Salary	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Director	1.00	1.00	1.00	1.00	87,268	-	0.0%
Administrative Secretary	0.75	0.75	0.75	0.75	37,268	-	0.0%
Sr. Curator-Collections	1.00	1.00	1.00	1.00	67,483	-	0.0%
Sr. Curator-Programs	1.00	1.00	1.00	1.00	67,802	-	0.0%
Curator of Exhibits	1.00	1.00	1.00	1.00	57,034	-	0.0%
Program Coordinator	1.00	1.00	1.00	1.00	57,845	-	0.0%
Museum Attendant	0.70	0.70	0.70	0.75	30,904	0.05	7.1%
Program Assistant	0.75	0.75	0.75	0.75	31,637	-	0.0%
Registrar	1.00	1.00	1.00	1.00	69,202	-	0.0%
Subtotal	**8.20**	**8.20**	**8.20**	**8.25**	**506,443**	**0.05**	**0.6%**
Less Salaries and Wages Reported in Grant Program					-		
Total					**506,443**		

2023 Expenditures by Type



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- Personnel Services and Benefits increased by $81,065, or by 9.5%, due to annual employee step increases, an increase for the Museum Attendant position that would increase the FTE from 0.7 to 0.75 to provide benefits (an employee must be at least 0.75 FTE to be eligible for health insurance), which is offset by reduced Temporary Wages funding in the amount of $25,200; a proposed 2.5% cost of living adjustment for IBEW, Local 1547 employees and non-represented employees that will become effective January 1, 2023; and projected increases in pension, health insurance and other benefit costs.

- Interdepartmental-Insurance (Account No. 825.01) increased by $5,000, or by 36.9%, due to an increase in insurance premiums.

DIVISION OPERATING BUDGET DETAIL

Operating Expenditures			2021 Actual	2022 Adopted			2023 Budget	2022 Adopted/2023	
				Adopted	Amended	Estimate		Incr(Decr)	%
Personnel Services and Benefits									
500	.01	Regular Salaries and Wages	436,104	466,578	466,578	463,050	506,443	39,865	8.5%
501	.01	Overtime Wages	-	1,300	1,300	1,220	1,300	-	0.0%
502	.01	Temporary Wages	10,864	107,520	86,020	68,950	82,320	(25,200)	-23.4%
505	.00	Payroll Taxes	32,310	43,795	43,170	39,620	45,140	1,345	3.1%
506	.00	Pension	85,179	89,595	89,595	87,250	100,610	11,015	12.3%
507	.00	Health and Life Insurance	116,896	132,735	133,360	133,360	186,380	53,645	40.4%
507	.30	Workers Compensation	1,110	1,645	1,645	1,450	1,600	(45)	-2.7%
508	.00	Other Benefits	2,726	13,200	13,200	13,200	13,640	440	3.3%
		Personnel Services and Benefits	**685,189**	**856,368**	**834,868**	**808,100**	**937,433**	**81,065**	**9.5%**
Supplies									
510	.01	Office Supplies	2,499	2,500	2,500	2,500	2,500	-	0.0%
510	.02	Operating Supplies	9,102	9,000	9,000	9,000	9,000	-	0.0%
510	.05	Small Tools & Equipment	-	250	250	250	250	-	0.0%
510	.07	Food/Catering	-	500	500	500	500	-	0.0%
510	.08	Inventory for Resale	1,984	2,000	2,000	2,000	2,000	-	0.0%
510	.09	Artifacts	3,000	3,000	3,000	3,000	3,000	-	0.0%
520	.02	Postage	550	350	350	350	350	-	0.0%
520	.03	Bulk Mailing	840	1,540	1,540	1,540	1,540	-	0.0%
520	.04	Freight-Material and Supplies	448	-	-			-	NA
530	.01	Library Books	300	300	300	300	300	-	0.0%
530	.02	Periodicals	160	161	161	161	170	9	5.6%
		Supplies	**18,883**	**19,601**	**19,601**	**19,601**	**19,610**	**9**	**0.0%**
Contract/Purchased Services									
600	.03	Training and Education	450	400	400	400	400	-	0.0%
605	.01	Ads and Public Announcements	-	450	950	950	500	50	11.1%
605	.02	Marketing	3,700	3,615	3,615	3,615	3,920	305	8.4%
605	.03	Printing & Binding	8,800	8,436	8,436	8,436	8,500	64	0.8%
615	.02	Assn. Membership Dues & Fees	715	715	715	715	715	-	0.0%
630	.03	Bank and Merchant Charges	1,691	5,400	5,400	5,400	5,400	-	0.0%
635	.04	Software Maintenance Services	432	432	432	432	440	8	1.9%
635	.07	Machinery & Equip Maint Services	-	500	500	500	500	-	0.0%
635	.11	Subscription Services	1,240	939	939	939	900	(39)	-4.2%
635	.12	Technical Services	19,970	19,000	19,000	19,000	20,400	1,400	7.4%
650	.01	Telecommunications	31,396	39,000	37,500	33,200	35,000	(4,000)	-10.3%
		Contract/Purchased Services	**68,394**	**78,887**	**77,887**	**73,587**	**76,675**	**(2,212)**	**-2.8%**
Minor Capital Outlay									
790	.26	Computers, Printers & Copiers	2,686	1,950	1,950	1,950	5,650	3,700	189.7%
790	.35	Software	1,800	1,800	1,800	1,800	2,100		16.7%
		Minor Capital Outlay	**4,486**	**3,750**	**3,750**	**3,750**	**7,750**	**4,000**	**106.7%**

		2021	2022 Adopted			2023	2022 Adopted/2023	
Operating Expenditures		**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Interdepartmental Charges								
825 .01	Interdepartmental-Insurance	13,547	13,560	15,060	15,060	18,560	5,000	36.9%
	Interdepartmental Charges	**13,547**	**13,560**	**15,060**	**15,060**	**18,560**	**5,000**	**36.9%**
	Total Expenditures by Type	**790,499**	**972,166**	**951,166**	**920,098**	**1,060,028**	**87,862**	**9.0%**

NARRATIVE

500.01 Regular Salaries and Wages: $506,443 – This account provides expenditures for the annual wages of all regular Museum Department employees.

501.01 Overtime Wages: $1,300 - This account provides expenditures for the cost of overtime incurred by Museums staff during the course of the year.

502.01 Temporary Wages: $82,320 - This account provides expenditures for the compensation of seasonal tour guides who are employed during the tour season to provide interpretation and visitor services at both museums.

505.00 Payroll Taxes: $45,140 – This account provides expenditures for employer contributions for Social Security and Medicare and other similar payroll related taxes for Museums staff.

506.00 Pension: $100,610 – This account provides expenditures for employer contributions to retirement plans.

507.00 Health and Life Insurance: $186,380 – This account provides expenditures for employer contributions to employee health and life insurance plans.

507.30 Workers Compensation: $1,600 – This account provides expenditures for employer contributions to workers compensation.

508.00 Other Benefits: $13,640 – This account provides expenditures for direct claims from former employees for unemployment benefits paid by the State of Alaska and accrued vacation and sick leave.

510.01 Office Supplies: $2,500 - This account provides expenditures for paper, pens, pencils, file folders, tape, toner, ink cartridges for photo printing, photocopy charges, small desk accessories and minor office equipment.

510.02 Operating Supplies: $9,000 - This account provides expenditures for collection storage containers; acid-free paper, foam; archival adhesives; curatorial cleaning supplies; blotting paper; document boxes; and other collections items. This account also provides for supplies for the Native Arts Studies program, educational supplies and supplies associated with exhibitions such as paint, lumber and hardware.

510.05 Small Tools & Equipment: $250 - This account provides for tools and equipment needed to conduct the Native Arts Studies Program.

510.07 Food/Catering: $500 - This account provides expenditures for food or catering services for public programs such as an annual exhibit opening, open houses and special events.

510.08 Inventory for Resale: $2,000 - This account provides expenditures for the purchase of materials which are sold to participants of classes and other programs or events. Expenditures under this account are fully recovered through sales and varies annually depending on the class schedule.

510.09 Artifacts: $3,000 - This account provides expenditures for the acquisition of artifacts, artwork and other items for the permanent collections and costs associated with acquisitions.

520.02 Postage: $350 - This account provides expenditures for general postage for all Museum Department operations.

520.03 Bulk Mailing: $1,540 - This account provides expenditures for bulk mailing of exhibit and program announcements and newsletters for the Museum Department.

530.01 Library Books: $300 - This account provides for the acquisition of books and digital materials for the Tongass Historical Museum's research library and Totem Heritage Center student resource library. Included are books, maps, charts and other printed or digital materials.

530.02 Periodicals: $170 - This account provides expenditures for an annual subscription to the *Ketchikan Daily News*.

600.03 Training and Education: $400 - This account provides expenditures for registration for annual museum conferences and online professional development.

605.01 Ads and Public Announcements: $500 - This account provides expenditures for announcements in publications, journals, Internet, or broadcasts over radio and television. Included are legal notices, employee recruiting and requests for proposals.

605.02 Marketing: $3,920 - This account provides expenditures for advertising in the local Ketchikan Walking Tour map, other visitor outreach efforts and domain name registrations.

605.03 Printing and Binding: $8,500 – This account provides for printing of the Ketchikan Museums' 2 newsletters, exhibit-related printing, the Native Arts Studies Program class brochure, interpretive brochures and panels, educational materials and admissions materials .

615.02 Assn. Dues and Membership Fees: $715 – This account provides for the cost of the department's memberships in Museums Alaska, Alaska Historical Society and other professional resource associations.

630.03 Bank and Merchant Charges: $5,400 – This account provides expenditures for bank card fees and credit card charges associated with photo orders, class registration fees, material fees and general admissions. Additional income offsets increases to these fees as there is a standard percentage charged per transaction.

635.04 Software Maintenance Services: $440 - This account provides expenditures for the maintenance agreement to support the department's collections management software, PastPerfect.

635.07 Machinery and Equipment Maintenance Services: $500 - This account provides expenditures for the repair and maintenance of office equipment, machinery and other operating equipment.

635.11 Subscription Services: $900 – This account provides expenditures for annual subscriptions to Ancestry.com, an on-line genealogy research database, PastPerfect Online, a service providing Web access to museum collections and other digital services.

635.12 Technical Services: $20,400 - This account provides expenditures for fees and expenses for the Native Arts Studies instructors and other history and exhibit-related programs.

650.01 Telecommunications: $35,000 - This account provides expenditures for telecommunication services for voice, alarm, data transfer and security lines at the Tongass Historical Museum and the Totem Heritage Center as well as for security cameras in the Creek Street area.

790.26 Computers, Printers & Copiers: $5,650 - This account provides expenditures for the replacement of one workstation, one monitor, and two laptops per the replacement schedule developed by the Information Technology Department.

790.35 Software: $2,100 - This account provides expenditures for access to cloud-based software for design of exhibits and educational materials and processing of historic photos.

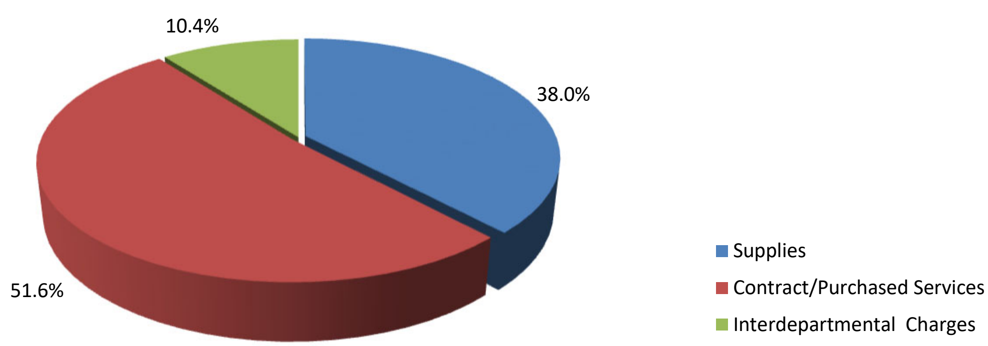
825.01 Interdepartmental Charges – Insurance: $18,560 - This account provides expenditures for risk management services and claims.

COST CENTER OPERATING BUDGET DETAIL

Operating Expenditures	2021 Actual	2022 Adopted Adopted	2022 Adopted Amended	2022 Adopted Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Supplies							
510 .02 Operating Supplies	3,962	9,000	8,411	8,411	8,500	(500)	-5.6%
515 .02 Building & Grounds Maint Materials	13,991	7,000	7,000	7,000	7,000	-	0.0%
525 .03 Heating Fuel	28,122	31,070	46,070	45,800	47,500	16,430	52.9%
Supplies	**46,075**	**47,070**	**61,481**	**61,211**	**63,000**	**15,930**	**33.8%**
Contract/Purchased Services							
635 .02 Janitorial and Cleaning Services	24,866	27,510	27,510	27,510	29,000	1,490	5.4%
635 .06 Building & Grounds Maint Services	22,984	20,000	26,000	26,000	20,000	-	0.0%
645 .01 Rents and Leases-Land & Buildings	2,916	2,916	3,505	3,505	3,550	634	21.7%
650 .02 Electric, Water, Sewer and Solid Waste	30,804	33,750	33,750	32,000	33,000	(750)	-2.2%
Contract/Purchased Services	**81,570**	**84,176**	**90,765**	**89,015**	**85,550**	**1,374**	**1.6%**
Interdepartmental Charges							
825 .01 Interdepartmental Charges-Insurance	17,211	19,430	19,430	16,640	17,290	(2,140)	-11.0%
Interdepartmental Charges	**17,211**	**19,430**	**19,430**	**16,640**	**17,290**	**(2,140)**	**-11.0%**
Total Expenditures by Type	**144,856**	**150,676**	**171,676**	**166,866**	**165,840**	**15,164**	**10.1%**

Funding Source	2021 Actual	2022 Adopted Adopted	2022 Adopted Amended	2022 Adopted Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
General Fund							
General Fund Support	144,856	150,676	171,676	166,866	165,840	15,164	10.1%
Total Funding	**144,856**	**150,676**	**171,676**	**166,866**	**165,840**	**15,164**	**10.1%**
Total Expenditures by Type	**144,856**	**150,676**	**171,676**	**166,866**	**165,840**	**15,164**	**10.1%**

2023 Expenditures by Type



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- Heating Fuel (Account No. 525.03) increased $16,430, or by 52.9%, to account for the increased costs of heating oil for both the Tongass Historical Museum and the Totem Heritage Center and to reflect actual historic use.

NARRATIVE

510.02 Operating Supplies: **$8,500** - This account provides expenditures for consumable supplies that are normally not of a maintenance nature. Included are toilet paper, paper towels, soap and trash can liners for the public restrooms.

515.02 Building and Grounds Maintenance Materials: **$7,000** – This account provides expenditures for materials for the repair and maintenance of the Tongass Historical Museum and Totem Heritage Center Buildings and the upkeep of the grounds.

525.03 Heating Fuel: **$47,500** - This account provides expenditures for heating fuel to heat the Tongass Historical Museum and Totem Heritage Center Buildings.

635.02 Janitorial and Cleaning Services: **$29,000** - This account provides expenditures for contracted services to clean the Tongass Historical Museum and Totem Heritage Center Buildings. An increase is expected due to the end of a multi-year contract.

635.06 Buildings and Grounds Maintenance Services: **$20,000** - This account provides expenditures for contractual services such as fire and intrusion alarm maintenance and repair, annual inspections, boiler maintenance, broken window replacement, landscaping services, etc.

645.01 Rents and Leases: $3,550 - This account provides expenditures for one secure storage unit for large artifacts that do not fit within museum facilities.

650.02 Electric, Water, Sewer & Solid Waste: **$33,000** - This account provides expenditures for electric, water, sewer and solid waste utility services.

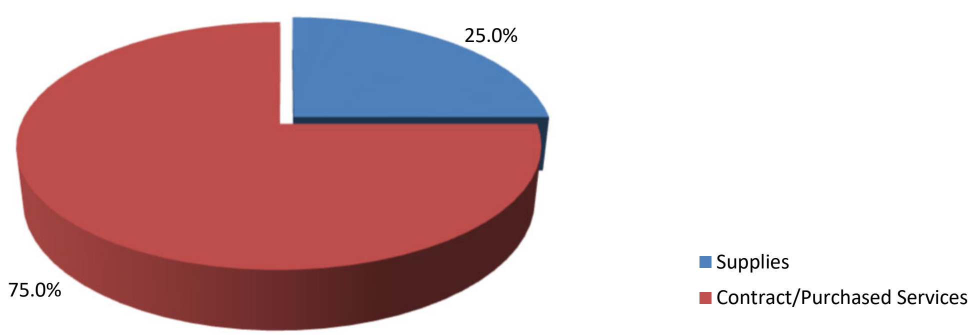
825.01 Interdepartmental Charges – Insurance: **$17,290** - This account provides expenditures for risk management services and claims.

COST CENTER OPERATING BUDGET DETAIL

Operating Expenditures	2021 Actual	2022 Adopted	2022 Amended	2022 Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Supplies							
510 .02 Operating Supplies	-	250	250	250	250	-	0.0%
Supplies	**-**	**250**	**250**	**250**	**250**	**-**	**0.0%**
Contract/Purchased Services							
605 .01 Ads and Public Announcements	-	1,100	1,100	1,100	750	(350)	-31.8%
Contract/Purchased Services	**-**	**1,100**	**1,100**	**1,100**	**750**	**(350)**	**-31.8%**
Total Expenditures by Type	**-**	**1,350**	**1,350**	**1,350**	**1,000**	**(350)**	**-25.9%**

Funding Source	2021 Actual	2022 Adopted	2022 Amended	2022 Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
General Fund							
General Fund Support	-	1,350	1,350	1,350	1,000	(350)	-25.9%
Total Funding	**-**	**1,350**	**1,350**	**1,350**	**1,000**	**(350)**	**-25.9%**
Total Expenditures by Type	**-**	**1,350**	**1,350**	**1,350**	**1,000**	**(350)**	**-25.9%**

2023 Expenditures by Type



NARRATIVE

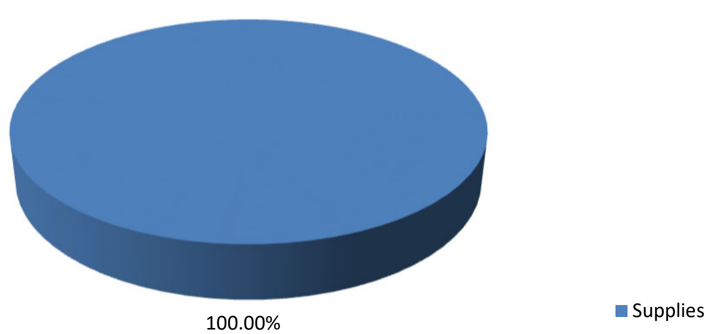
510.02 Operating Supplies: **$250** - This account provides expenditures for supplies for public meetings and the production of informational materials.

605.01 Ads and Public Announcements: **$750** - This account provides expenditures for advertising and announcements in publications, newspapers, trade journals, Internet or broadcasts over radio and television. Included are requests for proposals, meeting announcements, membership, etc.

DIVISION OPERATING BUDGET DETAIL

		2021	2022 Adopted			2023	2022 Adopted/2023	
	Expenditures by Category	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
	Personnel Services and Benefits							
500	.01 Regular Salaries and Wages	1,544	7,323	7,323	7,323	-	(7,323)	-100.0%
505	.00 Payroll Taxes	109	555	555	555	-	(555)	-100.0%
506	.00 Pension	201	805	805	805	-	(805)	-100.0%
507	.00 Health and Life Insurance	492	1,035	1,035	1,035	-	(1,035)	-100.0%
507	.30 Workers Compensation	5	25	25	25	-	(25)	-100.0%
	Personnel Services and Benefits	**2,351**	**9,743**	**9,743**	**9,743**	**-**	**(9,743)**	**-100.0%**
	Supplies							
510	.01 Office Supplies	-	250	250	250	-	(250)	-100.0%
510	.02 Operating Supplies	-	2,000	2,000	2,000		(2,000)	-100.0%
510	.09 Artifacts		10,000	10,000	-	10,000	-	0.0%
	Supplies	**-**	**12,250**	**12,250**	**2,250**	**10,000**	**(2,250)**	**-18.4%**
		-						
	Contract/Purchased Services	**-**						
605	.01 Ads and Public Announcements	-	721	721	**721**	-	(721)	-100.0%
605	.03 Printing & Binding	380	-	-		-	-	NA
635	.12 Technical Services	15,000	60,000	60,000	48,000		(60,000)	-100.0%
640	.02 Engineering & Architectural Services	22,478	-	-		-	-	NA
	Contractual Services	**37,858**	**60,721**	**60,721**	**48,721**	**-**	**(60,721)**	**-100.0%**
	In-kind Expenses							
891	.01 In-kind Expenses Supplies		1,900	1,900	1,900	-	(1,900)	-100.0%
891	.05 In-kind Expenses Contract Services		19,386	19,386	19,386	-	(19,386)	-100.0%
	In-kind Expenses	**-**	**21,286**	**21,286**	**21,286**	**-**	**(21,286)**	**-100.0%**
	Total Expenditures	**40,209**	**104,000**	**104,000**	**82,000**	**10,000**	**(94,000)**	**-90.4%**

2023 Expenditures by Type



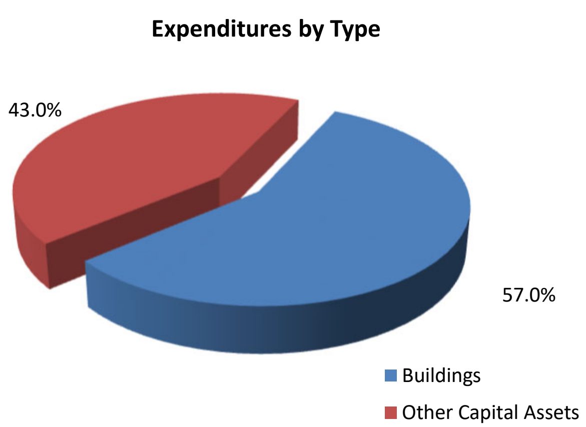
Grant Program	2021 Actual	2022 Adopted Adopted	2022 Adopted Amended	2022 Adopted Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Museums Alaska Collections Mgmt Digitize	15,000	-	-	-	-	-	NA
Museums Alaska Collections Mgmt		10,000	10,000	-	-	(10,000)	-100.0%
Museums Alaska Art Acquisition		10,000	10,000	-	10,000	-	0.0%
Historic Preservation-Pioneer Hall	25,209	-	-	-	-	-	NA
Historic Preservation - Colorful Character Signage	-	40,000	40,000	40,000	-	(40,000)	-100.0%
Historic Preservation Plan Phase I	-	40,000	40,000	40,000	-	(40,000)	-100.0%
Grant in Aid - 2021 Exhibit Case Retrofit	-	2,000	2,000	2,000	-	(2,000)	-100.0%
Grant in Aid	-	2,000	2,000		-	(2,000)	-100.0%
Total Expenditures by Grant Program	**40,209**	**104,000**	**104,000**	**82,000**	**10,000**	**(94,000)**	**-90.4%**

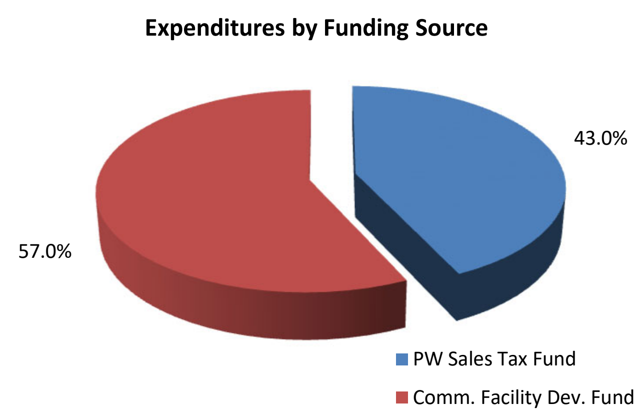
NARRATIVE

510.09 Artifacts: $10,000 - This account provides expenditures for the acquisition of artifacts specific to a proposed Museums Alaska Art Acquisition grant.

Major Capital Outlay		2021 Actual	2022 Adopted	2022 Amended	2022 Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
705.00	Buildings	-	200,000	200,000	153,907	65,990	(134,010)	-67.0%
740.00	Other Capital Assets	-	-	-		49,800	49,800	NA
Total Major Capital Outlay		**-**	**200,000**	**200,000**	**153,907**	**115,790**	**(84,210)**	**-42.1%**

Capital Improvement Projects Project #	Project	Funding Sources: PW Sales Tax Fund	Funding Sources: CPV Funds	Funding Sources: Comm. Facility Dev. Fund	Total
705.00 Buildings					
	Totem Heritage Center - New Gutter Installation	-	-	23,980	23,980
	Tongass Historical Museum - Exterior Envelope Pjt (HVAC) - Ph III	-	-	17,010	17,010
	Museum and Totem Heritage Center - Security Upgrades	-	-	15,000	15,000
	Totem Heritage Center-Skylight	-	-	10,000	10,000
Total Buildings		**-**	**-**	**65,990**	**65,990**
740.00 Other Capital Outlay					
	Maintain Totem Poles - *Raven Stealing Sun* Restoration	49,800	-	-	49,800
Total Other Capital Outlay		**49,800**	**-**	**-**	**49,800**
	Total Capital Budget	**49,800**	**-**	**65,990**	**115,790**





The Ted Ferry Civic Center is a multi-purpose public facility intended to encourage a balance of uses to meet the economic, social, cultural and convention needs of the greater Ketchikan community. The Civic Center staff is committed to ensuring that the facility and services provided reflect favorably on the City of Ketchikan.

The Civic Center Department is comprised of one operating division and oversees one Capital Improvement Program.

DEPARTMENT EXECUTIVE SUMMARY

	2021	2022 Budget			2023	2022 Adopted/2023	
Divisions/Cost Center/Programs	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Operations	461,529	530,117	560,907	532,095	611,684	81,567	15.4%
Capital Improvement Program	-	-	-	-	300,000	300,000	NA
Total	**461,529**	**530,117**	**560,907**	**532,095**	**911,684**	**381,567**	**72.0%**

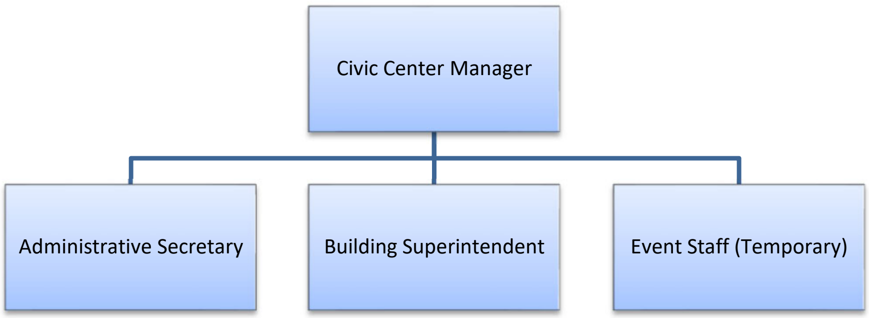
	2021	2022 Budget			2023	2022 Adopted/2023	
Expenditures by Category	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Personnel Services and Benefits	285,920	368,412	341,012	313,710	399,324	30,912	8.4%
Supplies	61,801	53,955	84,955	84,205	87,115	33,160	61.5%
Contract/Purchased Services	80,180	92,600	106,600	106,600	98,275	5,675	6.1%
Minor Capital Outlay	21,102	1,800	14,990	14,990	12,700	10,900	605.6%
Interdepartmental Charges	12,526	13,350	13,350	12,590	14,270	920	6.9%
Major Capital Outlay	-	-	-	-	300,000	300,000	NA
Total	**461,529**	**530,117**	**560,907**	**532,095**	**911,684**	**381,567**	**72.0%**

	2021	2022 Budget			2023	2022 Adopted/2023	
Funding Source	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
General Fund							
Charges for Services	22,366	106,000	106,000	89,978	85,000	(21,000)	-19.8%
Transient Sales Tax	439,163	424,117	454,907	442,117	826,684	402,567	94.9%
Total	**461,529**	**530,117**	**560,907**	**532,095**	**911,684**	**381,567**	**72.0%**

	2021	2022 Budget		2023		2022 Adopted/2023	
Full-time Equivalent Personnel	**Actual**	**Adopted**	**Amended**	**Budget**	**Salary**	**Incr(Decr)**	**%**
Operations	3.00	3.00	3.00	3.00	194,924	-	0.0%
Total	**3.00**	**3.00**	**3.00**	**3.00**	**194,924**	**-**	**0.0%**

MISSION STATEMENT

It is the mission of the Civic Center Department to operate the Ted Ferry Civic Center in a courteous and professional manner; to ensure that the building is well maintained, available and operationally ready to meet the needs of those desiring to use it; to assist the public in coordination and production of events from booking through final billing; and to provide flexible and technologically current services to those with unique requirements.



GOALS FOR 2023

- Continue to provide well-trained staff for all types of events. Ensure facility is maintained and operationally ready to meet the needs of the community, and visiting tenants.
- Continue marketing through the City's website, Facebook and the Ketchikan Visitors Bureau members website. Keep current on trends in social media for the Civic Center in order to provide information to the community regarding current events, availability of the facility and event planning tips and guidelines. Continue working with the KVB on marketing strategies and increasing the economic impact of the Civic Center.
- Develop a marketing plan highlighting the amenities at the Civic Center.
- Increase facility use by local individuals, businesses and organizations through exceptional customer service, facility promotions and improvements; and local advertising.
- Continue working with the Public Works Department to complete programmed capital improvement projects with minimal disruption to Civic Center users and scheduled events.
- Continue working with the City Manager's office to develop and update Civic Center policies, rates and procedures.
- There are 80 days prebooked for 2023 for a variety of conventions, meetings, banquets, ceremonies, auctions, fundraisers and other events.

ACCOMPLISHMENTS FOR 2022

- During 2022, the Ted Ferry Civic Center was booked for 137 days for various meetings, banquets, ceremonies, auctions, fundraisers, and arts events.

- As of August 2022 the following **public events** took place or are scheduled to take place at the Ted Ferry Civic Center in 2022: KIC Elections and Membership Meeting, First City Players Jazz and Cabaret Show, Ketchikan Area Arts and Humanities Council Wearable Art Show, Ketchikan Gateway Borough School District Candidate Interviews, Rainy Day Quilter's Quilt Show, Tongass Federal Credit Union Membership Meeting, US Food's Ketchikan Food Show, Southern Southeast Regional Aquaculture Board and Finance meetings, Women in Safe Homes Women of Distinction dinner, Western Association of Food Distribution Programs on Indian Reservations Regional Conference, University of Alaska Southeast Graduation Ceremony, Ketchikan Area Arts and Humanities Evening of Motown, KIC Fostering Forevers Art Show and Discussion, Alaska Permanent Fund Board Meeting, State of Alaska's Division of Public Safety's Council on Domestic Violence and Sexual Assaults Board Meeting, City of Ketchikan Public Works Surplus Properties Auction, State of Alaska Elections Training, Daniel Monson Comedy Show, City of Ketchikan City Manager Candidates Public Forum, Phantom Booth Productions Comedy Show, Ketchikan Gateway Borough Tourism Open House, Murkowski's Waterfall Banquet Dinner, National Hydropower Association Meeting, Alaska Power Association Conference, Frank Sinatra Benefit Concert, Magic Show Benefit, Southeast Conference, First City Player's Divas/Divos Performance, Ketchikan Theatre Ballet's Autumn Showcase, Ketchikan Wellness Conference, Public Health Flu Clinic, Ketchikan Gateway Borough FEMA Meeting, Greater Ketchikan Chamber of Commerce Celebration of the Stars Banquet, Women in Safe Homes Conference, and the State of Alaska Department of Fish and Games Meetings.

- As of August the economic impact of the Civic Center for 2022 was estimated to be $665,371.

- With the assistance of the City Manager's office and Human Resources Division the vacant Building Superintendent position was filled by temporary event employee Kim Kleinschmidt and the search continues for additional event staff.

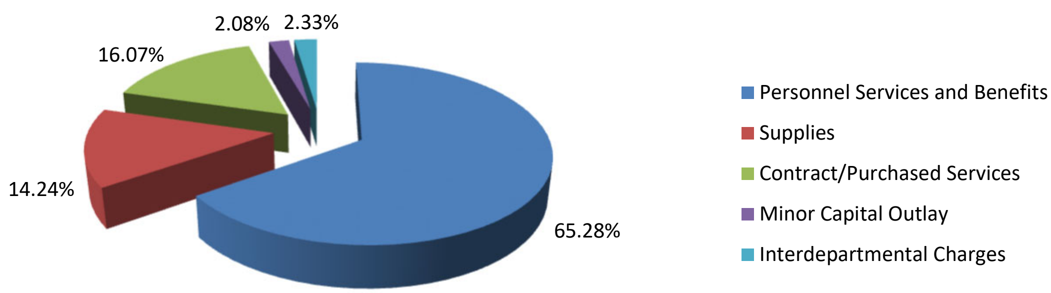
DIVISION SUMMARY

	2021	2022 Budget			2023	2022 Adopted/2023	
Expenditures by Category	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Personnel Services and Benefits	285,920	368,412	341,012	313,710	399,324	30,912	8.4%
Supplies	61,801	53,955	84,955	84,205	87,115	33,160	61.5%
Contract/Purchased Services	80,180	92,600	106,600	106,600	98,275	5,675	6.1%
Minor Capital Outlay	21,102	1,800	14,990	14,990	12,700	10,900	605.6%
Interdepartmental Charges	12,526	13,350	13,350	12,590	14,270	920	6.9%
Total Expenditures	**461,529**	**530,117**	**560,907**	**532,095**	**611,684**	**81,567**	**15.4%**

	2021	2022 Budget			2023	2022 Adopted/2023	
Funding Source	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
General Fund							
Charges for Services	22,366	106,000	106,000	89,978	85,000	(21,000)	-19.8%
Transient Sales Tax	439,163	424,117	454,907	442,117	526,684	102,567	24.2%
Total Funding	**461,529**	**530,117**	**560,907**	**532,095**	**611,684**	**81,567**	**15.4%**

Full-time Equivalent Personnel	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2023 Budget	2023 Salary	2022 Adopted/2023 Incr(Decr)	%
Civic Center Manager	1.00	1.00	1.00	1.00	83,062	-	0.0%
Administrative Secretary	1.00	1.00	1.00	1.00	55,952	-	0.0%
Building Superintendent	1.00	1.00	1.00	1.00	55,910	-	0.0%
Total	**3.00**	**3.00**	**3.00**	**3.00**	**194,924**	**-**	**0.0%**

2023 Expenditures by Type



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- Personnel Services and Benefits increased by $30,912, or by 8.4%, due to annual employee step increases, a 2.5% cost of living adjustment for non-represented employees that will become effective January 1, 2023; and projected increases in pension, health insurance and other benefit costs.
- Heating Fuel (Account No. 525.03) increased by $31,750, or by 105.8%, due to the rise in heating fuel costs.
- Computers, Printers & Copiers (Account No. 790.26) increased by $6,150, or by 615.0%, due to the recommended replacement of one workstation, one computer monitor, one laptop, one printer and one battery backup.

Operating Expenditures	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Personnel Services and Benefits							
500 .01 Regular Salaries and Wages	166,709	187,502	156,672	155,760	194,924	7,422	4.0%
501 .01 Overtime Wages	-	1,000	1,000	340	1,000	-	0.0%
502 .01 Temporary Wages	28,693	46,000	49,430	49,430	50,000	4,000	8.7%
505 .00 Payroll Taxes	14,007	17,940	17,940	15,170	18,820	880	4.9%
506 .00 Pension	38,535	42,420	42,420	34,660	44,090	1,670	3.9%
507 .00 Health and Life Insurance	51,124	60,480	60,480	46,800	70,130	9,650	16.0%
507 .30 Workers Compensation	6,019	7,760	7,760	6,240	7,460	(300)	-3.9%
508 .00 Other Benefits	(19,167)	5,310	5,310	5,310	12,900	7,590	142.9%
Personnel Services and Benefits	**285,920**	**368,412**	**341,012**	**313,710**	**399,324**	**30,912**	**8.4%**

Operating Expenditures	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Supplies							
510 .01 Office Supplies	1,967	2,000	2,000	2,000	2,000	-	0.0%
510 .02 Operating Supplies	7,800	2,000	4,850	4,100	2,000	-	0.0%
510 .03 Safety Program Supplies	-	225	275	275	225	-	0.0%
510 .04 Janitorial Supplies	1,965	3,500	3,150	3,150	3,500	-	0.0%
510 .05 Small Tools and Equipment	1,464	1,000	950	950	1,000	-	0.0%
510 .08 Inventory for Resale	2,179	3,000	4,450	4,400	4,400	1,400	46.7%
515 .02 Building & Grounds Maint Materials	4,498	4,500	2,400	2,400	4,500	-	0.0%
515 .03 Furniture & Fixtures Maint Materials	3,519	2,000	1,300	1,350	2,000	-	0.0%
515 .04 Machinery & Equip Maint Materials	628	2,000	2,000	2,000	2,000	-	0.0%
515 .05 Infrastructure Maintenance Materials	574	2,500	600	600	2,500	-	0.0%
520 .02 Postage	138	165	165	165	175	10	6.1%
525 .03 Heating Fuel	36,633	30,000	61,750	61,750	61,750	31,750	105.8%
525 .07 Machinery & Equipment Fuel	-	100	100	100	100	-	0.0%
530 .02 Periodicals	161	165	165	165	165	-	0.0%
535 .02 Business and Meal Expenses	34	400	100	400	400	-	0.0%
535 .04 Uniforms/Badges/Clothing	241	400	700	400	400	-	0.0%
Supplies	**61,801**	**53,955**	**84,955**	**84,205**	**87,115**	**33,160**	**61.5%**
Contract/Purchased Services							
605 .01 Ads and Public Announcements	499	500	500	500	500	-	0.0%
605 .02 Marketing	-	250	250	250	500	250	100.0%
615 .02 Assn. Membership Dues & Fees	-	-	-	-	-	-	NA
630 .03 Bank and Merchant Charges	110	650	1,400	1,400	1,400	750	115.4%
635 .02 Janitorial and Cleaning Services	1,698	5,000	4,000	4,000	5,000	-	0.0%
635 .04 Software Maintenance Services	1,651	2,000	2,000	2,000	2,000	-	0.0%
635 .05 Furniture & Fixtures Maint Services	390	500	500	500	500	-	0.0%
635 .06 Building & Grounds Maint Services	9,223	12,500	16,350	16,350	12,500	-	0.0%
635 .07 Machinery & Equip Maint Services	2,356	4,500	10,500	10,500	4,500	-	0.0%
635 08 Infrastructure Maintenance Services	1,500	-	-	-	-	-	NA
635 .12 Technical Services	8,748	5,000	7,900	7,900	6,500	1,500	30.0%
645 .02 Rents and Leases-Machinery & Equip	-	500	500	500	500	-	0.0%
650 .01 Telecommunications	18,472	19,500	21,000	21,000	21,000	1,500	7.7%
650 .02 Electric, Water, Sewer & Solid Waste	35,533	41,700	41,700	41,700	43,375	1,675	4.0%
Contract/Purchased Services	**80,180**	**92,600**	**106,600**	**106,600**	**98,275**	**5,675**	**6.1%**
Minor Capital Outlay							
790 .15 Furniture and Fixtures	409	-	1,200	1,200	-	-	NA
790 .25 Machinery and Equipment	20,091	-	11,240	11,240	4,750	4,750	NA
790 .26 Computers, Printers and Copiers	-	1,000	1,750	1,750	7,150	6,150	615.0%
790 .35 Software	602	800	800	800	800	-	0.0%
Minor Capital Outlay	**21,102**	**1,800**	**14,990**	**14,990**	**12,700**	**10,900**	**605.6%**
Interdepartmental Charges							
825 .01 Interdepartmental-Insurance	12,526	13,350	13,350	12,590	14,270	920	6.9%
Interdepartmental Charges	**12,526**	**13,350**	**13,350**	**12,590**	**14,270**	**920**	**6.9%**
Total Expenditures by Type	**461,529**	**530,117**	**560,907**	**532,095**	**611,684**	**81,567**	**15.4%**

NARRATIVE

500.01 Regular Salaries and Wages: $194,924 – This account provides expenditures for compensation paid to all regular salaried and hourly employees of the Ted Ferry Civic Center.

501.01 Overtime Wages: $1,000 - This account provides expenditures for compensation paid to all regular and temporary hourly employees for hours worked in excess of a regular working cycle.

502.01 Temporary Wages: $50,000 - This account provides expenditures for compensation paid to temporary salaried and hourly employees of the Ted Ferry Civic Center.

505.00 Payroll Taxes: $18,820 – This account provides expenditures for employer contributions for Social Security and Medicare and other similar payroll related taxes.

506.00 Pension: $44,090 – This account provides expenditures for employer contributions to retirement plans for which the City participates.

507.00 Health and Life Insurance: $70,130 – This account provides expenditures for employer contributions to employee health and life insurance plans.

507.30 Workers Compensation: $7,460 – This account provides expenditures for employer contributions toward workers compensation.

508.00 Other Benefits: $12,900 – This account provides expenditures for direct claims from former employees for unemployment benefits paid by the State of Alaska and accrued vacation and sick leave.

510.01 Office Supplies: $2,000 - This account provides expenditures for office supply items including paper, pens, file folders, scotch tape, toner, ink cartridges, and minor office equipment such as staplers and adding machines.

510.02 Operating Supplies: $2,000 - This account provides expenditures for supplies that are normally not of a maintenance nature and are required to support department operations. Included are supplies such as flags, batteries and adapters for Civic Center A/V equipment, first aid supplies, and public trash cans and public benches.

510.03 Safety Program Supplies: $225 - This account provides expenditures for the City safety program. Included are safety information brochures, safety training audio and video programs, safety equipment, OSHA required medical exams, specialized hazardous materials handling and disposal information and specialized protective safety clothing.

510.04 Janitorial Supplies: $3,500 – This account provides expenditures for cleaning and sanitation supplies.

510.05 Small Tools and Equipment: $1,000 - This account provides expenditures for minor tools, operating and office equipment with a value of less than $1,000. Included are hand tools, computer accessories, file cabinets and similar types of minor tools and equipment.

510.08 Inventory for Resale: $4,400 - This account provides expenditures for inventory purchases that are to be resold or rented to end users. Included are video and media equipment, and beverages and snacks. All expenditures under this account are fully recovered through sales.

515.02 Building and Grounds Maintenance Materials: $4,500 – This account provides expenditures for the materials required for the repair and maintenance of the Ted Ferry Civic Center and upkeep of the grounds around the Ted Ferry Civic Center. Includes the maintenance materials associated with deferred capital projects such as safety and security upgrades, sidewalk replacement, kitchen upgrades, and equipment replacement.

515.03 Furniture and Fixtures Maintenance Materials: $2,000 - This account provides expenditures for the materials required for the repair and maintenance of furniture and building fixtures in the Ted Ferry Civic Center.

515.04 Machinery and Equipment Maintenance Materials: $2,000 – This account provides expenditures for the materials required for the repair and maintenance of machinery and equipment owned or leased and operated by the City. Included are office equipment, operating equipment, computer networks and computers. Includes the maintenance materials associated with deferred capital projects such as heating and ventilation upgrades, kitchen upgrades, and equipment replacements.

515.05 Infrastructure Maintenance Materials: $2,500 - This account provides expenditures for the materials required for the repair and maintenance of infrastructure owned or leased and operated by the City. Included are streets, sidewalks and parking lots.

520.02 Postage: $175 - This account provides expenditures for postal related services such as postage, express delivery and mailing materials.

525.03 Heating Fuel: $61,750 - This account provides expenditures for heating fuel at the Ted Ferry Civic Center.

525.07 Machinery and Equipment Fuel and Lubricants: $100 – This account provides expenditures for gasoline, diesel fuel, propane and lubricants used in the operation of Ted Ferry Civic Center machinery and equipment.

530.02 Periodicals: $165 - This account provides expenditures for newspapers, magazines and trade journals.

535.02 Business and Meal Expenses: $400 - This account provides expenditures for reimbursements to employees for business and job related meals, mileage reimbursements and other business-related expenses.

535.04 Uniforms/Badges/Clothing: $400 - This account provides expenditures for uniforms, badges and clothing purchased for use by department personnel.

605.01 Ads and Public Announcements: $500 - This account provides expenditures for advertising and announcements in publications, newspapers, trade journals, Internet or broadcasts over radio and television. Included are ads for personnel recruiting, requests for proposals and contracts.

605.02 Marketing: $500 – This account provides expenditures for announcements in publications, newspapers, trade journals, internet, or broadcasts over radio and television for marketing and promoting competitive services offered by the Ted Ferry Civic Center.

630.03 Bank and Merchant Charges: $1,400 – This account provides expenditures for monthly merchant fees for use of credit and debit cards for payments of Ted Ferry Civic Center services.

635.02 Janitorial and Cleaning Services: $5,000 - This account provides expenditures for carpet cleaning and laundry services.

635.04 Software Maintenance Services: $2,000 - This account provides expenditures for maintenance agreements to support the Caterease and Meeting Matrix license software systems used by the Civic Center uses for invoicing and room set-up diagrams.

635.05 Furniture and Fixtures Maintenance Services: $500 - This account provides expenditures for the services required for repair and maintenance of furniture and building fixtures by outside contractors. This account includes contract labor and materials required to provide the service.

635.06 Buildings and Grounds Maintenance Services: $12,500 - This account provides expenditures for the contract labor and materials to provide services required for the repair and maintenance of buildings and the upkeep of grounds. Includes the service calls and complex maintenance associated with deferred capital projects such as safety and security upgrades, sidewalk replacement, kitchen upgrades, and equipment replacement.

635.07 Machinery and Equipment Maintenance Services: $4,500 - This account provides expenditures for the services required for the repair and maintenance of office equipment, machinery and other operating equipment owned or leased by the City. This account includes contract labor and materials required to provide the service. It also includes maintenance service agreements for equipment that does not require software support and are paid on either a fixed fee or a fee based on usage. Includes the service calls and complex maintenance associated with deferred capital projects such as heating and ventilation upgrades, kitchen upgrades, and equipment replacements.

635.12 Technical Services: $6,500 – This account provides expenditures for services that are not regarded as professional but require technical or special knowledge. Included are video camera operators, website maintenance, framing, pest control, security and alarm monitoring and testing.

645.02 Rents and Leases - Machinery & Equipment: $500 - This account provides expenditures for the rent and lease of machinery and equipment.

650.01 Telecommunications: $21,000 - This account provides expenditures for telecommunication services. Included are charges for wired and wireless telecommunications services, cell phones, Internet, long distance and toll-free numbers; as well as charges for indoor and outdoor security cameras.

650.02 Electric, Water, Sewer & Solid Waste: $43,375 - This account provides expenditures for electric, water, sewer and solid waste utility services.

790.25 Machinery and Equipment: $4,750 - This account provides expenditures for the acquisition of machinery and equipment. Includes small machinery and equipment associated with deferred capital projects such as safety and security upgrades, sidewalk replacement, kitchen upgrades, heating and ventilation upgrades, and equipment replacement.

790.26 Computers, Printers and Copiers: $7,150 - This account provides expenditures for the acquisition of computers, printers and copiers. Included for 2023 is the replacement of one workstation, monitor, printer, laptop, and battery backup per the replacement schedule developed by the Information Technology Department.

