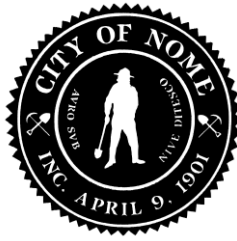


Mayor
John K. Handeland
Manager
Glenn Steckman
Clerk
Bryant Hammond



Nome City Council
Jerald Brown
Doug Johnson
Mark Johnson
Adam Martinson
Jennifer Reader
Meghan Sigvanna Topkok

NOME COMMON COUNCIL
WORK SESSION & REGULAR MEETING AGENDA
MONDAY, JANUARY 25, 2021 at 5:30 / 7:00 PM
COUNCIL CHAMBERS IN CITY HALL

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

WORK SESSION

5:30 – Presentation of FY 2020 Audit by Altman, Rogers & Co.,

6:00 – Discussion of 2020 NSEDC Community Benefit Share Allocation

ROLL CALL

APPROVAL OF AGENDA

APPROVAL OF MINUTES

A. June 30, 2020 Nome Common Council Regular Meeting Minutes,
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B. January 11, 2021 Nome Common Council Regular Meeting Minutes,
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COMMUNICATIONS

A. Letter of December 22, 2020 from AK Division of Public Health to Nome Emergency Services
re: Recertification through 2022,
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B. Letter of January 12, 2021 from Superintendent Burgess to Manager Steckman re: District
Capital Requests for FY 22,
PAGE 18

C. Email of January 19, 2021 from Acting State Assessor Caissie re: Board of Equalization
Training,
PAGE 32

D. 2021 Nome Public Schools Board of Education Legislative Priorities,
PAGE 33

E. FY 2022 City of Nome Budget Calendar,
PAGE 36

CITIZEN'S COMMENTS

UNFINISHED BUSINESS

A. R-21-01-01 A Resolution Allocating the 2020 NSEDC End-Year Community Benefit Share
Funds,

PAGE 38**NEW BUSINESS**

- [A.](#) O-21-01-01 An Ordinance Approving the 2021 Operations and Maintenance Budget for Nome Joint Utility System,

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- [B.](#) O-21-01-02 An Ordinance Approving the 2021 Capital Investments Budget for Nome Joint Utility System,

PAGE 53

- [C.](#) R-21-01-02 A Resolution Modifying the City of Nome Resolution R-12-12-03 Authorizing Special Permitting for the Trapping of Fur-Bearing Animals within Otherwise Prohibited Areas of the City of Nome,

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- [D.](#) R-21-01-03 A Resolution Adopting the Results of the Fiscal Year 2020 Audit Performed by Altman, Rogers & Co.,

PAGE 62

- [E.](#) R-21-01-04 A Resolution Endorsing Projects for the City of Nome's 2021 State Legislative Priorities,

PAGE 158

- [F.](#) R-21-01-05 A Resolution Endorsing Projects for the City of Nome's 2021 Federal Legislative Priorities,

PAGE 160**UTILITY MANAGER'S REPORT**

- A. Activity Report: January 12 - 22, 2021,

VERBAL**CITY MANAGER'S REPORT**

- [A.](#) Activity Report: January 12 - 22, 2021,

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- [B.](#) Memorandum from Acting Finance Director Crowe to Manager Steckman re: F20 Financial Review,

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- [C.](#) Memorandum from Port Commission Chairman West to Manager Steckman re: Additional Funds for Launch Ramp Replacement Project,

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- [D.](#) November 19, 2020 Nome Port Commission Regular Meeting Minutes,

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- [E.](#) 2nd Quarter Harbormaster Report,

PAGE 173

- [F.](#) 2nd Quarter NVFD / NVAD Report,

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[G.](#) 2nd Quarter Nome Police Department Report,

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[H.](#) 2nd Quarter Building Inspector / Maintenance Report,

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[L.](#) 2nd Quarter Library Report,

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[L.](#) 2nd Quarter Museum Report,

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[K.](#) 2nd Quarter Public Works Report,

PAGE 196

[L.](#) 2nd Quarter Parks & Rec Report,

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[M.](#) 2nd Quarter Visitors' Center Report,

PAGE 200CITIZEN'S COMMENTSCOUNCIL MEMBER'S COMMENTSMAYOR'S COMMENTS AND REPORT

A. Activity Report: January 12 - 22, 2021,

VERBALEXECUTIVE SESSIONADJOURNMENT

Mayor
John K. Handeland
Manager
Glenn Steckman
Clerk
Bryant Hammond



Nome City Council
Jerald Brown
Doug Johnson
Mark Johnson
Adam Martinson
Jennifer Reader
Meghan Sigvanna Topkok

Item A.

**NOME COMMON COUNCIL
SPECIAL MEETING MINUTES
TUESDAY, JUNE 30TH, 2020 AT 5:32PM
COUNCIL CHAMBERS IN CITY HALL**

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

ROLL CALL

Members Present: Jerald Brown; Mark Johnson; Adam Martinson; Jennifer Reader; Meghan Topkok(Telephonic)

Members Absent: Doug Johnson; Student Rep. Molly Kenick

Also Present: Joy Baker, Port Director(Telephonic); Nickie Crowe, Acting Finance Director(Telephonic); Glenn Steckman, City Manager; John K. Handeland, NJUS Manager, Christine Piscoya, Deputy City Clerk

In the audience: Tom Gray; Scot Henderson; Judy Martinson; Emily Hofstaedter, KNOM; Diana Haecker, Nome Nugget Newspaper.

OATH OF OFFICE

A. Deputy City Clerk Piscoya gave the Oath of Office for John K. Handeland as Mayor.

APPROVAL OF AGENDA

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

A motion was made by C. Reader and seconded by
C. Martinson to approve the agenda as presented.

At the roll call:
Aye: M. Johnson; Martinson; Reader; Topkok; Brown.
Nay:
Abstain:

The motion **CARRIED**.

CITIZEN'S COMMENTS

1. Tom Gray was present to see what is going on for the CARES Act funding and that the local businesses have been effect by COVID-19 and eager to know what is available to business owners.

2. Aaron Blankenship expressed in documentation that the forms were not addressed correctly and that it should also be open and fair to all people and or businesses applying for these grants.

NEW BUSINESS

A. Approval of Phase I CARES Act Spending Plan.

- City Manager Steckman explained the different type of phases will be available to the community followed by a similar process done in Kenai. Phase I would consist of a NJUS Utility credit for residents at \$300.00 that have been effected by COVID, Phase II would be a \$3,000 NJUS credit for Businesses, Phase III is for the carvers, crafters and sculptors for \$300 paid directly to them. For each phase will have a various amount set for funding and then apply some of the COVID funding to various upgrades within the City of Nome buildings/facilities and other items that need funding related to COVID.
- Councilmember Reader asked clarification for the amounts of miss printed information on the proposed forms, as they are different amounts from the \$500 versus the \$300 amount.
- Councilmember Brown stated that the second and third amounts make it sound like there might be additional phases but not too sure at this point in time.
- City Manager Steckman continued to state that this model we are following is from Kenai's model and that citizens will declare their need for the funds and submit it to the city with no additional proof would be needed.
- Mayor Handeland explained the city got their estimated amounts from the listing of the registered businesses that has a physical presence in the community. Marijuana business, cab drivers, along with many other non-qualified businesses for whatever the reason may be, that a business would not be qualified to apply for Phase II that it would be based on a needs bases.
- City Manager Steckman stated the Phase II application would be ready for the Council to review by the July 13th, 2020 meeting in hopes of approving the Phase I application gets approved.
- Councilmember M. Johnson asked for a timeline and when/if the payments would be sent out. He understand that these funds may need to be paid out by the end of the 2020 year.
- City Manager Steckman explained if it was approved tonight that it would be pushed out into the public and July 17th would be the deadline for the Phase I and the credits would be applied by July 30th for Utility funds. The Phase II application should be available to the public by July 13th. Phase II and III payments will be available in July or early August. The Phase III of payments will be due/paid at a later date after the first rounds got through to see how much funding is available if any additional phases are needed.
- Councilmember Brown asked out of curiosity that some of the content on the application if it is relevant to ask for or whether it should be defined differently on how each business would find themselves approved or disqualified due as presented with the current application.

A motion was made by C. Brown and second C. Reader to Amend the Phase I application with the details such as adding a line item for estimated total impact may be needed from March to May 2020 from business owners.

Discussion:

- Councilmember Brown explained the propose changes for the Phase I application.
- Judy Martinson stated to get the estimated cost from taxing revenues would be harder to get and that she wouldn't want to have the business owners put a number down and not be able to hold accountable for those estimated funds within a business, even if they are estimated.
- Councilmember Reader asked for previous years verse the current year to see a projected number of loss revenue.
- Tom Gray explained that selecting an estimated amount may work but what numbers may not hold true form the past to current and the future. Receiving COVID funds in the past have helped but it's not going to cover any of the costs loss during this time.

At the roll call:

Aye: Topkok; Brown.

Nay: M. Johnson; Martinson; Reader.

Abstain:

The motion **FAILED**.

- Councilmember Brown asked for clarification on the carvers, crafters and sculptors phase if it would be a check form rather than a credit to their NJUS account.
- City Manager Steckman stated that carver, crafter and sculptors are unique due to working at home which they could apply for the business grant and the carver, crafter and sculptor grant, if they qualify.
- Councilmember Brown asked again for explanation of the application that the artist and carvers were to expect a check rather than a credit as it states on the form.
- City Manager Steckman stated they are using a premade template and it might be a mistake but it could be changed.
- Councilmember Brown pointed out that there may be households in this community that have one utility account but have possibly multiple carvers, artisans and sculptors within that home, how do you define that within the application and again, to send a check directly to the carver, artisan and sculptors rather than applying to a utility account.
- City Manager Steckman stated he would not recommend that method of payment. Kenai's model was based on the utility household rather than an individual.
- Mayor Handeland gave a scenario of possible households and explained how it would work for each individual person.
- Councilmember Brown further explained that the dynamics in Nome maybe that there could be a household that has multiple wage earners but all share one utility bill and that the carvers, crafter and sculptors shouldn't be left out due to not having a utility bill in their own name and supported cutting a check to each individual carver, crafter and sculptor.
- Mayor Handeland explained that this model was based on household rather than individual person.
- Councilmember M. Johnson asked for clarification about if a business would have to have the utilities under the business rather than the individual name. There are some business that do not have a physical presence but the business is run out of their home and utility are in the individual business owner rather than the business itself.
- City Manager Steckman explained it wouldn't be appropriate to do that; that this grant funding isn't a stimulus check that goes to everyone. If a business could show a hardship

that it would be a credit to the utility account and applied that way. City Manager Steckman explained Phase III would be in a form of check to the individual. Small business that are run out of the home would not qualify as a business grant due to it not having a physical store front presence.

- Councilwoman Reader explained if any business owner applied for the business grant that they would qualify, for instance if her Mary Kay independent sales would apply for the business grant that they could regardless if there was a physical store front business or not. She stated it is comparable to what a carver, crafter and/or sculptor and they had a current business license and they ran their business out of their home, they would qualify to apply. C. Reader explained that any and all types of business should be treated equally and each business should get the same opportunity.
- City Manager Steckman added that the one of the challenges for the business are if it's owned by one spouse and another business is run out of the same household, that they still could apply. Carvers, crafters and/or sculptors are different comparable to regular businesses who have a physical store front. He suggested that the Council would decide on giving those types of business leeway to apply for the business grant funds.
- Judy Martinson asked for clarification if it's one business per couple or per household or individual business.
- City Manager Steckman continued to reference Kenai's process is based on the size of revenue and would apply for grant fund that way. They also can include as an option is what the funds would be used for along with a bunch of other qualification for their business grant application.
- The council continued to discuss the requirements for the business grant application funding.

A motion was made by C. Reader and second C. Martinson to accept the memo dated June 29, 2020 from City Manager Steckman to disburse money from the Cares Act with the addition of using the discretion* of the City manager as needed and to not exceed \$600,000 and then prorate if necessary as well as the additional funding for Cares Act funding.

Discussion:

- Councilmember M. Johnson if they find there is more need and will use discretion in the future to fill those needs.
- Councilmember Reader clarified that it's just for first column of the spreadsheet and added a friendly amendment to include the additional funding of Cares Act funding and C. Martinson agreed.
- Councilmember M. Johnson included the NRC shouldn't be included with the COVID funding. IN additional there should be other opportunities of funds available at a later day and that we are only approving the payment for Phase I.
- City Manager Steckman replied the NRC is considered an emergency shelter is eligible for the funds.

At the roll call:

Aye: Reader; Topkok; Brown; D. Johnson; Martinson.

Nay:

Abstain:

The motion **APPROVED**.

ADJOURNMENT

The meeting adjourned at 7:43PM.

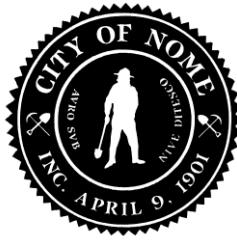
APPROVED and **SIGNED** this 25th day of January, 2021.

JOHN K. HANDELAND
Mayor

ATTEST:

BRYANT HAMMOND
City Clerk

Mayor
John K. Handeland
Manager
Glenn Steckman
Clerk
Bryant Hammond



Nome City Council
Jerald Brown
Doug Johnson
Mark Johnson
Adam Martinson
Jennifer Reader
Meghan Sigvanna Topkok

Item B.

**NOME COMMON COUNCIL
REGULAR MEETING MINUTES
MONDAY, JANUARY 11, 2021 at 7:05 PM
COUNCIL CHAMBERS IN CITY HALL**

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

ROLL CALL

Members Present: Jerald Brown (telephonic); Doug Johnson (telephonic); Mark Johnson; Adam Martinson (telephonic); Jennifer Reader (telephonic); Meghan Topkok (telephonic)

Members Absent:

Also Present: John Handeland, Mayor; Zoe Okleasik, Youth Representative (telephonic); Glenn Steckman, City Manager; Bryant Hammond, City Clerk; Mike Heintzelman, Police Chief; Bob Pruckner, Deputy Chief of Polic; Emily Hofstaedter, KNOM; Ken Hughes

In the audience: ~10 Zoom participants

APPROVAL OF AGENDA

A motion was made by C. M. Johnson and seconded by C. D. Johnson to approve the agenda.

A motion was made by C. M. Johnson and seconded by C. Reader to amend the agenda by moving Manager's Report B to communications and eliminating Mayor's Report B.

At the roll call:

Aye: M. Johnson; Martinson; Reader; Topkok; 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; Reader; Topkok; Brown

Nay:
Abstain:

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

APPROVAL OF MINUTES

A. December 14, 2020 Nome Common Council Regular Meeting Minutes.

A motion was made by M. Johnson and seconded D. Johnson to approve the December 14, 2020 Regular Meeting Minutes.

Discussion:

- Council Member Reader noted a typo on page 7 of 8 of the minutes.

At the roll call:
Aye: Martinson; Reader; Topkok; Brown; D. Johnson; M. Johnson
Nay:
Abstain:

The motion **CARRIED**.

COMMUNICATIONS

A. Memorandum of January 7, 2021 from Acting Finance Director Crowe to Manager Steckman re: FY21 Draft Revenue and Expense Reports at 12/31/20.

- Finance Director Crowe noted a 3.4 million gap between revenue and expense in the general fund, noting it was 1.2 million and 1.3 million in FY19 and FY20 respectively. She explained the gap was due to CARES act funding's impact on salaries and benefits on the budget.
- Council Member Mark Johnson asked if it was possible to present a draft balance sheet when financials are presented. He commended the speed at which staff were able to present the financials.
- Manager Steckman said it would be easier at the end of the month, rather than the beginning. He noted other closeouts and finance staff working overtime to keep up with the CARES act programs.

B. CARES Act Funds Report.

- Director Crowe discussed the status of CARES Act funds, noting the non-encumbered balance of \$227,000.
- Manager Steckman gave further details on the status of CARES act funds, explaining there may be more funds available after all applications have been processed. He noted that all the funds for the proposed Rec Center improvements have been redirected to other programs.
- Mayor Handeland noted the extension in the deadline for spending CARES Act funds, asking if the Council would like to discuss the matter further or so so at a later work session.

- Manager Steckman requested the Council take a pause to see where the City stands before making any immediate decisions. He noted some developments in guidance on allowable spending.
- Mayor Handeland agreed it makes sense to understand where the City stands.
- Council Member Brown agreed on waiting and suggested Iditarod as a good time to pick the matter up again.
- Mayor Handeland noted the possibility of congress allocating more funding.

CITIZEN'S COMMENTS

None given.

NEW BUSINESS

- A. R-21-01-01 A Resolution Allocating the 2020 NSEDC End-Year Community Benefit Share Funds.

A motion was made by C. Reader and seconded by C. D. Johnson to adopt R-21-01-01.

Discussion:

- Manager Steckman discussed the history of NSEDC funding and the City's use of such. He discussed the priorities of HVAC system upgrades, noting City Hall as the number 2 priority and easier to accomplish than the more expensive Rec Center.
- Council Member Reader asked if this was the same pot of funds as the resolution passed last meeting. She asked how much the full amount of upgrades would cost.
- Manager Steckman explained previous end year funds and that the NSEDC funds would be used as matching funds seeking other grants.
- Council Member Mark Johnson asked COVID funds would cover this.
- Manager Steckman explained the CARES funds were originally pitched towards HVAC upgrades, but the CARES Act funds were pushed out into the community instead.
- Council Member Mark Johnson asked if the funds could be used for switching the pool from salt water back to chlorine.
- Manager Steckman explained his understanding of pool design and that changing designs becomes problematic. He noted the pool repairs are complete for a salt water system and hasn't had a discussion yet with Director Leeper on future direction.
- Council Members Topkok, Martinson, and Brown all agreed both City Hall and the Rec Center needed upgrades.
- Council Member Doug Johnson opined there was higher traffic of citizens at City Hall than at the pool.
- Manager Steckman opined that the pool might be easier to obtain grant funding.
- Council Member Mark Johnson requested more debate.
- Mayor Handeland suggested a work session sometime before the next meeting.

A motion was made by C. M. Johnson and seconded by C. Martinson to postpone R-21-01-01 to the January 25, 2021 Regular Meeting.

At the roll call:

Aye: Topkok; Brown; D. Johnson; M. Johnson; Martinson;
Reader

Nay:

Abstain:

The motion **CARRIED**.

UTILITY MANAGER'S REPORT

A. Activity Report: December 15, 2020 - January 8, 2021.

- Assistant Utility Manager Morton updated the Council on COVID vaccinations for NJU crews and noted no NJU personnel currently in quarantine.
- NJUS is actively working on the budget and should be coming to the council in the coming weeks.
- The line crew is replacing LED fixtures, starting on East N St. and continuing towards Front St.
- The active leak at Bering and 2nd was taking longer to address than expected due to difficulty in isolating the leak.

