

AGENDA

FOR THE REGULAR MEETING
OF THE CITY COUNCIL FOR THE
CITY OF THORNE BAY, ALASKA

TUESDAY, MAY 7, 2024

TIME: 6:30 p.m.

THERE WILL BE A WORKSHOP BEGINNING AT 6:00PM

LOCATION: IN PERSON AT CITY HALL or TELECONFERENCE/VIDEO CONFERENCING LINE

Phone Number: 1-650-479-3208 Meeting

Link:

<https://cityofthornebay.my.webex.com/cityofthornebay.my/j.php?MTID=m99f71eee7f975b71d7ee0f9f7c5e44a1>

Meeting number: 182 323 7632 Password MghMxgJy424 (64469459 from phones and video systems)

- 1) CALL TO ORDER:
- 2) PLEDGE TO FLAG:
- 3) ROLL CALL:
- 4) APPROVAL OF AGENDA:
- 5) MAYOR'S REPORT:
- 6) ADMINISTRATIVE REPORTS:
 - a) City Administrator:
 - b) Clerk: Attached in Packet
- 7) DEPARTMENT REPORTS:
 - a) WATER: In Packet
- 8) PUBLIC COMMENTS:
- 9) COUNCIL COMMENTS:
- 10) PUBLIC HEARING:
- 11) CONSENT AGENDA:
 - a) Minutes of the April 2, 2024, Regular City Council Meeting, discussion and action item:
- 12) NEW BUSINESS:
 - a) RESOLUTION 24-05-07-01 Approving The Short-Term Lease With Sharon & Cornell LLC For Lease Of City Owned Tidelands Located At 1212 (B) Shoreline Drive, For The Purposes Of Operating A Restaurant Discussion And Action Item;
 - b) RESOLUTION 24-05-07-02: Approving The Certified Financial Statement Discussion And Action Item;
 - c) RESOLUTION 24-05-07-03: Authorizing John Huestis To Submit The USDA'S Reconnect Grant, Discussion And Action Item
 - d) RESOLUTION 24-05-07-04: Agreeing To Complete The Reconnect5 Grant Funded Project, Discussion and Action Item;
 - e) RESOLUTION 24-05-07-05: Approving The Renewal of Short-Term Lease with Papac Logging Inc., Discussion and Action Item;
- 13) ORDINANCES FOR PUBLIC HEARING:
- 14) ORDINANCES FOR INTRODUCTION:
- 15) CONTINUATION OF PUBLIC COMMENT:
- 16) CONTINUATION OF COUNCIL COMMENT:
- 17) ADJOURNMENT:

POSTED: May 3, 2024



City of Thorne Bay

Thorne Bay, AK 999109

PHONE: (907) 828-3380; FAX: (907) 828-3374

E-MAIL: cityclerk@thornebay-ak.gov

DEPARTMENT REPORT

Subject: Monthly Department Report

Department: Water & Sewer Utility

Supervisor: Sam Sawyer, Level II Water

Employees: Sam Sawyer, Supervisor
Willy Jennings, Employee

Date: May 2024

A Departmental Overview

The Water/Sewer Department is administered by Sam Sawyer, Level II Water Operator. The Supervisor(s) and staff are responsible for the operation and maintenance of the City's four core sanitation services: Water Treatment, Water Distribution, Sewage Collection, and Sewer Treatment. Duties include maintenance, minor and major schedule and unscheduled repairs throughout all four systems, monthly reporting to the Alaska Department of Environmental Conservation as required, direct sampling as scheduled for water quality and wastewater effluent quality compliance, implementation of a preventative maintenance schedule, construction of new water distribution mains and residential /commercial service connections and wastewater collection mains and residential/commercial service connections.

Current Department Activities:

Spring is here so we are beginning to start flushing fire hydrants again and cleaning up around the water and sewer facilities. We are also doing filter maintenance on the Nanofiltration unit and our three sand filters this month and have scheduled a company to inspect our water tank in June with a remote controlled robot that inspects the inside of our water storage tank. I am also happy to report that Willy is now level 1 certified in water/sewer treatment and distribution. We are performing all of our regular duties including our monthly water/sewer sampling requirements.



City of Thorne Bay

Thorne Bay, AK 999109

PHONE: (907) 828-3380; FAX: (907) 828-3374

E-MAIL: cityclerk@thornebay-ak.gov

DEPARTMENT REPORT

Subject: Clerk Report

Department: Admin and Finance

Date: Tuesday, MAY 07, 2024

CLERK'S REPORT

- Financial Report is included in the packet for review

FINANCIAL REPORT:

TONGASS FEDERAL CREDIT UNION ARGO INVESTMENTS:

Account	Balance
Account	
STREETS R&R	\$24,156.85
OCCUPANCY GEN.	\$3,512.19
40% SALES TAX	\$79,169.52
OCC TAX EMS/FIR	\$12,841.39
OCC TAX TOURISM	\$12,966.58
OCC TAX PARKS	\$11,342.38
OCC TAX HARBOR	\$26,860.28
WATER UTL R&R	\$48,300.67
SEWER UTL R&R	\$36,445.72
SOLIDWASTE R&R	\$15,154.07
COMMUNITYCENTER	\$7,518.40
PLAYGROUND FUND	\$2,008.32
CHECKING	\$40,919.06
RV PARK R&R	\$451.62
60% SALES TAX	\$56,583.39
HARBOR R&R	\$57,209.15
TOTAL	\$435,439.59

City of Thorne Bay
Profit & Loss Budget vs. Actual
 July 1, 2023 through May 2, 2024

8:33 AM
05/02/2024
Cash Basis

	Jul 1, '23 - May 2, 24	Budget	\$ Over Budget
Income			
Insurance Claim Income	941.90	0.00	941.90
FEES & PERMITS INCOME			
Administrative Fees	2.39	0.00	2.39
Animal Fees	270.00	350.00	-80.00
ATV Fees	959.57	850.00	109.57
EMS Fees	0.00	300.00	-300.00
Parking Permit Income	12,419.49	15,500.00	-3,080.51
Senior Tax Cards	942.00	3,000.00	-2,058.00
Zoning Application Fees	125.00	0.00	125.00
Total FEES & PERMITS INCOME	14,718.45	20,000.00	-5,281.55
FINES & PENALTIES			
Citations	0.00	300.00	-300.00
Finance Charge Income	236.66	350.00	-113.34
Fines for Parking Violations	195.99	0.00	195.99
Total FINES & PENALTIES	432.65	650.00	-217.35
INTEREST & INVESTMENT INCOME			
Dividend, Interest (Securities)	0.00	1,200.00	-1,200.00
Interest Income	1.90	120.00	-118.10
Total INTEREST & INVESTMENT INCOME	1.90	1,320.00	-1,318.10
MISCELLANEOUS INCOME			
Copier/Fax	73.00	100.00	-27.00
Donation Income	100.00	0.00	100.00
Election Income	200.00	0.00	200.00
Misc. Income	9.10	100.00	-90.90
Total MISCELLANEOUS INCOME	382.10	200.00	182.10
RENTALS & LEASE INCOME			
Equipment Rental	35.00	0.00	35.00
Lease of City Property	20,246.34	25,000.00	-4,753.66
Rental Income	55.00	20.00	35.00
RV Park Fees	1,750.00	0.00	1,750.00
Total RENTALS & LEASE INCOME	22,086.34	25,020.00	-2,933.66
SALES			
Rock Sales	5,000.00	5,000.00	0.00
Surplus Property	0.00	500.00	-500.00
Total SALES	5,000.00	5,500.00	-500.00
SERVICE CHARGES			
Notary/Lamination	103.00	350.00	-247.00
Passport Services	129.35	600.00	-470.65
Public Records Requests	0.00	200.00	-200.00
Reconnection of Services	305.00	1,000.00	-695.00

	Jul 1, '23 - May 2, 24	Budget	\$ Over Budget
Total SERVICE CHARGES	537.35	2,150.00	-1,612.65
STATE REVENUES			
Community Aide Assistance	80,801.70	0.00	80,801.70
Payment in Lieu of Taxes	155,168.92	0.00	155,168.92
Total STATE REVENUES	235,970.62	0.00	235,970.62
TAX INCOME			
1% Sales Tax	82,259.57	0.00	82,259.57
Occupancy Tax	640.00	0.00	640.00
Sales Tax	341,425.67	550,000.00	-208,574.33
Total TAX INCOME	424,325.24	550,000.00	-125,674.76
Total Income	704,396.55	604,840.00	99,556.55
Gross Profit	704,396.55	604,840.00	99,556.55
Expense			
CONTRACT SERVICES			
Contract Labor	0.00	10,000.00	-10,000.00
Legal Services	110.00	5,000.00	-4,890.00
Total CONTRACT SERVICES	110.00	15,000.00	-14,890.00
FEES / PERMITS / LICENS EXPENSE			
Advertising and Promotion	25.00	500.00	-475.00
BANK FEES & SERVICE CHARGES			
Bank Service Charges	210.00	220.00	-10.00
Credit Card Merchant Fees	3,269.56	5,350.00	-2,080.44
Total BANK FEES & SERVICE CHARGES	3,479.56	5,570.00	-2,090.44
Dues and Subscriptions	2,983.60	6,000.00	-3,016.40
Fees Permits & Licensing Exp	2,963.64	5,500.00	-2,536.36
Total FEES / PERMITS / LICENS EXPENSE	9,451.80	17,570.00	-8,118.20
Health Premium Savings Expense	-62,727.56	0.00	-62,727.56
INSURANCE EXPENSE			
AML/Insurance	87,166.00	16,000.00	71,166.00
Total INSURANCE EXPENSE	87,166.00	16,000.00	71,166.00
MATERIALS & SUPPLIES			
Computer/Software	0.00	3,500.00	-3,500.00
Furniture & Equipment	0.00	1,000.00	-1,000.00
Materials & Supplies	4,371.64	7,000.00	-2,628.36
Total MATERIALS & SUPPLIES	4,371.64	11,500.00	-7,128.36
MISCELLANEOUS EXPENSES			
Event Expenses	505.01	0.00	505.01
Other Misc. Expenses	63.59	0.00	63.59
Total MISCELLANEOUS EXPENSES	568.60	0.00	568.60
OPERATING EXPENSES			
Bldg/Grnd Maint Repair	895.86	7,500.00	-6,604.14
Electricity	16,795.90	4,500.00	12,295.90
Heating Fuel	6,714.78	8,500.00	-1,785.22
Internet Use	2,279.53	2,200.00	79.53

	Jul 1, '23 - May 2, 24	Budget	\$ Over Budget
Postage and Freight	663.63	3,000.00	-2,336.37
Record Maintenance	0.00	1,000.00	-1,000.00
Telephone, Telecommunications	4,685.34	5,000.00	-314.66
Total OPERATING EXPENSES	32,035.04	31,700.00	335.04
PAYROLL EXPENSES			
STIPENDS	7,935.57	0.00	7,935.57
Payroll Wages	179,789.80	243,180.56	-63,390.76
H.S.A. Company	5,077.05	0.00	5,077.05
Health Insurance	106,187.17	36,050.59	70,136.58
HSA Company	8,333.60	0.00	8,333.60
Life Insurance	8,093.24	384.54	7,708.70
Payroll Taxes	7,565.67	8,929.85	-1,364.18
PERS	51,539.75	61,616.94	-10,077.19
Worker's Compensation	1,316.75	1,362.00	-45.25
PAYROLL EXPENSES - Other	99,559.79	0.00	99,559.79
Total PAYROLL EXPENSES	475,398.39	351,524.48	123,873.91
TRAVEL & TRAINING			
Conference, Convention, Meeting	0.00	3,200.00	-3,200.00
Per Diem	0.00	2,000.00	-2,000.00
Training	1,075.00	0.00	1,075.00
Travel	0.00	3,500.00	-3,500.00
Total TRAVEL & TRAINING	1,075.00	8,700.00	-7,625.00
VEHICLE & EQUIPMENT EXPENSES			
Equipment Maint & Repair	40.49	2,500.00	-2,459.51
Equipment Purchase	0.00	2,500.00	-2,500.00
Vehicle Fuel	164.73	2,000.00	-1,835.27
Vehicle Repairs and Maintenance	0.00	250.00	-250.00
Total VEHICLE & EQUIPMENT EXPENSES	205.22	7,250.00	-7,044.78
Total Expense	547,654.13	459,244.48	88,409.65
Net Income	156,742.42	145,595.52	11,146.90

City of Thorne Bay
Profit & Loss Budget vs. Actual
 July 1, 2023 through May 2, 2024

8:32 AM
05/02/2024
Cash Basis

	Jul 1, '23 - May 2, 24	Budget	\$ Over Budget
Income			
MISCELLANEOUS INCOME			
Election Income	300.00	600.00	-300.00
Total MISCELLANEOUS INCOME	300.00	600.00	-300.00
Total Income	300.00	600.00	-300.00
Gross Profit	300.00	600.00	-300.00
Expense			
ELECTION EXPENSES			
Election Worker Wages	0.00	1,809.12	-1,809.12
Election Expenses	76.25	350.00	-273.75
ELECTION EXPENSES - Other	73.15	0.00	73.15
Total ELECTION EXPENSES	149.40	2,159.12	-2,009.72
FEES / PERMITS / LICENS EXPENSE			
Dues and Subscriptions	3,110.12	2,500.00	610.12
Total FEES / PERMITS / LICENS EXPENSE	3,110.12	2,500.00	610.12
MATERIALS & SUPPLIES			
Materials & Supplies	73.59	75.00	-1.41
Total MATERIALS & SUPPLIES	73.59	75.00	-1.41
MISCELLANEOUS EXPENSES			
Misc. Donations			
Donation to Derby	0.00	500.00	-500.00
Donation to VOCTEC	0.00	1,500.00	-1,500.00
Donations to TB Athletics	0.00	1,000.00	-1,000.00
Misc. Donations - Other	95.92	500.00	-404.08
Total Misc. Donations	95.92	3,500.00	-3,404.08
Total MISCELLANEOUS EXPENSES	95.92	3,500.00	-3,404.08
OPERATING EXPENSES			
Postage and Freight	0.00	25.00	-25.00
Total OPERATING EXPENSES	0.00	25.00	-25.00
PAYROLL EXPENSES			
Stipends Elected Official	4,500.00	0.00	4,500.00
Volunteer Stipends	8,100.00	0.00	8,100.00
Payroll Wages	1,680.00	0.00	1,680.00
H.S.A. Company	307.70	0.00	307.70
Payroll Taxes	1,197.68	1,972.20	-774.52
PAYROLL EXPENSES - Other	580.00	22,800.00	-22,220.00
Total PAYROLL EXPENSES	16,365.38	24,772.20	-8,406.82
TRAVEL & TRAINING			
Mileage Reimbursement	49.40	0.00	49.40
Per Diem	435.00	0.00	435.00
Training	350.00	7,750.00	-7,400.00

	Jul 1, '23 - May 2, 24	Budget	\$ Over Budget
Travel	4,606.37	0.00	4,606.37
Total TRAVEL & TRAINING	5,440.77	7,750.00	-2,309.23
VEHICLE & EQUIPMENT EXPENSES			
Vehicle Rental	253.91	0.00	253.91
Equipment Purchase	0.00	200.00	-200.00
Total VEHICLE & EQUIPMENT EXPENSES	253.91	200.00	53.91
Total Expense	25,489.09	40,981.32	-15,492.23
Net Income	-25,189.09	-40,381.32	15,192.23

City of Thorne Bay
Profit & Loss Budget vs. Actual
 July 1, 2023 through May 2, 2024

8:34 AM
05/02/2024
Cash Basis

	Jul 1, '23 - May 2, 24	Budget	\$ Over Budget
Income			
MISCELLANEOUS INCOME			
Event Income	7,738.00	2,000.00	5,738.00
Derby Donation	0.00	1,500.00	-1,500.00
Donation Income	0.00	2,000.00	-2,000.00
Misc. Income	750.00	0.00	750.00
Total MISCELLANEOUS INCOME	8,488.00	5,500.00	2,988.00
STATE REVENUES			
Community Aide Assistance	0.00	20,000.00	-20,000.00
Total STATE REVENUES	0.00	20,000.00	-20,000.00
Total Income	8,488.00	25,500.00	-17,012.00
Gross Profit	8,488.00	25,500.00	-17,012.00
Expense			
ARPA-EMS Expenses	850.00	0.00	850.00
FEES / PERMITS / LICENS EXPENSE			
Fees Permits & Licensing Exp	10.00	10.00	0.00
Total FEES / PERMITS / LICENS EXPENSE	10.00	10.00	0.00
INSURANCE EXPENSE			
AML/Insurance	0.00	3,250.00	-3,250.00
Total INSURANCE EXPENSE	0.00	3,250.00	-3,250.00
MATERIALS & SUPPLIES			
Materials & Supplies	147.78	250.00	-102.22
Total MATERIALS & SUPPLIES	147.78	250.00	-102.22
MISCELLANEOUS EXPENSES			
Event Expenses	1,213.86	0.00	1,213.86
Total MISCELLANEOUS EXPENSES	1,213.86	0.00	1,213.86
OPERATING EXPENSES			
Bldg/Grnd Maint Repair	66.50	125.00	-58.50
Electricity	495.46	925.00	-429.54
Heating Fuel	251.89	500.00	-248.11
Telephone, Telecommunications	898.66	1,250.00	-351.34
Total OPERATING EXPENSES	1,712.51	2,800.00	-1,087.49
PAYROLL EXPENSES			
STIPENDS	750.00	0.00	750.00
Volunteer Stipends	13,150.00	28,600.00	-15,450.00
H.S.A. Company	315.34	0.00	315.34
Health Insurance	68.03	0.00	68.03
Payroll Taxes	1,289.06	2,473.90	-1,184.84
PERS	11.00	0.00	11.00
Worker's Compensation	2,074.75	130.00	1,944.75
PAYROLL EXPENSES - Other	1,050.00	0.00	1,050.00

	Jul 1, '23 - May 2, 24	Budget	\$ Over Budget
Total PAYROLL EXPENSES	18,708.18	31,203.90	-12,495.72
VEHICLE & EQUIPMENT EXPENSES			
Equipment Maint & Repair	69.46	500.00	-430.54
Vehicle Fuel	1,527.53	1,200.00	327.53
Vehicle Repairs and Maintenance	523.86	1,000.00	-476.14
Total VEHICLE & EQUIPMENT EXPENSES	2,120.85	2,700.00	-579.15
Total Expense	24,763.18	40,213.90	-15,450.72
Net Income	-16,275.18	-14,713.90	-1,561.28

City of Thorne Bay
Profit & Loss Budget vs. Actual
 July 1, 2023 through May 2, 2024

8:35 AM
05/02/2024
Cash Basis

	Jul 1, '23 - May 2, 24	Budget	\$ Over Budget
Income			
MISCELLANEOUS INCOME			
Donation Income	100.00	1,500.00	-1,400.00
Misc. Income	0.00	2,000.00	-2,000.00
Total MISCELLANEOUS INCOME	100.00	3,500.00	-3,400.00
STATE REVENUES			
Community Aide Assistance	0.00	10,100.00	-10,100.00
Total STATE REVENUES	0.00	10,100.00	-10,100.00
Total Income	100.00	13,600.00	-13,500.00
Gross Profit	100.00	13,600.00	-13,500.00
Expense			
FEES / PERMITS / LICENS EXPENSE			
Fees Permits & Licensing Exp	20.00	0.00	20.00
Total FEES / PERMITS / LICENS EXPENSE	20.00	0.00	20.00
INSURANCE EXPENSE			
AML/Insurance	0.00	5,000.00	-5,000.00
Total INSURANCE EXPENSE	0.00	5,000.00	-5,000.00
MATERIALS & SUPPLIES			
Materials & Supplies	112.85	0.00	112.85
Total MATERIALS & SUPPLIES	112.85	0.00	112.85
OPERATING EXPENSES			
Bldg/Grnd Maint Repair	1,348.45	2,500.00	-1,151.55
Electricity	966.84	2,000.00	-1,033.16
Heating Fuel	760.68	700.00	60.68
Internet Use	0.00	1,300.00	-1,300.00
Telephone, Telecommunications	1,105.47	0.00	1,105.47
Total OPERATING EXPENSES	4,181.44	6,500.00	-2,318.56
PAYROLL EXPENSES			
Volunteer Stipends	0.00	150.00	-150.00
Payroll Taxes	0.00	25.95	-25.95
Worker's Compensation	1,594.00	1,677.00	-83.00
Total PAYROLL EXPENSES	1,594.00	1,852.95	-258.95
VEHICLE & EQUIPMENT EXPENSES			
Equipment Maint & Repair	0.00	50.00	-50.00
Vehicle Fuel	79.81	200.00	-120.19
Total VEHICLE & EQUIPMENT EXPENSES	79.81	250.00	-170.19
Total Expense	5,988.10	13,602.95	-7,614.85
Net Income	-5,888.10	-2.95	-5,885.15

City of Thorne Bay
Profit & Loss Budget vs. Actual
 July 1, 2023 through May 2, 2024

	Jul 1, '23 - May 2, 24	Budget
Income		
ENTERPRISE ACCTS		
Harbor Fees		
Davidson Landing Fees	18,907.63	26,000.00
Grid Fees	0.00	50.00
Harbor Fees	63,201.18	70,000.00
Harbor Showers	1,830.00	3,200.00
Landing Fees	0.00	200.00
Live-aboard Fee	7,224.71	7,500.00
Total Harbor Fees	91,163.52	106,950.00
Total ENTERPRISE ACCTS	91,163.52	106,950.00
FEES & PERMITS INCOME		
ATV Fees	50.00	0.00
Parking Permit Income	490.00	0.00
Total FEES & PERMITS INCOME	540.00	0.00
FINES & PENALTIES		
Citations	0.00	350.00
Fines for Parking Violations	1,023.17	750.00
Non Sufficient Funds	-78.90	0.00
Total FINES & PENALTIES	944.27	1,100.00
INTEREST & INVESTMENT INCOME		
Interest Income	27.00	0.00
Total INTEREST & INVESTMENT INCOME	27.00	0.00
MISCELLANEOUS INCOME		
Misc. Income	0.00	250.00
Total MISCELLANEOUS INCOME	0.00	250.00
SALES		
Surplus Property	0.00	250.00
Total SALES	0.00	250.00
SERVICE CHARGES		
Laborer	0.00	75.00
Reconnection Fee - Live-a-board	0.00	60.00
Services Availability	653.04	1,200.00
Total SERVICE CHARGES	653.04	1,335.00
STATE REVENUES		
Fishery Tax Receipts	0.00	3,000.00
Total STATE REVENUES	0.00	3,000.00
TAX INCOME		
Sales Tax	3,313.80	4,500.00
Total TAX INCOME	3,313.80	4,500.00