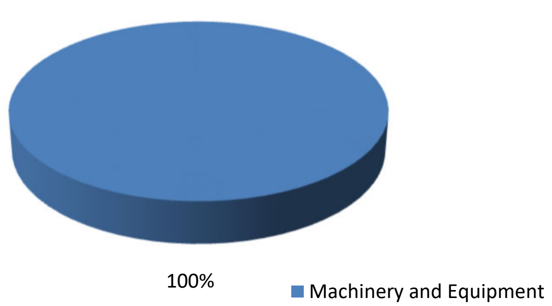
790.35 Software: $800 - This account provides expenditures for acquisition of software systems and upgrades not covered by maintenance agreements. This includes the Yodeck and Black Box software utilized by the audio-visual system to send information, images, and video throughout the building.

825.01 Interdepartmental Charges – Insurance: $14,270 - This account provides expenditures for risk management services and claims.

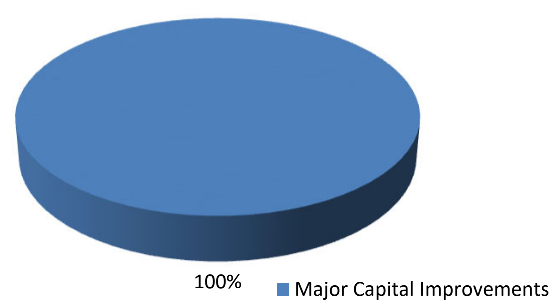
Major Capital Outlay	2021 Actual	2022 Adopted	2022 Amended	2022 Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
705.00 Buildings		-	-	-	120,000	120,000	NA
725.00 Machinery and Equipment		-	-	-	90,000	90,000	NA
730.00 Infrastructure		-	-	-	90,000	90,000	NA
Total Major Capital Outlay	**-**	**-**	**-**	**-**	**300,000**	**300,000**	**NA**

Capital Improvement Projects Project #	Project	Funding Sources PW Sales Tax Fund	Major Capital Improvements		Total
705.00 Buildings					
	Lighting Upgrades	-	120,000	-	120,000
	Total Buildings	**-**	**120,000**	**-**	**120,000**
725-00 Machinery and Equipment					
	Heating and Ventilation System Upgrades	-	90,000	-	90,000
	Total Machinery & Equipment	**-**	**90,000**	**-**	**90,000**
730-00 Infrastructure					
	Sidewalk Replacement	-	90,000	-	90,000
	Total Infrastructure	**-**	**90,000**	**-**	**90,000**
	Total Capital Budget	**-**	**300,000**	**-**	**300,000**

Expenditures by Type



Expenditures by Funding Source



Tourism and Economic Development is comprised of one division, one program and one Capital Improvement Program. A significant portion of the funding for many of the activities administered by Tourism and Economic Development are funded from the State of Alaska Commercial Vessel Passenger Excise Tax.

DEPARTMENT EXECUTIVE SUMMARY

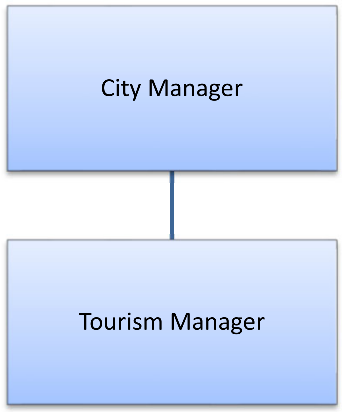
Divisions/Cost Center/Programs	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Operations	142,143	138,625	138,625	134,025	309,940	171,315	123.6%
Ambassador Program					121,520	121,520	NA
CPV Funded Programs	-	30,000	30,000	30,000	47,500	17,500	58.3%
Capital Improvement Program	-	865,000	1,002,471	879,151	175,000	(690,000)	-79.8%
Total	**142,143**	**1,033,625**	**1,171,096**	**1,043,176**	**653,960**	**(379,665)**	**-36.7%**

Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Personnel Services and Benefits	-	-	-	-	275,150	275,150	NA
Supplies	-	-	-	-	8,000	8,000	NA
Contract/Purchased Services	142,143	168,625	168,625	164,025	189,840	21,215	12.6%
Interdepartmental Charges	-	-	-	-	5,970	5,970	NA
Major Capital Outlay	-	865,000	1,002,471	879,151	175,000	(690,000)	-79.8%
Total	**142,143**	**1,033,625**	**1,171,096**	**1,043,176**	**653,960**	**(379,665)**	**-36.7%**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Economic/Parking Dev Fund	142,143	-	-	-	-	-	NA
CPV Special Revenue Fund	-	168,625	168,625	164,025	478,960	310,335	184.0%
Major Capital Improvement Fund	-	-	160,000	85,000	75,000	75,000	NA
CPV Capital Project Fund	-	865,000	842,471	794,151	100,000	(765,000)	-88.4%
Total	**142,143**	**1,033,625**	**1,171,096**	**1,043,176**	**653,960**	**(379,665)**	**-36.7%**

Full-time Equivalent Personnel	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2023 Budget	2023 Salary	2022 Adopted/2023 Incr(Decr)	%
Operations	-	-	-	1.00	90,000	1.00	New
Total	**-**	**-**	**-**	**1.00**	**90,000**	**1.00**	**New**

The Operations Division accounts for the resources used to support general expenses arising from the City's efforts to promote and encourage tourism and economic development in the community. A significant portion of the funding for many of the activities administered by the Operations Division have been funded from local economic development funds through 2021. Proceeds from the State of Alaska Commercial Vessel Passenger Excise Tax have been designated as the prime source of funding for this program beginning in 2022.

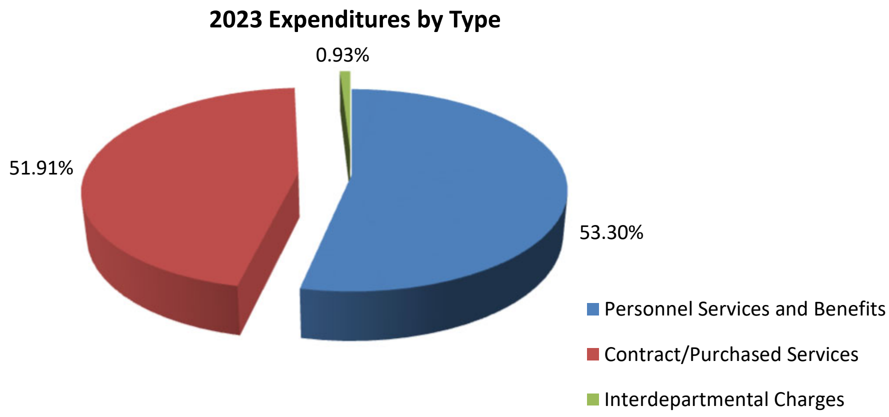


DIVISION SUMMARY

	2021	2022 Budget			2023	2022 Adopted/2023	
Expenditures by Category	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Personnel Services and Benefits	-	-	-	-	165,210	165,210	New
Contract/Purchased Services	142,143	138,625	138,625	134,025	141,840	3,215	2.3%
Interdepartmental Charges	-	-	-	-	2,890	2,890	NA
Total Expenditures	**142,143**	**138,625**	**138,625**	**134,025**	**309,940**	**171,315**	**123.6%**

	2021	2022 Budget			2023	2022 Adopted/2023	
Funding Source	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Economic/Parking Dev Fund	142,143	-	-	-	-	-	NA
CPV Special Revenue Fund	-	138,625	138,625	134,025	309,940	171,315	123.6%
Total Funding	**142,143**	**138,625**	**138,625**	**134,025**	**309,940**	**171,315**	**123.6%**

	2021	2022 Budget		2023		2022 Adopted/2023	
Full-time Equivalent Personnel	**Actual**	**Adopted**	**Amended**	**Budget**	**Salary**	**Incr(Decr)**	**%**
Tourism Manager	-	-	-	1.00	90,000	90,000	New
Total	**-**	**-**	**-**	**1.00**	**90,000**	**90,000**	**New**



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- Personnel Services and Benefits are new to the Tourism and Economic Development Department Operations Division in 2023 at $165,210 and the appropriations are intended to fund a Tourism Manager in 2023.

DIVISION OPERATING BUDGET DETAIL

			2021	2022 Budget			2023	2022 Adopted/2023	
Operating Expenditures			**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Personnel Services and Benefits									
500	.01	Regular Salaries and Wages	-	-	-	-	90,000	90,000	New
505	.00	Payroll Taxes	-	-	-	-	6,890	6,890	New
506	.00	Pension	-	-	-	-	20,250	20,250	New
507	.00	Health and Life Insurance	-	-	-	-	39,990	39,990	New
507	.30	Workers Compensation	-	-	-	-	5,730	5,730	New
508	.00	Other Benefits	-	-	-	-	2,350	2,350	New
		Personnel Services and Benefits	**-**	**-**	**-**	**-**	**165,210**	**165,210**	**New**
Contract/Purchased Services									
635	08	Infrastructure and Plant Maintenance Ser	-	10,000	10,000	5,400	10,000	-	0.0%
635	13	Marketing Services	142,143	128,625	128,625	128,625	131,840	3,215	2.5%
		Contract/Purchased Services	**142,143**	**138,625**	**138,625**	**134,025**	**141,840**	3,215	**2.3%**
Interdepartmental Charges									
825	.01	Interdepartmental Charges-Insurance	-	-	-	-	2,890	2,890	NA
		Interdepartmental Charges	**-**	**-**	**-**	**-**	**2,890**	2,890	**NA**
		Total Expenditures by Type	**142,143**	**138,625**	**138,625**	**134,025**	**309,940**	**171,315**	**123.6%**

NARRATIVE

500.01 Regular Salaries and Wages: $90,000– This account provides expenditures for the cost of the annual salary paid to the Tourism Manager.

505.00 Payroll Taxes: $6,890 – This account provides expenditures for employer contributions for Social Security and Medicare and other similar payroll related taxes.

506.00 Pension: $20,250 – This account provides expenditures for employer contributions to retirement plans.

507.00 Health and Life Insurance: $39,990 – This account provides expenditures for employer contributions to employee health and life insurance plans.

507.30 Workers Compensation: $5,730 – This account provides expenditures for employer contributions to workers compensation.

508.00 Other Benefits: $2,350 – This account provides expenditures for direct claims from former employees for unemployment benefits paid by the State of Alaska and accrued vacation and sick leave.

635.08 Infrastructure & Plant Maintenance Services: $10,000 - This account provides expenditures for services to repair and maintain infrastructure owned or leased by the City for tourism and other economic development activities.

635.13 Marketing Services: $171,500 - This account provides expenditures for services provided by the Ketchikan Visitors Bureau to market and promote Ketchikan. Forty-nine percent, or $131,840, of the Ketchikan Visitors Bureau funding request of the City is paid by the CPV Special Revenue Fund and fifty-one percent is paid by the Port Enterprise Fund.

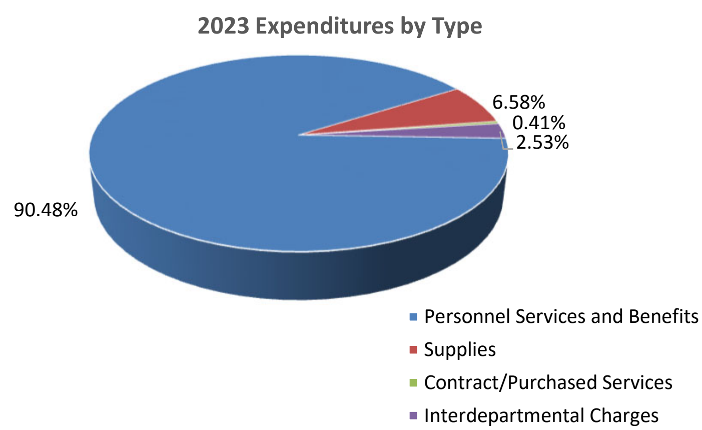
825.01 Interdepartmental Charges-Insurance: $2,890 – This account provides expenditures for the division's share of the City’s risk management program.

The Ambassador Program accounts for the resources used to support a seasonal program to assist visitors to the downtown core and assist in the enforcement of provisions enacted in the Ketchikan Municipal Code that are intended to provide a safe and welcoming environment for visitors to our community. General expenses arise from the City's efforts to promote and encourage tourism and economic development in our community. Proceeds from the State of Alaska Commercial Vessel Passenger Excise Tax have been designated as the prime source of funding for the program.

DIVISION SUMMARY

Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Personnel Services and Benefits	-	-	-	-	109,940	109,940	NA
Supplies	-	-	-	-	8,000	8,000	NA
Contract/Purchased Services	-	-	-	-	500	500	NA
Interdepartmental Charges	-	-	-	-	3,080	3,080	NA
Total Expenditures	**-**	**-**	**-**	**-**	**121,520**	**121,520**	**NA**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
CPV Special Revenue Fund	-	-	-	-	121,520	121,520	NA
Total Funding	**-**	**-**	**-**	**-**	**121,520**	**121,520**	**NA**



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- Personnel Services and Benefits increased by $109,940; Operating Supplies increased by $2,000; Uniforms/Badges/Clothing increased by $6,000; Ads and Public Announcements increased by $500; and Interdepartmental Charges-Insurance increased by $3,080 due to the anticipated operation of the Ambassador Program in 2023. Due to the COVID-19 pandemic and budget restraints, the Ambassador Program has yet to be implemented and was not operated as proposed in 2020, 2021, and 2022.

DIVISION OPERATING BUDGET DETAIL

Operating Expenditures			2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Personnel Services and Benefits									
501	.01	Overtime	-	-	-	-	40,000	40,000	NA
502	.01	Temporary Wages	-	-	-	-	56,000	56,000	NA
505	.00	Payroll Taxes	-	-	-	-	7,350	7,350	NA
507	.30	Workers Compensation	-	-	-	-	6,110	6,110	NA
508	.00	Other Benefits	-	-	-	-	480	480	NA
		Personnel Services and Benefits	**-**	**-**	**-**	**-**	**109,940**	**109,940**	**NA**
Supplies									
510	02	Operating Supplies	-	-	-	-	2,000	2,000	NA
535	04	Uniforms/Badges/Clothing	-	-	-	-	6,000	6,000	NA
		Supplies	**-**	**-**	**-**	**-**	**8,000**	**8,000**	**NA**
Contract/Purchased Services									
605	01	Ads & Public Announcements	-	-	-	-	500	500	NA
		Contract/Purchased Services	**-**	**-**	**-**	**-**	**500**	**500**	**NA**
Interdepartmental Charges									
825	.01	Interdepartmental Charges-Insurance	-	-	-	-	3,080	3,080	NA
		Interdepartmental Charges	**-**	**-**	**-**	**-**	**3,080**	**3,080**	**NA**
		Total Expenditures by Type	**-**	**-**	**-**	**-**	**121,520**	**121,520**	**NA**

NARRATIVE

501.01 Overtime: $40,000 - This account provides expenditures for compensation paid to salaried and hourly employees for temporary personnel services.

502.01 Temporary Wages: $56,000 - This account provides expenditures for compensation paid to salaried and hourly employees for temporary personnel services.

505.00 Payroll Taxes: $7,350 – This account provides expenditures for employer contributions for Social Security and Medicare and other similar payroll related taxes.

507.30 Workers' Compensation: **$6,110** – This account provides expenditures for employer contributions to workers' compensation.

508.00 Other Benefits: $480 – This account provides expenditures for direct claims from former employees for unemployment benefits paid by the State of Alaska and accrued vacation and sick leave.

510.02 Operating Supplies: **$2,000** - This account provides expenditures for supplies that are normally not of a maintenance nature and are required to support department operations. Included are supplies such as brochures, posters, citations, parking tickets, public trash can and cigarette urn liners, medical supplies, etc.

535.04 Uniforms/Clothing/Badges: $6,000 - This account provides expenditures for direct purchases of or reimbursements to employees for work related clothing required by department policies. Included are work shirts, jackets, slacks, raingear, hats, boots and gloves.

605.01 Ads and Public Announcements: $500 - This account provides expenditures for announcements in publications, newspapers, internet, or broadcast over radio and television. Included are public service announcements, etc.

825.01 Interdepartmental Charges-Insurance: $3,080 – This account provides expenditures for the department’s share of the City’s risk management program.

The CPV Funded Programs account for the resources used to fund a variety of minor programs that support tourism and economic development. Proceeds from the State of Alaska Commercial Vessel Passenger Excise Tax have been designated as the prime source of funding for these programs.

DIVISION SUMMARY

Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Contract/Purchased Services	-	30,000	30,000	30,000	47,500	17,500	58.3%
Total Expenditures	**-**	**30,000**	**30,000**	**30,000**	**47,500**	**17,500**	**58.3%**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
CPV Special Revenue Fund	-	30,000	30,000	30,000	47,500	17,500	58.3%
Total Funding	**-**	**30,000**	**30,000**	**30,000**	**47,500**	**17,500**	**58.3%**

OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- Other Contractual Services (Account No. 635.14) increased by $17,500, or by 100%, to reflect allocating the expenditures for the *Music on the Docks* program to the Tourism & Economic Development - CPV Funded Programs instead of the Port Department as it has been in previous years since the program's inception. This program will be supported entirely by the CPV Special Revenue Fund .

DIVISION OPERATING BUDGET DETAIL

Operating Expenditures	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Contract/Purchased Services							
635 .14 Other Contractual Services	-	-	-	-	17,500	17,500	New
650 .02 Electric, Water, Sewer & Solid Waste	-	30,000	30,000	30,000	30,000	-	0.0%
Contract/Purchased Services	**-**	**30,000**	**30,000**	**30,000**	**47,500**	**17,500**	**58.3%**
Total Expenditures by Type	**-**	**30,000**	**30,000**	**30,000**	**47,500**	**17,500**	**58.3%**

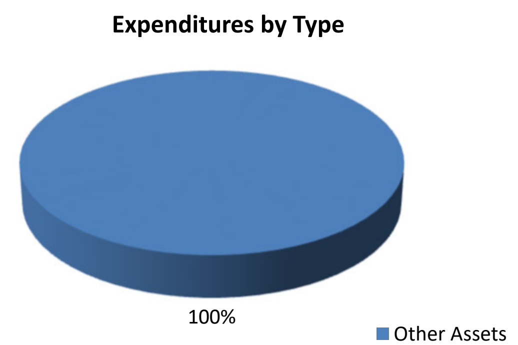
NARRATIVE

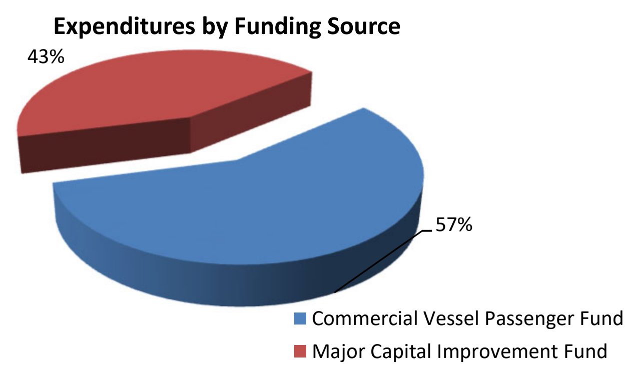
635.14 Other Contractual Services: $17,500 - This account provides expenditures for funding of a weekly arts series at the Port of Ketchikan, *Music on the Docks*. Modeled after SeaTac's *Experience the City of Music Program*, it is an effort to showcase Ketchikan's diverse musical talent to the community's cruise ship visitors. This successful program was previously a function of the Port Department and was funded through Port funds.

650.02 Electric, Water, Sewer & Solid Waste: $30,000 - This account provides expenditures for the collection of solid waste from the downtown core during tourism season. This is a seasonal program that starts in May and typically ends in September. Most of the solid waste collected will come from cruise ship passengers and crew members visiting Ketchikan.

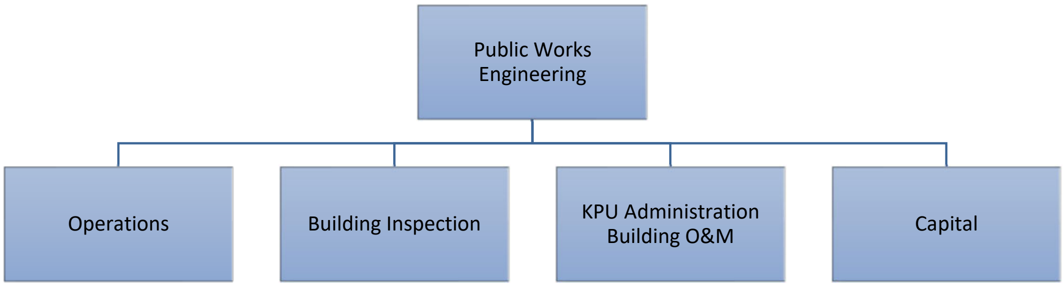
Major Capital Outlay	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
740.00 Other Assets	-	865,000	1,002,471	879,151	175,000	(690,000)	-79.8%
Total Major Capital Outlay	**-**	**865,000**	**1,002,471**	**879,151**	**175,000**	**(690,000)**	**-79.8%**

Capital Improvement Projects Project	Funding Sources Commercial Vessel Passenger Fund	Major Capital Improvement Fund		Total
740.00 Other Assets				
Downtown Visitor Amenities	100,000	-		100,000
Salmon Walk and Salmon Ladder Enhancements	-	75,000		75,000
Total Other Assets	**100,000**	**75,000**	**-**	**175,000**
Total Capital Budget	**100,000**	**75,000**	**-**	**175,000**





The Public Works Engineering Division is led and managed by registered professional civil engineers overseeing design, mapping and surveying technicians, two building inspectors and support staff for a total of thirteen (13.0) full time employees. Additionally, the department manages all forms of site development, construction permits, building inspections, derelict building demolition, infrastructure design and inspections and emergency responses to all facets of the City's Public Works Department infrastructure.



The Public Works Engineering Division is comprised of two operating divisions and oversees a Capital Improvement Program and the KPU Administration Building operations and maintenance.

DEPARTMENT EXECUTIVE SUMMARY

	2021	2022 Budget			2023	2022 Adopted /2023	
Divisions/Cost Center/Programs	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Engineering	1,151,406	1,769,248	1,769,248	1,396,260	1,947,299	178,051	10.1%
Building Inspection	140,241	267,673	267,673	207,850	310,883	43,210	16.1%
KPU Administration Building O&M	79,018	109,950	109,950	107,230	107,460	(2,490)	-2.3%
Capital Improvement Program	-	70,000	70,000	45,000	60,000	(10,000)	-14.3%
Total	**1,370,665**	**2,216,871**	**2,216,871**	**1,756,340**	**2,425,642**	**208,771**	**9.4%**

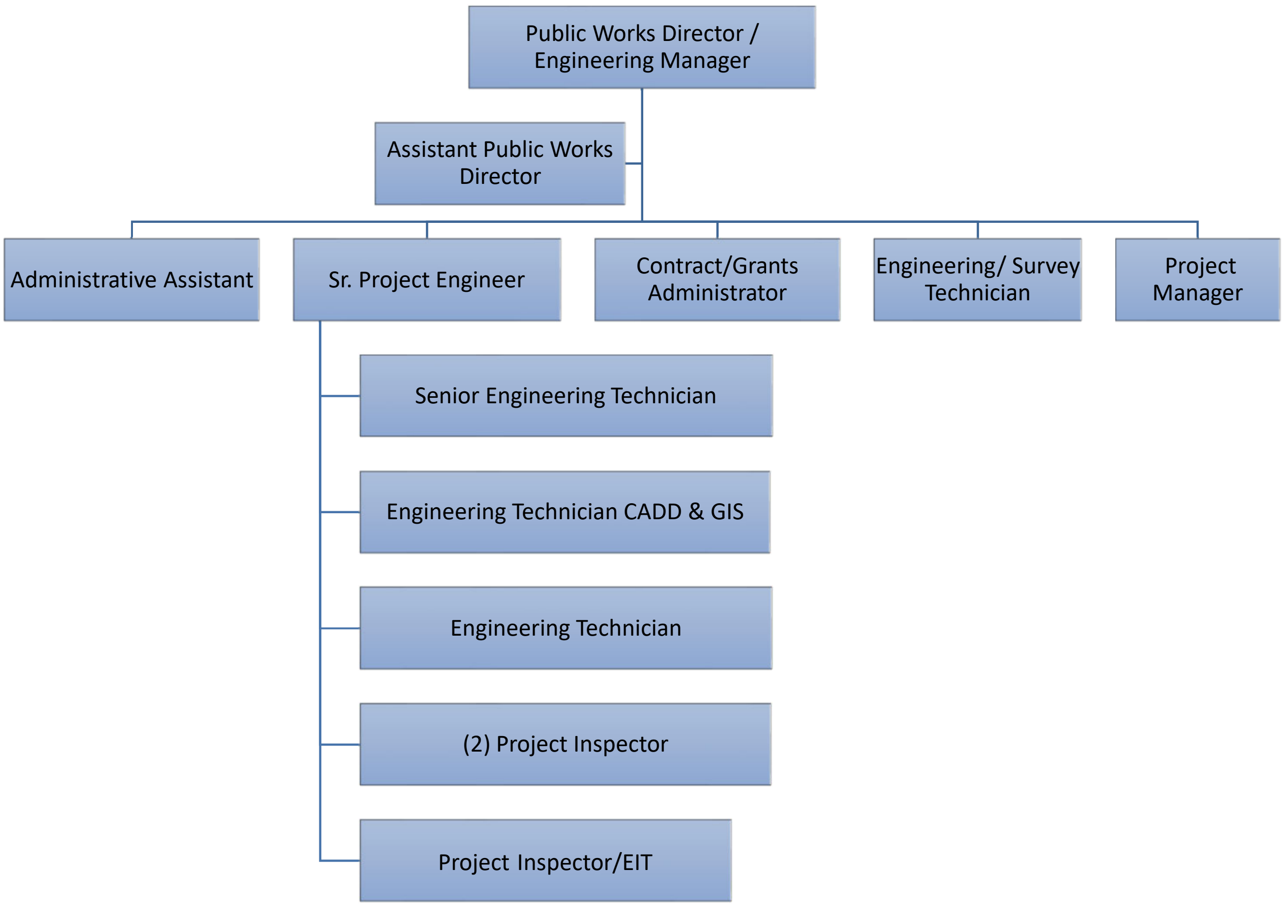
	2021	2022 Budget			2023	2022 Adopted /2023	
Expenditures by Category	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Personnel Services and Benefits	1,176,153	1,879,506	1,865,506	1,441,375	2,033,827	154,321	8.2%
Supplies	15,806	37,100	35,600	35,600	41,250	4,150	11.2%
Contract/Purchased Services	120,873	172,815	182,315	180,265	204,965	32,150	18.6%
Minor Capital Outlay	18,799	18,200	24,200	16,200	40,150	21,950	120.6%
Interdepartmental Charges/Reimb Credits	39,034	39,250	39,250	37,900	45,450	6,200	15.8%
Major Capital Outlay	-	70,000	70,000	45,000	60,000	(10,000)	-14.3%
Total	**1,370,665**	**2,216,871**	**2,216,871**	**1,756,340**	**2,425,642**	**208,771**	**9.4%**

	2021	2022 Budget			2023	2022 Adopted /2023	
Funding Source	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
General Fund							
Tax Support	746,612	1,188,886	1,188,886	917,571	1,343,404	154,518	13.0%
Licenses and Permits	68,064	125,000	125,000	125,000	125,000	-	0.0%
Charges for Services	6,274	5,000	5,000	3,600	5,000	-	0.0%
Public Works Sales Tax Fund	-	70,000	70,000	45,000	60,000	(10,000)	-14.3%
Solid Waste Fund	138,831	212,000	212,000	169,000	212,000	-	0.0%
Wastewater Fund	226,619	344,000	344,000	274,000	373,000	29,000	8.4%
Harbor Fund	48,192	74,000	74,000	59,000	93,000	19,000	25.7%
Port Fund	34,523	53,000	53,000	42,000	64,000	11,000	20.8%
KPU Enterprise Fund	101,550	144,985	144,985	121,169	150,238	5,253	3.6%
Total	**1,370,665**	**2,216,871**	**2,216,871**	**1,756,340**	**2,425,642**	**208,771**	**9.4%**

Full-time Equivalent Personnel	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2023 Budget	2023 Salary	2022 Adopted /2023 Incr(Decr)	2022 Adopted /2023 %
Engineering	11.00	11.00	11.00	11.00	1,009,309	-	0.0%
Building Inspection	2.00	2.00	2.00	2.00	162,303	-	0.0%
Total	**13.00**	**13.00**	**13.00**	**13.00**	**1,171,612**	**-**	**0.0%**

MISSION STATEMENT

The mission of the Engineering Division is to consistently provide high quality administrative and engineering support to City residents and to each of the operating divisions of General Government and Ketchikan Public Utilities. The Engineering Division is responsible for providing design engineering; contract administration; project management; mapping; inspection and surveying; plan reviews and building inspection; administration of cemetery operations and hospital infrastructure contracts; management of capital improvement projects; and long-range infrastructure replacement planning.



GOALS FOR 2023

- Provide complete engineering services, including design, drafting, estimating, maps, plans and specifications; bidding services and clerical support; project inspections; and construction management for capital improvement projects (CIPs) for the departments of General Government (City) and the divisions of Ketchikan Public Utilities (KPU).
- Apply for and secure grant funding for Capital Improvement Projects.
- Continue to improve data management of all municipal facilities and properties.
- Continue to improve and streamline the City's permitting process.
- Continue to perform in-house design, bidding, construction management and inspection in order to reduce consultant expenditures.
- Provide excellent customer service to City/KPU, residents, businesses and agencies of the community and state.
- Provide technical assistance to other City departments/KPU divisions in a professional, timely and accurate manner.
- Assist other departments/divisions, in order to help them self-perform to offset fiscal constraints.
- Publish a new GIS web map for public use.
- Implement new high definition aerial photographs for City and KPU use.

- Continue focus on improving accessibility for the disabled population.
- Continue focus on maintaining existing road conditions and creating safer streets and sidewalks.
- Update standard details for roadway and site development.
- Continue implementation of long-term strategies for staff retention to the extent that such strategies are not inhibited by a lack of funding or collective bargaining agreements.
- Fill the Project Inspector position that has been vacant since early 2022.

ACCOMPLISHMENTS FOR 2022

- Continued responsibility for general engineering design, management and contract administration for the departments/divisions of General Government and Ketchikan Public Utilities.
- Continued improvement to the new GIS mapping system, assisted other departments/divisions in installation, implementation and updates of said system and provided maps for public and private sector use.
- Reviewed and issued building, site development, excavation, traffic and sewer permits for work in the public right-of-way as well as on private property.
- Worked across KPU and City Departments to establish the City's Bipartisan Infrastructure Law grant priorities.
- Administered the Bayview Cemetery Operations and Maintenance Contract.
- Provided support to the Law Department in claims investigations.
- Provided technical support to the Law Department in matters related to actual or potential litigation.
- Prepared and administered ADEC grant and loan applications.
- Managed ongoing bridge inspection and maintenance activities.
- Administered 2022 Streets CIP program focused on transportation infrastructure maintenance and repair. Projects include: road repairs on Don King Rd, Chatham Ave, Madison St, Eichner Ave, Jefferson St, Carlanna Lake Rd, Fairview Ave; procurement of a new asphalt reclaimer and various catch basin and manhole repairs.
- Completed and received all permits required for the Schoenbar Culvert rehabilitation.
- Continued design for Schoenbar Culvert rehabilitation.
- Administered design of Schoenbar Rd Reconstruction project, and secured FEMA and Fish & Game permits.
- Administered design and construction of numerous Hospital projects.
- Ongoing review, comments, and collaboration on numerous State of Alaska highway construction projects.
- Ongoing support and agency reviews for the KGB Planning Department on various platting, zoning, major developments, and real property issues.
- Completed numerous legislative grant requests
- Facilitated repairs of municipally owned buildings and facilities.
- Administered vehicle and equipment procurement contracts.
- Identified, designed and implemented solutions to neighborhood storm drainage problems.
- Designed and administered the bituminous interim road repair project.
- Provided surveying services for General Government and KPU.
- Provided numerous parking, restriping and sign upgrades.
- Created new motorcycle and quad parking spaces in the downtown corridor without sacrificing existing car parking spaces.
- Secured two Congressionally Directed Spending allocations totaling $2.5M.
- Provided technical support to the City Manager's Office and City Council on uplands improvements associated with proposed Port expansion.
- Provided bidding services, project management, and contract administration for the $2.4M new hospital roof, the new Totem Heritage Center ADA ramp, and the building addition to 632 Park Avenue.
- Provided design, bidding, contract administration and inspection for numerous projects including: Fire Station 2 drainage and parking lot improvements, Married Man's Trail improvements, Married Man's Trail tree maintenance, downtown pressure washing, wastewater main and manhole repairs, wastewater generator upgrades, Shoreline underground tank removal, and solid waste incinerator controls upgrade.
- Assisted the Museum Department in the design and construction of the Salmon Walk.
- Conducted a successful surplus city real estate auction.
- Continued to collaborate with ADOT to advance the replacement of the Water Street Trestle No. 1, Sayles Gorge Bridge, and Wolf Point Slope stabilization.
- Assisted in the transition of the new Port and Harbors Director.
- Continued administration of the Water Street Sewer Force Main Rehab & Replacement design contract.
- Assisted the Streets Division in alleviating a significant storm water flooding problem on Fairy Chasm Rd.

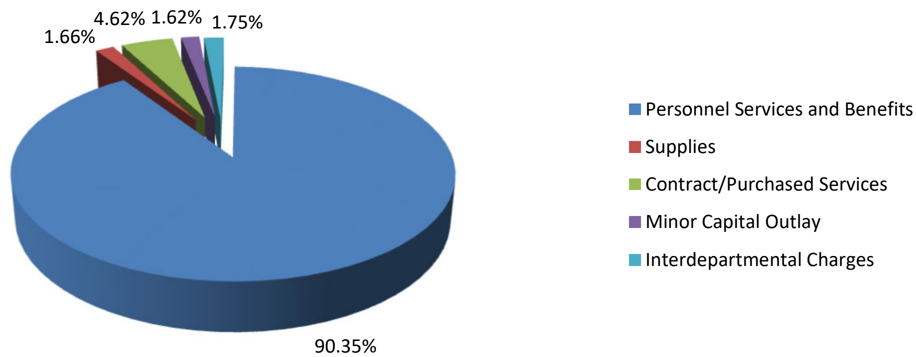
DIVISION SUMMARY

Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted /2023 Incr(Decr)	2022 Adopted /2023 %
Personnel Services and Benefits	1,043,789	1,631,483	1,617,483	1,253,145	1,759,414	127,931	7.8%
Supplies	11,027	30,800	29,300	29,300	32,300	1,500	4.9%
Contract/Purchased Services	48,913	63,575	73,075	73,025	89,975	26,400	41.5%
Minor Capital Outlay	18,799	15,000	21,000	13,000	31,500	16,500	110.0%
Interdepartmental Charges	28,878	28,390	28,390	27,790	34,110	5,720	20.1%
Total Expenditures	**1,151,406**	**1,769,248**	**1,769,248**	**1,396,260**	**1,947,299**	**178,051**	**10.1%**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted /2023 Incr(Decr)	2022 Adopted /2023 %
General Fund							
Tax Supported	623,158	969,248	969,248	759,660	1,082,299	113,051	11.7%
Charges for Services	6,274	5,000	5,000	3,600	5,000	-	0.0%
Solid Waste Fund	138,831	212,000	212,000	169,000	212,000	-	0.0%
Wastewater Fund	226,619	344,000	344,000	274,000	373,000	29,000	8.4%
Harbor Fund	48,192	74,000	74,000	59,000	93,000	19,000	25.7%
Port Fund	34,523	53,000	53,000	42,000	64,000	11,000	20.8%
KPU Enterprise Fund	73,809	112,000	112,000	89,000	118,000	6,000	5.4%
Total Funding	**1,151,406**	**1,769,248**	**1,769,248**	**1,396,260**	**1,947,299**	**178,051**	**10.1%**

Full-time Equivalent Personnel	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2023 Budget	2023 Salary	2022 Adopted /2023 Incr(Decr)	2022 Adopted /2023 %
Director/Engineering Manager	1.00	1.00	1.00	1.00	151,772	-	0.0%
Assistant Public Works Director	1.00	1.00	1.00	1.00	137,499	-	0.0%
Sr. Project Engineer	1.00	1.00	1.00	1.00	103,245	-	0.0%
Project Manager	1.00	1.00	1.00	1.00	94,422	-	0.0%
Contract/Grants Administrator	1.00	1.00	1.00	1.00	79,040	-	0.0%
Public Works Inspector	1.00	2.00	2.00	2.00	162,469	-	0.0%
Project Inspector/EIT	1.00	1.00	1.00	1.00	87,734	-	0.0%
Sr. Engineering Technician	1.00	-	-	1.00	81,037	1.00	0.0%
Engineering Technician	1.00	1.00	1.00	1.00	57,013	-	0.0%
Engineering Tech/CADD & GIS	1.00	1.00	1.00	-	-	(1.00)	-100.0%
Administrative Assistant	1.00	1.00	1.00	1.00	55,078	-	0.0%
Total	**11.00**	**11.00**	**11.00**	**11.00**	**1,009,309**	**-**	**0.0%**

2023 Expenditures by Type



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- Personnel Services and Benefits increased by $127,931, or by 7.8%, due to annual employee step increases, a 2.5% cost of living adjustment for IBEW, Local 1547 employees and non-represented employees that will become effective January 1, 2023; and projected increases in pension, health insurance and other benefit costs.
- Travel-Business (Account No. 600.01) increased by $8,550, or by 684%, due to the need to increase travel expenditures for business related events since being reduced during the COVID-19 pandemic.
- Engineering & Architectural Services (Account 640.02) increased by $7,500, or by 300% due to increases in consultant rates and the need for the division to involve a consultant as necessary given being extremely short staffed.
- Computers, Printers & Copiers (Account No. 790.26) increased by $15,000, or by 166.7%, due to the cost of computers and related equipment scheduled for replacement per the schedule developed by the Information Technology Department.
- Interdepartmental-Insurance (Account No. 825.01) increased by $5,720, or by 20.1%, due to an increase in insurance premiums.

DIVISION OPERATING BUDGET DETAIL

Operating Expenditures	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted /2023 Incr(Decr)	2022 Adopted /2023 %
Personnel Services and Benefits							
500 .01 Regular Salaries and Wages	702,358	962,188	948,188	779,420	1,009,309	47,121	4.9%
501 .01 Overtime Wages	4,745	35,000	35,000	14,500	35,000	-	0.0%
502 .01 Temporary Wages	1,259	35,000	35,000	14,800	35,000	-	0.0%
505 .00 Payroll Taxes	50,409	78,970	78,970	60,420	82,670	3,700	4.7%
506 .00 Pension	117,945	174,890	174,890	139,520	207,350	32,460	18.6%
507 .00 Health and Life Insurance	147,310	301,080	301,080	203,130	348,030	46,950	15.6%
507 .30 Workers Compensation	11,835	16,190	16,190	13,190	13,530	(2,660)	-16.4%
508 .00 Other Benefits	6,428	26,340	26,340	26,340	26,700	360	1.4%
509 .03 Allowances-PW Clothing	1,500	1,750	1,750	1,750	1,750	-	0.0%
509 .08 Allowances-Medical Expenses	-	75	75	75	75	-	0.0%
Personnel Services and Benefits	**1,043,789**	**1,631,483**	**1,617,483**	**1,253,145**	**1,759,414**	**127,931**	**7.8%**

Operating Expenditures			2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted /2023 Incr(Decr)	2022 Adopted /2023 %
Supplies									
510	.01	Office Supplies	2,884	10,500	9,000	9,000	10,000	(500)	-4.8%
510	.02	Operating Supplies	4,636	6,000	6,000	6,000	7,000	1,000	16.7%
510	.03	Safety Program Supplies	99	1,500	1,500	1,500	1,500	-	0.0%
510	.05	Small Tools and Equipment	1,036	3,500	3,500	3,500	3,500	-	0.0%
515	.01	Vehicle Maintenance Materials	-	800	800	800	800	-	0.0%
515	.04	Machinery & Equip Maint Materials	-	1,000	1,000	1,000	1,000	-	0.0%
520	.02	Postage	308	1,000	1,000	1,000	1,000	-	0.0%
525	.04	Vehicle Motor Fuel & Lubricants	880	5,000	5,000	5,000	5,000	-	0.0%
530	.03	Professional and Technical Publications	496	500	500	500	500	-	0.0%
535	.02	Business and Meal Expenses	688	1,000	1,000	1,000	1,000	-	0.0%
535	.04	Uniforms/Badges/Clothing					1,000		
		Supplies	**11,027**	**30,800**	**29,300**	**29,300**	**32,300**	**1,500**	**4.9%**
Contract/Purchased Services									
600	.01	Travel-Business	20	1,250	5,750	5,750	9,800	8,550	684.0%
600	.02	Travel-Training	-	1,500	2,500	2,500	6,400	4,900	326.7%
600	.03	Training and Education	3,289	1,500	1,000	1,000	6,000	4,500	300.0%
605	.01	Ads and Public Announcements	8,064	10,000	13,000	13,000	10,000	-	0.0%
615	.01	Professional & Technical Licenses	549	1,500	1,500	1,500	1,500	-	0.0%
615	.02	Assn. Membership Dues & Fees	810	1,000	1,000	1,000	1,200	200	20.0%
630	.01	Buildings & Operating Permits	-	350	350	350	350	-	0.0%
630	.02	Vehicle Licenses	70	75	75	75	75	-	0.0%
630	.05	Software Licenses	500	3,000	3,000	3,000	3,000	-	0.0%
630	.06	Service Charges & Fees	35	650	650	650	650	-	0.0%
635	.04	Software Maintenance Services	17,210	20,000	20,000	20,000	20,000	-	0.0%
635	.07	Machinery & Equipment Maintenance Ser	4,316	1,000	1,000	1,000	1,000	-	0.0%
640	.02	Engineering & Architectural Services	-	2,500	5,250	5,200	10,000	7,500	300.0%
640	.04	Management and Consulting Services	6,750	4,250	3,000	3,000	5,000	750	17.6%
650	.01	Telecommunications	7,300	15,000	15,000	15,000	15,000	-	0.0%
		Contract/Purchased Services	**48,913**	**63,575**	**73,075**	**73,025**	**89,975**	**26,400**	**41.5%**
Minor Capital Outlay									
790	.15	Furniture and Fixtures	-	2,000	2,000	2,000	6,500	4,500	225.0%
790	.25	Machinery & Equipment	10,306	-	-	-	-	-	NA
790	.26	Computers, Printers & Copiers	8,019	9,000	15,000	10,000	24,000	15,000	166.7%
790	.35	Software	474	4,000	4,000	1,000	1,000	(3,000)	-75.0%
		Minor Capital Outlay	**18,799**	**15,000**	**21,000**	**13,000**	**31,500**	**16,500**	**110.0%**
Interdepartmental Charges/ Reimbursable Credits									
825	.01	Interdepartmental-Insurance	28,878	28,390	28,390	27,790	34,110	5,720	20.1%
		Interdepartmental Charges	**28,878**	**28,390**	**28,390**	**27,790**	**34,110**	**5,720**	**20.1%**
		Total Expenditures by Type	**1,151,406**	**1,769,248**	**1,769,248**	**1,396,260**	**1,947,299**	**178,051**	**10.1%**

NARRATIVE

500.01 Regular Salaries & Wages: $1,009,309– This account provides expenditures for compensation paid to all regular salaried and hourly employees of the Engineering Division.

501.01 Overtime Wages: $35,000 – This account provides expenditures for compensation paid to all regular and temporary hourly employees for hours worked in excess of a regular working cycle.

502.01 Temporary Wages: $35,000 – This account provides expenditures for compensation paid to temporary salaried and hourly employees of the Engineering Division.

505.00 Payroll Taxes: $82,670 – This account provides expenditures for employer contributions for Social Security and Medicare and other similar payroll related taxes.

506.00 Pension: $207,350 – This account provides expenditures for employer contributions to retirement plans.

507.00 Health & Life Insurance: $348,030 – This account provides expenditures for employer contributions to employee health and life insurance plans.

507.30 Workers' Compensation: $13,530 – This account provides expenditures for employer contributions to workers' compensation.

508.00 Other Benefits: $26,700 – This account provides for expenditures for direct claims from former employees for unemployment benefits paid by the State of Alaska and accrued vacation and sick leave.

509.03 Allowances – Public Works Clothing: $1,750 – This account provides expenditures for employer provided protective clothing allowances paid directly to represented employees of Public Works pursuant to collective bargaining agreements or the Personnel Rules.

509.08 Allowances – Medical Expenses: $75 – This account provides expenditures for employee medical exams paid directly to employees. These benefits are taxable to the employee.

510.01 Office Supplies: $10,000 - This account provides expenditures for paper, pens, pencils, adding machine ribbons and tape, note pads, file folders, scotch tape, toner, ink cartridges, photocopy charges, small desk accessories and minor office equipment such as adding machines, staplers, comb binding machines and tape dispensers.

510.02 Operating Supplies: $7,000 - This account provides expenditures for supplies that are normally not of a maintenance nature and are required to support department operations. Included are supplies such as employee awards and recognition pins, brochures, posters, general materials for public programs, engineering materials, paint, and solvents.

510.03 Safety Program Supplies: $1,500 - This account provides expenditures for safety training audio and video programs, safety equipment, specialized hazardous materials handling and disposal information, specialized protective safety clothing and traffic control.

510.05 Small Tools & Equipment: $3,500 - This account provides expenditures for minor tools, operating and office equipment with a value of less than $1,000. Included are hand tools, snow removal equipment, computer accessories, space heaters, fans, radios, calculators, file cabinets, and similar types of minor tools and equipment.

515.01 Vehicle Maintenance Materials: $800 - This account provides expenditures for the repair and maintenance of vehicles owned or leased and operated by the Public Works Engineering Division.

515.04 Machinery & Equipment Maintenance: $1,000 – This account provides expenditures for repair and maintenance of machinery and equipment owned or leased by the City. Included are office equipment, surveying equipment, GPS and data collection equipment and computers.

520.02 Postage: $1,000 - This account provides expenditures for postal related services such as postage, express delivery and mailing materials.

525.04 Vehicle Motor Fuel & Lubricants: $5,000 - This account provides expenditures for gasoline, diesel fuel, propane and lubricants used in the operations of the Engineering Division vehicles.

530.03 Professional & Technical Publications: $500 - This account provides expenditures for professional and technical publications. Included are professional handbooks, print and electronic subscription services for management, engineering, building codes, professional standards and technical journals.

535.02 Business & Meal Expenses: **$1,000** - This account provides expenditures for reimbursements to employees for business and job related meals, mileage for use of personal vehicles and other business related expenses.

535.04 Uniforms/Badges/Clothing: $1,000 - This account provides expenditures for non-represented employees for the purchase of job related clothing purchased by department personnel.

600.01 Travel-Business: $9,800 - This account provides expenditures for transportation, lodging, meals, per diems and other incidental expenses associated with travel for business.

600.02 Travel-Training: $6,400 - This account provides expenditures for transportation, lodging, meals, per diems and other incidental expenses associated with travel for training.

600.03 Training & Education: $6,000 - This account provides expenditures for registration fees, training fees, training materials, tuition reimbursements and other incidental expenses associated with training and educating employees; and on-premises training programs provided by staff or a third-party.

605.01 Ads & Public Announcements: **$10,000** - This account provides expenditures for advertising and announcements in publications, newspapers, trade journals, Internet or broadcasts over radio and television. Included are legal notices, public service announcements, community issues, recruiting, etc.

