

Mayor
Richard Beneville
Manager
Tom Moran
Clerk
Bryant Hammond



Nome City Council
Stan Andersen
Jerald Brown
Doug Johnson
Mark Johnson
Adam Martinson
Lew Tobin

102 Division St. • P.O. Box 281
Nome, Alaska 99762
Phone (907) 443-6663
Fax (907) 443-5345

**NOME CITY COUNCIL
SPECIAL MEETING AGENDA
WEDNESDAY, MAY 23, 2018 @ 5:30 PM
CITY HALL CHAMBERS**

- I. ROLL CALL
- II. APPROVAL OF AGENDA
- III. CITIZENS' COMMENTS
- IV. NEW BUSINESS

A. R-18-05-03 A RESOLUTION SETTING THE CITY OF NOME CONTRIBUTION
FOR THE FY 2019 NOME SCHOOL DISTRICT BUDGET

- V. ADJOURNMENT

**MINUTES
NOME CITY COUNCIL
SPECIAL MEETING
MAY 23, 2018**

The special meeting of the Nome City Council was called to order at 5:30 PM by Mayor Richard Beneville in Council Chambers of City Hall, located at 102 Division Street.

ROLL CALL

Members Present: Stan Andersen; Jerald Brown; Doug Johnson; Mark Johnson; Adam Martinson

Members Absent: Lew Tobin (excused)

Also Present: Richard Beneville, Mayor; Tom Moran, City Manager; Bryant Hammond, City Clerk; Julie Liew, Finance Director; Joy Baker, Port Director

In the audience: Sandra Medearis, *Arctic News*; Gabe Colombo, KNOM; Jennifer Reader; Brandy Arrington; Nancy Mendenhall

APPROVAL OF AGENDA

Mayor Beneville asked if there were any changes to the agenda.

A motion was made by C. M. Johnson and seconded by C. Brown to approve the agenda as presented.

At the roll call:

Aye: Brown; D. Johnson; M. Johnson; Martinson; Andersen

Nay:

Abstain:

The motion **CARRIED**.

CITIZENS' COMMENTS

- 1) Jennifer Reader, representing Nome Public Schools Board of Education, thanked the Council for their consideration of the School District's budget request. She explained the contracted Business Manager was new and didn't understand Nome, which perhaps led to the abrupt email exchange and moving R-18-05-03 to a special meeting's agenda. She recapped an email exchange between herself and the City Council explaining that the \$2.8 million contribution specified in the resolution wouldn't cover expenses at the District over the next year. Ms. Reader requested \$3,078,762 as presented in the School Board's adopted school budget.
 - Mayor Beneville asked where the Business Manager lived.
 - Ms. Reader explained she lived in the Mat-Su Valley and worked for a company that contracted services to other districts.
- 2) Nancy Mendenhall described a list of cuts that were added back into the budget based on a \$3,078,762 contribution from the City of Nome. She expressed concern the District would need to revisit the cuts if the full request was not met. The cuts were primarily support positions such as counselors and teachers' aides which are important to the educational

process, especially for students that might not thrive in the group setting of a typical classroom. She finished by stating in 30 – 40 years, the present students would be on the City Council and School Board.

- 3) Brandy Arrington thanked the Council for consideration of the School Board's full request, stating a quality school is needed in a quality town.
- Councilman Andersen noted that despite the increased contribution, the budget still cut summer school and some aide positions. He asked how the Board balanced cutting instructional aides and funding sports activities.
 - Ms. Reader stated that \$25,000 had been cut from the sports budget, but that sports were needed to keep kids in the district.
 - Councilman Andersen explained that in F18, the City contributed an extra \$500,000 to make the District whole. In F19, the District was requesting nearly \$600,000 on top of the F18 increase and still cutting positions and summer school. He asked for an accounting of how costs were increasing so quickly and what the plans for the future were, as the City's contribution was quickly reaching the maximum allowed by the State.
 - Nancy Mendenhall stated that health care and fringe costs went up every year, as did fuel and food costs.
 - Councilman M. Johnson asked what the maximum contribution was.
 - Finance Director Liew explained the minimum and maximum contributions were based on the City's Full Value Determination, which included the entire tax base in the City of Nome. The current maximum contribution was about \$3.3 million.
 - Manager Moran explained the maximum was in place to ensure that a First Class City was able meet its other obligations in providing services.
 - Councilman M. Johnson contended that sports and physical education were important to the educational process. He noted that if the District could attract more students, State revenue would increase, which would alleviate current budget issues. He asked how much extra money was designated by the Legislature at the end of the session.
 - Ms. Reader stated that Districts did not yet know how the funding would be divided and that the Governor had not yet signed the budget.
 - Councilman Andersen surmised the amount was about \$30 million.
 - Ms. Reader clarified that \$20 million for F19 and \$30 million for F20 were the statewide amounts.
 - Councilman M. Johnson clarified that several longtime teachers retired this year.
 - Ms. Reader confirmed several teachers at the top of the pay scale retired. However, the teachers that were hired to replace them had some experience and did not come in at the bottom of the pay scale. She illustrated the effect teacher longevity had on students by explaining a drop in one grade's standardized test scores one year when all new teachers were hired for that grade level.
 - Councilman M. Johnson asked how much the District was dipping into the fund balance.
 - Ms. Reader stated \$213,807 for this year's budget.
 - Councilman Andersen added that some was restricted and some was not.

NEW BUSINESS

- A. R-18-05-03 A Resolution Setting the City of Nome Contribution for the FY 2019 Nome School District Budget.

A motion was made by C. Andersen and seconded by C. Brown to adopt R-18-05-03.

Discussion:

A motion was made by C. Andersen and seconded by C. M. Johnson to amend R-18-05-03's "Be it Further Resolved" by adding \$278,762 to the additional contribution amount for a total local contribution of \$3,078,762.

Discussion:

- Explaining the amendment, Councilman Andersen reasoned the Council should either trust the School District or not. He noted the increased seasonal sales tax and the addition of a mill to the property tax rate should cover the increased contribution (from F18 and now F19) to the schools. He added that he hoped the public would become more involved in watching how tax dollars were spent to ensure they were getting their money's worth, noting the \$1.1 million increase in the local contribution over just two years. Ultimately the decision will go back to the voters.
- Councilman M. Johnson stated he opposed raising the mill rate, though he would support the amendment.

At the roll call:

Aye: M. Johnson; Martinson; Andersen; Brown; D. Johnson

Nay:

Abstain:

The motion to amend **CARRIED.**

Returning to the main motion:

At the roll call:

Aye: D. Johnson; M. Johnson; Martinson; Andersen; Brown

Nay:

Abstain:

The motion, as amended, **CARRIED.**

ADJOURNMENT

A motion was made by C. Andersen and seconded by C. Brown that the meeting be adjourned.

Hearing no objections, the Nome Common Council adjourned at 6:02PM.

APPROVED and SIGNED this 29th day of May 2018.


RICHARD BENEVILLE, Mayor

ATTEST:


BRYANT HAMMOND, City Clerk