	Jul 1, '23 - May 2, 24	Budget
Total Income	96,641.63	117,385.00
Gross Profit	96,641.63	117,385.00
Expense		
BAD DEBT		
Bad Debt	0.00	500.00
Total BAD DEBT	0.00	500.00
FEES / PERMITS / LICENS EXPENSE		
Dues and Subscriptions	23.98	25.00
Total FEES / PERMITS / LICENS EXPENSE	23.98	25.00
INSURANCE EXPENSE		
AML/Insurance	0.00	7,750.00
Total INSURANCE EXPENSE	0.00	7,750.00
MATERIALS & SUPPLIES		
Furniture & Equipment	225.05	250.00
Materials & Supplies	5,880.14	2,500.00
Total MATERIALS & SUPPLIES	6,105.19	2,750.00
MISCELLANEOUS EXPENSES		
Other Misc. Expenses	0.00	250.00
Total MISCELLANEOUS EXPENSES	0.00	250.00
OPERATING EXPENSES		
Bldg/Grnd Maint Repair	1,102.86	1,500.00
Electricity	5,722.99	14,206.97
Internet Use	859.35	1,000.00
Postage and Freight	1,444.11	250.00
Telephone, Telecommunications	501.65	600.00
Total OPERATING EXPENSES	9,630.96	17,556.97
PAYROLL EXPENSES		
STIPENDS	100.00	0.00
Payroll Wages	39,127.83	49,735.00
H.S.A. Company	3,347.22	0.00
Health Insurance	24,465.10	17,930.00
Life Insurance	0.00	128.18
Payroll Taxes	2,148.29	2,755.16
PERS	5,129.82	5,557.64
Worker's Compensation	3,823.75	3,787.00
PAYROLL EXPENSES - Other	5,660.45	0.00
Total PAYROLL EXPENSES	83,802.46	79,892.98
REPAIR & REPLACEMENT ENTERPRISE		
Harbor Replacement expense	0.00	11,738.50
Total REPAIR & REPLACEMENT ENTERPRISE	0.00	11,738.50
TRAVEL & TRAINING		
Per Diem	465.63	0.00
Total TRAVEL & TRAINING	465.63	0.00
VEHICLE & EQUIPMENT EXPENSES		

	Jul 1, '23 - May 2, 24	Budget
Equipment Maint & Repair	0.00	750.00
Equipment Purchase	135.21	750.00
Equipment Rental Expense	0.00	250.00
Vehicle Fuel	1,120.31	1,950.00
Vehicle Repairs and Maintenance	0.00	2,500.00
Total VEHICLE & EQUIPMENT EXPENSES	1,255.52	6,200.00
Total Expense	101,283.74	126,663.45
Net Income	-4,642.11	-9,278.45

City of Thorne Bay
Profit & Loss Budget vs. Actual
 July 1, 2023 through May 2, 2024

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	<u>\$ Over Budget</u>
Income	
ENTERPRISE ACCTS	
Harbor Fees	
Davidson Landing Fees	-7,092.37
Grid Fees	-50.00
Harbor Fees	-6,798.82
Harbor Showers	-1,370.00
Landing Fees	-200.00
Live-aboard Fee	-275.29
Total Harbor Fees	<u>-15,786.48</u>
Total ENTERPRISE ACCTS	<u>-15,786.48</u>
FEES & PERMITS INCOME	
ATV Fees	50.00
Parking Permit Income	490.00
Total FEES & PERMITS INCOME	<u>540.00</u>
FINES & PENALTIES	
Citations	-350.00
Fines for Parking Violations	273.17
Non Sufficient Funds	-78.90
Total FINES & PENALTIES	<u>-155.73</u>
INTEREST & INVESTMENT INCOME	
Interest Income	27.00
Total INTEREST & INVESTMENT INCOME	<u>27.00</u>
MISCELLANEOUS INCOME	
Misc. Income	-250.00
Total MISCELLANEOUS INCOME	<u>-250.00</u>
SALES	
Surplus Property	-250.00
Total SALES	<u>-250.00</u>
SERVICE CHARGES	
Laborer	-75.00
Reconnection Fee - Live-a-board	-60.00
Services Availability	-546.96
Total SERVICE CHARGES	<u>-681.96</u>
STATE REVENUES	
Fishery Tax Receipts	-3,000.00
Total STATE REVENUES	<u>-3,000.00</u>
TAX INCOME	
Sales Tax	-1,186.20
Total TAX INCOME	<u>-1,186.20</u>

	<u>\$ Over Budget</u>
Total Income	-20,743.37
Gross Profit	-20,743.37
Expense	
BAD DEBT	
Bad Debt	-500.00
Total BAD DEBT	-500.00
FEES / PERMITS / LICENS EXPENSE	
Dues and Subscriptions	-1.02
Total FEES / PERMITS / LICENS EXPENSE	-1.02
INSURANCE EXPENSE	
AML/Insurance	-7,750.00
Total INSURANCE EXPENSE	-7,750.00
MATERIALS & SUPPLIES	
Furniture & Equipment	-24.95
Materials & Supplies	3,380.14
Total MATERIALS & SUPPLIES	3,355.19
MISCELLANEOUS EXPENSES	
Other Misc. Expenses	-250.00
Total MISCELLANEOUS EXPENSES	-250.00
OPERATING EXPENSES	
Bldg/Grnd Maint Repair	-397.14
Electricity	-8,483.98
Internet Use	-140.65
Postage and Freight	1,194.11
Telephone, Telecommunications	-98.35
Total OPERATING EXPENSES	-7,926.01
PAYROLL EXPENSES	
STIPENDS	100.00
Payroll Wages	-10,607.17
H.S.A. Company	3,347.22
Health Insurance	6,535.10
Life Insurance	-128.18
Payroll Taxes	-606.87
PERS	-427.82
Worker's Compensation	36.75
PAYROLL EXPENSES - Other	5,660.45
Total PAYROLL EXPENSES	3,909.48
REPAIR & REPLACEMENT ENTERPRISE	
Harbor Replacement expense	-11,738.50
Total REPAIR & REPLACEMENT ENTERPRISE	-11,738.50
TRAVEL & TRAINING	
Per Diem	465.63
Total TRAVEL & TRAINING	465.63
VEHICLE & EQUIPMENT EXPENSES	

	\$ Over Budget
Equipment Maint & Repair	-750.00
Equipment Purchase	-614.79
Equipment Rental Expense	-250.00
Vehicle Fuel	-829.69
Vehicle Repairs and Maintenance	-2,500.00
Total VEHICLE & EQUIPMENT EXPENSES	-4,944.48
Total Expense	-25,379.71
Net Income	4,636.34

City of Thorne Bay
Profit & Loss Budget vs. Actual
 July 1, 2023 through May 2, 2024

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	Jul 1, '23 - May 2, 24	Budget	\$ Over Budget
Income			
Income VPSO	10,000.00	0.00	10,000.00
FINES & PENALTIES			
Citations	0.00	500.00	-500.00
Total FINES & PENALTIES	0.00	500.00	-500.00
STATE REVENUES			
Community Aide Assistance	0.00	22,500.00	-22,500.00
Total STATE REVENUES	0.00	22,500.00	-22,500.00
Total Income	10,000.00	23,000.00	-13,000.00
Gross Profit	10,000.00	23,000.00	-13,000.00
Expense			
CONTRACT SERVICES			
Impoundment Expense	0.00	450.00	-450.00
Total CONTRACT SERVICES	0.00	450.00	-450.00
INSURANCE EXPENSE			
AML/Insurance	0.00	850.00	-850.00
Total INSURANCE EXPENSE	0.00	850.00	-850.00
MATERIALS & SUPPLIES			
Materials & Supplies	61.98	150.00	-88.02
Total MATERIALS & SUPPLIES	61.98	150.00	-88.02
OPERATING EXPENSES			
Bldg/Grnd Maint Repair	12.00	200.00	-188.00
Electricity	406.62	1,000.00	-593.38
Heating Fuel	677.45	1,200.00	-522.55
Postage and Freight	0.00	50.00	-50.00
Telephone, Telecommunications	2,296.21	2,250.00	46.21
Total OPERATING EXPENSES	3,392.28	4,700.00	-1,307.72
PAYROLL EXPENSES			
STIPENDS			
Housing Stipend	10,500.00	0.00	10,500.00
STIPENDS - Other	1,500.00	0.00	1,500.00
Total STIPENDS	12,000.00	0.00	12,000.00
Payroll Taxes	1,159.10	1,453.20	-294.10
PAYROLL EXPENSES - Other	1,400.00	16,800.00	-15,400.00
Total PAYROLL EXPENSES	14,559.10	18,253.20	-3,694.10
VEHICLE & EQUIPMENT EXPENSES			
Equipment Maint & Repair	259.29	2,250.00	-1,990.71
Vehicle Fuel	5,472.47	9,000.00	-3,527.53
Vehicle Repairs and Maintenance	86.51	2,500.00	-2,413.49
Total VEHICLE & EQUIPMENT EXPENSES	5,818.27	13,750.00	-7,931.73

Total Expense
Net Income

Jul 1, '23 - May 2, 24	Budget	\$ Over Budget
23,831.63	38,153.20	-14,321.57
-13,831.63	-15,153.20	1,321.57

City of Thorne Bay
Profit & Loss Budget vs. Actual
 July 1, 2023 through May 2, 2024

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	Jul 1, '23 - May 2, 24	Budget	\$ Over Budget
Income			
FINES & PENALTIES			
Late Fees	86.99	0.00	86.99
Total FINES & PENALTIES	86.99	0.00	86.99
MISCELLANEOUS INCOME			
Copier/Fax	0.00	200.00	-200.00
Donation Income	20.00	0.00	20.00
Library Deposit	40.00	0.00	40.00
Library donations	0.00	700.00	-700.00
Misc. Income	0.00	25.00	-25.00
Total MISCELLANEOUS INCOME	60.00	925.00	-865.00
SALES			
Surplus Property	0.00	100.00	-100.00
Total SALES	0.00	100.00	-100.00
STATE REVENUES			
Community Aide Assistance	0.00	5,000.00	-5,000.00
Total STATE REVENUES	0.00	5,000.00	-5,000.00
Total Income	146.99	6,025.00	-5,878.01
Gross Profit	146.99	6,025.00	-5,878.01
Expense			
FEES / PERMITS / LICENS EXPENSE			
Dues and Subscriptions	0.00	191.88	-191.88
Total FEES / PERMITS / LICENS EXPENSE	0.00	191.88	-191.88
INSURANCE EXPENSE			
AML/Insurance	0.00	1,875.00	-1,875.00
Total INSURANCE EXPENSE	0.00	1,875.00	-1,875.00
MATERIALS & SUPPLIES			
Computer/Software	2,200.00	3,000.00	-800.00
Furniture & Equipment	0.00	200.00	-200.00
Materials & Supplies	718.87	1,250.00	-531.13
Total MATERIALS & SUPPLIES	2,918.87	4,450.00	-1,531.13
MISCELLANEOUS EXPENSES			
Event Expenses	0.00	650.00	-650.00
Other Misc. Expenses	93.81	100.00	-6.19
Total MISCELLANEOUS EXPENSES	93.81	750.00	-656.19
OPERATING EXPENSES			
Bldg/Grnd Maint Repair	24.00	500.00	-476.00
Electricity	949.86	1,500.00	-550.14
Internet Use	2,093.88	0.00	2,093.88
Postage and Freight	10.28	50.00	-39.72
Telephone, Telecommunications	150.00	360.00	-210.00

	Jul 1, '23 - May 2, 24	Budget	\$ Over Budget
Total OPERATING EXPENSES	3,228.02	2,410.00	818.02
PAYROLL EXPENSES			
STIPENDS	919.23	0.00	919.23
Life Insurance	4.30	12.00	-7.70
Payroll Taxes	40.63	224.90	-184.27
PERS	268.23	0.00	268.23
PAYROLL EXPENSES - Other	400.00	2,600.00	-2,200.00
Total PAYROLL EXPENSES	1,632.39	2,836.90	-1,204.51
VEHICLE & EQUIPMENT EXPENSES			
Equipment Maint & Repair	0.00	75.00	-75.00
Equipment Purchase	0.00	250.00	-250.00
Total VEHICLE & EQUIPMENT EXPENSES	0.00	325.00	-325.00
Total Expense	7,873.09	12,838.78	-4,965.69
Net Income	-7,726.10	-6,813.78	-912.32

City of Thorne Bay
Profit & Loss Budget vs. Actual
 July 1, 2023 through May 2, 2024

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	Jul 1, '23 - May 2, 24	Budget	\$ Over Budget
Income			
INTEREST & INVESTMENT INCOME			
Interest Income	32.11	0.00	32.11
Total INTEREST & INVESTMENT INCOME	32.11	0.00	32.11
MISCELLANEOUS INCOME			
Event Income	0.00	1,000.00	-1,000.00
Total MISCELLANEOUS INCOME	0.00	1,000.00	-1,000.00
RENTALS & LEASE INCOME			
Rental Income	0.00	750.00	-750.00
Total RENTALS & LEASE INCOME	0.00	750.00	-750.00
STATE REVENUES			
Community Aide Assistance	0.00	20,000.00	-20,000.00
Total STATE REVENUES	0.00	20,000.00	-20,000.00
Total Income	32.11	21,750.00	-21,717.89
Gross Profit	32.11	21,750.00	-21,717.89
Expense			
FEES / PERMITS / LICENS EXPENSE			
Fees Permits & Licensing Exp	0.00	200.00	-200.00
Total FEES / PERMITS / LICENS EXPENSE	0.00	200.00	-200.00
INSURANCE EXPENSE			
AML/Insurance	0.00	60.00	-60.00
Total INSURANCE EXPENSE	0.00	60.00	-60.00
MATERIALS & SUPPLIES			
Materials & Supplies	1,130.79	550.00	580.79
Total MATERIALS & SUPPLIES	1,130.79	550.00	580.79
MISCELLANEOUS EXPENSES			
Event Expenses	0.00	700.00	-700.00
Total MISCELLANEOUS EXPENSES	0.00	700.00	-700.00
OPERATING EXPENSES			
Bldg/Grnd Maint Repair	1,505.73	1,500.00	5.73
Electricity	470.23	1,200.00	-729.77
Postage and Freight	1,219.47	250.00	969.47
Total OPERATING EXPENSES	3,195.43	2,950.00	245.43
PAYROLL EXPENSES			
Payroll Wages	14,330.94	0.00	14,330.94
Payroll Taxes	1,277.31	3,675.47	-2,398.16
Worker's Compensation	3,551.75	3,547.00	4.75
PAYROLL EXPENSES - Other	435.54	42,511.43	-42,075.89
Total PAYROLL EXPENSES	19,595.54	49,733.90	-30,138.36
VEHICLE & EQUIPMENT EXPENSES			

	Jul 1, '23 - May 2, 24	Budget	\$ Over Budget
Equipment Maint & Repair	0.00	250.00	-250.00
Equipment Purchase	0.00	500.00	-500.00
Equipment Rental Expense	0.00	300.00	-300.00
Vehicle Fuel	194.67	500.00	-305.33
Vehicle Repairs and Maintenance	0.00	150.00	-150.00
Total VEHICLE & EQUIPMENT EXPENSES	194.67	1,700.00	-1,505.33
Total Expense	24,116.43	55,893.90	-31,777.47
Net Income	-24,084.32	-34,143.90	10,059.58

City of Thorne Bay
Profit & Loss Budget vs. Actual
 July 1, 2023 through May 2, 2024

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	Jul 1, '23 - May 2, 24	Budget	\$ Over Budget
Income			
FEES & PERMITS INCOME			
Zoning Application Fees	0.00	200.00	-200.00
Total FEES & PERMITS INCOME	0.00	200.00	-200.00
TAX INCOME			
Sales Tax	0.00	12.00	-12.00
Total TAX INCOME	0.00	12.00	-12.00
Total Income	0.00	212.00	-212.00
Gross Profit	0.00	212.00	-212.00
Expense			
FEES / PERMITS / LICENS EXPENSE			
Fees Permits & Licensing Exp	0.00	25.00	-25.00
Total FEES / PERMITS / LICENS EXPENSE	0.00	25.00	-25.00
OPERATING EXPENSES			
Postage and Freight	0.00	50.00	-50.00
Total OPERATING EXPENSES	0.00	50.00	-50.00
PAYROLL EXPENSES			
Payroll Taxes	0.00	137.10	-137.10
PAYROLL EXPENSES - Other	0.00	600.00	-600.00
Total PAYROLL EXPENSES	0.00	737.10	-737.10
Total Expense	0.00	812.10	-812.10
Net Income	0.00	-600.10	600.10

City of Thorne Bay
Profit & Loss Budget vs. Actual
 July 1, 2023 through May 2, 2024

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	Jul 1, '23 - May 2, 24	Budget	\$ Over Budget
Income			
RENTALS & LEASE INCOME			
RV Park Fees	4,741.57	17,500.00	-12,758.43
Total RENTALS & LEASE INCOME	4,741.57	17,500.00	-12,758.43
TAX INCOME			
Sales Tax	284.50	900.00	-615.50
Total TAX INCOME	284.50	900.00	-615.50
Total Income	5,026.07	18,400.00	-13,373.93
Gross Profit	5,026.07	18,400.00	-13,373.93
Expense			
FEES / PERMITS / LICENS EXPENSE			
Dues and Subscriptions	76.13	75.00	1.13
Total FEES / PERMITS / LICENS EXPENSE	76.13	75.00	1.13
INSURANCE EXPENSE			
AML/Insurance	0.00	150.00	-150.00
Total INSURANCE EXPENSE	0.00	150.00	-150.00
OPERATING EXPENSES			
Bldg/Grnd Maint Repair	0.00	250.00	-250.00
Electricity	174.28	1,650.00	-1,475.72
Internet Use	700.00	840.00	-140.00
Postage and Freight	0.00	50.00	-50.00
Total OPERATING EXPENSES	874.28	2,790.00	-1,915.72
PAYROLL EXPENSES			
Payroll Taxes	68.13	0.00	68.13
PAYROLL EXPENSES - Other	787.50	0.00	787.50
Total PAYROLL EXPENSES	855.63	0.00	855.63
REPAIR & REPLACEMENT ENTERPRISE			
RV Park Repair & Replacement	0.00	15,385.00	-15,385.00
Total REPAIR & REPLACEMENT ENTERPRISE	0.00	15,385.00	-15,385.00
VEHICLE & EQUIPMENT EXPENSES			
Equipment Maint & Repair	275.00	0.00	275.00
Total VEHICLE & EQUIPMENT EXPENSES	275.00	0.00	275.00
Total Expense	2,081.04	18,400.00	-16,318.96
Net Income	2,945.03	0.00	2,945.03

City of Thorne Bay
Profit & Loss Budget vs. Actual
 July 1, 2023 through May 2, 2024

	Jul 1, '23 - May 2, 24	Budget
Income		
ENTERPRISE ACCTS		
Sewer Fees		
Sewer Pumpout	12,420.00	30,000.00
Sewer Fees - Other	105,251.37	130,000.00
Total Sewer Fees	<u>117,671.37</u>	<u>160,000.00</u>
Solid Waste Fees	123.00	0.00
Total ENTERPRISE ACCTS	<u>117,794.37</u>	<u>160,000.00</u>
INTEREST & INVESTMENT INCOME		
Interest Income	11.81	0.00
Total INTEREST & INVESTMENT INCOME	<u>11.81</u>	<u>0.00</u>
SERVICE CHARGES		
Services Availability	17.55	0.00
Total SERVICE CHARGES	<u>17.55</u>	<u>0.00</u>
TAX INCOME		
Sales Tax	4,539.86	6,500.00
Total TAX INCOME	<u>4,539.86</u>	<u>6,500.00</u>
Total Income	<u>122,363.59</u>	<u>166,500.00</u>
Gross Profit	<u>122,363.59</u>	<u>166,500.00</u>
Expense		
Septic Pumpout Services	750.00	0.00
CONTRACT SERVICES		
Contract Labor	3,584.00	1,600.00
Total CONTRACT SERVICES	<u>3,584.00</u>	<u>1,600.00</u>
FEES / PERMITS / LICENS EXPENSE		
Fees Permits & Licensing Exp	1,880.00	0.00
Testing	13,430.20	17,500.00
Total FEES / PERMITS / LICENS EXPENSE	<u>15,310.20</u>	<u>17,500.00</u>
INSURANCE EXPENSE		
AML/Insurance	0.00	16,172.00
Total INSURANCE EXPENSE	<u>0.00</u>	<u>16,172.00</u>
MATERIALS & SUPPLIES		
Materials & Supplies	3,362.87	4,500.00
Total MATERIALS & SUPPLIES	<u>3,362.87</u>	<u>4,500.00</u>
MISCELLANEOUS EXPENSES		
Unexpected Expenses	13.11	0.00
Total MISCELLANEOUS EXPENSES	<u>13.11</u>	<u>0.00</u>
OPERATING EXPENSES		
Bldg/Grnd Maint Repair	24.00	600.00
Electricity	12,704.31	35,000.00

	Jul 1, '23 - May 2, 24	Budget
Heating Fuel	1,535.42	4,500.00
Internet Use	777.94	0.00
Postage and Freight	2,308.25	2,500.00
Telephone, Telecommunications	538.35	600.00
Total OPERATING EXPENSES	17,888.27	43,200.00
PAYROLL EXPENSES		
Payroll Wages	40,934.69	0.00
H.S.A. Company	1,692.38	0.00
Health Insurance	8,620.06	7,698.91
Life Insurance	108.46	122.72
Payroll Taxes	1,079.30	1,327.51
PERS	10,528.77	11,920.54
Worker's Compensation	3,039.75	3,168.00
PAYROLL EXPENSES - Other	6,928.10	53,455.95
Total PAYROLL EXPENSES	72,931.51	77,693.63
REPAIR & REPLACEMENT ENTERPRISE		
Sewer Repair and Replacement	1,841.01	15,394.87
Total REPAIR & REPLACEMENT ENTERPRISE	1,841.01	15,394.87
TRAVEL & TRAINING		
Training	0.00	400.00
Travel	0.00	400.00
Total TRAVEL & TRAINING	0.00	800.00
VEHICLE & EQUIPMENT EXPENSES		
Equipment Maint & Repair	621.29	10,000.00
Equipment Purchase	4,775.00	5,000.00
Vehicle Fuel	916.07	3,000.00
Vehicle Repairs and Maintenance	0.00	750.00
Total VEHICLE & EQUIPMENT EXPENSES	6,312.36	18,750.00
Total Expense	121,993.33	195,610.50
Net Income	370.26	-29,110.50

City of Thorne Bay
Profit & Loss Budget vs. Actual
 July 1, 2023 through May 2, 2024

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	<u>\$ Over Budget</u>
Income	
ENTERPRISE ACCTS	
Sewer Fees	
Sewer Pumpout	-17,580.00
Sewer Fees - Other	-24,748.63
Total Sewer Fees	<u>-42,328.63</u>
Solid Waste Fees	123.00
Total ENTERPRISE ACCTS	<u>-42,205.63</u>
INTEREST & INVESTMENT INCOME	
Interest Income	11.81
Total INTEREST & INVESTMENT INCOME	<u>11.81</u>
SERVICE CHARGES	
Services Availability	17.55
Total SERVICE CHARGES	<u>17.55</u>
TAX INCOME	
Sales Tax	-1,960.14
Total TAX INCOME	<u>-1,960.14</u>
Total Income	<u>-44,136.41</u>
Gross Profit	<u>-44,136.41</u>
Expense	
Septic Pumpout Services	750.00
CONTRACT SERVICES	
Contract Labor	1,984.00
Total CONTRACT SERVICES	<u>1,984.00</u>
FEES / PERMITS / LICENS EXPENSE	
Fees Permits & Licensing Exp	1,880.00
Testing	-4,069.80
Total FEES / PERMITS / LICENS EXPENSE	<u>-2,189.80</u>
INSURANCE EXPENSE	
AML/Insurance	-16,172.00
Total INSURANCE EXPENSE	<u>-16,172.00</u>
MATERIALS & SUPPLIES	
Materials & Supplies	-1,137.13
Total MATERIALS & SUPPLIES	<u>-1,137.13</u>
MISCELLANEOUS EXPENSES	
Unexpected Expenses	13.11
Total MISCELLANEOUS EXPENSES	<u>13.11</u>
OPERATING EXPENSES	
Bldg/Grnd Maint Repair	-576.00
Electricity	-22,295.69