615.01 Professional & Technical Licenses: **$1,500** – This account provides expenditures for licensing professional, technical and other employees requiring a license in order to perform their duties. Included are fees paid to licensed engineers, and fees paid for technical certifications required by survey staff and operators of special equipment.

615.02 Assn. Membership Dues & Fees: $1,200 – This account provides expenditures for memberships in professional and trade associations such as the American Concrete Institute, American Society of Civil Engineers, National Society of Professional Surveyors and Solid Waste Association of North America.

630.01 Building & Operating Permits: $350 - This account provides expenditures for permits required for construction, right-of-ways, easements, environmental, occupancy and operations.

630.02 Vehicle Licenses: $75 – This account provides expenditures for licensing City vehicles for operations on public highways.

630.05 Software Licenses: $3,000 – This account provides expenditures for acquiring licenses for the right to use proprietary software.

630.06 Service Charges & Fees: $650 - This account provides expenditures for miscellaneous service charges and fees. Included are filing fees, recording fees and fees not accounted for in other accounts.

635.04 Software Maintenance Services: **$20,000** - This account provides expenditures for maintenance agreements to support licensed software systems, including AutoCAD (DLT Solutions), ESRI, eQuorum, Bluebeam Software and other design programs.

635.07 Machinery & Equipment Maintenance Services: **$1,000** - This account provides expenditures for contractual services for the repair and maintenance of office equipment, machinery and other operating equipment owned or leased by the department. This account includes contract labor and materials required to provide the service. It also includes maintenance service agreements.

640.02 Engineering & Architectural Services: $10,000 - This account provides expenditures for engineering and architectural services, such as asbestos clearance monitoring.

640.04 Management & Consulting Services: $5,000 - This account provides expenditures for management and consulting services. Included are project management services, rate studies, management studies and other management and consulting services requiring persons or firms with specialized skills and knowledge.

650.01 Telecommunications: **$15,000** - This account provides for expenditures telecommunication services. Included are charges for wired and wireless telecommunications services, cell phones, Internet and long distance.

790.15 Furniture & Fixtures: **$6,500** - This account provides expenditures for acquisition of furniture and fixtures. Included are desks, chairs, tables, conference room chairs, workstations, file cabinets, storage cabinets and building fixtures. For 2022, this will fund the replacement of several office chairs that are beyond their useful life.

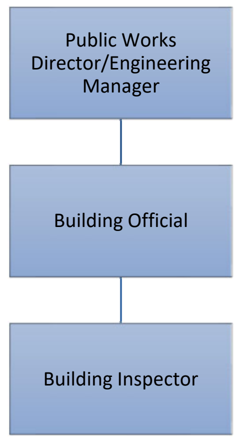
790.26 Computers, Printers & Copiers: $24,000 - This account provides expenditures for desktop, laptops, and tablet computers; computer printers and scanners, mapping plotter, photocopiers and fax machines. Per the replacement schedule developed by the Information Technology Department, four workstations, seven monitors, one laptop, one printer, and four UPS battery backups will be replaced.

790.35 Software: $1,000 - This account provides expenditures for acquisition of software systems and upgrades not covered by maintenance agreements. Included are updates such as Adobe Acrobat Professional, and at least two AutoCAD seats to a higher classification to accommodate mapping upgrades.

825.01 Interdepartmental Charges – Insurance: **$34,110** - This account provides expenditures for risk management services and claims.

MISSION STATEMENT

The mission of the Building Inspection Division is to ensure minimum code compliance standards for all new building construction and alterations to existing structures. The Building Inspection Division now performs the life/safety plan reviews previously performed by the State Fire Marshal's office. The inspection services, information sharing and coordination with citizens and other agencies are the division's daily responsibility.



GOALS FOR 2023

- Administer the adopted codes and provide the general public, design professionals and builders with supplemental information to aid them during the transition process.
- Continue to update the building department website to inform the public of the manner in which to navigate the building permit and inspection process.
- Continue to update and enforce the provisions of the dangerous building code in accordance with the City's life/safety regulations.
- Upgrade the record keeping system within the Building Inspection Division to improve associated processes.

ACCOMPLISHMENTS FOR 2022

- Continued to be an approved municipality by Alaska Housing Finance Corporation, resulting in cost savings for inspection fees to the new home builder.
- Continued to assist the City in maintaining a high Insurance Services Office (ISO) rating.
- Continued to maintain the deferred City status from the State Fire Marshal's office, thus continuing the City's one stop plan review process and capturing the additional permit fees.
- Continued to update and provide new information to the general public on the City website for better public awareness and ease of navigating the permit process.
- Staff has trained and acquired all International Code Council (ICC) recertifications required to perform their duties.
- Recruited, hired and began training a Building Inspector, which was held vacant through 2021 in response to the financial impacts of the COVID-19 pandemic. Mr. John Baxstrom accepted the position and his first day of employment was August 12, 2022.

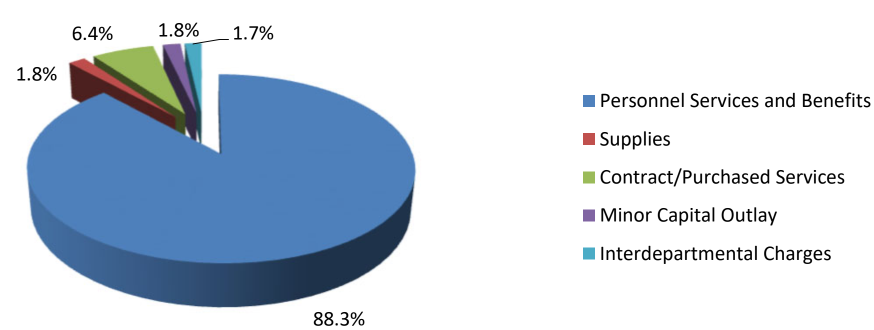
DIVISION SUMMARY

Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted /2023 Incr(Decr)	2022 Adopted /2023 %
Personnel Services and Benefits	132,364	248,023	248,023	188,230	274,413	26,390	10.6%
Supplies	538	2,800	2,800	2,800	5,450	2,650	94.6%
Contract/Purchased Services	2,898	12,240	12,240	12,240	19,990	7,750	63.3%
Minor Capital Outlay	-	200	200	200	5,650	5,450	2725.0%
Interdepartmental Charges	4,441	4,410	4,410	4,380	5,380	970	22.0%
Total Expenditures	**140,241**	**267,673**	**267,673**	**207,850**	**310,883**	**43,210**	**16.1%**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted /2023 Incr(Decr)	2022 Adopted /2023 %
General Fund							
General Fund Support	72,177	142,673	142,673	82,850	185,883	43,210	30.3%
Licenses and Permits	68,064	125,000	125,000	125,000	125,000	-	0.0%
Total Funding	**140,241**	**267,673**	**267,673**	**207,850**	**310,883**	**43,210**	**16.1%**

Full-time Equivalent Personnel	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2023 Budget	2023 Salary	2022 Adopted /2023 Incr(Decr)	2022 Adopted /2023 %
Building Official	1.00	1.00	1.00	1.00	90,397	-	0.0%
Building Inspector	1.00	1.00	1.00	1.00	71,906	-	0.0%
Total	**2.00**	**2.00**	**2.00**	**2.00**	**162,303**	**-**	**0.0%**

2023 Expenditures by Type



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- Personnel Services and Benefits increased by $26,390, or by 10.6%, due to annual employee step increases, a 2.5% cost of living adjustment for IBEW, Local 1547 employees that will become effective January 1, 2023; and projected increases in pension, health insurance and other benefit costs.

DIVISION OPERATING BUDGET DETAIL

Operating Expenditures	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted /2023 Incr(Decr)	%
Personnel Services and Benefits							
500 .01 Regular Salaries and Wages	83,468	152,963	147,963	115,080	162,303	9,340	6.1%
501 .01 Overtime Wages	7,237	5,000	10,000	7,070	5,000	-	0.0%
502 .01 Temporary Wages	-	5,000	5,000	1,670	5,000	-	0.0%
505 .00 Payroll Taxes	6,578	12,470	12,470	9,500	13,190	720	5.8%
506 .00 Pension	8,986	17,790	17,790	12,670	28,450	10,660	59.9%
507 .00 Health and Life Insurance	21,137	43,440	43,440	32,770	49,370	5,930	13.7%
507 .30 Workers Compensation	3,707	6,670	6,670	4,780	6,310	(360)	-5.4%
508 .00 Other Benefits	1,001	4,190	4,190	4,190	4,290	100	2.4%
509 .03 Allowances-PW Clothing	250	500	500	500	500	-	0.0%
Personnel Services and Benefits	**132,364**	**248,023**	**248,023**	**188,230**	**274,413**	**26,390**	**10.6%**
Supplies							
510 .01 Office Supplies	-	300	300	300	300	-	0.0%
510 .03 Safety Program Supplies	-	100	100	100	150	50	50.0%
510 .05 Small Tools & Equipment	15	100	100	100	300	200	200.0%
525 .04 Vehicle Motor Fuel & Lubricants	297	1,800	1,800	1,800	2,200	400	22.2%
530 .03 Professional & Technical Publications	226	500	500	500	2,500	2,000	400.0%
535 .04 Uniforms/Badges/Clothing	-	-	-			-	NA
Supplies	**538**	**2,800**	**2,800**	**2,800**	**5,450**	**2,650**	**94.6%**
Contract/Purchased Services							
600 .02 Travel-Training	-	750	750	750	5,000	4,250	566.7%
600 .03 Training and Education	-	500	500	500	4,000	3,500	700.0%
615 .01 Professional & Technical Licenses	-	400	400	400	400	-	0.0%
615 .02 Assn. Membership Dues & Fees	570	650	650	650	650	-	0.0%
630 .02 Vehicle License Fees	-	40	40	40	40	-	0.0%
630 .03 Bank & Merchant Fees	988	2,000	2,000	2,000	2,000	-	0.0%
635 .04 Software & Equip Maint Services	-	200	200	200	200	-	0.0%
640 .04 Management and Consulting Services	-	5,700	5,700	5,700	5,700	-	0.0%
650 .01 Telecommunications	1,340	2,000	2,000	2,000	2,000	-	0.0%
Contract/Purchased Services	**2,898**	**12,240**	**12,240**	**12,240**	**19,990**	**7,750**	**63.3%**
Minor Capital Outlay							
790 .26 Computers, Printers & Copiers	-	-	-	-	5,450	5,450	NA
790 .35 Software	-	200	200	200	200	-	0.0%
Minor Capital Outlay	**-**	**200**	**200**	**200**	**5,650**	**5,450**	**2725.0%**
Interdepartmental Charges							
825 .01 Interdepartmental Charges-Insurance	4,441	4,410	4,410	4,380	5,380	970	22.0%
Interdepartmental Charges	**4,441**	**4,410**	**4,410**	**4,380**	**5,380**	**970**	**22.0%**
Total Expenditures by Type	**140,241**	**267,673**	**267,673**	**207,850**	**310,883**	**43,210**	**16.1%**

NARRATIVE

500.01 Regular Salaries & Wages: $162,303 – This account provides expenditures for compensation paid to all regular salaried and hourly employees of the Building Inspection Division.

501.01 Overtime Wages: **$5,000** - This account provides expenditures for compensation paid to all regular and temporary hourly employees for hours worked in excess of a regular working cycle.

502.01 Temporary Wages: **$5,000** - This account provides expenditures for compensation paid to temporary salaried and hourly employees of the Building Inspection Division.

505.00 Payroll Taxes: $13,190 – This account provides expenditures for employer contributions for Social Security and Medicare and other similar payroll related taxes.

506.00 Pension: $28,450 – This account provides expenditures for employer contributions to retirement plans.

507.00 Health & Life Insurance: **$49,370** – This account provides expenditures for employer contributions to employee health and life insurance plans.

507.30 Workers' Compensation: **$6,310** – This account provides expenditures for employer contributions to workers' compensation.

508.00 Other Benefits: $4,290 – This account provides expenditures for direct claims from former employees for unemployment benefits paid by the State of Alaska and accrued vacation and sick leave.

509.03 Allowances – Public Works Clothing: **$500** – This account provides expenditures for employer provided protective clothing allowances paid directly to represented employees of the Public Works Department pursuant to collective bargaining agreements or the Personnel Rules.

510.01 Office Supplies: **$300** - This account provides expenditures for paper, pens, pencils, adding machine ribbons and tape, note pads, file folders, scotch tape, toner, ink cartridges, photocopy charges, small desk accessories and minor office equipment such as adding machines, staplers and tape dispensers.

510.03 Safety Program Supplies: **$150** - This account provides expenditures for safety training audio and video programs, safety equipment, specialized hazardous materials handling and disposal information and specialized protective safety clothing.

510.05 Small Tools & Equipment: **$300** - This account provides expenditures for minor tools, operating and office equipment with a value of less than $1,000. Included are hand tools, flashlights, inspection equipment, computer accessories, space heaters, radios, calculators, file cabinets and similar types of minor tools and equipment.

525.04 Vehicle Motor Fuel & Lubricants: $2,200 - This account provides expenditures for gasoline, diesel fuel, propane and lubricants used in the operations of City vehicles.

530.03 Professional & Technical Publications: **$2,500** - This account provides expenditures for professional and technical publications. Included are professional handbooks, print and electronic subscription services for building codes, professional standards and technical journals.

600.02 Travel-Training: $5,000 - This account provides expenditures for transportation, lodging, meals, per diems and other incidental expenses associated with travel for training.

600.03 Training & Education: $4,000 - This account provides expenditures for registration fees, training fees, training materials, tuition reimbursements and other incidental expenses associated with training and educating employees; and on-premises training programs provided by staff or a third-party.

615.01 Professional & Technical Licenses: **$400** – This account provides expenditures for recertification fees for employees requiring a license in order to perform their duties.

615.02 Assn. Membership Dues & Fees: $650 – This account provides expenditures for memberships in professional and trade associations such as the International Code Council, Southern Southeast Alaska Building Association, National Fire Sprinkler Association and National Fire Protection Association.

630.02 Vehicle Licenses: $40 – This account provides expenditures for licensing City vehicles for operations on public highways.

630.03 Bank & Merchant Fees: $2,000 – This account provides expenditures for merchant fees for use of credit and debit cards for building permit fees.

635-04 Software & Equipment Maintenance Services: $200 – This account provides expenditures for maintenance agreements to support licensed software systems and other technology based systems that include both software and hardware components.

640.04 Management & Consulting Services: $5,700 - This account provides expenditures for management and consulting services. Included are consulting services requiring persons or firms with specialized knowledge for work such as structural or seismic plan reviews.

650.01 Telecommunications: **$2,000** - This account provides expenditures for telecommunication services. Included are charges for wired and wireless telecommunications services, cell phones, Internet and long distance.

790.26 Computers, Printers, & Copiers: $5,450 - This account provides expenditures for desktop, laptop, and tablet computers; computer printers and scanners, mapping plotter, photocopiers, and fax machines. Per the replacement schedule developed by the Information Technology Department, this will fund the replacement of one computer and large screen monitor.

790.35 Software: $200 - This account provides expenditures for acquisition of software systems and upgrades not covered by maintenance agreements.

825.01 Interdepartmental Charges – Insurance: **$5,380** - This account provides expenditures for risk management services and claims.

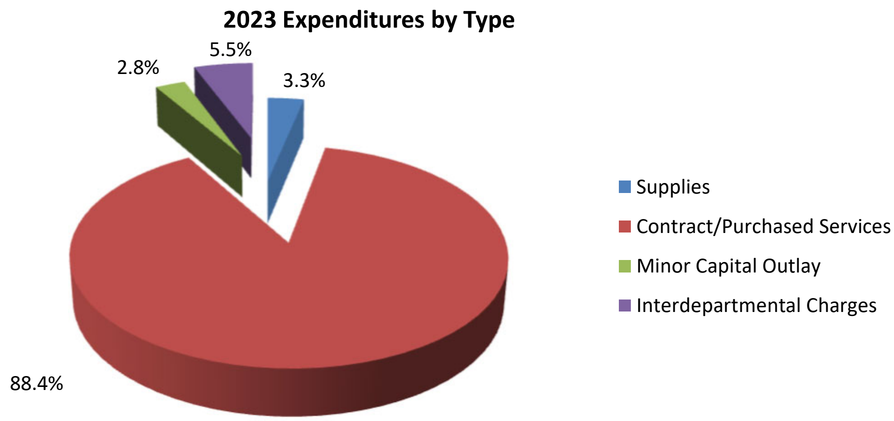
MISSION STATEMENT

The KPU Administration Building O&M cost center accounts for the cost of operating and maintaining the KPU Administration Building. This facility houses the offices of the City Public Works Department and the KPU Water Division administrative offices. The cost of operating and maintaining the Administration Building is shared by the City Public Works Department and the KPU Water Division and is based on the square footage occupied by each department/division. Public Works currently occupies 70 percent of the office space and the KPU Water Division occupies 30 percent of the office space. Operating and maintaining the Administration Building is a Public Works Department function. The Water Division is assessed an interdepartmental charge for its share of the costs.

COST CENTER SUMMARY

	2021	2022 Budget			2023	2022 Adopted /2023	
Expenditures by Category	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Supplies	4,241	3,500	3,500	3,500	3,500	-	0.0%
Contract/Purchased Services	69,062	97,000	97,000	95,000	95,000	(2,000)	-2.1%
Minor Capital Outlay	-	3,000	3,000	3,000	3,000	-	0.0%
Interdepartmental Charges	5,715	6,450	6,450	5,730	5,960	(490)	-7.6%
Total Expenditures	**79,018**	**109,950**	**109,950**	**107,230**	**107,460**	**(2,490)**	**-2.3%**

	2021	2022 Budget			2023	2022 Adopted /2023	
Funding Source	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
General Fund							
General Fund Support	51,277	76,965	76,965	75,061	75,222	(1,743)	-2.3%
KPU Enterprise Fund	27,741	32,985	32,985	32,169	32,238	(747)	-2.3%
Total Funding	**79,018**	**109,950**	**109,950**	**107,230**	**107,460**	**(2,490)**	**-2.3%**



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- There are no significant changes between the adopted operating budget for 2022 and the proposed budget for 2023.

DIVISION OPERATING BUDGET DETAIL

			2021	2022 Budget			2023	2022 Adopted /2023	
Operating Expenditures			**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Supplies									
515	.02	Building & Grounds Maint Materials	4,241	3,500	3,500	3,500	3,500	-	0.0%
		Supplies	**4,241**	**3,500**	**3,500**	**3,500**	**3,500**	**-**	**0.0%**
Contract/Purchased Services									
635	.02	Janitorial & Cleaning Services	9,575	15,000	15,000	15,000	15,000	-	0.0%
635	.06	Building & Grounds Maint Services	15,922	25,000	25,000	25,000	25,000	-	0.0%
650	.01	Telecommunications	6,278	12,000	12,000	10,000	10,000	(2,000)	-16.7%
650	.02	Electric, Water, Sewer & Solid Waste	37,287	45,000	45,000	45,000	45,000	-	0.0%
		Contract/Purchased Services	**69,062**	**97,000**	**97,000**	**95,000**	**95,000**	**(2,000)**	**-2.1%**
Minor Capital Outlay									
790	.25	Machinery and Equipment	-	3,000	3,000	3,000	3,000	-	0.0%
		Minor Capital Outlay	**-**	**3,000**	**3,000**	**3,000**	**3,000**	**-**	**0.0%**
Interdepartmental Charges									
825	.01	Interdepartmental Charges-Insurance	5,715	6,450	6,450	5,730	5,960	(490)	-7.6%
		Interdepartmental Charges	**5,715**	**6,450**	**6,450**	**5,730**	**5,960**	**(490)**	**-7.6%**
		Total Expenditures by Type	**79,018**	**109,950**	**109,950**	**107,230**	**107,460**	**(2,490)**	**-2.3%**

NARRATIVE

515.02 Building and Grounds Maintenance Materials: **$3,500** – This account provides expenditures for materials required for the repair and maintenance of the KPU Administration Building and the upkeep of its grounds.

635.02 Janitorial and Cleaning Services: $15,000 – This account provides expenditures for contractual services for carpet cleaning and other miscellaneous cleaning services at the KPU Administration Building.

635.06 Buildings and Grounds Maintenance Services: **$25,000** - This account provides expenditures for contractual services required for the repair and maintenance of the KPU Administration Building and the upkeep of its grounds.

650.01 Telecommunications: **$10,000** - This account provides expenditures for telecommunication services. Included are charges for wired and wireless telecommunications services and Internet.

650.02 Electric, Water, Sewer & Solid Waste: **$45,000** - This account provides expenditures for electric, water, sewer and solid waste utility services.

790.25 Machinery & Equipment: $3,000 - This account provides for minor purchases of machinery and equipment. For 2022, this will fund the purchase of security cameras for the Admin Building.

825.01 Interdepartmental Charges – Insurance: **$5,960** - This account provides expenditures for risk management services and claims.

CITY OF KETCHIKAN

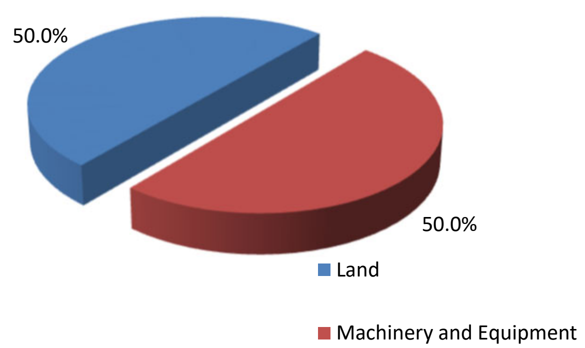
2023 Operating and Capital Budget

Public Works-Engineering ***Capital Budget***

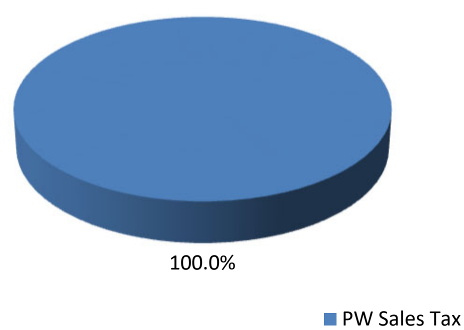
Major Capital Outlay		2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted /2023 Incr(Decr)	2022 Adopted /2023 %
700.00	Land	-	30,000	30,000	15,000	30,000	-	0.0%
705.00	Buildings	-	10,000	10,000	-	-	(10,000)	-100.0%
725-00	Machinery and Equipment	-	30,000	30,000	30,000	30,000	-	0.0%
Total Major Capital Outlay		**-**	**70,000**	**70,000**	**45,000**	**60,000**	**(10,000)**	**-14.3%**

Capital Improvement Projects	Funding Sources: PW Sales Tax	Funding Sources: KPU Enterprise Fund		Total
700.00 Land				
Dangerous Building Abatement/Foreclosed Property Remediation	30,000			30,000
Total Land	**30,000**	**-**	**-**	**30,000**
725.00 Machinery and Equipment				
Survey Equipment	30,000			30,000
Total Machinery and Equipment	**30,000**	**-**	**-**	**30,000**
Total Capital Budget	**60,000**	**-**	**-**	**60,000**

Expenditures by Type



Expenditures by Funding Source



The Bayview Cemetery is owned and operated by the City of Ketchikan.

The Public Works Cemetery Division is comprised of one operating division and oversees a Capital Improvement Program.

DEPARTMENT EXECUTIVE SUMMARY

Divisions/Cost Center/Programs	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Operations	90,680	88,940	88,940	88,780	107,120	18,180	20.4%
Capital Improvement Program	-	2,500	2,500	2,500	12,000	9,500	380.0%
Total	**90,680**	**91,440**	**91,440**	**91,280**	**119,120**	**27,680**	**30.3%**

Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Supplies	3,632	4,690	4,590	4,590	4,690	-	0.0%
Contract/Purchased Services	83,806	82,600	82,700	82,700	100,900	18,300	22.2%
Minor Capital Outlay	2,221	500	500	500	500	-	0.0%
Interdepartmental Charges	1,021	1,150	1,150	990	1,030	(120)	-10.4%
Major Capital Outlay	-	2,500	2,500	2,500	12,000	9,500	380.0%
Total	**90,680**	**91,440**	**91,440**	**91,280**	**119,120**	**27,680**	**30.3%**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
General Fund							
Tax Supported	85,680	83,940	83,940	83,780	102,120	18,180	21.7%
Cemetery O&M Fund	5,000	5,000	5,000	5,000	5,000	-	0.0%
Cemetery Development Fund	-	2,500	2,500	2,500	12,000	9,500	380.0%
Public Works Sales Tax Fund	-	-	-	-	-	-	NA
Total	**90,680**	**91,440**	**91,440**	**91,280**	**119,120**	**27,680**	**30.3%**

MISSION STATEMENT

To provide a respectful and appropriate resting place for Ketchikan's loved ones in a manner that reflects positively on the City of Ketchikan.

GOALS FOR 2023

- Continue maintenance of cemetery grounds, drainage system, buildings and public facilities to provide a respectful and pleasant place for deceased loved ones and their visitors.
- Continue planning for cemetery expansion, with focus on crypts and niches and Section 10 development.
- Continue refurbishing the greenhouse

ACCOMPLISHMENTS FOR 2022

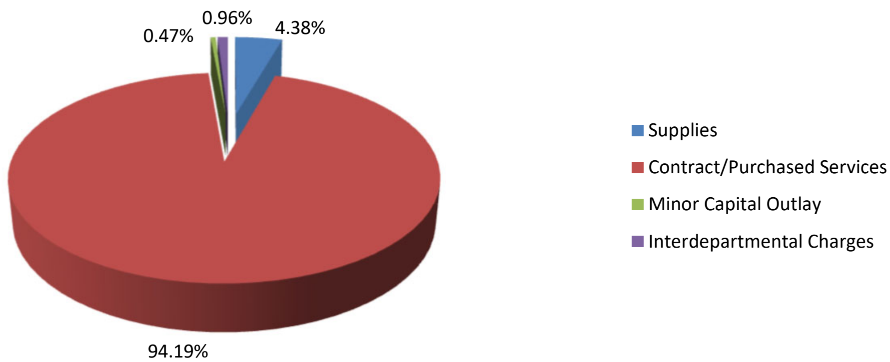
- Installed several new benches
- Continued maintenance of individual burial sites that require leveling
- Re-set a number of crooked tombstones to be plumb
- Procured materials to continue refurbishing the greenhouse
- Repainted the lettering on 2 of 3 of the Armed Forces Memorials

DIVISION SUMMARY

	2021	2022 Budget			2023	2022 Adopted/2023	
Expenditures by Category	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Supplies	3,632	4,690	4,590	4,590	4,690	-	0.0%
Contract/Purchased Services	83,806	82,600	82,700	82,700	100,900	18,300	22.2%
Minor Capital Outlay	2,221	500	500	500	500	-	0.0%
Interdepartmental Charges	1,021	1,150	1,150	990	1,030	(120)	-10.4%
Total Expenditures	**90,680**	**88,940**	**88,940**	**88,780**	**107,120**	**18,180**	**20.4%**

	2021	2022 Budget			2023	2022 Adopted/2023	
Funding Source	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
General Fund	85,680	83,940	83,940	83,780	102,120	18,180	21.7%
Cemetery O&M Fund	5,000	5,000	5,000	5,000	5,000	-	0.0%
Total Funding	**90,680**	**88,940**	**88,940**	**88,780**	**107,120**	**18,180**	**20.4%**

2023 Expenditures by Type



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- Building & Grounds Maintenance Services (Account No. 635.06) increased by $18,000 or by 23.7%, due to inflation and the anticipated cost of a new contractor for Cemetery maintenance services.

DIVISION OPERATING BUDGET DETAIL

Operating Expenditures	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Supplies							
510 .02 Operating Supplies	41	190	190	190	190	-	0.0%
515 .02 Building & Grounds Maint Materials	2,176	3,000	1,900	1,900	2,000	(1,000)	-33.3%
525 .03 Heating Fuel	1,415	1,500	2,500	2,500	2,500	1,000	66.7%
Supplies	**3,632**	**4,690**	**4,590**	**4,590**	**4,690**	**-**	**0.0%**
Contract/Purchased Services							
630 .03 Bank & Merchant Fees	158	300	300	300	300	-	0.0%
635 .04 Software Maintenance Services	2,185	2,200	2,300	2,300	2,500	300	13.6%
635 .06 Building & Grounds Maint Services	78,190	76,000	76,000	76,000	94,000	18,000	23.7%
635 .07 Machinery & Equip Maint Services	-	400	400	400	400	-	0.0%
650 .01 Telecommunications	2,007	2,300	2,300	2,300	2,300	-	0.0%
650 .02 Electric, Water, Sewer & Solid Waste	1,266	1,400	1,400	1,400	1,400	-	0.0%
Contract/Purchased Services	**83,806**	**82,600**	**82,700**	**82,700**	**100,900**	**18,300**	**22.2%**
Minor Capital Outlay							
790 .05 Buildings	437	-	-	-	-	-	NA
790 .25 Machinery and Equipment	-	500	500	500	500	-	0.0%
790 .40 Other Capital Assets	1,784	-	-	-	-	-	NA
Minor Capital Outlay	**2,221**	**500**	**500**	**500**	**500**	**-**	**0.0%**
Interdepartmental Charges							
825 .01 Interdepartmental-Insurance	1,021	1,150	1,150	990	1,030	(120)	-10.4%
Interdepartmental Charges	**1,021**	**1,150**	**1,150**	**990**	**1,030**	**(120)**	**-10.4%**
Total Expenditures by Type	**90,680**	**88,940**	**88,940**	**88,780**	**107,120**	**18,180**	**20.4%**

NARRATIVE

510.02 Operating Supplies: **$190** - This account provides expenditures for supplies that are normally not of a maintenance nature and are required to support Cemetery Division operations.

515.02 Building & Grounds Maintenance Materials: **$2,000** – This account provides expenditures for materials required for the repair and maintenance of buildings and upkeep of the cemetery grounds.

525.03 Heating Fuel: **$2,500** - This account provides expenditures for heating fuel to heat the caretaker's building owned and operated by the City.

630.03 Bank & Merchant Fees: **$300** - This account provides expenditures for monthly bank account service charges, merchant fees paid to banks for customer use of credit and debit cards and other fees for banking services.

635.04 Software Maintenance Services: $2,500 - This account provides expenditures for maintenance service agreements to support cemetery management software.

635.06 Buildings & Grounds Maintenance Services: **$94,000** - This account provides expenditures for contractual services required for the repair and maintenance of buildings and the upkeep of cemetery grounds. This account includes contract labor and materials required to provide the service.

635.07 Machinery & Equipment Maintenance Services: **$400** - This account provides expenditures for contractual services required for the repair and maintenance of machinery and other operating equipment owned or leased by the division. This account includes contract labor and materials required to provide the service. It also includes maintenance service agreements.

650.01 Telecommunications: **$2,300** - This account provides expenditures for telecommunication services. Included are charges for wired and wireless telecommunications services, cell phones, Internet and long distance.

650.02 Electric, Water, Sewer & Solid Waste: **$1,400** - This account provides expenditures for electric, water, sewer and solid waste utility services.

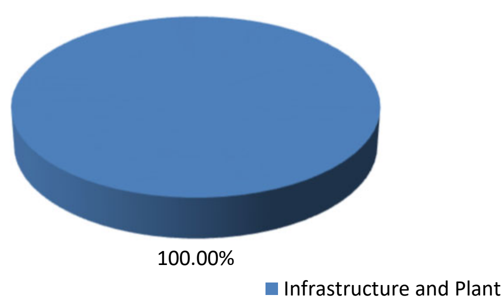
790.25 Machinery and Equipment: **$500** - This account provides expenditures for the rental of specialized equipment occasionally needed to access the upper crypts and to open saturated and/or frozen burial sites.

825.01 Interdepartmental Charges – Insurance: **$1,030** - This account provides expenditures for risk management services and claims.

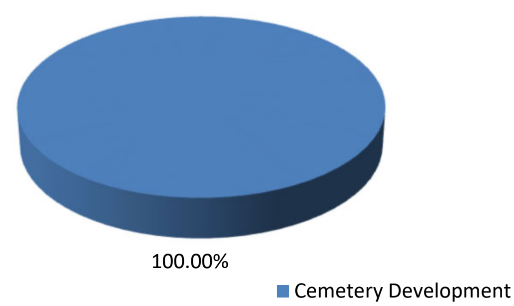
Major Capital Outlay		2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
730.00	Infrastructure and Plant	-	2,500	2,500	2,500	12,000	9,500	380.0%
Total Major Capital Outlay		**-**	**2,500**	**2,500**	**2,500**	**12,000**	**9,500**	**380.0%**

Capital Improvement Projects Project #	Project	Funding Sources: Cemetery Development	Funding Sources: Public Works Sales Tax		Total
730.00 Infrastructure and Plant					
	Grading & Drainage Improvements	12,000			12,000
	Total Infrastructure and Plant	**12,000**	**-**	**-**	**12,000**
	Total Capital Budget	**12,000**	**-**	**-**	**12,000**

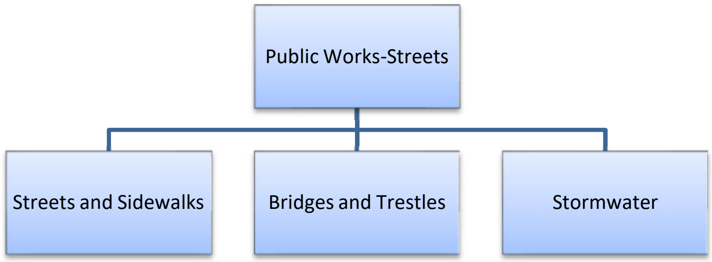
Expenditures by Type



Expenditures by Funding Source



The Public Works Streets Division provides preventative maintenance and repairs on City streets, bridges, trestles, sidewalks, boardwalks, the municipal storm drainage system, and right-of-ways.



The Public Works-Streets Division is comprised of one operating division and oversees a Capital Improvement Program.

DEPARTMENT EXECUTIVE SUMMARY

Divisions/Cost Center/Programs	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Operations	1,629,869	1,802,129	1,802,129	1,713,840	2,060,985	258,856	14.4%
Capital Improvement Program	320,320	4,233,428	4,498,150	1,009,646	5,830,955	1,597,527	37.7%
Total	**1,950,189**	**6,035,557**	**6,300,279**	**2,723,486**	**7,891,940**	**1,856,383**	**30.8%**

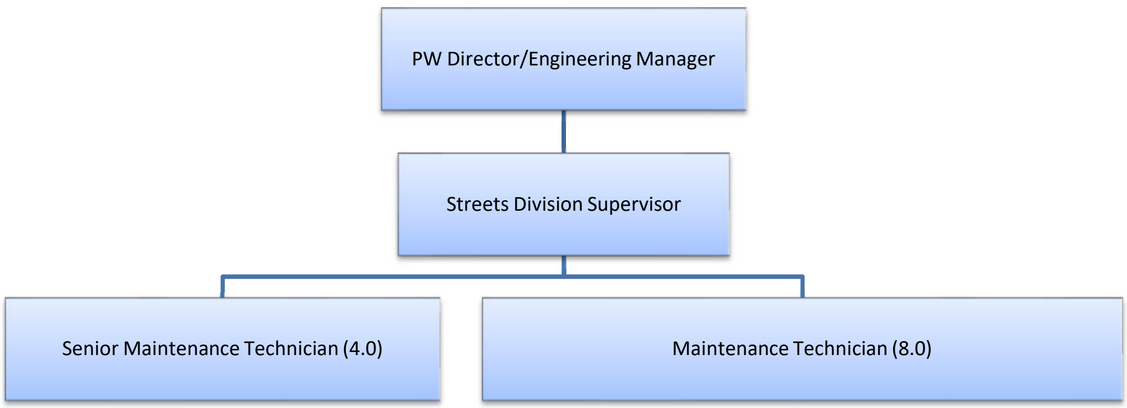
Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Personnel Services and Benefits	1,279,655	1,438,409	1,438,409	1,353,230	1,667,480	229,071	15.9%
Supplies	283,941	272,865	272,865	272,865	296,250	23,385	8.6%
Contract/Purchased Services	27,284	44,545	44,545	43,045	44,545	-	0.0%
Minor Capital Outlay	-	8,750	8,750	8,750	10,600	1,850	21.1%
Interdepartmental Charges	38,989	37,560	37,560	35,950	42,110	4,550	12.1%
Major Capital Outlay	320,320	4,233,428	4,498,150	1,009,646	5,830,955	1,597,527	37.7%
Total	**1,950,189**	**6,035,557**	**6,300,279**	**2,723,486**	**7,891,940**	**1,856,383**	**30.8%**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
General Fund	1,629,869	1,802,129	1,802,129	1,713,840	2,060,985	258,856	14.4%
Public Works Sales Tax Fund	320,320	1,733,428	1,968,150	979,646	4,580,955	2,847,527	164.3%
Economic & Parking Development Fund	-	-	30,000	30,000	-	-	NA
Bonds	-	2,500,000	2,500,000	-	-	(2,500,000)	-100.0%
Major Capital Improvement Fund	-	-	-	-	1,250,000	1,250,000	NA
Total	**1,950,189**	**6,035,557**	**6,300,279**	**2,723,486**	**7,891,940**	**1,856,383**	**30.8%**

Full-time Equivalent Personnel	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2023 Budget	2023 Salary	2022 Adopted/2023 Incr(Decr)	%
Operations	13.00	13.00	13.00	13.00	896,520	-	0.0%
Total	**13.00**	**13.00**	**13.00**	**13.00**	**896,520**	**-**	**0.0%**

MISSION STATEMENT

The mission of the Streets Division is to provide sufficient preventative maintenance and repairs in a cost effective manner to City streets, bridges, trestles, sidewalks, boardwalks, the municipal storm drainage system, and right-of-ways, in order to prevent injury



GOALS FOR 2023

- Continue program to rebuild City staircases.
- Replace failing sidewalks.
- Continue maintenance and repair of bridges and trestles.
- Maintain City streets during winter months by providing adequate snow removal, sanding, and de-icing materials.
- Perform storm pipe replacements.
- Maintain and install street signs.
- Maintain a program of cleaning and repairing storm drainage systems.
- Perform street crack-sealing, patching, and repairs.
- Continue to provide support for community service projects.
- Provide support to all other City departments.
- Continue updating and improving the safety program.
- Respond in a timely manner to citizen complaints and concerns.

ACCOMPLISHMENTS FOR 2022

- Re-painted City crosswalks and parking lots throughout town.
- Helped remodel the new Day Shelter on Park Avenue with the Building Maintenance Division.
- Completed a demolition and reclaim to Eichner Ave.
- Used the crack-sealing machine to install hot tar crack-sealant to pavement joints.
- Installed hot mix asphalt to repair City roads as needed for sinkholes, utility cuts, pipe replacements, and failing asphalt.
- Added storm drain, D1 removed debris to new Bawden street parking lot.
- Painted fog line on 3rd Ave
- Added approximately 10 new motorcycle parking stalls
- Provided curbside pick-up of approximately 80 tons of trash during Spring Clean-Up Week.
- Used Burn down material for crosswalks and arrows that were faded or gone.
- Provided ongoing maintenance of infrastructure, including: street sweeping, flushing, crosswalks, non-skid, brushing, snow and ice control, signs, storm drain cleaning, etc.
- Re-built Inman Street stairs
- Provided support for community service projects and events.
- Assisted other City departments as needed.

- Installed various road maintenance materials as an interim preservation to asphalt and concrete roads until resumption of a full Capital Improvement Program.

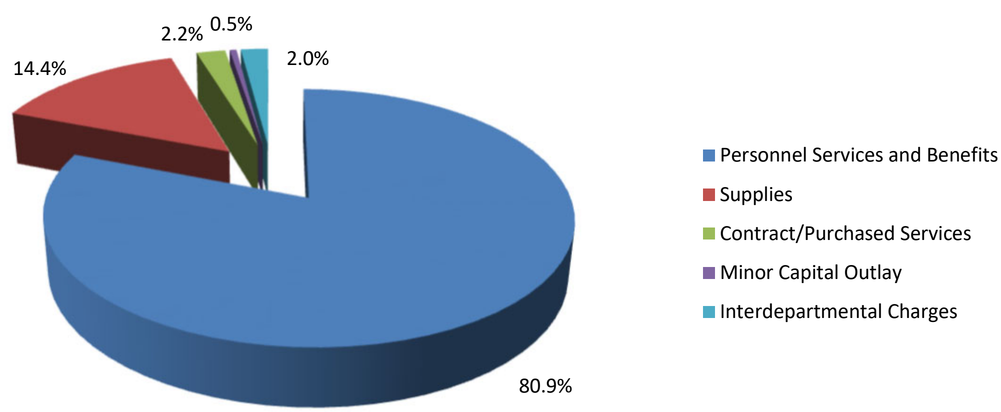
DIVISION SUMMARY

Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Personnel Services and Benefits	1,279,655	1,438,409	1,438,409	1,353,230	1,667,480	229,071	15.9%
Supplies	283,941	272,865	272,865	272,865	296,250	23,385	8.6%
Contract/Purchased Services	27,284	44,545	44,545	43,045	44,545	-	0.0%
Minor Capital Outlay	-	8,750	8,750	8,750	10,600	-	21.1%
Interdepartmental Charges-Public Safety	-	-	-	-	-	-	0.0%
Interdepartmental Charges	38,989	37,560	37,560	35,950	42,110	4,550	12.1%
Total Expenditures	**1,629,869**	**1,802,129**	**1,802,129**	**1,713,840**	**2,060,985**	**258,856**	**14.4%**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
General Fund	1,629,869	1,802,129	1,802,129	1,713,840	2,060,985	258,856	14.4%
Total Funding	**1,629,869**	**1,802,129**	**1,802,129**	**1,713,840**	**2,060,985**	**258,856**	**14.4%**

Full-time Equivalent Personnel	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2023 Budget	2023 Salary	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Supervisor	1.00	1.00	1.00	1.00	85,963	-	0.0%
Senior Maintenance Technician	4.00	4.00	4.00	4.00	295,242	-	0.0%
Maintenance Technician	8.00	8.00	8.00	8.00	515,315	-	0.0%
Total	**13.00**	**13.00**	**13.00**	**13.00**	**896,520**	**-**	**0.0%**

2023 Expenditures by Type



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- Personnel Services and Benefits increased by $229,071, or by 15.9%, due to annual employee step increases, a 2.5% cost of living adjustment for IBEW, Local 1547 employees that will become effective January 1, 2023; and projected increases in pension, health insurance and other benefit costs.

- Infrastructure Maintenance Materials (Account No. 515.05) increased by $20,000, or by 10.0%, due to the escalating prices of construction and road maintenance materials.

DIVISION OPERATING BUDGET DETAIL

Operating Expenditures	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Personnel Services and Benefits							
500 .01 Regular Salaries and Wages	715,193	774,989	748,989	732,050	896,520	121,531	15.7%
501 .01 Overtime Wages	95,265	70,000	96,000	96,000	70,000	-	0.0%
502 .01 Temporary Wages	-	50,000	50,000	16,670	50,000	-	0.0%
505 .00 Payroll Taxes	57,772	68,470	68,470	62,440	77,770	9,300	13.6%
506 .00 Pension	116,330	129,820	129,820	116,390	169,040	39,220	30.2%
507 .00 Health and Life Insurance	249,433	282,080	282,080	268,650	320,950	38,870	13.8%
507 .30 Workers Compensation	28,896	38,270	38,270	36,250	44,830	6,560	17.1%
508 .00 Other Benefits	14,016	21,530	21,530	21,530	35,120	13,590	63.1%
509 .03 Allowances-PW Clothing	2,750	3,250	3,250	3,250	3,250	-	0.0%
Personnel Services and Benefits	**1,279,655**	**1,438,409**	**1,438,409**	**1,353,230**	**1,667,480**	**229,071**	**15.9%**
Supplies							
510 .01 Office Supplies	944	1,300	1,300	1,300	1,500	200	15.4%
510 .02 Operating Supplies	5,179	13,000	13,000	13,000	13,000	-	0.0%
510 .03 Safety Program Supplies	5,454	6,700	6,700	6,700	6,700	-	0.0%
510 .04 Janitorial Supplies	1,183	815	815	815	1,000	185	22.7%
510 .05 Small Tools & Equipment	6,863	7,000	7,000	7,000	7,000	-	0.0%
515 .01 Vehicle Maint Materials	3,565	1,000	1,000	1,000	1,000	-	0.0%
515 .02 Building and Grounds Maint Materials	2,699	3,000	3,000	3,000	3,000	-	0.0%
515 .04 Machinery & Equip Maint Materials	1,245	2,000	2,000	2,000	2,000	-	0.0%
515 .05 Infrastructure Maintenance Materials	223,689	200,000	200,000	200,000	220,000	20,000	10.0%
520 .02 Postage	-	50	50	50	50	-	0.0%
520 .04 Freight-Material & Supplies	2,104	2,000	2,000	2,000	5,000	3,000	150.0%
525 .04 Vehicle Motor Fuel & Lubricants	30,940	35,000	35,000	35,000	35,000	-	0.0%
525 .07 Machinery & Equip Fuel & Lubricants	76	1,000	1,000	1,000	1,000	-	0.0%
Supplies	**283,941**	**272,865**	**272,865**	**272,865**	**296,250**	**23,385**	**8.6%**

Operating Expenditures			2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Contract/Purchased Services									
600	.03	Training & Education	780	1,975	1,975	1,975	1,975	-	0.0%
605	.01	Ads & Public Announcements	823	2,000	2,000	2,000	2,000	-	0.0%
615	.01	Professional Licenses & Certificates	275	230	230	230	230	-	0.0%
630	.02	Vehicle Licenses	180	240	240	240	240	-	0.0%
630	.05	Software Licenses	-	100	100	100	100	-	0.0%
635	.07	Machinery & Equipment Maint Services	-	1,000	1,000	1,000	1,000	-	0.0%
635	.08	Infrastructure Maintenance Services	3,750	15,000	15,000	15,000	15,000	-	0.0%
645	.02	Rents & Leases-Machinery & Equip	-	1,500	1,500				-100.0%
650	.01	Telecommunications	9,493	9,500	9,500	9,500	11,000	1,500	15.8%
650	.02	Electric, Water, Sewer & Solid Waste	11,983	13,000	13,000	13,000	13,000	-	0.0%
		Contract/Purchased Services	**27,284**	**44,545**	**44,545**	**43,045**	**44,545**	**-**	**0.0%**
Minor Capital Outlay									
790	.15	Furniture & Fixtures	-	250	250	250	250	-	0.0%
790	.25	Machinery & Equipment	-	5,000	5,000	5,000	5,000	-	0.0%
790	.26	Computers, Printers & Copiers	-	3,500	3,500	3,500	5,350	1,850	52.9%
		Minor Capital Outlay	**-**	**8,750**	**8,750**	**8,750**	**10,600**	**1,850**	**21.1%**
Interdepartmental Charges/ Reimbursable Credits									
825	.01	Interdepartmental-Insurance	38,989	37,560	37,560	35,950	42,110	4,550	12.1%
		Interdepartmental Charges	**38,989**	**37,560**	**37,560**	**35,950**	**42,110**	**4,550**	**12.1%**
		Total Expenditures by Type	**1,629,869**	**1,802,129**	**1,802,129**	**1,713,840**	**2,060,985**	**258,856**	**14.4%**

NARRATIVE

500.01 Regular Salaries & Wages: $896,520 – This account provides expenditures for compensation paid to all regular salaried and hourly employees of the Streets Division.