CITY MANAGER'S REPORT

A. Activity Report: December 15, 2020 - January 8, 2021.

- Manager Steckman noted the report went out via email over the weekend. He explained Emergency Order 13 (EO 2021-01) with the expiration of bars and public spaces. He explained the form is now being administered by NSHC and takes vaccinations into account.
- Thirty-two City of Nome personnel have now received the 2nd shot. Nobody was required but everybody was encouraged. He explained the ID card, and request for a COVID-19 quick test over concerns of being vaccinated but possibly remaining a carrier. He praised NSHC's efforts on the ground in Anchorage.
- Manager Steckman noted the drop in guests at NEST over the COVID-19 pandemic. However, he noted an increase in the challenges people have been facing as well, through drug and alcohol issues in addition to others.
- He commended the finance staff for their hard work in pushing out CARES Act funds and noted there was no need for an executive session.
- Council Member Reader asked for clarification on the quarantine policy.
- Manager Steckman noted that people who've had COVID-19 are traveling and not subject to quarantine. He noted that this should be added and that administrative staff would discuss.

- Mayor Handeland asked for a clearer copy, noting the vaccination adds a bonus of not needing to quarantine.
- Council Member Mark Johnson asked if the City was contracting with the Hospital.
- Manager Steckman explained that the process was about the same, only the hospital was handling the information. He noted that paper forms were dwindling to almost nothing in person.
- Council Member Mark Johnson asked how long the MCC would be used.
- Manager Steckman noted there was meeting on Monday concerning the issue.

C. Monthly PD Report/Capital Projects Update--January 2021.

- Port Director Baker noted a significant milestone for the Deep Draft Port project on December 27th when the President signed the Consolidated Appropriations Act which included the Port of Nome modification project. She noted Federal funding still needed to be appropriated and non-federal match still needed to be identified.
- She gave an update on the CAP 107 project explained that a late sediment sampling and harbor survey assisted the Port in staying on schedule.
- Director Baker discussed the launch ramp repair project, noting the Port has come up with a modified approach that would reduce some of the more expensive aspects while allowing the Port to seek additional funding.
- In relation to the Port Rd improvements project, ADOT should have another set of plans out for review and was looking at a midsummer bid and 2022 construction season.
- Mayor Handeland thanked Joy for the alacrity with which she has pursued Port Development.

D. Emergency Order No. 2021-01.

CITIZEN'S COMMENTS

None given.

COUNCIL MEMBER'S COMMENTS

- 1) Council Member Brown – no comments.
- 2) Council Member Doug Johnson – no comments.
- 3) Council Member Mark Johnson – no comments.
- 4) Council Member Martinson asked for an update on Mr. Harrison's request to put City-owned lots up for sale.
 - Mayor Handeland suggested asking the Planning Commission if some lots were needed for a future project.
- 5) Council Member Reader – no comments.
- 6) Council Member Topkok wished everyone quvianagli ukiutchiaq (happy new year in Inupiaq) and thanked City Staff.
- 7) Youth Representative Okleasik – no comments.

MAYOR'S COMMENTS AND REPORT

A. Activity Report: December 15, 2020 - January 8, 2021.

- Mayor Handeland noted heated discussion on Facebook about Iditarod not finishing in Nome and explained the decision from the Board of Director's perspective. He noted the concerns expressed in the region's villages. No Iditarod finish in Nome was unfortunate, but he noted the Iron Dog still on and he was still looking for people to come up with some plans for entertainment during March. He solicited ideas, suggesting a small work group address the issue.
- He thanked Randy Oles and members of the Nome Volunteer Fire Department for the fireworks display on New Years Eve.
- He discussed COVID-19 vaccination shots, the Mini Convention Center and homeless issues, noting that Nome Community Center operates NEST and emphasized the good work they do around town.
- Mayor Handeland opined he should put appointments to the Public Safety Advisory Commission on hold for a few weeks, hoping to meet with commissioners for a one year report.

C. Appointment of Colleen Deighton to Seat A of the Nome Planning Commission.

- Mayor Handeland appointed Colleen Deighton to Seat of the Nome Planning Commission.

A motion was made by C. M. Johnson and seconded by C. Reader to confirm Mayor Handeland's appointment.

At the roll call:

Aye: Brown; D. Johnson; M. Johnson; Martinson; Reader;
Topkok

Nay:

Abstain:

The motion **CARRIED**.

EXECUTIVE SESSION

- A. Discussion of Personnel Matters the Immediate Knowledge of Which May Have an Adverse Affect on City Finances.
- The Nome Common Council did not recess into executive session.

ADJOURNMENT

Hearing no objections, the Nome Common Council adjourned at 8:33 PM.

APPROVED and **SIGNED** this 25th day of January, 2021

JOHN K. HANDELAND
Mayor

ATTEST:

BRYANT HAMMOND
City Clerk



THE STATE
of **ALASKA**
GOVERNOR MIKE DEWEY

Department of Health and Social Services

DIVISION OF PUBLIC HEALTH Office of Emergency Medical Services

P.O. Box 110616
350 Main Street, Suite 530
Juneau, Ak 99811-0616
Main: 907.465.3140

Nome Emergency Services
PO Box 281
Nome, AK 99762

Dear Service Director,
Congratulations to Nome Emergency Services on becoming certified as an emergency medical service under 7 AAC 26.010 – 7 AAC 26.999. Your new certificate is enclosed, containing the following information:

Name of Service: Nome Emergency Services
Level of certification: Basic Life Support Service that sometimes provides ALS
Registration Number: 6040
Registration Issue Date: 12/22/2020
Registration Expiration Date: 12/31/2022

Let me know immediately if you have changes in staffing, equipment or training that will affect your ability to comply with applicable statutes and regulations and if you have a change in your physician medical director. Please let me know if you need further assistance, you can contact me at (907) 465- 8634 or by email at: hss.emt.cert@alaska.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "T. McDowell".

Todd L. McDowell, NRP
Manager, State of Alaska Office of EMS



Certifies that

Nome Emergency Services

PO Box 281 Nome, AK 99762

MEETS THE REQUIREMENTS ESTABLISHED PURSUANT TO ALASKA STATUTE 18.08.080 AND DELINATED IN TITLE 7, CHAPTER 26 OF THE ALASKA ADMINISTRATIVE CODE AND IS HEREBY CERTIFIED AT THE LEVEL STATED BELOW. THUS, THE AGENCY IS AUTHORIZED TO FUNCTION IN ACCORDANCE WITH THE SCOPE OF PRACTICE PERMISSIBLE FOR THE LEVEL OF CERTIFICATION.

Emergency Medical Service Outside Hospitals

Basic Life Support Service that sometimes provides ALS

Issue Date: 12/22/2020
Expiration Date: 12/31/2022
Certification Number: 6040


EMS OFFICE MANAGER

Item A.



Nome Public Schools

P.O. Box 131 • Nome, Alaska • 99762
(907) 443-2231 • Fax 443-5144

Jamie Burgess, Superintendent
jburgess@nomeschools.org
(907)-443-6191

Item B.

January 12, 2021

Mr. Glenn Steckman, City Manager
City of Nome
102 Division Street
Nome, AK 99762

RE: District Capital Requests for FY22

Dear Mr. Steckman:

Nome Public Schools hereby requests that the City of Nome consider the following capital project priorities for the 2021-2022 school year. The Alaska Legislature has failed to provide any capital funding for school major maintenance projects for the past several years, and the outlook for funding for the coming school year remains poor.

Priority #1: Beltz Campus Generator and Electrical Service Replacement \$1,600,000

The Beltz Campus (Nome-Beltz High School, the Beltz Apartments, District Office/Anvil City Science Academy/District Dorm, and NPS Shop Complex) has a back-up emergency generator which is undersized for the complex, and is insufficient to allow the high school to act as an emergency shelter for the community in the case of major disasters. The generator is also housed in a portion of the maintenance shop with inadequate ventilation, resulting in evacuation of all maintenance staff every time the generator is active. The project will also include the cost of transformers and power lines for the project. Attached to this request is a portion of the Capital Improvement Project application submitted to the State of Alaska, including a cost estimate for the project.

Priority #2: DDC Control System Replacement \$2,200,000

The district's DDC control system's computers experienced a catastrophic event and had to be wiped clean. Some functionality was recently restored, but the programs are obsolete and running on an outdated operating system that is no longer supported. HVAC and air handling adjustments are currently done primarily manually, resulting in inefficient use of manpower and higher energy costs. The project will purchase and install the most current versions of the programs, add the district office building to the network, and include needed parts and actuators to upgrade the system. Attached to this request is a portion of the Capital Improvement Project application submitted to the State of Alaska, including a cost estimate for the project.

On behalf of the children and staff of Nome Public Schools, I appreciate the City's consideration of these requests for the 2021-2022 school year. If any further information is needed, please do not hesitate to let me know.

Sincerely,

A handwritten signature in black ink, appearing to read "Jamie Burgess", with a stylized, flowing script.

Jamie Burgess
Superintendent
Nome Public Schools



**FY22 CIP
NOME PUBLIC SCHOOLS**

**NOME SCHOOLS DDC CONTROL UPGRADES
ATTACHMENTS**

**Jamie Burgess, Superintendent
P.O. Box 131
Nome, AK 99762
(907) 443-2231
Fax (907) 443-5144**

3d. Project description/Scope of work. The project description/scope of work narrative is a required element of this application (Reference AS 14.11.013(c)(3)(A)). Ensure project aligns with selected funding category.

Project description

In the space below, provide a clear, detailed description of the project. At a minimum, include the following:

- Facilities impacted by the project
- Age of facility/system(s)
- Facility/system conditions requiring capital improvement
- Explain why this project is not preventive maintenance
- Other discussion describing project

The community of Nome is located along the Bering Sea on the south coast of the Seward Peninsula, approximately 539 air miles northwest of Anchorage. January temperatures range from -3 to 11 °F; July temperatures are typically 44 to 65 °F. Average annual precipitation is 18 inches, with 56 inches of snowfall.

The Nome Elementary School is a 61,605SF facility, built in 1987. The Nome Beltz campus was originally constructed in 1962 and consists of several buildings. Three of the original buildings, including Building A (the main high school building), Building D (district office and charter school), and Building E (boiler building) are still in use today. The main portion of Building B, housing the Gym and Pool was constructed in 1973, with two smaller additions, including the new cafeteria, constructed later.

The existing DDC systems at both the Beltz campus and at the Elementary were Honeywell XL5000 controls that have not been supported by the manufacturer for years. District personnel are unclear about their exact age. Some of the controllers had been updated about 2003, and it is certain that the head end equipment and software are at least that age. Unfortunately, these machines were taken over by an unauthorized outside party in fall 2018 due to the outdated security of the system. The Elementary system was wiped, and the Beltz system was pulled from service by the district's IT staff to prevent further danger to the district's network. At that time, all DDC programming for the buildings was lost. As these systems are now obsolete and completely unsupported, the Honeywell people have stated that the software and programming no longer be reloaded and restored.

At this point, the building controls are running only in a default mode, and the district has very little control of the systems to make heating or ventilation changes. Maintenance staff have tried to work around the issues as best they can, but there is simply not much they can do. The buildings are uncomfortable for the occupants, and are much less energy efficient than they should be.

In 2019, the district has sought quotes for equipment to replace the non-operational controls, and get back to some sort of a functional system. These estimates varied greatly, from \$147k to just put a new Honeywell front end on the old existing controllers, to \$710k to replace the controls with a Delta system, to \$846k to replace the controls with a Siemens system. Meridian Systems made clear that the quote for the upgraded Honeywell equipment was basically just a "phase1", and that further ongoing work would be expected to replace the remaining existing controllers. The other two quotes included more substantial replacement.

While less expensive initially, the district did not believe that leaving the old controllers in place was reasonable at this point. They are many years old already, and are outdated technology. In addition, some of the controllers have already failed, and would need to be replaced anyway. At best this was seen as a short term and short sighted solution, that would put the district back in the same situation again much too soon.

Unfortunately, the previous quotes received had been difficult to compare, as the systems and proposed scope of work had varied substantially between them. In order to get a better and more independent assessment of the existing situation, the district enlisted the services of RSA Engineering in the fall of 2019. The mechanical engineer traveled out to the school sites to look at the existing controls and better understand the district's needs for correcting the problems that had plagued the facilities. After evaluating the facilities, RSA recommended that the existing controls be completely replaced with a single modern system that would be consistent throughout all of the buildings. This is discussed in their narrative (attached). In addition to making the buildings much more efficient, this would simplify operation and management of the systems, and the commonality would make maintenance and training much easier for district personnel. Copies of the 95% design drawings and specs, as well as the 95% cost estimate provided by RSA has been included in the attachments.

Per RSA's design, all new equipment will be installed including workstation computer with the graphic interface software, wiring, control panels, and end point devices. All of the controls will be specified with BACNet capability to ensure that the district is not tied to proprietary devices in the future. The new system will allow access to the controls of each building through the server, and also via a web interface to monitor equipment status and adjust equipment operation remotely. Notifications can be automatically sent to maintenance personnel via email and text if problems arise. It will also allow technicians to remotely diagnose and correct issues if needed.

Scope of work

In the space below, provide a clear, detailed, and itemized description of the scope of work that addresses the items in the project description. At a minimum, include the following:

- Work items to be completed with this project
- Work items already completed (if any)
- Other discussion pertaining to scope of work

Project scope at both schools will include, but not be limited to:

1. Demo existing controls.
2. Install new workstation computer, wiring, control panels, and end point devices. All controls to be BACNet compatible.
3. Develop sequence of operations.
4. Install new graphical software and program controls.
5. Test and commission system.
6. Train district personnel in proper operation and maintenance.

SEC. 7: COST ESTIMATE**Cost estimate for total project cost (Up to 30 points)**

7a. Project cost estimate Complete the following tables using the Department of Education & Early Development's current Cost Model edition or an equivalent cost estimate. Completion of the tables is mandatory.

Percentages are based on construction cost. See Appendix C for additional information. If the project exceeds the recommended percentages, provide a detailed justification for each item exceeding the percentage. The total of all additive percentages should not exceed 130%. If the additive percentages exceed 130%, a detailed explanation must be provided or the department will adjust the percentages to meet the individual and overall percentage guidelines.

Table 7.1. TOTAL PROJECT COST ESTIMATE

Project Budget Category	Maximum % without justification	I Prior AS 14.11 Funding	II Current Project Request	III % of Total Construction Cost	IV Project Total
CM - By Consultant ¹	2 - 4%		59,179	3.00%	59,179
Land ²	n/a				0
Site Investigation ²	n/a				0
Seismic Hazard ³	n/a				0
Design Services	6 - 10%		27,290	1.38%	27,290
Construction ⁴	n/a		1,972,642	100.00%	1,972,642
Equipment & Technology ^{2,5}	up to 4%			0.00%	0
District Administrative Overhead ⁶	up to 9%		118,359	6.00%	118,359
Art ⁷	0.5% or 1%			0.00%	0
Project Contingency	5%		98,632	5.00%	98,632
Project Total	up to 130%	\$0	\$2,276,102	115.38%	\$2,276,102

- Percentage is established by AS 14.11.020(c) for consultant contracts (Maximum allowed percentage by total project cost: \$0-\$500,000 – 4%; \$500,001- \$5,000,000 – 3%; over \$5,000,000 – 2%).
- Include only if necessary for completion of this project; address need in the project description (Question 3d). Amounts included for Land and Site Investigation costs need to be supported in the cost estimate discussion (Question 7c), and supporting documentation should be provided in the attachments.
- Costs associated with assessment, design, design review, and special construction inspection services associated with seismic hazard mitigation of a school facility. This amount needs to be provided by a design consultant, and should not be estimated based on project percentage.
- Attach detailed construction cost estimate and life cycle cost if project is new-in-lieu-of-renovation.
- Equipment and technology costs should be calculated based on the number of students to be served by the project. See the department's publication, *Guidelines for School Equipment Purchases* for calculation methodology (2016). Technology is included with Equipment.
- Includes district/municipal/borough administrative costs necessary for the administration of this project; this budget line will also include any in-house construction management cost, reduced for CM percentage.
- Only required for renovation and construction projects over \$250,000 that require an Educational Specification (AS 35.27.020(d)).

RSA ENGINEERING CONSTRUCTION COST ESTIMATE - 65% SUBMITTAL

PROJECT: Nome Schools DDC Upgrades
 CLIENT: Nome Public Schools
 DATE: 12/19/2019

MECHANICAL LABOR RATE: \$75.00

OVERHEAD: 15.00%
 PROFIT: 10.00%

DESCRIPTION	ESTIMATED COST-BASE BID					TOTAL COST
	MATERIAL	LABOR	OVERHEAD	PROFIT	CONTINGENCY(10%)	
Remodel						
Div. 1 - General Requirements	\$24,782		\$3,717	\$2,850	\$3,135	\$34,485
Mechanical Work	\$1,308,215	\$16,680	\$198,734	\$152,363	\$167,599	\$1,843,591
Total Estimated Cost	\$1,332,997	\$16,680	\$202,452	\$155,213	\$170,734	\$1,878,076

RSA ENGINEERING COST ESTIMATE WORKSHEET - 95% SUBMITTAL

PROJECT: Nome Schools DDC Upgrades
 CLIENT: Nome Public Schools
 DATE: 12/19/2019

MECHANICAL LABOR RATE: \$75.00
 OVERHEAD: 15.00%
 PROFIT: 10.00%

ITEM DESCRIPTION	MATERIAL			LABOR		TOTAL COST
	QTY	UNITS	UNIT PRICE	HR/UNIT	HOURS	
General Requirements						
Mobilization	1	LS	\$2,000.00	10	10.0	\$2,000
Purchase Used Vehicle for Site	1	LS	\$20,000.00			\$20,000
Bonding fee (assume 1.5% before OH&P)	1	LS	\$2,282			\$2,282
Regular and final clean-up (Demobilization)	1	LS	\$500.00	10	10.0	\$500
MATERIAL TOTAL			\$24,782	LBRTTL		
TOTAL MATERIALS AND LABOR						
OVERHEAD						\$3,717
SUBTOTAL						\$28,500
PROFIT						\$2,850
CONTINGENCY(10%)						\$3,135
SUBTOTAL - GENERAL REQUIREMENTS						\$34,485

RSA ENGINEERING COST ESTIMATE WORKSHEET - 95% SUBMITTAL

PROJECT: Nome Schools DDC Upgrades
 CLIENT: Nome Public Schools
 DATE: 12/19/2019

MECHANICAL LABOR RATE: \$100.00
 OVERHEAD: 15.00%
 PROFIT: 10.00%

ITEM DESCRIPTION	QTY		MATERIAL		TOTAL	HR/UNIT	LABOR		TOTAL	TOTAL COST	
		UNITS	UNIT PRICE				HOURS				
<u>Division 15 - Mechanical</u>											
<u>Demolition</u> Demolition of Existing Mechanical	1					20	20.0		\$2,000	\$2,000	
<u>Instrumentation</u> Temperature sensor wells and taps Pressure gauge taps	50 20	LS LS	\$5.00 \$5.00		\$250 \$100	1 2	50.0 40.0		\$5,000 \$4,000	\$5,250 \$4,100	
<u>Piping</u> 1-1/2" Copper Heating Pipe Copper Fittings	20 20	LF LOT	\$8.80 \$0.95		\$176 \$19	0.06 0.55	1.2 11.0		\$120 \$1,100	\$296 \$1,119	
<u>Valves</u> 1-1/2" 3-way Valve	4	LS	\$300.00		\$1,200	0.65	2.6		\$260	\$1,460	
<u>Controls</u> Design, installation, programming, commissioning/testing, O&Ms, owner training	700	Points	\$1,800.00		\$1,260,000	0.06	42.0		\$4,200	\$1,264,200	
<u>Miscellaneous</u> Per-diem (lodging and meals) for on-site contractors, see note 3. Travel expense (airline, car, etc.) per trip, see note 1.	90 24	DAYS TRIPS	\$303.00 \$800.00		\$27,270 \$19,200					\$27,270 \$19,200	
	MATERIAL TOTAL				\$1,308,215	LBRTTL		\$16,680			
Notes:					TOTAL MATERIALS AND LABOR						
1. Estimate assumes: 3 months construction, 4 laborers on site 2-weeks each, \$800 for changeable airline ticket.					OVERHEAD						
2. Freight is included under general conditions.					SUBTOTAL						
3. Per Diem is based on Federal Rates for Bethel as of December 2019.					PROFIT						
					CONTINGENCY(10%)						
					SUBTOTAL - MECHANICAL						
					\$1,843,591						

MECHANICAL

3

Item B.