	<u>\$ Over Budget</u>
Heating Fuel	-2,964.58
Internet Use	777.94
Postage and Freight	-191.75
Telephone, Telecommunications	-61.65
Total OPERATING EXPENSES	-25,311.73
PAYROLL EXPENSES	
Payroll Wages	40,934.69
H.S.A. Company	1,692.38
Health Insurance	921.15
Life Insurance	-14.26
Payroll Taxes	-248.21
PERS	-1,391.77
Worker's Compensation	-128.25
PAYROLL EXPENSES - Other	-46,527.85
Total PAYROLL EXPENSES	-4,762.12
REPAIR & REPLACEMENT ENTERPRISE	
Sewer Repair and Replacement	-13,553.86
Total REPAIR & REPLACEMENT ENTERPRISE	-13,553.86
TRAVEL & TRAINING	
Training	-400.00
Travel	-400.00
Total TRAVEL & TRAINING	-800.00
VEHICLE & EQUIPMENT EXPENSES	
Equipment Maint & Repair	-9,378.71
Equipment Purchase	-225.00
Vehicle Fuel	-2,083.93
Vehicle Repairs and Maintenance	-750.00
Total VEHICLE & EQUIPMENT EXPENSES	-12,437.64
Total Expense	-73,617.17
Net Income	29,480.76

City of Thorne Bay
Profit & Loss Budget vs. Actual
 July 1, 2023 through May 2, 2024

	Jul 1, '23 - May 2, 24	Budget
Income		
ENTERPRISE ACCTS		
Solid Waste Fees	116,745.79	150,000.00
Total ENTERPRISE ACCTS	116,745.79	150,000.00
INTEREST & INVESTMENT INCOME		
Interest Income	10.12	0.00
Total INTEREST & INVESTMENT INCOME	10.12	0.00
SALES		
Rock Sales	28,600.00	25,000.00
Surplus Property	0.00	2,000.00
Total SALES	28,600.00	27,000.00
TAX INCOME		
Sales Tax	3,860.26	5,500.00
Total TAX INCOME	3,860.26	5,500.00
Total Income	149,216.17	182,500.00
Gross Profit	149,216.17	182,500.00
Expense		
CONTRACT SERVICES		
Contract Labor	0.00	5,000.00
Total CONTRACT SERVICES	0.00	5,000.00
FEES / PERMITS / LICENS EXPENSE		
Dues and Subscriptions	239.88	300.00
Fees Permits & Licensing Exp	1,058.45	1,500.00
Testing	4,200.00	2,000.00
Total FEES / PERMITS / LICENS EXPENSE	5,498.33	3,800.00
INSURANCE EXPENSE		
AML/Insurance	0.00	3,200.00
Total INSURANCE EXPENSE	0.00	3,200.00
MATERIALS & SUPPLIES		
Furniture & Equipment	0.00	500.00
Materials & Supplies	733.60	4,000.00
Total MATERIALS & SUPPLIES	733.60	4,500.00
MISCELLANEOUS EXPENSES		
Other Misc. Expenses	0.00	200.00
Total MISCELLANEOUS EXPENSES	0.00	200.00
OPERATING EXPENSES		
Bldg/Grnd Maint Repair	146.99	5,000.00
Electricity	3,714.14	10,500.00
Heating Fuel	4,139.07	0.00
Internet Use	1,534.67	1,050.00
Operating Expenses-Other	19.69	0.00

	Jul 1, '23 - May 2, 24	Budget
Postage and Freight	3,646.28	1,500.00
Telephone, Telecommunications	123.53	105.37
OPERATING EXPENSES - Other	207.40	0.00
Total OPERATING EXPENSES	13,531.77	18,155.37
PAYROLL EXPENSES		
Payroll Wages	75,033.55	0.00
H.S.A. Company	3,394.03	0.00
Health Insurance	19,798.74	22,150.46
Life Insurance	217.22	245.44
Payroll Taxes	2,818.43	6,357.71
PERS	16,762.47	17,125.46
PERS DCR	871.65	0.00
Worker's Compensation	7,291.75	6,337.00
PAYROLL EXPENSES - Other	11,979.15	114,397.97
Total PAYROLL EXPENSES	138,166.99	166,614.04
REPAIR & REPLACEMENT ENTERPRISE		
Solid Waste Repair Replacemt	0.00	19,300.88
Total REPAIR & REPLACEMENT ENTERPRISE	0.00	19,300.88
TRAVEL & TRAINING		
Per Diem	216.00	0.00
Training	0.00	750.00
Travel	1,637.56	250.00
Total TRAVEL & TRAINING	1,853.56	1,000.00
VEHICLE & EQUIPMENT EXPENSES		
Equipment Fuel	1,227.69	0.00
Equipment Lease (Loan)	0.00	32,400.00
Equipment Expenses	5,265.95	0.00
Equipment Maint & Repair	1,988.46	12,000.00
Equipment Purchase	0.00	1,250.00
Vehicle Fuel	894.69	15,000.00
Vehicle Repairs and Maintenance	1,589.92	7,000.00
Total VEHICLE & EQUIPMENT EXPENSES	10,966.71	67,650.00
Total Expense	170,750.96	289,420.29
Net Income	-21,534.79	-106,920.29

City of Thorne Bay
Profit & Loss Budget vs. Actual
 July 1, 2023 through May 2, 2024

8:45 AM
 05/02/2024
 Cash Basis

	<u><u>\$ Over Budget</u></u>
Income	
ENTERPRISE ACCTS	
Solid Waste Fees	-33,254.21
Total ENTERPRISE ACCTS	<u>-33,254.21</u>
INTEREST & INVESTMENT INCOME	
Interest Income	10.12
Total INTEREST & INVESTMENT INCOME	<u>10.12</u>
SALES	
Rock Sales	3,600.00
Surplus Property	-2,000.00
Total SALES	<u>1,600.00</u>
TAX INCOME	
Sales Tax	-1,639.74
Total TAX INCOME	<u>-1,639.74</u>
Total Income	<u>-33,283.83</u>
Gross Profit	<u>-33,283.83</u>
Expense	
CONTRACT SERVICES	
Contract Labor	-5,000.00
Total CONTRACT SERVICES	<u>-5,000.00</u>
FEES / PERMITS / LICENS EXPENSE	
Dues and Subscriptions	-60.12
Fees Permits & Licensing Exp	-441.55
Testing	2,200.00
Total FEES / PERMITS / LICENS EXPENSE	<u>1,698.33</u>
INSURANCE EXPENSE	
AML/Insurance	-3,200.00
Total INSURANCE EXPENSE	<u>-3,200.00</u>
MATERIALS & SUPPLIES	
Furniture & Equipment	-500.00
Materials & Supplies	-3,266.40
Total MATERIALS & SUPPLIES	<u>-3,766.40</u>
MISCELLANEOUS EXPENSES	
Other Misc. Expenses	-200.00
Total MISCELLANEOUS EXPENSES	<u>-200.00</u>
OPERATING EXPENSES	
Bldg/Grnd Maint Repair	-4,853.01
Electricity	-6,785.86
Heating Fuel	4,139.07
Internet Use	484.67
Operating Expenses-Other	19.69

	<u>\$ Over Budget</u>
Postage and Freight	2,146.28
Telephone, Telecommunications	18.16
OPERATING EXPENSES - Other	207.40
Total OPERATING EXPENSES	-4,623.60
PAYROLL EXPENSES	
Payroll Wages	75,033.55
H.S.A. Company	3,394.03
Health Insurance	-2,351.72
Life Insurance	-28.22
Payroll Taxes	-3,539.28
PERS	-362.99
PERS DCR	871.65
Worker's Compensation	954.75
PAYROLL EXPENSES - Other	-102,418.82
Total PAYROLL EXPENSES	-28,447.05
REPAIR & REPLACEMENT ENTERPRISE	
Solid Waste Repair Replacemt	-19,300.88
Total REPAIR & REPLACEMENT ENTERPRISE	-19,300.88
TRAVEL & TRAINING	
Per Diem	216.00
Training	-750.00
Travel	1,387.56
Total TRAVEL & TRAINING	853.56
VEHICLE & EQUIPMENT EXPENSES	
Equipment Fuel	1,227.69
Equipment Lease (Loan)	-32,400.00
Equipment Expenses	5,265.95
Equipment Maint & Repair	-10,011.54
Equipment Purchase	-1,250.00
Vehicle Fuel	-14,105.31
Vehicle Repairs and Maintenance	-5,410.08
Total VEHICLE & EQUIPMENT EXPENSES	-56,683.29
Total Expense	-118,669.33
Net Income	85,385.50

City of Thorne Bay
Profit & Loss Budget vs. Actual
 July 1, 2023 through May 2, 2024

	Jul 1, '23 - May 2, 24	Budget
Income		
INTEREST & INVESTMENT INCOME		
Interest Income	20.54	0.00
Total INTEREST & INVESTMENT INCOME	<u>20.54</u>	<u>0.00</u>
RENTALS & LEASE INCOME		
Equipment Rental	15,335.45	250,000.00
Total RENTALS & LEASE INCOME	<u>15,335.45</u>	<u>250,000.00</u>
SALES		
Rock Sales	11,351.30	1,000.00
Surplus Property	500.00	20,000.00
Total SALES	<u>11,851.30</u>	<u>21,000.00</u>
SERVICE CHARGES		
Laborer	0.00	150.00
Total SERVICE CHARGES	<u>0.00</u>	<u>150.00</u>
TAX INCOME		
Sales Tax	756.70	120.00
Total TAX INCOME	<u>756.70</u>	<u>120.00</u>
Total Income	<u>27,963.99</u>	<u>271,270.00</u>
Gross Profit	<u>27,963.99</u>	<u>271,270.00</u>
Expense		
CONTRACT SERVICES		
Contract Labor	41,072.50	30,000.00
Total CONTRACT SERVICES	<u>41,072.50</u>	<u>30,000.00</u>
FEES / PERMITS / LICENS EXPENSE		
Dues and Subscriptions	0.00	650.00
Fees Permits & Licensing Exp	30.00	300.00
Total FEES / PERMITS / LICENS EXPENSE	<u>30.00</u>	<u>950.00</u>
INSURANCE EXPENSE		
AML/Insurance	3,807.04	6,606.00
Total INSURANCE EXPENSE	<u>3,807.04</u>	<u>6,606.00</u>
MATERIALS & SUPPLIES		
Materials & Supplies	549.99	12,500.00
Total MATERIALS & SUPPLIES	<u>549.99</u>	<u>12,500.00</u>
OPERATING EXPENSES		
Bldg/Grnd Maint Repair	36.00	2,500.00
Electricity	1,541.41	4,200.00
Heating Fuel	3,622.70	3,200.00
Postage and Freight	1,679.48	2,000.00
Telephone, Telecommunications	123.53	200.00
Total OPERATING EXPENSES	<u>7,003.12</u>	<u>12,100.00</u>

	Jul 1, '23 - May 2, 24	Budget
PAYROLL EXPENSES		
Volunteer Stipends	100.00	0.00
Payroll Wages	51,820.24	0.00
H.S.A. Company	3,375.31	0.00
Health Insurance	19,663.04	14,451.55
Life Insurance	108.16	122.72
Payroll Taxes	2,093.67	2,798.87
PERS	10,810.12	12,583.50
Worker's Compensation	5,919.75	10,512.00
PAYROLL EXPENSES - Other	9,406.92	73,354.12
Total PAYROLL EXPENSES	103,297.21	113,822.76
REPAIR & REPLACEMENT ENTERPRISE		
Streets Repair & Replacement	0.00	10,713.82
Total REPAIR & REPLACEMENT ENTERPRISE	0.00	10,713.82
VEHICLE & EQUIPMENT EXPENSES		
Equipment Lease (Loan)	30,706.47	30,000.00
Equipment Expenses	235.58	0.00
Equipment Maint & Repair	8,764.37	25,000.00
Equipment Purchase	1,282.73	45,000.00
Equipment Rental Expense	18,000.00	0.00
Vehicle Fuel	4,718.86	5,000.00
Vehicle Repairs and Maintenance	205.62	5,000.00
Total VEHICLE & EQUIPMENT EXPENSES	63,913.63	110,000.00
Total Expense	219,673.49	296,692.58
Net Income	-191,709.50	-25,422.58

City of Thorne Bay
Profit & Loss Budget vs. Actual
 July 1, 2023 through May 2, 2024

8:46 AM
05/02/2024
Cash Basis

	<u>\$ Over Budget</u>
Income	
INTEREST & INVESTMENT INCOME	
Interest Income	20.54
Total INTEREST & INVESTMENT INCOME	<u>20.54</u>
RENTALS & LEASE INCOME	
Equipment Rental	-234,664.55
Total RENTALS & LEASE INCOME	<u>-234,664.55</u>
SALES	
Rock Sales	10,351.30
Surplus Property	-19,500.00
Total SALES	<u>-9,148.70</u>
SERVICE CHARGES	
Laborer	-150.00
Total SERVICE CHARGES	<u>-150.00</u>
TAX INCOME	
Sales Tax	636.70
Total TAX INCOME	<u>636.70</u>
Total Income	<u>-243,306.01</u>
Gross Profit	<u>-243,306.01</u>
Expense	
CONTRACT SERVICES	
Contract Labor	11,072.50
Total CONTRACT SERVICES	<u>11,072.50</u>
FEES / PERMITS / LICENS EXPENSE	
Dues and Subscriptions	-650.00
Fees Permits & Licensing Exp	-270.00
Total FEES / PERMITS / LICENS EXPENSE	<u>-920.00</u>
INSURANCE EXPENSE	
AML/Insurance	-2,798.96
Total INSURANCE EXPENSE	<u>-2,798.96</u>
MATERIALS & SUPPLIES	
Materials & Supplies	-11,950.01
Total MATERIALS & SUPPLIES	<u>-11,950.01</u>
OPERATING EXPENSES	
Bldg/Grnd Maint Repair	-2,464.00
Electricity	-2,658.59
Heating Fuel	422.70
Postage and Freight	-320.52
Telephone, Telecommunications	-76.47
Total OPERATING EXPENSES	<u>-5,096.88</u>

	<u>\$ Over Budget</u>
PAYROLL EXPENSES	
Volunteer Stipends	100.00
Payroll Wages	51,820.24
H.S.A. Company	3,375.31
Health Insurance	5,211.49
Life Insurance	-14.56
Payroll Taxes	-705.20
PERS	-1,773.38
Worker's Compensation	-4,592.25
PAYROLL EXPENSES - Other	-63,947.20
Total PAYROLL EXPENSES	<u>-10,525.55</u>
REPAIR & REPLACEMENT ENTERPRISE	
Streets Repair & Replacement	-10,713.82
Total REPAIR & REPLACEMENT ENTERPRISE	<u>-10,713.82</u>
VEHICLE & EQUIPMENT EXPENSES	
Equipment Lease (Loan)	706.47
Equipment Expenses	235.58
Equipment Maint & Repair	-16,235.63
Equipment Purchase	-43,717.27
Equipment Rental Expense	18,000.00
Vehicle Fuel	-281.14
Vehicle Repairs and Maintenance	-4,794.38
Total VEHICLE & EQUIPMENT EXPENSES	<u>-46,086.37</u>
Total Expense	<u>-77,019.09</u>
Net Income	<u><u>-166,286.92</u></u>

City of Thorne Bay
Profit & Loss Budget vs. Actual
 July 1, 2023 through May 2, 2024

	Jul 1, '23 - May 2, 24	Budget
Income		
ENTERPRISE ACCTS		
Harbor Fees		
Harbor Fees	129.80	0.00
Live-aboard Fee	379.24	0.00
Total Harbor Fees	<u>509.04</u>	<u>0.00</u>
Water Fees	113,300.41	160,000.00
Total ENTERPRISE ACCTS	<u>113,809.45</u>	<u>160,000.00</u>
INTEREST & INVESTMENT INCOME		
Interest Income	12.17	0.00
Total INTEREST & INVESTMENT INCOME	<u>12.17</u>	<u>0.00</u>
MISCELLANEOUS INCOME		
Misc. Income	72.56	0.00
Total MISCELLANEOUS INCOME	<u>72.56</u>	<u>0.00</u>
RENTALS & LEASE INCOME		
Equipment Rental	0.00	100.00
Total RENTALS & LEASE INCOME	<u>0.00</u>	<u>100.00</u>
SALES		
Surplus Property	0.00	300.00
Total SALES	<u>0.00</u>	<u>300.00</u>
SERVICE CHARGES		
Reconnection of Services	325.00	0.00
Services Availability	10,154.68	14,000.00
Staff Dispatch Unauthorized Use	0.00	250.00
Total SERVICE CHARGES	<u>10,479.68</u>	<u>14,250.00</u>
TAX INCOME		
Sales Tax	4,470.50	6,500.00
Total TAX INCOME	<u>4,470.50</u>	<u>6,500.00</u>
Total Income	<u>128,844.36</u>	<u>181,150.00</u>
Gross Profit	128,844.36	181,150.00
Expense		
CONTRACT SERVICES		
Contract Labor	0.00	1,750.00
Total CONTRACT SERVICES	<u>0.00</u>	<u>1,750.00</u>
FEES / PERMITS / LICENS EXPENSE		
Dues and Subscriptions	0.00	1,250.00
Fees Permits & Licensing Exp	1,122.35	0.00
Testing	4,597.33	7,500.00
Total FEES / PERMITS / LICENS EXPENSE	<u>5,719.68</u>	<u>8,750.00</u>
INSURANCE EXPENSE		

	Jul 1, '23 - May 2, 24	Budget
AML/Insurance	0.00	17,000.00
Total INSURANCE EXPENSE	0.00	17,000.00
MATERIALS & SUPPLIES		
Chemicals	7,173.74	8,500.00
Materials & Supplies	1,501.55	8,000.00
Total MATERIALS & SUPPLIES	8,675.29	16,500.00
MISCELLANEOUS EXPENSES		
Other Misc. Expenses	0.00	750.00
Total MISCELLANEOUS EXPENSES	0.00	750.00
OPERATING EXPENSES		
Bldg/Grnd Maint Repair	48.00	1,000.00
Electricity	8,090.41	15,500.00
Heating Fuel	6,723.16	12,500.00
Internet Use	2,617.56	3,000.00
Postage and Freight	3,454.87	4,500.00
Total OPERATING EXPENSES	20,934.00	36,500.00
PAYROLL EXPENSES		
Payroll Wages	11,061.81	0.00
H.S.A. Company	3,384.67	0.00
Health Insurance	27,844.99	21,179.86
Life Insurance	108.46	128.18
Payroll Taxes	1,184.42	1,585.72
PERS	13,079.15	14,239.09
Worker's Compensation	3,318.75	3,230.00
PAYROLL EXPENSES - Other	48,402.55	64,723.14
Total PAYROLL EXPENSES	108,384.80	105,085.99
REPAIR & REPLACEMENT ENTERPRISE		
Water Repair and Replacement	0.00	15,188.33
Total REPAIR & REPLACEMENT ENTERPRISE	0.00	15,188.33
TRAVEL & TRAINING		
Mileage Reimbursement	0.00	50.00
Per Diem	0.00	500.00
Training	500.00	750.00
Travel	0.00	750.00
Total TRAVEL & TRAINING	500.00	2,050.00
VEHICLE & EQUIPMENT EXPENSES		
Equipment Expenses	10,125.00	0.00
Equipment Maint & Repair	611.36	6,500.00
Equipment Purchase	0.00	20,500.00
Vehicle Fuel	1,737.56	2,500.00
Vehicle Repairs and Maintenance	409.92	1,000.00
Total VEHICLE & EQUIPMENT EXPENSES	12,883.84	30,500.00
Total Expense	157,097.61	234,074.32
Net Income	-28,253.25	-52,924.32

City of Thorne Bay
Profit & Loss Budget vs. Actual
 July 1, 2023 through May 2, 2024

8:47 AM
05/02/2024
Cash Basis

	<u>\$ Over Budget</u>
Income	
ENTERPRISE ACCTS	
Harbor Fees	
Harbor Fees	129.80
Live-aboard Fee	379.24
Total Harbor Fees	<u>509.04</u>
Water Fees	-46,699.59
Total ENTERPRISE ACCTS	<u>-46,190.55</u>
INTEREST & INVESTMENT INCOME	
Interest Income	12.17
Total INTEREST & INVESTMENT INCOME	<u>12.17</u>
MISCELLANEOUS INCOME	
Misc. Income	72.56
Total MISCELLANEOUS INCOME	<u>72.56</u>
RENTALS & LEASE INCOME	
Equipment Rental	-100.00
Total RENTALS & LEASE INCOME	<u>-100.00</u>
SALES	
Surplus Property	-300.00
Total SALES	<u>-300.00</u>
SERVICE CHARGES	
Reconnection of Services	325.00
Services Availability	-3,845.32
Staff Dispatch Unauthorized Use	-250.00
Total SERVICE CHARGES	<u>-3,770.32</u>
TAX INCOME	
Sales Tax	-2,029.50
Total TAX INCOME	<u>-2,029.50</u>
Total Income	<u>-52,305.64</u>
Gross Profit	<u>-52,305.64</u>
Expense	
CONTRACT SERVICES	
Contract Labor	-1,750.00
Total CONTRACT SERVICES	<u>-1,750.00</u>
FEES / PERMITS / LICENS EXPENSE	
Dues and Subscriptions	-1,250.00
Fees Permits & Licensing Exp	1,122.35
Testing	-2,902.67
Total FEES / PERMITS / LICENS EXPENSE	<u>-3,030.32</u>
INSURANCE EXPENSE	

	<u>\$ Over Budget</u>
AML/Insurance	-17,000.00
Total INSURANCE EXPENSE	-17,000.00
MATERIALS & SUPPLIES	
Chemicals	-1,326.26
Materials & Supplies	-6,498.45
Total MATERIALS & SUPPLIES	-7,824.71
MISCELLANEOUS EXPENSES	
Other Misc. Expenses	-750.00
Total MISCELLANEOUS EXPENSES	-750.00
OPERATING EXPENSES	
Bldg/Grnd Maint Repair	-952.00
Electricity	-7,409.59
Heating Fuel	-5,776.84
Internet Use	-382.44
Postage and Freight	-1,045.13
Total OPERATING EXPENSES	-15,566.00
PAYROLL EXPENSES	
Payroll Wages	11,061.81
H.S.A. Company	3,384.67
Health Insurance	6,665.13
Life Insurance	-19.72
Payroll Taxes	-401.30
PERS	-1,159.94
Worker's Compensation	88.75
PAYROLL EXPENSES - Other	-16,320.59
Total PAYROLL EXPENSES	3,298.81
REPAIR & REPLACEMENT ENTERPRISE	
Water Repair and Replacement	-15,188.33
Total REPAIR & REPLACEMENT ENTERPRISE	-15,188.33
TRAVEL & TRAINING	
Mileage Reimbursement	-50.00
Per Diem	-500.00
Training	-250.00
Travel	-750.00
Total TRAVEL & TRAINING	-1,550.00
VEHICLE & EQUIPMENT EXPENSES	
Equipment Expenses	10,125.00
Equipment Maint & Repair	-5,888.64
Equipment Purchase	-20,500.00
Vehicle Fuel	-762.44
Vehicle Repairs and Maintenance	-590.08
Total VEHICLE & EQUIPMENT EXPENSES	-17,616.16
Total Expense	-76,976.71
Net Income	24,671.07

MINUTES

FOR THE REGULAR MEETING
OF THE CITY COUNCIL FOR THE
CITY OF THORNE BAY, ALASKA

TUESDAY, April 2, 2024

TIME: 6:30 p.m.