501.01 Overtime Wages: **$70,000** - This account provides expenditures for compensation paid to all regular and temporary hourly employees for hours worked in excess of a regular working cycle.

502.01 Temporary Wages: **$50,000** - This account provides expenditures for compensation paid to temporary salaried and hourly employees of the Streets Division.

505.00 Payroll Taxes: $77,770 – This account provides expenditures for employer contributions for Social Security and Medicare and other similar payroll related taxes.

506.00 Pension: $169,040 – This account provides expenditures for employer contributions to retirement plans.

507.00 Health & Life Insurance: **$320,950** – This account provides expenditures for employer contributions to employee health and life insurance plans.

507.30 Workers' Compensation: **$44,830** – This account provides expenditures for employer contributions to workers' compensation.

508.00 Other Benefits: $35,120 – This account provides expenditures for direct claims from former employees for unemployment benefits paid by the State of Alaska and accrued vacation and sick leave.

509.03 Allowances – Public Works Clothing: **$3,250** – This account provides expenditures for employer provided protective clothing allowances paid directly to represented employees of the Public Works Department pursuant to collective bargaining agreements or the Personnel Rules.

510.01 Office Supplies: **$1,500** - This account provides expenditures for paper, pens, pencils, adding machine ribbons and tape, note pads, file folders, scotch tape, toner, ink cartridges, photocopy charges, small desk accessories and minor office equipment such as adding machines, staplers, comb binding machines and tape dispensers.

510.02 Operating Supplies: **$13,000** - This account provides expenditures for supplies that are normally not of a maintenance nature and are required to support department operations. Included are supplies such as medical supplies, shop supplies, public trash cans, public benches and cigarette disposal urns.

510.03 Safety Program Supplies: **$6,700** - This account provides expenditures for safety information brochures, safety training audio and video programs, safety equipment, specialized hazardous materials handling and disposal information, specialized protective safety clothing and traffic control supplies.

510.04 Janitorial Supplies: $1,000 – This account provides expenditures for cleaning and sanitation supplies used by the in-house janitor.

510.05 Small Tools & Equipment: **$7,000** - This account provides expenditures for minor tools, operating and office equipment with a value of less than $1,000. Included are hand tools, chain saws, blow torches, hydraulic jacks, sump pumps, computer accessories, space heaters, radios, calculators, file cabinets and similar types of minor tools and equipment.

515.01 Vehicle Maintenance Materials: **$1,000** - This account provides expenditures for the materials required for maintaining vehicles such as tires.

515.02 Building and Grounds Maintenance Materials: **$3,000** - This account provides expenditures for the repair and maintenance of buildings owned and operated by the City of Ketchikan. Included are items for maintenance of doors, windows, etc.

515.04 Machinery & Equipment Maintenance Materials: **$2,000** – This account provides expenditures for materials required for maintaining machinery and equipment such as office equipment and operating equipment.

515.05 Infrastructure Maintenance Materials: $220,000 - This account provides expenditures for materials for the repair and maintenance of infrastructure owned by the City. Infrastructure includes streets, bridges, sidewalks, parking lots, promenades, storm drainage, stairways and boardwalks. Materials include sand, salt, asphalt, concrete, treated wood, gravel, signs, posts, bollards, hardware, pipe, steel, paint, asphalt patching materials and pavement striping.

520.02 Postage: **$50** - This account provides expenditures for postal related services such as postage, express delivery and mailing materials.

520.04 Freight – Materials & Supplies: **$5,000** - This account provides expenditures for shipping or transporting supplies and material to and from vendors.

525.04 Vehicle Motor Fuel & Lubricants: **$35,000** - This account provides expenditures for gasoline, diesel fuel, propane and lubricants used in the operations of City vehicles.

525.07 Machinery & Equipment Fuel & Lubricants: $1,000 - This account provides expenditures for gasoline, diesel fuel, propane and lubricants used in the operations of City machinery and equipment.

600.03 Training & Education: $1,975 – This account provides expenditures for registration fees, training fees, training materials, tuition reimbursements and other incidental expenses associated with training and educating employees; and on-premises training programs provided by staff or a third-party.

605.01 Advertising & Public Announcements: **$2,000** - This account provides expenditures for advertising and announcements in publications, newspapers, trade journals, Internet or broadcasts over radio and television. Included are public service announcements, community issues, recruiting, requests for proposals, contracts and sales of property & equipment.

615.01 Professional Licenses & Certificates: $230 - This account provides expenditures for licensing professional, technical, and other employees requiring a license in order to perform their duties. Included are fees paid to license engineers, accountants, attorneys, commercial drivers; and fees paid for technical certifications required by medical technicians, notaries, surveyors, divers and operators of special equipment.

630.02 Vehicle Licenses: $240 – This account provides expenditures for licensing department vehicles for operations on public highways.

630.05 Software Licenses: $100 – This account provides expenditures for acquiring licenses for the right to use proprietary software.

635.07 Machinery & Equipment Maintenance Services: **$1,000** - This account provides expenditures for contractual services for the repair and maintenance of office equipment, machinery and other operating equipment used by the division. This account includes contract labor and materials required to provide the service. It also includes maintenance service agreements.

635.08 Infrastructure Maintenance Services: **$15,000** - This account provides expenditures for contractual services for the repair and maintenance of infrastructure owned or leased by the City. This account includes contract labor and materials required to provide the service. Infrastructure includes streets, bridges, sidewalks, parking lots, promenades, storm drainage, stairways and boardwalks. Services also include snow removal by outside contractors.

650.01 Telecommunications: **$11,000** - This account provides expenditures for telecommunication services. Included are charges for wired and wireless telecommunications services, cell phones, Internet and long distance.

650.02 Electric, Water, Sewer & Solid Waste: **$13,000** - This account provides expenditures for electric, water, sewer and solid waste utility services.

790.15 Furniture & Fixtures: **$250** - This account provides expenditures for acquisition of furniture and fixtures. Included are desks, chairs, tables, workstations, file cabinets, storage cabinets and building fixtures. For 2022, this will fund the purchase of miscellaneous office furniture.

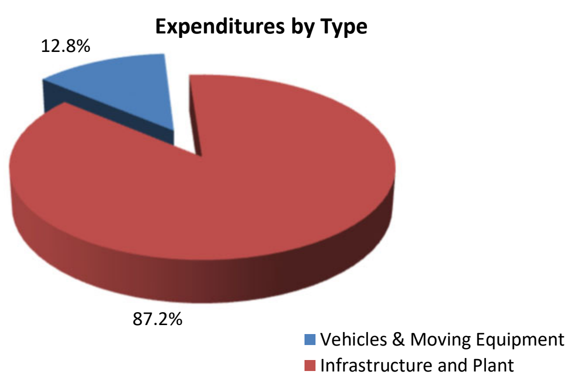
790.25 Machinery & Equipment: **$5,000** - This account provides expenditures for the acquisition of machinery and equipment usually composed of a complex combination of parts. Included are office and operating equipment required to provide services or maintain capital assets. For 2022, this will fund the purchase of necessary machinery or equipment that fails and is not able to be repaired.

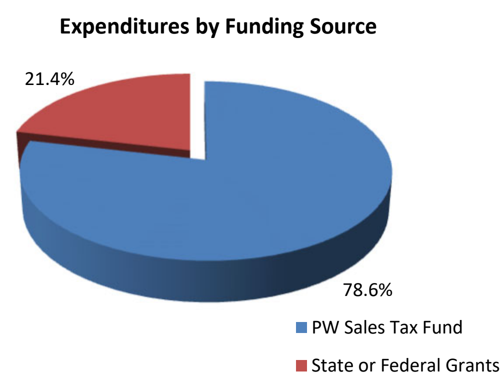
790.26 Computers, Printers & Copiers: $5,350 - This account provides expenditures of network systems, computers, monitors, printers, and copiers. Per the replacement schedule developed by the Information Technology Department, two computers, one monitor, and two UPS battery backups will be replaced.

825.01 Interdepartmental Charges – Insurance: **$42,110** - This account provides expenditures for risk management services and claims.

Major Capital Outlay		2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
720.00	Vehicles & Moving Equipment	-	100,000	100,000	100,000	745,000	645,000	645.0%
730.00	Infrastructure and Plant	320,320	4,133,428	4,398,150	909,646	5,085,955	952,527	23.0%
Total Major Capital Outlay		**320,320**	**4,233,428**	**4,498,150**	**1,009,646**	**5,830,955**	**1,597,527**	**37.7%**

Capital Improvement Projects		Funding Sources			
Project #	Project	PW Sales Tax Fund	Bonds	State or Federal Grants	Total
720.00	**Vehicles & Moving Equipment**				
	Replace Vactor Vehicle	580,000	-		580,000
	Replace Multi-Purpose Vehicle	165,000			165,000
	Total Vehicles & Moving Equipment	**745,000**	**-**	**-**	**745,000**
730.00	**Infrastructure and Plant**				
	Transportation Infrastructure	956,967	-		956,967
	Sayles St/Gorge St Bridge Replacement	446,488	-		446,488
	Bridge Repairs	170,000	-		170,000
	Schoenbar Culvert Rehabilitation	2,262,500		1,250,000	3,512,500
	Total Infrastructure and Plant	**3,835,955**	**-**	**1,250,000**	**5,085,955**
	Total Capital Budget	**4,580,955**	**-**	**1,250,000**	**5,830,955**





The Public Works Garage Division is comprised of one operating division and oversees a Capital Improvement Program.

DEPARTMENT EXECUTIVE SUMMARY

Divisions/Cost Center/Programs	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Operations	680,669	691,301	790,301	779,300	872,801	181,500	26.3%
Capital Improvement Program	17,065	-	-	-	15,000	15,000	NA
Total	**697,734**	**691,301**	**790,301**	**779,300**	**887,801**	**196,500**	**28.4%**

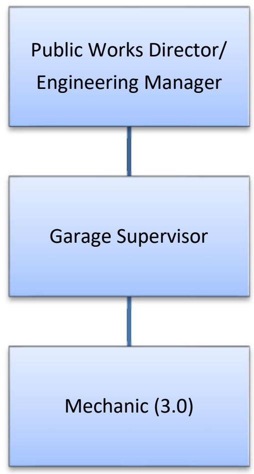
Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Personnel Services and Benefits	475,861	518,186	506,266	497,860	571,946	53,760	10.4%
Supplies	203,420	198,960	300,760	300,760	307,815	108,855	54.7%
Contract/Purchased Services	47,875	53,835	57,955	57,435	71,660	17,825	33.1%
Minor Capital Outlay	21,404	23,000	28,000	27,975	29,170	6,170	26.8%
Interdepartmental Charges	(67,891)	(102,680)	(102,680)	(104,730)	(107,790)	(5,110)	NA
Major Capital Outlay	17,065	-	-	-	15,000	15,000	NA
Total	**697,734**	**691,301**	**790,301**	**779,300**	**887,801**	**196,500**	**28.4%**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
General Fund							
General Fund Support	630,039	633,831	725,761	719,740	798,561	164,730	26.0%
Public Works Sales Tax Fund	17,065	-	-	-	15,000	15,000	NA
Solid Waste Services Fund	10,694	12,210	12,210	7,230	14,050	1,840	15.1%
Wastewater Fund	35,961	36,310	40,320	40,320	46,370	10,060	27.7%
Harbor Fund	1,831	4,470	5,460	5,460	6,280	1,810	40.5%
Port Enterprise Fund	2,144	4,480	6,550	6,550	7,540	3,060	68.3%
Total	**697,734**	**691,301**	**790,301**	**779,300**	**887,801**	**196,500**	**28.4%**

Full-time Equivalent Personnel	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2023 Budget	2023 Salary	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Operations	4.00	4.00	4.00	4.00	328,546	-	0.0%
Total	**4.00**	**4.00**	**4.00**	**4.00**	**328,546**	**-**	**0.0%**

MISSION STATEMENT

The mission of the Garage & Warehouse Division is to provide professional quality maintenance and repairs to the City and Public Works Department's vehicle fleet and rolling stock. The division's goal is to ensure that the quality of these services meets or exceeds professional standards and that all equipment is readily available to respond in a safe condition.



GOALS FOR 2023

- Utilize the work management system to effectively manage division resources.
- Continue specialized training on vehicles and equipment and achieve related certifications.
- Provide a level of service that will enhance the operation of other departments.
- Preserve and maintain the longevity of the equipment fleet to achieve maximum usable life of each asset.
- Evaluate the equipment fleet for units that are beyond their expected service life or are no longer safe.
- Continue corrosion control program to enhance the life of equipment and reduce future maintenance costs.
- Continue to tackle more frequent major maintenance items due to not being able to replace equipment and vehicles in a more timely fashion.

ACCOMPLISHMENTS FOR 2022

- Successfully upgraded lights in the shop for safety.
- Continued to implement corrosion control measures to extend the life of all equipment.
- Completed another full year of fleet maintenance and repairs with no lost time accidents.
- Organized and set up division facilities for success and efficiency, including the construction of a mezzanine above the shop to coordinate parts storage.

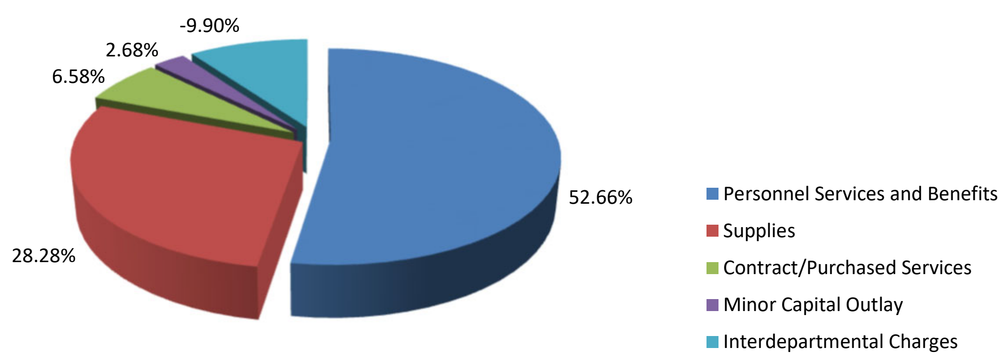
DIVISION SUMMARY

Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Personnel Services and Benefits	475,861	518,186	506,266	497,860	571,946	53,760	10.4%
Supplies	203,420	198,960	300,760	300,760	307,815	108,855	54.7%
Contract/Purchased Services	47,875	53,835	57,955	57,435	71,660	17,825	33.1%
Minor Capital Outlay	21,404	23,000	28,000	27,975	29,170	6,170	26.8%
Interdepartmental Charges	(67,891)	(102,680)	(102,680)	(104,730)	(107,790)	(5,110)	NA
Total Expenditures	**680,669**	**691,301**	**790,301**	**779,300**	**872,801**	**181,500**	**26.3%**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
General Fund							
General Fund Support	630,039	633,831	725,761	719,740	798,561	164,730	26.0%
Solid Waste Services Fund	10,694	12,210	12,210	7,230	14,050	1,840	15.1%
Wastewater Fund	35,961	36,310	40,320	40,320	46,370	10,060	27.7%
Small Boat Harbor Fund	1,831	4,470	5,460	5,460	6,280	1,810	40.5%
Port Enterprise Fund	2,144	4,480	6,550	6,550	7,540	3,060	68.3%
Total Funding	**680,669**	**691,301**	**790,301**	**779,300**	**872,801**	**181,500**	**26.3%**

Full-time Equivalent Personnel	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2023 Budget	2023 Salary	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Supervisor	1.00	1.00	1.00	1.00	88,159	-	0.0%
Mechanic	3.00	3.00	3.00	3.00	240,387	-	0.0%
Total	**4.00**	**4.00**	**4.00**	**4.00**	**328,546**	**-**	**0.0%**

2023 Expenditures by Type



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- Personnel Services and Benefits increased by $53,760, or by 10.4%, due to annual employee step increases, a 2.5% cost of living adjustment for IBEW, Local 1547 employees and non-represented employees that will become effective January 1, 2023; and projected increases in pension and health insurance costs.
- Vehicle Maintenance Materials (Account No. 515.01) increased by $80,000, or by 51.9%, due to inflation and its impact to supply and demand for materials.
- Building and Grounds Maintenance Materials (Account No. 515.02) increased by $5,000, or by 185.2%, due to inflation and its impact to supply and demand for materials.
- Freight-Materials & Supplies (Account No. 520.04) increased by $7,700, or by 334.8%, due to the very high cost in shipping and freight, especially on the barge lines for large items and air freight.
- Heating Fuel (Account No. 525.03 increased by $13,000, or by 92.9%, due to the increasingly high cost of heating fuel.
- Training and Education (Account No. 600.03) increased by $11,125, or by 1,385.7% due to adding the travel budget back to the pre-pandemic funding level which will allow the department to improve staff's knowledge base.
- Computers, Printers & Copiers (Account No. 790.26) increased by $5,150, or by 257.5%, due to replacing one computer, one monitor, one laptop, one printer, and one UPS battery back-up per the replacement schedule developed by the Information Technology Department.

DIVISION OPERATING BUDGET DETAIL

			2021	2022 Budget			2023	2022 Adopted/2023	
Operating Expenditures			Actual	Adopted	Amended	Estimate	Budget	Incr(Decr)	%
Personnel Services and Benefits									
500	.01	Regular Salaries & Wages	297,918	308,796	305,646	298,740	328,546	19,750	6.4%
501	.01	Overtime Wages	1,779	4,000	4,000	3,670	4,000	-	0.0%
502	.01	Temporary Wages	-	12,000	4,000	4,000	12,000	3,240	0.0%
505	.00	Payroll Taxes	21,151	24,850	23,550	23,080	26,360	1,510	6.1%
506	.00	Pension	44,473	45,050	44,050	43,980	61,390	16,340	36.3%
507	.00	Health & Life Insurance	96,901	99,310	100,840	100,840	114,040	14,730	14.8%
507	.30	Workers Compensation	11,052	14,200	14,200	13,570	15,200	1,000	7.0%
508	.00	Other Benefits	1,837	8,430	8,430	8,430	8,860	430	5.1%
509	.03	Allowances-PW Clothing	750	1,250	1,250	1,250	1,250	-	0.0%
509	.07	Allowances-Medical Expenses	-	300	300	300	300	-	0.0%
		Personnel Services and Benefits	**475,861**	**518,186**	**506,266**	**497,860**	**571,946**	**53,760**	**10.4%**

Operating Expenditures			2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Supplies									
510	.01	Office Supplies	700	700	700	700	730	30	4.3%
510	.02	Operating Supplies	6,943	7,500	7,500	7,500	7,875	375	5.0%
510	.03	Safety Program Supplies	769	1,000	1,000	1,000	1,000	-	0.0%
510	.04	Janitorial Supplies	363	500	500	500	500	-	0.0%
510	.05	Small Tools & Equipment	7,500	7,500	7,850	7,850	8,000	500	6.7%
515	.01	Vehicle Maintenance Materials	149,179	154,000	240,000	240,000	234,000	80,000	51.9%
515	.02	Building & Grounds Maint Materials	10,807	2,700	2,750	2,750	7,700	5,000	185.2%
515	.03	Furniture & Fixtures Maint Materials	-	60	60	60	400	340	566.7%
515	.04	Machinery & Equip Maint Materials	3,907	4,500	4,500	4,500	5,000	500	11.1%
520	.02	Postage	189	200	200	200	210	10	5.0%
520	.04	Freight-Material & Supplies	1,825	2,300	2,300	2,300	10,000	7,700	334.8%
525	.03	Heating Fuel	17,175	14,000	28,000	28,000	27,000	13,000	92.9%
525	.04	Vehicle Motor Fuel & Lubricants	3,825	3,500	4,900	4,900	4,900	1,400	40.0%
535	.04	Uniforms/Badges/Clothing	238	500	500	500	500	-	0.0%
		Supplies	**203,420**	**198,960**	**300,760**	**300,760**	**307,815**	**108,855**	**54.7%**
Contract/Purchased Services									
600	.03	Training and Education	-	875	875	875	13,000	12,125	1385.7%
615	.02	Assn. Membership Dues & Fees	-	220	170	-	-	(220)	-100.0%
620	.03	Towing	255	1,000	1,000	1,000	1,000	-	0.0%
630	.02	Vehicle Licenses	30	60	60	60	60	-	0.0%
630	.05	Software Licenses	8,472	8,750	9,150	9,150	9,150	400	4.6%
635	.03	Vehicle Maintenance Services	-	1,300	1,300	1,300	1,300	-	0.0%
635	.07	Machinery & Equip Maint Services	1,906	3,000	3,100	3,100	3,100	100	3.3%
635	.12	Technical Services	613	1,500	1,550	1,550	1,550	50	3.3%
650	.01	Telecommunications	2,248	1,750	3,750	3,400	3,500	1,750	100.0%
650	.02	Electric, Water, Sewer & Solid Waste	34,351	35,380	37,000	37,000	39,000	3,620	10.2%
		Contract/Purchased Services	**47,875**	**53,835**	**57,955**	**57,435**	**71,660**	**17,825**	**33.1%**
Minor Capital Outlay									
790	.25	Machinery & Equipment	10,000	10,000	10,400	10,400	10,500	500	5.0%
790	.26	Computers, Printers & Copiers	500	2,000	2,075	2,075	7,150	5,150	257.5%
790	.30	Infrastructure and Plant	10,904	11,000	15,525	15,500	11,520	520	4.7%
		Minor Capital Outlay	**21,404**	**23,000**	**28,000**	**27,975**	**29,170**	**6,170**	**26.8%**
Interdepartmental Charges									
825	.01	Interdepartmental-Insurance	17,463	18,360	18,360	16,310	18,600	240	1.3%
890	.00	Reimbursable Credits	(85,354)	(121,040)	(121,040)	(121,040)	(126,390)	(5,350)	4.4%
		Interdepartmental Charges	**(67,891)**	**(102,680)**	**(102,680)**	**(104,730)**	**(107,790)**	**(5,110)**	**5.0%**
		Total Expenditures by Type	**680,669**	**691,301**	**790,301**	**779,300**	**872,801**	**181,500**	**26.3%**

NARRATIVE

500.01 Regular Salaries & Wages: $328,546– This account provides expenditures for compensation paid to all regular salaried and hourly employees of the Garage & Warehouse Division.

501.01 Overtime Wages: **$4,000** - This account provides expenditures for compensation paid to all regular and temporary hourly employees for hours worked in excess of a regular working cycle.

502.01 Temporary Wages: $12,000 - This account provides expenditures for compensation paid to all temporary employees in the Garage Division

505.00 Payroll Taxes: $26,360 – This account provides expenditures for employer contributions for Social Security and Medicare and other similar payroll related taxes.

506.00 Pension: $61,390 – This account provides expenditures for employer contributions to retirement plans.

507.00 Health & Life Insurance: **$114,040** – This account provides expenditures for employer contributions to employee health and life insurance plans.

507.30 Workers' Compensation: **$15,200** – This account provides expenditures for employer contributions to workers compensation.

508.00 Other Benefits: $8,860 – This account provides expenditures for direct claims from former employees for unemployment benefits paid by the State of Alaska and accrued vacation and sick leave.

509.03 Allowances – Public Works Clothing: **$1,250** – This account provides expenditures for employer provided protective clothing allowances paid directly to represented employees of the Public Works Department pursuant to collective bargaining agreements or the Personnel Rules.

509.07 Allowances - Medical Expenses: **$300** - This account provides expenditures for employee medical exams paid directly to employees. These benefits are taxable to the employees.

510.01 Office Supplies: **$730** - This account provides expenditures for paper, pens, pencils, adding machine ribbons and tape, note pads, file folders, scotch tape, toner, ink cartridges, photocopy charges, small desk accessories and minor office equipment such as adding machines, and tape dispensers.

510.02 Operating Supplies: **$7,875** - This account provides expenditures for supplies that are normally not of a maintenance nature and are required to support department operations. Included are supplies such as paint, solvents and shop materials. General supplies for shop. Degreaser, oil response kits, chemicals and fluids.

510.03 Safety Program Supplies: **$1,000** - This account provides expenditures for the City safety program. Included are safety information brochures, safety training audio and video programs, safety equipment, OSHA required medical exams, specialized hazardous materials handling and disposal information, and specialized protective safety clothing.

510.04 Janitorial Supplies: $500 – This account provides expenditures for cleaning and sanitation supplies used by in-house and contracted janitors.

510.05 Small Tools & Equipment: **$8,000** - This account provides expenditures for minor tools, operating and office equipment with a value of less than $1,000. Included are hand tools, blow torches, hydraulic jacks, sump pumps, computer accessories, space heaters, radios, calculators, file cabinets and similar types of minor tools and equipment.

515.01 Vehicle Maintenance Materials: **$234,000** - This account provides expenditures for the cost of materials used for the repair and maintenance of vehicles owned or leased and operated by the division. Included are licensed and unlicensed rolling stock.

515.02 Building & Grounds Maintenance Materials: **$7,700** – This account provides expenditures for materials required for the repair and maintenance of buildings and upkeep of the grounds owned or leased and operated by the division.

515.03 Furniture & Fixtures Maintenance Materials: **$400 -** This account provides expenditures for materials required for the repair, maintenance, & replacement of furniture and building fixtures owned or leased and operated by the division.

515.04 Machinery & Equipment Maintenance Materials: $5,000 – This account provides expenditures for materials and parts required for the repair and maintenance of City owned machinery and equipment used by the division.

520.02 Postage: **$210** - This account provides expenditures for postal related services such as postage, express delivery, mailing materials and the rent of post office boxes and postage machines.

520.04 Freight – Materials & Supplies: **$10,000** - This account provides expenditures for shipping or transporting supplies and materials to and from vendors, as well as unforeseen costs in Shipping/Freight for emergency repairs.

525.03 Heating Fuel: **$27,000** - This account provides expenditures for heating fuel to heat the garage and the warehouse.

525.04 Vehicle Motor Fuel & Lubricants: **$4,900** - This account provides expenditures for gasoline, diesel fuel, propane and lubricants used in the operations of the division.

535.04 Uniforms/Badges/Clothing: **$500** - This account provides expenditures for direct purchases of or reimbursements to employees for work related clothing required by department policies. Included are work clothes, raingear, hats, boots and gloves.

600.03 Training & Education: $13,000 - This account provides expenditures for registration fees, training fees, training materials, tuition reimbursements, and other incidental expenses associated with training and educating employees; and on-premises training programs provided by staff or a third-party. For 2023, training will focus on the repair and maintenance of electric motors.

620.03 Towing: **$1,000** – This account provides expenditures for towing of City vehicles.

630.02 Vehicle Licenses: $60 – This account provides expenditures for acquiring licenses for vehicles for operations on public highways.

630.05 Software Licenses: $9,150 – This account provides expenditures for acquiring licenses for the right to use proprietary software.

635.03 Vehicle Maintenance Services: $1,300 – This account provides expenditures for contractual services required for the repair and maintenance of City vehicles by outside maintenance facilities. Included are licensed and unlicensed rolling stock. This account includes contract labor and materials required to provide the service.

635.07 Machinery & Equipment Maintenance Services: $3,100 - This account provides expenditures for contractual services required for the repair and maintenance of machinery and other operating equipment used by the division. This account includes contract labor and materials required to provide the service. It also includes maintenance service agreements.

635.12 Technical Services: **$1,550** - This account provides expenditures for services that are not regarded as professional but require technical or special knowledge. Included are specialized automotive services.

650.01 Telecommunications: **$3,500** - This account provides expenditures for telecommunication services. Included are charges for wired and wireless telecommunications services, cell phones, Internet, and long distance.

650.02 Electric, Water, Sewer & Solid Waste: **$39,000** - This account provides expenditures for electric, water, sewer and solid waste utility services.

790.25 Machinery & Equipment: **$10,500** - This account provides expenditures for the acquisition of machinery and equipment usually composed of a complex combination of parts. Included are office and operating equipment required to provide services or maintain capital assets. For 2023, this will fund an upgrade of the main shop lights to LED lights.

790.26 Computers, Printers & Copiers: $7,150 - This account provides expenditures for desktop, laptops, and tablet computers; computer printers and scanners, photocopiers and fax machines. Per the computer replacement schedule developed by the Information Technology Department, one computer, one laptop, one printer and one UPS battery back-up will be replaced.

790.30 Infrastructure and Plant: $11,520 - This account provides expenditures for costs associated with replacing the exhaust system in the shop.

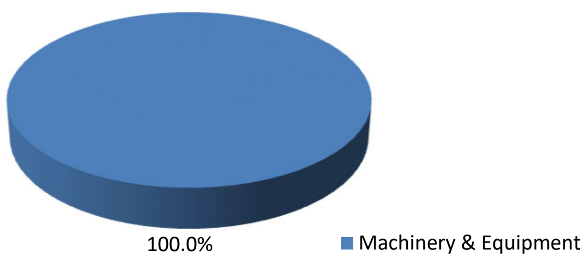
825.01 Interdepartmental Charges – Insurance: **$18,600** - This account provides expenditures for risk management services and claims.

890.00 Reimbursable Credits: **($126,390)** – A contra-expense account for crediting the Garage department for operating costs that will be paid by another General Fund department.

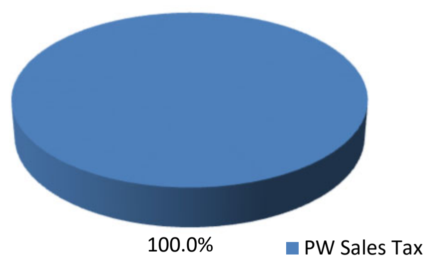
Major Capital Outlay		2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
705-00	Buildings	-	-	-			-	NA
725.00	Machinery & Equipment	17,065	-	-		15,000	15,000	NA
Total Major Capital Outlay		**17,065**	**-**	**-**	**-**	**15,000**	**15,000**	**NA**

Capital Improvement Projects Project #	Project	Funding Sources PW Sales Tax			Total
725-00 Machinery and Equipment					
	Dayton Mill	15,000	-	-	15,000
	Total Machinery and Equipment	**15,000**	**-**	**-**	**15,000**
	Total Capital Budget	**15,000**	**-**	**-**	**15,000**

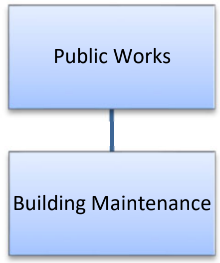
Expenditures by Type



Expenditures by Funding Source



The Public Works Building Maintenance Division is responsible for maintenance of various City-owned facilities.



The Public Works Building Maintenance Division is comprised of one operating division and oversees three cost centers and a Capital Improvement Program.

DEPARTMENT EXECUTIVE SUMMARY

	2021	2022 Budget			2023	2022 Adopted/2023	
Divisions/Cost Center/Programs	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Operations	332,408	386,468	386,468	383,740	441,179	54,711	14.2%
City Hall O&M	121,974	149,390	149,390	147,480	151,170	1,780	1.2%
Shoreline Bldg O&M	6,043	9,357	9,357	9,267	9,307	(50)	-0.5%
Orphaned Buildings	44,930	31,690	31,690	25,030	12,000	(19,690)	-62.1%
Capital Improvement Program	-	130,000	150,770	93,013	57,757	(72,243)	-55.6%
Total	**505,355**	**706,905**	**727,675**	**658,530**	**671,413**	**(35,492)**	**-5.0%**

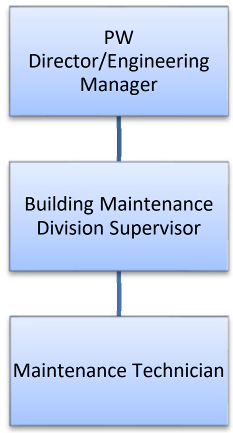
	2021	2022 Budget			2023	2022 Adopted/2023	
Expenditures by Category	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Personnel Services and Benefits	289,096	325,388	324,613	322,100	375,129	49,741	15.3%
Supplies	45,930	47,170	48,695	48,020	48,020	850	1.8%
Contract/Purchased Services	147,702	178,694	177,944	172,834	163,184	(15,510)	-8.7%
Minor Capital Outlay	-	3,800	3,800	2,800	5,950	2,150	56.6%
Interdepartmental Charges	22,627	21,853	21,853	19,763	21,373	(480)	-2.2%
Major Capital Outlay	-	130,000	150,770	93,013	57,757	(72,243)	-55.6%
Total	**505,355**	**706,905**	**727,675**	**658,530**	**671,413**	**(35,492)**	**-5.0%**

	2021	2022 Budget			2023	2022 Adopted/2023	
Funding Source	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
General Fund							
Tax Supported	498,981	570,531	570,531	559,143	607,282	36,751	6.4%
Public Works Sales Tax Fund	-	130,000	150,770	93,013	57,757	(72,243)	-55.6%
Shoreline Fund	6,374	6,374	6,374	6,374	6,374	-	0.0%
Total	**505,355**	**706,905**	**727,675**	**658,530**	**671,413**	**(35,492)**	**-5.0%**

	2021	2022 Budget		2023		2022 Adopted/2023	
Full-time Equivalent Personnel	**Actual**	**Adopted**	**Amended**	**Budget**	**Salary**	**Incr(Decr)**	**%**
Operations	3.00	3.00	3.00	3.00	214,939	-	0.0%
Total	**3.00**	**3.00**	**3.00**	**3.00**	**214,939**	**-**	**0.0%**

MISSION STATEMENT

The mission of the Building Maintenance Division is to maintain and operate as efficiently as possible the heating and ventilating, plumbing and electrical systems of General Government facilities, as well as to undertake interior and exterior building repairs when required.



GOALS FOR 2023

- Continue to troubleshoot and provide maintenance for all building systems and facilities within the responsibility of the division.
- Continue upgrades to the Centennial Building as needed.
- Continue implementing moisture control recommendations at the Totem Heritage Center.
- Continue obtaining training for the Building Maintenance Division staff including HVAC systems, electrical, and automated building controls.
- Continue upgrading lighting to more energy efficient ballasts and bulbs, changing to direct wired LEDs.

ACCOMPLISHMENTS FOR 2022

- Completed hundreds of work orders for various repairs and improvements to City facilities. Maintained HVAC filters program for City buildings, serviced zerks and belts on motors, changed compressor oils annually, maintained and serviced all apparatus doors, scheduled inspections sprinkler systems, back flow preventers, and annual furnace maintenance.
- City Hall - completed A/C annual inspections, new refrigerant for fourth floor A/C unit, recalibrated automatic entry doors, replaced refrigerant on IT AC unit, pressure washed exterior of building, assisted the Clerk's Office with the installation of the Webex room kits for Council Chambers and the Second Floor Conference Room. Painted City Manager's office, toilet repairs, worked with Advanced Communications on annual fire alarm testing, replaced backup batteries, replaced relay on 4th floor. Built custom cable box in Chambers and trim out podium. Replaced HVAC motor on second floor, replaced HVAC coil on third floor.
- Police Department - Replaced circulating pump, new refrigerant in A/C unit controlling cooling in communications center. Troubleshot numerous problems with old HVAC units. Replaced white board in training room, installed mounting brackets in brick wall for new weightlifting equipment. Completed misc. sheetrock patches and paint. Replaced awning lights with direct wired exterior LED bulbs.
- Garage and Warehouse - Removed old ceiling warehouse lighting and replaced with new. Replaced welding shop apparatus door panels, replaced salt shed apparatus door motor, fixed leaking gutters, removed broken spring on apparatus door and replaced, rewound and adjusted, replaced heater in welding shop.
- PW Administration Building - Troubleshot HVAC systems. Replaced domestic water line check valve, conducted misc. sheetrock repairs, replaced rusted ceiling grid, replaced light fixture and ceiling tiles. Replaced awning lights with direct wired LED's.

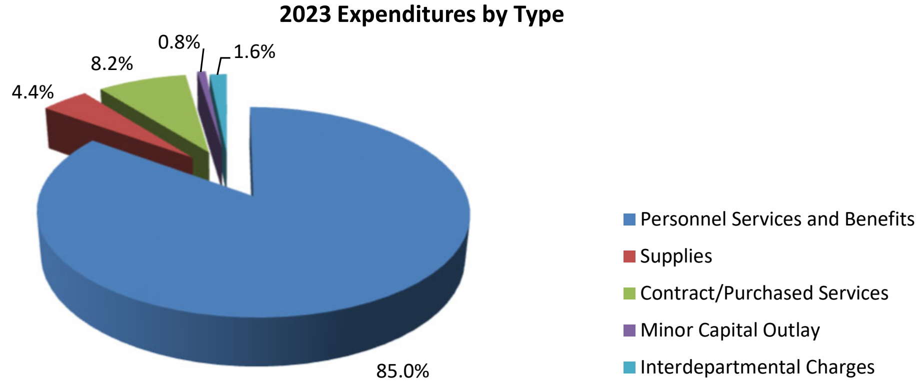
- Solid Waste Handling and Recycling Facility - Replaced loading bay dock seals, replaced cable drum, springs, motor, shortened drive chain, replaced motor. Created custom blinds for scale house, adjusted apparatus doors as needed. Replaced lighting in breakroom to LEDs.
- Fire Department - Performed quarterly inspections of all bi-fold doors, replaced overhead lighting, replaced H2O filters. Fuses replaced on electric boiler at FS1, bled lines to day tank because of empty fuel tank, fixed entry keyless lock, replaced hot water actuator and seals on 4 circ. pumps. FS2 - replaced vented microwave, cleared plugged drain line from shower, adjusted training building doors and replaced keyed locks.
- Wastewater Division - Roll up door was ran into and had to be re-straightened and adjusted.
- Cemetery - Pressure washed building and Veterans Memorial. Replaced rot on door frames. Cleaned out gutters and downspouts.
- Library - Moved furniture, completed sheetrock work and touchup painting, fixed fireplace shorted out motherboard, continued adjusting doors due to settling, re-stained outside cedar siding, completed various projects while closed for inventory.
- Totem Heritage Center - Pressure washed and stained outside railings, siding, and walkways, rewired outside carving shed to direct wired LEDs, remodeled downstairs classroom, replaced light fixtures/sheetrock patching/paint, replaced band saw blade.
- Museum- Replaced actuator on heating system, cleaned gutters and downspouts, fixed gate, helped build exhibits, replaced fan belt, toilets and partition doors adjustments, wired in emergency lighting, and miscellaneous painting.
- Ted Ferry- Completed bathroom maintenance, door adjustments, replaced low water cut out switches on boilers, re-caulking near windows-siding.
- WISH- Replaced interior ceiling lights to LED's, added cedar trim to entry, replaced rotted wood.

DIVISION SUMMARY

	2021	2022 Budget			2023	2022 Adopted/2023	
Expenditures by Category	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Personnel Services and Benefits	289,096	325,388	324,613	322,100	375,129	49,741	15.3%
Supplies	14,111	18,770	19,545	19,420	19,420	650	3.5%
Contract/Purchased Services	23,286	36,200	36,200	36,200	36,200	-	0.0%
Minor Capital Outlay	-	300	300	300	3,450	3,150	1050.0%
Interdepartmental Charges-Public Safety	-	-	-	-	-	-	0.0%
Interdepartmental Charges	5,915	5,810	5,810	5,720	6,980	1,170	20.1%
Total Expenditures	**332,408**	**386,468**	**386,468**	**383,740**	**441,179**	**54,711**	**14.2%**

	2021	2022 Budget			2023	2022 Adopted/2023	
Funding Source	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
General Fund							
Tax Supported	332,408	386,468	386,468	383,740	441,179	54,711	14.2%
Total Funding	**332,408**	**386,468**	**386,468**	**383,740**	**441,179**	**54,711**	**14.2%**

	2021	2022 Budget		2023		2022 Adopted/2023	
Full-time Equivalent Personnel	**Actual**	**Adopted**	**Amended**	**Budget**	**Salary**	**Incr(Decr)**	**%**
Bldg Maintenance Supervisor	1.00	1.00	1.00	1.00	83,909	-	0.0%
Maintenance Technician	2.00	2.00	2.00	2.00	131,030	-	0.0%
Total	**3.00**	**3.00**	**3.00**	**3.00**	**214,939**	**-**	**0.0%**



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- Personnel Services and Benefits increased by $49,741, or by 15.3%, due to annual employee step increases, a 2.5% cost of living adjustment for IBEW, Local 1547 employees and non-represented employees that will become effective January 1, 2023; and projected increases in pension, health insurance and other benefit costs.

DIVISION OPERATING BUDGET DETAIL

	2021	2022 Budget			2023	2022 Adopted/2023	
Operating Expenditures	Actual	Adopted	Amended	Estimate	Budget	Incr(Decr)	%
Personnel Services and Benefits							
500 .01 Regular Salaries and Wages	190,058	192,118	194,928	194,920	214,939	22,821	11.9%
501 .01 Overtime Wages	-	3,600	2,085	1,730	3,600	-	0.0%
502 .01 Temporary Wages	-	7,500	2,500	2,500	7,500	-	0.0%
505 .00 Payroll Taxes	13,458	15,550	15,550	14,620	17,300	1,750	11.3%
506 .00 Pension	25,584	26,010	26,010	25,570	37,160	11,150	42.9%
507 .00 Health and Life Insurance	63,411	65,160	68,090	68,090	74,060	8,900	13.7%
507 .30 Workers Compensation	7,793	8,350	8,350	7,570	8,280	(70)	-0.8%
508 .00 Other Benefits	(11,958)	6,050	6,050	6,050	11,240	5,190	85.8%
509 .03 Allowances-PW Clothing	750	750	750	750	750	-	0.0%
509 .08 Allowances-Medical Expenses	-	300	300	300	300	-	0.0%
Personnel Services and Benefits	**289,096**	**325,388**	**324,613**	**322,100**	**375,129**	**49,741**	**15.3%**
Supplies							
510 .01 Office Supplies	138	250	350	250	250	-	0.0%
510 .02 Operating Supplies	503	500	500	500	500	-	0.0%
510 .03 Safety Program Supplies	539	800	825	825	825	25	3.1%
510 .04 Janitorial Supplies	-	75	75	50	50	(25)	-33.3%
510 .05 Small Tools & Equipment	1,242	3,500	3,500	3,500	3,500	-	0.0%
515 .02 Bldg & Grounds Maint Materials	8,410	10,500	11,000	11,000	11,000	500	4.8%
520 .02 Postage	-	45	45	45	45	-	0.0%
520 .04 Freight-Material and Supplies	-	100	100	100	100	-	0.0%
525 .04 Vehicle Motor Fuel & Lubricants	3,279	3,000	3,150	3,150	3,150	150	5.0%
Supplies	**14,111**	**18,770**	19,545	19,420	**19,420**	**650**	**3.5%**

Operating Expenditures			2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Contract/Purchased Services									
600	.03	Training and Education	-	750	750	750	750	-	0.0%
630	.02	Vehicle Licenses	30	400	400	400	400	-	0.0%
635	.06	Bldg & Grounds Maint Services	-	2,500	2,500	2,500	2,500	-	0.0%
635	.07	Machinery & Equip Maint Services	550	550	550	550	550	-	0.0%
635	.12	Technical Services	15,574	22,000	22,000	22,000	22,000	-	0.0%
645	.02	Rents and Leases-Machinery & Equip	537	1,500	1,500	1,500	1,500	-	0.0%
650	.01	Telecommunications	6,595	8,500	8,500	8,500	8,500	-	0.0%
		Contract/Purchased Services	**23,286**	**36,200**	**36,200**	**36,200**	**36,200**	**-**	**0.0%**
Minor Capital Outlay									
790	.25	Machinery and Equipment	-	300	300	300	300	-	0.0%
790	.26	Computers, Printers & Copiers	-	-	-	-	3,150	3,150	NA
		Minor Capital Outlay	**-**	**300**	**300**	**300**	**3,450**	**3,150**	**1050.0%**
Interdepartmental Charges									
825	.01	Interdepartmental-Insurance	5,915	5,810	5,810	5,720	6,980	1,170	20.1%
		Interdepartmental Charges	**5,915**	**5,810**	**5,810**	**5,720**	**6,980**	**1,170**	**20.1%**
		Total Expenditures by Type	**332,408**	**386,468**	**386,468**	**383,740**	**441,179**	**54,711**	**14.2%**

NARRATIVE

500.01 Regular Salaries & Wages: $214,939– This account provides expenditures for compensation paid to all regular salaried and hourly employees of the Building Maintenance Division.

501.01 Overtime Wages: **$3,600** - This account provides expenditures for compensation paid to all regular and temporary hourly employees for hours worked in excess of a regular working cycle.

502.01 Temporary Wages: **$7,500** - This account provides expenditures for compensation paid to temporary salaried and hourly employees of the Building Maintenance Division.

505.00 Payroll Taxes: $17,300 – This account provides expenditures for employer contributions for Social Security and Medicare and other similar payroll related taxes.

506.00 Pension: $37,160 – This account provides expenditures for employer contributions to retirement plans.

507.00 Health & Life Insurance: **$74,060** – This account provides expenditures for employer contributions to employee health and life insurance plans.

507.30 Workers' Compensation: **$8,280** – This account provides expenditures for employer contributions to workers' compensation insurance.

508.00 Other Benefits: $11,240 – This account provides expenditures for direct claims from former employees for unemployment benefits paid by the State of Alaska and accrued vacation and sick leave.

509.03 Allowances – Public Works Clothing: **$750** – This account provides expenditures for employer provided protective clothing allowances paid directly to represented employees of the Building Maintenance Division pursuant to collective bargaining agreements or the Personnel Rules.

509.08 Allowances-Medical Expenses: $300 - This account provides expenditures for employee medical exams paid directly to employees.

510.01 Office Supplies: **$250** – This account provides expenditures for expendable office supplies and equipment such as paper, pens, pencils, adding machine ribbons and tape, note pads, file folders, scotch tape, toner, ink cartridges, photocopy charges, small desk accessories and minor office equipment such as adding machines, staplers, comb binding machines and tape dispensers.

510.02 Operating Supplies: **$500** - This account provides expenditures for supplies that are normally not of a maintenance nature and are required to support department operations. Included are supplies such as adhesives, misc. fasteners, nails and screws, and bottled water service.

510.03 Safety Program Supplies: **$825** - This account provides expenditures for safety training audio and video programs, safety equipment, specialized hazardous materials handling and disposal information and specialized protective safety clothing and traffic control.

510.04 Janitorial Supplies: $50 - This account provides expenditures for cleaning and sanitation supplies used for in-house janitor duties.

510.05 Small Tools & Equipment: **$3,500** - This account provides expenditures for minor tools, operating and office equipment with a value of less than $1,000. Included are hand tools, chain saws, blow torches, hydraulic jacks, sump pumps, computer accessories, space heaters, radios, calculators, file cabinets and similar types of minor tools and equipment.

515.02 Building & Grounds Maintenance Materials: **$11,000** – This account provides expenditures for the repair and maintenance of buildings and upkeep of the grounds owned or leased and operated by the City.

520.02 Postage: **$45** - This account provides for expenditures for postal related services such as postage, express delivery and mailing materials.

520.04 Freight – Materials & Supplies: **$100** - This account provides expenditures for shipping or transporting supplies and materials to and from vendors.

525.04 Vehicle Motor Fuel & Lubricants: **$3,150** - This account provides expenditures for gasoline, diesel fuel, propane and lubricants used in the operations of vehicles.

600.03 Training & Education: $750 - This account provides expenditures for the registration fees, training materials and fees for on-premises training programs provided by a third-party.

630.02 Vehicle Licenses: $400 – This account provides expenditures for licensing City vehicles for operations on public highways.