**FY22 CIP
NOME PUBLIC SCHOOLS**

**NOME ELEMENTARY FIRE ALARM REPLACEMENT
ATTACHMENTS**

**Jamie Burgess, Superintendent
P.O. Box 131
Nome, AK 99762
(907) 443-2231
Fax (907) 443-5144**

3d. Project description/Scope of work. The project description/scope of work narrative is a required element of this application (Reference AS 14.11.013(c)(3)(A)). Ensure project aligns with selected funding category.

Project description

In the space below, provide a clear, detailed description of the project. At a minimum, include the following:

- Facilities impacted by the project
- Age of facility/system(s)
- Facility/system conditions requiring capital improvement
- Explain why this project is not preventive maintenance
- Other discussion describing project

There have been a number of school fires in Alaska over the past several years, resulting in significant fire, smoke, and water damage, and in some cases, the total loss of a facility. A reliable and functional fire alarm system is one of the key aspects in protecting against this type of loss. While protecting the building itself is important, of far more importance is protecting the people within. Schools have an absolute responsibility to provide a safe environment for the students and faculty that occupy them. A lack of warning has the potential to turn a loss of property into a tragedy, and an acceptable alarm system must provide appropriate levels of alarm to all occupants, including those with disabilities.

While the primary duty of a fire alarm system is to alert the occupants of a building to the presence of fire, it must also perform other functions. The standards for alarm systems have changed over the years with evolving technology. The system needs to indicate the precise location of the fire within the building, release hold-open devices on fire doors, and activate fire suppression systems. The system also needs to interface with the digital controls for the building's mechanical system to automatically shut down air recirculation systems and close dampers in an emergency to prevent the spread of smoke and fire to other areas of the building. Current generation systems now also provide voice evacuation capability that not only warn of fire, but can also warn of other emergency events in the building. Alarm systems deemed adequate when installed decades ago simply do not pass muster today.

The Nome Elementary School is a 61,605SF facility, built in 1987. The fire alarm system currently installed in the school is the original 33 year old Simplex Grinnell analog system installed during construction. It is an old style zoned system that does not provide the advantages and reliability of a modern addressable system. In these systems, an internal alarm sounds in the school building as sensors indicate trouble, and the system is supposed to dial out to an alarm company who then alerts emergency responders. With these zone type systems, the device in alarm must then be located. This difference is critical in being able to extinguish small fires early, before they reach the point of the sprinkler system activating and preventing or reducing the fire, smoke, and water damage that follows.

The components of the existing system, including the alarm panel, are obsolete and have well exceeded their useful service life, with replacement parts difficult to find, or simply not available. The district has had to try to find parts on Ebay, and through other non-standard avenues. The dialer has now become erratic, and has been responsible for numerous false alarms over the past couple school years, forcing evacuation of the school during the school day. At other times it does not work at all. This has been the cause of concern for the local fire department (see attached letter from the chief). Most recently, the power supply for the panel has been down, preventing the alarm from working at all for some time.

Many of the system devices do not meet ADA guidelines either in their function or location. In several cases, additional initiation devices need and/or alarm devices (eg voice alarms) need to be added in order to meet current codes. As has been the case with many facilities still outfitted with these old systems, both the fire marshal and the system inspectors have indicated that it is time to replace these systems with new addressable panels and devices.

Clearly this is an unacceptable state for a critical system, and replacement of the system would represent a vast improvement over the current situation, not only increasing reliability, but also the ability to service the system if there is an issue. In the event of a fire, the exact location and type of device indicating an alarm will be known so that emergency responders can be sent directly to the problem area. All aspects of the system, from the type of audio and visual alarms to the height of pull stations, would be fully brought up to ADA and code compliance. In addition, early testing and maintenance on the new addressable system will also be much simpler and more economical to perform, and the self-testing features of the system will further improve system reliability, and help to eliminate false alarms. Future expansion and system updates will also be easier and more economical when needed.

The voice evacuation features of the new alarm systems also offer an additional level of safety, in the event of an emergency, whether due to smoke and fire, or some type of lockdown/evacuation situation. The system will have the ability to play prerecorded messages throughout the building, as well as allow authorized persons to make other announcements and relay critical information when needed.

In the fall of 2019, to continue the effort to move the project forward, the district contracted with RSA Engineering to travel to the school and evaluate the existing alarm system, confirming the issues that the district had been previously warned of by others. RSA then provided 95% design documents for replacing the existing antiquated system with a new code compliant alarm system including the voice evacuation features currently required. A copy of the RSA narratives, including existing conditions, the 95% specs and drawings, and a 95% cost estimate have been included in the attachments.

Scope of work

In the space below, provide a clear, detailed, and itemized description of the scope of work that addresses the items in the project description. At a minimum, include the following:

- Work items to be completed with this project
- Work items already completed (if any)
- Other discussion pertaining to scope of work

This project will remove the current non-addressable fire alarm system, and install a new addressable system with voice evacuation capability in its place. All non-compatible components will be replaced, and wiring replaced as required. Any components not meeting ADA guidelines for type, function, or mounting location will be replaced and building finishes repaired as required. A more complete list of system components is found in the RSA narratives and design documents.

3e. Project schedule. Provide estimated or actual dates for the following project milestones.

Estimated receipt of funding date

July 2021

SEC. 7: COST ESTIMATE

Cost estimate for total project cost (Up to 30 points)

7a. Project cost estimate Complete the following tables using the Department of Education & Early Development's current Cost Model edition or an equivalent cost estimate. Completion of the tables is mandatory.

Percentages are based on construction cost. See Appendix C for additional information. If the project exceeds the recommended percentages, provide a detailed justification for each item exceeding the percentage. The total of all additive percentages should not exceed 130%. If the additive percentages exceed 130%, a detailed explanation must be provided or the department will adjust the percentages to meet the individual and overall percentage guidelines.

Table 7.1. TOTAL PROJECT COST ESTIMATE					
Project Budget Category	Maximum % without justification	I Prior AS 14.11 Funding	II Current Project Request	III % of Total Construction Cost	IV Project Total
CM - By Consultant ¹	2 - 4%		15,342	4.00%	15,342
Land ²	n/a				0
Site Investigation ²	n/a				0
Seismic Hazard ³	n/a				0
Design Services	6 - 10%		27,667	7.21%	27,667
Construction ⁴	n/a		383,540	100.00%	383,540
Equipment & Technology ^{2,5}	up to 4%			0.00%	0
District Administrative Overhead ⁶	up to 9%		19,177	5.00%	19,177
Art ⁷	0.5% or 1%			0.00%	0
Project Contingency	5%		19,177	5.00%	19,177
Project Total	up to 130%	\$0	\$464,903	121.21%	\$464,903

- Percentage is established by AS 14.11.020(c) for consultant contracts (Maximum allowed percentage by total project cost: \$0-\$500,000 – 4%; \$500,001- \$5,000,000 – 3%; over \$5,000,000 – 2%).
- Include only if necessary for completion of this project; address need in the project description (Question 3d). Amounts included for Land and Site Investigation costs need to be supported in the cost estimate discussion (Question 7c), and supporting documentation should be provided in the attachments.
- Costs associated with assessment, design, design review, and special construction inspection services associated with seismic hazard mitigation of a school facility. This amount needs to be provided by a design consultant, and should not be estimated based on project percentage.
- Attach detailed construction cost estimate and life cycle cost if project is new-in-lieu-of-renovation.
- Equipment and technology costs should be calculated based on the number of students to be served by the project. See the department's publication, *Guidelines for School Equipment Purchases* for calculation methodology (2016). Technology is included with Equipment.
- Includes district/municipal/borough administrative costs necessary for the administration of this project; this budget line will also include any in-house construction management cost, reduced for CM percentage.
- Only required for renovation and construction projects over \$250,000 that require an Educational Specification (AS 35.27.020(d)).

RSA Engineering, Inc.
 MECHANICAL AND ELECTRICAL CONSULTING ENGINEERS

Job: Nome Elementary School Fire Alarm System Upgrade
 Job No.: L9218
 Date: 8/10/2020
 Engineer: Xuan P. Ta, P.E.

Labor Rate: \$100.00
 Overhead: 15.00%
 Profit: 10.00%

ITEM DESCRIPTION	MATERIAL			LABOR		TOTAL COST
	QTY	UNIT PRICE	TOTAL	HR/UNIT	TOTAL	
GENERAL CONDITIONS	1				\$10,000	\$10,000
MOBOLIZATION/DEMOLIZATON						
DEMOLITION						
REMOVE FIRE ALARM WIRES	1			80.00	\$8,000	\$8,000
REMOVE SMOKE DETECTOR	130			1.00	\$13,000	\$13,000
REMOVE HEAT DETECTOR	9			1.00	\$900	\$900
REMOVE HORN/STROBE	56			1.00	\$5,600	\$5,600
REMOVE STROBE	1			1.00	\$100	\$100
REMOVE PULL STATION	11			1.00	\$1,100	\$1,100
REMOVE EXTERIOR HORN	9			1.50	\$1,350	\$1,350
REMOVE DUCT SMOKE DETECTOR & REMOTE TEST SWITCH	3			2.00	\$600	\$600
REMOVE FACP & BATTERIES	1			6.00	\$600	\$600
REMOVE FIRE ALARM REMOTE ANNUNCIATOR PANEL	1			4.00	\$400	\$400
REMODEL						
CONDUIT - 3/4" EMT (FEET)	1500	\$1.50	\$2,250	0.07	\$9,750	\$12,000
3/4" EMT CONDUIT CONNECTORS	150	\$1.25	\$188	0.04	\$570	\$758
3/4" EMT 90-DEG ELBOWS	25	\$3.50	\$88	0.22	\$550	\$638
OUTLET BOXES & COVER PLATES	20	\$5.20	\$104	0.35	\$700	\$804
#12 AWG THHW (FEET)	2000	\$0.40	\$800	0.02	\$4,000	\$4,800
SPEAKER WIRE (FEET)	5000	\$0.35	\$1,750	0.01	\$6,000	\$7,750
ADDRESSABLE SMOKE DETECTOR	88	\$240.00	\$21,120	1.20	\$10,560	\$31,680
ADDRESSABLE HEAT DETECTOR (RATE-OF-RISE)	17	\$310.00	\$5,270	1.20	\$2,040	\$7,310
ADDRESSABLE HEAT DETECTOR (190 DEG F)	4	\$335.00	\$1,340	1.50	\$600	\$1,940
SPEAKER/STROBE	92	\$170.00	\$15,640	1.25	\$11,500	\$27,140
SPEAKER	36	\$70.00	\$2,520	0.50	\$1,800	\$4,320
ADDRESSABLE PULL STATION	9	\$165.00	\$1,485	1.00	\$900	\$2,385
EXTERIOR SPEAKER/STROBE	9	\$250.00	\$2,250	2.00	\$1,800	\$4,050
STROBE	13	\$125.00	\$1,625	0.50	\$650	\$2,275
ADDRESSABLE DUCT SMOKE DETECTOR & REMOTE TEST SWITCH	3	\$750.00	\$2,250	2.00	\$600	\$2,850
SPRINKLER BELL	1	\$150.00	\$150	2.00	\$200	\$350
ADDRESSABLE FIRE ALARM CONTROL PANEL & BATTERIES	1	\$12,500.00	\$12,500	16.00	\$1,600	\$14,100
FIRE ALARM REMOTE ANNUNCIATOR PANEL	1	\$2,000.00	\$2,000	8.00	\$800	\$2,800
RECONNECT EXISTING MAGNETIC DOOR HOLD OPEN TO NEW						
FIRE ALARM SYSTEM	20			0.50	\$1,000	\$1,000
RECONNECT NEW SPRINKLER ALARM BELL TO NEW						
FIRE ALARM SYSTEM	1	\$125.00	\$125	1.00	\$100	\$225
RECONNECT EXISTING SPRINKLER FLOW AND TAMPER SWITCH						
TO NEW FIRE ALARM SYSTEM	4			1.50	\$600	\$600
SUPERVISORY [1]	1	\$2,000.00	\$2,000	40.00	\$4,800	\$6,800
SHIPPING (ASSUME 2500 POUNDS) - \$2.25/LB	1	\$5,625.00	\$5,625	8.00	\$800	\$6,425
TRAVEL AND PER DIEM COST [2]	1	\$44,000.00	\$44,000			\$44,000
BOARDING [2]	1	\$12,000.00	\$12,000			\$12,000
TESTING/CERTIFY FIRE ALARM SYSTEM - TWO TRIPS [4]	1	\$2,000.00	\$2,000	24.00	\$2,400	\$4,400
MISCELLANEOUS [5]	1	\$5,000.00	\$5,000	60.00	\$6,000	\$11,000
SUBMITTAL PREPARATION	1	\$750.00	\$750	8.00	\$800	\$1,550
MATERIAL TOTAL			\$144,829		\$112,770	
TOTAL MATERIALS AND LABOR						\$257,599
OVERHEAD						\$38,640
SUBTOTAL						\$296,239
PROFIT						\$29,624
CONSTRUCTION TTL						\$325,863
CONTINGENCY @10%						\$32,586
GRAND TOTAL						\$358,449

NOTES:

- [1] ASSUME (1) RT TICKET, \$200/MAN-DAY FOR 5-DAYS
 [2] ASSUM (2) ELECTRICIANS, (2) RT TICKETS, \$200/MAN-DAY.
 [3] RENTING \$3,000/MONTH.
 [4] 2-RT TICKETS, 10HRS/DAY AND \$200/MAN-DAY (STAY W/ELECTRICAL CONTRACTOR)
 [5] CUT AND PATCH CEILINGS, WALLS, FLOORS, ETC.

From: [Caissie, Joseph A \(CED\)](#)
To: [Adam Thompson \(adamt@kgbak.us\)](#); [Brad Acord \(bacord@fnsb.us\)](#); [Dean Olsen](#); [Horan Charles](#); [Jack Gadamus \(jack.gadamus@anchorageak.gov\)](#); [James Canary](#); [Caissie, Joseph A \(CED\)](#); [Larry Reeder](#); [Mari Moore](#); [Patsy Neakok](#); [Pickett, Brad](#); [Renfro Michael](#); [Seema Garoutte](#); [Mary Hammond](#); [Adeena Wilcox \(awilcox@borough.kenai.ak.us\)](#); [Susan Bourgeois](#); [Shannon McCullough \(smccullough@petersburgak.gov\)](#); [Brian Carlson](#); [Aleisha Mollen](#); [cbytaxes@yakutatak.us](#); [Laurie Murray](#); [taxes@bbbak.us](#); [Avanelle Wood](#); [Purser, Sheri \(DOA sponsored\)](#); [Bryant Hammond](#); [cityhall@pelicanity.org](#); [Heather Rodig](#); [L.mauldin@skagway.org](#); [Marjorie Veeder](#); [Dyanna Pratt](#)
Subject: Board of Equalization Trainings
Date: Tuesday, January 19, 2021 5:29:13 PM

Caution! This message was sent from outside your organization.

Hi, folks – this is my first year as the (acting) State Assessor, and I’m not exactly sure how Marty used to set this up, but I’m sending out an email offering a training to your Board of Equalization. These trainings are important for ensuring the meetings are orderly, the findings are according to state law and municipal ordinance, and do not get appealed to the Superior Court (and if they do, that the Superior Court case is as easy as possible for all parties). If you can reply back to this with:

1. When do you anticipate your BOE hearing will be?
2. Do you (they) want a virtual training?
3. What are some good dates for them?

If you need to forward this to the appropriate person, or let me know who the appropriate person is to talk with, please do.

Joseph Caissie
 Acting State Assessor
Joseph.caissie@alaska.gov
 907-269-4565

2021 Nome Public Schools Board of Education Legislative Priorities

2021 State Legislative Priorities

The Nome Public Schools Board of Education has chosen the following priority areas for the 2021 Legislative Session. We will focus our advocacy efforts with the Alaska Legislature around the following:

1) Early, Adequate and Predictable Funding for Education

The Board supports full and predictable funding for education, which should provide adequate revenue to cover the actual cost of education in all districts, allowing for inflation and increasing costs, and including all initiatives, laws and mandates that require additional costs and services. In addition, forward funding and early notification of funding is crucial to allow for recruitment and retention of quality educators and administrators in today's challenging job market.

2) Funding of School Capital/Major Maintenance Projects

Nome Public Schools currently has well over \$6 million dollars in needed capital improvement projects, due to aging facilities and systems. Reinstatement of school bond reimbursements and full funding of projects submitted through the Capital Improvement Program are crucial to ensuring our school facilities are safe and providing the best possible environment for learning. Ensuring adequate funding for needed construction of teacher housing facilities is also a high priority item that impacts the ability of the district to recruit and retain quality staff.

3) Hold Harmless Funding Plan for COVID-19 Response

The COVID-19 pandemic resulted in a significant fluctuation in enrollment for the FY21 school year, with many students shifting from brick and mortar enrollment to correspondence/homeschooling programs. The current Hold Harmless statute protects districts from rapid enrollment losses, but does not address shifts to homeschooling or the loss of intensive needs students. Nome Public Schools is advocating for a legislative change that provides FY21 Hold Harmless Funding at 100% of the entire Foundation Formula based on FY20 OASIS enrollment counts. This will allow districts to honor employment and other contract commitments which were made for FY21.

4) Early Childhood Education Funding

The Board places a high priority on funding quality pre-Kindergarten programs, including supports for early literacy efforts. Children entering kindergarten who have participated in pre-K programs (including Head Start) demonstrate a high degree of kindergarten readiness and reading achievement. Pre-K programs provide needed early literacy skill development, social skills, and physical skill development.

5) Culturally Responsive Education and Language Revitalization

Nome Public Schools calls upon the Alaska Legislature to support indigenous language revitalization efforts by supporting immersion programs for students, as well as programs which build language knowledge for school staff. Alaska Native students deserve culturally responsive classrooms and school settings, where their culture, language and knowledge are an integral part of every day instruction. Professional development for all staff regardless of whether they come from within the community or out of the state is vital. In addition, legislation and funding that supports efforts to grow a local teaching force from within the community would ensure more stable and culturally knowledgeable educators.

It is crucial to the achievement of Alaska Native students when identity is validated through content and methods, and they are motivated and successful when they see themselves reflected in their classrooms and schools. Curriculum which reflects students' cultural identity is often lacking in schools, as textbooks and supplemental materials reflect Western views and values. Modifying curriculum and supplemental materials requires additional time and funding, but results in students who feel engaged and connected to their schools.