THERE WAS A WORKSHOP OF THE CITY COUNCIL HELD AT 6:00PM

1. CALL TO ORDER:

Tiana LaVoie called the meeting to order at 6:30 p.m.

2. PLEDGE TO FLAG:

The audience and council stood for the pledge to the flag.

3. ROLL CALL:

Those present were:

Blair, LaVoie, Burger, Lovell, Hartwell & Kaer

Those absent were:

Nyquest

4. APPROVAL OF AGENDA:

Tiana moved to approve the agenda. Lovell seconded the motion. No Further Discussion.

MOTION: Move to approve the Agenda.

F/S: Tiana/ Lovell

YEAS: Kaer, Blair, LaVoie, Burger, Hartwell, Lovell

NAYS: None

ABSENT: Nyquest

STATUS: Motion Passed.

5. **MAYOR'S REPORT:** Vice Mayor reported for Mayor Nyquest. Huestis reported that Nyquest is on the mend and will hopefully be well enough to be home soon.

6. ADMINISTRATIVE REPORTS:

a) **City Administrator:** Attached

b) **Clerk:** Attached

7. DEPARTMENT REPORTS:

a) **WATER:** Attached

b) **Harbor:** Attached

c) **EMS:** Tony Lovell reported for EMS. See attached.

d) **VPSO:** Will West is out, no report given.

8. PUBLIC COMMENTS:

- **Sam Sawyer** commented that the basketball court needs some work. Painting and lights especially.
- **Tim Lindseth** thanked the City Admin's help patching the road and hiring Reids.

9. COUNCIL COMMENTS:

- **Kaer** questioned if the basketball court was cement or asphalt, question was answered by Tim Lindseth. Continued with a question about why we need another ambulance, where it would go, if it would be kept covered.
- **Lovell** responded with Ambulance specifications, and that one ambulance has ongoing

issues. Need for an update ambulance if it's available.

- **Lovell** responded to Sam Sawyer's concern of the basketball court, looking for a bullet list for community members to aide in restoration. (**Sam Sawyer: pitting, paint, weather erosion. Weatherized/covered/lighted court would be ideal**).
- **Huestis** commented that Amy Jennings got a quote of \$13/14K to fix lighting, but unsure of the quotes contents. Will revisit and see what the lighting would cost. Will also look into some kind of repair for the pitting.
- **Kaer** can we pay APT to get lights mounted to poles?
- **Lovell** commented that the EMS Firehall does not have a gutter on the backside? Could be added in the future?
- **Huestis** clarified that it was not maintained and was constantly clogged with leaves And debris.

10. PUBLIC HEARING:

- a) Resolution 24-04-02-01-PZ Public Hearing on City of Thorne Bay for Atlas Towers Conditional Use Permit for Telecommunications Tower Construction on Tract EGP, Sandy Beach Road: Tiana moved to approve Resolution 24-04-02-01-PZ Public Hearing on City of Thorne Bay for Atlas Towers Conditional Use Permit for Telecommunications Tower Construction on Tract EGP, Sandy Beach Road, Kaer seconded. Discussion as follows:

Huestis provided an overview of the Resolution. Parcel is zoned Public and requires a Conditional Use Permit.

Public Comments: None

MOTION: Move to approve Resolution 24-04-02-01-PZ Public Hearing on City of Thorne Bay for Atlas Towers Conditional Use Permit for Telecommunications Tower Construction on Tract EGP, Sandy Beach Road, Kaer seconded, no further discussion.

F/S: Tiana/Kaer
YEAS: Kaer, LaVoie, Burger, Hartwell, Lovell, Blair
NAYS: None
ABSENT: Nyquest
STATUS: Motion Passed

11. CONSENT AGENDA:

- a) Minutes of the March 5, 2024, Regular City Council Meeting, discussion and action item: Tiana moved to approve the Consent Agenda of March 5, 2024 Regularly City Council Meeting, Lovell seconded. Discussion none.

MOTION: Move to approve the Consent Agenda of March 5, 2024 Regularly City Council Meeting
F/S: Tiana/ Lovell
YEAS: Kaer, LaVoie, Burger, Hartwell, Lovell, Blair
NAYS: None
ABSENT: Nyquest
STATUS: Motion Passed

12. **NEW BUSINESS:**

a) Resolution 24-04-02-01: Authorizing Adventure Alaska to Rent Additional Boat Stalls Within the Main Throne Bay Harbor. Discussion and Action Item

Tiana moved to approve Resolution 24-04-02-01: Authorizing Adventure Alaska to Rent Additional Boat Stalls Within the Main Throne Bay Harbor. Discussion and Action Item , Lovell seconded. No further discussion

MOTION: Move to approve Resolution 24-04-02-02: Authorizing Adventure Alaska to Rent Additional Boat Stalls Within the Main Throne Bay Harbor. Discussion and Action Item

F/S: Tiana/ Lovell

YEAS: Kaer, LaVoie, Burger, Hartwell, Lovell, Blair

NAYS: None

ABSENT: Nyquest

STATUS: **Motion Passed**

b) Resolution 24-04-02-02: Approving the 6 month renewal for Deana Cotrell in RV Lot 1, Discussion and Action Item;

Tiana moved to approve Resolution 24-04-02-02: Approving the 6 month renewal for Deana Cotrell in RV Lot 1, Lovell Seconded, Discussion and Action Item

MOTION: Move to approve Resolution 24-04-02-02: Approving the 6 month renewal for Deana Cotrell in RV Lot 1, Discussion and Action Item

F/S: Tiana/

YEAS: Kaer, LaVoie, Burger, Hartwell, Lovell, Blair

NAYS: None

ABSENT: Nyquest

STATUS: **Motion Passed**

13. **ORDINANCES FOR PUBLIC HEARING:**

14. **ORDINANCES FOR INTRODUCTION:**

15. **CONTINUATION OF PUBLIC COMMENT:**

16. **CONTINUATION OF COUNCIL COMMENT:**

- **Kaer** questioned grants for harbor expansions. Would like to see a proper landing and expansion at Davidson Landing. Questioned the design for the firehall on Southside. **Huestis** responded that he put in for appropriations to Senator Murkowski for funds to move forward. Intend to apply for an additional grant as well. **Kaer** continued that people would like to have an input about the design, etc, for it.
- **Huestis** responded that it is in process and the opportunity for input on the design was when that went to public hearing before.
- **Lovell** questioned what the water supply would be. (catchment or well). **Huestis** responded catchment.

17. **ADJOURNMENT:**

Council member Tiana LaVoie adjourned the meeting at 7:28 PM.



**CITY OF THORNE BAY
RESOLUTION 24-05-07-01**

Sponsor: Lee Burger

Introduction: May 07, 2024

Vote: __ Yeas, __ Nays, __ Absent

A RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF THORNE BAY, ALASKA, APPROVING THE SHORT-TERM LEASE WITH SHARON & CORNELL LLC FOR LEASE OF CITY OWNED TIDELANDS LOCATED AT 1212 (B) SHORELINE DRIVE, FOR THE PURPOSES OF OPERATING A RESTAURANT

WHEREAS, the City Council is the governing body of the City of Thorne Bay; and

WHEREAS, the SISD sold the restaurant building and is ending their lease; and

WHEREAS, the Thorne Bay Municipal Code 2.56.240-provides that negotiated leasing may be conducted with a single prospective lessee or renter through the use of resolution; and

WHEREAS, Sharon & Cornell LLC has bought the building residing on City Tidelands property with intent to rent space; and

WHEREAS, it is in the City's best interest to retain Sharon & Cornell LLC as a "renter" under the terms of a two year lease.

NOW THEREFORE, BE IT RESOLVED that the City Council for the City of Thorne Bay hereby approves the noncompetitive short-term lease, effective May 1, 2024, through April 30, 2026, for the rental of city owned lands located at 1212 (b), Shoreline Drive, for the placement of a modular building that is used for operating a restaurant.

PASSED AND APPROVED this 7th day of May 2024, by a duly constituted quorum of the City Council with a vote of __ yeah and ____ nay.

ATTEST

Lee Burger, Vice Mayor

Caitlyn Sawyer, City Clerk/Treasurer

LEASE AGREEMENTS BETWEEN
THE CITY OF THORNE BAY SHARON & CORNELL LLC FOR LEASE OF CITY OWNED TIDELANDS

THIS AGREEMENT of Lease is made effective this 1st day of May 2024, by and between the City of Thorne Bay, an Alaska municipal corporation, P.O. Box 19110, Thorne Bay, Alaska 99919 (hereinafter called the City or Lessor), and Sharon & Cornell LLC of PO Box 19375, Alaska 99919, hereinafter referred to as (Lessee).

1. **Leased Premises.** The City of Thorne Bay hereby leases to Lessee the following described municipal land ("Premises"), situated in the City of Thorne Bay, First Judicial District, State of Alaska, described as follows:
 - a. City owned municipal land, located easterly of the City owned boat launch facility as shown on the attached map within the corporate boundaries of the City of Thorne Bay.
 - b. In additions to the terms and conditions contained in all of the sections of this Lease, the provisions of Title 2, Article III of the Thorne Bay Municipal Code shall apply to the terms and conditions of this Lease Agreement unless otherwise amended in this Lease.
2. **Term.** The term of this Lease shall be for a two (2) year term commencing May 1, 2024 and terminating April 30, 2026. The lease shall terminate automatically on the expiration of the first year unless the Lessor and Lessee have executed a new lease for a new term or agreed to an extension of this lease in writing. Absent an approved Lease Agreement, the Lessee shall vacate the Premises on or before the ending date of this Lease Agreement by removing all structures thereon. If the City and Lessee enter a new lease, or an extension of this Lease, the monthly lease payment shall be reviewed and adjusted in accordance with the provisions of Section 2.56.210 of Title 2, Article III of the Thorne Bay Municipal Code.
3. **Occupancy.** Lessee was granted occupancy of the Premises on or about May 1, 2024. Lessee will be granted continued occupancy of premises upon signature of this lease renewal.
4. **Rent.** This is a triple-net Lease with Lessee responsible for rent and taxes as defined herein. Lessee agrees to pay to Lessor rent, on or before the first day of each calendar month, payable to Lessor and mailed to City of Thorne Bay, PO Box 99110, Thorne Bay, Alaska 99919. Payments received after the 10th day of the month will be subject to a 10% late charge.
 - a) **Rental Rate:** Lessee will pay rent at the rate of \$320.00 per month, for the months of June 1st through October 31st.
 - b) **Reduced Rental Rate:** Lessee will pay a reduced rental rate of \$160.00 per month, for the months of November 1st through May 31st
5. **Purchase.** Lessee is the owner of the modular building and equipment, personal property, and inventory.
6. **Annual Rent Adjustment.** The parties agree that if the Lessor and Lessee execute a new lease for a new term or agreed to an extension of this lease in writing the monthly rent shall be subject to adjustment mutually agreed upon by both parties. Under no circumstances shall the rental price be decreased from the amount charged at the outset of this Lease until the rent amount charged at the outset of this Lease has been paid for twelve (12) months.

7. Sales and Property Taxes.

a. Lessee shall pay, in addition to the rentals specified in Paragraph 4 above, any sums required to be paid under the sales tax, personal property tax, special assessments and/or real property laws that may be in force from time to time within the City of Thorne Bay, Alaska. The amounts for sales tax, special assessments and personal property taxes shall be payable at least ten (10) days prior to delinquency. Proof of the payment of Sales Taxes shall be provided to the Lessor monthly. all personal property taxes applicable to the personal property owned by Lessee and located on the leased Premises.

8. **Deposits.** Lessee shall deposit with the City an amount equal to N/A. Upon termination of the Lease the Lessee shall vacate the premise leaving it in the same clean condition as presented at the time the Lease was entered. If the Premises need cleaning, repairs or the Lessee is in default in payments the deposit shall be used to offset such costs. In the event the Premises are clean and in need of no repairs the deposit will be refunded in full.

9. **Use.** Lessee shall use the leased premises for the purposed of maintaining and operating a restaurant owned by Sharon & Cornell LLC with indoor and outdoor seating open to the general public. Uses to also include other structures or facilities added to or adjacent to the restaurant for the purpose of display or sale of items associated with Sharon & Cornell LLC, or the maintaining and operating of the restaurant. The leased premises shall not be used for any other purposes without the prior written consent of Lessor.

10. **Permits and Compliance with Law.** Lessee shall obtain all necessary local, state, and federal permits necessary for the operation of Lessee's business and shall comply with all local, state and federal laws, rules and regulations. Failure to comply with any requirements of this section shall constitute a material breach of and a default of the Lease Agreement resulting in the Lessor's option to terminate the Lease Agreement, in the sole discretion of the Lessor. Upon termination due to a breach or default under this section, the Lessee shall vacate the premise immediately.

11. **Acceptance of the Leased Property by Lessee.** Lessee acknowledges that it/he/she has thoroughly examined the leased premises. Lessee accepts the leased premises in their "AS IS" condition. The Lessor shall not be required to perform any work to prepare leased premises for the Lessee. Lessee's taking possession of leased premises shall be conclusive evidence against the Lessee that, at the time possession was taken, leased premises were in good and satisfactory condition. Lessee has not relied upon any representations or statements of the Lessor or its representatives or agents regarding the condition of the leased premises or their suitability for Lessee's uses under this Lease.

a. Lessee specifically acknowledges that Lessee has had access to the water reports related to the City of Thorne Bay water system and Lessee has reviewed those reports to the extent deemed necessary by the Lessee before determining to enter this Lease. The decision to enter this Lease and operate the restaurant on the premises and to use and serve City water, or to use or serve some other water source, is solely that of the Lessee, and Lessee takes full responsibility to the fullest extent of the law for the water source it chooses to use in the operation of the restaurant. Lessee acknowledges that it/he/she has no cause of action of any kind or any nature, including any administrative proceedings or complaints, against the City of Thorne Bay based on any allegation or claim related to the water quality of the City of Thorne Bay water system.

12. **Insurance. Liability Insurance.** During the term of this Lease, Lessee shall, at Lessee's own expense, maintain and keep in force adequate insurance to protect both the Lessor and Lessee against comprehensive liability, personal injury, including death, property damage, including as to any equipment or improvements, fire, and extended coverage claims. Lessee shall maintain insurance in amounts not less than comprehensive general liability insurance with minimum limits of \$1,000,000, with minimum limits of \$1,000,000 per individual and \$1,000,000 per accident. Lessor shall be named as an additional insured on all policies. Proof of Insurance shall be provided to Lessor within thirty (30) days after the parties have executed this lease and prior to public use of the premises. Lessor shall be notified at least thirty (30) days before the cancellation or termination of any policy. Failure to place and maintain insurance in compliance with this section constitutes an immediate, material breach of and default of the Lease. Failure of the Lessee to provide the Certificate of Insurance showing the City of Thorne Bay as an additional insured within thirty (30) days of the signing of this Lease by the Lessee shall constitute a material breach and a default on the lease and the City shall have the right to immediately terminate the lease and pursue any other remedies allowable by law to remove the Lessee from the premises.

Property Insurance. During the term of this Lease, Lessee shall at all times carry upon any property belonging to Lessee and placed, erected or installed in, on or upon the Premises, fire and casualty insurance protecting against loss, damage or destruction caused by wind, fire, lightning, explosion, vandalism, malicious mischief, or such other casualties and such other risks as may be provided by extended coverage. Any such insurance shall name Lessor as an additional insured or contain such other provisions as may be needed to preclude any subrogation claims by the insurers against Lessor. Any such insurance shall be endorsed to require at least thirty (30) days' notice to Lessor prior to cancellation. Lessee shall also be responsible for providing Lessee's own personal property/inventory insurance coverage. Lessor will not be providing any insurance for the protection of Lessee, Lessee's loss of business, personal injury or property damage claims or content coverage. Lessee is responsible for providing any and all of its own insurance coverage. Lessee shall store its property in and shall occupy leased premises at its own risk, and releases the Lessor, to the full extent permitted by law, from all claims of every kind resulting in loss of life, personal or bodily injury or property damage.

Workers' Compensation Insurance. Lessee shall maintain Worker's Compensation Insurance in compliance with the laws of the State of Alaska, AS 23.30 et seq., and federal jurisdiction where the work is being performed.

Insurance Policy Requirements. All policies of insurance shall be issued by and maintained in responsible insurance companies selected by Lessee, organized under the laws of one of the states of the United States or The Underwriters at Lloyd's of London, authorized under the laws of the State of Alaska to assume the risks covered thereby, and rated at least "A" by A.M. Best Company, Inc. or Standard & Poor's Ratings Services, a Division of The McGraw-Hill Companies, Inc. Lessee will

deposit annually with Lessor policies evidencing all such insurance, or a certificate or certificates or binders of the respective insurers stating that such insurance is in force and effect. Each policy shall contain a provision that the insurer shall not cancel nor modify it without giving written notice to Lessor and Lessee at least 30 days before the cancellation, non-renewal or modification becomes effective.

13. **Improvements to Real Property.** There shall be no improvements, alterations or modifications on the Premises without the prior review and written approval of all plans by Lessor. Any alteration, addition or improvement approved by Lessor shall be performed in a good and workmanlike manner and by competent craftsmen. All alterations, additions and improvements shall comply with all federal, state and local governmental statutes, ordinances, laws, codes and regulations affecting the leased Premises and the use thereof. Lessee is required to obtain building permit authorization from the Lessor for construction of any and all structures placed on the lease area.
14. **Leasehold Improvements.** All signs or symbols placed on or about the leased premises shall be subject to Lessor's prior written approval. With prior written consent of Lessor, Lessee may make alterations and improvements on or to the leased premises, at Lessee's sole cost and expense. All fixtures, buildings and/or equipment of whatsoever nature which shall have been installed on the Premises by the Lessee, whether permanently affixed or otherwise, shall be the property of Lessee, and shall be removed by Lessee at the expiration or termination of this Lease. at Lessee's sole cost and expense, in the sole discretion of the Lessor unless Lessor and Lessee mutually agree to improvements remaining on leased premise. Any of Lessee's improvements remaining on the leased premises longer than thirty (30) days after termination or expiration of the lease shall become the property of the Lessor.
15. **Termination of Lease.** If Lessee vacates the leased Premises prior to the end of the Lease term, Lessee shall be responsible for continuation of Lease payments until the Lease expires at the end of the Lease term, or Lessor and Lessee mutually agree to terminate Lessee's Lease obligation.
16. **Quiet Enjoyment.** If Lessee performs and fulfills all the covenants and conditions herein contained, Lessee shall quietly enjoy the Premises during the term of this Lease and any extensions thereof.
17. **Destruction of Premises.**
 - a. In the event the Premises or any substantial portion thereof shall be damaged by fire, wind, flood, earthquake or other casualty, and it reasonably appears that repair cannot be effected so as to permit re-occupancy within thirty (30) days from the date of casualty, either party at its option, may by written notice mailed within ten (10) days from the date of such casualty elect to terminate this Lease, effective as of the date of such casualty. If neither party shall so elect to terminate this Lease, Lessee's liability for rent shall abate in proportion to that portion of the Premises rendered unfit for Lessee's operation by reason of such casualty until such time as repairs are completed; provided, however, that if repair work progresses in stages and results in rendering portions of the Premises fit for utilization by Lessee from time to time, the abatement of rent shall be reduced proportionately as repairs to portions of the demised Premises are completed.
 - b. In the event that less than a substantial portion of the demised Premises are damaged by fire, wind, flood, earthquake or other casualty, this Lease shall not end, but the rent shall be abated in accordance with the provisions contained in subparagraph (a) above, during any period in which repairs are being performed.
 - c. As used in this paragraph, the term "substantial portion" means damage depriving Lessee of

use of fifty percent (50%) or more of the Premises.

- d. Notwithstanding subparagraphs (a) and (b) above, this Lease shall not end, nor shall any abatement of rent occur if the damage or destruction of the Premises is caused by any act or omission on the part of Lessee, its agents, invitees or licensees.
18. **Government Requirement.** The Lessee shall comply with all federal, state and municipal laws, ordinances, regulations, or orders, and all court orders and administrative orders.
 19. **Assignments and Subleases.** Lessee shall not assign the Lease or any interest in the lease for any purpose and shall not sublet the Premises or any part thereof and shall not permit any person to occupy or use the Premises except upon Lessor's written consent. The lessor may consent to the lessee subletting the property in exhibit "a" to allow for the operation of a restaurant. Any unapproved assignment or sublease shall be void. Lessor reserves the right to withhold consent.
 20. **Liens.** Lessee shall not do or permit anything causing the Premises to be encumbered by any lien and shall, whenever and as often as such lien is claimed against the Premises purporting to be for labor or materials furnished to Lessee or otherwise being based on a claim against Lessee, discharge the same within ten (10) days or Lessee shall post with Lessor a bond in an amount and with sureties which are satisfactory to Lessor guaranteeing that said lien will be removed. Notice is hereby given that Lessor shall not be liable for any labor or materials furnished to Lessee upon credit and that no mechanic's lien for such labor or material or other lien shall be attached to the interest of Lessor in the Premises.
 21. **Entry of Lessor.** Lessor shall be privileged at any time to inspect the Premises, and during the six-month period next preceding the expiration of the term thereof, shall be privileged, together with brokers and prospective Lessees, to inspect the Premises. If, at reasonable hours, admission to the Premises for the stated purposes cannot be obtained, or if at any time Lessor shall deem admission necessary for the benefit of Lessee, Lessor may, but is not obligated to, enter the Premises by means of a master key or other peaceable manner.
22. **Waiver and Indemnification.**
 - a. **Waiver.** The City of Thorne Bay shall not be liable to Lessee and Lessee hereby waives all claims against Lessor, in their capacity as the Lessor under this Lease, for any injury, illness, or death of any person or damage to any property in or about the Premises or real property caused by any act or omission of Lessee, its agents, or employees.
 - b. **Indemnification.** Lessee agrees to protect, defend, indemnify, and hold the City of Thorne Bay and its mayor, council members, agents and employees, harmless from and against any and all claims, damages, actions, administrative proceedings, liability, loss, or expense (including reasonable attorneys' fees), of any kind and any nature, incurred in connection with or arising from any injury, illness, or death to any person or damage to any property or from any other cause whatsoever occurring in on or about the Premises or real property or any part thereof arising at any time and from any cause whatsoever in the Lessee's use of the Premises. In case any action or proceeding is brought against Lessor by reason of any such claim or liability, Lessee shall defend any and all suits that may be brought, and claims which may be made, against Lessor, at Lessee's sole cost and expense.
 - c. The Lessor shall not be responsible or liable for any injury, loss or damage to any person or to any property of Lessee or other person caused by or resulting from the elements, frosting,

breakage, leakage, steam, snow, ice, running water, or the overflow of sewage, in any part of leased premises or surrounding area used by or in support of restaurant operations. The Lessor shall not be responsible for any injury or damage caused by or resulting from acts of God or Mother Nature.

- d. Lessee shall defend, indemnify and hold the City and its mayor, council members, employees and agents harmless from any and all civil or criminal liabilities or penalties, including costs of defense, resulting from or arising out of or related to in any way Lessee's noncompliance with any term or provision of this Lease, which the noncompliance causes environmental or water quality damage, spill or other environmental related event, or civil or criminal penalties or sanctions to be incurred or alleged.