635.06 Buildings & Grounds Maintenance Services: $2,500 – This account provides expenditures for the repair and maintenance of buildings and the upkeep of grounds owned or leased by the City. This account includes contract labor and materials required to provide the service.

635.07 Machinery & Equipment Maintenance Services: $550 – This account provides expenditures for contractual services required for the repair and maintenance of machinery and other operating equipment used by the division. This account includes contract labor and materials required to provide the service. It also includes maintenance service agreements.

635.12 Technical Services: **$22,000** - This account provides expenditures for services that are not regarded as professional but require technical or special knowledge. Included are video camera operators, building security, pest control, elevator inspections and DDC Support.

645.02 Rents & Leases – Machinery & Equipment: **$1,500** - This account provides expenditures for the rent and lease of vehicles. Both operating and capital leases are accounted for in this account.

650.01 Telecommunications: **$8,500** – This account provides expenditures for wired and wireless telecommunication services. Included are landline and cell phone services, network and data services, Internet, long distance and toll free numbers. Purchases of cell phones are also charged to this account.

790.25 Machinery & Equipment: **$300** - This account provides expenditures for the acquisition of machinery and equipment usually composed of a complex combination of parts. Included are office equipment and operating equipment required to provide services or maintain capital assets.

790.26 Computers, Printers & Copiers: **$3,150** - This account provides expenditures for desktop, laptops, and tablet computers; computer printers and scanners, photocopiers and fax machines. Per the computer replacement schedule developed by the Information Technology Department, one computer, one monitor, and one UPS battery back-up will be replaced.

825.01 Interdepartmental Charges – Insurance: **$6,980** - This account provides expenditures for risk management services and claims.

COST CENTER STATEMENT

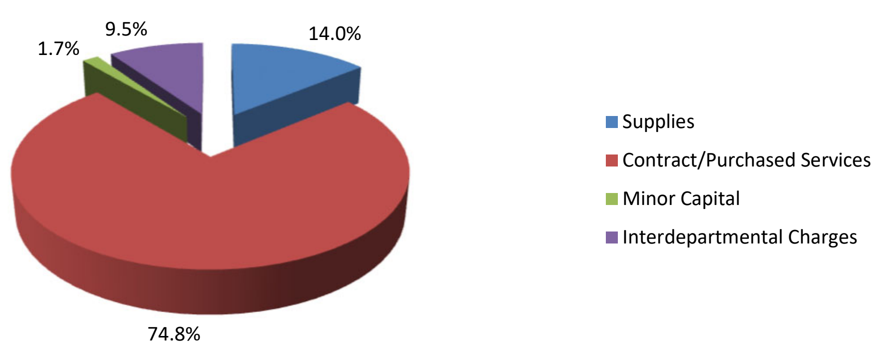
The City Hall Building O&M cost center was established to monitor the cost of operating and maintaining the City Hall Building. This facility houses the offices of the Mayor and Council, City Attorney, City Clerk, City/KPU General Manager, Finance and Information Technology Departments. Operating and maintaining the City Hall Building is a Public Works Department function.

COST CENTER SUMMARY

	2021	2022 Budget			2023	2022 Adopted/2023	
Expenditures by Category	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Supplies	18,613	20,350	21,100	21,100	21,100	750	3.7%
Contract/Purchased Services	89,359	110,740	109,990	109,990	113,140	2,400	2.2%
Minor Capital	-	2,500	2,500	2,500	2,500	-	0.0%
Interdepartmental Charges	14,002	15,800	15,800	13,890	14,430	(1,370)	-8.7%
Total Expenditures	**121,974**	**149,390**	**149,390**	**147,480**	**151,170**	**1,780**	**1.2%**

	2021	2022 Budget			2023	2022 Adopted/2023	
Funding Source	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
General Fund							
Tax Supported	121,974	149,390	149,390	147,480	151,170	1,780	1.2%
Total Funding	**121,974**	**149,390**	**149,390**	**147,480**	**151,170**	**1,780**	**1.2%**

2023 Expenditures by Type



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- There are no significant changes between the adopted operating budget for 2022 and the proposed budget for 2023.

COST CENTER OPERATING BUDGET DETAIL

Operating Expenditures	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Supplies							
510 .04 Janitorial Supplies	-	100	100	100	100	-	0.0%
510 .05 Small Tools & Equipment	-	750	750	750	750	-	0.0%
515 .02 Bldg & Grounds Maint Materials	3,214	2,500	2,500	2,500	2,500	-	0.0%
525 .03 Heating Fuel	15,399	17,000	17,750	17,750	17,750	750	4.4%
Supplies	**18,613**	**20,350**	**21,100**	**21,100**	**21,100**	**750**	**3.7%**
Contract/Purchased Services							
635 .02 Janitorial and Cleaning Services	45,500	45,500	45,500	45,500	45,500	-	0.0%
635 .06 Bldg & Grounds Maint Services	748	5,500	4,750	4,750	5,500	-	0.0%
635 .12 Technical Services	11,206	16,000	16,000	16,000	16,000	-	0.0%
640 .02 Engineering and Architectural Svcs	-	5,000	5,000	5,000	5,000	-	0.0%
650 .01 Telecommunications	6,990	5,700	8,100	8,100	8,100	2,400	42.1%
650 .02 Electric, Water, Sewer & Solid Waste	24,915	33,040	30,640	30,640	33,040	-	0.0%
Contract/Purchased Services	**89,359**	**110,740**	**109,990**	**109,990**	**113,140**	**2,400**	**2.2%**
Minor Capital Outlay							
790 .25 Machinery & Equipment	-	2,500	2,500	2,500	2,500	-	0.0%
Minor Capital Outlay	**-**	**2,500**	**2,500**	**2,500**	**2,500**	**-**	**0.0%**
Interdepartmental Charges							
825 .01 Interdepartmental Charges-Insurance	14,002	15,800	15,800	13,890	14,430	(1,370)	-8.7%
Interdepartmental Charges	**14,002**	**15,800**	**15,800**	**13,890**	**14,430**	**(1,370)**	**-8.7%**
Total Expenditures by Type	**121,974**	**149,390**	**149,390**	**147,480**	**151,170**	**1,780**	**1.2%**

NARRATIVE

510.04 Janitorial Supplies: $100 – This account provides expenditures for cleaning and sanitation supplies used by the janitor.

510.05 Small Tools & Equipment: **$750** - This account provides expenditures for minor tools, operating and office equipment with a value of less than $1,000. Included are hand tools, chain saws, blow torches, hydraulic jacks, sump pumps, computer accessories, space heaters, radios, calculators, file cabinets and similar types of minor tools and equipment.

515.02 Building & Grounds Maintenance Materials: $2,500 – This account provides expenditures for materials for the repair and maintenance of City Hall and the upkeep of its grounds.

525.03 Heating Fuel: $17,750 - This account provides expenditure for heating fuel to heat City Hall.

635.02 Janitorial & Cleaning Services: $45,500 - This account provides expenditures for services to clean City Hall. Included are janitorial and carpet cleaning.

635.06 Buildings & Grounds Maintenance Services: $5,500 - This account provides expenditures for the services to repair and maintain City Hall and the upkeep of its grounds.

635.12 Technical Services: $16,000 - This account provides expenditures for services that are not regarded as professional but require technical or special knowledge. Included are video camera operators, building security, pest control, elevator inspections and DDC Support.

640.02 Engineering & Architectural Services: $5,000 - This account provides expenditures for services for engineering and architectural services.

650.01 Telecommunications: **$8,100** – This account provides expenditures for wired and wireless telecommunication services. Included are landline and cell phone services, network and data services, Internet, long distance and toll free numbers. Purchases of cell phones are also charged to this account.

650.02 Electric, Water, Sewer & Solid Waste Services: $33,040 - This account provides expenditures for electric, water, sewer and solid waste utility services for City Hall.

790.25 Machinery & Equipment: $2,500 - This account provides expenditures for the acquisition of a key card system for the back door of City Hall in order to improve building security.

825.01 Interdepartmental Charges – Insurance: **$14,430** - This account provides expenditures for risk management services and claims.

COST CENTER STATEMENT

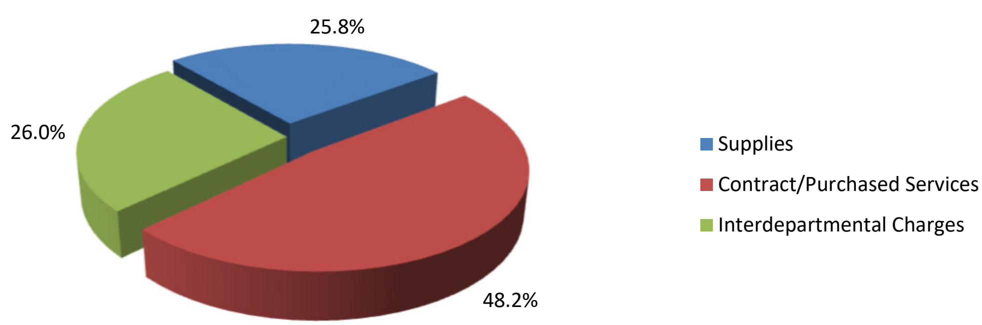
The Shoreline Maintenance Building O&M cost center was established to monitor the cost of operating and maintaining the Shoreline Maintenance Building. This facility houses the offices of the Building Maintenance Division and storage areas for the Fire Department. Operating and maintaining the Shoreline Maintenance Building is a Public Works function.

COST CENTER SUMMARY

Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Supplies	2,470	5,000	5,000	5,000	5,000	-	0.0%
Contract/Purchased Services	8,682	9,344	9,344	9,344	9,344	-	0.0%
Interdepartmental Charges	(5,109)	(4,987)	(4,987)	(5,077)	(5,037)	(50)	1.0%
Total Expenditures	**6,043**	**9,357**	**9,357**	**9,267**	**9,307**	**(50)**	**-0.5%**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
General Fund							
Tax Supported	6,043	2,983	2,983	2,893	2,933	(50)	-1.7%
Shoreline Fund	-	6,374	6,374	6,374	6,374	-	0.0%
Total Funding	**6,043**	**9,357**	**9,357**	**9,267**	**9,307**	**(50)**	**-0.5%**

2023 Expenditures by Type



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- There are no significant changes between the adopted operating budget for 2022 and the proposed operating budget for 2023.

COST CENTER OPERATING BUDGET DETAIL

Operating Expenditures			2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Supplies									
515	.02	Bldg & Grounds Maint Materials	1,073	1,700	1,700	1,700	1,700	-	0.0%
525	.03	Heating Fuel	1,397	3,300	3,300	3,300	3,300	-	0.0%
		Supplies	**2,470**	**5,000**	**5,000**	**5,000**	**5,000**	**-**	**0.0%**
Contract/Purchased Services									
645	.01	Rents and Leases-Land & Buildings	6,374	6,374	6,374	6,374	6,374	-	0.0%
650	.02	Electric, Water, Sewer and Solid Waste	2,308	2,970	2,970	2,970	2,970	-	0.0%
		Contract/Purchased Services	**8,682**	**9,344**	**9,344**	**9,344**	**9,344**	**-**	**0.0%**
Interdepartmental Charges/Reimbursable Credits									
825	.01	Interdepartmental Charges-Insurance	948	1,070	1,070	980	1,020	(50)	-4.7%
890	.00	Reimbursable Credits	(6,057)	(6,057)	(6,057)	(6,057)	(6,057)	-	NA
		Interdepartmental Charges/Reimbursable Credits	**(5,109)**	**(4,987)**	**(4,987)**	**(5,077)**	**(5,037)**	**(50)**	**NA**
		Total Expenditures by Type	**6,043**	**9,357**	**9,357**	**9,267**	**9,307**	**(50)**	**-0.5%**

NARRATIVE

515.02 Building & Grounds Maintenance Materials: **$1,700** – This account provides expenditures for materials for the repair and maintenance of the Shoreline Maintenance Building and the upkeep of its grounds.

525.03 Heating Fuel: **$3,300** - This account provides expenditures for heating fuel to heat the Shoreline Maintenance Building.

645.01 Rents & Leases - Land & Buildings: **$6,374** - This account provides expenditures for the rent and lease of the Shoreline Maintenance Building.

650.02 Electric, Water, Sewer & Solid Waste: **$2,970** - This account provides expenditures for electric, water, sewer and solid waste utility services.

825.01 Interdepartmental Charges – Insurance: **$1,020** - This account provides expenditures for risk management services and claims.

890.00 Reimbursable Credits: **($6,057)** - This is a contra-expense account that provides expenditures for reimbursement for the Fire Department’s share of the cost of operating and maintaining the Shoreline Maintenance Building. The shared cost for the Fire Department shall not exceed $6,057.

COST CENTER STATEMENT

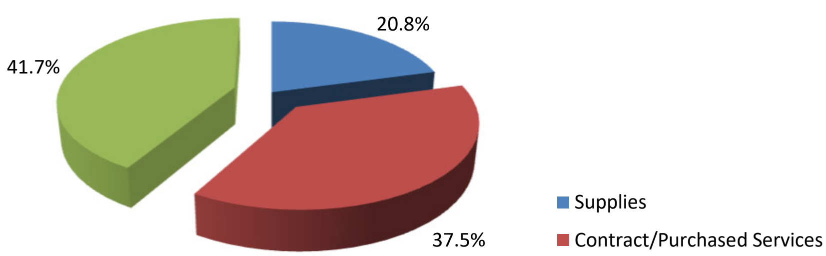
The mission of the Building Maintenance Orphaned Buildings O&M cost center is to provide a resource and tracking mechanism to preserve and maintain buildings owned or leased and operated by the City that are not needed for operations. The heating and ventilating, plumbing and electrical systems of the facility formerly known as the Ketchikan Regional Youth Facility (KRYF) are included in this section along with required maintenance and inspections to keep the facilities functional until final disposition is determined by the City Council. Per City Council action, the Ketchikan Regional Youth Facility was conveyed to Women in Safe Homes (WISH) in late 2021 and the associated expenses in maintaining the facility are included in this section as decreases, which began in 2022.

COST CENTER SUMMARY

	2021	2022 Budget			2023	2022 Adopted/2023	
Expenditures by Category	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Supplies	10,736	3,050	3,050	2,500	2,500	(550)	-18.0%
Contract/Purchased Services	26,375	22,410	22,410	17,300	4,500	(17,910)	-79.9%
Minor Capital	-	1,000	1,000	-	-	(1,000)	-100.0%
Interdepartmental Charges	7,819	5,230	5,230	5,230	5,000	(230)	-4.4%
Total Expenditures	**44,930**	**31,690**	**31,690**	**25,030**	**12,000**	**(19,690)**	**-62.1%**

	2021	2022 Budget			2023	2022 Adopted/2023	
Funding Source	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
General Fund							
Tax Supported	44,930	31,690	31,690	25,030	12,000	(19,690)	-62.1%
Total Funding	**44,930**	**31,690**	**31,690**	**25,030**	**12,000**	**(19,690)**	**-62.1%**

2023 Expenditures by Type



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- Electric, Water, Sewer & Solid Waste (Account No. 650.02) decreased by $10,840, or by 95.6%, to reflect the elimination of utility service needs due to the conveyance of 623 Gateway Court (former Ketchikan Regional Youth Facility) to Women in Safe Homes (WISH).

COST CENTER OPERATING BUDGET DETAIL

Operating Expenditures			2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Supplies									
510	.04	Janitorial Supplies	-	50	50	-	-	(50)	-100.0%
515	.02	Bldg & Grounds Maint Materials	1,073	3,000	2,500	2,000	2,000	(1,000)	-33.3%
525	.03	Heating Fuel	9,663	-	500	500	500	500	NA
		Supplies	**10,736**	**3,050**	**3,050**	**2,500**	**2,500**	**(550)**	**-18.0%**
Contract/Purchased Services									
635	.02	Janitorial and Cleaning Services	-	50	50	-	-	(50)	-100.0%
635	.06	Bldg & Grounds Maint Services	9,381	3,500	3,500	2,000	2,000	(1,500)	-42.9%
635	.12	Technical Services	823	5,000	5,000	5,000	2,000	(3,000)	-60.0%
650	.01	Telecommunications	2,375	2,520	2,520	1,600	-	(2,520)	-100.0%
650	.02	Electric, Water, Sewer & Solid Waste	13,796	11,340	11,340	8,700	500	(10,840)	-95.6%
		Contract/Purchased Services	**26,375**	**22,410**	**22,410**	**17,300**	**4,500**	**(17,910)**	**-79.9%**
Minor Capital Outlay									
790	.25	Machinery & Equipment	-	1,000	1,000	-	-	(1,000)	-100.0%
		Minor Capital Outlay	**-**	**1,000**	**1,000**	**-**	**-**	**(1,000)**	**-100.0%**
Interdepartmental Charges									
825	.01	Interdepartmental Charges-Insurance	7,819	5,230	5,230	5,230	5,000	(230)	-4.4%
		Interdepartmental Charges	**7,819**	**5,230**	**5,230**	**5,230**	**5,000**	**(230)**	**-4.4%**
		Total Expenditures by Type	**44,930**	**31,690**	**31,690**	**25,030**	**12,000**	**(19,690)**	**-62.1%**

NARRATIVE

515.02 Building & Grounds Maintenance Materials: **$2,000** – This account provides expenditures for the repair and maintenance of buildings and upkeep of the grounds owned or leased and operated by the City.

525.03 Heating Fuel: $500 - This account provides expenditures for heating fuel for orphaned buildings owned by the City.

635.06 Building & Grounds Maintenance Services: **$2,000** - This account provides expenditures for services incurred for the repair and maintenance of buildings and the upkeep of grounds owned or leased and operated by the City.

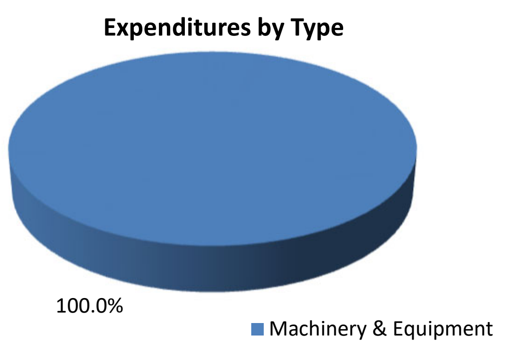
635.12 Technical Services: **$2,000** - This account provides expenditures for services that are not regarded as professional but require technical or special knowledge. Included are video camera operators, building security, pest control and special inspections.

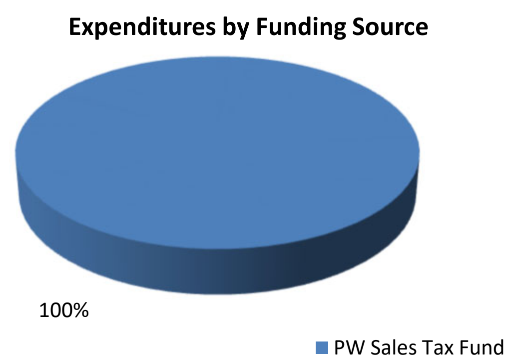
650.02 Electric, Water, Sewer & Solid Waste: **$500** - This account provides expenditures for electric, water, sewer and solid waste services for buildings owned or leased and operated by the City.

825.01 Interdepartmental Charges – Insurance: **$5,000** - This account provides expenditures for risk management services and claims.

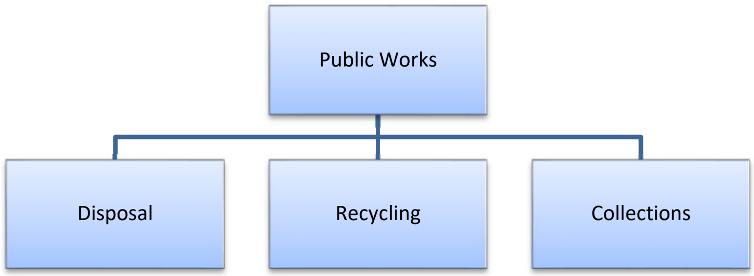
Major Capital Outlay		2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
705.00	Buildings	-	40,000	40,000	22,243	17,757	(22,243)	-55.6%
720.00	Vehicles and Moving Equipment	-	50,000	70,770	70,770	-	(50,000)	NA
725.00	Machinery & Equipment		40,000	40,000	-	40,000	-	NA
Total Major Capital Outlay		**-**	**130,000**	**150,770**	**93,013**	**57,757**	**(72,243)**	-55.6%

Capital Improvement Projects Project #	Project	Funding Sources: PW Sales Tax Fund			Total
705.00	**Buildings**				
	Shoreline Underground Tank Removal	17,757	-	-	17,757
	Total Buildings	**17,757**	**-**	**-**	**17,757**
725.00	**Machinery and Equipment**				
	City Hall Air Purifier	20,000	-	-	20,000
	City Hall Back Door Security Improvements	20,000	-	-	20,000
	Total Machinery and Equipment	**40,000**	**-**	**-**	**40,000**
	Total Capital Budget	**57,757**	**-**	**-**	**57,757**





The Public Works Solid Waste Division is responsible for providing safe and efficient handling of municipal solid waste, demolition debris and recyclable products.



The Solid Waste Division is comprised of three operating divisions and oversees a Capital Improvement Program.

DEPARTMENT EXECUTIVE SUMMARY

Divisions/Cost Center/Programs	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Disposal	2,326,066	2,613,323	2,695,558	2,649,366	2,902,655	289,332	11.1%
Recycling	54,436	136,343	122,453	98,040	151,154	14,811	10.9%
Collections	912,449	954,183	910,277	875,615	1,036,657	82,474	8.6%
Capital Improvement Program	-	175,000	180,000	135,000	375,000	200,000	114.3%
Total	**3,292,951**	**3,878,849**	**3,908,288**	**3,758,021**	**4,465,466**	**586,617**	**15.1%**

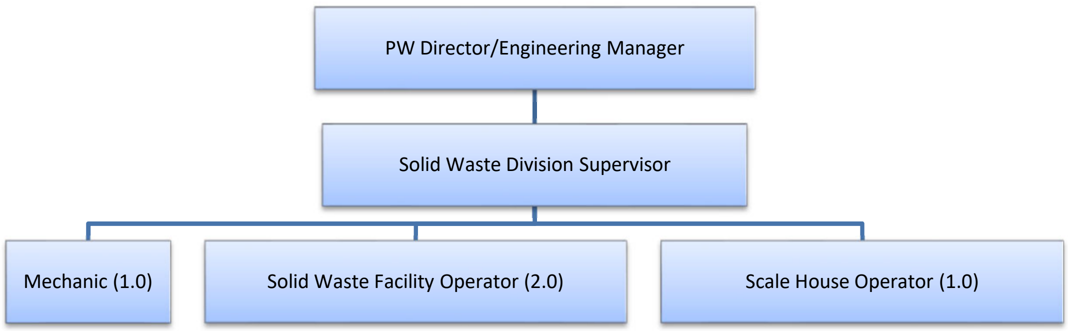
Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Personnel Services and Benefits	1,226,097	1,267,142	1,240,370	1,189,175	1,385,625	118,483	9.4%
Supplies	251,753	266,778	304,380	303,521	317,568	50,790	19.0%
Contract/Purchased Services	1,417,840	1,654,289	1,670,959	1,670,650	1,825,343	171,054	10.3%
Minor Capital Outlay	2,200	27,900	23,900	23,900	35,100	7,200	25.8%
Interdepartmental Charges	395,061	487,740	488,679	435,775	526,830	39,090	8.0%
Major Capital Outlay	-	175,000	180,000	135,000	375,000	200,000	114.3%
Total	**3,292,951**	**3,878,849**	**3,908,288**	**3,758,021**	**4,465,466**	**586,617**	**15.1%**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Solid Waste Services Fund	3,292,951	3,878,849	3,908,288	3,758,021	4,465,466	586,617	15.1%
Total	**3,292,951**	**3,878,849**	**3,908,288**	**3,758,021**	**4,465,466**	**586,617**	**15.1%**

Full-Time Equivalent Personnel	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2023 Budget	2023 Salary	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Disposal	4.50	4.50	4.50	4.50	307,261	-	0.0%
Recycling	1.00	1.00	1.00	1.00	57,574	-	0.0%
Collections	5.50	5.50	5.50	5.50	316,806	-	0.0%
Total	**11.00**	**11.00**	**11.00**	**11.00**	**681,641**	**-**	**0.0%**

MISSION STATEMENT

The mission of the Solid Waste Disposal Division is to continue providing safe and economic solid waste disposal management and to offer such services in an environmentally sound manner while fostering recycling, composting and re-use. The division strives to furnish customers with expedient and efficient service.



GOALS FOR 2023

- Provide solid waste disposal services in compliance with Alaska Department of Environmental Conservation permit requirements in a manner that reflects positively on the City of Ketchikan.

- Work on improvements to recycling drop-off center at the landfill to ensure quick and easy unloading of recyclable materials.

- Continue to address facility and grounds clean-up with a focus on site drainage improvements and housekeeping efforts to ensure storm water run-off continues to meet acceptable levels.

- Continue to ship putrescible solid waste off-island. Work to reduce weights and volumes where possible by improving the recycling of materials that are still acceptable, i.e. glass and possibly cardboard.

- Provide safe and sanitary disposal of waste to ensure a better and cleaner environment.

ACCOMPLISHMENTS FOR 2022

- Collected and disposed of approximately 53,180 pounds of various hazardous materials during the Hazardous Household Waste Event.

- Successfully handled the 2022 community wide Spring Clean-Up operation in a manner that was extremely efficient and provided direction and service for the disposal of a wide variety of materials. The total volume received in a one-week period was 812,480 pounds (406.24 tons). A total of 2,024 vehicles for the one-week period was recorded at the scale station.

- Continued focus on community cleanup programs involving various non-profit and/or volunteer groups and has participated in areawide anti-litter education.

- Continued to work with the Forest Service in disposal of noxious weeds such as Tansy Ragwort and outreach efforts for "Don't Feed the Bears" and proper refuse containment.

- Continued to provide support in materials, manpower, and equipment to other divisions of the City for projects as requested. The division has continued to work on the development of the cemetery as requested.

- Continued to work on a closure plan while keeping costs at a minimum.

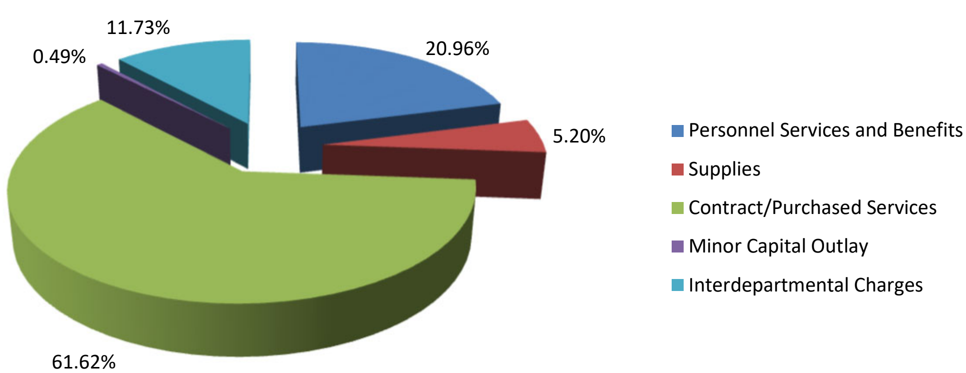
DIVISION SUMMARY

	2021	2022 Budget			2023	2022 Adopted/2023	
Expenditures by Category	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Personnel Services and Benefits	557,528	527,994	574,505	566,455	602,411	74,417	14.1%
Supplies	148,856	147,800	166,730	166,021	171,556	23,756	16.1%
Contract/Purchased Services	1,393,132	1,633,569	1,650,239	1,649,930	1,804,223	170,654	10.4%
Minor Capital Outlay	2,200	14,400	14,400	14,400	20,900	6,500	45.1%
Interdepartmental Charges	224,350	289,560	289,684	252,560	303,565	14,005	4.8%
Total Expenditures	**2,326,066**	**2,613,323**	**2,695,558**	**2,649,366**	**2,902,655**	**289,332**	**11.1%**

	2021	2022 Budget			2023	2022 Adopted/2023	
Funding Source	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Solid Waste Services Fund	2,326,066	2,613,323	2,695,558	2,649,366	2,902,655	289,332	11.1%
Total Funding	**2,326,066**	**2,613,323**	**2,695,558**	**2,649,366**	**2,902,655**	**289,332**	**11.1%**

	2021	2022 Budget		2023		2022 Adopted/2023	
Personnel	**Actual**	**Adopted**	**Amended**	**Budget**	**Salary**	**Incr(Decr)**	**%**
Solid Waste Supervisor	0.50	0.50	0.50	0.50	47,470	-	0.0%
Mechanic	1.00	1.00	1.00	1.00	66,477	-	0.0%
Solid Waste Facility Operator	2.00	2.00	2.00	2.00	141,898	-	0.0%
Scale House Operator	1.00	1.00	1.00	1.00	51,416	-	0.0%
Total	**4.50**	**4.50**	**4.50**	**4.50**	**307,261**	**-**	**0.0%**

2023 Expenditures by Type



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below:

- Personnel Services and Benefits increased by $74,417, or by 14.1%, due to annual employee step increases, a 2.5% cost of living adjustment for IBEW, Local 1547 employees that will become effective January 1, 2023; and projected increases in pension, health insurance and other benefit costs.
- Operating Supplies (Account No. 510.02) increased by $14,100, or by 25.2%, due to the increase in steel prices affecting the price of baling wire.
- Vehicle Maintenance Materials (Account No. 515.01) increased by $5,000, or by 10.8%, due to the increase in the cost of materials used to maintain division vehicles.
- Salvage & Disposal-Impound Prop (Account No. 620.02) increased by $18,000, or by 40%, due to new contract increased costs.
- Disposal Services (Account No. 635.09) increased by $148,254, or by 10.0%, due to the increase in shipping costs and disposal costs per the agreement with Regional Disposal Company.
- Computers, Printers & Copiers (Account No. 790.26) increased by $6,500 or by 325% based on the replacement scheduled developed by the Information Technology Department.
- Interdepartmental-Info Technology (Account No. 803.01) increased by $7,295, or by 36.4% due to increased costs budgeted in 2023.

DIVISION OPERATING BUDGET DETAIL

Operating Expenditures	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Personnel Services and Benefits							
500 .01 Regular Salaries and Wages	340,369	289,574	331,040	331,040	307,261	17,687	6.1%
501 .01 Overtime Wages	17,557	31,000	25,270	21,180	31,000	-	0.0%
502 .01 Temporary Wages	-	16,000	9,670	5,710	16,000	-	0.0%
505 .00 Payroll Taxes	25,392	25,750	26,080	26,080	27,110	1,360	5.3%
506 .00 Pension	52,012	49,000	50,280	50,280	60,120	11,120	22.7%
507 .00 Health and Life Insurance	113,756	99,190	114,230	114,230	113,090	13,900	14.0%
507 .30 Workers Compensation	10,818	11,260	11,940	11,940	12,320	1,060	9.4%
508 .00 Other Benefits	(3,876)	4,720	4,720	4,720	34,010	29,290	620.6%
509 .03 Allowances-PW Clothing	1,500	1,250	1,250	1,250	1,250	-	0.0%
509 .08 Allowances-Medical Expenses	-	250	25	25	250	-	0.0%
Personnel Services and Benefits	**557,528**	**527,994**	**574,505**	**566,455**	**602,411**	**74,417**	**14.1%**
Supplies							
510 .01 Office Supplies	1,969	2,600	2,600	2,400	2,600	-	0.0%
510 .02 Operating Supplies	59,652	56,000	65,680	65,171	70,100	14,100	25.2%
510 .03 Safety Program Supplies	224	900	900	900	1,000	100	11.1%
510 .04 Janitorial Supplies	635	700	750	750	750	50	7.1%
510 .05 Small Tools & Equipment	1,388	2,000	2,000	2,000	2,000	-	0.0%
515 .01 Vehicle Maintenance Materials	47,585	46,500	47,600	47,600	51,500	5,000	10.8%
515 .02 Building & Grounds Maint Materials	8,277	8,600	8,600	8,600	9,000	400	4.7%
525 .03 Heating Fuel	23,458	24,000	32,100	32,100	27,606	3,606	15.0%
525 .04 Vehicle Motor Fuel & Lubricants	5,668	6,500	6,500	6,500	7,000	500	7.7%
Supplies	**148,856**	**147,800**	**166,730**	**166,021**	**171,556**	**23,756**	**16.1%**

Operating Expenditures	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Contract/Purchased Services							
600 .03 Training and Education	-	280	280	280	280	-	0.0%
605 .01 Ads and Public Announcements	4,581	6,400	6,400	6,400	6,400	-	0.0%
615 .01 Professional and Technical Licenses	491	700	700	700	700	-	0.0%
615 .02 Assn Membership Dues & Fees	250	400	400	400	400	-	0.0%
620 .02 Salvage & Disposal-Impounded Prop	44,400	45,000	58,500	58,500	63,000	18,000	40.0%
630 .01 Building and Operating Permits	810	800	800	800	800	-	0.0%
630 .02 Vehicle Licenses	31	1,200	1,200	1,200	1,200	-	0.0%
630 .03 Bank and Merchant Charges	4,264	3,630	4,300	4,300	4,300	670	18.5%
635 .06 Bldg & Grounds Maint Services	998	1,000	1,000	1,000	1,000	-	0.0%
635 .07 Machinery & Equip Maint Services	3,765	4,850	4,850	4,850	5,000	150	3.1%
635 .09 Disposal Services	1,250,628	1,475,189	1,475,189	1,475,100	1,623,443	148,254	10.0%
635 .12 Technical Services	11,897	8,000	8,500	8,500	9,000	1,000	12.5%
635 .14 Other Contractual Services	4,728	6,200	8,200	8,200	6,200	-	0.0%
645 .02 Rents and Leases-Machinery & Equip	300	700	700	700	700	-	0.0%
650 .01 Telecommunications	17,143	19,800	18,720	18,500	19,800	-	0.0%
650 .02 Electric, Water, Sewer & Solid Waste	48,846	59,420	60,500	60,500	62,000	2,580	4.3%
Contract/Purchased Services	**1,393,132**	**1,633,569**	**1,650,239**	**1,649,930**	**1,804,223**	**170,654**	**10.4%**
Minor Capital Outlay							
790 .15 Furniture and Fixtures	-	900	900	900	900	-	0.0%
790 .25 Machinery and Equipment	600	10,000	10,000	10,000	10,000	-	0.0%
790 .26 Computers, Printers & Copiers	-	2,000	2,000	2,000	8,500	6,500	325.0%
790 .35 Software	1,600	1,500	1,500	1,500	1,500	-	0.0%
Minor Capital Outlay	**2,200**	**14,400**	**14,400**	**14,400**	**20,900**	**6,500**	**45.1%**
Interdepartmental Charges							
800 .00 Interdepartmental-Administrative	19,782	21,600	22,090	22,170	25,565	3,965	18.4%
801 .01 Interdepartmental-Human Resources	7,056	8,200	8,200	7,755	9,455	1,255	15.3%
802 .00 Interdepartmental-Finance	34,307	38,890	38,890	37,405	42,780	3,890	10.0%
803 .01 Interdepartmental-Info Technology	17,552	20,030	20,004	17,890	27,325	7,295	36.4%
804 .01 Interdepartmental-Engineering	102,934	157,000	157,000	125,000	153,000	(4,000)	-2.5%
805 .01 Interdepartmental-KPU Billing Services	18,850	18,290	18,290	18,290	18,290	-	0.0%
825 .01 Interdepartmental-Insurance	22,053	23,030	22,690	21,530	24,250	1,220	5.3%
850 .01 Interdepartmental-Garage	1,816	2,520	2,520	2,520	2,900	380	15.1%
Interdepartmental Charges	**224,350**	**289,560**	**289,684**	**252,560**	**303,565**	**14,005**	**4.8%**
Total Expenditures by Type	**2,326,066**	**2,613,323**	**2,695,558**	**2,649,366**	**2,902,655**	**289,332**	**11.1%**

NARRATIVE

500.01 Regular Salaries and Wages: $307,261 This account provides expenditures for compensation paid to all regular salaried and hourly employees of the Solid Waste Disposal Division.

501.01 Overtime Wages: **$31,000** - This account provides expenditures for compensation paid to all regular and temporary hourly employees for hours worked in excess of a regular working cycle.

502.01 Temporary Wages: **$16,000** - This account provides expenditures for compensation paid to temporary salaried and hourly employees of the Solid Waste Disposal Division.

505.00 Payroll Taxes: $27,110 – This account provides expenditures for employer contributions for Social Security and Medicare and other similar payroll related taxes.

506.00 Pension: $60,120 – This account provides expenditures for employer contributions to retirement plans.

507.00 Health and Life Insurance: **$113,090** – This account provides expenditures for employer contributions to employee health and life insurance plans.

507.30 Workers Compensation: **$12,320** – This account provides expenditures for employer contributions to employee workers compensation insurance.

508.00 Other Benefits: $34,010 – This account provides for expenditures for direct claims from former employees for unemployment benefits paid by the State of Alaska and accrued vacation and sick leave.

509.03 Allowances – Public Works Clothing: **$1,250** – This account provides expenditures for employer provided protective clothing allowances paid directly to represented employees of the Public Works Department pursuant to collective bargaining agreements or the Personnel Rules.

509.08 Allowances - Medical Expenses: **$250** - This account provides expenditures for employee medical exams.

510.01 Office Supplies: **$2,600** - This account provides expenditures for paper, scale tickets, pens, pencils, adding machine ribbons and tape, note pads, file folders, scotch tape, toner, ink cartridges, photocopy charges, small desk accessories and minor office equipment such as adding machines, staplers and tape dispensers.

510.02 Operating Supplies: **$70,100** - This account provides expenditures for the purchase of departmental supplies including cleaning materials, baler wire, disposal overalls, equipment wash, chains and cables, first aid materials, etc., which are used by the division during the course of the year.

510.03 Safety Program Supplies: **$1,000** - This account provides expenditures for the City safety program. This account traditionally is used to purchase materials and supplies necessary to conduct an ongoing safety program within the division. Included are safety information brochures, safety training audio and video programs, safety equipment, etc.

510.04 Janitorial Supplies: $750 – This account provides expenditures for the cost of janitorial supplies used to maintain the SWRHF during the course of the year.

510.05 Small Tools and Equipment: **$2,000** - This account provides expenditures for minor tools. Included are hand tools, chain saws, blow torches, hydraulic jacks and similar types of minor tools and equipment.

515.01 Vehicle Maintenance Materials: **$51,500** - This account provides expenditures for the repair and maintenance of landfill vehicles and equipment. Included are licensed and unlicensed rolling stock.

515.02 Building & Grounds Maintenance Materials: $9,000 - This account provides expenditures for the cost and supplies of materials including filters, light bulbs, paint, steel, ceiling tiles, electrical wire and parts, lumber and building supplies, etc., which are used by the division to maintain the SWRHF and grounds throughout the course of the year.

525.03 Heating Fuel: **$27,606** - This account provides expenditures for the cost of diesel fuel for SWRHF equipment & incinerator operation.

525.04 Vehicle Motor Fuel and Lubricants: **$7,000** - This account provides expenditures for gasoline, diesel fuel and lubricants associated with SWRHF vehicles and equipment.

600.03 Training and Education: $280 – This account provides expenditures for registration fees, training fees, training materials, travel, tuition reimbursements and other incidental expenses associated with training and educating employees; and on-premises training programs provided by staff or third-parties.

605.01 Ads and Public Announcements: **$6,400** - This account provides expenditures for cost of legal advertisements, bid invitations and other regulatory notifications issued by the division during the course of the year. This account also provides for advertising costs incurred to educate the public regarding changes in operations.

615.01 Professional and Technical Licenses: **$700** – This account provides expenditures for the cost of staff professional licenses and certificates required for operating equipment.

615.02 Assn. Membership Dues and Fees: $400 – This account provides expenditures for the cost of membership in the Solid Waste Association of North America (SWANA) and the price of subscriptions to publications that provide information for managing and operation of disposal systems. As members of SWANA, employees receive reduced admission to training programs in the fields of solid waste, hazardous materials and recycling.

620.02 Salvage and Disposal of Impounded Property: **$63,000** - This account provides expenditures for salvaging and/or disposing of junked vehicles and marine vessels. Although the funding in this line item is a cost to the division, the funds are managed by the Police Department.

630.01 Building and Operating Permits: **$800** - This account provides expenditures for state regulatory fees & charges.

630.02 Vehicle Licenses - $1,200 - This account provides expenditures for licensing City vehicles for operations on public highways.

630-03 Bank and Merchant Charges: **$4,300** - This account provides expenditures for merchant fees for use of credit and debit cards.

635.06 Buildings and Grounds Maintenance Services: **$1,000** - This account provides expenditures for contractual services required for the repair and maintenance of buildings and the upkeep of grounds located at the SWRHF. This account includes contract labor and materials required to provide the service.

635.07 Machinery and Equipment Maintenance Services: **$5,000** - This account provides expenditures for contractual services required for the repair and maintenance of office equipment, machinery and other operating equipment used at the landfill. This account includes contract labor and materials required to provide the service. It also includes maintenance service agreements.

635.09 Disposal Services: **$1,623,443** - This account provides expenditures for the disposal of putrescible waste, hazardous materials through the division's Household Hazardous Waste Program, freon disposal from refrigeration units, shipping and disposal of the Harbor Division's generated used oil and other environmentally sensitive material.

635.12 Technical Services: **$9,000** - This account provides expenditures for services that are not regarded as professional but require technical or special knowledge. Included is the cost of outside professional expertise such as water quality testing, which is sometimes required for non-routine specialty tasks. This account also provides for routine semi-annual ADEC inspections required for permitting and general operations. The State of Alaska presently charges for services provided for managing the division's permit and review of the proposed closure plan.

635.14 Other Contractual Services: **$6,200** - This account provides expenditures for contractual services not identified in the account classifications under contractual services, which include pest control, systems alarm monitoring, etc.

645.02 Rents and Leases - Machinery & Equipment: **$700** - This account provides expenditures for the rent and lease of machinery and equipment.

650.01 Telecommunications: **$19,800** - This account provides expenditures for telecommunication services. Included are charges for wired and wireless telecommunications services, cell phones, Internet and long distance.

650.02 Electric, Water, Sewer & Solid Waste: **$62,000** - This account provides expenditures for electric, water, sewer and solid waste utility services.

790.15 Furniture and Fixtures: **$900** - This account provides expenditures for acquisition of furniture and fixtures. Included are desks, chairs, tables, workstations, file cabinets, storage cabinets and building fixtures.

790.25 Machinery and Equipment: **$10,000** - This account provides expenditures for the acquisition of interchangeable tools for landfill equipment.

790.26 Computers, Printers, and Copiers: **$8,500** - This account provides for the expenditures of computers, monitors, printers, and copiers. Per the replacement schedule developed by the Information Technology Department, two computers, two monitors, a printer, and three battery back ups will be replaced.

790.35 Software: $1,500 - This account provides expenditures for acquisition of software systems and upgrades not covered by maintenance agreements, which includes the purchase of a preventative maintenance program to track upcoming equipment maintenance and to provide for a record of previous repairs.

800.00 Interdepartmental Charges – Administrative: $25,565 - This account provides expenditures for administrative and management services provided by the departments of the City Council, City Clerk and City Attorney and the administrative office of the City Manager.

801.01 Interdepartmental Charges – Human Resources: $9,455 - This account provides expenditures for human resource services provided by the Human Resources Division

802.00 Interdepartmental Charges - Finance: **$42,780** - This account provides expenditures for financial, accounting, payroll, accounts payable, billing, customer service and budgeting services provided by the Finance Department.

803.01 Interdepartmental Charges – Information Technology: $27,325 - This account provides expenditures for information technology services provided by the Information Technology Department.

804.01 Interdepartmental Charges – Engineering: **$153,000** - This account provides expenditures for engineering services provided by the Public Works Department-Engineering Division.

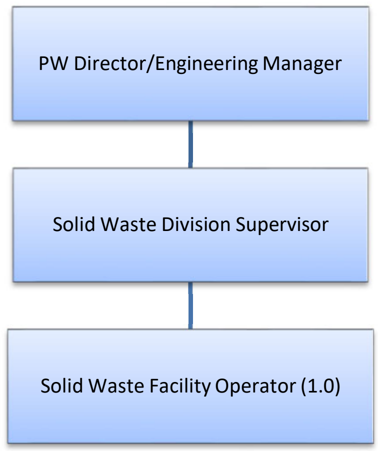
805.01 Interdepartmental Charges – KPU Billing Services: $18,290 – This account provides expenditures for billing and collection services provided by the KPU Sales, Marketing and Customer Service Division.

825.01 Interdepartmental Charges – Insurance: $24,250 - This account provides expenditures for risk management services and claims.

850.01 Interdepartmental Charges – Garage: $2,900 - This account provides expenditures for fleet maintenance services provided by the Public Works Department-Garage Division.

MISSION STATEMENT

The Solid Waste Recycling Division is responsible for providing safe and efficient collection of recyclable products. The division attempts to make service beneficial to the public by maximizing recycling when economically feasible and improving the operation to better serve Ketchikan. It is the responsibility of the staff to help and assist the public. The division is responsible for promoting programs that reduce waste and educate the community.



GOALS FOR 2023

- Continue efforts within the City to capture additional recycling volumes.
- Continue efforts to capture additional metal volumes from materials received at the landfill.

ACCOMPLISHMENTS FOR 2022

- Provided a drop-off center for recycling products, which includes cardboard, aluminum, glass, used oil, and fluorescent bulbs.
- Continued to bale and ship white goods (appliances) as recyclable material, thereby removing them from the waste stream. Staff will continue to educate the public about materials currently accepted at the Solid Waste Handling and Recycling Facility.
- Collected and ground clean wood products to be recycled at the composting operation. Some contractors and other industrial users continue to separate wood for more efficient processing.
- Continued adjusting the program as commodities collected continue to change.

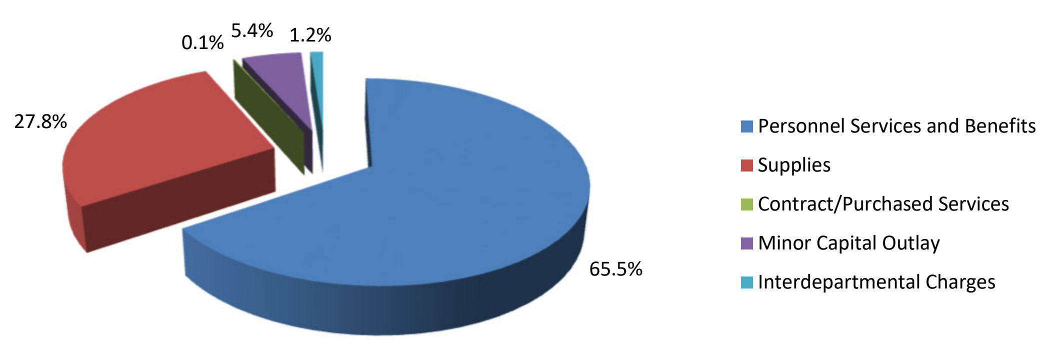
DIVISION SUMMARY

Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Personnel Services and Benefits	27,000	91,485	78,193	53,930	99,014	7,529	8.2%
Supplies	26,038	35,258	38,650	38,500	42,000	6,742	19.1%
Contract/Purchased Services	-	200	200	200	200	-	0.0%
Minor Capital Outlay	-	8,000	4,000	4,000	8,200	200	2.5%
Interdepartmental Charges	1,398	1,400	1,410	1,410	1,740	340	24.3%
Total Expenditures	**54,436**	**136,343**	**122,453**	**98,040**	**151,154**	**14,811**	**10.9%**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Solid Waste Services Fund	54,436	136,343	122,453	98,040	151,154	14,811	10.9%
Total Funding	**54,436**	**136,343**	**122,453**	**98,040**	**151,154**	**14,811**	**10.9%**

Personnel	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2023 Budget	2023 Salary	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Solid Waste Facility Operator	1.00	1.00	1.00	1.00	57,574	-	0.0%
Total	**1.00**	**1.00**	**1.00**	**1.00**	**57,574**	**-**	**0.0%**

2023 Expenditures by Type



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- Personnel Services and Benefits increased by $7,529, or by 8.2%, due to annual employee step increases, a 2.5% cost of living adjustment for IBEW, Local 1547 employees that will become effective January 1, 2023; and projected increases in pension, health insurance and other benefit costs.