6) Social, Emotional and Mental Health of Children

Alaska students experience high rates of adverse childhood experiences and childhood trauma. These experiences negatively impact education, health and safety, and long-term outcomes for our children. Support and funding for school counselors, social workers, and school psychologists is needed as well as professional development for educators and parents in trauma-sensitive and trauma-preventative practices in order to assist children in regulating emotions, developing coping skills, and forming strong positive relationships with adults. Recent efforts focused on the social/emotional learning of students must be continued and expanded, especially those based in community partnerships.

Nome Public Schools also embraces the concept of wellness and a whole child approach. Children who are taught to connect their mind, body and spirit through grounding in cultural beliefs and practices have healthy attitudes and make healthy life choices. We support instruction and curriculum that promote these practices.

7) Attracting and Retaining Quality Educators and Administrators

Teacher and leadership turnover hampers progress on district initiatives and negatively impacts student achievement. Alaska students deserve knowledgeable, stable, and committed teachers, principals and support staff, who are culturally grounded in their local communities. Adequate funding of school systems to allow districts to provide competitive salaries, control of health care costs, following through on commitments to the TRS/PERS pension systems, and high quality teacher preparation programs through the University system are all key to developing Alaska's teacher workforce. Adequate, affordable teacher housing is a crucial factor in this area, and is lacking in Nome and the Bering Strait Region in general.

8) Literacy and Reading Achievement

The Board of Education recognizes that reading is a fundamental skill for all students, and one of the most important focus areas for any school. Professional development and support for teachers at all levels in the area of effective reading instruction is a high priority, and ensuring that teacher preparatory programs provide a strong foundation for teacher candidates in reading instruction is crucial for the future of Alaska's students. Nome Elementary School was recently designated as a Comprehensive Support school due to more than 75% of grade 3-6 students demonstrating below grade level achievement on the reading portion of the state assessment, resulting in renewed efforts and commitment of resources on the part of the district to address this need. Nome Public Schools recognizes that a strong partnership between school districts and the State focused on literacy is crucial to improving student achievement outcomes, and encourages the Legislature to find ways to support reading outcomes for the children of Alaska.

2021 Federal Legislative Priorities

The Nome Public Schools Board of Education has chosen the following priority areas for the 2021 Legislative Session. We will focus our advocacy efforts with the Federal Legislature around the following:

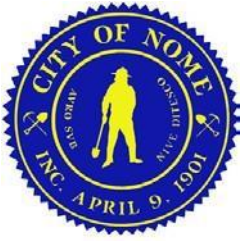
1) Infrastructure for Affordable High-Speed Internet

It is critical that we recognize the increasing need for Alaskan students, educators, and leaders to have equitable access to the digital world both inside and outside of the school environment. While advances have been made to allow rural school districts to access more bandwidth for in-school connectivity, the inability of students to have similar access from their homes creates barriers for completing homework, accessing online learning platforms for K-12 and higher education learning, and the ability to keep up with their peers in more suburban or urban communities. Communities where infrastructure is extremely limited or non-existent tend to be disproportionately minority and low-income, exacerbating the "digital divide

Nome Public Schools supports the federal E-Rate program, which provides matching funds up to a 9:1 ratio for low-income districts, but also support efforts to provide more flexibility for districts receiving E-Rate funding to support home access for students. Nome Public Schools also supports efforts by the federal government to increase infrastructure capabilities through a variety of incentives and public/private partnerships in an effort to provide all communities with equitable access to affordable, reliable, and high speed internet.

**FY 2022 BUDGET CALENDAR**

Date	Description
January 25	Distribute FY 2022 Budget Calendar to Council
February 8	Council Regular Meeting – 1 st reading of FY 2021 Budget Amendments
February 12	Budget instructions and worksheets are distributed by Finance Director to Department Heads
February 12	Administration distributes Goals & Accomplishments templates to Department Heads
February 12	Request for Staffing/Personnel templates are distributed by Payroll to Department Heads
February 22	Council work session to discuss City budget priorities for FY 2022
February 22	Council Regular Meeting – 2 nd reading of FY2021 Budget Amendments
March 3	Department Heads submit completed Staffing/Personnel requests
March 3	Department Heads submit completed budget worksheets to Finance and Goals & Accomplishments to Administration
March 15	Notice of Assessment sent by City Clerk to Real and Personal Property Owners
Mar 30 - Apr 2	School Administration meets with City Manager and Finance Director on NPS final draft FY 2022 budget
Mar 30 - Apr 2	Department Heads meet with City Manager and Finance Director on draft Goals & Accomplishments and preliminary FY 2022 Budget
April 12	Council joint work session #1 with School Board on FY 2022 School Budget
April 26	Council work session #2 on FY 2022 City Budgets
April 29	Council work session #3 on FY 2022 City Budgets
May 1	Nome Public School Board shall submit the school budget to the City Council for approval – Deadline to request for appropriation (NCO 2.25.070)
May 5-7	Board of Equalization

**FY 2022 BUDGET CALENDAR – CONT'D**

Date	Description
May 10	Council Work Session #4 on FY 2022 City Budgets
May 17	Council Work Session #5 on FY 2022 City Budgets (if needed)
May 20	Administration/Finance submits proposed FY 2022 City Budgets for 1 st reading
May 21	Final day for Department Heads to submit Purchase Orders for FY 2021
May 24	Council Regular Meeting – 1 st reading of FY 2022 City Budgets
May 24	School appropriation set by Nome City Council (NCO 2.25.070) “By May 31 st , the city council shall determine the total amount of money to be made available...and furnish the school board with a statement of the sum to be made available”
June 14	Council Regular Meeting – 2 nd reading of FY 2022 City Budgets
June 14	Mill rate set by Nome Common Council per AS 29.45.20 (b) “A municipality shall annually determine the rate of levy before June 15”
June 15	Tax bills sent
July 1	Budget implementation and monitoring

Presented By.
City Manager

Action Taken:
Yes____
No____
Abstain____

CITY OF NOME, ALASKA

RESOLUTION NO. R-21-01-01

A RESOLUTION ALLOCATING THE 2020 NSEDC END-YEAR COMMUNITY BENEFIT SHARE FUNDS

WHEREAS, on November 13, 2020, Norton Sound Economic Development Corporation (NSEDC) informed the City of Nome (City) that it was generously distributing \$200,000 as the 2020 end-year Community Benefit Share (CBS); and,

WHEREAS, on January 11, 2021, the Nome Common Council discussed the best use of the Community Benefits Share funds at their regularly scheduled meeting; and,

WHEREAS, Nome's City Hall is sorely in need up heating and ventilation upgrades; and,

WHEREAS, the entire community will benefit from addressing such deferred maintenance either directly through participation in public meetings, through conducting business in City Hall, or indirectly by directing City tax revenues elsewhere.

NOW, THEREFORE, BE IT RESOLVED by the Nome City Council that THE 2020 NSEDC Community Benefits Share funds in the amount of \$200,000 is hereby allocated to upgrading Nome City Hall's heating and ventilation system.

APPROVED and SIGNED this 11th day of January, 2021.

JOHN K. HANDELAND
Mayor

ATTEST:

BRYANT HAMMOND, City Clerk

1st Reading: January 25, 2021
2nd Reading: February 9, 2021

Presented By:
Utility Manager

Action Taken:
Yes____
No____
Abstain____

CITY OF NOME, ALASKA

ORDINANCE NO. O-21-01-01

**AN ORDINANCE APPROVING THE 2021 OPERATIONS AND MAINTENANCE BUDGET FOR
NOME JOINT UTILITY SYSTEM**

SECTION 1

This is a non-Code ordinance.

SECTION 2

WHEREAS, Chapter 15.10.010, Nome Code of Ordinances, states the Council reserves the power and authority to approve or disapprove all budgets of the Nome Joint Utilities System; and,

WHEREAS, the Nome Joint Utility Board has adopted Utility Resolution No. 21-01 recommending an Operating and Maintenance Budget for FY21 as follows:

Estimated Revenues	\$12,299,650
Operations & Maintenance Expense (prior to non-cash depreciation)	<u>\$11,065,269</u>
Net Operating Margin	\$1,234,351; and,

WHEREAS, net margin, non-cash amortizations and required overhaul, annual Bond and Debt Service Principal payments and fuel inventory, detailed separately from Operations and Maintenance Budget expenses result in a net projected cash surplus of \$778,222; and,

NOW, THEREFORE, BE IT ORDAINED by the Common Council of Nome, Alaska that the 2021 Operations & Maintenance Budget as recommended by the Nome Joint Utilities Board is hereby approved.

APPROVED and **SIGNED** the 9th day of February, 2021.

JOHN K. HANDELAND, Mayor

ATTEST:

BRYANT HAMMOND, Clerk



NOME JOINT UTILITY SYSTEM

NOME JOINT UTILITY BOARD RESOLUTION 21-01

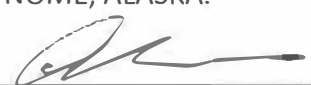
A RESOLUTION TO THE NOME COMMON COUNCIL RECOMMENDING ACCEPTANCE AND APPROVAL OF THE PROPOSED NOME JOINT UTILITY SYSTEM FISCAL YEAR 2021 OPERATIONS AND MAINTENANCE BUDGET

- WHEREAS, Section 15.10.030 (b) of the Nome Code of Ordinances provides that the Utility Board is charged with the responsibility of preparing and submitting to the Council annual budgets and to make recommendations thereon for the efficient and economical operations of the system; and,
- WHEREAS, Section 15.10.070 (c) of the Nome Code of Ordinances provides that the Utility Manager shall prepare the annual budget for review by the Utility Board prior to submission to the Council; and,
- WHEREAS, the Utility Board and Utility Management have carefully reviewed the operation and maintenance activities of the Utility during the current and prior fiscal years; and,
- WHEREAS, it is the intention of the Utility to operate at a level of performance and reliability satisfactory to the users of service, and provide for ongoing maintenance and reliability of the systems;

NOW THEREFORE BE IT RESOLVED that the Nome Joint Utility Board does hereby submit to the Nome Common Council an Operating and Maintenance Budget for the fiscal year 2021 which consists of estimated Revenues of \$12,299,650 and Operations and Maintenance Expenses of \$11,065,269, including provisions for depreciation in the amount of \$5,898,600 which results in a net cash margin of \$1,234,351. Net margin, non-cash amortizations and required overhaul, annual Bond and Debt Service Principal payments and fuel inventory, detailed separately from Operations and Maintenance Budget expenses result in a Net projected cash surplus of \$778,222.

BE IT FURTHER RESOLVED that the Nome Joint Utility Board recommends to the Nome Common Council approval of said Agreement.

SIGNED THIS 19th DAY OF January, 2021 AT NOME, ALASKA.


Carl Emmons, Chairman
NOME JOINT UTILITY BOARD

ATTEST:

David Barron, Secretary
NOME JOINT UTILITY BOARD



NOME JOINT UTILITY SYSTEM

Item A.

FISCAL YEAR 2021 OPERATIONS & MAINTENANCE BUSINESS PLAN

	ACCT	2019 ACTUAL	2020 BUDGET	2020 PROJECTED	2021 BUDGET
SUMMARY:					
REVENUE					
ELECTRIC		9,320,976	9,247,800	9,261,535	8,887,000
INTER-DEPARTMENTAL ELECTRIC		671,520	707,000	700,930	727,000
WATER/SEWER		2,438,032	2,390,540	2,467,382	2,401,290
GARBAGE		105,483	117,000	111,039	115,080
LANDFILL		33,049	33,000	33,096	33,000
		12,569,060	12,495,340	12,573,982	12,163,370
OTHER INCOME					
NON-OPERATING INCOME, ELECTRIC		170,994	108,850	91,624	84,250
NON-OPERATING INCOME, WATER/SEWER		76,177	23,000	65,636	52,000
		247,171	131,850	157,260	136,250
GRAND TOTAL REVENUE		12,816,231	12,627,190	12,731,242	12,299,620
EXPENSES					
ELECTRIC					
GENERATION		7,675,874	7,798,273	7,421,396	7,450,724
DISTRIBUTION		1,271,459	1,317,611	1,209,854	1,484,638
		8,947,333	9,115,884	8,631,250	8,935,362
DEPRECIATION (TRANSPORTATION)		-	-	-	-
		8,947,333	9,115,884	8,631,250	8,935,362
WATER & SEWER					
EXPENSE		2,221,270	2,047,526	1,995,246	2,115,307
GARBAGE		61,751	65,820	57,201	64,600
DEPRECIATION (GENERAL PLANT)		(32,238)	(38,000)	(45,251)	(50,000)
GRAND TOTAL EXPENSES - LESS DEPRECIATION		11,198,116	11,191,230	10,638,446	11,065,269
NET MARGIN (DEFICIT) PRIOR TO DEPRECIATION		1,618,115	1,435,960	2,092,796	1,234,351
DEPRECIATION		5,867,983	5,877,600	5,836,131	5,898,600
TOTAL MARGIN (DEFICIT)		(4,249,868)	(4,441,640)	(3,743,335)	(4,664,249)
DEPRECIATION					
ELECTRIC GENERATION		1,848,657	1,846,000	1,807,604	1,825,000
ELECTRIC DISTRIBUTION		754,601	755,000	751,375	755,000
WATER & SEWER		3,232,487	3,238,600	3,231,901	3,268,600
GENERAL PLANT		32,238	38,000	45,251	50,000
TOTAL DEPRECIATION		5,867,983	5,877,600	5,836,131	5,898,600

		2019	2020	2020	2021
	ACCT	ACTUAL	BUDGET	PROJECTED	BUDGET
Item A.					
ELECTRICITY					
ELECTRIC GENERATION					
OPERATING EXPENSES					
COST OF FUEL					
Diesel fuel - Snake Plant	539.000	4,299,428	4,200,000	3,987,651	3,570,000
OPERATIONS EXPENSES					
Fuel handling labor	539.001	30,287	32,000	30,161	32,000
Fuel handling - insurance and legal	539.002	2,171	5,000	587	5,000
Fuel handling - electricity	539.003	6,603	7,000	8,882	8,000
Fuel handling - other	539.004	13,205	15,000	13,521	13,000
Pollution Liability Insurance	539.006	40,501	40,500	40,501	40,500
Wind Farm Expenses	556.000	179,463	190,000	154,211	175,000
Labor - supervision	546.000	115,814	168,000	115,126	168,000
Labor - operations	546.100	734,658	760,000	799,952	850,000
Lube oil	546.300	35,802	35,000	42,806	45,000
Other	547.000	7,809	9,000	9,087	9,000
Safety supplies	547.100	3,301	3,000	709	3,000
Union negotiations - #302	547.300	647		-	
Air permit charges	549.100	20,879	20,000	17,038	20,000
Oil spill contingency plan	559.400	-	3,000	-	3,000
Fuel spill cleanup and prevention	559.600	20,246	22,000	1,189	22,000
Engineering expense	559.800	23,580	20,000	28,343	25,000
Office expense & communications	549.000	29,399	30,000	28,440	30,000
Emission testing	559.900	22,934	22,000	21,677	22,000
TOTAL OPERATIONS EXPENSES		1,287,299	1,381,500	1,312,230	1,470,500
MAINTENANCE					
Generator maintenance materials	553.000	597	30,000	248	30,000
Generator maintenance #9	553.009	2,674		-	
Generator maintenance #11	553.011	2,674		-	
Generator maintenance #12	553.012	7,723		764	
Generator maintenance #15	553.015	7,422		2,746	
Generator maintenance #16	553.016	10,034		2,779	
Generator maintenance #18	553.018	766		220	
Generator maintenance #14	553.014	-		1,911	
Amortize deferred maintenance - #14	553.116	654	-	-	-
Amortize deferred maintenance - #16	553.116	88850	88,850	90,460	108,192
Amortize deferred maintenance - #15	553.115	129245	129,300	147,701	166,338
Total Generator Maintenance		250,637	248,150	246,828	304,530
Labor	557.000	78,901	145,000	48,636	140,000
Labor #12	557.012			-	
Labor #15	557.015			-	
Labor #16	557.016			-	
Labor #18	557.018			-	
Total Labor		78,901	145,000	48,636	140,000
General supplies	553.300	1,617	4,000	3,012	4,000
Vehicle expense	553.500	21,773	20,000	21,326	20,000
Training	557.200	10,013	15,000	6,079	15,000
Electrical labor maintenance and parts	558.000	131,543	135,000	120,747	150,000

		2019	2020	2020	2021
	ACCT	ACTUAL	BUDGET	PROJECTED	BUDGET
					Item A.
Fuel tank maintenance and parts	558.100	53,214	40,000	14,540	20,000
Amortize deferred tank maintenance	558.150	126,246	89,232	179,710	163,390
Fuel testing	558.300	104	1,000	412	1,000
Tools and shop equipment	558.200	11,554	10,000	11,180	10,000
Building labor maintenance and other	559.000	159,985	145,000	150,694	140,000
Boiler and machinery insurance	559.110	45,856	47,827	47,828	68,062
Property Insurance	559.200	200,900	245,664	245,832	304,701
Total Other		762,805	752,723	801,360	896,153
TOTAL MAINTENANCE EXPENSES		1,092,343	1,145,873	1,096,823	1,340,683
STATION POWER USAGE	548.000	379,081	400,000	371,042	400,000
ALLOCATED COSTS					
General & Administrative - 40%		451,900	496,312	508,277	521,658
TOTAL OPERATIONS EXPENSE		7,510,051	7,623,685	7,276,023	7,302,841
FINANCING COSTS					
Bond interest - \$4.0M New Power Plant	554.100	65,238	59,500	59,500	56,800
Note interest - \$5.3M Water Pumphouse	554.150	43,977	40,000	40,000	35,995
Bond Refunding Loss Writeoff	554.160	5,088	5,088	5,088	5,088
Fuel loan interest	554.200	51,520	70,000	40,784	50,000
TOTAL FINANCING COSTS		165,823	174,588	145,373	147,883
DEPRECIATION	559.100	1,848,657	1,846,000	1,807,604	1,825,000
TOTAL GENERATION EXPENSES		9,524,531	9,644,273	9,229,000	9,275,724
ELECTRIC DISTRIBUTION					
OPERATIONS EXPENSES					
Metering	586.000	9,566	10,000	9,546	10,000
Engineering	588.000	50	5,000	-	5,000
Office expense & communication	[598.000]	14,258	16,000	15,080	16,000
Street lighting	596.000	35,646	10,000	18,963	10,000
TOTAL OPERATIONS EXPENSES		59,520	41,000	43,589	41,000
MAINTENANCE EXPENSES					
Maintenance labor	591.000	487,903	525,000	479,568	695,000
Apprentice training - labor		-	-	18,286	20,000
Turtle meters - labor	591.100	9,992	15,000	6,053	10,000
Maintenance of building	592.000	3,504	6,000	2,580	4,500
Maintenance materials	593.000	86,252	45,000	25,088	40,000
Engineering	593.500	680	3,000	-	-
Vehicle	595.000	76,621	75,000	48,421	55,000
Supplies & Safety Supplies	597.000	4,260	5,000	2,535	5,000
Other	598.000	12,490	15,000	10,411	15,000
Property insurance	598.100	4,404	5,042	5,042	6,618
TOTAL MAINTENANCE EXPENSES		686,106	694,042	597,984	851,118
In-house electricity usage	592.200	4,232	5,000	3,365	5,000
ALLOCATED COSTS					
Consumer accounting allocation - 55%		169,816	181,005	157,303	177,650
General and admin allocation - 21%		237,247	260,564	266,845	273,870
		407,063	441,569	424,149	451,520
PAYMENT IN LIEU OF TAXES	598.200	110,000	110,000	110,000	110,000
PERS Relief Expense	598.300	4,538	26,000	30,768	26,000
DEPRECIATION	599.100	754,601	755,000	751,375	755,000
TOTAL DISTRIBUTION EXPENSES		2,026,060	2,072,611	1,961,229	2,239,638