23. **Building Containing Premises/Grounds.** lessee shall maintain the leased premises at Lessee's sole cost and expense and at all times keep the leased premises neat, clean and in a sanitary condition. Lessee shall keep and use the leased premises in accordance with applicable laws, ordinances, rules, regulations and requirements of all governmental authorities. Lessee shall permit no waste, damage or injury to the leased premises.

24. **Hazardous Substances.** Lessee shall not use the leased Premises in a manner that violates any federal, state or local law, regulation, or ordinance, including, but not limited to, any such law, regulation or ordinance pertaining to air and water quality, the handling, transportation, storage, treatment, usage or disposal of Hazardous Substances. "Hazardous Substances" shall be interpreted broadly and include, but not be limited to, any material or substance that is defined or classified under federal, state or local laws as (a) "hazardous substance" pursuant to § 101 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 (14) of § 311 of the Federal Water Pollution Control Act, 33 U.S.C. § 1321, each as now or hereafter amended; (b) a "hazardous waste" pursuant to § 1004 or § 3001 of the Resource Conservation and Recovery Act, 42 U.S.C. § 6903, 42 U.S.C. § 691, as now or hereafter amended; (c) a toxic pollutant under § 307(l)(a) of the Federal Water Pollution Control Act, 33 U.S.C. § 1317(l)(a); (d) a "hazardous air pollutant" under § 112 of the Clean Air Act, 42 U.S.C. § 7412, as now or hereafter amended; (e) a "hazardous material" under the Hazardous Material Transportation Act, 49 U.S.C. § 1802(2), as now, or hereafter amended; (f) toxic or hazardous substances pursuant to regulations promulgated now or hereafter under the aforementioned laws; or (g) presenting a risk to human health or the environment under other applicable federal, state or local laws, ordinances, or regulations, as now, or as may be passed or promulgated in the future.

Lessee agrees to immediately notify Lessor if Lessee becomes aware of

- i. any Hazardous Substances or other environmental problem or liability with respect to the Premises or real property, or
- ii. any lien, action, or notice resulting from violation of any of the laws, regulations, ordinances, or other environmental laws.

It shall be Lessee's sole responsibility to pay for any and all remediation resulting from any contamination caused by Lessee or resulting from Lessee's use of the Premises. Lessee agrees to defend, indemnify and hold Lessor harmless from any liability, including costs and actual attorney's fees, associated with remediation of any hazardous waste identified on the subject property resulting from any use of the Premises by the Lessee.

25. **Utilities.** Lessee shall be responsible for utilities associated with the Premises, including but not limited to electricity, heat, water, sewer, telephone and refuse disposal. Lessee agrees to pay,

and keep current, ALL charges, including deposits, for all utilities, including but not limited to water, sewer, refuse collection, electricity, propane, fuel oil and telephone. Failure to do so will result in the utility being shut off. If the City shuts off any of the utilities, such action shall constitute a material breach of the Lease and the Lessor shall have the immediate right to terminate the lease upon the shutoff, in the sole discretion of the Lessor. Absent an approved Lease Agreement, the Lessee shall vacate the premise immediately upon the shutoff of any utility.

26. **Signs.** Lessee will pay for exterior signage for Lessee's business. All signage must be consistent with any ordinances of the City related to signage.

27. **Default.** Any of the following shall constitute a default hereunder by Lessee:

- a. Failure to perform the covenants contained in this Lease for the payment of rent;
- b. Failure to perform or fulfill any other covenant or condition contained in this Lease;
- c. Dissolution, other termination of existence, or insolvency, in any sense, of Lessee;
- d. The shut off of utilities;
- e. The filing of a petition by or against Lessee for adjudication as a bankrupt, or for reorganization or arrangement within the meaning of the Bankruptcy Act;
- f. The dissolution or the commencement of any action or proceeding for the dissolution or liquidation of the Lessee or for the appointment of a receiver or trustee of leased premises of the Lessee;
- g. The taking possession of leased premises of the Lessee by any governmental officer of agency pursuant to statutory authority for the dissolution or liquidation of the Lessee;
- h. The making by the Lessee of an assignment for the benefit of creditors;
- i. Lessee vacates or abandons the leased premises; and
- j. A failure that continues for five (5) days or more to have the Lessor named as an additional insured as required under paragraph 12, and Lessee fails to cure such default within ten (10) days after receipt of a written notice has been received by Lessee specifying such failure to name the City as an additional insured.

The specification of events constituting default by the Lessee in this Section are in addition to any defaults specified in the Thorne Bay Municipal Code. Failure to perform a covenant or fulfill a condition contained in this Lease shall constitute a default for purposes of this paragraph, regardless of whether other consequences of such failure are provided for herein, as in the case where an assignment without consent is void.

28. **Lessor's Remedies on Default.** All rights and remedies of the Lessor enumerated shall be cumulative, and none shall exclude any other right or remedy allowed by law. In addition to the other remedies in this Lease provided, the Lessor shall be entitled to the restraint by injunction of the violation or attempted violation of any of the covenants, agreements or conditions of this Lease. Lessor's remedies are as follows:

In the event of any default of the Lessee, the Lessor shall have the following rights and remedies – all in addition to any rights or remedies that may be given to the Lessor by statute, common law, or under Thorne Bay Municipal Code.

- a. If Lessee defaults in the payment of the rent reserved in this Lease, and such default continues for ten (10) days after written notice, or if Lessee defaults in the prompt and full performance of any other provision of this Lease and such default continues for thirty (30) days after notice, or if the leasehold interest of Lessee be levied upon under execution or be attached by process of law, or if Lessee abandons the Property, then, in any such events, Lessee shall be in default under this Lease and Lessor may, at its election, either terminate this Lease and

Lessee's right to possession of the Premises or, without terminating this Lease, endeavor to relet the Premises. Nothing herein shall be construed so as to relieve Lessee of any obligation including payment of the rent reserved in this Lease.

- b. Re-enter leased premises and take possession thereof, remove all persons therefrom, and remove Lessee's property therefrom and store it in a public warehouse or elsewhere at the cost of Lessee, all without service of notice or resort to legal process (all of which Lessee expressly waives) and without becoming liable for trespass, forcible entry, detainer, or other tort or for any loss or damage which may be occasioned thereby;
- c. Declare the Term ended;
- d. Re-let leased premises in whole or in part for any period equal to or greater, or less, than the remainder of the Term for any sum which is commercially reasonable;
- e. Collect all reasonable damages, costs and expenses that the Lessor may incur by reason of default by Lessee, together with interest calculated at the rate of ten percent (10%) per annum;
- f. If Lessee abandons the Premises or Lessor otherwise becomes entitled so to elect, and Lessor elects, without terminating this Lease, to endeavor to relet the Premises, Lessor may, at Lessor's option, enter into the Premises, remove Lessee's signs and other evidence of tenancy, and take and hold possession thereof as provided in subparagraph (ii) of this paragraph, without such entry and possession terminating this Lease or releasing Lessee, in whole or in part, from Lessee's obligation to pay the rent hereunder for the full term as hereinafter provided. Upon and after entry into possession without termination of this Lease, Lessor may relet the Premises or any part thereof for the account of Lessee to any person, firm or corporation other than Lessee for such rent, for such time and upon such terms as Lessor shall determine to be reasonable. In any such case, Lessor may make repairs, alterations and additions in or to the Premises, and redecorate the same to the extent deemed by Lessor necessary or desirable, and Lessee shall, upon demand, pay the cost thereof, together with Lessor's expenses of the reletting including, without limitation, broker's commissions and advertising expenses. If the consideration collected by Lessor upon any such reletting for Lessee's account is not sufficient to pay yearly the full amount of the rent reserved in this Lease, together with the cost of repairs, alterations, additions, redecorating and Lessor's expenses, Lessee shall pay to Lessor the amount of each yearly deficiency upon demand.
- g. If Lessor elects to terminate this Lease in any of the contingencies specified in this paragraph, it being understood that Lessor may elect to terminate the Lease after, and notwithstanding its election to terminate Lessee's right to possession as provided in subparagraph (i) of this paragraph, Lessor shall forthwith, upon such termination, be entitled to recover as damages, and not as a penalty, an amount equal to the then present value of the rent reserved in this Lease for the residue of the term of this Lease, less the present value of the fair rental value of the Premises for the residue of the term of this Lease.
- h. Lessee agrees that if it shall, at any time, fail to make any payment or perform any other act on its part to be made or performed under this Lease, Lessor may, but shall not be obligated to, after ten (10) days prior written notice and without waiving, or releasing Lessee from any obligation under this Lease, make such payment or perform such other act to the extent Lessor may deem desirable, and in connection therewith to pay expenses and employ counsel. Lessee agrees to pay a reasonable attorney's fee if legal action is required to enforce performance by Lessee of any condition, obligation or requirement thereunder. All sums so paid by Lessor and all expenses in connection therewith, together with interest thereon at

the current maximum legal rate of interest from the date of payment to the date of repayment, shall be deemed additional rent hereunder and payable at the time of any installment of rent thereafter becoming due, and Lessor shall have the same rights and remedies for the non-payment thereof, or of any other additional rent, as in the case of default in the payment of rent.

29. **Lessor's Remedies.** In the event of default hereunder by Lessee, Lessor shall have all the rights and remedies afforded by law, which shall be cumulative and may be exercised separately or concurrently.
30. **Waiver.** Except to the extent that a party may have otherwise agreed in writing, no waiver by a party of any breach by the other party of any of its obligations, agreements or covenants hereunder shall be deemed to be a waiver of any subsequent breach of the same or any other covenant, agreement or obligation. Nor shall any forbearance by a party to seek a remedy for any breach of the other party be deemed a waiver of its rights or remedies with respect to such breach.
31. **Changes.** No modifications, amendments, deletions, additions or alterations of the Lease Agreement shall be effective unless in writing and signed by Lessor and Lessee and such representatives of the Lessor and Lessee are authorized to make such changes.
32. **Joint Product.** The language set out in this Lease represents the joint product of the parties and shall not be construed against one party in favor of the other. Each party hereto has had the option of seeking the advice of legal counsel in the drafting of this Lease, and the rule of construction favoring construction against the drafter shall not apply. Lessee acknowledges and agrees that Lessee has not received any legal advice from the Lessor's attorney or from anyone associated with the Lessor.
33. **Authority.** The parties and their undersigned representatives warrant that they have full authority to enter into this Lease Agreement and to execute this Lease Agreement.
34. **Surrender of Leased Premises.** Upon termination of this Lease Agreement, Lessee agrees to peacefully quit and surrender the leased premises without notice, remove all of Lessee's buildings, equipment and personal property and leave the leased premises neat and clean. The Lessor, may through mutual agreement with Lessee, allow Lessee to leave all buildings, equipment and personal property on the Premise.
35. **Governing Law, Jurisdiction and Venue.** The laws of the State of Alaska shall govern the construction, interpretation and validity of this Lease. The Superior Court for the State of Alaska, First Judicial District at Craig, Alaska, shall be the exclusive jurisdiction and venue for any action of any kind and any nature arising out of or related in any way to this Lease and to the use of the Premises by the Lessee. Lessee specifically waives any right or opportunity to request a change of venue for trial from Craig, Alaska pursuant to A.S. 22.10.040.
36. **Acknowledgment by Lessee.** Lessee acknowledges that Lessee has had a full opportunity to consult with attorneys of Lessee's choice before signing this Agreement. Lessee acknowledges that Lessee is not relying on any statements or representations made by any employees, representatives, officers, consultants, the Mayor, or Council members of the City in entering this

Lease. Lessee further acknowledges that Lessee has not received and is not relying on any legal advice or representations by the City attorney.

37. General.

- a. The provisions of this Lease shall bind and inure to the benefit of the successors, devisees, legatees, heirs, distributes, representatives, and assigns of the parties. This provision does not limit in any way the Lessor’s sole discretion as to any subletting or assignment of the Premises.
- b. This Lease contains all of the covenants, promises, agreements, conditions and understanding, either oral or written, between the parties. No subsequent alteration changes or amendment to this Lease shall be binding upon the parties unless reduced to writing and signed by them. This Lease supersedes all previous agreements or discussions or negotiations, whether orally or in writing, between the parties.

38. **Notice.** Any notice required to be given by either party to the other shall be deposited in the United States mail, postage prepaid, addressed to Lessor at P.O. Box 19110, Thorne Bay, Alaska 99919, or the Lessee at, PO Box 19375, or at such other address as either party may designate in writing to the other.

DATED this ____ day of _____ 2024.

LESSOR:
THE CITY OF THORNE BAY

LESSEE:
SHARON & CORNELL LLC

By _____
Lee Burger, Vice Mayor

By _____
Jay Mar, Sharon & Cornell LLC

STATE OF ALASKA
CITY OF _____

THIS IS TO CERTIFY that on this ____ day of _____ 2024, before me, the undersigned, a notary public in and for the State of Alaska, duly commissioned and sworn, personally appeared Lee Burger, Vice Mayor of Thorne Bay, to me known and known to me to be the person named in and who executed the within and foregoing document, and he acknowledged that he executed the same freely and voluntarily, for the uses and purposes therein mentioned.

Caitlyn Sawyer, Notary
Commission Expires: _____

STATE OF ALASKA
CITY OF _____

THIS ISTOCERTIFY that on this ____ day of _____ 2024, before me, the undersigned, a notary public in and for the State of Alaska, duly commissioned and sworn, personally appeared Jay Mar, Sharon & Cornell LLC known to me to be the person named in and who executed the within and foregoing document, and he acknowledged that he executed the same freely and voluntarily, for the uses and purposes therein mentioned.

Caitlyn Sawyer, Notary Public
Commission Expires: _____

<u>OPERATING BUDGET</u>	<u>FY23 BUDGETED</u>	<u>FY23 ACTUALS</u>
Income	\$ 1,652,572.20	\$ 1,603,468.00
Expense	\$ 1,734,617.73	\$ 1,558,358.73
NET Operating Income:	\$ (82,045.53)	\$ 45,109.27

<u>Class List:</u>	<u>Actual Income:</u>	<u>Actual Expenses:</u>	<u>Actual Net:</u>	<u>Revenue Distribution:</u>
Admin-FY23 Actuals:	\$ 721,899.82	\$ 437,032.03	\$ 284,867.79	\$ 284,867.79
Council-FY23 Actuals:	\$ 1,000.00	\$ 25,740.26	\$ (24,740.26)	\$ 260,127.53
PZ-FY23 Actuals:	\$ 128.00	\$ 35.65	\$ 92.35	\$ 260,219.88
EMS-FY23 Actuals:	\$ 24,828.30	\$ 23,712.10	\$ 1,116.20	\$ 261,336.08
Fire-FY23 Actuals:	\$ 26,812.50	\$ 10,042.01	\$ 16,770.49	\$ 278,106.57
Harbor-FY21 Actuals:	\$ 110,851.35	\$ 113,918.46	\$ (3,067.11)	\$ 275,039.46
VPSO-FY23 Actuals:	\$ 22,500.00	\$ 35,773.89	\$ (13,273.89)	\$ 261,765.57
Library-FY23 Actuals:	\$ 5,942.65	\$ 7,933.61	\$ (1,990.96)	\$ 259,774.61
Parks-FY23 Actuals:	\$ 29,355.62	\$ 50,362.77	\$ (21,007.15)	\$ 238,767.46
RV-FY23 Actuals:	\$ 17,459.07	\$ 19,557.54	\$ (2,098.47)	\$ 236,668.99
Streets-FY23 Actuals:	\$ 129,766.39	\$ 239,722.42	\$ (109,956.03)	\$ 126,712.96
Solid Waste-FY23 Actuals:	\$ 198,789.84	\$ 220,108.04	\$ (21,318.20)	\$ 105,394.76
Sewer-FY23 Actuals:	\$ 158,015.11	\$ 184,116.72	\$ (26,101.61)	\$ 79,293.15
Water-FY23 Actuals:	\$ 156,117.90	\$ 190,303.23	\$ (34,185.33)	\$ 45,107.82
Bed-FY23 Actuals:	\$ 12,151.16	\$ 23,354.00	\$ (11,202.84)	\$ 33,904.98
FY23 ACTUAL (INCOME/EXP)	\$ 1,615,617.71	\$ 1,581,712.73	\$ 33,904.98	\$ 33,904.98
FY23 ORIGINAL BUDGET	\$ 1,652,572.20	\$ 1,734,617.73	\$ (82,045.53)	
FY23 ACTUAL INCOME/EXPENSE NET:			33,904.98	
TOTAL NET OPERATING BUDGET:			0.00	

City of Thorne Bay
Profit & Loss Budget vs. Actual
 July 2022 through June 2023

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 05/03/2024
 Accrual Basis

	Jul '22 - Jun 23	Budget	\$ Over Budget
Income			
FEES & PERMITS INCOME			
Animal Fees	290.00	500.00	-210.00
ATV Fees	800.00	1,150.00	-350.00
Fees & Permits	271.23	700.00	-428.77
Parking Permit Income	15,895.63	14,500.00	1,395.63
Senior Tax Cards	3,212.00	2,500.00	712.00
Total FEES & PERMITS INCOME	20,468.86	19,350.00	1,118.86
FINES & PENALTIES			
Citations	100.00	750.00	-650.00
Finance Charge Income	559.30	2,250.00	-1,690.70
Fines for Parking Violations	786.00	1,200.00	-414.00
Total FINES & PENALTIES	1,445.30	4,200.00	-2,754.70
INTEREST & INVESTMENT INCOME			
Dividend, Interest (Securities)	0.00	17,500.00	-17,500.00
Interest Income	6.90	120.00	-113.10
Total INTEREST & INVESTMENT INCOME	6.90	17,620.00	-17,613.10
MISCELLANEOUS INCOME			
Copier/Fax	57.20	120.00	-62.80
Misc. Income	12.60	200.00	-187.40
Total MISCELLANEOUS INCOME	69.80	320.00	-250.20
RENTALS & LEASE INCOME			
Lease of City Property	23,614.15	25,000.00	-1,385.85
Rental Income	5.00	35.00	-30.00
Total RENTALS & LEASE INCOME	23,619.15	25,035.00	-1,415.85
SALES			
Rock Sales	11,345.00	0.00	11,345.00
Surplus Property	0.00	300.00	-300.00
Total SALES	11,345.00	300.00	11,045.00
SERVICE CHARGES			
Laborer	950.79		
Notary/Lamination	312.00	1,000.00	-688.00
Passport Services	312.57	900.00	-587.43
Reconnection of Services	840.00	1,300.00	-460.00
Total SERVICE CHARGES	2,415.36	3,200.00	-784.64
STATE REVENUES			
Community Aide Assistance	3,295.12	5,000.00	-1,704.88
Payment in Lieu of Taxes	143,340.00	145,000.00	-1,660.00
Total STATE REVENUES	146,635.12	150,000.00	-3,364.88
TAX INCOME			
Sales Tax	515,894.33	520,000.00	-4,105.67

	Jul '22 - Jun 23	Budget	\$ Over Budget
Total TAX INCOME	515,894.33	520,000.00	-4,105.67
Total Income	721,899.82	740,025.00	-18,125.18
Gross Profit	721,899.82	740,025.00	-18,125.18
Expense			
CONTRACT SERVICES			
Contract Labor	437.50	10,000.00	-9,562.50
Legal Services	1,072.50	10,000.00	-8,927.50
Total CONTRACT SERVICES	1,510.00	20,000.00	-18,490.00
FEES / PERMITS / LICENS EXPENSE			
Finance Charge Expense	10.61		
Advertising and Promotion	400.98	500.00	-99.02
BANK FEES & SERVICE CHARGES			
Bank Service Charges	220.32	200.00	20.32
Credit Card Merchant Fees	5,737.70	4,200.00	1,537.70
Total BANK FEES & SERVICE CHARGES	5,958.02	4,400.00	1,558.02
Dues and Subscriptions	6,558.77	5,000.00	1,558.77
Fees Permits & Licensing Exp	4,851.27	500.00	4,351.27
Total FEES / PERMITS / LICENS EXPENSE	17,779.65	10,400.00	7,379.65
INSURANCE EXPENSE			
AML/Insurance	15,144.35	20,324.00	-5,179.65
Total INSURANCE EXPENSE	15,144.35	20,324.00	-5,179.65
MATERIALS & SUPPLIES			
Computer/Software	6,030.71	1,500.00	4,530.71
Furniture & Equipment	73.50	1,000.00	-926.50
Materials & Supplies	3,945.92	7,000.00	-3,054.08
Total MATERIALS & SUPPLIES	10,050.13	9,500.00	550.13
MISCELLANEOUS EXPENSES			
Other Misc. Expenses	-0.80	0.00	-0.80
Total MISCELLANEOUS EXPENSES	-0.80	0.00	-0.80
OPERATING EXPENSES			
Bldg/Grnd Maint Repair	4,463.86	4,000.00	463.86
Electricity	3,561.54	4,450.00	-888.46
Heating Fuel	7,960.80	6,200.00	1,760.80
Internet Use	1,059.90	2,200.00	-1,140.10
Postage and Freight	1,976.44	3,000.00	-1,023.56
Record Maintenance	0.00	1,500.00	-1,500.00
Telephone, Telecommunications	4,701.98	5,000.00	-298.02
Total OPERATING EXPENSES	23,724.52	26,350.00	-2,625.48
PAYROLL EXPENSES			
H.S.A. Company	0.00	18,250.00	-18,250.00
Health Insurance	36,838.25	36,050.59	787.66
Life Insurance	410.93	368.16	42.77
Payroll Taxes	7,353.28	6,670.92	682.36
PERS	50,162.68	49,573.26	589.42

	Jul '22 - Jun 23	Budget	\$ Over Budget
Worker's Compensation	1,215.00	1,215.00	0.00
PAYROLL EXPENSES - Other	264,868.86	233,639.81	31,229.05
Total PAYROLL EXPENSES	360,849.00	345,767.74	15,081.26
TRAVEL & TRAINING			
Conference, Convention, Meeting	1,838.37	2,600.00	-761.63
Mileage Reimbursement	94.00		
Per Diem	1,425.00	0.00	1,425.00
Travel	3,558.45	5,500.00	-1,941.55
Total TRAVEL & TRAINING	6,915.82	8,100.00	-1,184.18
VEHICLE & EQUIPMENT EXPENSES			
Equipment Maint & Repair	0.00	1,200.00	-1,200.00
Vehicle Fuel	1,015.67	2,000.00	-984.33
Vehicle Repairs and Maintenance	43.69	0.00	43.69
Total VEHICLE & EQUIPMENT EXPENSES	1,059.36	3,200.00	-2,140.64
Total Expense	437,032.03	443,641.74	-6,609.71
Net Income	284,867.79	296,383.26	-11,515.47