DIVISION OPERATING BUDGET DETAIL

Operating Expenditures	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Personnel Services and Benefits							
500 .01 Regular Salaries and Wages	17,508	54,205	50,813	32,610	57,574	3,369	6.2%
505 .00 Payroll Taxes	1,228	4,150	3,820	2,420	4,410	260	6.3%
506 .00 Pension	2,247	8,470	8,470	4,470	9,790	1,320	15.6%
507 .00 Health and Life Insurance	5,484	21,720	12,150	12,150	24,690	2,970	13.7%
507 .30 Workers Compensation	516	1,760	1,760	1,100	1,880	120	6.8%
508 .00 Other Benefits	17	850	850	850	340	(510)	-60.0%
509 .03 Allowances-PW Clothing	-	250	250	250	250	-	0.0%
509 .08 Allowances-Medical Expenses	-	80	80	80	80	-	0.0%
Personnel Services and Benefits	**27,000**	**91,485**	**78,193**	**53,930**	**99,014**	**7,529**	**8.2%**
Supplies							
510 .05 Small Tools & Equipment	1,995	2,000	2,000	2,000	2,000	-	0.0%
510 .08 Inventory for Resale	477	5,500	5,500	5,500	6,500	1,000	18.2%
515 .01 Vehicle Maintenance Materials	8,286	8,900	8,900	8,800	9,500	600	6.7%
515 .04 Machinery & Equip Maint Materials	813	1,050	1,050	1,000	1,200	150	14.3%
520 .04 Freight-Material and Supplies	14,467	17,808	21,200	21,200	22,800	4,992	28.0%
Supplies	**26,038**	**35,258**	**38,650**	**38,500**	**42,000**	**6,742**	**19.1%**
Contract/Purchased Services							
600 .03 Training and Education	-	200	200	200	200	-	0.0%
Contract/Purchased Services	**-**	**200**	**200**	**200**	**200**	**-**	**0.0%**
Minor Capital Outlay							
790 .25 Machinery and Equipment	-	8,000	4,000	4,000	8,200	200	2.5%
Minor Capital Outlay	**-**	**8,000**	**4,000**	**4,000**	**8,200**	**200**	**2.5%**
Interdepartmental Charges							
825 .01 Interdepartmental-Insurance	1,398	1,400	1,410	1,410	1,740	340	24.3%
Interdepartmental Charges	**1,398**	**1,400**	**1,410**	**1,410**	**1,740**	**340**	**24.3%**
Total Expenditures by Type	**54,436**	**136,343**	**122,453**	**98,040**	**151,154**	**14,811**	**10.9%**

NARRATIVE

500.01 Regular Salaries and Wages: $57,574 – This account provides expenditures for compensation paid to all regular salaried and hourly employees of the Recycling Division.

505.00 Payroll Taxes: $4,410 – This account provides expenditures for employer contributions for Social Security and Medicare and other similar payroll related taxes.

506.00 Pension: $9,790 – This account provides expenditures for employer contributions to retirement plans.

507.00 Health and Life Insurance: **$24,690** – This account provides expenditures for employer contributions to employee health and life insurance plans.

507.30 Workers Compensation: **$1,880** – This account provides expenditures for employer contributions to workers compensation insurance.

508.00 Other Benefits: $340 – This account provides expenditures for direct claims from former employees for unemployment benefits paid by the State of Alaska and accrued vacation and sick leave.

509.03 Allowances – Public Works Clothing: **$250** – This account provides expenditures for employer provided protective clothing allowances paid directly to represented employees of the Public Works Department pursuant to collective bargaining agreements or the Personnel Rules.

509.08 Allowances- Medical Expenses: **$80** - This account provides expenditures for employee medical exams paid directly to employees. These benefits are taxable to the employees.

510.05 Small Tools and Equipment: $2,000 - This account provides expenditures for minor tools and equipment used by the division during the course of a year.

510.08 Inventory for Resale: $6,500 - This account provides expenditures for the purchase of equipment such as recycling containers and drop boxes for recycling.

515.01 Vehicle Maintenance Materials: $9,500 - This account provides expenditures for the cost of operating and maintaining vehicles and equipment operated by the division. This account will also be used to maintain drop boxes and the additional hardware required.

515.04 Machinery and Equipment Maintenance Materials: $1,200 – This account provides expenditures for the cost of maintaining recycling containers.

520.04 Freight – Materials and Supplies: **$22,800** - This account provides expenditures for shipping metal and oil recycled products to market.

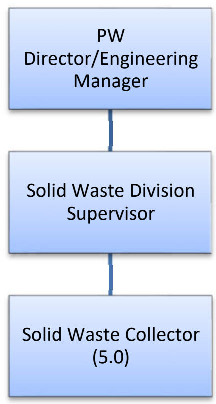
600.03 Training and Education: $200 – This account provides expenditures for registration fees, training fees, training materials, tuition reimbursements and other incidental expenses associated with training and educating employees; and on-premises training programs provided by staff or third-parties.

790.25 Machinery and Equipment: **$8,200** - This account provides expenditures for the acquisition of new or replacement recycling equipment that will be used on the division’s 1-ton truck chassis.

825.01 Interdepartmental Charges – Insurance: $1,740 - This account provides expenditures for risk management services and claims.

MISSION STATEMENT

The Solid Waste Collection Division is responsible for providing safe and efficient collection of municipal solid waste, demolition debris and recyclable products. The operation continues to be beneficial to the public by maximizing recycling when economically feasible and improving operations to better serve Ketchikan. It is the responsibility of the staff to help and serve the public. The division is responsible for promoting programs that reduce waste and educate the community. The division follows regulatory guidelines and makes every effort to meet the requirements set forth by those regulations. It is the responsibility of the division to promote an active and positive image of solid waste collection.



GOALS FOR 2023

- Continue solid waste audit of residential and commercial accounts. Ensure all are paying for collection service.
- Generate a daily collection sheet to include residential households.
- Improve route efficiencies on existing routes with a strong focus on cost savings.
- Continue working with the Finance Department to improve the tracking of seasonal business operators signing up for service.

ACCOMPLISHMENTS FOR 2022

- Customer collection relations continued to be the division’s number one priority. The collection staff is well informed about operations and services and is able to answer questions with regard to recycling and the handling of special waste.
- Collection crews kept up with demand by working seven days a week during cruise visitor season.
- Provided containers and collection services for special events as requested. Staff also worked extra hours due to holidays and special events such as July 4th and Blueberry Arts Festival.
- Worked with ordinances dealing with litter and directed efforts at cleaning up problematic areas. The community continues to have issues with bears accessing garbage and staff will continue to work with Ketchikan Police Department and wildlife specialists to help educate the general public.

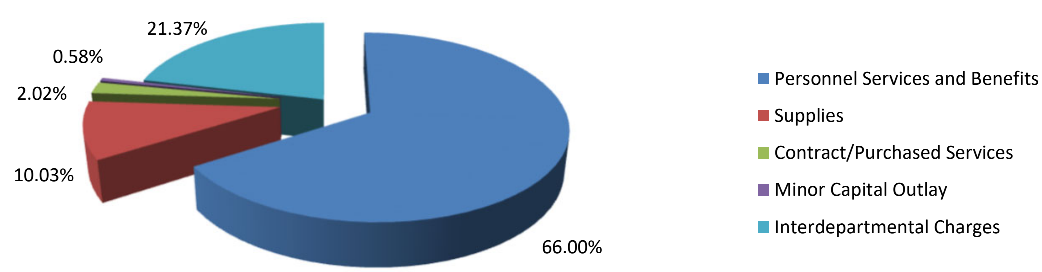
DIVISION SUMMARY

Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Personnel Services and Benefits	641,569	647,663	587,672	568,790	684,200	36,537	5.6%
Supplies	76,859	83,720	99,000	99,000	104,012	20,292	24.2%
Contract/Purchased Services	24,708	20,520	20,520	20,520	20,920	400	1.9%
Minor Capital Outlay	-	5,500	5,500	5,500	6,000	500	9.1%
Interdepartmental Charges	169,313	196,780	197,585	181,805	221,525	24,745	12.6%
Total Expenditures	**912,449**	**954,183**	**910,277**	**875,615**	**1,036,657**	**82,474**	**8.6%**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Solid Waste Services Fund	912,449	954,183	910,277	875,615	1,036,657	82,474	8.6%
Total Funding	**912,449**	**954,183**	**910,277**	**875,615**	**1,036,657**	**82,474**	**8.6%**

Personnel	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2023 Budget	2023 Salary	2022 Adopted/2023 Incr(Decr)	%
Supervisor	0.50	0.50	0.50	0.50	47,469	-	0.0%
Solid Waste Collector	5.00	5.00	5.00	5.00	269,337	-	0.0%
Total	**5.50**	**5.50**	**5.50**	**5.50**	**316,806**	**-**	**0.0%**

2023 Expenditures by Type



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- Personnel Services and Benefits increased by $36,537, or by 5.6%, due to annual employee step increases, a 2.5% cost of living adjustment for IBEW, Local 1547 employees that will become effective January 1, 2023; and projected increases in pension, health insurance and other benefit costs.

- Inventory for Resale (Account No. 510.08) increased by $5,000, or by 25%, due to the cost of and need to replace dumpsters and drop boxes used by customers.

- Vehicle Maintenance Materials (Account No. 515.01) increased by $5,000, or by 14.3%, due to the rising cost of materials to maintain the division's vehicles.

- Vehicle Motor Fuel & Lubricants (Account No. 525.04) increased by $9,792 or by 40.9% due to increase in fuel and oil prices.

- Interdepartmental Charges increased by $24,745, or by 12.6%, primarily due to increased insurance premiums and increased costs associated with services provided by City departments to the Public Works Solid Waste Collections Division.

DIVISION OPERATING BUDGET DETAIL

			2021	2022 Budget			2023	2022 Adopted/2023	
Operating Expenditures			**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Personnel Services and Benefits									
500	.01	Regular Salaries and Wages	345,774	308,078	258,512	252,590	316,810	8,732	2.8%
501	.01	Overtime Wages	28,491	24,000	29,730	29,730	24,000	-	0.0%
502	.01	Temporary Wages	23,410	80,000	68,460	68,460	80,000	-	0.0%
505	.00	Payroll Taxes	28,318	31,530	28,250	26,050	32,200	670	2.1%
506	.00	Pension	62,690	56,560	55,280	46,410	60,550	3,990	7.1%
507	.00	Health and Life Insurance	129,781	120,910	120,910	120,900	137,770	16,860	13.9%
507	.30	Workers Compensation	18,835	19,510	18,830	16,950	21,080	1,570	8.0%
508	.00	Other Benefits	2,770	5,300	5,300	5,300	9,890	4,590	86.6%
509	.03	Allowances-PW Clothing	1,500	1,375	2,000	2,000	1,500	125	9.1%
509	.08	Allowances-Medical Expenses	-	400	400	400	400	-	0.0%
		Personnel Services and Benefits	**641,569**	**647,663**	**587,672**	**568,790**	**684,200**	**36,537**	**5.6%**
Supplies									
510	.02	Operating Supplies	1,649	2,000	2,000	2,000	2,400	400	20.0%
510	.03	Safety Program Supplies	816	900	900	900	1,000	100	11.1%
510	.05	Small Tools & Equipment	427	900	900	900	900	-	0.0%
510	.08	Inventory for Resale	18,096	20,000	20,000	20,000	25,000	5,000	25.0%
515	.01	Vehicle Maintenance Materials	32,366	35,000	35,000	35,000	40,000	5,000	14.3%
515	.04	Machinery & Equip Maint Materials	917	1,000	1,000	1,000	1,000	-	0.0%
525	.04	Vehicle Motor Fuel & Lubricants	22,588	23,920	39,200	39,200	33,712	9,792	40.9%
		Supplies	**76,859**	**83,720**	**99,000**	**99,000**	**104,012**	**20,292**	**24.2%**
Contract/Purchased Services									
600	.03	Training and Education	-	200	200	200	200	-	0.0%
605	.01	Ads and Public Announcements	136	300	300	300	300	-	0.0%
615	.01	Professional and Technical Licenses	240	300	300	300	300	-	0.0%
630	.02	Vehicle Licenses	35	120	120	120	120	-	0.0%
630	.03	Bank and Merchant Charges	24,297	19,600	19,600	19,600	20,000	400	2.0%
		Contract/Purchased Services	**24,708**	**20,520**	**20,520**	**20,520**	**20,920**	**400**	**1.9%**
Minor Capital Outlay									
790	.25	Machinery and Equipment	-	5,500	5,500	5,500	6,000	500	9.1%
		Minor Capital Outlay	**-**	**5,500**	**5,500**	**5,500**	**6,000**	**500**	**9.1%**
Interdepartmental Charges									
800	.00	Interdepartmental-Administrative	19,333	21,110	21,585	21,670	24,985	3,875	18.4%
801	.01	Interdepartmental-Human Resources	6,895	8,010	8,010	7,580	9,240	1,230	15.4%
802	.00	Interdepartmental-Finance	33,528	38,010	38,010	36,555	41,810	3,800	10.0%
803	.01	Interdepartmental-Info Technology	17,153	19,580	19,580	17,490	26,710	7,130	36.4%
804	.01	Interdepartmental-Engineering	35,897	55,000	55,000	44,000	59,000	4,000	7.3%
805	.01	Interdepartmental-KPU Billing Services	28,280	27,440	27,440	27,440	27,440	-	0.0%
825	.01	Interdepartmental-Insurance	19,349	17,940	18,270	18,270	21,190	3,250	18.1%
850	.01	Interdepartmental-Garage	8,878	9,690	9,690	8,800	11,150	1,460	15.1%
		Interdepartmental Charges	**169,313**	**196,780**	**197,585**	**181,805**	**221,525**	**24,745**	**12.6%**
		Total Expenditures by Type	**912,449**	**954,183**	**910,277**	**875,615**	**1,036,657**	**82,474**	**8.6%**

NARRATIVE

500.01 Regular Salaries and Wages: $316,810 This account provides expenditures for compensation paid to all regular salaried and hourly employees of the Solid Waste Collection Division.

501.01 Overtime Wages: **$24,000** - This account provides expenditures for compensation paid to all regular and temporary hourly employees for hours worked in excess of a regular working cycle.

502.01 Temporary Wages: **$80,000** - This account provides expenditures for compensation paid to temporary salaried and hourly employees of the Solid Waste Collection Division.

505.00 Payroll Taxes: $32,200 – This account provides expenditures for employer contributions for Social Security and Medicare and other similar payroll related taxes.

506.00 Pension: $60,550 – This account provides expenditures for employer contributions to retirement systems.

507.00 Health and Life Insurance: **$137,770** – This account provides expenditures for employer contributions to employee health and life insurance plans.

507.30 Workers Compensation: $21,080 – This account provides expenditures for employer contributions to workers compensation.

508.00 Other Benefits: $9,890 – This account provides expenditures for direct claims from former employees for unemployment benefits paid by the State of Alaska and accrued vacation and sick leave.

509.03 Allowances – Public Works Clothing: **$1,500** – This account provides expenditures for employer provided protective clothing allowances paid directly to represented employees of the Public Works Department pursuant to collective bargaining agreements or the Personnel Rules.

509.08 Allowances- Medical Expenses: **$400** - This account provides expenditures for employee medical exams.

510.02 Operating Supplies: **$2,400** - This account provides expenditures for the purchase of departmental supplies such as gloves, safety vests, safety glasses, back braces and first aid equipment used during the course of the year.

510.03 Safety Program Supplies: **$1,000** – This account provides expenditures for the City safety program. This account is traditionally used to purchase materials and supplies necessary to conduct an ongoing safety program within the division. Included are safety information brochures, safety training audio and video programs, safety equipment, etc.

510.05 Small Tools and Equipment: **$900** – This account provides expenditures for the purchase and or replacement of small tools and equipment used by the division during the course of the year.

510.08 Inventory for Resale: $25,000 - This account provides expenditures for the purchase of equipment such as solid waste dumpsters and drop boxes that are utilized by both the Recycling and Collection Divisions. These in turn are sold to commercial customers of the Solid Waste Collection Division or placed in areas for the collection of recyclable materials from the general public.

515.01 Vehicle Maintenance Materials: $40,000 - This account provides expenditures for operating and maintaining vehicles operated by the division. This account will also be used to maintain drop boxes and the additional hardware required.

515.04 Machinery and Equipment Maintenance Materials: $1,000 – This account provides expenditures for supplies and materials such as shovels, fastening hardware, brooms, wheel cart parts, vehicle wash and brushes that are used by the division through the course of the year.

525.04 Vehicle Motor Fuel and Lubricants: **$33,712** - This account provides expenditures for the purchase of gasoline, diesel fuel and lubricants associated with the division's use of vehicles.

600.03 Training and Education: $200 – This account provides expenditures for registration fees, training fees, training materials, tuition reimbursements and other incidental expenses associated with training and educating employees; and on-premises training programs provided by staff or third-parties.

605.01 Ads and Public Announcements: **$300** - This account provides expenditures for advertising and announcements in newspapers or broadcasts over radio. This account also provides for educating the public about waste collection requirements, which includes notification and education to help manage bear problems within the City Limits.

615.01 Professional and Technical Licenses: **$300** – This account provides expenditures for cost of commercial driver's licenses and other certificates required for operating equipment.

630.02 Vehicle Licenses: $120 – This account provides expenditures for the cost of various licenses and fees associated with the permitting of the division's vehicles.

630.03 Bank and Merchant Charges: **$20,000** - This account provides expenditures for merchant fees for use of credit and debit cards.

790.25 Machinery and Equipment: **$6,000** - This account provides expenditures for the purchase of replacement equipment such as cart tippers and other miscellaneous items for the collection vehicles.

800.00 Interdepartmental Charges – Administrative: $24,985 - This account provides expenditures for administrative and management services provided by the departments of the City Council, City Clerk and City Attorney and the administrative office of the City Manager.

801.01 Interdepartmental Charges – Human Resources: **$9,240** - This account provides expenditures for human resource services provided by the Human Resources Division

802.00 Interdepartmental Charges - Finance: **$41,810** - This account provides expenditures for financial, accounting, payroll, accounts payable, billing, customer service and budgeting services provided by the Finance Department.

803.01 Interdepartmental Charges – Information Technology: **$26,710** - This account provides expenditures for information technology services provided by the Information Technology Department.

804.01 Interdepartmental Charges – Engineering: **$59,000** - This account provides expenditures for engineering services provided by the Public Works Department-Engineering Division.

805.01 Interdepartmental Charges – KPU Billing Services: $27,440 – This account provides expenditures for billing and collection services provided by the KPU Sales, Marketing and Customer Service Division.

825.01 Interdepartmental Charges – Insurance: **$21,190** - This account provides expenditures for risk management services and claims.

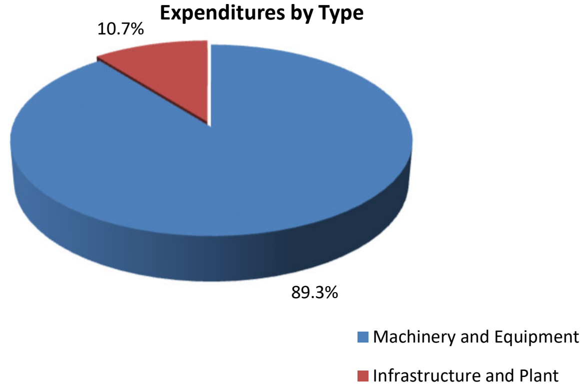
850.01 Interdepartmental Charges – Garage: **$11,150** - This account provides expenditures for fleet maintenance services provided by the Public Works Department-Garage Division.

Major Capital Outlay		2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
725.00	Machinery and Equipment	-	135,000	154,000	109,000	335,000	200,000	148.1%
730.00	Infrastructure and Plant	-	40,000	26,000	26,000	40,000	-	0.0%
Total Major Capital Outlay		**-**	**175,000**	**180,000**	**135,000**	**375,000**	**200,000**	**114.3%**

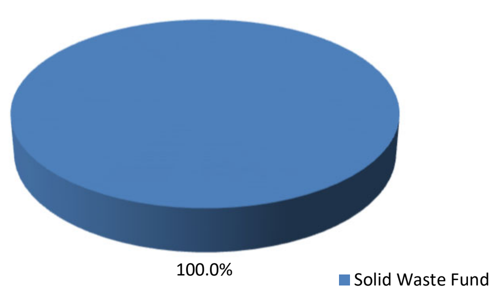
Capital Improvement Projects

Project #	Project	Funding Sources: Solid Waste Fund	Funding Sources	Funding Sources	Total
725.00	**Machinery and Equipment**				
	Hook Truck Replacement	150,000			150,000
	Baler Relining	60,000	-	-	60,000
	Scale Replacement	125,000			125,000
	Total Machinery and Equipment	**335,000**	**-**	**-**	**335,000**
730.00	**Infrastructure and Plant**				
	Cover Generation	40,000			40,000
	Total Infrastructure and Plant	**40,000**	**-**	**-**	**40,000**
	Total Capital Budget	**375,000**	**-**	**-**	**375,000**

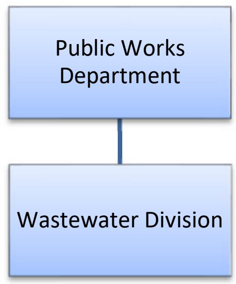
Expenditures by Type



Expenditures by Funding Source



The Wastewater Division manages, operates and maintains the municipal sanitary wastewater system. The system consists of a primary treatment plant, a collection system and seven pump stations located throughout its service area. The service area is limited to providing services to businesses and residents living within the boundaries of the City and the Ketchikan International Airport. Wastewater is a division of the Public Works Department.



The Wastewater Division is comprised of one operating division and oversees a Capital Improvement Program.

DEPARTMENT EXECUTIVE SUMMARY

Divisions/Cost Center/Programs	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Operations	2,238,873	2,552,771	2,565,295	2,477,249	2,928,611	375,840	14.7%
Capital Improvement Program	521,127	5,105,867	5,105,867	423,535	7,267,478	2,161,611	42.3%
Total	**2,760,000**	**7,658,638**	**7,671,162**	**2,900,784**	**10,196,089**	**2,537,451**	**33.1%**

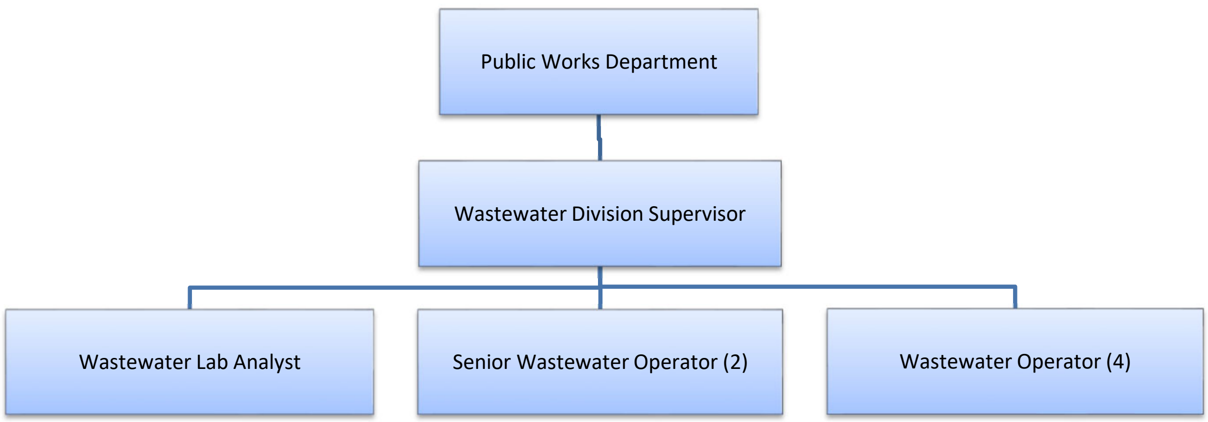
Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Personnel Services and Benefits	867,071	935,172	950,572	939,070	1,078,182	143,010	15.3%
Supplies	218,825	262,050	261,650	259,650	287,050	25,000	9.5%
Contract/Purchased Services	355,369	409,060	409,810	407,310	547,810	138,750	33.9%
Minor Capital Outlay	53,109	59,000	59,000	59,000	61,650	2,650	4.5%
Interdepartmental Charges	502,008	638,560	641,434	569,390	704,990	66,430	10.4%
Debt Service	162,491	162,829	162,829	162,829	162,829	-	0.0%
Payment in Lieu of Taxes	80,000	86,100	80,000	80,000	86,100	-	0.0%
Major Capital Outlay	521,127	5,105,867	5,105,867	423,535	7,267,478	2,161,611	42.3%
Total	**2,760,000**	**7,658,638**	**7,671,162**	**2,900,784**	**10,196,089**	**2,537,451**	**33.1%**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Wastewater Fund	2,670,187	3,587,771	3,600,295	2,899,189	4,494,111	906,340	25.3%
Bonds	89,813	4,070,867	4,070,867	1,595	4,451,978	381,111	9.4%
Grant	-	-	-	-	1,250,000	1,250,000	NA
Total	**2,760,000**	**7,658,638**	**7,671,162**	**2,900,784**	**10,196,089**	**2,537,451**	**33.1%**

Full-time Equivalent Personnel	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2023 Budget	2023 Salary	2022 Adopted/2023 Incr(Decr)	%
Operations	8.00	8.00	8.00	8.00	617,482	-	0.0%
Total	**8.00**	**8.00**	**8.00**	**8.00**	**617,482**	**-**	**0.0%**

MISSION STATEMENT

It is the mission of the Wastewater Division to protect the environment through the effective management, operation and maintenance of the sanitary wastewater system. The division's primary concern is for the health and safety of the citizens and employees. The division strives to provide the citizens of the City of Ketchikan with quality service using experienced, well-trained personnel and by continuing to upgrade the existing treatment plant, equipment and collection system components.



GOALS FOR 2023

- Maintain the sewer system as efficiently as possible within the constraints of the Wastewater Division’s budget.
- While being short of licensed operators, attempt to meet EPA discharge limits for Biochemical Oxygen Demand (BOD), Total Suspended Solids (TSS), fecal coliform, chlorine residual, pH, dissolved oxygen, copper and zinc to minimize financial penalties of noncompliance. Systematically inspect, repair and/or replace portions of Ketchikan's aging wastewater collection system, focusing on corrugated metal pipe sewer infrastructure.
- Complete an emergency backup generator replacement project in a large and a small pump station.
- Clean and camera 10% of the collection system.
- Overcome external operational challenges to continue to meet discharge limitations.
- Conduct public outreach and education on issues important to the Wastewater Division.
- Successfully transition to a new Division Supervisor should recruitment efforts be successful in 2023.
- Support Engineering Division's efforts to secure grant funding for wastewater projects.
- Advocate for market competitive compensation to enable the filling of the Wastewater Division Supervisor position.
- Support contracting out of licensed operations if contracted operations are feasible and become necessary.
- Complete the necessary application process for the 301 (H) waiver of secondary treatment.
- Advocate to minimize the financial impacts of the new NPDES permit discharge limits anticipated in 2023.
- Advocate for a rate increase to avoid deficit spending in 2023.
- Install new 150KW generator to replace 1970s vintage existing generator at Pump Station 2.

ACCOMPLISHMENTS FOR 2022

- In the Treatment Plant A headworks building, the Wastewater Division replaced a multitude of conveyor system components with a sluice system to eliminate all moving parts. This also eliminates energy requirements and still uses less water to convey screenings to the screenings press.
- Continued to work closely as a cohesive group to reduce and fine tune the use of analytics, chemicals, and processes to meet all EPA discharge limits effluent standards during all portions of the year.
- Managed the operation while being challenged with staff losses and vacancies.
- Rebuilt Treatment Plant A screen number 2 in-house.

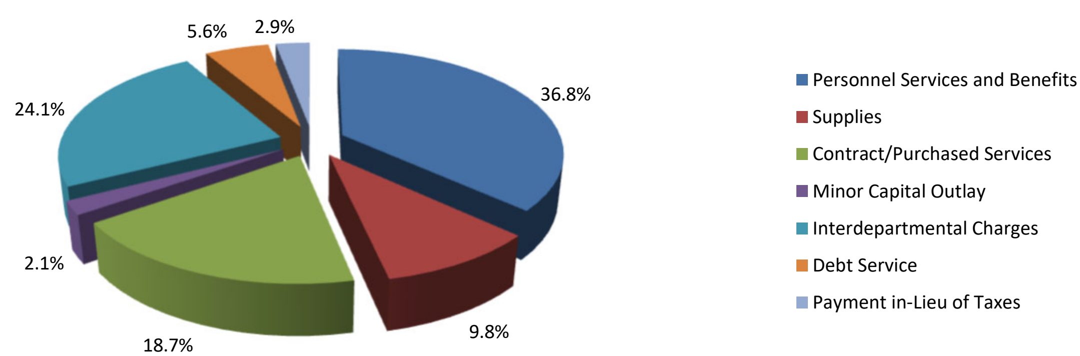
DIVISION SUMMARY

Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Personnel Services and Benefits	867,071	935,172	950,572	939,070	1,078,182	143,010	15.3%
Supplies	218,825	262,050	261,650	259,650	287,050	25,000	9.5%
Contract/Purchased Services	355,369	409,060	409,810	407,310	547,810	138,750	33.9%
Minor Capital Outlay	53,109	59,000	59,000	59,000	61,650	2,650	4.5%
Interdepartmental Charges	502,008	638,560	641,434	569,390	704,990	66,430	10.4%
Debt Service	162,491	162,829	162,829	162,829	162,829	-	0.0%
Payment in-Lieu of Taxes	80,000	86,100	80,000	80,000	86,100	-	0.0%
Total Expenditures	**2,238,873**	**2,552,771**	**2,565,295**	**2,477,249**	**2,928,611**	**375,840**	**14.7%**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Wastewater Fund	2,238,873	2,552,771	2,565,295	2,477,249	2,928,611	375,840	14.7%
Total Funding	**2,238,873**	**2,552,771**	**2,565,295**	**2,477,249**	**2,928,611**	**375,840**	**14.7%**

Full-time Equivalent Personnel	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2023 Budget	2023 Salary	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Wastewater Supervisor	1.00	1.00	1.00	1.00	97,311	-	0.0%
Senior Wastewater Operator	2.00	2.00	2.00	2.00	167,918	-	0.0%
Wastewater Operator	4.00	4.00	4.00	4.00	259,560	-	0.0%
Wastewater Lab Analyst	1.00	1.00	1.00	1.00	92,693	-	0.0%
Total	**8.00**	**8.00**	**8.00**	**8.00**	**617,482**	**-**	**0.0%**

2023 Expenditures by Type



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- Personnel Services and Benefits increased by $143,010, or by 15.3%, due to annual employee step increases, a 2.5% cost of living adjustment for IBEW, Local 1547 employees that will become effective January 1, 2023; and projected increases in pension, health insurance and other benefit costs.
- Heating Fuel (Account No. 525.03) increased by $20,000 or by 72.7% due to the increase in fuel prices.
- Vehicle Fuel (Account No. 525.04) increased by $5,000 or by 66.7% due to the increase in fuel prices.
- Travel - Business (Account No. 600.01) is newly funded at $5,000 to account for in-person Wastewater Division Supervisor candidate visits to fill the vacant position.
- Travel - Training (Account No. 600.02) increased by $8,250 or $220% due to the new Commercial Driver License (CDL) training requirements as imposed by the Federal Highway Administration. All positions (other than the Lab Analyst) within the division require a CDL.
- Engineering & Architectural Services (Account No. 640.02) increased by $42,500, or by 566.7%, due to the costs associated with contracted support for the division's efforts to renew its NPDES permit.
- Management & Consulting Services (Account No. 640.04) increased by $76,000, or by 316.7%, due to the costs associated with contracting operations amid staff vacancies and insufficient staffing certification levels.
- Interdepartmental Charges increased by $66,430, or by 10.4%, primary due to increased insurance premiums and increased costs associated with services provided by City departments to the Public Works Wastewater Division.

DIVISION OPERATING BUDGET DETAIL

Operating Expenditures	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Personnel Services and Benefits							
500 .01 Regular Salaries & Wages	523,060	539,012	553,712	553,630	617,482	78,470	14.6%
501 .01 Overtime Wages	31,890	35,000	35,000	30,450	35,000	-	0.0%
502 .01 Temporary Wages	7,316	20,000	5,300	5,000	20,000	-	0.0%
505 .00 Payroll Taxes	39,794	45,450	45,450	43,410	51,450	6,000	13.2%
506 .00 Pension	80,652	85,850	85,850	82,290	116,280	30,430	35.4%
507 .00 Health & Life Insurance	174,043	176,660	192,060	192,030	201,490	24,830	14.1%
507 .30 Workers Compensation	14,770	18,460	18,460	17,520	19,510	1,050	5.7%
508 .00 Other Benefits	(6,279)	12,140	12,140	12,140	14,370	2,230	18.4%
509 .03 Allowances-Public Works Clothing	1,750	2,000	2,000	2,000	2,000	-	0.0%
509 .08 Allowances-Medical Expenses	75	600	600	600	600	-	0.0%
Personnel Services and Benefits	**867,071**	**935,172**	**950,572**	**939,070**	**1,078,182**	**143,010**	**15.3%**

Operating Expenditures			2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Supplies									
510	.01	Office Supplies	1,992	2,500	2,500	2,500	2,500	-	0.0%
510	.02	Operating Supplies	13,431	15,000	15,000	15,000	15,000	-	0.0%
510	.03	Safety Program Supplies	13,918	12,250	15,250	15,250	12,250	-	0.0%
510	.04	Janitorial Supplies	2,421	3,625	3,625	3,625	3,625	-	0.0%
510	.05	Small Tools & Equipment	5,395	9,000	9,000	9,000	9,000	-	0.0%
510	.06	Chemicals	54,032	70,000	70,000	70,000	70,000	-	0.0%
515	.01	Vehicle Maintenance Materials	3,183	5,000	5,000	5,000	5,000	-	0.0%
515	.04	Machinery & Equip Maint Materials	14,825	28,300	28,300	28,300	28,300	-	0.0%
515	.05	Infrastructure Maint Materials	64,482	72,625	42,225	42,225	72,625	-	0.0%
520	.02	Postage	1,468	2,000	2,000	2,000	2,000	-	0.0%
525	.03	Heating Fuel	31,895	27,500	47,500	47,500	47,500	20,000	72.7%
525	.04	Vehicle Motor Fuel & Lubricants	9,543	7,500	14,500	12,500	12,500	5,000	66.7%
530	.03	Professional & Technical Publications	272	1,000	1,000	1,000	1,000	-	0.0%
535	.02	Business & Meal Expenses	694	1,750	1,750	1,750	1,750	-	0.0%
535	.04	Uniforms/Badges/Clothing	1,274	4,000	4,000	4,000	4,000	-	0.0%
		Supplies	**218,825**	**262,050**	**261,650**	**259,650**	**287,050**	**25,000**	**9.5%**
Contract/Purchased Services									
600	.01	Travel-Business					5,000	5,000	New
600	.02	Travel-Training	450	3,750	3,750	3,750	12,000	8,250	220.0%
600	.03	Training & Education	2,118	2,500	5,000	5,000	7,000	4,500	180.0%
605	.01	Ads & Public Announcements	2,835	6,000	6,000	6,000	6,000	-	0.0%
615	.01	Professional & Technical Licenses	950	1,500	1,500	1,500	1,500	-	0.0%
615	.02	Assn. Membership Dues & Fees	-	1,500	1,500	1,500	1,500	-	0.0%
630	.01	Building & Operating Permits	8,020	8,500	8,500	8,500	8,500	-	0.0%
630	.02	Vehicle Licenses	159	500	500	500	500	-	0.0%
630	.03	Bank & Merchant Charges	23,989	23,000	23,000	23,000	23,000	-	0.0%
635	.03	Vehicle Maintenance Services	1,514	3,000	3,000	3,000	3,000	-	0.0%
635	.04	Software Maintenance Services	6,068	9,000	9,000	9,000	9,000	-	0.0%
635	.06	Bldg. & Grounds Maint Services	7,402	7,500	7,500	7,500	10,000	2,500	33.3%
635	.07	Machinery & Equip Maint Services	19,983	20,000	20,000	20,000	20,000	-	0.0%
635	.08	Infrastructure Maint Services	45,334	35,490	45,890	45,890	35,490	-	0.0%
635	.12	Technical Services	5,352	5,000	5,000	5,000	5,000	-	0.0%
640	.02	Engineering & Architectural Services	2,329	7,500	7,500	7,500	50,000	42,500	566.7%
640	.04	Management & Consulting Services	1,972	24,000	14,000	14,000	100,000	76,000	316.7%
645	.02	Rents & Leases-Machinery & Equip	-	2,000	2,000	2,000	2,000	-	0.0%
650	.01	Telecommunications	17,076	18,000	18,000	18,000	18,000	-	0.0%
650	.02	Electric, Water, Sewer & Solid Waste	209,818	230,320	228,170	225,670	230,320	-	0.0%
		Contract/Purchased Services	**355,369**	**409,060**	**409,810**	**407,310**	**547,810**	**138,750**	**33.9%**
Minor Capital Outlay									
790	.15	Furniture & Fixtures	-	1,000	1,000	1,000	1,000	-	0.0%
790	.25	Machinery & Equipment	51,332	55,500	55,500	55,500	55,500	-	0.0%
790	.26	Computers, Printers & Copiers	1,777	2,500	2,500	2,500	5,150	2,650	106.0%
		Minor Capital Outlay	**53,109**	**59,000**	**59,000**	**59,000**	**61,650**	**2,650**	**4.5%**

Operating Expenditures	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Interdepartmental Charges							
800 .00 Interdepartmental-Administrative	30,123	32,900	33,624	33,760	38,915	6,015	18.3%
801 .01 Interdepartmental-Human Resources	10,744	12,480	12,480	11,810	14,395	1,915	15.3%
802 .00 Interdepartmental-Finance	52,241	59,220	59,220	56,955	65,140	5,920	10.0%
803 .01 Interdepartmental-Info Technology	26,726	30,500	30,500	27,245	41,610	11,110	36.4%
804 .01 Interdepartmental-Engineering	226,619	344,000	339,990	274,000	373,000	29,000	8.4%
805 .01 Interdepartmental-KPU Billing Services	50,870	52,280	52,280	52,280	52,280	-	0.0%
825 .01 Interdepartmental-Insurance	53,724	55,870	58,020	58,020	58,280	2,410	4.3%
850 .01 Interdepartmental-Garage	35,961	36,310	40,320	40,320	46,370	10,060	27.7%
851 .01 Interdepartmental-Equipment	15,000	15,000	15,000	15,000	15,000	-	0.0%
Interdepartmental Charges	**502,008**	**638,560**	**641,434**	**569,390**	**704,990**	**66,430**	**10.4%**
Debt Service							
931 .01 Debt Service-Principal	132,640	134,638	134,638	134,638	136,665	2,027	1.5%
932 .01 Debt Service-Interest	29,851	28,191	28,191	28,191	26,164	(2,027)	-7.2%
Debt Service	**162,491**	**162,829**	**162,829**	**162,829**	**162,829**	**-**	**0.0%**
Other Costs							
975 .00 Payment in Lieu of Taxes	80,000	86,100	80,000	80,000	86,100	-	0.0%
Other Costs	**80,000**	**86,100**	**80,000**	**80,000**	**86,100**	**-**	**0.0%**
Total Expenditures by Type	**2,238,873**	**2,552,771**	**2,565,295**	**2,477,249**	**2,928,611**	**375,840**	**14.7%**

NARRATIVE

500.01 Regular Salaries & Wages: $617,482 – This account provides expenditures for compensation paid to all regular salaried and hourly employees of the Wastewater Division.

501.01 Overtime Wages: $35,000 - This account provides expenditures for compensation paid to all regular and temporary hourly employees for hours worked in excess of a regular working cycle.

502.01 Temporary Wages: $20,000 - This account provides expenditures for compensation paid to temporary salaried and hourly employees of the Wastewater Services Division.

505.00 Payroll Taxes: $51,450 – This account provides expenditures for employer contributions for Social Security and Medicare and other similar payroll related taxes.

506.00 Pension: $116,280 – This account provides expenditures for employer contributions to retirement plans.

507.00 Health & Life Insurance: $201,490 – This account provides expenditures for employer contributions to employee health and life insurance plans.

507.30 Workers' Compensation: $19,510 – This account provides expenditures for employer contributions to workers' compensation insurance.

508.00 Other Benefits: $14,370 – This account provides expenditures for direct claims from former employees for unemployment benefits paid by the State of Alaska and accrued vacation and sick leave.

509.03 Allowances – Public Works Clothing: **$2,000** – This account provides expenditures for employer provided protective clothing allowances paid directly to represented employees of the Public Works Department pursuant to collective bargaining agreements or the Personnel Rules.

509.08 Allowances - Medical Expenses: $600 – This account provides expenditures for employer provided medical exams paid directly to employees.

510.01 Office Supplies: **$2,500** - This account provides expenditures for paper, pens, pencils, adding machine ribbons and tape, note pads, file folders, scotch tape, toner, ink cartridges, photocopy charges, small desk accessories and minor office equipment such as adding machines, staplers, and tape dispensers.

510.02 Operating Supplies: **$15,000** - This account provides expenditures for supplies that are normally not of a maintenance nature and are required to support department operations. Included are supplies such as laboratory supplies, general materials for public programs and bottled water.

510.03 Safety Program Supplies: **$12,250** - This account provides expenditures for safety training audio and video programs, safety equipment, City required hearing tests, specialized hazardous materials handling and disposal information, specialized protective safety clothing, traffic control equipment, confined space related equipment for air sampling, calibration and man lifting.

510.04 Janitorial Supplies: $3,625 – This account provides expenditures for cleaning and sanitation supplies used by the in house janitor.

510.05 Small Tools & Equipment: **$9,000** - This account provides expenditures for minor tools, operating and office equipment with a value of less than $1,000. Included are hand tools, chain saws, blow torches, hydraulic jacks, sump pumps, computer accessories, space heaters, radios, calculators, file cabinets and similar types of minor tools and equipment.

510.06 Chemicals: **$70,000** - This account provides expenditures for chemicals used for wastewater treatment and testing.

515.01 Vehicle Maintenance Materials: **$5,000** - This account provides expenditures for the repair and maintenance of vehicles owned or leased and operated by the division. Included are licensed and unlicensed rolling stock.

515.04 Machinery & Equipment Maintenance Materials: **$28,300** – This account provides expenditures for materials required for the repair and maintenance of machinery and equipment operated by the division. Included are office equipment, operating equipment, computer networks and computers and pump station and treatment plant equipment.

515.05 Infrastructure Maintenance Materials: $72,625 - This account provides expenditures for materials required for the repair and maintenance of infrastructure operated by the division. Included are sewer mains, sewer pump stations, generators, treatment plant and SCADA communications.

520.02 Postage: **$2,000** - This account provides expenditures for postal related services such as postage, express delivery and mailing materials.

525.03 Heating Fuel: **$47,500** - This account provides expenditures for heating fuel to heat the wastewater treatment plants.

525.04 Vehicle Motor Fuel & Lubricants: **$12,500** - This account provides expenditures for gasoline, diesel fuel, propane and lubricants for vehicles and the 14 foot sampling skiff.

530.03 Professional & Technical Publications: **$1,000** - This account provides expenditures for professional and technical publications. Included are professional handbooks and technical journals and wastewater operator manuals.

535.02 Business & Meal Expenses: **$1,750** - This account provides expenditures for reimbursements to employees for business and job related meals, and other business related expenses.

535.04 Uniforms/Badges/Clothing: **$4,000** - This account provides expenditures for direct purchases of or reimbursements to employees for work related clothing required by department policies. Included are work clothes, raingear, hats, steel toed boots and gloves.

600.01 Travel-Business: $5,000 - This account will cover travel expenses for the recruitment of a new Division Supervisor.

600.02 Travel-Training: $12,000 - This account provides expenditures for transportation, lodging, meals, per diems and other incidental expenses associated with travel for training.

600.03 Training & Education: $**7,000** – This account provides expenditures for registration fees, training fees, training materials, tuition reimbursements and other incidental expenses associated with training and educating employees; and on-premises training programs provided by staff or third-parties.

605.01 Advertising & Public Announcements: **$6,000** - This account provides expenditures for advertising and announcements in publications, newspapers, trade journals, Internet or broadcasts over radio and television. Included are legal notices, public service announcements, public awareness brochure, community issues, recruiting, requests for proposals, contracts and sales of property and equipment.

615.01 Professional & Technical Licenses: $1,500 – This account provides expenditures for fees paid for technical certifications required by collection system and treatment plant operators, lab technicians, operators of special equipment and commercial driver's licenses.

615.02 Assn. Membership Dues & Fees: $1,500 – This account provides expenditures for memberships in professional and trade associations such as American Water Works Association, Water Environment Federation and Alaska Rural Water Association.

630.01 Building & Operating Permits: **$8,500** - This account provides expenditures for permits required for construction, right-of-ways, easements, environmental, occupancy and operations.

630.02 Vehicle Licenses: $500 – This account provides expenditures for licensing City vehicles for operations on public highways.

630.03 Bank & Merchant Charges: $23,000 – This account provides expenditures for monthly bank account service charges, merchant fees for use of credit and debit cards, wire transfer fees and other fees for banking services.

635.03 Vehicle Maintenance Services: $3,000 – This account provides expenditures for the repair and maintenance of City vehicles by outside maintenance facilities. Included are licensed and unlicensed rolling stock and boats. This account includes contract labor and materials required to provide the service.

635.04 Software Maintenance Services: **$9,000** - This account provides expenditures for maintenance agreements to support licensed software systems.

635.06 Buildings & Grounds Maintenance Services: **$10,000** - This account provides expenditures for contractual services for the repair and maintenance of buildings and the upkeep of grounds owned or leased by the City. This account includes contract labor and materials required to provide the service.

635.07 Machinery & Equipment Maintenance Services: **$20,000** - This account provides expenditures for contractual services for the repair and maintenance of office equipment, laboratory equipment, machinery and other operating equipment used by the division. This account includes contract labor and materials required to provide the service. It also includes maintenance service agreements.

635.08 Infrastructure Maintenance Services: **$35,490** - This account provides expenditures for contractual services for the repair and maintenance of infrastructure owned or leased by the City. This account includes contract labor and materials required to provide the service. Included are sewer mains, sewer pump stations, generators and SCADA systems.

635.12 Technical Services: **$5,000** - This account provides expenditures for services that are not regarded as professional but require technical or special knowledge. Included are wastewater testing, data base management, video camera operators, pest control and security.

640.02 Engineering & Architectural Services: **$50,000** - This account provides expenditures for engineering and architectural services outside the scope of available services with internal staff. Additional funds have been programmed for 2023 to account for contracted services to assist with the NPDES permitting process.