	ACCT	2019 ACTUAL	2020 BUDGET	2020 PROJECTED	2021 BUDGET	Item A.
ELECTRIC SYSTEM OPERATING REVENUE						
Electric revenue	440.000	5,284,945	5,300,000	5,367,335	5,330,000	
Street lighting	444.000	45,521	45,000	45,852	44,000	
Fuel adjustment	448.000	3,927,982	3,850,000	3,777,717	3,423,000	
Late charges	450.000	18,813	15,000	10,732	15,000	
Pole attachment revenue	456.300	27,810	32,800	33,045	60,000	
MJC income	456.100	15,905	5,000	26,854	15,000	
BASE REVENUE TOTAL		9,320,976	9,247,800	9,261,535	8,887,000	
INTERDIVISIONAL REVENUE						
Electric charges	929.000	671,520	707,000	700,930	727,000	
TOTAL OPERATING REVENUE		9,992,496	9,954,800	9,962,465	9,614,000	
NON-OPERATING REVENUE						
Interest income	419.000	908	800	1,614	1,200	
ARECA insurance income	455.000	70,590	-	-	-	
Other income	456.000	65,606	50,000	26,194	25,000	
Excess Space Rental		-	-	-	-	
Bond Refunding Gain	456.350	33,048	33,050	33,048	33,050	
PERS Relief - Electric	456.400	842	25,000	30,768	25,000	
Vehicle rental income	456.200	-	-	-	-	
TOTAL NON-OPERATING REVENUE		170,994	108,850	91,624	84,250	
TOTAL REVENUE		10,163,490	10,063,650	10,054,089	9,698,250	
GENERATION EXPENSES		9,524,531	9,644,273	9,229,000	9,275,724	
DISTRIBUTION EXPENSES		2,026,060	2,072,611	1,961,229	2,239,638	
TOTAL EXPENSES		11,550,591	11,716,884	11,190,229	11,515,362	
MARGIN		(1,387,101)	(1,653,234)	(1,136,140)	(1,817,112)	
		1,216,157	947,766	1,422,839	762,888	

		2019	2020	2020	2021
	ACCT	ACTUAL	BUDGET	PROJECTED	BUDGET
Item A.					
WATER AND SEWER					
WATER					
WATER DISTRIBUTION					
OPERATIONS					
Labor - Superintendent	600.000	186,843	18,000	3,453	-
Labor - Operations	601.000	75,025	75,000	94,097	100,000
Labor - Customer Serv Calls	604.000	3,690	3,000	5,691	3,000
Training & Certification	605.000	13,276	15,000	4,622	7,000
Safety Labor & Supplies	606.000	1,344	2,000	697	2,000
Office expense & communications	610.000	30,187	30,000	26,814	28,000
Supplies	611.000	2,469	3,000	2,644	3,000
Heating Oil	614.000	40,127	40,000	30,793	35,000
Building Repairs	615.000	1,944	5,000	1,522	2,500
Electricity	616.000	27,184	30,000	41,350	35,000
Engineering	613.000	34,598	25,000	1,998	15,000
Vehicle Expense	617.000	67,907	65,000	42,008	45,000
Customer Claims	619.900	-	2,000	12,347	2,000
Other Expenses	619.000	13,673	12,000	10,994	12,000
TOTAL OPERATIONS EXPENSE		498,267	325,000	279,030	289,500
MAINTENANCE					
Labor - Maintenance	622.000	55,235	60,000	36,245	45,000
Labor - Summer Maintenance	623.000	18,617	35,000	14,316	40,000
Labor - Cust Serv Calls	624.000	6,054	7,500	5,116	7,500
Supplies for Water Mains	625.000	20,877	20,000	26,578	24,000
Electricity	626.000	116,849	125,000	117,256	125,000
Equipment (heavy duty) expense	628.000	22,336	20,000	13,726	20,000
Other Expenses	629.000	63,316	40,000	5,202	25,000
TOTAL MAINTENANCE EXPENSE		303,284	307,500	218,439	286,500
TOTAL WATER DISTRIBUTION EXPENSE		801,551	632,500	497,469	576,000
WATER TREATMENT					
Labor - Operations & Maintenance	641.000	72,126	65,000	113,492	100,000
Labor - Testing	642.000	29,980	30,000	23,496	30,000
Water Testing Supplies & Laboratory	651.000	8,903	9,500	6,127	8,000
Fluoride	652.000	7,227	3,000	3,673	4,500
Electricity	656.000	19,278	22,000	16,576	22,000
Property insurance	657.000	41,936	50,461	50,460	63,451
Other Expenses	659.000	180	5,000	3,000	4,000
TOTAL WATER TREATMENT EXPENSE		179,630	184,961	216,824	231,951
TOTAL WATER SYSTEM		981,181	817,461	714,293	807,951
WASTEWATER					
COLLECTION O & M					
Labor - Operations & Maintenance	701.000	160,652	165,000	130,364	135,000
Labor - Cust Serv Calls	704.000	1,084	3,000	7,047	3,000
Testing Supplies & Laboratory	711.000	6,411	7,000	9,337	8,000
Electricity	716.000	124,896	125,000	146,803	140,000
Equipment (heavy duty) expense	718.000	-	3,000	908	3,000
Other Expenses	719.000	38,127	20,000	21,657	20,000
TOTAL COLLECTION EXPENSE		331,170	323,000	316,116	309,000
TREATMENT O & M					
Labor - Operations	741.000	50,715	50,000	97,004	100,000
Labor - Testing	742.000	5,266	6,000	2,076	5,000
Labor - Safety & Training	745.000	12,536	15,000	10,312	12,500
Property insurance	757.000	7,756	9,435	9,433	11,753
TOTAL TREATMENT EXPENSE		76,273	80,435	118,825	129,253

	ACCT	2019 ACTUAL	2020 BUDGET	2020 PROJECTED	2021 BUDGET	Item A.
TOTAL SEWER SYSTEM EXPENSE		407,443	403,435	434,941	438,253	
TOTAL WATER & SEWER EXPENSE		1,388,624	1,220,896	1,149,234	1,246,204	
WATER AND SEWER SYSTEM OPERATING REVENUE						
Piped Water	461.100	1,227,636	1,200,000	1,196,850	1,200,000	
Piped Water - Mandatory Subscription	461.200	1,498	1,750	1,508	1,500	
Piped Water - Fire Hydrants	463.000	2,091	2,090	2,091	2,090	
Self-Haul Customers & Large Fill Users	463.000	11,475	14,000	16,716	15,000	
MJC Income	465.000	3,856	10,000	80,971	20,000	
Sewer Revenue	470.000	1,189,678	1,160,000	1,166,676	1,160,000	
Sewer Mandatory Subscription	470.200	1,798	2,200	2,570	2,200	
Sewer Dumping Revenue - STP	470.400	-	500	-	500	
BASE REVENUE TOTAL		2,438,032	2,390,540	2,467,382	2,401,290	
NON-OPERATING REVENUE						
Other income	465.200	63,773	2,000	(650)	2,000	
Asset Disposal	466.000	10,972	-	13,897	5,000	
PERS Relief - Water & Sewer	465.400	1,432	21,000	52,389	45,000	
Equipment Rental Income	465.300	-	-	-	-	
TOTAL NON-OPERATING REVENUE		76,177	23,000	65,636	52,000	
TOTAL REVENUE		2,514,209	2,413,540	2,533,018	2,453,290	
DIRECT EXPENSES						
Water Distribution and Treatment		981,181	817,461	714,293	807,951	
Wastewater Collection and Treatment		407,443	403,435	434,941	438,253	
Total Direct Expenses		1,388,624	1,220,896	1,149,234	1,246,204	
FINANCING COSTS						
Interest - RUS Bond (1998)	783.000	22,312	-	-	-	
Interest - RUS 200K Loan (2005)	783.001	3,613	3,500	464	-	
Interest - RUS 613K Loan (2006)	783.002	14,194	-	-	-	
Interest - DEC Clean Water #627261	783.011	-	11,150	4,642	10,895	
Interest - DEC Drinking Water #627271	783.012	-	7,450	3,094	7,264	
Interest - DEC Clean Water #627131	783.003	2,212	2,017	2,017	1,822	
Interest - DEC Drinking Water #627111	783.004	3,944	3,588	3,588	3,232	
Interest - DEC Clean Water #627141	783.005	17,355	17,038	17,038	15,766	
Interest - DEC Drinking Water #627161	783.006	8,258	8,108	8,108	7,503	
Interest - DEC Drinking Water #627171	783.007	8,345	2,700	2,700	2,600	
Interest - DEC Clean Water #627181	783.008	15,586	2,900	2,900	4,842	
Interest - DEC Clean Water #627211	783.009	18,620	26,000	26,000	25,165	
Interest - DEC Drinking Water #627221	783.010	52,690	16,000	16,000	15,648	
Total Financing Costs		167,129	100,451	86,551	94,737	
ALLOCATED COSTS						
Consumer Accounting - 25%		77,189	82,275	71,502	80,750	
General & Administrative - 38%		440,602	483,904	495,570	508,616	
		517,791	566,179	567,071	589,366	
PAYMENT IN LIEU OF TAXES	792.000	140,000	140,000	140,000	140,000	
PERS Relief Expense/GASB 68 Pension Liability	792.500,60	7,726	20,000	52,389	45,000	

	ACCT	2019 ACTUAL	2020 BUDGET	2020 PROJECTED	2021 BUDGET	Item A.
DEPRECIATION						
Water & Sewer System	759.000	2,963,970	2,970,000	2,963,384	3,000,000	
Icy View System	790.000	215,461	215,500	200,409	215,500	
New Sewer Treatment Plant	766.000	34,840	34,900	33,455	34,900	
Aeration Plant	766.100	18,216	18,200	34,653	18,200	
TOTAL DEPRECIATION		3,232,487	3,238,600	3,231,901	3,268,600	
TOTAL EXPENSES		5,453,757	5,286,126	5,227,147	5,383,907	
MARGIN (LOSS)		(2,939,548)	(2,872,586)	(2,694,129)	(2,930,617)	
		292,939	366,014	537,772	337,983	

	ACCT	2019 ACTUAL	2020 BUDGET	2020 PROJECTED	2021 BUDGET	Item A.
GARBAGE/LANDFILL						
SERVICES BILLED						
Residential Garbage	480.000	355,359	395,000	373,799	389,000	
Commercial Garbage	480.100	523,661	580,000	551,522	570,000	
TOTAL SERVICES BILLED		879,020	975,000	925,321	959,000	
PAYMENTS TO CONTRACTOR						
Garbage Billing Contract	850.200	773,537	858,000	814,282	843,920	
NET REVENUE FROM BILLING CONTRACT [12%]	[12%]	105,483	117,000	111,039	115,080	
CITY LANDFILL						
Landfill Fees Billed	480.300	346,328	335,000	356,004	350,000	
Landfill Fees Paid to City of Nome	880.000	(313,279)	(302,000)	(322,908)	(317,000)	
Billing Revenue from City of Nome		33,049	33,000	33,096	33,000	
EXPENSES						
Allocated: Consumer Accounting - 20%	899.400	61,751	65,820	57,201	64,600	
MARGIN		76,781	84,180	86,933	83,480	

	ACCT	2019 ACTUAL	2020 BUDGET	2020 PROJECTED	2021 BUDGET	Item A.
ADMINISTRATIVE						
ADMINISTRATION SALARIES & PAYROLL COSTS						
Manager	920.000	133,775	197,000	219,685	230,000	
Accounting labor	920.100	242,656	260,000	272,881	275,000	
Finance officer, plus Assistant Manager	920.900	299,226	316,000	341,501	320,000	
Administrative assistants	920.300	163,994	164,000	151,659	160,000	
TOTAL ADMINISTRATION SALARIES		839,651	937,000	985,726	985,000	
OFFICE EXPENSE						
Office expense	921.000	64,899	65,000	52,309	55,000	
Admin office utilities	921.500	23,929	25,000	24,756	25,000	
TOTAL OFFICE EXPENSE		88,828	90,000	77,066	80,000	
GENERAL EXPENSES						
General expenses	920.200	1,854	2,500	2,349	2,500	
Vehicle expenses - Manager	920.800	12,981	12,000	11,344	12,000	
Administrative Travel	920.110	5,127	9,000	503	9,000	
TOTAL MANAGER EXPENSE		19,962	23,500	14,196	23,500	
OUTSIDE SERVICES						
Audit	923.100	52,656	45,000	44,601	45,000	
Computer consultant	923.120	14,054	18,000	14,171	18,000	
Legal	923.200	2,075	3,000	3,471	3,000	
Janitor	923.300	9,180	9,180	9,180	9,180	
TOTAL OUTSIDE SERVICES		77,965	75,180	71,423	75,180	
OTHER EXPENSES						
Vehicle expense - Administration	926.000	5,531	8,000	5,133	8,000	
Board fees and insurance	930.100	34,181	33,000	43,858	45,000	
Dues and subscriptions	930.200	19,035	13,000	16,220	13,500	
Advertising	930.300	1,825	2,000	2,527	3,000	
Other	930.400	5,511	10,000	6,383	10,000	
Board travel	930.500	-	2,000	-	2,000	
Injuries and damages	925.000	175	1,500	574	1,500	
Depreciation of general plant	932.500	32,238	38,000	45,251	50,000	
Board errors/omissions insurance	932.900	2,336	2,600	2,336	2,464	
Training	934.000	2,511	5,000	-	5,000	
OTHER EXPENSES TOTAL		103,343	115,100	122,282	140,464	
TOTAL ADMINISTRATIVE EXPENSES		1,129,749	1,240,780	1,270,693	1,304,144	
ALLOCATION TO:						
Electric generation - 40%	40%	451,900	496,312	508,277	521,658	
Electric distribution - 21%	21%	237,247	260,564	266,845	273,870	
Water and sewer - 39%	39%	440,602	483,904	495,570	508,616	
TOTAL ALLOCATIONS		1,129,749	1,240,780	1,270,692	1,304,144	

	ACCT	2019 ACTUAL	2020 BUDGET	2020 PROJECTED	2021 BUDGET	Item A.
CONSUMER ACCOUNTING						
OPERATING EXPENSES						
Consumer accounting salaries	903.100	173,910	183,000	169,331	189,000	
Meter reading	902.000	44,813	50,000	30,760	50,000	
Bad debt expense	904.000	20,443	20,400	20,400	12,000	
Small claims fees	904.500	(130)	1,000	227	1,000	
Computer and billing supplies	905.000	14,714	15,000	17,434	14,000	
Postage	906.000	4,235	6,000	4,240	5,000	
Computer consultant	908.000	26,041	28,700	22,092	28,000	
Billing office expenses	910.000	9,591	9,000	7,047	8,000	
Billing office utilities	911.000	15,139	16,000	14,475	16,000	
TOTAL CONSUMER ACCOUNTING		308,756	329,100	286,006	323,000	

ALLOCATION TO:

Electric distribution - 55%	55%	169,816	181,005	157,303	177,650
Water and sewer - 25%	25%	77,189	82,275	71,502	80,750
Solid waste - 15% + below	15%	46,313	49,365	42,901	48,450
Dump billing - 5% (total = 20%)	5%	15,438	16,455	14,300	16,150
TOTAL ALLOCATIONS		308,756	329,100	286,006	323,000

	ACCT	2019 ACTUAL	2020 BUDGET	2020 PROJECTED	2021 BUDGET	Item A.
APPARENT CASH FLOW						
NET MARGIN (DEFICIT) PRIOR TO DEPRECIATION		1,618,115	1,435,960	2,092,796	1,234,351	
Amortization of Deferred Debits (non-cash use):						
Deferred generator maintenance - #15		129,245	129,300	147,701	166,338	
Deferred generator maintenance - #16	553.111	88,850	88,850	90,460	108,192	
Deferred fuel tank maintenance	558.150	126,246	89,232	179,710	163,390	
		344,341	307,382	417,871	437,920	
		1,962,456	1,743,342	2,510,667	1,672,271	
Debt Service Requirements (Principal):						
AMBBA - New Power Plant (2005)		-				
AMBBA - New Power Plant Refinance		205,000	215,000	215,000	225,000	
RUS Bond (1998)	224.130	11,962	-	-	-	
RUS Loan (2005)	[NEW 05]	11,256	11,500	76,595	-	
RUS Loan (2006)		8,712	-	-	-	
DEC ADWF #627061 (2008) PPlt Wtr Plnt		266,043	266,043	266,043	266,043	
DEC ACWF #627131 (2008)		13,013	13,013	13,013	13,013	
DEC ADWF #627111 (2008)		23,750	23,750	23,750	23,750	
DEC ACWF #627141 (2014-15)		62,405	63,341	63,341	64,291	
DEC ADWF #627161 (2014-15)		29,697	30,142	30,142	30,594	
DEC ADWF #627171 (Equip)		-	20,192	20,192	20,192	
DEC ACWF #627181 (Equip)		-	37,608	37,608	37,608	
DEC ACWF #627211		-	91,510	91,510	91,510	
DEC ADWF #627221		-	56,904	56,903	56,903	
DEC Clean Water #627261		-	26,058	26,058	26,058	
DEC Drinking Water #627271		-	39,087	39,087	39,087	
Principal/Capital Lease Payments		631,838	894,148	959,242	894,049	
		1,330,618	849,194	1,551,425	778,222	
Deferred Debits:						
Additions (use of cash)						
Tank Farm Maintenance		241,793	95,000	206,120		
Wartsila PLC Upgrade						
Generator #15 Overhaul			425,000	771,336		
Generator #16 Overhaul		-	-	-	-	
		241,793	520,000	977,456	-	
Balance provided from current operations available for capital grant participation		1,088,825	329,194	573,969	778,222	

	ACCT	2019 ACTUAL	2020 BUDGET	2020 PROJECTED	2021 BUDGET	Item A.
Projected investment in capital assets						
Tank maintenance (deferred debit)				(above)	405,000	
Tank Farm Painting Completion (deferred debit)						
Generator #12 Fire Suppression		164,153				
Remove/Dispose of Old Generators Wind Turbines					20,000	
River Street Motor Controls (net of NSEDC 100K)		86,967				
Office refresh		44,231		15,899		
Security/Access Installation Completion:						
6th Avenue/WWTF				33,232		
New Power Plant/Fuel Farm				79,150		
Land Acquisition - Block 20		207,788				
Wartsila PLC Upgrades		198,038				
Truck/tracks for remote work		32,071	95,000	51,295		
High bay light fixtures			10,000	Exp-559.000		
Inspect million gallon water tank			10,000	NVFD Drone		
River Street station light fixtures			15,000	Exp-719.000		
Security/access project			40,000	above		
Energy audit - Old Plant and Belmont Garage			4,000	-		
Vehicle replacements (2)			100,000	-	90,000	
Power Plant Protection Relays				50,329		
Lathe replacement				15,577		
Fuel Tank Replacements				10,172	16,000	
Tank Farm Relocate engineering					350,000	
Moonlight Springs Reservoir engineering					75,000	
Electric Meter System Replaement PLC->RF					210,000	
Projected investment in capital assets		733,248	274,000	255,654	1,166,000	
Projected Cash Result		355,577	55,194	318,315	(387,778)	

1st Reading: January 25, 2021
2nd Reading: February 9, 2021

Presented By:
Utility Manager

Action Taken:
Yes____
No____
Abstain____

CITY OF NOME, ALASKA

ORDINANCE NO. O-21-01-02

**AN ORDINANCE APPROVING THE 2021 CAPITAL INVESTMENTS BUDGET FOR
NOME JOINT UTILITY SYSTEM**

SECTION 1

This is a non-Code ordinance.