City of Thorne Bay
Profit & Loss Budget vs. Actual
 July 2022 through June 2023

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 Accrual Basis

	Jul '22 - Jun 23	Budget	\$ Over Budget
Income			
MISCELLANEOUS INCOME			
Election Income	1,000.00	600.00	400.00
Misc. Income	0.00	50.00	-50.00
Total MISCELLANEOUS INCOME	1,000.00	650.00	350.00
Total Income	1,000.00	650.00	350.00
Gross Profit	1,000.00	650.00	350.00
Expense			
ELECTION EXPENSES			
Election Worker Wages	1,771.00	1,809.12	-38.12
Election Expenses	170.96	350.00	-179.04
Total ELECTION EXPENSES	1,941.96	2,159.12	-217.16
FEES / PERMITS / LICENS EXPENSE			
Dues and Subscriptions	2,210.89	2,250.00	-39.11
Fees Permits & Licensing Exp	191.88		
Total FEES / PERMITS / LICENS EXPENSE	2,402.77	2,250.00	152.77
MATERIALS & SUPPLIES			
Furniture & Equipment	0.00	150.00	-150.00
Materials & Supplies	30.79	125.00	-94.21
Total MATERIALS & SUPPLIES	30.79	275.00	-244.21
MISCELLANEOUS EXPENSES			
Misc. Donations	2,730.69	2,500.00	230.69
Total MISCELLANEOUS EXPENSES	2,730.69	2,500.00	230.69
OPERATING EXPENSES			
Postage and Freight	10.00	50.00	-40.00
Telephone, Telecommunications	0.00	477.00	-477.00
Total OPERATING EXPENSES	10.00	527.00	-517.00
PAYROLL EXPENSES			
Payroll Taxes	1,324.05	986.10	337.95
PAYROLL EXPENSES - Other	17,300.00	22,800.00	-5,500.00
Total PAYROLL EXPENSES	18,624.05	23,786.10	-5,162.05
TRAVEL & TRAINING			
Training	0.00	600.00	-600.00
Total TRAVEL & TRAINING	0.00	600.00	-600.00
VEHICLE & EQUIPMENT EXPENSES			
Equipment Purchase	0.00	200.00	-200.00
Total VEHICLE & EQUIPMENT EXPENSES	0.00	200.00	-200.00
Total Expense	25,740.26	32,297.22	-6,556.96
Net Income	-24,740.26	-31,647.22	6,906.96

City of Thorne Bay
Profit & Loss Budget vs. Actual
 July 2022 through June 2023

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 Accrual Basis

	Jul '22 - Jun 23	Budget	\$ Over Budget
Income			
MISCELLANEOUS INCOME			
Event Income	1,562.50	0.00	1,562.50
Derby Donation	1,500.00	500.00	1,000.00
Donation Income	1,765.80	1,000.00	765.80
Total MISCELLANEOUS INCOME	4,828.30	1,500.00	3,328.30
STATE REVENUES			
Community Aide Assistance	20,000.00	20,000.00	0.00
Total STATE REVENUES	20,000.00	20,000.00	0.00
Total Income	24,828.30	21,500.00	3,328.30
Gross Profit	24,828.30	21,500.00	3,328.30
Expense			
FEES / PERMITS / LICENS EXPENSE			
Fees Permits & Licensing Exp	10.00	0.00	10.00
Total FEES / PERMITS / LICENS EXPENSE	10.00	0.00	10.00
INSURANCE EXPENSE			
AML/Insurance	3,056.00	3,056.00	0.00
Total INSURANCE EXPENSE	3,056.00	3,056.00	0.00
MATERIALS & SUPPLIES			
Materials & Supplies	0.00	1,000.00	-1,000.00
Total MATERIALS & SUPPLIES	0.00	1,000.00	-1,000.00
OPERATING EXPENSES			
Bldg/Grnd Maint Repair	127.75	125.00	2.75
Electricity	1,231.22	925.00	306.22
Heating Fuel	456.18	500.00	-43.82
Telephone, Telecommunications	1,092.57	1,250.00	-157.43
Total OPERATING EXPENSES	2,907.72	2,800.00	107.72
PAYROLL EXPENSES			
Payroll Taxes	1,128.85	1,012.05	116.80
Worker's Compensation	1,973.00	1,973.00	0.00
PAYROLL EXPENSES - Other	13,050.00	18,200.00	-5,150.00
Total PAYROLL EXPENSES	16,151.85	21,185.05	-5,033.20
VEHICLE & EQUIPMENT EXPENSES			
Equipment Maint & Repair	0.00	500.00	-500.00
Vehicle Fuel	1,093.83	800.00	293.83
Vehicle Repairs and Maintenance	492.70	500.00	-7.30
Total VEHICLE & EQUIPMENT EXPENSES	1,586.53	1,800.00	-213.47
Total Expense	23,712.10	29,841.05	-6,128.95
Net Income	1,116.20	-8,341.05	9,457.25

City of Thorne Bay
Profit & Loss Budget vs. Actual
 July 2022 through June 2023

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 Accrual Basis

	Jul '22 - Jun 23	Budget	\$ Over Budget
Income			
MISCELLANEOUS INCOME			
Event Income	1,562.00		
Donation Income	10,250.00	0.00	10,250.00
Misc. Income	0.50	0.00	0.50
Total MISCELLANEOUS INCOME	11,812.50	0.00	11,812.50
STATE REVENUES			
Community Aide Assistance	15,000.00	15,000.00	0.00
Total STATE REVENUES	15,000.00	15,000.00	0.00
Total Income	26,812.50	15,000.00	11,812.50
Gross Profit	26,812.50	15,000.00	11,812.50
Expense			
FEES / PERMITS / LICENS EXPENSE			
Dues and Subscriptions	0.00	30.00	-30.00
Total FEES / PERMITS / LICENS EXPENSE	0.00	30.00	-30.00
INSURANCE EXPENSE			
AML/Insurance	4,526.00	4,526.00	0.00
Total INSURANCE EXPENSE	4,526.00	4,526.00	0.00
MATERIALS & SUPPLIES			
Materials & Supplies	0.00	750.00	-750.00
Total MATERIALS & SUPPLIES	0.00	750.00	-750.00
OPERATING EXPENSES			
Bldg/Grnd Maint Repair	127.75	2,500.00	-2,372.25
Electricity	1,791.54	2,000.00	-208.46
Heating Fuel	647.61	600.00	47.61
Telephone, Telecommunications	1,355.11	1,275.00	80.11
Total OPERATING EXPENSES	3,922.01	6,375.00	-2,452.99
PAYROLL EXPENSES			
Payroll Taxes	0.00	25.95	-25.95
Worker's Compensation	1,594.00	1,594.00	0.00
PAYROLL EXPENSES - Other	0.00	150.00	-150.00
Total PAYROLL EXPENSES	1,594.00	1,769.95	-175.95
VEHICLE & EQUIPMENT EXPENSES			
Equipment Maint & Repair	0.00	50.00	-50.00
Vehicle Fuel	0.00	100.00	-100.00
Total VEHICLE & EQUIPMENT EXPENSES	0.00	150.00	-150.00
Total Expense	10,042.01	13,600.95	-3,558.94
Net Income	16,770.49	1,399.05	15,371.44

City of Thorne Bay
Profit & Loss Budget vs. Actual
 July 2022 through June 2023

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 Accrual Basis

	Jul '22 - Jun 23	Budget	\$ Over Budget
Income			
ENTERPRISE ACCTS			
Harbor Fees			
Davidson Landing Fees	24,546.46	26,000.00	-1,453.54
Grid Fees	0.00	100.00	-100.00
Harbor Fees	68,989.80	65,000.00	3,989.80
Harbor Showers	2,980.00	2,750.00	230.00
Landing Fees	0.00	550.00	-550.00
Live-a-board Fee	6,168.96	13,000.00	-6,831.04
Total Harbor Fees	102,685.22	107,400.00	-4,714.78
Total ENTERPRISE ACCTS	102,685.22	107,400.00	-4,714.78
FEES & PERMITS INCOME			
ATV Fees	25.00		
Total FEES & PERMITS INCOME	25.00		
FINES & PENALTIES			
Citations	0.00	1,200.00	-1,200.00
Fines for Parking Violations	0.00	400.00	-400.00
Total FINES & PENALTIES	0.00	1,600.00	-1,600.00
INTEREST & INVESTMENT INCOME			
Interest Income	97.15	50.00	47.15
Total INTEREST & INVESTMENT INCOME	97.15	50.00	47.15
MISCELLANEOUS INCOME			
Donation Income	120.00		
Misc. Income	0.00	400.00	-400.00
Total MISCELLANEOUS INCOME	120.00	400.00	-280.00
SALES			
Surplus Property	250.00	0.00	250.00
Total SALES	250.00	0.00	250.00
SERVICE CHARGES			
Laborer	23.17	0.00	23.17
Reconnection Fee - Live-a-board	0.00	60.00	-60.00
Services Availability	979.56	1,000.00	-20.44
Total SERVICE CHARGES	1,002.73	1,060.00	-57.27
STATE REVENUES			
Fishery Tax Receipts	2,977.02	1,250.00	1,727.02
Total STATE REVENUES	2,977.02	1,250.00	1,727.02
TAX INCOME			
Sales Tax	3,694.23	4,500.00	-805.77
Total TAX INCOME	3,694.23	4,500.00	-805.77
Total Income	110,851.35	116,260.00	-5,408.65

	Jul '22 - Jun 23	Budget	\$ Over Budget
Gross Profit	110,851.35	116,260.00	-5,408.65
Expense			
BAD DEBT			
Bad Debt	0.00	1,500.00	-1,500.00
Total BAD DEBT	0.00	1,500.00	-1,500.00
FEES / PERMITS / LICENS EXPENSE			
Dues and Subscriptions	23.98	25.00	-1.02
Fees Permits & Licensing Exp	10.00	10.00	0.00
Total FEES / PERMITS / LICENS EXPENSE	33.98	35.00	-1.02
INSURANCE EXPENSE			
AML/Insurance	7,626.00	7,009.00	617.00
Total INSURANCE EXPENSE	7,626.00	7,009.00	617.00
MATERIALS & SUPPLIES			
Furniture & Equipment	225.05	250.00	-24.95
Materials & Supplies	2,114.16	2,500.00	-385.84
Total MATERIALS & SUPPLIES	2,339.21	2,750.00	-410.79
MISCELLANEOUS EXPENSES			
Other Misc. Expenses	0.00	250.00	-250.00
Total MISCELLANEOUS EXPENSES	0.00	250.00	-250.00
OPERATING EXPENSES			
Bldg/Grnd Maint Repair	1,386.08	2,500.00	-1,113.92
Electricity	12,353.89	16,750.00	-4,396.11
Internet Use	799.50	1,000.00	-200.50
Postage and Freight	26.94	250.00	-223.06
Telephone, Telecommunications	574.81	850.00	-275.19
Total OPERATING EXPENSES	15,141.22	21,350.00	-6,208.78
PAYROLL EXPENSES			
H.S.A. Company	0.00	7,300.00	-7,300.00
Health Insurance	12,798.76	14,451.55	-1,652.79
Life Insurance	113.39	122.72	-9.33
Payroll Taxes	1,186.68	1,192.02	-5.34
PERS	9,473.24	10,703.86	-1,230.62
Worker's Compensation	3,722.00	3,722.00	0.00
PAYROLL EXPENSES - Other	46,265.68	48,653.89	-2,388.21
Total PAYROLL EXPENSES	73,559.75	86,146.04	-12,586.29
REPAIR & REPLACEMENT ENTERPRISE			
Harbor Replacement expense	11,528.55	11,626.00	-97.45
Total REPAIR & REPLACEMENT ENTERPRISE	11,528.55	11,626.00	-97.45
VEHICLE & EQUIPMENT EXPENSES			
Equipment Maint & Repair	1,905.37	750.00	1,155.37
Equipment Purchase	135.21	750.00	-614.79
Equipment Rental Expense	0.00	250.00	-250.00
Vehicle Fuel	1,266.62	1,950.00	-683.38
Vehicle Repairs and Maintenance	382.55	1,200.00	-817.45

Total VEHICLE & EQUIPMENT EXPENSES
Total Expense
Net Income

Jul '22 - Jun 23	Budget	\$ Over Budget
3,689.75	4,900.00	-1,210.25
113,918.46	135,566.04	-21,647.58
-3,067.11	-19,306.04	16,238.93

City of Thorne Bay
Profit & Loss Budget vs. Actual
 July 2022 through June 2023

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 Accrual Basis

	Jul '22 - Jun 23	Budget	\$ Over Budget
Income			
FINES & PENALTIES			
Citations	0.00	500.00	-500.00
Total FINES & PENALTIES	<u>0.00</u>	<u>500.00</u>	<u>-500.00</u>
SALES			
Surplus Property	0.00	4,000.00	-4,000.00
Total SALES	<u>0.00</u>	<u>4,000.00</u>	<u>-4,000.00</u>
STATE REVENUES			
Community Aide Assistance	22,500.00	20,000.00	2,500.00
Total STATE REVENUES	<u>22,500.00</u>	<u>20,000.00</u>	<u>2,500.00</u>
Total Income	<u>22,500.00</u>	<u>24,500.00</u>	<u>-2,000.00</u>
Gross Profit	<u>22,500.00</u>	<u>24,500.00</u>	<u>-2,000.00</u>
Expense			
CONTRACT SERVICES			
Impoundment Expense	550.00	1,500.00	-950.00
Total CONTRACT SERVICES	<u>550.00</u>	<u>1,500.00</u>	<u>-950.00</u>
INSURANCE EXPENSE			
AML/Insurance	692.00	692.00	0.00
Total INSURANCE EXPENSE	<u>692.00</u>	<u>692.00</u>	<u>0.00</u>
MATERIALS & SUPPLIES			
Materials & Supplies	121.78	150.00	-28.22
Total MATERIALS & SUPPLIES	<u>121.78</u>	<u>150.00</u>	<u>-28.22</u>
OPERATING EXPENSES			
Bldg/Grnd Maint Repair	114.97	200.00	-85.03
Electricity	784.46	1,000.00	-215.54
Heating Fuel	1,108.56	750.00	358.56
Postage and Freight	0.00	50.00	-50.00
Telephone, Telecommunications	2,361.91	2,000.00	361.91
Total OPERATING EXPENSES	<u>4,369.90</u>	<u>4,000.00</u>	<u>369.90</u>
PAYROLL EXPENSES			
STIPENDS			
Housing Stipend	7,000.00		
Total STIPENDS	<u>7,000.00</u>		
Payroll Taxes	1,332.10	1,453.20	-121.10
PAYROLL EXPENSES - Other	<u>8,400.00</u>	<u>16,800.00</u>	<u>-8,400.00</u>
Total PAYROLL EXPENSES	<u>16,732.10</u>	<u>18,253.20</u>	<u>-1,521.10</u>
VEHICLE & EQUIPMENT EXPENSES			
Equipment Maint & Repair	1,895.40	250.00	1,645.40
Vehicle Fuel	8,373.31	10,000.00	-1,626.69
Vehicle Repairs and Maintenance	3,039.40	750.00	2,289.40

	Jul '22 - Jun 23	Budget	\$ Over Budget
Total VEHICLE & EQUIPMENT EXPENSES	13,308.11	11,000.00	2,308.11
Total Expense	35,773.89	35,595.20	178.69
Net Income	-13,273.89	-11,095.20	-2,178.69

City of Thorne Bay
Profit & Loss Budget vs. Actual
 July 2022 through June 2023

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 Accrual Basis

	Jul '22 - Jun 23	Budget	\$ Over Budget
Income			
MISCELLANEOUS INCOME			
Copier/Fax	192.15	125.00	67.15
Donation Income	650.50	150.00	500.50
Misc. Income	0.00	25.00	-25.00
Total MISCELLANEOUS INCOME	842.65	300.00	542.65
SALES			
Surplus Property	100.00	0.00	100.00
Total SALES	100.00	0.00	100.00
STATE REVENUES			
Community Aide Assistance	5,000.00	5,000.00	0.00
Total STATE REVENUES	5,000.00	5,000.00	0.00
Total Income	5,942.65	5,300.00	642.65
Gross Profit	5,942.65	5,300.00	642.65
Expense			
FEES / PERMITS / LICENS EXPENSE			
Dues and Subscriptions	191.88	0.00	191.88
Total FEES / PERMITS / LICENS EXPENSE	191.88	0.00	191.88
INSURANCE EXPENSE			
AML/Insurance	1,825.67	1,849.00	-23.33
Total INSURANCE EXPENSE	1,825.67	1,849.00	-23.33
MATERIALS & SUPPLIES			
Computer/Software	237.30	200.00	37.30
Furniture & Equipment	197.23	250.00	-52.77
Materials & Supplies	1,337.68	1,250.00	87.68
Total MATERIALS & SUPPLIES	1,772.21	1,700.00	72.21
MISCELLANEOUS EXPENSES			
Other Misc. Expenses	93.81	100.00	-6.19
Total MISCELLANEOUS EXPENSES	93.81	100.00	-6.19
OPERATING EXPENSES			
Bldg/Grnd Maint Repair	363.99	500.00	-136.01
Electricity	1,075.19	2,600.00	-1,524.81
Postage and Freight	31.17	100.00	-68.83
Telephone, Telecommunications	330.00	360.00	-30.00
Total OPERATING EXPENSES	1,800.35	3,560.00	-1,759.65
PAYROLL EXPENSES			
Life Insurance	1.46	0.00	1.46
Payroll Taxes	179.00	224.90	-45.90
PAYROLL EXPENSES - Other	2,069.23	2,600.00	-530.77
Total PAYROLL EXPENSES	2,249.69	2,824.90	-575.21
VEHICLE & EQUIPMENT EXPENSES			

	Jul '22 - Jun 23	Budget	\$ Over Budget
Equipment Maint & Repair	0.00	75.00	-75.00
Equipment Purchase	0.00	250.00	-250.00
Total VEHICLE & EQUIPMENT EXPENSES	0.00	325.00	-325.00
Total Expense	7,933.61	10,358.90	-2,425.29
Net Income	-1,990.96	-5,058.90	3,067.94

City of Thorne Bay
Profit & Loss Budget vs. Actual
 July 2022 through June 2023

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 Accrual Basis

	Jul '22 - Jun 23	Budget	\$ Over Budget
Income			
INTEREST & INVESTMENT INCOME			
Interest Income	153.71	0.00	153.71
Total INTEREST & INVESTMENT INCOME	153.71	0.00	153.71
MISCELLANEOUS INCOME			
Event Income	724.00	0.00	724.00
In-Kind Income	4,630.00		
Donation Income	1,502.91		
Misc. Income	1,880.00	50.00	1,830.00
Total MISCELLANEOUS INCOME	8,736.91	50.00	8,686.91
RENTALS & LEASE INCOME			
Rental Income	465.00	0.00	465.00
Total RENTALS & LEASE INCOME	465.00	0.00	465.00
STATE REVENUES			
Community Aide Assistance	20,000.00	15,000.00	5,000.00
Total STATE REVENUES	20,000.00	15,000.00	5,000.00
Total Income	29,355.62	15,050.00	14,305.62
Gross Profit	29,355.62	15,050.00	14,305.62
Expense			
FEES / PERMITS / LICENS EXPENSE			
Fees Permits & Licensing Exp	191.88	200.00	-8.12
Total FEES / PERMITS / LICENS EXPENSE	191.88	200.00	-8.12
INSURANCE EXPENSE			
AML/Insurance	60.00	60.00	0.00
Total INSURANCE EXPENSE	60.00	60.00	0.00
MATERIALS & SUPPLIES			
Materials & Supplies	896.59	1,000.00	-103.41
Total MATERIALS & SUPPLIES	896.59	1,000.00	-103.41
OPERATING EXPENSES			
Bldg/Grnd Maint Repair	667.88	1,500.00	-832.12
Electricity	1,056.03	1,200.00	-143.97
Postage and Freight	47.78	350.00	-302.22
Total OPERATING EXPENSES	1,771.69	3,050.00	-1,278.31
PAYROLL EXPENSES			
Life Insurance	88.74	122.72	-33.98
Payroll Taxes	862.03	1,154.78	-292.75
PERS	7,390.18	10,369.43	-2,979.25
Worker's Compensation	3,450.00	3,451.00	-1.00
PAYROLL EXPENSES - Other	34,353.78	46,696.00	-12,342.22
Total PAYROLL EXPENSES	46,144.73	61,793.93	-15,649.20
TRAVEL & TRAINING			

	Jul '22 - Jun 23	Budget	\$ Over Budget
Mileage Reimbursement	6.50		
Total TRAVEL & TRAINING	6.50		
VEHICLE & EQUIPMENT EXPENSES			
Equipment Maint & Repair	71.98	750.00	-678.02
Equipment Purchase	0.00	1,000.00	-1,000.00
Equipment Rental Expense	0.00	1,000.00	-1,000.00
Vehicle Fuel	1,219.40	700.00	519.40
Vehicle Repairs and Maintenance	0.00	200.00	-200.00
Total VEHICLE & EQUIPMENT EXPENSES	1,291.38	3,650.00	-2,358.62
Total Expense	50,362.77	69,753.93	-19,391.16
Net Income	-21,007.15	-54,703.93	33,696.78

City of Thorne Bay
Profit & Loss Budget vs. Actual
 July 2022 through June 2023

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 Accrual Basis

	Jul '22 - Jun 23	Budget	\$ Over Budget
Income			
FEES & PERMITS INCOME			
Zoning Application Fees	125.00	300.00	-175.00
Total FEES & PERMITS INCOME	125.00	300.00	-175.00
FINES & PENALTIES			
Citations	0.00	100.00	-100.00
Total FINES & PENALTIES	0.00	100.00	-100.00
STATE REVENUES			
Community Aide Assistance	0.00	1,000.00	-1,000.00
Total STATE REVENUES	0.00	1,000.00	-1,000.00
TAX INCOME			
Sales Tax	3.00	0.00	3.00
Total TAX INCOME	3.00	0.00	3.00
Total Income	128.00	1,400.00	-1,272.00
Gross Profit	128.00	1,400.00	-1,272.00
Expense			
FEES / PERMITS / LICENS EXPENSE			
Fees Permits & Licensing Exp	25.00	0.00	25.00
Total FEES / PERMITS / LICENS EXPENSE	25.00	0.00	25.00
MATERIALS & SUPPLIES			
Materials & Supplies	0.00	50.00	-50.00
Total MATERIALS & SUPPLIES	0.00	50.00	-50.00
OPERATING EXPENSES			
Postage and Freight	10.65	75.00	-64.35
Total OPERATING EXPENSES	10.65	75.00	-64.35
PAYROLL EXPENSES			
Payroll Taxes	0.00	137.70	-137.70
PAYROLL EXPENSES - Other	0.00	900.00	-900.00
Total PAYROLL EXPENSES	0.00	1,037.70	-1,037.70
Total Expense	35.65	1,162.70	-1,127.05
Net Income	92.35	237.30	-144.95

City of Thorne Bay
Profit & Loss Budget vs. Actual
 July 2022 through June 2023

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 Accrual Basis

	Jul '22 - Jun 23	Budget	\$ Over Budget
Income			
FINES & PENALTIES			
Fines for Parking Violations	50.00		
Total FINES & PENALTIES	50.00		
RENTALS & LEASE INCOME			
RV Park Fees	16,609.57	18,720.00	-2,110.43
Total RENTALS & LEASE INCOME	16,609.57	18,720.00	-2,110.43
TAX INCOME			
Sales Tax	799.50	1,123.20	-323.70
Total TAX INCOME	799.50	1,123.20	-323.70
Total Income	17,459.07	19,843.20	-2,384.13
Gross Profit	17,459.07	19,843.20	-2,384.13
Expense			
FEES / PERMITS / LICENS EXPENSE			
Dues and Subscriptions	75.00	75.00	0.00
Total FEES / PERMITS / LICENS EXPENSE	75.00	75.00	0.00
INSURANCE EXPENSE			
AML/Insurance	150.00	150.00	0.00
Total INSURANCE EXPENSE	150.00	150.00	0.00
OPERATING EXPENSES			
Bldg/Grnd Maint Repair	0.00	250.00	-250.00
Electricity	1,456.99	1,250.00	206.99
Internet Use	717.50	840.00	-122.50
Postage and Freight	0.00	75.00	-75.00
Total OPERATING EXPENSES	2,174.49	2,415.00	-240.51
REPAIR & REPLACEMENT ENTERPRISE			
RV Park Repair & Replacement	17,158.05	17,203.20	-45.15
Total REPAIR & REPLACEMENT ENTERPRISE	17,158.05	17,203.20	-45.15
Total Expense	19,557.54	19,843.20	-285.66
Net Income	-2,098.47	0.00	-2,098.47