640.04 Management & Consulting Services: $100,000 - This account provides expenditures for management and consulting services. Included are project management, rate studies, management studies and other management and consulting engagements requiring persons or firms with specialized skills and knowledge. Additional funds have been programmed for 2023 to account for contracted operations amidst staff vacancies and insufficient staffing certification levels.

645.02 Rents & Leases - Machinery & Equipment: **$2,000** - This account provides expenditures for the rent and lease of machinery and equipment.

650.01 Telecommunications: **$18,000** - This account provides expenditures for telecommunication services. Included are charges for wired and wireless telecommunications services, cell phones, pagers, Internet, long distance and toll-free numbers.

650.02 Electric, Water, Sewer & Solid Waste: **$230,320** - This account provides expenditures for electric, water, sewer and solid waste utility services.

790.15 Furniture & Fixtures: **$1,000** - This account provides expenditures for acquisition of furniture and fixtures. Included are desks, chairs, tables, workstations, file cabinets, storage cabinets and building fixtures.

790.25 Machinery & Equipment: **$55,500** - This account provides expenditures for the acquisition of machinery and equipment usually composed of a complex combination of parts. Included are office equipment, laboratory equipment, pumps, motors, fittings valves and operating equipment required to provide services or maintain capital assets.

790.26 Computers, Printers & Copiers: $5,150 – This account provides expenditures for desktop, laptops, and tablet computers; computer printers and scanners, photocopiers and fax machines. Per the replacement schedule developed by the Information Technology Department, two workstations, one monitor, and one UPS battery back-up will be replaced.

800.00 Interdepartmental Charges – Administrative: $38,915 - This account provides expenditures for administrative and management services provided by the departments of the City Council, City Clerk, City Attorney and the administrative office of the City Manager.

801.01 Interdepartmental Charges – Human Resources: **$14,395** - This account provides expenditures for human resource services provided by the Human Resources Division.

802.00 Interdepartmental Charges - Finance: **$65,140** - This account provides expenditures for financial, accounting, payroll, accounts payable, billing, customer service and budgeting services provided by the Finance Department.

803.01 Interdepartmental Charges – Information Technology: **$41,610** - This account provides expenditures for information technology services provided by the Information Technology Department.

804.01 Interdepartmental Charges – Engineering: **$373,000** - This account provides expenditures for engineering services provided by the Public Works Department-Engineering Division.

805.01 Interdepartmental Charges – KPU Billing Services: **$52,280** - This account provides expenditures for billing and collection services provided by the KPU Sales, Marketing and Customer Service Division.

825.01 Interdepartmental Charges – Insurance: **$58,280** - This account provides expenditures for risk management services and claims.

850.01 Interdepartmental Charges – Garage: **$46,370** - This account provides expenditures for fleet maintenance services provided by the Public Works Department-Garage Division.

851.01 Equipment Charges: **$15,000** - This account provides expenditures for use of equipment owned by another department of the City.

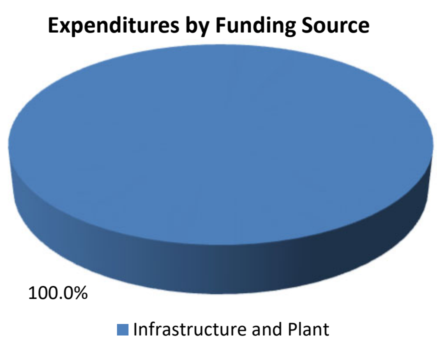
931.01 Debt Service-Principal: **$136,665** - This account provides expenditures for principal on Alaska Clean Water Loans for the Wastewater Division.

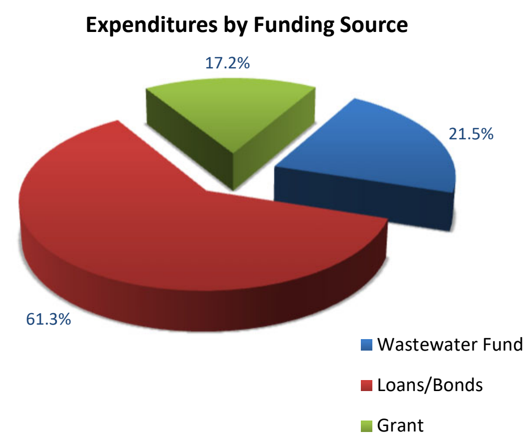
932.01 Debt Service-Interest: **$26,164** - This account provides expenditures for interest on Alaska Clean Water Loans for the Wastewater Division.

975.00 Payments in Lieu of Taxes: $86,100 - This account provides expenditures for payments in lieu of taxes assessed against the enterprise funds of the City.

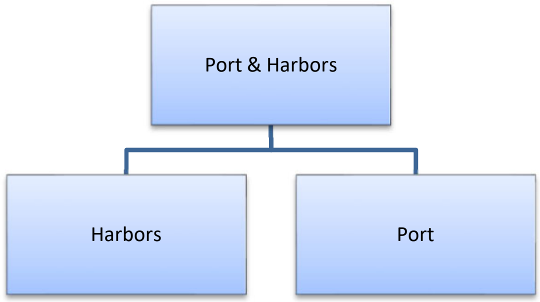
Major Capital Outlay		2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
720.00	Vehicles & Moving Equipment	178,806	-	-	-	-	-	NA
730.00	Infrastructure and Plant	342,321	5,105,867	5,105,867	423,535	7,267,478	2,161,611	42.3%
Total Major Capital Outlay		**521,127**	**5,105,867**	**5,105,867**	**423,535**	**7,267,478**	**2,161,611**	**42.3%**

Capital Improvement Projects Project #	Project	Funding Sources Wastewater Fund	Funding Sources ADEC Loan/Bonds	Funding Sources State or Federal Grants	Total
730.00	**Infrastructure and Plant**				
	Tongass Ave. Phase II Sewer Force Main Rehabilitation	312,500		1,250,000	1,562,500
	Sewer Main & Manhole Repair/Replacement	100,000			100,000
	Upgrade Sewer Laterals	30,000			30,000
	Large Pump Station Upgrades	150,000			150,000
	Small Pump Station Upgrades	50,000			50,000
	WWTP Equipment Replacement	60,000			60,000
	Water Meters-Business and Commercial		851,978		851,978
	Water Street Sewer Replacement and Rehabilitation	500,000	3,600,000		4,100,000
	SCADA & Controls System Upgrade	100,000			100,000
	Peterson Street Sewer Main Rebuild	235,000			235,000
	PS2 Duperon Wipe Removal Machine	28,000			28,000
	Total Infrastructure and Plant	**1,565,500**	**4,451,978**	**1,250,000**	**7,267,478**
	Total Capital Budget	**1,565,500**	**4,451,978**	**1,250,000**	**7,267,478**





The Port & Harbors Department operates and maintains six boat harbors: Bar Harbor South, Bar Harbor North, Thomas Basin, Casey Moran, Knudson Cove and Hole-In-The-Wall; three launch ramps; and the Port of Ketchikan.



The Harbors Division of the Port & Harbors Department is comprised of one operating division and oversees one Capital Improvement Program.

DEPARTMENT EXECUTIVE SUMMARY

	2021	2022 Budget			2023	2022 Adopted/2023	
Divisions/Cost Center/Programs	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Operations	1,578,720	1,734,071	1,734,557	1,651,190	1,830,374	96,303	5.6%
Capital Improvement Program	239,030	275,633	275,633	122,500	130,000	(145,633)	-52.8%
Total	**1,817,750**	**2,009,704**	**2,010,190**	**1,773,690**	**1,960,374**	**(49,330)**	**-2.5%**

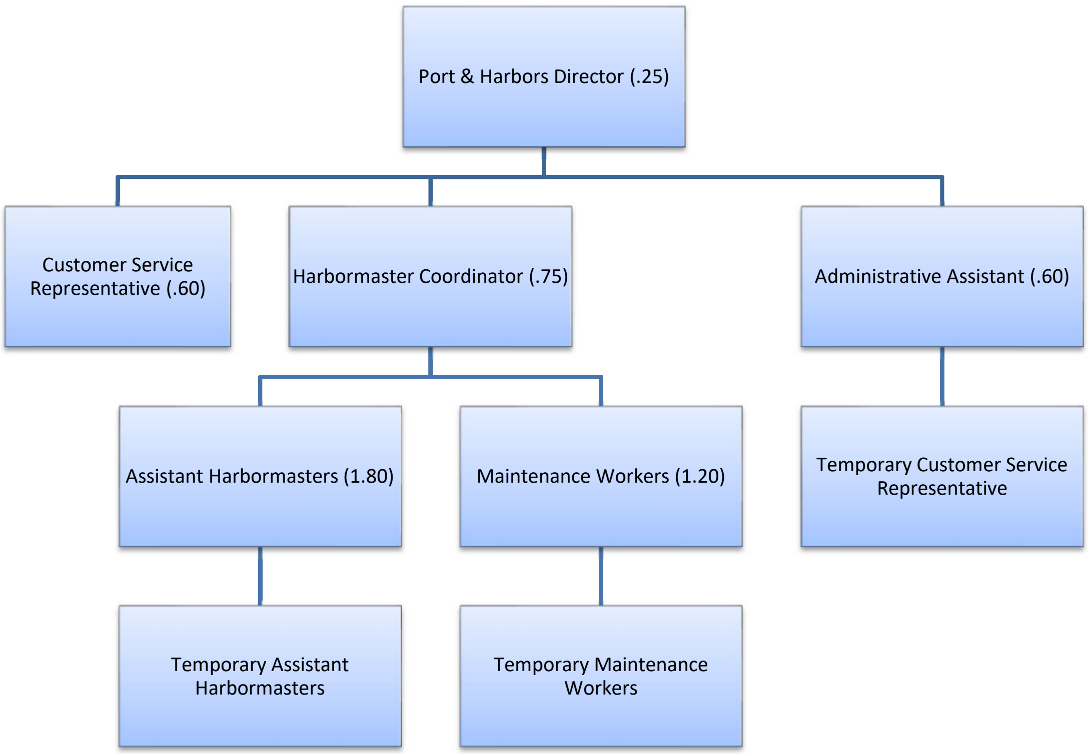
	2021	2022 Budget			2023	2022 Adopted/2023	
Expenditures by Category	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Personnel Services and Benefits	583,257	705,881	705,881	646,180	727,654	21,773	3.1%
Supplies	47,722	74,325	77,935	77,935	90,925	16,600	22.3%
Contract/Purchased Services	384,876	336,440	331,880	329,690	343,490	7,050	2.1%
Minor Capital Outlay	3,652	11,100	12,050	12,050	18,700	7,600	68.5%
Interdepartmental Charges	210,663	256,900	257,386	235,910	299,930	43,030	16.7%
Debt Service	348,550	349,425	349,425	349,425	349,675	250	0.1%
Major Capital Outlay	239,030	275,633	275,633	122,500	130,000	(145,633)	-52.8%
Total	**1,817,750**	**2,009,704**	**2,010,190**	**1,773,690**	**1,960,374**	**(49,330)**	**-2.5%**

	2021	2022 Budget			2023	2022 Adopted/2023	
Expenditures by Funding Source	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Harbor Fund	1,578,720	1,734,071	1,708,557	1,651,190	1,830,374	96,303	5.6%
Grants and Contributions	239,030	101,412	101,412	-	-	(101,412)	-100.0%
Harbor Construction	-	174,221	200,221	122,500	130,000	(44,221)	-25.4%
Bonds	-	-	-	-	-	-	0.0%
Total	**1,817,750**	**2,009,704**	**2,010,190**	**1,773,690**	**1,960,374**	**(49,330)**	**-2.5%**

	2021	2022 Budget		2023		2022 Adopted/2023	
Full-time Equivalent Personnel	**Actual**	**Adopted**	**Amended**	**Budget**	**Salary**	**Incr(Decr)**	**%**
Operations	5.20	5.20	5.20	5.20	353,804	-	0.0%
Total	**5.20**	**5.20**	**5.20**	**5.20**	**353,804**	**-**	**0.0%**

MISSION STATEMENT

The mission of the Harbors Division is to maintain and operate the City-owned public boat harbors to provide safe and convenient use of the harbors by the commercial fishing fleet, charter boat fleet, pleasure vessels and the general public. The harbors are operated in accordance with the State Boat Harbor Management Agreement and Title 14 of the Ketchikan Municipal Code. The Harbor Division will, with the aid of the City Council, the City Manager's Office, the Port & Harbors Advisory Board and the State of Alaska, identify and pursue construction of new facilities and maintain existing facilities. The Harbors Division will promote the City of Ketchikan and assist the community in maintaining economic growth and prosperity.



GOALS FOR 2023

- Install cathodic protection on various galvanized pilings.
- Replace aging overhead lighting wire in Bar Harbor North.
- Evaluate and perform maintenance dredging in Bar Harbor North.
- Replace vulnerable pilings identified through recent inspections.
- Replace deteriorating concrete panels in Bar Harbor North Floats 14, 15 and 16.
- Replace deteriorating bullrail and whalers in Bar Harbor North.
- Pour new approach slab at Bar Harbor North Ramp 3.
- Plan and host the Alaska Association of Harbormasters and Port Administrators annual conference in September 2023.

ACCOMPLISHMENTS FOR 2022

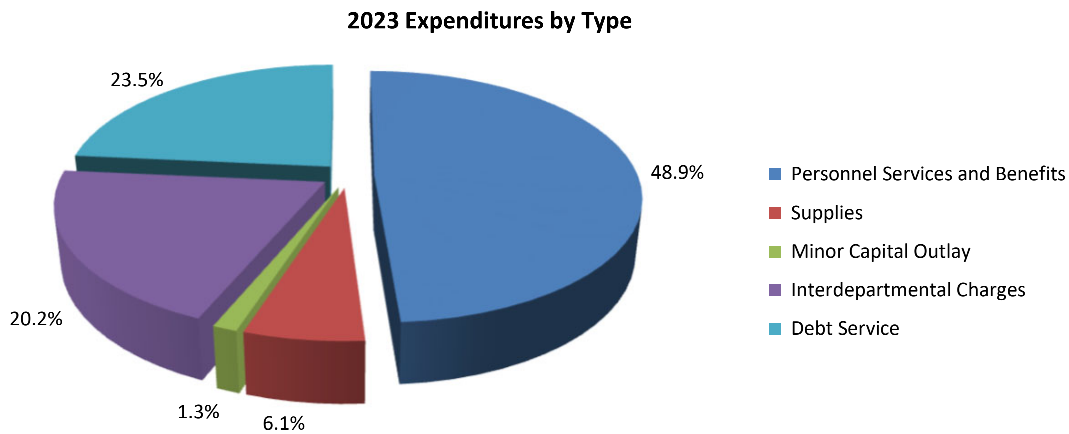
- Darryl Verfaillie was appointed to the Port & Harbors Director position effective March 11, 2022 after the retirement of longtime Director Steve Corporon, effective November 1, 2020.
- Completed final phase of Thomas Basin rehabilitation in-house. New decking, bull rail, stringers, and water line on Float 5.
- Completed Phase 1 of maintenance dredging in Bar Harbor North.
- Completed installation of new sewage pump-out station in Bar Harbor South.

DIVISION SUMMARY

Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Personnel Services and Benefits	583,257	705,881	705,881	646,180	727,654	21,773	3.1%
Supplies	47,722	74,325	77,935	77,935	90,925	16,600	22.3%
Contract/Purchased Services	384,876	336,440	331,880	329,690	343,490	7,050	2.1%
Minor Capital Outlay	3,652	11,100	12,050	12,050	18,700	7,600	68.5%
Interdepartmental Charges	210,663	256,900	257,386	235,910	299,930	43,030	16.7%
Debt Service	348,550	349,425	349,425	349,425	349,675	250	0.1%
Total Expenditures	**1,578,720**	**1,734,071**	**1,734,557**	**1,651,190**	**1,830,374**	**96,303**	**5.6%**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Harbor Fund	1,578,720	1,734,071	1,734,557	1,651,190	1,830,374	96,303	5.6%
Total Funding	**1,578,720**	**1,734,071**	**1,734,557**	**1,651,190**	**1,830,374**	**96,303**	**5.6%**

Full-time Equivalent Personnel	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2023 Budget	2023 Salary	2022 Adopted/2023 Incr(Decr)	%
Director of Port & Harbors	0.25	0.25	0.25	0.25	34,375	-	0.0%
Harbormaster Coordinator	0.75	0.75	0.75	0.75	67,119	-	0.0%
Assistant Harbormasters	1.80	1.80	1.80	1.80	109,222	-	0.0%
Maintenance Worker	1.20	1.20	1.20	1.20	73,566	-	0.0%
Administrative Assistant	0.60	0.60	0.60	0.60	36,277	-	0.0%
Customer Service Rep I	0.60	0.60	0.60	0.60	33,245	-	0.0%
Total	**5.20**	**5.20**	**5.20**	**5.20**	**353,804**	**-**	**0.0%**



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below:

- Personnel Services and Benefits increased by $21,773, or by 3.1%, due to annual employee step increases; proposed cost of living adjustments for IBEW, Local 1547 represented employees and non-represented employees that will become effective January 1, 2023; and projected increases in pension, health insurance and other benefit costs.

- Infrastructure Maintenance Materials (Account No. 515.05) increased by $11,000, or by 26.2%, due to estimated material cost inflation, as well as the estimated $7,000 cost of procuring a lumber order for bullrail rehabilitation in Bar Harbor North.

- Interdepartmental Charges increased by $43,030, or by 16.7%, primarily due to increased insurance premiums and increased costs associated with services provided by City departments to the Harbor Department.

DIVISION OPERATING BUDGET DETAIL

			2021	2022 Budget			2023	2022 Adopted/2023	
Operating Expenditures			Actual	Adopted	Amended	Estimate	Budget	Incr(Decr)	%
Personnel Services and Benefits									
500	.01	Regular Salaries and Wages	308,292	340,771	340,771	331,590	353,804	13,033	3.8%
501	.01	Overtime Wages	10,591	13,000	13,000	13,000	13,000	-	0.0%
502	.01	Temporary Wages	59,341	80,000	80,000	58,000	80,000	-	0.0%
505	.00	Payroll Taxes	27,355	33,190	33,190	30,210	34,190	1,000	3.0%
506	.00	Pension	71,917	77,800	82,690	82,690	80,710	2,910	3.7%
507	.00	Health and Life Insurance	85,696	127,380	122,490	101,480	137,040	9,660	7.6%
507	.30	Workers Compensation	19,150	27,480	27,480	22,950	24,190	(3,290)	-12.0%
508	.00	Other Benefits	915	6,260	6,260	6,260	4,720	(1,540)	-24.6%
		Personnel Services and Benefits	**583,257**	**705,881**	**705,881**	**646,180**	**727,654**	**21,773**	**3.1%**

			2021	2022 Budget			2023	2022 Adopted/2023	
Operating Expenditures			**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Supplies									
510	.01	Office Supplies	3,413	3,200	2,700	2,700	3,200	-	0.0%
510	.02	Operating Supplies	2,665	3,100	3,100	3,100	3,100	-	0.0%
510	.03	Safety Program Supplies	238	285	285	285	285	-	0.0%
510	.04	Janitorial Supplies	2,120	1,750	3,450	3,450	3,450	1,700	97.1%
510	.05	Small Tools & Equipment	3,813	4,750	4,750	4,750	4,750	-	0.0%
515	.01	Vehicle Maint Materials	2,156	2,600	2,600	2,600	2,600	-	0.0%
515	.05	Infrastructure Maint Materials	18,167	42,000	41,050	41,050	53,000	11,000	26.2%
520	.02	Postage	3,894	2,940	3,800	3,800	2,940	-	0.0%
525	.03	Heating Fuel	3,333	5,000	7,500	7,500	7,500	2,500	50.0%
525	.04	Vehicle Motor Fuel & Lubricants	4,590	5,750	5,750	5,750	6,500	750	13.0%
530	.02	Periodicals	81	100	100	100	100	-	0.0%
535	.04	Uniforms/Badges/Clothing	3,252	2,850	2,850	2,850	3,500	650	22.8%
		Supplies	**47,722**	**74,325**	**77,935**	**77,935**	**90,925**	**16,600**	**22.3%**
Contract/Purchased Services									
600	.01	Travel-Business	697	1,500	1,500	1,500	2,000	500	33.3%
600	.02	Travel-Training	325	1,300	1,300	1,300	1,500	200	15.4%
600	.03	Training and Education	1,045	1,045	1,045	1,045	3,840	2,795	267.5%
605	.01	Ads and Public Announcements	3,213	1,450	2,500	2,500	2,500	1,050	72.4%
605	.02	Marketing	-	650	300	-	700	50	7.7%
615	.02	Assn Membership Dues & Fees	434	300	300	300	300	-	0.0%
620	.01	Salvage & Disposal of Impounded Prop	43,433	6,650	3,290	2,500	6,650	-	0.0%
620	.02	Towing of Impounded Property	-	475	475	475	500	25	5.3%
630	.02	Vehicle Licenses	39	100	100	100	100	-	0.0%
630	.03	Bank and Merchant Charges	31,658	26,500	26,500	26,500	28,000	1,500	5.7%
635	.02	Janitorial and Cleaning Services	3,000	3,420	3,420	3,420	4,000	580	17.0%
635	.03	Vehicle Maintenance Services	100	2,500	1,300	1,000	2,500	-	0.0%
635	.04	Software Maintenance Services	1,805	1,500	800	-	1,850	350	23.3%
635	.06	Bldg & Grounds Maint Services	4,982	6,300	6,300	6,300	6,300	-	0.0%
635	.07	Machinery & Equip Maint Services	3,873	4,750	4,750	4,750	4,750	-	0.0%
635	.08	Infrastructure Maint Services	-	9,000	9,000	9,000	9,000	-	0.0%
640	.01	Legal & Accounting Services	285	-	-			-	NA
645	.02	Rents & Leases-Machinery & Equip	-	500	500	500	500	-	0.0%
650	.01	Telecommunications	23,040	29,500	29,500	29,500	29,500	-	0.0%
650	.02	Electric, Water, Sewer & Solid Waste	266,947	239,000	239,000	239,000	239,000	-	0.0%
		Contract/Purchased Services	**384,876**	**336,440**	**331,880**	**329,690**	**343,490**	**7,050**	**2.1%**
Minor Capital Outlay									
790	.15	Furniture and Fixtures	-	1,000	1,000	1,000	1,000	-	0.0%
790	.20	Vehicles & Moving Equipment		-	950	950	3,500	3,500	0.0%
790	.25	Machinery and Equipment	-	7,500	7,500	7,500	7,500	-	0.0%
790	.26	Computers, Printers & Copiers	3,652	1,600	1,600	1,600	5,700	4,100	256.3%
790	.35	Software	-	1,000	1,000	1,000	1,000	-	0.0%
		Minor Capital Outlay	**3,652**	**11,100**	**12,050**	**12,050**	**18,700**	**7,600**	**68.5%**

Operating Expenditures			2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Interdepartmental Charges									
800	.00	Interdepartmental-Administrative	20,233	22,100	22,675	22,675	26,145	4,045	18.3%
801	.01	Interdepartmental-Human Resources	7,216	8,380	8,291	7,930	9,670	1,290	15.4%
802	.00	Interdepartmental-Finance	35,087	39,770	39,770	38,255	43,755	3,985	10.0%
803	.01	Interdepartmental-Info Technology	17,951	20,490	20,490	18,300	27,950	7,460	36.4%
804	.01	Interdepartmental-Engineering	48,192	75,000	74,010	59,000	93,000	18,000	24.0%
825	.01	Interdepartmental-Insurance	80,153	86,690	86,690	84,290	93,130	6,440	7.4%
850	.01	Interdepartmental-Garage	1,831	4,470	5,460	5,460	6,280	1,810	40.5%
		Interdepartmental Charges	**210,663**	**256,900**	**257,386**	**235,910**	**299,930**	**43,030**	**16.7%**
Debt Service									
931	.01	Debt Service-Principal	180,000	190,000	190,000	190,000	200,000	10,000	5.3%
932	.01	Debt Service-Interest	168,550	159,425	159,425	159,425	149,675	(9,750)	-6.1%
		Debt Service	**348,550**	**349,425**	**349,425**	**349,425**	**349,675**	**250**	**0.1%**
		Total Expenditures by Type	**1,578,720**	**1,734,071**	**1,734,557**	**1,651,190**	**1,830,374**	**96,303**	**5.6%**

NARRATIVE

500.01 Regular Salaries and Wages: $353,804 – This account provides expenditures for compensation paid to all regular salaried and hourly employees of the Harbors Division.

501.01 Overtime Wages: **$13,000** - This account provides expenditures for compensation paid to all regular and temporary hourly employees for hours worked in excess of a regular working cycle.

502.01 Temporary Wages: **$80,000**- This account provides expenditures for compensation paid to temporary salaried and hourly employees of the Harbors Division.

505.00 Payroll Taxes: $34,190 – This account provides expenditures for employer contributions for Social Security and Medicare and other similar payroll related taxes.

506.00 Pension: $80,710 – This account provides expenditures for employer contributions to retirement plans.

507.00 Health and Life Insurance: **$137,040** – This account provides expenditures for employer contributions to employee health and life insurance plans.

507.30 Workers Compensation: **$24,190** – This account provides expenditures for employer contributions to workers compensation.

508.00 Other Benefits: $4,720 – This account provides expenditures for direct claims from former employees for unemployment benefits paid by the State of Alaska and accrued vacation and sick leave.

510.01 Office Supplies: **$3,200** - This account provides expenditures for paper, pens, pencils, adding machine ribbons and tape, note pads, file folders, scotch tape, toner, ink cartridges, photocopy charges, small desk accessories and minor office equipment such as adding machines, calculators, staplers, comb binding machines and tape dispensers.

510.02 Operating Supplies: **$3,100** - This account provides expenditures for supplies that are normally not of a maintenance nature and are required to support department operations. Included are supplies such as medical supplies, coffee, creamer, disposable cups, paper plates, plastic utensils, public trash cans, public benches, keys and locksets.

510.03 Safety Program Supplies: **$285** - This account provides expenditures for the City safety program. Included are safety information brochures, safety training audio and video programs, safety equipment, OSHA required medical exams, specialized hazardous materials handling and disposal information, specialized protective safety clothing and traffic control.

510.04 Janitorial Supplies: $3,450 – This account provides expenditures for cleaning and sanitation supplies used by contracted janitors.

510.05 Small Tools and Equipment: **$4,750** - This account provides expenditures for minor tools, operating and office equipment with a value of less than $1,000. Included are hand-held radios, hand tools, chain saws, torches, hydraulic jacks, de-watering pumps, computer accessories, portable heaters, radios, welders, and similar types of minor tools and equipment.

515.01 Vehicle Maintenance Materials: $2,600 - This account provides expenditures for the materials required for maintaining vehicles such as tires.

515.05 Infrastructure Maintenance Materials: $53,000 - This account provides expenditures for the materials required for the repair and maintenance of infrastructure owned or leased and operated by the Harbors Division. Included are launch ramps, access ramps, floats, piles, lighting, water lines and other items associated with the harbor facilities.

520.02 Postage: **$2,940** - This account provides expenditures for postal related services such as postage, express delivery, mailing materials, etc.

525.03 Heating Fuel: **$7,500** - This account provides expenditures for heating fuel to heat facilities owned or leased by the City and operated by the Harbors Division.

525.04 Vehicle Motor Fuel and Lubricants: **$6,500** - This account provides expenditures for gasoline, diesel fuel, propane and lubricants used in the operations of the Harbors Division.

530.02 Periodicals: **$100** - This account provides expenditures for subscriptions to newspapers, magazines and trade journals.

535.04 Uniforms/Badges/Clothing: **$3,500** - This account provides expenditures for direct purchases of or reimbursements to employees for work related clothing required by collective bargaining agreements, personnel rules, and department policies. Included are work shirts, jackets, float suits, raingear, hats, boots and gloves.

600.01 Travel-Business: $2,000 - This account provides expenditures for transportation, lodging, meals, per diems and other incidental expenses associated with travel for business.

600.02 Travel-Training: $1,500 - This account provides expenditures for transportation, lodging, meals, per diems and other incidental expenses associated with travel for training.

600.03 Training and Education: $3,840 – This account provides expenditures for registration fees, training fees, training materials, tuition reimbursements and other incidental expenses associated with training and educating employees; and on-premises training programs provided by staff or third-parties.

605.01 Advertising and Public Announcements: **$2,500** - This account provides expenditures for advertising and announcements in publications, newspapers, trade journals, Internet or broadcasts over radio and television. Included are public service announcements, community issues, recruiting, requests for proposals, contracts and sales of property and equipment.

605-02 Marketing: **$700** - This account provides expenditures for announcements in publications, newspapers, trade journals, Internet or broadcasts over radio and television. Increased by $650 in FY19 to account for Seattle Boat Show marketing expenses.

615.02 Dues and Membership Fees: $300 – This account provides expenditures for memberships in professional and trade associations.

620.01 Salvage and Disposal of Impounded Property: **$6,650** - This account provides expenditures for salvaging and/or disposing of junked marine vessels.

620.02 Towing of Impounded Property: **$500** – This account provides expenditures for towing and/or storing of impounded vehicles and marine vessels.

630.02 Vehicle Licenses: $100 – This account provides expenditures for licensing City vehicles for operations on public highways.

630.03 Bank and Merchant Charges: $28,000 – This account provides expenditures for monthly bank account service charges, merchant fees for use of credit and debit cards, wire transfer fees and other fees for banking services.

635.02 Janitorial and Cleaning Services: **$4,000** - This account provides expenditures for services to clean the Harbors Division's facilities and equipment owned or leased by the City. Included are janitorial, carpet cleaning and laundry services.

635.03 Vehicle Maintenance Services: $2,500 – This account provides expenditures for services required for the repair and maintenance of Harbors Division vehicles by outside maintenance facilities. Included are licensed and unlicensed rolling stock and boats. This account includes contract labor and materials required to provide the service.

635.04 Software Maintenance Services: **$1,850** - This account provides expenditures for maintenance agreements to support licensed software systems.

635.06 Buildings and Grounds Maintenance Services: **$6,300** - This account provides expenditures for services required for the repair and maintenance of buildings and the upkeep of grounds owned or leased by the Harbors Division. This account includes contract labor and materials required to provide these services.

635.07 Machinery and Equipment Maintenance Services: **$4,750** - This account provides expenditures for services required for the repair and maintenance of office equipment, machinery and other operating equipment owned or leased by the Harbors Division. This account includes contract labor and materials required to provide the service. It also includes maintenance service agreements.

635.08 Infrastructure Maintenance Services: **$9,000** - This account provides expenditures for the services required for repair and maintenance of infrastructure owned or leased by the Harbors Division. This account includes contract labor and materials required to provide the service. Included are maintenance to ramps, floats, docks, walkways, pavement and utilities.

645.02 Rent & Leases-Machinery & Equipment: $500 - This account provides expenditures for the rent and lease of machinery and equipment.

650.01 Telecommunications: **$29,500** - This account provides expenditures for telecommunication services. Included are charges for wired and wireless telecommunications services, cell phones, Internet, long distance and data-streaming for security cameras, reverse 911 program charges, as well as reoccurring charges for security camera maintenance and upkeep. Increased in FY20 to cover increased charges for Harbors share of additional bandwidth serving Harbormaster Building.

650.02 Electric, Water, Sewer & Solid Waste: **$239,000** - This account provides expenditures for electric, water, sewer and solid waste utility services.

790.15 Furniture and Fixtures: **$1,000** - This account provides expenditures for acquisition of furniture and fixtures. Included are desks, chairs, tables, workstations, file cabinets, storage cabinets and building fixtures.

790.20 Vehicles & Moving Equipment: **$3,500** - This account provides expenditures for acquisition of vehicles and moving equipment including boat trailers and other small rolling stock.

790.25 Machinery and Equipment: **$7,500** - This account provides expenditures for the acquisition of machinery and equipment usually composed of a complex combination of parts. Included are office and operating equipment required to provide services or maintain capital assets.

790.26 Computers, Printers & Copiers: **$5,700** - This account provides expenditures for the acquisition of computers, printers and copiers. Per the replacement schedule developed by the Information Technology Department, two workstations, three monitors, one laptop, one printer and two UPS battery backups will be replaced. The cost is shared equally between the Port and Harbors Departments.

790.35 Software: $1,000 - This account provides expenditures for acquisition of software systems and upgrades not covered by maintenance agreements.

800.00 Interdepartmental Charges – Administrative: $26,145 - This account provides expenditures for administrative and management services provided by the departments of the Mayor & City Council, City Clerk, City Attorney and the administrative office of the City Manager.

801.01 Interdepartmental Charges – Human Resources: **$9,670** - This account provides expenditures for human resource services provided by the Human Resources Division.

802.00 Interdepartmental Charges - Finance: **$43,755** - This account provides expenditures for financial, accounting, payroll, accounts payable, billing, customer service and budgeting services provided by the Finance Department.

803.01 Interdepartmental Charges – Information Technology: **$27,950** - This account provides expenditures for information technology services provided by the Information Technology Department.

804.01 Interdepartmental Charges – Engineering: **$93,000** - This account provides expenditures for engineering services provided by the Public Works Department-Engineering Division.

825.01 Interdepartmental Charges – Insurance: **$93,130** - This account provides expenditures for risk management services and claims.

850.01 Interdepartmental Charges – Garage: **$6,280** - This account provides expenditures for fleet maintenance services provided by the Public Works Department-Garage Division.

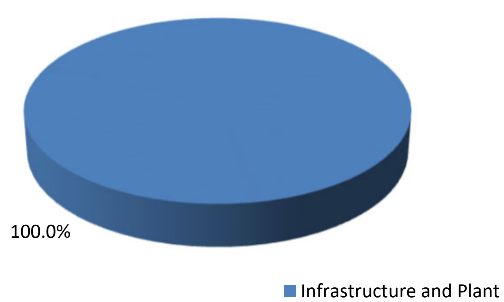
931.01 Debt Service-Principal: **$200,000** - This account provides expenditures for principal on general obligation bonds issued to finance harbor capital improvements.

932.01 Debt Service-Interest: **$149,675** - This account provides expenditures for interest on general obligation bonds issued to finance harbor capital improvements.

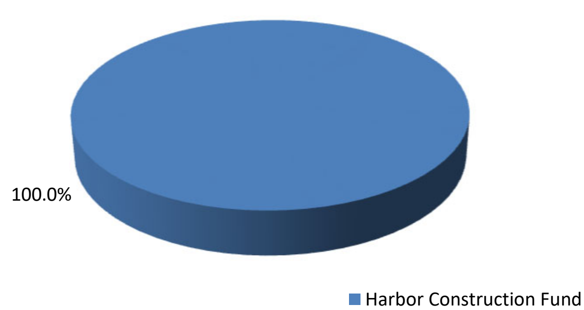
Major Capital Outlay		2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
725.00	Machinery & Equipment	15,237	-	-	-	-	-	NA
730.00	Infrastructure and Plant	223,793	275,633	275,633	122,500	130,000	(145,633)	-52.8%
Total Major Capital Outlay		**239,030**	**275,633**	**275,633**	**122,500**	**130,000**	**(145,633)**	**-52.8%**

Capital Improvement Projects Project #	Project	Funding Sources Harbor Fund	Harbor Construction Fund	Grants/ Contributions	Bonds	Total
730.00	**Infrastructure and Plant**					
	Piling Replacement		30,000			30,000
	Cathodic Protection		25,000			25,000
	Bar Harbor North Overhead Wire Replacement		60,000			60,000
	Bar Harbor North Concrete Rehab Ph. 1		15,000			15,000
	Total Infrastructure and Plant		**130,000**	**-**	**-**	**130,000**
	Total Capital Budget		**130,000**	**-**	**-**	**130,000**

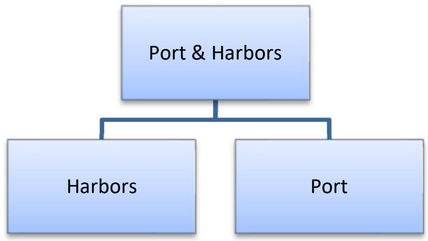
Expenditures by Type



Expenditures by Funding Source



The Port & Harbors Department operates and maintains the Port of Ketchikan and six boat harbors: Bar Harbor South, Bar Harbor North, Thomas Basin, Casey Moran, Knudson Cove, and Hole-In-The-Wall; and three launch ramps.



The Port Division of the Port & Harbors Department is comprised of one operating division and oversees a Capital Improvement Program.

DEPARTMENT EXECUTIVE SUMMARY

Divisions/Cost Center/Programs	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Operations	6,562,462	7,700,634	7,675,814	7,549,082	8,466,054	765,420	9.9%
Capital Improvement Program	146,772	280,685	280,685	27,377	6,618,487	6,337,802	2258.0%
Total	**6,709,234**	**7,981,319**	**7,956,499**	**7,576,459**	**15,084,541**	**7,103,222**	**89.0%**

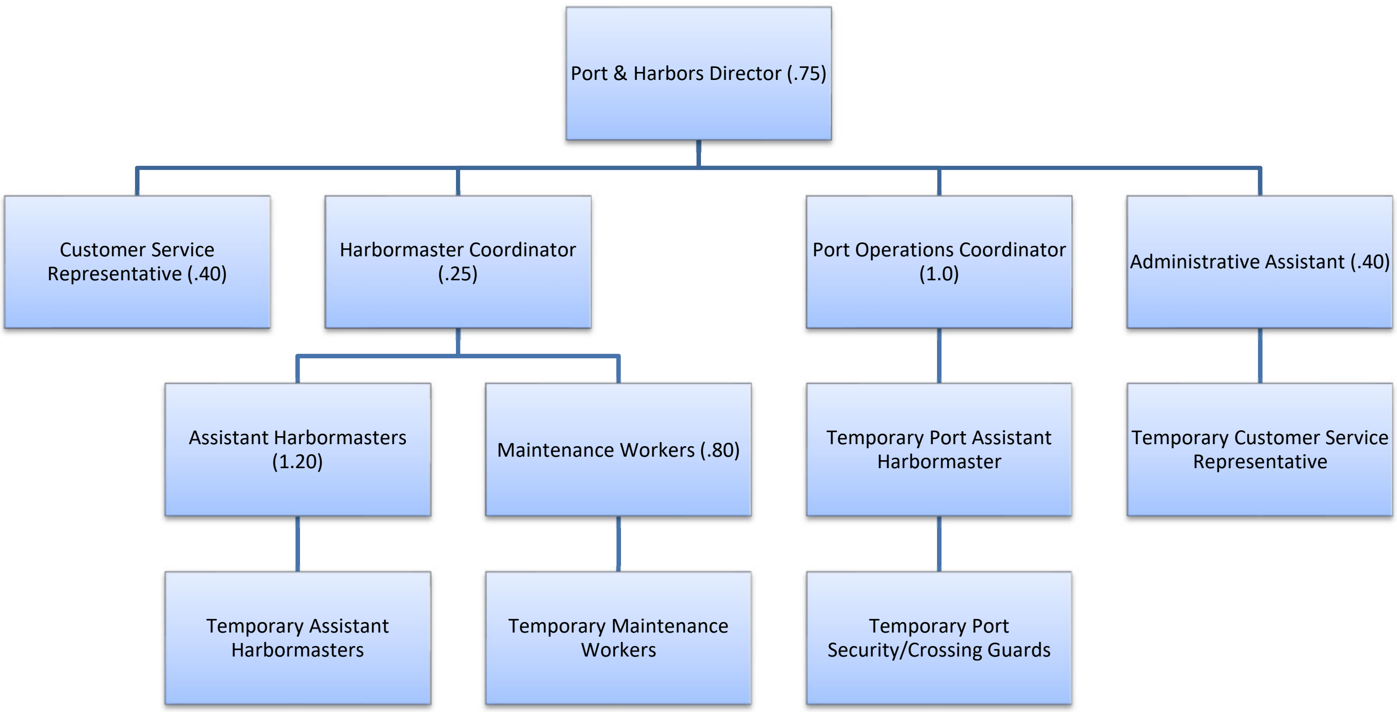
Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Personnel Services and Benefits	642,092	1,011,741	1,419,651	1,376,480	1,480,309	468,568	46.3%
Supplies	41,735	98,395	94,254	94,254	118,200	19,805	20.1%
Contract/Purchased Services	2,195,708	2,800,618	2,394,899	2,344,649	3,013,425	212,807	7.6%
Minor Capital Outlay	3,652	6,100	7,050	5,550	12,200	6,100	100.0%
Interdepartmental Charges-Public Safety	-	-	-	-	-	-	NA
Interdepartmental Charges	441,866	503,580	505,760	483,150	579,420	75,840	15.1%
Debt Service	2,230,172	2,236,000	2,236,000	2,236,000	2,234,500	(1,500)	-0.1%
Other Costs	1,007,237	1,044,200	1,018,200	1,008,999	1,028,000	(16,200)	-1.6%
Major Capital Outlay	146,772	280,685	280,685	27,377	6,618,487	6,337,802	2258.0%
Total	**6,709,234**	**7,981,319**	**7,956,499**	**7,576,459**	**15,084,541**	**7,103,222**	**89.0%**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Port Enterprise Fund	784,918	7,759,319	7,734,499	7,556,259	12,491,054	4,731,735	61.0%
Port Repair and Replacement Fund	-	117,000	117,000	12,700	87,300	(29,700)	-25.4%
CPV Funds	100,147	105,000	105,000	7,500	-	(105,000)	-100.0%
Contributions	2,000,000	-	-	-	-	-	NA
Grants	3,824,169	-	-	-	2,506,187	2,506,187	NA
Total	**6,709,234**	**7,981,319**	**7,956,499**	**7,576,459**	**15,084,541**	**7,103,222**	**89.0%**

Full-time Equivalent Personnel	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2023 Budget	2023 Salary	2022 Adopted/2023 Incr(Decr)	%
Operations	4.80	4.80	4.80	4.80	370,909	-	0.0%
Total	**4.80**	**4.80**	**4.80**	**4.80**	**370,909**	**-**	**0.0%**

MISSION STATEMENT

The mission of the Port Division is to maintain and operate the Port of Ketchikan in a manner that provides for the safe and convenient use of the Port facilities by the cruise industry, commercial fishing fleet, charter boat fleet, commercial enterprise and the general public. The Port is operated in accordance with Title 13 of the Ketchikan Municipal Code. The Port Division will, with the aid of the City Council, City Manager's Office, the Port & Harbors Advisory Board and the Cruise Ship industry, identify and pursue construction of new facilities and maintain existing facilities. The Port Division will promote the City of Ketchikan and assist the community in maintaining economic growth and prosperity.



GOALS FOR 2023

- Continue working with the cruise industry, in order to develop a long-term strategy and financial plan for the effective management of the Port of Ketchikan to effectively compete with cruise facilities located at Ward Cove.
- Work with the City Manager's Office and Public Works Engineering, in order to undertake a series of upland improvements to attract and accommodate cruise ship visitors to downtown Ketchikan. Promote downtown Ketchikan as a world class premier visitor destination.
- Complete the capital project to begin implementing new Yokohama attachment design.
- Complete United States Coast Guard lead active threat security table top exercise in 2023 season.
- Complete construction phase of Berth III Dolphin capital project.
- Explore expansion options for Berth I.
- Design and implement a retention plan for temporary employees.
- Install permanent signage at potable water stations and ensure water bottle stations/fountains are in working order.

- Implement time keeping system that allows port security employees to track their own hours in real time.
- Install permanent signage at Port Vessel Loading Zones.
- Rewrite, restructure and re-bid the Port Vendor Contracts.
- Develop a working relationship with the Ketchikan Gateway Borough that allows for purchasing port plants from their greenhouse.
- Plan and host the Alaska Association of Harbormasters and Port Administrators annual conference in September 2023.

ACCOMPLISHMENTS FOR 2022

- Completed hiring process to fill the Port & Harbors Director position vacated by longtime Director Steve Corporon, who retired effective November 1, 2020.
- Craig Bisson was appointed to Port Operations Coordinator, effective March 21, 2022 after the position was vacated fall 2021.
- Worked with the USC to implement new USCG security measures, as adopted in the updated Facility Security Plan.
- Planned and executed all necessary COVID-19 safety measures for a successful 2022 cruise season.
- Planned an efficient, cost effective and safe strategy for the offloading of Ward Cove Group passengers to downtown Ketchikan; the plan was subsequently not adopted or put into place.
- Reinstated project to install additional mooring dolphins at Berth III to better accommodate neo-panamax cruise ships.
- Worked with United States Coast Guard to update Facility Security Plan.
- Successfully staffed and operated the Port with the resumption of cruise in 2022.
- Under the direction of the City Manager's Office, served on the statewide cruise port committee to discuss and develop cruise port agreements between ports, the State of Alaska, and cruise lines responding to Centers for Disease Control Prevention (CDC).
- Successfully completed active threat security table top exercise on the MS *Celebrity Millennium,* with joint participation from the United States Coast Guard, Ketchikan Police Department, Ketchikan Fire Department, and Port Security.
- Completed voluntary United States Coast Guard coordinated port facility security inspection.
- Completed Navy threat assessment for the port.

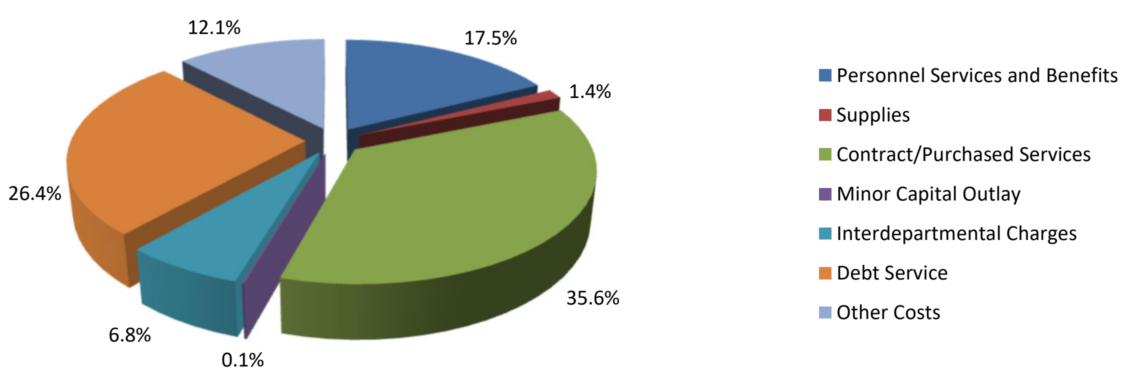
DIVISION SUMMARY

Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Personnel Services and Benefits	642,092	1,011,741	1,419,651	1,376,480	1,480,309	468,568	46.3%
Supplies	41,735	98,395	94,254	94,254	118,200	19,805	20.1%
Contract/Purchased Services	2,195,708	2,800,618	2,394,899	2,344,649	3,013,425	212,807	7.6%
Minor Capital Outlay	3,652	6,100	7,050	5,550	12,200	6,100	100.0%
Interdepartmental Charges-Public Safety	-	-	-	-	-	-	0.0%
Interdepartmental Charges	441,866	503,580	505,760	483,150	579,420	75,840	15.1%
Debt Service	2,230,172	2,236,000	2,236,000	2,236,000	2,234,500	(1,500)	-0.1%
Other Costs	1,007,237	1,044,200	1,018,200	1,008,999	1,028,000	(16,200)	-1.6%
Total Expenditures	**6,562,462**	**7,700,634**	**7,675,814**	**7,549,082**	**8,466,054**	**765,420**	**9.9%**

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Port Fund	6,562,462	7,700,634	7,675,814	7,549,082	8,466,054	765,420	9.9%
Total Funding	**6,562,462**	**7,700,634**	**7,675,814**	**7,549,082**	**8,466,054**	**765,420**	**9.9%**

Full-time Equivalent Personnel	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2023 Budget	2023 Salary	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Director Port & Harbors	0.75	0.75	0.75	0.75	103,124	-	0.0%
Harbormaster Coordinator	0.25	0.25	0.25	0.25	22,335	-	0.0%
Port Operations Coordinator	1.00	1.00	1.00	1.00	77,849	-	0.0%
Assistant Harbormasters	1.20	1.20	1.20	1.20	72,377	-	0.0%
Maintenance Worker	0.80	0.80	0.80	0.80	48,951	-	0.0%
Administrative Assistant	0.40	0.40	0.40	0.40	24,110	-	0.0%
Customer Service Rep I	0.40	0.40	0.40	0.40	22,163	-	0.0%
Total	**4.80**	**4.80**	**4.80**	**4.80**	**370,909**	**-**	**0.0%**

2023 Expenditures by Type



OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- Personnel Services and Benefits increased by $468,568, or by 46.3%, due to annual employee step increases; proposed cost of living adjustments for IBEW, Local 1547 represented employees and non-represented employees that will become effective January 1, 2023; and projected increases in pension, health insurance and other benefit costs.
- Janitorial Services (Account No. 635.02) increased by $10,000, or by 66.7%, due to additional cleaning services needed at port restroom facilities in order to accommodate Ward Cove passengers disembarking at Berth IV.
- Other Contractual Services (Account No. 635.14) decreased by $17,500, or by 100%, due to migrating this expenditure to the Tourism & Economic Development Budget.
- Interdepartmental Charges increased by $75,840, or by 15.1%, primarily due to increased insurance premiums and increased costs associate with services provided by City departments to the Port.