SECTION 2

WHEREAS, Chapter 15.10.010, Nome Code of Ordinances, states the Council reserves the power and authority to approve or disapprove all budgets of the Nome Joint Utilities System; and,

WHEREAS, the Nome Joint Utility Board has adopted Utility Resolution No. 21-02 recommending a Capital Investments Budget for FY21 in the amount of \$1,166,000 to be funded from Utility revenues.

NOW, THEREFORE, BE IT ORDAINED by the Common Council of Nome, Alaska that the 2021 Capital Investments Budget as recommended by the Nome Joint Utilities Board is hereby approved.

APPROVED and **SIGNED** the 9th day of February, 2021.

JOHN K. HANDELAND, Mayor

ATTEST:

BRYANT HAMMOND, Clerk



NOME JOINT UTILITY SYSTEM

NOME JOINT UTILITY BOARD RESOLUTION 21-02

A RESOLUTION TO THE NOME COMMON COUNCIL RECOMMENDING ACCEPTANCE AND APPROVAL OF THE PROPOSED NOME JOINT UTILITY SYSTEM FISCAL YEAR 2021 CAPITAL INVESTMENTS BUDGET

WHEREAS, Section 15.10.030 (b) of the Nome Code of Ordinances provides that the Utility Board is charged with the responsibility of preparing and submitting to the Council annual budgets and to make recommendations thereon for the efficient and economical operations of the system; and,

WHEREAS, Section 15.10.070 (c) of the Nome Code of Ordinances provides that the Utility Manager shall prepare the annual budget for review by the Utility Board prior to submission to the Council; and,

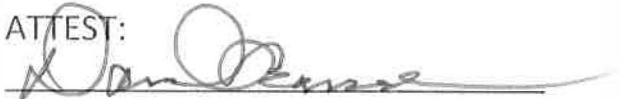
WHEREAS, it is the intention of the Utility to operate at a level of performance and reliability satisfactory to the users of service, and provide for ongoing maintenance and reliability of the systems;

NOW THEREFORE BE IT RESOLVED that the Nome Joint Utility Board does hereby submit to the Nome Common Council a Capital Investments Budget for the fiscal year 2021 for projects that will enhance or maintain utility operations in the amount of \$1,166,000 as identified on the attachment, to be funded from Utility revenues.

SIGNED THIS 19th DAY OF January, 2021 AT NOME, ALASKA.



Carl Emmons, Chairman
NOME JOINT UTILITY BOARD

ATTEST:


David Barron, Secretary
NOME JOINT UTILITY BOARD

2021 CAPITAL PROJECTS

Tank Farm Maintenance Cleaning, Inspections, Liners	405,000
Electric Meter System Replacement (Phase 1)	210,000
Entegrity Wind Turbine Removal	20,000
Vehicle Replacements (2)	90,000
Fuel Tank Replacement - 1000 gal	16,000
Tank Farm Relocate Engineering	350,000
Moonlight Springs Reservoir Engineering	75,000
TOTAL	<u>1,166,000</u>

Presented by Item C.
City Clerk
Action Taken:
Yes____
No____
Abstain____

CITY OF NOME, ALASKA

RESOLUTION NO. R-21-01-02

A RESOLUTION MODIFYING CITY OF NOME RESOLUTION R-12-12-03 AUTHORIZING SPECIAL PERMITTING FOR THE TRAPPING OF FUR-BEARING ANIMALS WITHIN OTHERWISE PROHIBITED AREAS OF THE CITY OF NOME

WHEREAS, through Ordinance No. O-07-09-01, the Nome Common Council prohibited trapping within certain sections of the city without a resolution authorizing special permitting for those areas; and,

WHEREAS, the Nome Common Council adopted Resolution R-12-12-03 on December 17, 2012 authorizing trapping of fur-bearing animals by special permit within the otherwise prohibited area identified by Section 10.30.150(6)(a) of the Nome Code of Ordinances (south of the Nome Bypass Road and the Little Creek Road [FAS Route #1312] to Center Creek Road [FAS Route #1411]; and,

WHEREAS, R-12-12-03 specified “under no circumstances are Conibear traps permitted to be used;” and,

WHEREAS, the City of Nome is in receipt of a request to allow small Conibear 110 traps to be used to trap mink in the Outer Harbor area of the Port of Nome; and,

WHEREAS, the City of Nome finds the use of Conibear 110 traps to present no significant threat to domesticated pets or other non-targeted animals;

NOW, THEREFORE, BE IT RESOLVED by the Nome Common Council that:

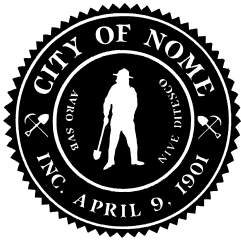
1. The prohibition on using Conibear 110 traps set forth by R-12-12-03 is excepted for trapping fur-bearing animals in the rock revetment wall on the east side of the opening to the outer harbor and the breakwater extending south away from town into Norton Sound.
2. All other provisions of R-12-12-03 remain and are incorporated here by reference.
3. This resolution is in effect until April 16, 2021, unless rescinded earlier by the Nome Common Council.

APPROVED and SIGNED this 25th day of January, 2021.

JOHN K. HANDELAND, Mayor

ATTEST:

BRYANT HAMMOND, City Clerk



CITY OF NOME
City Clerk
P.O. Box 281
Nome, Alaska 99762
907.443.6663

AGENDA STATEMENT

Meeting Date: January 25, 2021
From: Bryant Hammond, City Clerk
Subject: Special Trapping Permit Request

Background & Justification:

The Clerk's Office received the attached special permit application and registration to set traps in the rock revetment walls and breakwater in the south east corner of the Port of Nome.

Nome's animal control ordinance (NCO 10.30.170 Trapping) prohibits trapping south of the Nome Bypass Rd and Little Creek Rd to Center Creek Rd., unless the City Council finds by resolution trapping in a prohibited area is in the public interest.

In 2012, the City adopted Resolution R-12-12-03 (attached) finding that the trapping of fox in prohibited areas was in the public interest. R-12-12-03, however, made the stipulation that under no circumstances were Conibear traps to be used. The current applicant wishes to use Conibear 110 traps, a small body grip trap.

Resolution R-21-01-02 will allow the applicant's request in a limited area – the revetment walls of the outer harbor – and over a limited period – expiring upon the end of the 2020 – 2021 trapping season.

Recommendation:

The Clerk's Office asks for the Common Council to determine whether or not trapping in the proposed area using Conibear 110 traps is in the public interest and act accordingly with regards to the R-21-01-02.

Item C.
Presented by
City Manager
Action Taken:
Yes 4
No 2
Abstain 0

CITY OF NOME, ALASKA

RESOLUTION NO. R-12-12-03

**A RESOLUTION AUTHORIZING SPECIAL PERMITTING FOR THE TRAPPING OF
FUR-BEARING ANIMALS WITHIN OTHERWISE PROHIBITED
AREAS OF THE CITY OF NOME**

WHEREAS, it has been determined that foxes are a nuisance to the City of Nome because they are known to carry disease, possibly threatening the safety of both humans and domesticated animals alike; and,

WHEREAS, through Ordinance No. O-07-09-01, the Nome Common Council prohibited trapping within certain sections of the city without a resolution authorizing special permitting for those areas; and,

WHEREAS, in order to reduce the city's fox population and the accompanying threat to public safety, the need has arisen for special permitting for trapping within otherwise prohibited areas of the city; and,

WHEREAS, any person wishing to set traps within city limits must file for a permit from the City Clerk's Office and must not set any traps until the permit is issued; and,

WHEREAS, any such permit application must designate the type, location and number of such traps; and,

WHEREAS, all such traps must be clearly marked and visible to passersby from a substantial distance; and,

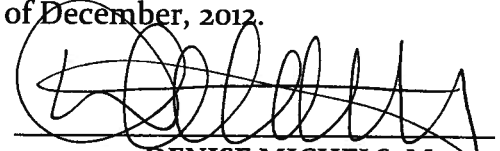
WHEREAS, no traps may be set for a period in excess of thirty days without the issuance of a permit renewal; and,

NOW, THEREFORE, BE IT RESOLVED by the Nome Common Council that:

1. It is in the public interest to allow trapping in the area prohibited by Section 10.30.150(6)(A) of the Nome Code of Ordinances (south of the Nome Bypass Road and the Little Creek Road [FAS Route #1312] to Center Creek Road [FAS Route #1411]); and,
2. Special permits may be issued to allow for the trapping of fur-bearing animals within the otherwise prohibited area identified by Section 10.30.150(6)(A) of the Nome Code of Ordinances (south of the Nome Bypass Road and the Little Creek Road [FAS Route #1312] to Center Creek Road [FAS Route #1411]); and,

3. No person issued a special permit may be allowed to set in excess of ten total traps; and,
4. Under no circumstances are Conibear traps permitted to be used; and,
5. No permit-holder may set a trap on private land without having first obtained the landowner's permission to do so; and,
6. This resolution is in effect until rescinded by the Nome Common Council.

APPROVED and SIGNED this 17th day of December, 2012.


DENISE MICHELS, Mayor

ATTEST:


TOM MORAN, City Clerk



City of Nome

Trapping Registration & Permit

APPLICANT INFORMATION

Name: Andrew McCann
Address: PO box 2055 408 W 3rd
City/State: NOME, AK Zip Code: 99762
Contact phone number: 907 304 0284

Check Applicable Box:

☒ REGISTRATION

☒ SPECIAL PERMIT (Requires Council Approval)

PLEASE PROVIDE A DETAILED DESCRIPTION OF THE GENERAL AREA IN WHICH TRAPPING WILL OCCUR. Note: Prohibited Areas are Defined in NCO 10.30.150(a)(6)

I would like to trap the Mink that reside in the
rocks around the port walls. Traps would be placed
in the Mink holes in the rocks between the ice and the
road. I would check the traps 3 times/day when set.
Mink are suspected of carrying disease & potentially COVID-19.
The traps used are not strong enough to seriously harm
a dog/cat.

PROPOSED STARTING DATE: 01/26/2021 PROPOSED ENDING DATE: 02/08/2021

PROPOSED NUMBER OF TRAPS: 6 PROPOSED TRAP TYPE: 110 con. bear (body grip)

Your proposed activity is subject to the permitting requirements of the Nome Code of Ordinances Chapter 10.30.150

If you have questions regarding the information requested, please contact City Hall at 907.443.6663.

City Use Only: Date of Issuance: _____ Registration/Permit No.: _____
Issued By: _____

V-071031



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Presented By.
Acting Finance Director

Action Taken:
Yes____
No____
Abstain____

CITY OF NOME, ALASKA

RESOLUTION NO. R-21-01-03

**A RESOLUTION ADOPTING THE RESULTS OF THE FISCAL YEAR 2020 AUDIT PERFORMED
BY ALTMAN, ROGERS & CO.**

WHEREAS, the City of Nome, as a municipality of the State of Alaska, is required to undergo an annual audit of its finances and financial practices; and,

WHEREAS, Altman, Rogers & Co. has successfully performed audit services for the City of Nome since 2008; and,

WHEREAS, the City of Nome adopted Resolution R-20-04-02 approving a contract with Altman, Rogers & Co. for audit services for fiscal year 2020; and

WHEREAS, Altman, Rogers, & Co. completed the contracted services and issued an opinion on January 13, 2021;

NOW, THEREFORE, BE IT RESOLVED that the Nome Common Council hereby adopts the results of the fiscal year 2020 audit performed by Altman, Rogers & Co. and authorizes the release of the City of Nome's audited financial statements for fiscal year 2020.

APPROVED and **SIGNED** this 25th day of January, 2021.

JOHN K. HANDELAND
Mayor

ATTEST:

BRYANT HAMMOND
Clerk

CITY OF NOME, ALASKA
Letter to the Governing Board
Year Ended June 30, 2020

CITY OF NOME, ALASKA

Letter to the Governing Board

Year Ended June 30, 2020

Month XX, 2020

Members of the Council
City of Nome, Alaska
Nome, Alaska

We have audited the financial statements of the governmental activities, the business-type activity, the Nome Public Schools discretely presented component unit, each major fund and the aggregate remaining fund information of City of Nome, Alaska (the City) for the year ended June 30, 2020, which collectively comprise the City's basic financial statements. We did not audit the financial statements of Nome Joint Utility System, which is a discretely presented unit. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards, Title 2 U.S. Code of Federal Regulations (CFR) Part 200*, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated March 10, 2020. Professional standards also require that we communicate to you the following information related to our audit.

Significant Accounting Policies and Transactions

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City are described in Note I to the financial statements. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

All Opinion Units:

Management's estimate of the collectability of accounts receivable is based on historical collections. We evaluated the key factors and assumptions used to develop the collectability of accounts receivable in determining that it is reasonable in relation to the financial statements taken as a whole.

Government-Wide and Business-Type Opinion Units:

Management's estimate of the useful lives and depreciation of assets is based upon the expected life of an asset. We evaluated the key factors and assumptions used to develop the useful lives and depreciation expense in determining that it is reasonable in relation to the financial statements as a whole.

Management's estimates of the City's proportionate share of the collective net pension and OPEB liabilities/assets and related deferred outflows and inflows of resources are based on information furnished by the State of Alaska and actuarial reports generated during the audit of the Public Employees' Retirement System. The amortization of these deferrals is based on guidance provided by the Governmental Accounting Standards Board. We evaluated the key factors and assumptions used to develop the estimates of the City's proportionate share of the collective net pension and OPEB liabilities and deferred outflows and inflows of resources and related amortization in determining that it is reasonable in relation to the financial statements as a whole.

Government-Wide Opinion Unit:

Management's uses estimates for the closure and post-closure costs of the landfill. These estimates are based on engineering surveys. We evaluated the key factors and assumptions used to develop the estimation for the closure of the landfill to determine its reasonableness in relation to the financial statements taken as a whole.

Financial Disclosures

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For the purposes of this letter a disagreement with management is a financial accounting, reporting or auditing matter, whether or not resolved to our satisfaction that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of the audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated Month XX, 2020.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Internal Control Matters

See Compliance Reports for definition and descriptions of deficiencies, significant deficiencies, material weaknesses and any reported findings.

Accounting Assistance

As part of our engagement we drafted the basic financial statements of the City from the City's accounting records; however, management of the City was involved in the drafting process and retains responsibility for the basic financial statements.

Other Matters/Supplementary Information Accompanying the Financial Statements

We applied certain limited procedures to the Management Discussion and Analysis, Schedules of City's Proportionate Share of the Net Pension and OPEB Liabilities/Assets and Schedules of City's Contributions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the "Additional Supplementary Information" which includes Other Governmental Funds: Combining Balance Sheet and Combining Statement of Revenues, Expenditures and Changes in Fund Balances, and Schedule of Expenditures of Federal Awards which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Major Issues Discussed with Management Prior to Retention

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Restriction on Use

This information is intended solely for the use of the members of the Council and management of City of Nome, Alaska and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

Anchorage, Alaska

CITY OF NOME, ALASKA

**Management Discussion and Analysis,
Basic Financial Statements, Required Supplementary Information,
Additional Supplementary Information and
Compliance Reports**

Year Ended June 30, 2020

CITY OF NOME, ALASKA

Management Discussion and Analysis,
Basic Financial Statements, Required Supplementary Information,
Additional Supplementary Information and
Compliance Reports

Year Ended June 30, 2020

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Independent Auditor's Report

Members of the City Council
City of Nome, Alaska
Nome, Alaska

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the Nome Public Schools discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Nome, Alaska, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City of Nome's basic financial statements as listed in the table of contents. We did not audit the financial statements of Nome Joint Utility System, which is a discretely presented component unit.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of Nome Joint Utility System, which is a discretely presented component unit of the reporting entity, which represents 43 percent, 44 percent, and 28 percent, respectively, of the assets, net position and revenues of the total reporting entity. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the City of Nome, is based solely on the report of other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Members of the City Council
City of Nome, Alaska

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Nome, Alaska, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and Schedules of City's Share of Net Pension and OPEB Liabilities and Assets and Contributions for the Public Employees' Retirement System on pages 4-15 and 63-66, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Members of the City Council
City of Nome, Alaska

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Nome, Alaska's basic financial statements. The information listed in the table of contents as "Additional Supplementary Information", which includes Other Governmental Funds: Combining Balance Sheet, Combining Statement of Revenues, Expenditures and Changes in Fund Balances is presented for purposes of additional analysis, and is not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards is presented for the purpose of additional analysis as required by *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The "Additional Supplementary Information" listed above is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the "Additional Supplementary Information" is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated Month XX, 2020 on our consideration of the City of Nome's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of City of Nome's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Nome's internal control over financial reporting and compliance.

Anchorage, Alaska
Month XX, 2020

MANAGEMENT DISCUSSION AND ANALYSIS

City of Nome, Alaska
Management Discussion and Analysis
For the Year Ended June 30, 2020

This section of the City of Nome, Alaska's annual financial report provides a narrative overview and analysis by the City management of the financial activities of the City of Nome for the fiscal year ended June 30, 2020. It is designed to focus on significant financial issues, provide an overview of the City's financial activities, highlight changes in the City's financial position, identify material changes from the original budget, and explain any specific issues or concerns. This discussion and analysis should be read in conjunction with the City's financial statements, which follows this section.

Financial Highlights

- At June 30, 2020, the City's assets and deferred outflows (net position) exceeded its liabilities and deferred inflows by \$101,381,868. Of this amount, \$12,943,868 in unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.
- The City's total net position decreased by \$642,008, or less than 1%, from the prior fiscal year's amount. The governmental activities net position increased by \$653,57 (1%) and the business-type activities net position decreased by \$1,295,583 (3.4%).
- As of June 30, 2020, the City's governmental funds, excluding business-type activities, reported combined ending fund balances of \$16,429,095, representing an increase of \$571,347 compared to the prior year.
- Total general revenues accounted for \$12,110,123 (70.22%) of total revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$5,134,893 (29.78%) of total revenues of \$17,245,016.
- The governmental fund balance is comprised of Non-spendable, Restricted, Committed, and Assigned and Unassigned classifications. At the end of the year, unassigned fund balance for the General Fund was \$8,713,206 or 70.71% of total General Fund expenditures and transfers.
- The City's total outstanding long-term debt decreased by \$1,392,238 due to scheduled debt repayments during the year.
- In October 2019, the City agreed to borrow funds from Wells Fargo Bank through the issuance of a Revenue Anticipation Note for \$5 million at 2.13% interest per annum to finance the purchase of diesel fuel for Nome Joint Utility System (NJUS). NJUS is obligated and makes direct payment to Wells Fargo Bank as principal and interest become due. The Note was paid over 9 equal installments and fully repaid in 2020. Subsequently in September 2020, NJUS through the City, sold a \$3.8 million Revenue Anticipation Note to Wells Fargo Bank to finance the 2020-2021 fuel requirements. The Note bears an annual interest of 1.75% and will be repaid in 10 equal installments. NJUS pledged utility revenues as security for the Note.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements, which include the government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements themselves. The basic financial statements include two kinds of statements that present different views of the City's activities.