City of Thorne Bay
Profit & Loss Budget vs. Actual
 July 2022 through June 2023

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 Accrual Basis

	Jul '22 - Jun 23	Budget	\$ Over Budget
Income			
ENTERPRISE ACCTS			
Sewer Fees			
Sewer Pumpout	23,150.00	35,000.00	-11,850.00
Sewer Fees - Other	128,547.46	130,000.00	-1,452.54
Total Sewer Fees	<u>151,697.46</u>	<u>165,000.00</u>	<u>-13,302.54</u>
Total ENTERPRISE ACCTS	<u>151,697.46</u>	<u>165,000.00</u>	<u>-13,302.54</u>
INTEREST & INVESTMENT INCOME			
Interest Income	23.23	12.00	11.23
Total INTEREST & INVESTMENT INCOME	<u>23.23</u>	<u>12.00</u>	<u>11.23</u>
TAX INCOME			
Sales Tax	6,294.42	9,900.00	-3,605.58
Total TAX INCOME	<u>6,294.42</u>	<u>9,900.00</u>	<u>-3,605.58</u>
Total Income	<u>158,015.11</u>	<u>174,912.00</u>	<u>-16,896.89</u>
Gross Profit	<u>158,015.11</u>	<u>174,912.00</u>	<u>-16,896.89</u>
Expense			
CONTRACT SERVICES			
Contract Labor	2,368.97	1,000.00	1,368.97
Total CONTRACT SERVICES	<u>2,368.97</u>	<u>1,000.00</u>	<u>1,368.97</u>
FEES / PERMITS / LICENS EXPENSE			
Fees Permits & Licensing Exp	1,530.00	2,250.00	-720.00
Testing	15,966.50	12,000.00	3,966.50
Total FEES / PERMITS / LICENS EXPENSE	<u>17,496.50</u>	<u>14,250.00</u>	<u>3,246.50</u>
INSURANCE EXPENSE			
AML/Insurance	16,172.00	16,172.00	0.00
Total INSURANCE EXPENSE	<u>16,172.00</u>	<u>16,172.00</u>	<u>0.00</u>
MATERIALS & SUPPLIES			
Chemicals	1,073.80	0.00	1,073.80
Materials & Supplies	1,907.75	4,500.00	-2,592.25
Total MATERIALS & SUPPLIES	<u>2,981.55</u>	<u>4,500.00</u>	<u>-1,518.45</u>
OPERATING EXPENSES			
Bldg/Grnd Maint Repair	379.21	550.00	-170.79
Electricity	31,043.06	49,000.00	-17,956.94
Heating Fuel	3,764.25	4,500.00	-735.75
Postage and Freight	2,953.00	2,500.00	453.00
Telephone, Telecommunications	643.92	600.00	43.92
Total OPERATING EXPENSES	<u>38,783.44</u>	<u>57,150.00</u>	<u>-18,366.56</u>
PAYROLL EXPENSES			
H.S.A. Company	0.00	3,650.00	-3,650.00
Health Insurance	7,681.87	7,698.91	-17.04
Life Insurance	128.18	122.72	5.46

	Jul '22 - Jun 23	Budget	\$ Over Budget
Payroll Taxes	1,168.79	1,266.53	-97.74
PERS	11,269.75	11,372.93	-103.18
Worker's Compensation	2,938.00	2,938.00	0.00
PAYROLL EXPENSES - Other	51,226.15	50,999.60	226.55
Total PAYROLL EXPENSES	74,412.74	78,048.69	-3,635.95
REPAIR & REPLACEMENT ENTERPRISE			
Sewer Repair and Replacement	16,258.60	17,491.20	-1,232.60
Total REPAIR & REPLACEMENT ENTERPRISE	16,258.60	17,491.20	-1,232.60
TRAVEL & TRAINING			
Training	235.00	250.00	-15.00
Travel	0.00	250.00	-250.00
Total TRAVEL & TRAINING	235.00	500.00	-265.00
VEHICLE & EQUIPMENT EXPENSES			
Equipment Maint & Repair	4,760.89	10,000.00	-5,239.11
Equipment Purchase	7,963.58	5,000.00	2,963.58
Vehicle Fuel	2,683.45	1,500.00	1,183.45
Vehicle Repairs and Maintenance	0.00	750.00	-750.00
Total VEHICLE & EQUIPMENT EXPENSES	15,407.92	17,250.00	-1,842.08
Total Expense	184,116.72	206,361.89	-22,245.17
Net Income	-26,101.61	-31,449.89	5,348.28

City of Thorne Bay
Profit & Loss Budget vs. Actual
 July 2022 through June 2023

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 Accrual Basis

	Jul '22 - Jun 23	Budget	\$ Over Budget
Income			
ENTERPRISE ACCTS			
Solid Waste Fees	150,335.15	175,000.00	-24,664.85
Total ENTERPRISE ACCTS	150,335.15	175,000.00	-24,664.85
INTEREST & INVESTMENT INCOME			
Interest Income	39.04	12.00	27.04
Total INTEREST & INVESTMENT INCOME	39.04	12.00	27.04
MISCELLANEOUS INCOME			
Misc. Income	0.00	200.00	-200.00
Total MISCELLANEOUS INCOME	0.00	200.00	-200.00
SALES			
Rock Sales	42,450.00	0.00	42,450.00
Surplus Property	1,000.00	10,000.00	-9,000.00
Total SALES	43,450.00	10,000.00	33,450.00
TAX INCOME			
Sales Tax	4,965.65	7,000.00	-2,034.35
Total TAX INCOME	4,965.65	7,000.00	-2,034.35
Total Income	198,789.84	192,212.00	6,577.84
Gross Profit	198,789.84	192,212.00	6,577.84
Expense			
CONTRACT SERVICES			
Contract Labor	29,884.00	5,000.00	24,884.00
Total CONTRACT SERVICES	29,884.00	5,000.00	24,884.00
FEES / PERMITS / LICENS EXPENSE			
Dues and Subscriptions	0.00	300.00	-300.00
Fees Permits & Licensing Exp	1,284.53	1,150.00	134.53
Testing	655.00	2,500.00	-1,845.00
Total FEES / PERMITS / LICENS EXPENSE	1,939.53	3,950.00	-2,010.47
INSURANCE EXPENSE			
AML/Insurance	3,092.00	2,941.00	151.00
Total INSURANCE EXPENSE	3,092.00	2,941.00	151.00
MATERIALS & SUPPLIES			
Furniture & Equipment	0.00	500.00	-500.00
Materials & Supplies	2,500.41	4,000.00	-1,499.59
Total MATERIALS & SUPPLIES	2,500.41	4,500.00	-1,999.59
MISCELLANEOUS EXPENSES			
Other Misc. Expenses	0.00	200.00	-200.00
Total MISCELLANEOUS EXPENSES	0.00	200.00	-200.00
OPERATING EXPENSES			
Bldg/Grnd Maint Repair	3,499.91	10,000.00	-6,500.09

	Jul '22 - Jun 23	Budget	\$ Over Budget
Electricity	8,559.57	10,500.00	-1,940.43
Internet Use	1,028.76	1,050.00	-21.24
Postage and Freight	546.15	5,000.00	-4,453.85
Telephone, Telecommunications	116.60	0.00	116.60
Total OPERATING EXPENSES	13,750.99	26,550.00	-12,799.01
PAYROLL EXPENSES			
H.S.A. Company	0.00	10,950.00	-10,950.00
Health Insurance	19,022.99	22,150.46	-3,127.47
Life Insurance	211.99	245.44	-33.45
Payroll Taxes	2,624.25	3,564.77	-940.52
PERS	16,433.28	21,407.71	-4,974.43
Worker's Compensation	7,190.00	7,190.00	0.00
PAYROLL EXPENSES - Other	85,895.53	110,957.79	-25,062.26
Total PAYROLL EXPENSES	131,378.04	176,466.17	-45,088.13
REPAIR & REPLACEMENT ENTERPRISE			
Solid Waste Repair Replacemt	12,818.00	19,221.20	-6,403.20
Total REPAIR & REPLACEMENT ENTERPRISE	12,818.00	19,221.20	-6,403.20
TRAVEL & TRAINING			
Mileage Reimbursement	9.75		
Training	0.00	1,000.00	-1,000.00
Total TRAVEL & TRAINING	9.75	1,000.00	-990.25
VEHICLE & EQUIPMENT EXPENSES			
Equipment Maint & Repair	7,252.33	15,000.00	-7,747.67
Equipment Purchase	310.98	2,500.00	-2,189.02
Vehicle Fuel	13,920.87	9,000.00	4,920.87
Vehicle Repairs and Maintenance	3,251.14	7,000.00	-3,748.86
Total VEHICLE & EQUIPMENT EXPENSES	24,735.32	33,500.00	-8,764.68
Total Expense	220,108.04	273,328.37	-53,220.33
Net Income	-21,318.20	-81,116.37	59,798.17

City of Thorne Bay
Profit & Loss Budget vs. Actual
 July 2022 through June 2023

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 Accrual Basis

	Jul '22 - Jun 23	Budget	\$ Over Budget
Income			
INTEREST & INVESTMENT INCOME			
Interest Income	71.39	0.00	71.39
Total INTEREST & INVESTMENT INCOME	71.39	0.00	71.39
RENTALS & LEASE INCOME			
Equipment Rental	53,999.00	25,000.00	28,999.00
Total RENTALS & LEASE INCOME	53,999.00	25,000.00	28,999.00
SALES			
Rock Sales	11,220.00	1,000.00	10,220.00
Surplus Property	1,250.00	20,000.00	-18,750.00
Total SALES	12,470.00	21,000.00	-8,530.00
SERVICE CHARGES			
Laborer	11.25	150.00	-138.75
Total SERVICE CHARGES	11.25	150.00	-138.75
STATE REVENUES			
National Forest Receipts	62,627.37	65,000.00	-2,372.63
Payment in Lieu of Taxes	0.00	30,000.00	-30,000.00
Total STATE REVENUES	62,627.37	95,000.00	-32,372.63
TAX INCOME			
Sales Tax	587.38	0.00	587.38
Total TAX INCOME	587.38	0.00	587.38
Total Income	129,766.39	141,150.00	-11,383.61
Gross Profit	129,766.39	141,150.00	-11,383.61
Expense			
CONTRACT SERVICES			
Contract Labor	3,389.00	30,000.00	-26,611.00
Total CONTRACT SERVICES	3,389.00	30,000.00	-26,611.00
FEES / PERMITS / LICENS EXPENSE			
Dues and Subscriptions	191.88	650.00	-458.12
Fees Permits & Licensing Exp	226.88	300.00	-73.12
Total FEES / PERMITS / LICENS EXPENSE	418.76	950.00	-531.24
INSURANCE EXPENSE			
AML/Insurance	6,923.38	6,606.00	317.38
Total INSURANCE EXPENSE	6,923.38	6,606.00	317.38
MATERIALS & SUPPLIES			
Materials & Supplies	3,334.19	12,500.00	-9,165.81
Total MATERIALS & SUPPLIES	3,334.19	12,500.00	-9,165.81
OPERATING EXPENSES			
Bldg/Grnd Maint Repair	217.04	4,500.00	-4,282.96
Electricity	3,423.99	4,200.00	-776.01

	Jul '22 - Jun 23	Budget	\$ Over Budget
Heating Fuel	3,133.50	2,500.00	633.50
Postage and Freight	6,146.57	750.00	5,396.57
Telephone, Telecommunications	116.60	0.00	116.60
Total OPERATING EXPENSES	13,037.70	11,950.00	1,087.70
PAYROLL EXPENSES			
H.S.A. Company	0.00	7,300.00	-7,300.00
Health Insurance	14,352.66	14,451.55	-98.89
Life Insurance	123.25	122.72	0.53
Payroll Taxes	1,320.73	2,467.75	-1,147.02
PERS	11,260.69	11,629.62	-368.93
Worker's Compensation	5,818.00	5,818.00	0.00
PAYROLL EXPENSES - Other	53,424.98	66,418.32	-12,993.34
Total PAYROLL EXPENSES	86,300.31	108,207.96	-21,907.65
REPAIR & REPLACEMENT ENTERPRISE			
Streets Repair & Replacement	14,115.00	14,115.00	0.00
Total REPAIR & REPLACEMENT ENTERPRISE	14,115.00	14,115.00	0.00
TRAVEL & TRAINING			
Mileage Reimbursement	81.75		
Total TRAVEL & TRAINING	81.75		
VEHICLE & EQUIPMENT EXPENSES			
Equipment Lease (Loan)	27,000.93	15,000.00	12,000.93
Equipment Maint & Repair	35,725.42	12,000.00	23,725.42
Equipment Purchase	42,739.37	40,000.00	2,739.37
Vehicle Fuel	3,973.45	10,000.00	-6,026.55
Vehicle Repairs and Maintenance	2,683.16	5,000.00	-2,316.84
Total VEHICLE & EQUIPMENT EXPENSES	112,122.33	82,000.00	30,122.33
Total Expense	239,722.42	266,328.96	-26,606.54
Net Income	-109,956.03	-125,178.96	15,222.93

City of Thorne Bay
Profit & Loss Budget vs. Actual
 July 2022 through June 2023

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 05/03/2024
 Accrual Basis

	Jul '22 - Jun 23	Budget	\$ Over Budget
Income			
ENTERPRISE ACCTS			
Water Fees	138,982.24	160,000.00	-21,017.76
Total ENTERPRISE ACCTS	138,982.24	160,000.00	-21,017.76
INTEREST & INVESTMENT INCOME			
Interest Income	41.45	20.00	21.45
Total INTEREST & INVESTMENT INCOME	41.45	20.00	21.45
RENTALS & LEASE INCOME			
Equipment Rental	0.00	200.00	-200.00
Total RENTALS & LEASE INCOME	0.00	200.00	-200.00
SALES			
Surplus Property	50.00	600.00	-550.00
Total SALES	50.00	600.00	-550.00
SERVICE CHARGES			
Services Availability	11,258.90	16,000.00	-4,741.10
Staff Dispatch Unauthorized Use	175.00	450.00	-275.00
Total SERVICE CHARGES	11,433.90	16,450.00	-5,016.10
TAX INCOME			
Sales Tax	5,610.31	7,500.00	-1,889.69
Total TAX INCOME	5,610.31	7,500.00	-1,889.69
Total Income	156,117.90	184,770.00	-28,652.10
Gross Profit	156,117.90	184,770.00	-28,652.10
Expense			
CONTRACT SERVICES			
Contract Labor	1,722.25	1,750.00	-27.75
Total CONTRACT SERVICES	1,722.25	1,750.00	-27.75
FEES / PERMITS / LICENS EXPENSE			
Fees Permits & Licensing Exp	1,147.61	1,000.00	147.61
Testing	7,297.79	5,000.00	2,297.79
Total FEES / PERMITS / LICENS EXPENSE	8,445.40	6,000.00	2,445.40
INSURANCE EXPENSE			
AML/Insurance	16,194.00	16,194.00	0.00
Total INSURANCE EXPENSE	16,194.00	16,194.00	0.00
MATERIALS & SUPPLIES			
Chemicals	7,928.87	8,500.00	-571.13
Materials & Supplies	6,738.94	5,000.00	1,738.94
Total MATERIALS & SUPPLIES	14,667.81	13,500.00	1,167.81
MISCELLANEOUS EXPENSES			
Other Misc. Expenses	0.00	750.00	-750.00
Total MISCELLANEOUS EXPENSES	0.00	750.00	-750.00

	Jul '22 - Jun 23	Budget	\$ Over Budget
OPERATING EXPENSES			
Bldg/Grnd Maint Repair	220.98	0.00	220.98
Electricity	15,808.33	15,000.00	808.33
Heating Fuel	11,956.87	10,500.00	1,456.87
Internet Use	2,640.00	2,640.00	0.00
Postage and Freight	4,024.31	3,500.00	524.31
Total OPERATING EXPENSES	34,650.49	31,640.00	3,010.49
PAYROLL EXPENSES			
H.S.A. Company	0.00	3,650.00	-3,650.00
Health Insurance	13,422.61	8,294.59	5,128.02
Life Insurance	128.18	122.72	5.46
Payroll Taxes	1,268.03	1,512.76	-244.73
PERS	13,129.30	13,584.01	-454.71
Worker's Compensation	3,217.00	3,217.00	0.00
PAYROLL EXPENSES - Other	59,836.13	61,745.49	-1,909.36
Total PAYROLL EXPENSES	91,001.25	92,126.57	-1,125.32
REPAIR & REPLACEMENT ENTERPRISE			
Water Repair and Replacement	15,931.00	18,477.00	-2,546.00
Total REPAIR & REPLACEMENT ENTERPRISE	15,931.00	18,477.00	-2,546.00
TRAVEL & TRAINING			
Mileage Reimbursement	142.75	0.00	142.75
Per Diem	236.00	0.00	236.00
Training	300.00	250.00	50.00
Travel	496.02	250.00	246.02
Total TRAVEL & TRAINING	1,174.77	500.00	674.77
VEHICLE & EQUIPMENT EXPENSES			
Equipment Maint & Repair	4,173.31	12,500.00	-8,326.69
Equipment Purchase	51.98	500.00	-448.02
Vehicle Fuel	2,270.99	1,500.00	770.99
Vehicle Repairs and Maintenance	19.98	1,500.00	-1,480.02
Total VEHICLE & EQUIPMENT EXPENSES	6,516.26	16,000.00	-9,483.74
Total Expense	190,303.23	196,937.57	-6,634.34
Net Income	-34,185.33	-12,167.57	-22,017.76

City of Thorne Bay
Profit & Loss Budget vs. Actual
 July 2022 through June 2023

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05/03/2024
Accrual Basis

	Jul '22 - Jun 23	Budget	\$ Over Budget
Income			
INTEREST & INVESTMENT INCOME			
Interest Income	55.71		
Total INTEREST & INVESTMENT INCOME	55.71		
TAX INCOME			
Occupancy Tax	12,095.45	10,000.00	2,095.45
Total TAX INCOME	12,095.45	10,000.00	2,095.45
Total Income	12,151.16	10,000.00	2,151.16
Gross Profit	12,151.16	10,000.00	2,151.16
Expense			
ECONOMIC DEVELOPMENT			
1% Sales Tax Comm Dev Expense	24,894.00		
Community Investment	0.00	9,500.00	-9,500.00
Total ECONOMIC DEVELOPMENT	24,894.00	9,500.00	15,394.00
MISCELLANEOUS EXPENSES			
Event Expenses	460.00		
Total MISCELLANEOUS EXPENSES	460.00		
VEHICLE & EQUIPMENT EXPENSES			
Equipment Purchase	0.00	500.00	-500.00
Total VEHICLE & EQUIPMENT EXPENSES	0.00	500.00	-500.00
Total Expense	25,354.00	10,000.00	15,354.00
Net Income	-13,202.84	0.00	-13,202.84



CITY OF THORNE BAY
RESOLUTION 24-05-07-02

A RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF THORNE BAY, ALASKA,
CERTIFYING THE ANNUAL CERTIFIED FINANCIAL STATEMENT OF REVENUES AND
AUTHORIZED EXPENDITURES FOR THE YEAR ENDING JUNE 30, 2023

WHEREAS, the City Council is the governing body for the City of Thorne Bay, Alaska; and

WHEREAS, the City of Thorne Bay, is a recognized second-class city; and

WHEREAS, second class cities are required by AS 29.20.640(a)(2) to submit a Certified Financial Statement of income and expenditures or audit for the year ending June 30, 2022, to the Department of Commerce, Community, and Economic Development;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Thorne Bay, Alaska; that the attached Certified Financial Statement of Thorne Bay, Alaska; for the year ending June 30, 2023, and prepared by Caitlyn Sawyer, City Clerk, is true and complete to the best of our knowledge.

PASSED AND APPROVED by the City Council of the City of Thorne Bay, Alaska this 7TH day of May 2024, with a vote of _____ Yeah and _____ Nay.

Lee Burger, Vice Mayor

ATTEST:

Caitlyn Sawyer, City Clerk/Treasurer



CITY OF THORNE BAY

MAY 07, 2024

RESOLUTION NO. 24-05-07-03

ReConnect – Commitment Resolution

A RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF THORNE BAY, ALASKA, AUTHORIZING CITY ADMINITSTRATOR, JOHN HUESTIS, TO SUBMIT A CITY APPLICATION TO THE RURAL UTILITY SERVICE (RUS), U.S. DEPARTMENT OF AGRICULTURE FOR THE RECONNECT 5 BROADBAND GRANT FUNDING OPPORTUNITY

WHEREAS: the City Council is the governing body of Thorne Bay, Alaska; and

WHEREAS: The City of Thorne Bay (“the City”) is a Second Class City of the State of Alaska; and

WHEREAS: The Thorne Bay City Council supports the deployment of broadband services in the City; and

WHEREAS: The City has the full power and authority to borrow or raise money and guarantee the completion of the project pursuant to grant agreements; and

WHEREAS: The City has the full power and authority to pledge assets built under an approved grant with the USDA and to perform all acts required by an approved grant agreement.

THEREFORE BE IT RESOLVED AS FOLLOWS:

RESOLVED: that **John Huestis** , City Administrator of the City, has authorization to submit the Applicant’s USDA ReConnect Program Application for **the City of Thorne Bay**.

FURTHER RESOLVED: that the maximum award amount shall be \$25,000,000 in the category of “100 Percent Grant for Alaska Native Corporations, Tribal Governments, Colonias, Persistent Poverty Areas and Socially Vulnerable Communities.”

FURTHER RESOLVED: that in accordance with USDA Rural Utility Service funding priorities, the City commits to FCC network neutrality principles in association with any infrastructure funded by USDA Rural Utility Services ReConnect Round 5 grant funds. Specifically, the City commits that Applicant’s networks shall not (1) block lawful content, applications, services, or non-harmful devices, subject to reasonable network management; (2) impair or degrade lawful internet traffic on the basis of internet content, application, or service, or use of a non-harmful device, subject to reasonable network management; and (3) engage in paid prioritization, meaning the management of a broadband provider’s network to directly or indirectly favor some traffic over other traffic, including through use of techniques such as traffic shaping, prioritization, resource reservation, or other forms of preferential traffic

management, either (a) in exchange for consideration (monetary or otherwise) from a third-party, or (b) to benefit an affiliated entity.

FURTHER RESOLVED: that in accordance with USDA Rural Utility Service funding priorities, the City commits to strong labor standards for any infrastructure funded by USDA Rural Utility Services ReConnect Round 5 grant funds. Specifically, the City commitments will include clauses in construction contracts (including contractors and subcontractors) requiring the contractors to implement wages at rates not less than those prevailing, as determined by the U.S. Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code (commonly known as the “Davis-Bacon Act”). The City will also commit to comply with any tribal government labor standards applicable to work it undertakes on tribal lands.

Additionally, the City will commit to require industry-standard safety training and professional certifications that may reasonably apply to the scope of work (ex: HAZWOPER, OSHA 10, OSHA 30, crane operator certification, other equipment operator certification, etc.), or functionally equivalent in-house training, if allowable. The City resolves that it will utilize locally based workforce to the fullest extent possible, through use of local contractors as well as in-house employees, as authorized by USDA RUS. Prior to engaging contractors and subcontractors and as part of procurement processes, the City shall review their safety and performance track records to ensure employees are qualified, and to determine whether its contractors or subcontractors have any violations of state or Federal labor, workplace safety and health, or employment laws within the last five years.