DIVISION OPERATING BUDGET DETAIL

			2021	2022 Budget			2023	2022 Adopted/2023	
Operating Expenditures			**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Personnel Services and Benefits									
500	.01	Regular Salaries and Wages	309,651	349,431	349,431	338,020	370,909	21,478	6.1%
501	.01	Overtime Wages	16,087	50,000	83,000	83,000	83,000	33,000	66.0%
502	.01	Temporary Wages	106,233	300,000	630,000	630,000	630,000	330,000	110.0%
505	.00	Payroll Taxes	31,636	53,510	79,760	79,760	83,190	29,680	55.5%
506	.00	Pension	73,176	88,680	88,680	72,780	100,910	12,230	13.8%
507	.00	Health and Life Insurance	76,867	110,710	110,710	94,850	132,600	21,890	19.8%
507	.30	Workers Compensation	24,531	47,940	66,600	66,600	66,120	18,180	37.9%
508	.00	Other Benefits	3,911	11,470	11,470	11,470	13,580	2,110	18.4%
		Personnel Services and Benefits	**642,092**	**1,011,741**	**1,419,651**	**1,376,480**	**1,480,309**	**468,568**	**46.3%**
Supplies									
510	.01	Office Supplies	1,444	2,500	2,500	2,500	2,500	-	0.0%
510	.02	Operating Supplies	2,896	5,000	7,500	7,500	7,500	2,500	50.0%
510	.03	Safety Program Supplies	198	12,500	5,475	5,475	12,500	-	0.0%
510	.04	Janitorial Supplies	4,402	14,600	14,600	14,600	18,000	3,400	23.3%
510	.05	Small Tools & Equipment	4,066	8,000	8,000	8,000	10,000	2,000	25.0%
515	.01	Vehicle Maint Materials	1,496	2,500	2,500	2,500	2,500	-	0.0%
515	.02	Bldg & Grounds Maint Materials	2,463	13,000	7,679	7,679	13,000	-	0.0%
515	.04	Machinery & Equip Maint Materials	863	1,000	1,000	1,000	1,000	-	0.0%
515	.05	Infrastructure Maint Materials	9,474	20,000	18,300	18,300	20,000	-	0.0%
520	.02	Postage	153	95	2,000	2,000	2,000	1,905	2005.3%
525	.03	Heating Fuel	3,333	4,000	6,000	6,000	6,000	2,000	50.0%
525	.04	Vehicle Motor Fuel & Lubricants	7,165	5,000	8,500	8,500	9,000	4,000	80.0%
530	.02	Periodicals	81	200	200	200	200	-	0.0%
535	.04	Uniforms/Badges/Clothing	3,701	10,000	10,000	10,000	14,000	4,000	40.0%
		Supplies	**41,735**	**98,395**	**94,254**	**94,254**	**118,200**	**19,805**	**20.1%**

Operating Expenditures			2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Contract/Purchased Services									
600	.01	Travel-Business	1,381	1,500	1,500	1,500	4,160	2,660	177.3%
600	.02	Travel-Training	500	2,050	2,050	2,050	2,500	450	22.0%
600	.03	Training and Education	1,888	5,700	5,700	5,700	6,000	300	5.3%
605	.01	Ads & Public Announcements	6,653	1,000	3,200	3,200	3,200	2,200	220.0%
605	.02	Marketing	-	200	-	-	-	(200)	-100.0%
615	.02	Assn. Membership Dues & Fees	530	300	345	345	350	50	16.7%
620	.01	Salvage & Disposal of Impounded Prop	-	1,000	4,750	4,750	-	(1,000)	-100.0%
620	.02	Towing of Impounded Property	-	500	500	500	500	-	0.0%
630	.02	Vehicle Licenses	76	100	100	100	100	-	0.0%
630	.03	Bank and Merchant Charges	-	400	400	400	400	-	0.0%
635	.02	Janitorial and Cleaning Services	9,026	15,000	18,075	18,075	25,000	10,000	66.7%
635	.03	Vehicle Maintenance Services	100	3,000	3,000	3,000	3,000	-	0.0%
635	.04	Software Maintenance Services	814	2,000	2,000	2,000	2,000	-	0.0%
635	.06	Bldg. & Grounds Maint Services	12,212	40,000	46,821	46,821	40,000	-	0.0%
635	.07	Machinery & Equip Maint Services	3,689	12,000	12,000	12,000	12,000	-	0.0%
635	.08	Infrastructure Maint Services	11,987	12,000	12,000	12,000	12,000	-	0.0%
635	.12	Technical Services	4,978	5,000	5,000	5,000	5,000	-	0.0%
635	.13	Marketing Services	149,625	133,875	133,875	133,875	137,222	3,347	2.5%
635	.14	Other Contractual Services	10,930	17,500	17,600	17,600	-	(17,500)	-100.0%
640	.01	Legal and Accounting Services	33,765	75,000	42,740	25,000	75,000	-	0.0%
640	.02	Engineering & Architectural Services	-	4,000	4,000	4,000	4,000	-	0.0%
645	.01	Rents & Leases-Land & Buildings	-	500	500	500	500	-	0.0%
645	.02	Rents & Leases-Machinery & Equip	-	400	400	400	400	-	0.0%
645	.04	Rents & Leases-Infrastructure	1,820,833	2,210,833	1,821,583	1,820,833	2,420,833	210,000	9.5%
650	.01	Telecommunications	22,938	25,000	25,000	25,000	27,500	2,500	10.0%
650	.02	Electric, Water, Sewer & Solid Waste	103,783	231,760	231,760	200,000	231,760	-	0.0%
		Contract/Purchased Services	**2,195,708**	**2,800,618**	**2,394,899**	**2,344,649**	**3,013,425**	**212,807**	**7.6%**
Minor Capital Outlay									
790	.15	Furniture and Fixtures	-	1,000	1,000	1,000	1,000	-	0.0%
790	.20	Vehicles and Moving Equipment		-	950	950	-	-	NA
790	.25	Machinery and Equipment	-	2,000	2,000	2,000	4,000	2,000	100.0%
790	.26	Computers, Printers & Copiers	3,652	1,600	1,600	1,600	5,700	4,100	256.3%
790	.35	Software	-	1,500	1,500	-	1,500	-	0.0%
		Minor Capital Outlay	**3,652**	**6,100**	**7,050**	**5,550**	**12,200**	**6,100**	**100.0%**
Interdepartmental Charges									
800	.00	Interdepartmental-Administrative	49,119	53,640	54,820	55,050	63,475	9,835	18.3%
801	.01	Interdepartmental-Human Resources	17,519	20,350	20,350	19,255	23,470	3,120	15.3%
802	.00	Interdepartmental-Finance	85,183	96,560	96,560	92,875	106,220	9,660	10.0%
803	.01	Interdepartmental-Info Technology	43,580	49,730	49,730	44,420	67,845	18,115	36.4%
804	.01	Interdepartmental-Engineering	34,523	53,000	51,930	42,000	64,000	11,000	20.8%
825	.01	Interdepartmental-Insurance	209,798	225,820	225,820	223,000	246,870	21,050	9.3%
850	.01	Interdepartmental-Garage	2,144	4,480	6,550	6,550	7,540	3,500	68.3%
		Interdepartmental Charges	**441,866**	**503,580**	**505,760**	**483,150**	**579,420**	**75,840**	**15.1%**

Operating Expenditures	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Debt Service							
931 .01 Debt Service-Principal	1,075,000	1,130,000	1,130,000	1,130,000	1,185,000	55,000	4.9%
932 .01 Debt Service-Interest	1,155,172	1,106,000	1,106,000	1,106,000	1,049,500	(56,500)	-5.1%
Debt Service	**2,230,172**	**2,236,000**	**2,236,000**	**2,236,000**	**2,234,500**	**(1,500)**	**-0.1%**
Other Costs							
910 .511 Transfer to Port R&R Fund	521,051	522,000	522,000	522,000	522,000	-	0.0%
975 .00 Payment in Lieu of Taxes	486,186	522,200	496,200	486,999	506,000	(16,200)	-3.1%
Other Costs	**1,007,237**	**1,044,200**	**1,018,200**	**1,008,999**	**1,028,000**	**(16,200)**	**-1.6%**
Total Expenditures by Type	**6,562,462**	**7,700,634**	**7,675,814**	**7,549,082**	**8,466,054**	**765,420**	**9.9%**

NARRATIVE

500.01 Regular Salaries and Wages: $370,909 – This account provides expenditures for compensation paid to all regular salaried and hourly employees of the Port Division.

501.01 Overtime Wages: $83,000 - This account provides expenditures for compensation paid to all regular and temporary hourly employees for hours worked in excess of a regular working cycle.

502.01 Temporary Wages: $630,000 - This account provides expenditures for compensation paid to temporary salaried and hourly employees of the Port Division.

505-00 Payroll Taxes: $83,190 – This account provides expenditures for employer contributions for Social Security and Medicare and other similar payroll related taxes.

506.00 Pension: $100,910 – This account provides expenditures for employer contributions to retirement plans.

507.00 Health and Life Insurance: $132,600 – This account provides expenditures for employer contributions to employee health and life insurance plans.

507.30 Workers Compensation: $66,120 – This account provide expenditures for employer contributions to workers compensation insurance.

508.00 Other Benefits: $13,580 – This account provides expenditures for direct claims from former employees for unemployment benefits paid by the State of Alaska and accrued vacation and sick leave.

510.01 Office Supplies: **$2,500** - This account provides expenditures for paper, pens, pencils, adding machine ribbons and tape, note pads, file folders, scotch tape, toner, ink cartridges, photocopy charges, small desk accessories and minor office equipment such as adding machines, staplers, and tape dispensers.

510.02 Operating Supplies: **$7,500** - This account provides expenditures for supplies that are normally not of a maintenance nature and are required to support department operations. Included are supplies such as medical supplies, coffee, creamer, disposable cups, paper plates, plastic utensils, public trash cans, public benches, keys and locksets.

510.03 Safety Program Supplies: **$12,500** – This account provides expenditures for the City safety program. Included are safety information brochures, safety training audio and video programs, safety equipment, OSHA required medical exams, specialized hazardous materials handling and disposal information, specialized protective safety clothing and traffic control.

510.04 Janitorial Supplies: $18,000 – This account provides expenditures for cleaning and sanitation supplies used at the Harbormaster Building and public restrooms, including Berths III and IV, by in-house and contracted janitors.

510.05 Small Tools and Equipment: **$10,000** - This account provides expenditures for minor tools and operating & office equipment with a value of less than $1,000. Included are hand held radios, hand tools, chain saws, torches, hydraulic jacks, de-watering pumps, computer accessories, portable heaters, radios, welders, cabinets and similar types of minor tools and equipment.

515.01 Vehicle Maintenance Materials: **$2,500** - This account provides expenditures for the materials required for maintaining vehicles such as tires.

515.02 Buildings and Grounds Maintenance Materials: $13,000 – This account provides expenditures for the materials required for the buildings and grounds owned or leased and operated by the Port. Included are the restrooms on Berths III and IV, the security planters and the exterior of the Ketchikan Visitors Bureau building on Berth II.

515.04 Machinery and Equipment Maintenance Materials: **$1,000** – This account provides expenditures for materials required for maintaining machinery and equipment such as the Port crane.

515.05 Infrastructure Maintenance Materials: $20,000 - This account provides expenditures for materials required for the repair and maintenance of infrastructure owned or leased and operated by the Port. Included are sidewalks, parking lots, promenades and Port & Harbor berthing facilities.

520.02 Postage: **$2,000** - This account provides expenditures for postal related services such as postage, express delivery, mailing materials and the rent of post office boxes and postage machines.

525.03 Heating Fuel: **$6,000** - This account provides expenditures for heating fuel to heat the Harbormaster Building, shop and other facilities operated by the Port.

525.04 Vehicle Motor Fuel and Lubricants: **$9,000** - This account provides expenditures for gasoline, diesel fuel, propane and lubricants for Port vehicles and vessels.

530.02 Periodicals: **$200** - This account provides expenditures for newspapers, magazines and trade journals.

535-04 Allowances-Uniforms/Badges/Clothing: **$14,000** - This account provides expenditures for direct purchases of or reimbursements to employees for work related clothing required by department policies. Included are work shirts, jackets, slacks, float suits, raingear, hats, boots and gloves.

600.01 Travel-Business: $4,160 - This account provides expenditures for transportation, lodging, meals, per diems and other incidental expenses associated with travel for business.

600.02 Travel-Training: $2,500 - This account provides expenditures for transportation, lodging, meals, per diems and other incidental expenses associated with travel for training.

600.03 Training and Education: $6,000 – This account provides expenditures for registration fees, training fees, training materials, tuition reimbursements and other incidental expenses associated with training and educating employees; and on-premises training programs provided by staff or third-parties.

605.01 Advertising and Public Announcements: **$3,200** - This account provides expenditures for advertising and announcements in publications, newspapers, trade journals, Internet or broadcasts over radio and television. Included are public service announcements, community issues, recruiting, requests for proposals, contracts and sales of property and equipment.

615.02 Assn. Membership Dues and Fees: $350 – This account provides expenditures for memberships in professional and trade associations.

620.02 Towing of Impounded Property: $500 – This account provides expenditures for towing and/or storing of impounded vehicles and marine vessels.

630.02 Vehicle Licenses: $100 – This account provides expenditures for licensing Port vehicles for operations on public highways.

630.03 Bank and Merchant Charges: $400 – This account provides expenditures for monthly bank account service charges, merchant fees for use of credit and debit cards, wire transfer fees and other fees for banking services.

635.02 Janitorial and Cleaning Services: $25,000 – This account provides expenditures for services to clean facilities and equipment owned or leased by the City. Included are janitorial and carpet cleaning for the Harbormaster Building and public restrooms including Berths III and IV.

635.03 Vehicle Maintenance Services: $3,000 – This account provides expenditures for the repair and maintenance of Port vehicles and vessels by outside maintenance facilities. Included are licensed and unlicensed rolling stock and boats. This account includes contract labor and materials required to provide the service.

635.04 Software Maintenance Services: **$2,000** - This account provides expenditures for maintenance agreements to support licensed software systems.

635.06 Buildings and Grounds Maintenance Services: **$40,000** – This account provides expenditures for the services required for the repair and maintenance of buildings and the upkeep of the security planters on the Port.

635.07 Machinery and Equipment Maintenance Services: **$12,000** – This account provides expenditures for the services required for the repair and maintenance of office equipment, machinery and other operating equipment owned or leased by the City. This account includes contract labor and materials required to provide the service. It also includes maintenance service agreements.

635.08 Infrastructure Maintenance Services: **$12,000** - This account provides expenditures for the services required for the repair and maintenance of infrastructure owned or leased by the Port. This account includes contract labor and materials required to provide the service. Included are maintenance to ramps, floats, docks, walkways, pavement and utilities. Repairs by qualified electricians to electrical circuits, lighting and capstans account for the majority of this category.

635.12 Technical Services: **$5,000** - This account provides expenditures for services that are not regarded as professional but require technical or special knowledge. Included are, data base management, video monitoring, website maintenance and pest control.

635.13 Marketing Services: **$137,222** – This account provides expenditures for services to market, improve and promote competitive services offered by the Port. Included are consulting services for developing marketing strategies, customer surveys and direct marketing services offered by third-parties such as the Ketchikan Visitors Bureau. Fifty-one percent, or $137,222, of the Ketchikan Visitors Bureau funding request of the City is paid by the Port Enterprise Fund and forty-nine percent is paid through the Tourism and Economic Development Budget.

640.01 Legal and Accounting Services: **$75,000** – This account provides expenditures for legal and accounting services. Included are contract attorney services, public defender services, audit services, accounting and financial services, arbitration services, specialized legal services for complex issues that cannot be addressed by the City's legal department and other legal services.

640.02 Engineering and Architectural Services: **$4,000** - This account provides expenditures for engineering and architectural services.

645.01 Rents and Leases – Land and Buildings: $500 – This account provides expenditures for the rent and lease of land and buildings. Included are offices, space rental for events, storage yards and covered storage facilities. Both operating and capital leases are accounted for in this account.

645.02 Rents and Leases - Machinery & Equipment: **$400** - This account provides expenditures for the rent and lease of machinery and equipment.

645.04 Rents and Leases - Infrastructure: **$2,220,833** – This account provides expenditures for the lease of Berth IV. The annual lease payment includes a fixed amount of $1.8 million plus a variable amount if the number of passengers arriving by cruise ship exceeds 820,000.

650.01 Telecommunications: **$27,500** - This account provides expenditures for telecommunication services. Included are charges for wired and wireless telecommunications services, cell phones, Internet, long distance and data streaming for security cameras.

650.02 Electric, Water, Sewer & Solid Waste: **$231,760** - This account provides expenditures for electric, water, sewer and solid waste utility services.

790.15 Furniture and Fixtures: **$1,000** - This account provides expenditures for acquisition of furniture and fixtures. Included are desks, chairs, tables, workstations, file cabinets, storage cabinets and building fixtures.

790.25 Machinery and Equipment: **$4,000** - This account provides expenditures for the acquisition of machinery and equipment usually composed of a complex combination of parts. Included are office equipment and operating equipment required to provide services or maintain capital assets.

790.26 Computers, Printers and Copiers: $5,700 – This account provides expenditures for the acquisition of computers, printers and copiers. Per the replacement schedule developed by the Information Technology Department, two work stations, three monitors, one laptop, one printer and two UPS batter backups will be replaced. The cost is shared equally between the Port and Harbors Departments.

790.35 Software: $1,500 – This account provides expenditures for acquisition of software systems and upgrades not covered by maintenance agreements.

800.00 Interdepartmental Charges – Administrative: $63,475- This account provides expenditures for administrative and management services provided by the departments of the City Council, City Clerk, City Attorney and the administrative office of the City Manager.

801.01 Interdepartmental Charges – Human Resources: **$23,470** - This account provides expenditures for human resource services provided by the Human Resources Division.

802.00 Interdepartmental Charges - Finance: **$106,220** - This account provides expenditures for financial, accounting, payroll, accounts payable, billing, customer service and budgeting services provided by the Finance Department.

803.01 Interdepartmental Charges – Information Technology: **$67,845** - This account provides expenditures for information technology services provided by the Information Technology Department.

804.01 Interdepartmental Charges – Engineering: **$64,000** - This account provides expenditures for engineering services provided by the Public Works Department-Engineering Division.

825.01 Interdepartmental Charges – Insurance: **$246,870** - This account provides expenditures for risk management services and claims.

850.01 Interdepartmental Charges – Garage: **$7,540** - This account provides expenditures for fleet maintenance services provided by the Public Works Department-Garage Division.

931.01 Debt Service-Principal: **$1,185,000** - This account provides expenditures for principal on the 2016 Port Revenue Refunding Bonds.

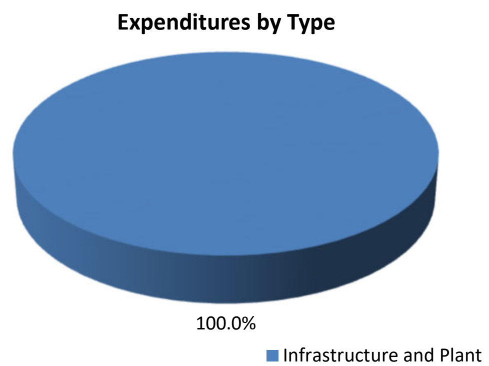
932.01 Debt Service-Interest: **$1,049,500** - This account provides expenditures for interest on the 2016 Port Revenue Refunding Bonds.

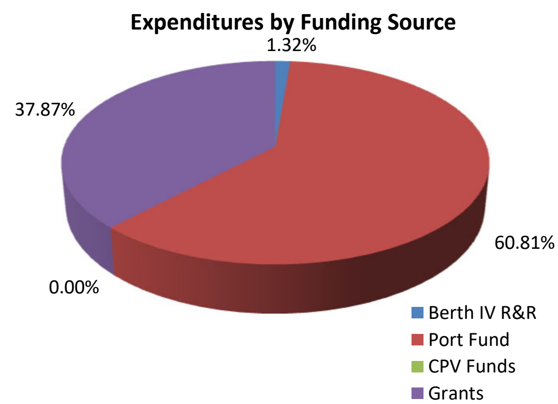
910.511 Transfer to Port R & R Fund: $522,000 – This account provides expenditures for the funding of the Port Repair and Replacement Fund pursuant to the terms of the City's bond covenants for the 2016 Port Revenue Refunding Bonds and the Berth IV lease agreement between the City and Ketchikan Dock Company.

975.00 Payments in Lieu of Taxes: $506,000 – This account provides for payments in lieu of taxes in the amount of $334,000 assessed against the Port by the City of Ketchikan and $172,000 in taxes assessed against Berth IV by the City and Ketchikan Gateway Borough. Berth IV is privately owned and is subject to both City and Borough property taxes.

Major Capital Outlay		2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
725.00	Machinery & Equipment	14,687	-	-	-	-	-	NA
730.00	Infrastructure and Plant	132,085	280,685	280,685	27,377	6,618,487	6,337,802	2258.0%
Total Major Capital Outlay		**146,772**	**280,685**	**280,685**	**27,377**	**6,618,487**	**6,337,802**	**2258.0%**

Capital Improvement Projects Project #	Project	Funding Sources CPV Funds	Port Fund	Grants	Berth IV R & R	Total
730.00 Infrastructure and Plant						
	Berth IV Cathodic Protection				87,300	87,300
	Berth III Additional Mooring Dolphins		4,000,000	2,506,187		6,506,187
	Yokohama Slide Attachment Modification		25,000			25,000
	Total Infrastructure and Plant	**-**	**4,025,000**	**2,506,187**	**87,300**	**6,618,487**
	Total Capital Budget	**-**	**4,025,000**	**2,506,187**	**87,300**	**6,618,487**





Risk management covers the insurance program developed to protect the City from the risk of incurring a substantial financial loss due to damage to its property and equipment and claims arising from third parties for damages to their property or personal injury. Risk management also includes a workers compensation insurance program to protect the City's employees in the event that they are injured while performing their duties.

The insurance programs are accounted for in the Self-Insurance Fund. Each department of the City is assessed an interdepartmental charge that is based on the same method used by the insurance company to develop the premiums charged to the City. Liability insurance is based on the department's personnel costs and property insurance is based on the facilities and equipment used by the department. The amounts paid by the departments for property and liability insurance are accounted for in Account No. 825.01, Interdepartmental Charges – Insurance.

The interdepartmental charge for workers compensation insurance is based on rates developed by the National Council on Compensation Insurance (NCCI), adjusted for the City's experience modifier and other discounts offered by the insurance company. The rates developed by the NCCI vary between worker classes. For example, the City pays $5.32 per $100 of compensation to insure its firefighters and $0.40 per $100 of compensation to insure its clerical workers. The amount paid by a department depends on the demographics of its work force and its total compensation. The amounts paid by the departments for workers compensation insurance are accounted for in Account No. 507.30, Workers Compensation.

RISK MANAGEMENT SUMMARY

	2021	2022 Budget			2023	2022 Adopted/2023	
Expenditures by Category	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Contract/Purchased Services	1,954,215	2,077,710	2,077,710	2,021,380	2,247,990	170,280	8.2%
Total	**1,954,215**	**2,077,710**	**2,077,710**	**2,021,380**	**2,247,990**	**170,280**	**8.2%**

	2021	2022 Budget			2023	2022 Adopted/2023	
Funding Source	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Interdepartmental Charges	1,954,215	2,077,710	2,077,710	2,021,380	2,247,990	170,280	8.2%
Total	**1,954,215**	**2,077,710**	**2,077,710**	**2,021,380**	**2,247,990**	**170,280**	**8.2%**

OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- Commercial Auto Insurance Premiums (Account No. 625.02) increased by $5,380, or by 7.5%. Commercial auto insurance premiums have been increasing due to the replacement cost values for newly acquired vehicles to the City's fleet, which is offset slightly by the surplus of vehicles which have reached the end of their useful life.

- Liability Insurance Premiums (Account No. 625.03) increased by $104,050, or by 23.1%. Commercial general liability insurance premiums have been increasing due to poor claims experience in the municipal insurance markets.

- Wharfage and Marine Premiums (Account 625.05) increased by $30,710, or by 33.0%. Wharfage and Marine liability insurance premiums have been increasing due to claims experience in the global international market.

- Self-Insured Claims-Property Claims (Account No. 625.50) decreased by $23,375, or by 48.3%. Self-insured property claims has declined resulting in lower claims experience.

- Self-Insured Claims-Liability Claims (Account No. 625.52) increased by $27,250, or by 18.1%. Self-insured liability claims have been increasing due to poor claims experience.

- Management & Consulting Services (Account No. 640.04) increased by $25,000, or by 33.3% due to the increased costs for insurance brokerage services.

OPERATING BUDGET DETAIL

Expenditures by Category	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Contract/Purchased Services							
625 .01 Property Insurance Premiums	549,110	594,810	582,310	557,930	582,850	(11,960)	-2.0%
625 .02 Comm. Auto Insurance Premiums	69,222	71,550	71,550	71,640	76,930	5,380	7.5%
625 .03 Liability Insurance Premiums	359,042	449,560	449,560	435,660	553,610	104,050	23.1%
625 .04 Workers Compensation Premiums	496,351	568,770	568,770	563,240	585,870	17,100	3.0%
625 .05 Wharfage and Marine Premiums	92,422	93,020	93,020	105,410	123,730	30,710	33.0%
625 .50 Self-Insured Claims-Property	25,000	48,375	48,375	25,000	25,000	(23,375)	-48.3%
625 .51 Self-Insured Claims-Auto	48,563	25,875	25,875	22,000	22,000	(3,875)	-15.0%
625 .52 Self-Insured Claims-Liability	244,505	150,750	150,750	153,000	178,000	27,250	18.1%
640 .04 Management & Consulting Services	70,000	75,000	87,500	87,500	100,000	25,000	33.3%
Contract/Purchased Services	**1,954,215**	**2,077,710**	**2,077,710**	**2,021,380**	**2,247,990**	**170,280**	**8.2%**

NARRATIVE

625.01 Property Insurance Premiums: $582,850 – This account provides expenditures for premiums paid for property, casualty and fire insurance for the City's buildings and equipment.

625.02 Commercial Auto Insurance Premiums: $76,930 – This account provides expenditures for premiums paid for auto insurance for the City's fleet.

625.03 Liability Insurance Premiums: $553,610 - This account provides expenditures for premiums paid for commercial general, public officials and law enforcement and other liability insurance.

625.04 Workers Compensation Insurance Premiums: $585,870 - This account provides expenditures for premiums paid for workers compensation insurance for all City employees.

625.05 Wharfage and Marine Premiums: $123,730 – This account provides expenditures for premiums paid for wharfingers and marine insurance.

625.50 Self-Insured Claims – Property: $25,000 - This account provides expenditures for property claims not covered by insurance. Included are deductibles and self–insured claims.

625.51 Self-Insured Claims – Auto: $22,000 - This account provides expenditures for auto claims not covered by insurance. Included are deductibles and self–insured claims.

625.52 Self-Insured Claims – Liability: $178,000 - This account provides expenditures for liability claims not covered by insurance. Included are deductibles and self–insured claims.

640.04 Management and Consulting Services: $100,000 – This account provides expenditures for risk management services provided by an insurance broker.

Debt service for all tax-supported general obligation bond indebtedness is paid by the General Obligation Bond Debt Service Fund. It is from this fund that the City makes principal and interest payments on general obligation bonds and other types of loan obligations for which the City has pledged its full faith and credit. General obligation bonds issued to finance enterprise activities are accounted for in enterprise funds or special revenue funds. Revenue bonds are paid for exclusively by enterprise funds and would not be accounted for in the General Obligation Bond Debt Service Fund.

There are four revenue sources that fund the City's General Obligation Bond Debt Service Fund. The first source is a transfer from the City's General Fund. This transfer represents a transfer of resources of the General Fund, primarily property taxes, which have been designated by the City Council for the payment of general obligation debt. The second source is a transfer of sales tax from the Hospital Sales Tax Fund. The third source is derived from the economic recovery zone rebates from the federal government. The fourth source is a transfer of sales tax from the Public Works Sales Tax Fund.

DEBT SERVICE SUMMARY

	2021	2022 Budget			2023	2022 Adopted/2023	
Expenditures by Category	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Debt Service	6,731,368	3,623,114	3,623,114	3,584,484	3,622,404	(710)	0.0%
Total Expenditures	**6,731,368**	**3,623,114**	**3,623,114**	**3,584,484**	**3,622,404**	**(710)**	**0.0%**

	2021	2022 Budget			2023	2022 Adopted/2023	
Funding Source	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Property Taxes	729,219	802,243	802,243	799,743	798,964	(3,279)	-0.4%
Hospital Sales Tax	2,529,575	2,529,575	2,529,575	2,532,075	2,532,075	2,500	0.1%
Public Works Sales Tax	252,666	291,296	291,296	252,666	291,365	69	0.0%
Bond Proceeds	3,172,849	-	-	-	-	-	NA
Economic Recovery Zone Rebate	47,059	-	-	-	-	-	NA
Total Funding	**6,731,368**	**3,623,114**	**3,623,114**	**3,584,484**	**3,622,404**	**(710)**	**0.0%**

OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

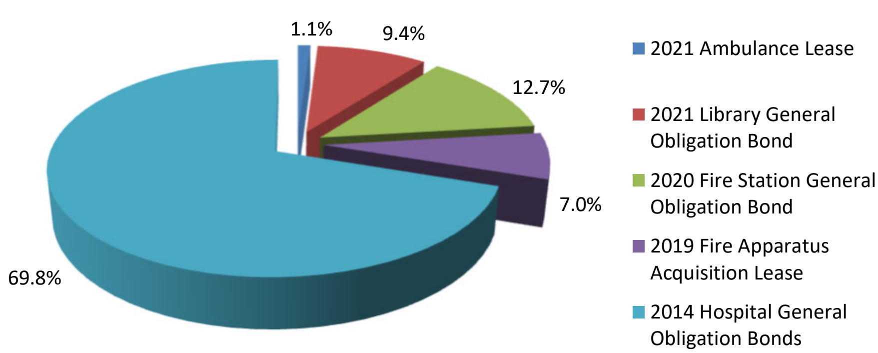
Debt Service

OPERATING BUDGET DETAIL

Operating Expenditures	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Debt Service							
931 .01 Debt Service-Principal	4,700,220	1,833,401	1,833,401	1,799,770	1,900,707	67,306	3.7%
932 .01 Debt Service-Interest	2,003,299	1,789,713	1,789,713	1,784,714	1,721,697	(68,016)	-3.8%
933 .02 Debt Service-Fees & Other Costs	27,849	-	-			-	NA
Debt Service	**6,731,368**	**3,623,114**	**3,623,114**	**3,584,484**	**3,622,404**	**(710)**	**0.0%**
Total Expenditures	**6,731,368**	**3,623,114**	**3,623,114**	**3,584,484**	**3,622,404**	**(710)**	**0.0%**

Operating Expenditures	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	2022 Adopted/2023 %
Debt Instrument							
2020 Fire Station General Obligation Bond	457,250	458,250	458,250	458,250	458,500	250	0.1%
2021 Library General Obligation Bond	316,694	341,493	341,493	341,493	340,464	(1,029)	New
2012 Library General Obligation Bond	3,175,184	-	-	-	-	-	NA
2014 Hospital General Obligation Bond	2,529,575	2,532,075	2,532,075	2,532,075	2,532,075	-	0.0%
2019 Fire Apparatus Acquisition Lease	252,665	252,666	252,666	252,666	252,666	-	0.0%
2021 Ambulance Lease	-	38,630	38,630	-	38,699	69	0.2%
Total Debt	**6,731,368**	**3,623,114**	**3,623,114**	**3,584,484**	**3,622,404**	**(710)**	**0.0%**

2023 Expenditures by Bond Issue



NARRATIVE

931.01 Debt Service-Principal: **$1,900,707** – This account provides expenditures for principal payments required for tax-supported general obligation bonds.

932.01 Debt Service-Interest: **$1,721,697** – This account provides expenditures for interest payments required for tax-supported general obligation bonds.

Transfers are necessitated when revenues earned and accounted for in one fund are earmarked for expenditures that are accounted for in another fund. For example, the Ketchikan Municipal Code requires that the City's 1% Hospital Sales Tax be accounted for in the Hospital Sales Tax Fund. The 1% Hospital Sales Tax can be used for improvements to the Ketchikan Medical Center, debt service for bonds issued to finance improvements to the Ketchikan Medical Center or any other general government purpose designated by the City Council. Transfers are made from the Hospital Sales Tax Fund to a capital improvement fund, the General Obligation Bond Debt Service Fund or the General Fund. These are the funds where the actual expenditures occur.

Some transfers occur frequently and other transfers occur infrequently. Transfers to fund operating costs and debt service occur frequently and are generally consistent from year to year. Transfers to fund capital improvements occur infrequently and can vary from year to year depending on the nature of the capital improvements.

The major transfers of funds for operating costs are as follows:

- Hospital Sales Tax Fund to the General Fund for the operating costs of the General Fund.
- Public Works Sales Tax Fund to the General Fund for the operating costs of the Public Works Department.
- Transient Tax Fund to the General Fund for the operating costs of the Civic Center.

The major transfers of funds for debt service are as follows:

- Hospital Sales Tax Fund to the General Obligation Bond Debt Service Fund for debt issued to finance the construction of a new surgical suite and clinical space for the Ketchikan Medical Center in 2014.
- General Fund to the General Obligation Bond Debt Service Fund for debt issued to finance the construction of new fire station and library facilities.

The major transfer of funds for capital improvements is as follows:

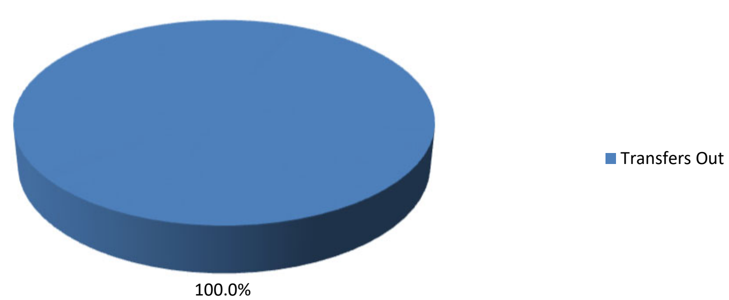
- CPV Fund to the CPV Capital Improvements and Port Enterprise Funds to finance capital improvements that are eligible for funding from the State's Commercial Passenger Vessel Excise Tax Program.

Advances are temporary or short-term loans from one fund to another fund. Advances are usually made to address temporary short-term cash flow issues or finance improvements or capital projects with short payback periods. It is the policy of the City to charge a market rate of interest on all advances. No advances were programmed for 2023.

TRANSFERS AND ADVANCES SUMMARY

	2021	2022 Budget			2023	2022 Adopted/2023	
Expenditures by Category	**Actual**	**Adopted**	**Amended**	**Estimate**	**Budget**	**Incr(Decr)**	**%**
Transfers Out	7,136,326	8,074,940	8,396,716	8,061,642	8,225,171	150,231	1.9%
Advances to Other Funds	-	-	-	-	-	-	NA
Total Expenditures	**7,136,326**	**8,074,940**	**8,396,716**	**8,061,642**	**8,225,171**	**150,231**	**1.9%**

2023 Expenditures by Type



CITY OF KETCHIKAN
2023 Operating and Capital Budget
Transfers and Advances

Funding Source	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
General Fund	807,457	850,133	858,953	858,953	866,464	16,331	1.9%
Hospital Sales Taxes	2,983,170	2,985,670	2,991,545	2,991,545	2,997,075	11,405	0.4%
Public Works Sales Taxes	2,301,236	2,341,686	2,350,506	2,311,876	2,358,865	17,179	0.7%
Shoreline Fund	6,374	6,374	6,374	6,374	6,374	-	0.0%
Bayview Cemetery O&M Fund	5,000	5,000	5,000	5,000	5,000	-	0.0%
Transient Tax Fund	439,163	424,117	454,907	442,117	826,684	402,567	94.9%
Marijuana Sales Tax Fund	200,000	200,000	200,000	200,000	200,000	-	0.0%
CPV Special Revenue Fund	392,107	1,261,960	1,239,431	955,777	510,227	(751,733)	-59.6%
Fire Department SEMT Fund	-	-	290,000	290,000	454,482	454,482	NA
Major Capital Improvement Fund	1,819	-	-	-	-	-	NA
Total Funding	**7,136,326**	**8,074,940**	**8,396,716**	**8,061,642**	**8,225,171**	**150,231**	**1.9%**

OPERATING BUDGET CHANGES FOR 2023

Changes between the adopted operating budget for 2022 and the proposed operating budget for 2023 that are greater than 5% and $5,000 are discussed below.

- Transfers Out from Transient Tax Fund increased by $402,567, or by 94.9%, due to an increases in operations and capital support for the Civic Center.

- Transfers Out from the CPV Special Revenue Fund decreased by $751,733, or by 59.6%, due to a reduction in the amount of CPV funds to finance capital improvements in 2023.

OPERATING BUDGET DETAIL

Operating Expenditures	2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Transfers Out							
910. 101 Transfers Out from General Fund	807,457	850,133	858,953	858,953	866,464	16,331	1.9%
910. 110 Transfers Out from Hospital Sales Tax Fund	2,983,170	2,985,670	2,991,545	2,991,545	2,997,075	11,405	0.4%
910. 111 Transfers Out from Public Works Sales Tax Fund	2,301,236	2,341,686	2,350,506	2,311,876	2,358,865	17,179	0.7%
910. 112 Transfers Out from Shoreline Fund	6,374	6,374	6,374	6,374	6,374	-	0.0%
910. 210 Transfers Out from Transient Tax Fund	439,163	424,117	454,907	442,117	826,684	402,567	94.9%
910. 211 Transfers Out from Marijuana Sales Tax Fund	200,000	200,000	200,000	200,000	200,000	-	0.0%
910. 250 Transfers Out from Bayview Cemetery O & M Fund	5,000	5,000	5,000	5,000	5,000	-	0.0%
910. 260 Transfers Out from CPV Special Revenue Fund	392,107	1,261,960	1,239,431	955,777	510,227	(751,733)	-59.6%
910. 285 Transfers Out from Fire Department SEMT Fund	-	-	290,000	290,000	454,482	454,482	NA
910. 310 Transfers Out from Major Capital Improvement Fund	1,819	-	-	-	-	-	NA
Total Transfers Out	**7,136,326**	**8,074,940**	**8,396,716**	**8,061,642**	**8,225,171**	**150,231**	**1.9%**
Total Expenditures	**7,136,326**	**8,074,940**	**8,396,716**	**8,061,642**	**8,225,171**	**150,231**	**1.9%**

CITY OF KETCHIKAN

2023 Operating and Capital Budget

Transfers and Advances

Operating Expenditures		2021 Actual	2022 Budget Adopted	2022 Budget Amended	2022 Budget Estimate	2023 Budget	2022 Adopted/2023 Incr(Decr)	%
Transfers Out and Advances - Detail								
910.101 Transfers Out From General Fund To:								
Fund	**Purpose**							
GO Bond Debt Service Fund	2020 Fire Station GO Bonds	457,250	458,250	458,250	458,250	458,500	250	0.1%
GO Bond Debt Service Fund	2012 Library GO Bonds	299,817	341,493	341,493	341,493	340,464	(1,029)	-0.3%
Community Grant Fund	Community Grant Program	50,390	50,390	59,210	59,210	67,500	17,110	34.0%
Transfers Out from General Fund		**807,457**	**850,133**	**858,953**	**858,953**	**866,464**	**16,331**	**1.9%**
910.110 Transfers Out From Hospital Sales Tax Fund To:								
General Fund	General Fund Support	420,000	420,000	420,000	420,000	420,000	-	0.0%
Community Grant Fund	Community Grant Program	33,595	33,595	39,470	39,470	45,000	11,405	33.9%
GO Bond Debt Service	2014 Hospital GO Bonds	2,529,575	2,532,075	2,532,075	2,532,075	2,532,075	-	0.0%
Transfers Out from Hospital Sales Tax Fund		**2,983,170**	**2,985,670**	**2,991,545**	**2,991,545**	**2,997,075**	**11,405**	**0.4%**
910.111 Transfers Out From Public Works Sales Tax Fund To:								
General Fund	Public Works Department	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	-	0.0%
Community Grant Fund	Community Grant Program	50,390	50,390	59,210	59,210	67,500	17,110	34.0%
GO Debt Service	2018 Fire Apparatus Lease	250,846	252,666	252,666	252,666	252,666	-	0.0%
GO Debt Service	2021 Ambulance lease	-	38,630	38,630	-	38,699	69	0.2%
Transfers Out from Public Works Sales Tax Fund		**2,301,236**	**2,341,686**	**2,350,506**	**2,311,876**	**2,358,865**	**17,179**	**0.7%**
910.112 Transfers Out From Shoreline Fund To:								
General Fund	Shoreline Building Lease	6,374	6,374	6,374	6,374	6,374	-	0.0%
Transfers Out from Shoreline Fund		**6,374**	**6,374**	**6,374**	**6,374**	**6,374**	**-**	**0.0%**
910.210 Transfers Out From Transient Tax Fund To:								
General Fund	Support Civic Center Operations	439,163	424,117	454,907	442,117	526,684	102,567	24.2%
Major Capital Improvements Fund	Civic Center Improvements	-	-	-	-	300,000	300,000	NA
Transfers Out from Transient Tax Fund		**439,163**	**424,117**	**454,907**	**442,117**	**826,684**	**402,567**	**94.9%**
910.211 Transfers Out From Marijuana Sales Tax Fund To:								
General Fund	Support Police Operations	200,000	200,000	200,000	200,000	200,000	-	0.0%
Transfers Out from Marijuana Sales Tax Fund		**200,000**	**200,000**	**200,000**	**200,000**	**200,000**	**-**	**0.0%**
910.250 Transfers Out From Bayview Cemetery O & M Fund To:								
General Fund	Cemetery Operations	5,000	5,000	5,000	5,000	5,000	-	0.0%
Transfers Out from Bayview Cemetery O & M Fund		**5,000**	**5,000**	**5,000**	**5,000**	**5,000**	**-**	**0.0%**
910.260 Transfers Out From CPV Special Revenue Fund To:								
General Fund	City Manager Wages & Benefits	137,834	137,834	137,834	-	-	(137,834)	-100.0%
General Fund	Support Fire Operations	111,327	111,327	111,327	111,327	367,428	256,101	230.0%
General Fund	Support Police Operations	42,799	42,799	42,799	42,799	42,799	-	0.0%
CPV Capital Improvement Fund	Tourism Improvements	-	865,000	842,471	794,151	100,000	(765,000)	-88.4%
Port Enterprise Fund	Port Improvements	100,147	105,000	105,000	7,500	-	(105,000)	-100.0%
Transfers Out from CPV Fund		**392,107**	**1,261,960**	**1,239,431**	**955,777**	**510,227**	**(751,733)**	**-59.6%**
910.285 Transfers Out From Fire Department SEMT Fund To:								
General Fund	Support Fire Operations	-	-	290,000	290,000	174,482	174,482	NA
Major Capital Improvements Fund	Fire Dept Capital Acquisitions	-	-	-	-	280,000	280,000	New
Transfers Out from Fire Department SEMT Fund		**-**	**-**	**290,000**	**290,000**	**454,482**	**454,482**	**NA**
910.310 Transfers Out From Major Capital Improvements Fund To:								
Debt Service Fund	2018 Fire Apparatus Lease	1,819	-	-	-	-	-	NA
Transfers Out from Major Capital Improvements Fund		**1,819**	**-**	**-**	**-**	**-**	**-**	**NA**
Total Expenditures		**7,136,326**	**8,074,940**	**8,396,716**	**8,061,642**	**8,225,171**	**150,231**	**1.9%**

NARRATIVE

910.101 Transfers Out from the General Fund: $866,464 – This account provides expenditures for transfers from the General Fund from various funds of the City to fund debt service and the Community Grant Program.

910.110 Transfers Out from the Hospital Sales Tax Fund: $2,997,075 – This account provides expenditures for transfers from the Hospital Sales Tax Fund to fund debt service, the Community Grant Program and $420,000 of financial support for the General Fund.

910.111 Transfers Out from the Public Works Sales Tax Fund: $2,358,865 – This account provides expenditures for transfers from the Public Works Sales Tax Fund for $2,000,000 of financial support for the General Fund, the Community Grant Program and lease payments for the fire apparatus lease agreement.

910.112 Transfers Out from the Shoreline Fund: $6,374 – This account provides expenditures for transfers from the Shoreline Fund to the General Fund to cover a portion of the cost associated with operating and maintaining the former Shoreline Fire Station.

910.210 Transfers Out from the Transient Tax Fund: $826,684 – This account provides expenditures for transfers from the Transient Tax Fund to the General Fund for the financial support of the operations of the Civic Center. The amount of the transfer is based on total operating costs less operating revenues.

910.210 Transfers Out from the Marijuana Sales Tax Fund: $200,000 – This account provides expenditures for transfers from the Marijuana Sales Tax Fund to the General Fund for the financial support of the operations of the Fire and Police.

910.250 Transfers Out from the Bayview Cemetery O & M Fund: $5,000 – This account provides expenditures for transfers from the Bayview Cemetery O & M Fund to the General Fund for the financial support of the operations of Bayview Cemetery.

910.260 Transfers Out from the CPV Fund: $510,227 – This account provides expenditures for transfers from the CPV Fund to various funds for the support of tourism related operations and capital improvements.

910.285 Transfers Out from the SEMT Fund: $454,482 – This account provides expenditures for transfers from the Fire Department SEMT Fund to various funds for the support of Fire Department operations and capital improvements related to Emergency Medical Transport services.