- *Government-wide financial statements* provide both short-term and long-term information about the City's overall financial status.
- *Fund financial statements* focus on individual parts of the City, reporting the City's operations in more detail than the government-wide statements. The *Fund financial statements* include the governmental fund statements which tell how basic services, such as, City Administration, Public Safety, Public Works, etc., were financed in the short-term as well as what remains for future spending. Proprietary fund statements offer short-term and long-term financial information about the activities the government operates like a business, such as the Port and Harbor.

The financial statements include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by three sections (1) required supplementary information, (2) additional supplementary information on individual fund activity, and (3) compliance reports.

Illustration A-1 Major Features of City of Nome's Government-wide and Fund Financial Statements			
	Government-wide Statements	Fund Statements	
		Governmental Funds	Proprietary Funds
Scope	Entire City government	The activities of the City that are not proprietary, such as police, fire and public works	Activities the City operates similar to private businesses such as port & harbor
Required financial statements	Statement of net position Statement of activities	Balance sheet Statement of revenues, expenditures and changes in fund balance	Statement of net position Statement of revenue, expenditures and changes in net position Statement of cash flows
Accounting basis and measurement of focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid

Illustration A-1 summarizes the major features of the City's financial statements. The remainder of this overview section of the management's discussion and analysis explains the structure and contents of each of the statements.

Government-wide Financial Statements

The Government-wide financial statements are intended to provide a comprehensive look at all financial activities of the City. These statements summarize the City's overall financial condition and contain both short-term and long-term information about the City's entity-wide finances, similar to a private-sector business. Both of the Government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). These statements can be located as listed on the table of contents of this document.

The **statement of net position** presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may indicate the improvement or deterioration of the City's financial position.

The **statement of activities** presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

The *governmental activities* of the City of Nome, which accounts for all of the City's basic services, include legislative, administrative, city clerk, police, animal control, fire, ambulance, public works, parks and recreation, swimming pool, museum, library, visitor center, education, and deferred compensation plans. The *business-type activities* of the City include the port facilities.

The Government-wide financial statements include two component units, known as Nome Public Schools and Nome Joint Utility System. Both are legally separate entities for which the City is financially accountable. Financial information for the component units are reported separately from the financial information presented for the primary government itself.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Nome, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements provide more detailed information about the City's funds, focusing on its most significant or "major" funds – not the City as a whole. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

- **Governmental Funds:** Most of the City's basic services are included in governmental funds. Unlike the Government-wide financial statements, governmental fund financial statements focus on short-term inflows and outflows of spendable resources, as well as balances of spendable resources left at fiscal year-end. Consequently, the governmental fund financial statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs.

Because the focus of governmental funds is narrower than that of the Government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the Government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City of Nome, Alaska maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, which is considered to be a major fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements*.

The City adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with its budget.

- **Proprietary Funds:** When the City charges customers for the services it provides – both to outside customers and to other units of the City – these services are generally reported in the proprietary funds. Proprietary funds are reported in the same manner in the Statement of Net Position and the Statement of Activities. The City maintains two different types of proprietary funds.
 - **Enterprise Funds:** are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses an Enterprise Fund to account for its port facilities.
 - **Fiduciary Funds:** Are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The City uses the fiduciary fund to account for its deferred compensation plan.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information presenting the combining statements displaying the non-major governmental funds.

City of Nome, Alaska
Management Discussion and Analysis, Continued

Item D.

Government-Wide Financial Analysis

Statement of Net Position

Over time, net position may serve as a useful indicator of a government's financial position. At June 30, 2020, the City's assets and deferred outflows (net position) exceeded its liabilities and deferred inflows by \$101,381,868, representing a net decrease of \$642,008 from the prior year. Of this amount, \$12,943,868 in unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.

By far the largest portion of the City's net position (85.95%) reflects its net investments in capital assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

2020				
	Governmental	Business-type		
	Activities	Activities	Eliminations	Total
Current and other assets	\$ 23,967,543	1,935,800	(1,735,801)	24,167,542
Long-term and capital assets	51,087,530	42,366,318	-	93,453,848
Total assets	75,055,073	44,302,118	(1,735,801)	117,621,390
Deferred outflows of resources	949,911	145,266	-	1,095,177
Current liabilities	2,712,047	2,633,895	(1,735,801)	3,610,141
Long-term liabilities	8,750,516	4,507,653		13,258,169
Total liabilities	11,462,563	7,141,548	(1,735,801)	16,868,310
Deferred inflows of resources	390,126	76,263	-	466,389
Net position				
Net investment in capital assets	49,329,733	37,809,234	-	87,138,967
Restricted for E-911 surcharge	481,054	-	-	481,054
Restricted for causeway	-	817,979	-	817,979
Unrestricted	14,341,508	(1,397,640)	-	12,943,868
Total net position	\$ 64,152,295	37,229,573	-	101,381,868
Total Liab, Def Inf, Net Position	76,004,984	44,447,384	(1,735,801)	118,716,567

City of Nome, Alaska
Management Discussion and Analysis, Continued

Item D.

2019

	Governmental Activities	Business-type Activities	Eliminations	Total
Current and other assets	\$ 20,803,751	3,157,309	(1,862,869)	22,098,191
Long-term and capital assets	52,664,224	43,177,099	-	95,841,323
Total assets	73,467,975	46,334,408	(1,862,869)	117,939,514
Deferred outflows of resources	888,396	139,385	-	1,027,781
Current liabilities	463,459	3,155,564	(1,862,869)	1,756,154
Long-term liabilities	9,886,435	4,705,565	-	14,592,000
Total liabilities	10,349,894	7,861,129	(1,862,869)	16,348,154
Deferred inflows of resources	507,757	87,508	-	595,265
Net position				
Net investment in capital assets	50,774,224	38,266,701	-	89,040,925
Restricted for E-911 surcharge	402,346	-	-	402,346
Restricted for causeway	-	1,033,937	-	1,033,937
Restricted for Police Department	5,000	-	-	5,000
Unrestricted	12,317,150	(775,482)	-	11,541,668
Total net position	\$ 63,498,720	38,525,156	-	102,023,876

A small portion of the City's net position (approximately 1.3% in 2020) represents resources that are subject to external restrictions on how they may be used. Such restrictions are for the restricted assets for causeway operations and the E-911 surcharge program. The remaining balance of unrestricted net position of \$12,943,868 may be used to meet the government's ongoing obligation to citizens and creditors.

City of Nome, Alaska
Management Discussion and Analysis, Continued

Item D.

Statement of Activities

The following condensed table of changes in net position displays the revenues and expenses for the current and prior year.

	Change in Net Position					
	2020			2019		
	Governmental Activities	Business- type Activities	Total	Governmental Activities	Business- type Activities	Total
Revenues:						
Program revenues:						
Charges for services	920,716	1,649,408	2,570,124	1,112,192	1,451,041	2,563,233
Operating grants and contributions	2,038,742	(7,890)	2,030,852	597,147	11,326	608,473
Capital grants and contributions	180,534	353,383	533,917	92,564	2,510,502	2,603,066
General revenues:						
Property taxes	4,593,119	-	4,593,119	4,308,053	-	4,308,053
Penalties and interest	76,290	-	76,290	65,723	-	65,723
Sales tax	5,755,855	-	5,755,855	5,725,343	-	5,725,343
Bed tax	102,533	-	102,533	135,149	-	135,149
Fines and forfeitures	3,508	-	3,508	10,417	-	10,417
Payment in lieu of taxes	381,642	-	381,642	367,687	-	367,687
Rentals and royalties	149,988	-	149,988	158,650	-	158,650
Investment earnings	154,430	51,424	205,854	173,266	42,598	215,864
Grants not restricted to specific programs	697,684	-	697,684	775,527	-	775,527
Gain on sale of assets/equipment	-	-	-	-	-	-
Transfer capital asset from component unit	-	-	-	23,021	-	23,021
Other	143,650	-	143,650	6,744	-	6,744
Total revenues	\$ 15,198,691	2,046,325	17,245,016	13,551,483	4,015,467	17,566,950

(continued)

City of Nome, Alaska
Management Discussion and Analysis, Continued

Item D.

	Change in Net Position					
	2020			2019		
	Governmental Activities	Business- type Activities	Total	Governmental Activities	Business- type Activities	Total
Expenses:						
Legislative	164,895	-	164,895	202,339	-	202,339
Administrative	1,020,352	-	1,020,352	855,449	-	855,449
Information technology	253,773	-	253,773	231,750	-	231,750
Planning and engineering	90,684	-	90,684	119,384	-	119,384
City clerk	376,516	-	376,516	403,288	-	403,288
Police	2,741,456	-	2,741,456	2,524,239	-	2,524,239
Animal control	21,469	-	21,469	38,495	-	38,495
EMS	655,922	-	655,922	328,870	-	328,870
Ambulance	-	-	-	325,789	-	325,789
Public works	2,265,756	-	2,265,756	2,660,775	-	2,660,775
Recreation center	590,946	-	590,946	738,035	-	738,035
Swimming pool	47,915	-	47,915	68,589	-	68,589
Museum	595,470	-	595,470	308,751	-	308,751
Library	412,615	-	412,615	304,321	-	304,321
Visitor center	214,319	-	214,319	188,057	-	188,057
Education	4,171,879	-	4,171,879	4,201,381	-	4,201,381
Non-departmental	876,933	-	876,933	354,403	-	354,403
Unallocated interest	44,216	-	44,216	62,813	-	62,813
Port	-	3,341,908	3,341,908	-	3,091,450	3,091,450
Total expenses	14,545,116	3,341,908	17,887,024	13,916,708	3,091,450	17,008,158
 Increase (decrease) in net position	 653,575	 (1,295,583)	 (642,008)	 (365,225)	 924,017	 558,792
 Net position, beginning of year	 63,498,720	 38,525,156	 102,023,876	 63,863,945	 37,601,139	 101,465,084
 Net position, end of year	 \$ 64,152,295	 37,229,573	 101,381,868	 63,498,720	 38,525,156	 102,023,876

As reflected in the table above, the City's overall net position decreased by \$642,008 in 2020. Governmental activities in 2020 increased the City's net position by \$653,575.

The primary sources of revenue from governmental activities are sales tax and property tax revenue, which amounted to \$5,755,855 and \$4,593,119 respectively, an increase of less than 1% and 6.6% from 2019. The increase in property tax revenue was attributed to the mill rate increasing from 11 to 13 mills.

Expenses in the governmental activities increased in 2020 by \$628,408 from the prior year. The increase in expense was due to expenses for the mitigation of the COVID-19 Pandemic. Additionally, Public Works purchased an MP318 Loader MT snow blower (\$255,274.24), as well as a significant repair to the 966H engine (\$100,777.98).

The City's governmental activities expenses are predominately related to Education (28.68%), Public Safety (23.36%), Public Works (15.58%) and General Government (12.48%) or 80.10% of total governmental activities expenses.

Business-type activities in 2020 decreased the City's net position by \$1,295,583 due to the emergency repair of Westgold Dock and IP Fuel Line Repairs.

Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds

The City of Nome's governmental funds focus on near-term inflows, outflows, and balances of spendable resources available at the end of the year. Such information is useful in assessing whether the City is generating sufficient revenues in the current year to pay current-year obligations. However, it does not indicate whether there are sufficient funds available to cover long-term operations. The level of unassigned fund balance is an important indicator of the amount of a government's net resources available for spending at the end of the fiscal year.

At June 30, 2020 the City's governmental funds reported combined ending fund balances of \$16,429,095, an increase of \$571,347 over the prior year. Of this amount \$7,715,889 is non-spendable, restricted, committed, or assigned for specific purposes. \$8,713,206 is available for spending at the government's discretion.

The General Fund is the chief operating fund of the City. The fund balance of the City's General Fund increased by \$460,072 in 2020 compared to a decrease of \$308,595 in 2019.

The General Fund's fund balance must be able to meet unforeseen needs and emergencies, as well as future spending needs. The City's fund balance policy is to maintain unassigned fund balance in a range equal to 10% to 50% of the General Fund operating expenditures. At June 30, 2020, the unassigned fund balance of the General Fund was \$8,713,206 which is 62.34% of the total General Fund balance compared to 57.16% in 2019.

As a measure of the General Fund's liquidity, both unassigned fund balance and total fund balance may be compared to total fund expenditures. Unassigned fund balance represents 73.50% of total General Fund expenditures at June 30, 2020 compared to 63.71% at June 30, 2019.

Proprietary Fund

The City's proprietary fund provides the same type of information found in the government-wide financial statements.

The Port of Nome Fund's total net position was \$37,229,573 in 2020, a decrease of \$1,295,583 from 2019 while the unrestricted net position shows a deficit of \$1,397,640 compared to a deficit of \$775,482 in 2019.

General Fund Budgetary Highlights

- General Fund revenues exceeded expenditures by \$929,017 before transfers, and after transfers between funds were accounted for, there was a net increase in fund balance of \$460,072.
- Overall, actual revenues were \$225,141 more than budgeted while actual expenditures and transfers were \$2,192,304 less than budgeted, which is primarily due to building closures due to COVID 19, staff turnover creating vacancies, as well as encountering challenges in filling open positions.
- Actual sales tax revenue exceeded budgeted revenue by \$95,855. Investment income exceeded budgeted revenue by \$54,430. Actual Penalty & Interest revenues were \$13,290 greater than budgeted amounts.

Capital Assets and Debt Administration

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2020 amounts to \$92,588,522 net of accumulated depreciation, a decrease of \$2,218,864 over last year. Major capital asset events during the current fiscal year included the following:

- Capital projects completed:
 - Acquisition of a 2020 Wausau MP318 Snow Blower
 - Acquisition of a 2019 Ford Expedition
 - Acquisition of IT Server Migration Hardware/Software
 - Completion of the Mini Convention Center Roof Repair
 - Upgrades to Public Safety Building AHU System Software
 - Major Repair to 2007 CAT 966H Engine/Transmission
 - Acquisition of Air Paks, Cylinders, Valves for EMS
 - Acquisition of chain link fence for recreation center ball fields
 - Acquisition of Fire Dynamics training equipment
 - Completion of the Westgold Emergency Dock Repair
 - Completion of the IP Fuel Line Repair
 - Acquisition of the Tuff Boat 18C Skiff

City of Nome, Alaska
Management Discussion and Analysis, Continued

Item D.

- Ongoing projects:
 - Deep water port study and design
 - Port Waste Facility feasibility study
 - Harbor Launch Ramp Repair
 - Belmont Cemetery improvements
 - Covered ice hockey rink facility
 - Bathroom upgrades at Anvil City Science Academy
 - Nome-Beltz High School Roof

	2020			2019		
	Governmental	Business-type	Total	Governmental	Business-type	Total
	Activities	Activities		Activities	Activities	
Land	\$ 7,426,728	6,618,242	14,044,970	7,426,728	6,618,242	14,044,970
Tideland patent	-	736,400	736,400	-	736,400	736,400
Buildings	41,299,250	88,481	41,387,731	43,573,888	102,139	43,676,027
Small Boat Harbor	-	2,969,641	2,969,641	-	3,130,599	3,130,599
Causeway	-	5,150,836	5,150,836	-	5,865,402	5,865,402
Quarry Jetty	-	1,612,851	1,612,851	-	1,808,987	1,808,987
Cape Nome Quarry	-	3,665,309	3,665,309	-	3,821,818	3,821,818
C-cell dock/WG	-	2,192,357	2,192,357	-	867,462	867,462
Vehicles, trucks and trailers	695,858	-	695,858	498,682	-	498,682
Assets other than buildings	835,334	-	835,334	603,880	-	603,880
Other	76,155	16,080,847	16,157,002	112,783	16,715,987	16,828,770
Machinery and equipment	265,541	47,821	313,362	291,082	1,019	292,101
Construction in progress	437,729	2,389,142	2,826,871	157,183	2,475,106	2,632,289
Total capital assets	\$ 51,036,595	41,551,927	92,588,522	52,664,224	42,143,162	94,807,386

Additional information on the City's capital assets can be found in note 6 on pages 41 through 43 of this report.

Debt Administration

Long-Term Debt – At the end of the current fiscal year, the City of Nome, Alaska had total bonded debt outstanding of \$5,449,555. This entire amount is backed by the full faith and credit of the City. The remainder of the City's debt represents loans, compensated absences and landfill closure and post-closure costs.

The following table displays the long-term debt for the current year.

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
General obligation bonds, including premium	\$ 1,706,862	2,121,019	-	-	1,706,862	2,121,019
Revenue bonds	-	-	3,742,693	3,876,461	3,742,693	3,876,461
Compensated absences	422,001	349,397	-	-	422,001	349,397
Landfill post closure care costs	1,357,392	1,338,695	-	-	1,357,392	1,338,695
Landfill loan	50,001	164,863	-	-	50,001	164,863
Net pension and OPEB Liability	5,163,325	5,912,461	757,488	829,104	5,920,813	6,741,565
	\$ 8,699,581	9,886,435	4,500,181	4,705,565	13,199,762	14,592,000

During the current fiscal year, the City's total debt decreased by \$1,392,238 as a result of debt scheduled repayments during the year as well as a decrease in the net pension and OPEB liability. Additional information on the City of Nome, Alaska's long-term debt can be found in note 7 on pages 43-46 of this report.

Economic Factors and Next Year's (2021) Budgets and Rates

- The State of Alaska's uncertain fiscal situation and budgetary pressures are passing costs onto local governments. The impact of COVID-19 was uncertain.
- Sales tax remains the primary source of revenue for the General Fund accounting for approximately 40.5% of total budgeted revenues. This amount was levied for the operation and maintenance activities in the General Fund, and to fund education and capital improvements not associated with the enterprise funds.
- The City continues with the expansion and construction and improvements to the port facilities.

These various factors were taken into consideration in the development of the FY 2021 budget. Major aspects of the adopted FY 2021 budget include:

- Overall revenue in the General Fund (before fund balance appropriation) is projected to decrease by \$112,275 while overall expenditure and transfers are projected to decrease by \$910,387. There is a fund balance appropriation of \$1,159,262.39 from savings is to balance the budget of \$13,604,986.87.
- The property tax rate mill rate stayed the same at 13 mills (1 mill is approximately 354,354). This amount was levied to fund education at \$3,000,000 and to continue the increased funding for public safety.
- Sales tax rate remains at 5% from September to April and 7% from May to August. Bed tax remains at 6%. The Port Tariff is being reviewed for language change and rate changes, which will be implemented in March/April 2021, if approved.
- Capital improvements include the purchase of an EMS used Multi-purpose hose truck.