FURTHER RESOLVED: that in accordance with USDA Rural Utility Service funding priorities, the City commits to offering wholesale broadband services at rates and terms that are reasonable and nondiscriminatory.

FURTHER RESOLVED: that in accordance with USDA Rural Utility Service funding priorities, the City commits to applying to the Federal Communication Commission’s Lifeline Program or the Emergency Broadband Benefit Program, which provide low-income consumers with discounts on broadband services.

I FURTHER CERTIFY THAT: each member of the City Council was furnished with notice of said meeting in compliance with the Thorne Bay Municipal Code.

PASSED AND APPROVED by the City Council of the City of Thorne Bay, Alaska this 7th day of May 2024, with a vote of _____ Yeah and _____ Nay.

Lee Burger, Vice Mayor

ATTEST:

Caitlyn Sawyer, City Clerk/Treasurer



CITY OF THORNE BAY

MAY 07, 2024

RESOLUTION NO. 24-05-07-04

ReConnect – Guarantee Resolution

A RESOLUTION OF THE CITY OF THORNE BAY , ALASKA AGREEING TO COMPLETE THE RECONNECT 5 GRANT FUNDED PROJECT CONSISTENT WITH IT'S SUBMITTED APPLICATION AND GUARNTEEING IT WILL COMPLETE THE PROJECT WITH THE FUNDING PROVIDED ACCORDING TO A GRANT AND SECURITY AGREEMENT

WHEREAS: the City Council is the governing body of Thorne Bay, Alaska; and

WHEREAS: **The City of Thorne Bay** (“the City”) is a Second Class City of the State of Alaska; and

WHEREAS: The Thorne Bay City Council supports the deployment of broadband services in the City; and

WHEREAS: The City has the full power and authority to borrow or raise money and guarantee the completion of the project pursuant to grant agreements; and

WHEREAS: The City has the full power and authority to pledge assets built under an approved grant with the USDA and to perform all acts required by an approved grant agreement; and

WHEREAS: Due to the materiality of Applicant's income, USDA may require a commitment by the City in order for it to provide grant funds.

NOW AND THEREFORE BE IT RESOLVED AS FOLLOWS:

If a grant is awarded:

RESOLVED: The City hereby agrees to provide adequate funding to complete the grant project in a manner substantially consistent with the submitted application or reimburse the Government for grant funds expended if it does not complete the project in the same manner.

FURTHER RESOLVED: this guarantee may be enforced against the City. It is a continuing and irrevocable guarantee for the whole of the money’s paid to the City under the terms of a Grant and Security Agreement and will remain in full force and effect until the Government has confirmed that the project is complete.

FURTHER RESOLVED: that a demand of the Government as to the amount due by the City will be conclusive evidence of the amount due to the Government in the absence of manifest error.

FURTHER RESOLVED: that this guarantee shall be governed by and construed in accordance with the laws of the State of Alaska.

FURTHER RESOLVED: that any notice or other communication required to be given or made is to be in writing, and that notice effective if delivered by registered mail, fax or in person.

I FURTHER CERTIFY THAT: each member of the City Council was furnished with notice of said meeting in compliance with the Thorne Bay Municipal Code.

PASSED AND APPROVED by the City Council of the City of Thorne Bay, Alaska this 7th day of May 2024, with a vote of _____ Yeah and _____ Nay.

Lee Burger, Vice Mayor

ATTEST:

Caitlyn Sawyer, City Clerk/Treasurer



Sponsor: Vice Mayor Lee Burger
Adoption: May 7, 2024
Vote: ___Yeas, ___ Nays, ___ Absent

**CITY OF THORNE BAY
RESOLUTION 24-05-07-05**

A RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF THORNE BAY, ALASKA, APPROVING THE RENEWAL OF SHORT-TERM LEASE WITH PAPAC LOGGING INC. FOR LEASE OF CITY OWNED PROPERTY AT THE THORNE BAY SORTYARD FOR A TERM OF 1-YEAR, EXPIRING MAY 31, 2025.

WHEREAS, the City Council is the governing body of the City of Thorne Bay; and

WHEREAS, the Thorne Bay Municipal Code 2.56.240-provides that negotiated leasing may be conducted with a single prospective lessee or renter through the use of resolution; and

WHEREAS, the current lease between Papac Logging Inc. and the City expired effective May 31, 2024, and the City Council through Resolution 22-05-03-02, authorized the City Administrator to negotiate new lease terms with Papac Logging Inc.; and

WHEREAS, the new lease terms included an increased monthly lease rate from \$256.423 per acre to \$260.372 per acre, for a total monthly rate of \$520.74, for land in the Sortyard, containing a total of 2 acres; and

WHEREAS, it is in the City's best interest to retain Papac Logging Inc. as a "renter" under the terms of a 1-year short-term lease.

NOW THEREFORE, BE IT RESOLVED that the City Council for the City of Thorne Bay hereby approves the renewal of a short-term lease, effective June 1, 2024, through May 31, 2025, for the rental of city owned lands located at the Sortyard.

PASSED AND APPROVED this 7th day of May 2024, by a duly constituted quorum of the City Council with a vote of ___ Yeah, ___ Nays & ___ Absent/Abstained.

ATTEST:

Lee Burger, Vice Mayor

Caitlyn Sawyer, City Clerk/Treasurer

RENTAL AGREEMENT

CITY & PAPAC

This Rental Agreement is entered into by and between the City of Thorne Bay, Alaska, P.O. Box 110, Thorne Bay, Alaska 99919 (hereinafter called the "CITY" and, Papac Alaska Logging, Inc., (hereinafter called the "RENTER").

1. **Rented Premises.** The City does hereby Rent to the Renter two acres of land at the Sort Yard on municipally owned property within the corporate boundaries of the City of Thorne Bay.

Municipal Code, Title 2, Article III, Incorporated. The provisions of "Title 2, Article III of the Thorne Bay Municipal Code shall apply to the terms of this Rental Agreement unless otherwise amended in this Rental Agreement.

2. **Term.** The term of this Rental Agreement shall be One (1) year(s) beginning June 1, 2024 and ending May 31, 2025. Monthly rental payments due the City shall commence prior to use of Rented Premises and continue throughout the term of this Rental Agreement. Monthly Sales Taxes due the City shall commence upon the signing of Rental Agreement. Renter shall have the option to renew this Rent for an additional period of time subject to renegotiations of Rent terms and payments acceptable to both the City and Renter. The option to renew and Rent for the additional period can only be effective upon approval by the Thorne Bay City Council. This option to renew shall be exercised by the Renter in writing sixty (60) days prior to the expiration of the original Rent term. The option to renew is specifically waived if not exercised in full compliance with this provision.

This Rental Agreement expires automatically on the last day of the One (1) year period absent the approval of a new Rental Agreement by the Thorne Bay City Council. Absent an approved Rental Agreement, the Renter shall vacate the premise on or before the ending date of this Rental Agreement.

In addition to any rights of the City to terminate this Rental Agreement as specified in this Rental Agreement, or as specified in the Thorne Bay Municipal Code, the City shall have all rights to terminate this Rental Agreement in accordance with any provision of applicable law.

3. **Monthly Rent Payment.** Renter covenants and agrees to pay City monthly Rent payments in the sum of Five Hundred Twenty Dollars and Seventy-four Cents (\$520.74) plus applicable sales tax payable in advance on the first day of each month of the Rent term. In the event any payment required to be made pursuant to this Rental Agreement is more than ten (10) days past due, a late charge equal to ten percent (10%) per annum on such past due amount will be assessed and charged to Renter by City. Should this Rental Agreement be renewed, the monthly rent payment shall be reviewed and adjusted in accordance with the U.S. Department of Labor Consumer Price Index for Anchorage (CPI-U) as determined and published for the preceding calendar year. The base CPI figure for this Lease is 260.372 (Base Year: 1982-84 = 100) for the preceding full calendar year of 2023. The Base CPI figure of 260.372 shall be construed to equate to the dollar amount per acre for the Lease (\$260.372/Acre) and will be automatically applied to any renewed Rental Agreement from year to year, to keep up with inflation, based on the previous full year published CPI-U for Anchorage.

RENTAL AGREEMENT

CITY & PAPAC

4. **Deposits.** Renter shall deposit with the City an amount equal to N/A. Upon termination of the Rental Agreement the Renter shall vacate the premise leaving it in the same clean condition as presented at the time said Rental Agreement was initiated. If the premise is in need of cleaning, repairs or the Renter is in default in payments said deposit shall be used to offset such costs. In the event the Rented Premise is clean and in need of no repairs the deposit will be refunded in full. First and last month may be waived in lieu of improvements to the Rented Premises or other City Facilities as provided by Renter per "Exhibit A".
5. **Use.** Renter shall use the Rented Premises for the purpose of Storing and working on heavy equipment used for logging and road building. The Rented Premises shall be used for no other purposes without the prior written consent of City.
6. **Utilities and Fees.** Renter shall be responsible for all utility accounts and applicable deposits for said accounts. Renter agrees to pay, and keep current, ALL charges, including deposits, for all utilities, including but not limited to water, sewer, refuse collection, electricity, propane, fuel oil and telephone. Failure to do so will result in the utility being shutoff. Activation of a city shutoff shall constitute a material breach of the Rent Agreement resulting in the City's termination of the Rent Agreement. Absent an approved Rental Agreement, the Renter shall vacate the premise immediately.
7. **Repairs, Maintenance and Compliance with Laws.** Renter shall maintain the Rented Premises at Renter's sole cost and expense and at all times keep the Rented Premises neat, clean and in a sanitary condition. Renter shall keep and use the Rented Premises in accordance with applicable laws, ordinances, rules, regulations and requirements of all governmental authorities. Renter shall permit no waste, damage or injury to the Rented Premises. Renter's use of the Rented Premises in violation of any law or regulation of any governmental entity related to public health or safety or environmental pollution shall be a material breach of the Rental Agreement and grounds for City's termination of the Rental Agreement. Renter is required to obtain building permit authorization from the city for construction of any and all structures placed on or in the Rented Premises.
8. **Signs, Alterations and Improvements.** All signs or symbols placed on or about the Rented Premises shall be subject to City's prior written approval. After prior written consent of City, Renter may make alterations and improvements to the Rented Premises, at Renter's sole cost and expense. City may elect to require Renter to remove any such alterations and improvements upon termination of this Rental Agreement at Renter's sole cost and expense. Any of Renter's improvements remaining on the Rented Premises longer than thirty (30) days after Renter's possessors rights to the Rented Premises have expired shall become Rented Premises of City.
9. **Insolvency.** In the event Renter becomes insolvent, bankrupt or if a receiver, assignee or other liquidating officer is appointed for the business of Renter, City, in City's sole discretion

RENTAL AGREEMENT CITY & PAPAC

may immediately terminate this Rental Agreement and require that Renter vacate the Rental Premises.

10. **Subletting or Assignment.** Renter shall not sublet the whole or any part of the Rented Premises nor assign this Rental Agreement without the prior written consent of City. This Rental Agreement shall not be assignable by operation of law. All terms and conditions of the Rental Agreement shall be binding upon any sub Renter or assignee of this Rental Agreement and Renter shall remain fully responsible to City for performance of this Rental Agreement.

11. **Permits and Compliance with Law.** Renter shall obtain all necessary local, state and federal permits necessary for the operation of Renter's business and shall comply with all local, state and federal laws, rules and regulations.

Failure to comply with any requirements of this section shall constitute a material breach of the Rental Agreement. Failure to remedy the violation within 30 days will result in the City's termination of the Rental Agreement. Absent an approved Rental Agreement, the Renter shall vacate the premise immediately.

12. **Insurance.** General Liability Insurance: The Renter shall procure and maintain during the life of this agreement, General Liability Insurance on an "occurrence basis" with limits of liability not less than \$1,000,000 per occurrence and /or aggregate combined single limit, personal injury, bodily injury and property damage.

Proof of Insurance shall be provided to City within thirty (30) days after the parties have executed this agreement and prior to public use of said premises. City shall be notified at least thirty (30) days before the cancellation or termination of any policy.

City shall be named as additional insured.

13. **Accidents and Liability.** City or its agent shall not be liable for any injury or damage to the persons or property sustained by Renter or others, in and about the Rented Premises.

14. **Indemnification and Waiver of Subrogation.** To the fullest extent permitted by law, the Renter agrees to defend, indemnify and hold harmless the City, its elected and appointed officials, employees and volunteers against any and all liabilities, claims, demands, lawsuits, or losses, including costs and attorney fees incurred in defense thereof, arising out of or in any way connected or associated with this agreement.

To the extent permitted by law, the Renter hereby re-Rents the City, its elected and appointed officials, employees and volunteers from any and all liability or responsibility to the Renter or anyone claiming through or under the Renter by way of subrogation or otherwise, for any loss or damage to the property caused by fire or any other casualty, even if such fire or other casualty shall have been caused by the fault or negligence of the City, its elected or appointed officials, employees or volunteers. This provision shall be applicable and

RENTAL AGREEMENT

CITY & PAPAC

in full force and effect only with respect to loss or damage occurring during the time of the Renter's occupancy or use.

Renter understands that the City accepts no responsibility whatsoever for loss of, or damage to Renter's property.

15. **Removal of Renter's Property and Repair of Rented Property.** All buildings, fixtures and equipment of whatsoever nature, that Renter shall have acquired and installed upon Rented premises, whether permanently affixed or otherwise, shall continue to be the property of the Renter and must be removed by the Renter at the expiration or termination of this Rental Agreement; and at its own expense, Renter shall repair any injury to Rented Premises resulting from such removal. Renter shall remove all buildings, fixtures, and equipment, and make all repairs, within thirty days of the date the Renter vacates Rented Premises. If the Renter fails to remove its buildings, fixtures, and equipment, and fails to make the necessary repairs, the City may do so, and seek reimbursement from the Renter for the full amount of the repairs, without any deduction for the value of any buildings, fixtures, or equipment left on the premises by the Renter. If City determines that it is in City's best interest to acquire the improvements, it may negotiate to purchase Renter's buildings, fixtures, and equipment at a price equal to or less than fair market value.
16. **Taxes.** Renter shall be solely and fully responsible for the payment of all applicable federal, state, and Thorne Bay municipal taxes including all Monthly Sales Taxes due the City.
17. **Liens.** Renter shall maintain Rented Premises free of any and all liens. Renter will not permit any mechanics', laborers' or materialmen's liens to stand against the Rented Property or improvements for any labor or materials furnished to Renter or claimed to have been furnished to Renter, or to Renter's agents, contractors, or sub-Renters, in connection with work of any character performed or claimed to have been performed on Rented premises or improvements by or at the direction or sufferance of Renter; provided, however, Renter shall have the right to contest the validity or amount of any such lien or claimed lien, In the event of such contest, Renter shall give to the City such reasonable security as may be demanded by the City to insure payment of such lien or such claim of lien. Renter will immediately pay any judgment rendered with all proper costs and charges and shall have such lien re-Rented or judgment satisfied at Renter's own expense. Renter agrees to indemnify, hold harmless and to defend the City and Rented premises from such liens. Renter consents to the City's recording of and posting of a statutory notice of non-responsibility in accordance with Alaska Statute 34.35.065
18. **Default by Renter.** Each of the following shall be deemed a default by the Renter and a breach of the Rental Agreement:
 - (a) A failure to make payment of any installment, of rent or of any other sum herein specified to be paid by Renter, and Renter fails to cure such default within ten (10) days after

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receipt of a written notice has been received by Renter specifying such failure to make payment;

- (b) Upon shut off of utilities;
- (c) A default in the performance of any other covenant or condition on the part of the Renter to be performed for a period of thirty (30) days after receipt by Renter of a notice specifying the particular default or defaults;
- (d) The filing of a petition by or against Renter for adjudication as a bankrupt, or for reorganization or arrangement within the meaning of the Bankruptcy Act;
- (e) The dissolution or the commencement of any action or proceeding for the dissolution or liquidation of the Renter or for the appointment of a receiver or trustee of Rented Premises of the Renter;
- (f) The taking possession of Rented Premises of the Renter by any governmental officer of agency pursuant to statutory authority for the dissolution or liquidation of the Renter;
- (g) The making by the Renter of an assignment for the benefit of creditors;
- (h) Renter vacates or abandons the Rented Premises; and
- (i) A failure that continues for five (5) days or more to have the City named as an additional insured as required under paragraph 18, and Renter fails to cure such default within ten (10) days after receipt of a written notice has been received by Renter specifying such failure to name the City as an additional insured.

The specification of events constituting default by the Renter in this Section, are in addition to any defaults specified in the Thorne Bay Municipal Code.

19. City's Remedies for Default. In the event of any default of the Renter, the City shall have the following rights and remedies – all in addition to any rights or remedies that may be given to the City by statute, common law, or under Thorne Bay Municipal Code.

- (a) Distraint for rent due and subsequent sale of chattels so distrained. The sale of any such chattels shall be in accordance with the procedure set forth in Alaska Statutes.
- (b) Re-enter Rented Premises and take possession thereof, remove all persons therefrom, and remove Renter's property therefrom and store it in a public warehouse or elsewhere at the cost of Renter, all without service of notice or resort to legal process (all of which Renter expressly waives) and without becoming liable for trespass, forcible entry, detainer, or other tort or for any loss or damage which may be occasioned thereby;
- (c) Declare the Term ended;
- (d) Re-let Rented premises in whole or in part for any period equal to or greater, or less, than the remainder of the Term for any sum which is commercially reasonable;
- (e) Cure any such default, if possible, and demand immediate payment until all costs incurred in curing the default have been reimbursed fully, together with interest calculated at the rate of ten percent (10%) per annum at the then current prime rate as established by the First Bank of Alaska;

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- (f) Collect all reasonable damages, costs and expenses that the City may incur by reason of default by Renter, together with interest calculated at the rate of ten percent (10%) per annum at the then current prime rate as established by the First Bank of Alaska.
 - (g) The City shall use reasonable diligence to relet Rented Premises in or to mitigate the City's damages, consistent with the uses of Rented Premises, and all applicable Thorne Bay code provisions related to this Rent and Rented Premises.
20. **Rights and Remedies.** Except insofar as this is inconsistent with or contrary to any provision of this Rent, no right or remedy herein conferred upon reserved to the City or Renter is intended to be exclusive of any other right or remedy, and each and every right and remedy shall be cumulative and in addition to any other right or remedy given hereunder, or now or hereafter existing at law or in equity or by statute.
21. **Waiver.** Except to the extent that a party may have otherwise agreed in writing, no waiver by a party of any breach by the other party of any of its obligations, agreements or covenants hereunder shall be deemed to be a waiver of any subsequent breach of the same or any other covenant, agreement or obligation. Nor shall any forbearance by a party to seek a remedy for any breach of the other party be deemed a waiver of its rights or remedies with respect to such breach.
22. **Changes.** No modifications, amendments, deletions, additions or alterations of the Rent Agreement shall be effective unless in writing and signed by all of the parties hereto and such representatives of the parties as have been duly authorized to make such changes.
23. **Joint Product.** The language set out in this Rental Agreement represents the joint product of the parties and shall not be construed against one party in favor of the other. Each party hereto has had the option of seeking the advice of legal counsel in the drafting of this Rental Agreement, and the rule of construction favoring construction against the drafter shall not apply. Renter acknowledges and agrees that Renter has not received any legal advice from the City's attorney or from anyone associated with the City.
24. **Authority.** The parties and their undersigned representatives warrant that they have full authority to enter into this Rental Agreement and to execute this Rental Agreement.
25. **Hazardous Materials.** The Renter shall not permit, store, manufacture or dispose on Rented Premises any hazardous material or controlled substance as determined by federal, state, or municipal statutes or laws now or at any time hereafter in effect, including but not limited to , the Comprehensive Environmental Response, Compensation and liability Act (42 U.S.C. 9601 et seq.), the Hazardous materials Transportation Act (42 U.S.C. 1801 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. 6901 et seq.), the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), the Clean Air Act (42 U.S.C.7401 et seq.), the Toxic Substance Control Act, as amended (15 U.S.C. 2601 et seq.), and the Occupational

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Safety and Health Act (29 U.S.C. 651et seq.), and Title 46 of the Alaska Statutes as these laws have been and may hereafter be amended or supplemented. "Hazardous Substance" means any pollutant, contaminant, toxic substance, flammable, explosive, radioactive material, urea formaldehyde foam insulation, asbestos, PCB's or any other substance the removal of which is required, or the manufacture, preparation production, generation, use maintenance, treatment, storage, transfer, handling or ownership of which is restricted , prohibited, regulated or penalized by any and all federal, state, or municipal statutes or laws now or at any time hereafter in effect. Hazardous material shall not include cleaning supplies used in the routine daily cleaning and operation of a restaurant.

26. **Acceptance of the Rented Property by Renter.** Renter acknowledges that it has thoroughly examined Rented Premises. Renter accepts Rented Premises in their "**AS IS**" condition, and the City shall not be required to perform any work to prepare Rented Premises for the Renter. Renter's taking possession of Rented Premises shall be conclusive evidence against it that, at the time possession was taken, Rented Premises were in good and satisfactory condition. Renter acknowledges that, except for those representations and statements regarding the condition of Rented Premises expressly stated herein, Renter has not relied upon any representations or statements of the City or its representatives or agents regarding the condition of Rented premises or their suitability for Renter's uses under this Rent.
27. **Attorneys' Fees and Costs.** Should any dispute and/or legal action arise by reason of any default or breach on the part of Renter in the performance of any of the provisions of the Rental Agreement, Renter agrees to pay all reasonable attorneys' fees and costs incurred by City in connection therewith including City's attorneys' fees and costs incurred on appeal. It is agreed that the venue of any legal action brought under the terms of this Rental Agreement will be the First Judicial District, at Ketchikan, Alaska. Renter specifically agrees that venue for trial in any action related to this Rent shall be in Craig, Alaska.
28. **No Waiver of Covenants.** Any waiver by either party of any breach hereof by the other shall not be considered a waiver of any future or similar breach. This Rental Agreement contains all the agreements between the parties, and there shall be no modification of the agreements contained herein except by written instrument signed by both parties.
29. **Surrender of Rented Premises.** Upon termination of this Rental Agreement, Renter agrees to peacefully quit and surrender the Rented premises without notice, remove all of Renter's personal property and leave the Rented premises neat and clean. If City elects to require Renter to remove any alterations or improvements made by Renter, then Renter shall restore the Rented Premises to their previous condition, at Renter's sole expense.
30. **Binding on Heirs, Successors and Assigns.** The covenants and agreements of this Rental Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of both parties thereto, except as hereinabove provided, and as allowable by law.

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31. **Notice.** Any notice required to be given by either party to the other shall be deposited in the United States mail, postage prepaid, addressed to **City at P.O. Box 19110, Thorne Bay, Alaska 99919**, or the **Renter at, PO Box 404, Craig, AK 99921**, or at such other address as either party may designate in writing to the other.

32. **City's Right of Entry.** The City shall have the right to enter Rented premises at all reasonable times to examine the condition of same.

IN WITNESS WHEREOF, the parties hereto have executed this Rental Agreement as of the date first set above written.

CITY:
THE CITY OF THORNE BAY

RENTER:
PAPAC ALASKA LOGGING

By _____
Lee Q. Burger, Vice Mayor "City"

By _____
Papac Alaska Logging, Inc. "Renter"

ATTEST:

Caitlyn Sawyer, City Clerk/Treasurer