Requests for Information

This financial report is designed to provide a general overview of the City of Nome, Alaska's finances for all interested parties. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the following:

Finance Department
City of Nome
P.O. Box 281
Nome, Alaska 99762
Email: finance@nomealaska.org

BASIC FINANCIAL STATEMENTS

CITY OF NOME, ALASKA

Statement of Net Position

Government-Wide Financial Statements

June 30, 2020

	Primary Government				Component Units	
	Governmental Activities	Business-type Activities	Eliminations	Totals	Nome Public Schools	Nome Joint Utility System
Assets and Deferred Inflows of Resources						
Current:						
Cash and investments	\$ 16,702,546	1,479,150	-	18,181,696	7,085,416	1,392,569
Receivables:						
Property taxes, net	4,566,903	-	-	4,566,903	-	-
Sales and bed taxes	529,468	-	-	529,468	-	-
Accounts receivable, net	-	226,405	-	226,405	-	1,205,793
State of Alaska and federal government	136,042	228,804	-	364,846	589,947	-
Unbilled revenues	-	-	-	-	-	546,540
Other, net	172,998	-	-	172,998	604,326	178,771
Inventory	-	-	-	-	50,569	6,118,790
Prepaid items	45,452	1,441	-	46,893	399,351	195,743
Internal balances	1,735,801	-	(1,735,801)	-	-	-
Due from component units:						
Nome Joint Utility System	78,333	-	-	78,333	-	-
Other assets	-	-	-	-	-	1,467,064
Long-term:						
Restricted assets:						
Cash and investments	-	806,919	-	806,919	-	-
Capital assets:						
Not being depreciated	8,141,383	9,743,784	-	17,885,167	-	1,906,707
Depreciated, net	42,895,212	31,808,143	-	74,703,355	1,016,993	82,202,664
Investment in ARC	-	-	-	-	-	1,880,063
Net Pension and OPEB assets:	50,935	7,472	-	58,407	350,585	3,310
Total assets	75,055,073	44,302,118	(1,735,801)	117,621,390	10,097,187	97,098,014
Deferred outflows of resources						
Pension and OPEB deferrals	949,911	145,266	-	1,095,177	985,081	470,359
Deferred charges	-	-	-	-	-	775,041
Loss on refunding bonds	-	-	-	-	-	25,402
Total assets and deferred outflows of resources	\$ 76,004,984	44,447,384	(1,735,801)	118,716,567	11,082,268	98,368,816
Liabilities and Deferred Inflows of Resources						
Current:						
Accounts payable	595,661	140,227	-	735,888	523,037	410,780
Accrued payroll	101,333	-	-	101,333	346,847	114,911
Accrued payroll liabilities	40,153	-	-	40,153	-	202,241
Accrued interest payable	-	50,252	-	50,252	-	222,600
Unearned revenue	1,974,900	-	-	1,974,900	435,449	-
Internal balances	-	1,735,801	(1,735,801)	-	-	-
Deposits payable	-	-	-	-	-	46,402
Prepaid services	-	707,615	-	707,615	-	-
Fuel loan payable	-	-	-	-	-	3,953,847
Noncurrent liabilities:						
Long-term debt due within one year	432,230	139,240	-	571,470	-	871,019
Long-term debt due in more than one year	2,682,025	3,603,453	-	6,285,478	-	10,125,638
Net pension and OPEB liability	5,214,260	764,960	-	5,979,220	6,011,402	1,766,420
Compensated absences	422,001	-	-	422,001	105,653	-
Total current and noncurrent liabilities	11,462,563	7,141,548	(1,735,801)	16,868,310	7,422,388	17,713,858
Deferred inflows of resources						
Pension and OPEB deferrals	390,126	76,263	-	466,389	1,094,073	84,717
Total liabilities and deferred inflows of resources	11,852,689	7,217,811	(1,735,801)	17,334,699	8,516,461	17,798,575
Net Position:						
Net investment in capital assets	49,329,733	37,809,234	-	87,138,967	1,016,993	73,141,426
Restricted for general fund reserve	-	-	-	-	-	1,093,616
Restricted for insurance reserve	-	-	-	-	-	125,500
Restricted for debt service	-	-	-	-	-	247,948
Restricted for E-911 surcharge	481,054	-	-	481,054	-	-
Restricted for Commercial Passenger Vessel Tax	-	11,080	-	11,080	-	-
Restricted for causeway operations	-	806,919	-	806,919	-	-
Restricted for scholarships and school programs	-	-	-	-	121,924	-
Unrestricted	14,341,508	(1,397,640)	-	12,943,868	1,426,890	5,961,751
Total net position	64,152,295	37,229,573	-	101,381,868	2,565,807	80,570,241
Total liabilities, deferred inflows of resources, and net position	\$ 76,004,984	44,447,384	(1,735,801)	118,716,567	11,082,268	98,368,816

The notes to the financial statements are an integral part of this statement.

REVISED DRAFT
FOR DISCUSSION PURPOSES ONLY

CITY OF NOME, ALASKA
Statement of Activities
Government-Wide Financial Statements
Year Ended June 30, 2020

	Program Revenues				Net (Expense) Revenue and Changes in Net Position				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Component Units		
					Governmental Activities	Business-type Activities	Total	Nome Public Schools	Nome Joint Utility System
Primary government:									
Governmental activities:									
Legislative	\$ 164,895	140	(28)	-	(164,783)	-	(164,783)	-	-
Administrative	1,020,352	23,198	240,820	-	(756,334)	-	(756,334)	-	-
Information technology	253,773	-	(373)	-	(254,146)	-	(254,146)	-	-
Planning and engineering	90,684	67,980	(682)	-	(23,386)	-	(23,386)	-	-
City clerk	376,516	-	(3,575)	-	(380,091)	-	(380,091)	-	-
Police	2,741,456	90,525	563,368	-	(2,087,563)	-	(2,087,563)	-	-
Animal control	21,469	5,825	-	-	(15,644)	-	(15,644)	-	-
Emergency Services	655,922	153,771	101,112	-	(401,039)	-	(401,039)	-	-
Public works	2,265,756	337,561	7,867	50,000	(1,870,328)	-	(1,870,328)	-	-
Recreation center	590,946	194,174	(5,946)	-	(402,718)	-	(402,718)	-	-
Swimming pool	47,915	41,443	-	-	(6,472)	-	(6,472)	-	-
Museum	595,470	5,117	5,845	-	(584,508)	-	(584,508)	-	-
Library	412,615	982	15,064	-	(396,569)	-	(396,569)	-	-
Visitor center	214,319	-	-	-	(214,319)	-	(214,319)	-	-
Education	4,171,879	-	76,374	130,534	(3,964,971)	-	(3,964,971)	-	-
Non-departmental	876,933	-	1,038,896	-	161,963	-	161,963	-	-
Unallocated interest	44,216	-	-	-	(44,216)	-	(44,216)	-	-
Total governmental activities	14,545,116	920,716	2,038,742	180,534	(11,405,124)	-	(11,405,124)	-	-
Business-type activities:									
Port	3,341,908	1,649,408	(7,890)	353,383	-	(1,347,007)	(1,347,007)	-	-
Total primary government	\$ 17,887,024	2,570,124	2,030,852	533,917	(11,405,124)	(1,347,007)	(12,752,131)	-	-
Component Unit:									
Nome Public Schools	\$ 12,087,001	254,001	1,840,917	129,914				(9,862,169)	-
Nome Joint Utility System	17,048,733	12,643,379	(9,990)	-				-	(4,415,344)
Total component units	\$ 29,135,734	12,897,380	1,830,927	129,914				(9,862,169)	(4,415,344)
General revenues:									
Taxes:									
Property taxes					\$ 4,593,119	-	4,593,119	-	-
Sales taxes					5,755,855	-	5,755,855	-	-
Payments in lieu of taxes					381,642	-	381,642	-	-
Penalties and interest					76,290	-	76,290	-	-
Bed taxes					102,533	-	102,533	-	-
Fines and forfeitures					3,508	-	3,508	-	-
Grants and contributions not restricted to specific programs					697,684	-	697,684	9,195,274	-
E-rate revenue					-	-	-	576,180	-
Investment earnings					154,430	51,424	205,854	-	908
Appropriation from City of Nome					-	-	-	3,000,000	-
Rentals and royalties					149,988	-	149,988	-	-
Gain on sale of assets					-	-	-	-	10,972
Other					143,650	-	143,650	374,729	191,966
Total general revenues					12,058,699	51,424	12,110,123	13,146,183	203,846
Change in net position					653,575	(1,295,583)	(642,008)	3,284,014	(4,211,498)
Net position, beginning of year					63,498,720	38,525,156	102,023,876	(718,207)	84,781,739
Net position, end of year					\$ 64,152,295	37,229,573	101,381,868	2,565,807	80,570,241

The notes to the financial statements are an integral part of this statement.

Exhibit C-1

CITY OF NOME, ALASKA

Governmental Funds

Balance Sheet

June 30, 2020

	Major Funds			
	General Fund	CARES Act Special Revenue Fund	Other Governmental Funds	Total Governmental Funds
<u>Assets</u>				
Cash and investments	\$ 15,322,584	-	1,379,962	16,702,546
Receivables:				
Property tax levies due in subsequent year	4,343,825	-	-	4,343,825
Delinquent taxes, net of \$89,054 allowance for doubtful accounts	223,078	-	-	223,078
Sales and bed taxes	529,468	-	-	529,468
State of Alaska and federal government	10,712	-	125,330	136,042
Other, net of \$29,950 allowance for doubtful accounts	161,386	-	11,612	172,998
Prepaid items	45,452	-	-	45,452
Due from other funds:				
General Fund	-	1,931,771	1,676,393	3,608,164
Port Fund	1,735,801	-	-	1,735,801
Other Governmental Funds	492,831	-	-	492,831
Due from component units:				
Nome Joint Utility System	78,333	-	-	78,333
Total assets	\$ 22,943,470	1,931,771	3,193,297	28,068,538
<u>Liabilities, deferred inflows of resources, and fund balances</u>				
Liabilities:				
Accounts payable	375,080	23,483	197,098	595,661
Accrued payroll	101,333	-	-	101,333
Accrued payroll liabilities	40,153	-	-	40,153
Due to other funds:				
General Fund	-	-	492,831	492,831
Other Governmental Funds	1,676,393	-	-	1,676,393
CARES Act	1,931,771	-	-	1,931,771
Unearned revenue	14,634	1,908,288	51,978	1,974,900
Total liabilities	4,139,364	1,931,771	741,907	6,813,042
Deferred inflows of resources:				
Unavailable revenues	4,826,401	-	-	4,826,401
Total liabilities and deferred inflows	8,965,765	1,931,771	741,907	11,639,443
Fund balances:				
Non-spendable:				
Prepaid items	45,452	-	-	45,452
Restricted:				
E-911 surcharge	-	-	481,054	481,054
Committed-				
Community projects	-	-	262,878	262,878
Assigned:				
Debt service	-	-	1,002,791	1,002,791
Self insurance/ equipment replacement	1,296,667	-	-	1,296,667
Clara Mielke Richards estate	332,719	-	-	332,719
PERS	957,732	-	-	957,732
Landfill	2,631,929	-	704,667	3,336,596
Unassigned	8,713,206	-	-	8,713,206
Total fund balances	13,977,705	-	2,451,390	16,429,095
Total liabilities, deferred inflows and fund balances	\$ 22,943,470	1,931,771	3,193,297	28,068,538

The notes to the financial statements are an integral part of this statement.

Exhibit C-2

CITY OF NOME, ALASKA

Reconciliation of the Net Position Between the
Government-Wide Financial Statements and Fund Financial Statements

Year Ended June 30, 2020

Amounts reported as fund balances on the governmental funds	\$ 16,429,095
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds net of accumulated depreciation of \$59,878,880	51,036,595
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Proportionate share of the collective net pension and OPEB liability: PERS	(5,214,260)
---	-------------

Proportionate share of the collective net pension and OPEB asset: PERS	50,935
---	--------

Deferred inflow and outflow of resources are the result of timing differences in the actuarial report.

Pension and OPEB related assets in the current fiscal year are presented as deferred outflows of resources: PERS	949,911
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Pension and OPEB related liabilities in the current fiscal year are presented as deferred inflows of resources: PERS	(390,126)
---	-----------

Other long-term assets, are not available to pay current year expenditures and, therefore, are deferred inflows in the funds Property taxes	4,826,401
--	-----------

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore, are not reported in the funds:	
Compensated absences	(422,001)
General obligation bonds	(1,515,000)
Premium on general obligation bonds	(191,862)
Landfill loan	(50,001)
Landfill closure and post closure care costs	(1,357,392)
	<u>(3,536,256)</u>

Net position of governmental activities	\$ <u>64,152,295</u>
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The notes to the financial statements are an integral part of this statement.

CITY OF NOME, ALASKA

Governmental Funds

Statement of Revenues, Expenditures and Changes in Fund Balance

Year Ended June 30, 2020

	Major Funds			
	General Fund	CARES Act Special Revenue Fund	Other Governmental Funds	Total Governmental Funds
Revenues:				
Local sources:				
Taxes:				
Property taxes	\$ 4,249,262	-	-	4,249,262
Sales taxes	5,755,855	-	-	5,755,855
Payments in lieu of taxes	381,642	-	-	381,642
Penalties and interest	76,290	-	-	76,290
Bed tax	102,533	-	-	102,533
Charges for services:				
Licenses and permits	91,855	-	86,795	178,650
Usage fees	742,066	-	-	742,066
Fines and forfeitures	3,508	-	-	3,508
Investment income	154,430	-	-	154,430
Rental and royalties	149,988	-	-	149,988
Contributions	39,994	-	-	39,994
Other	143,650	-	1,189,726	1,333,376
Total local sources	11,891,073	-	1,276,521	13,167,594
Intergovernmental:				
State of Alaska	392,737	-	113,955	506,692
Federal sources	499,331	831,812	166,316	1,497,459
Total intergovernmental	892,068	831,812	280,271	2,004,151
Total revenues	12,783,141	831,812	1,556,792	15,171,745
Expenditures:				
Current:				
Legislative	161,060	-	-	161,060
Administrative	841,847	219,390	31,986	1,093,223
Information technology	376,672	-	1,860	378,532
Planning and engineering	100,970	-	-	100,970
City clerk	440,853	-	-	440,853
Police	2,377,586	514,936	87,624	2,980,146
Animal control	32,147	-	-	32,147
Emergency Services	429,561	93,322	8,932	531,815
Public works	2,321,826	4,164	30,344	2,356,334
Recreation center	638,328	-	-	638,328
Swimming pool	36,694	-	-	36,694
Museum	296,836	-	9,231	306,067
Library	297,028	-	18,303	315,331
Visitor center	212,202	-	-	212,202
Education	3,068,954	-	-	3,068,954
Non-departmental	104,225	-	933,454	1,037,679
Debt service:				
Principal	114,862	-	375,000	489,862
Interest	2,473	-	80,900	83,373
Capital outlay	-	-	336,828	336,828
Total expenditures	11,854,124	831,812	1,914,462	14,600,398
Excess (deficiency) of revenues over expenditures	929,017	-	(357,670)	571,347
Other financing sources (uses):				
Transfers in	-	-	623,848	623,848
Transfers out	(468,945)	-	(154,903)	(623,848)
Net other financing sources (uses)	(468,945)	-	468,945	-
Net change in fund balance	460,072	-	111,275	571,347
Fund balance, beginning of year	13,517,633	-	2,340,115	15,857,748
Fund balance, ending of year	\$ 13,977,705	-	2,451,390	16,429,095

The notes to the financial statements are an integral part of this statement.

Exhibit D-2

CITY OF NOME, ALASKA

Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities

Year Ended June 30, 2020

Net change in fund balance - total governmental funds	\$	571,347
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Amounts reported for governmental activities in the statement of activities are different because:

Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Change in the unfunded net pension and OPEB liability and assets:		
PERS		749,136

Changes in deferred inflows and outflows of resources are the result of timing differences in the actuarial report and adjustments to reflect employer and non-employer contributions based on the measurement date of the liability		
PERS		179,146

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital outlay	\$	1,141,693	
Depreciation expense		<u>(2,769,322)</u>	(1,627,629)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenue in the funds represents change in:

Unavailable property tax revenues		343,857
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The issuance of long-term debt and accrual of compensated absences provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position:

Principal repayments	\$	489,862	
Amortization of bond premium		39,157	
Increase in landfill post closure costs, net		(18,697)	
Compensated absences, net		<u>(72,604)</u>	<u>437,718</u>

Change in net position of governmental activities	\$	<u><u>653,575</u></u>
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The notes to the financial statements are an integral part of this statement.

Exhibit E-1

CITY OF NOME, ALASKA

General Fund

Statement of Revenues, Expenditures and Changes in Fund Balance - Original and Final
Budgeted Amounts and Actual

Year Ended June 30, 2020

	Original and Final Budget	Actual Amounts	Variance with Final Budget- Positive (Negative)
Revenues:			
Local sources:			
Taxes:			
Property taxes	\$ 4,293,931	4,249,262	(44,669)
Sales taxes	5,660,000	5,755,855	95,855
Payments in lieu of taxes	364,437	381,642	17,205
Penalties and interest	63,000	76,290	13,290
Bed tax	135,000	102,533	(32,467)
Charges for services:			
Licenses and permits	142,450	91,855	(50,595)
Usage fees	823,050	742,066	(80,984)
Fines and forfeitures	6,000	3,508	(2,492)
Investment income	100,000	154,430	54,430
Rental and royalties	157,442	149,988	(7,454)
Contributions	34,850	39,994	5,144
Other	5,000	143,650	138,650
Total local sources	11,785,160	11,891,073	105,913
Intergovernmental:			
State of Alaska	273,509	392,737	119,228
Federal sources	499,331	499,331	-
Total revenues	12,558,000	12,783,141	225,141
Expenditures:			
Current:			
Legislative	173,110	161,060	12,050
Administrative	1,027,851	841,847	186,004
Information technology	483,879	376,672	107,207
Planning and engineering	151,788	100,970	50,818
City clerk	485,187	440,853	44,334
Police	3,098,841	2,377,586	721,255
Animal control	44,538	32,147	12,391
Emergency Services	612,162	429,561	182,601
Public works	2,755,969	2,321,826	434,143
Recreation center	808,415	638,328	170,087
Swimming pool	67,090	36,694	30,396
Museum	339,917	296,836	43,081
Library	339,604	297,028	42,576
Visitor center	189,052	212,202	(23,150)
Education	3,070,100	3,068,954	1,146
Non-departmental	62,354	104,225	(41,871)
Debt service:			
Principal	114,862	114,862	-
Interest	2,473	2,473	-
Total expenditures	13,827,192	11,854,124	1,973,068
Excess of revenues over expenditures	(1,269,192)	929,017	2,198,209
Other financing sources (uses):			
Transfers out	(688,181)	(468,945)	219,236
Net change in fund balance	\$ (1,957,373)	460,072	2,417,445
Fund balance, beginning of year		13,517,633	
Fund balance, ending of year		\$ 13,977,705	

The notes to the financial statements are an integral part of this statement.

Exhibit F-1

CITY OF NOME, ALASKA

Port Facility Enterprise Fund

Balance Sheet

June 30, 2020

Assets and Deferred Outflows of Resources

Current assets:

Unrestricted:

Cash and cash equivalents	\$ 1,479,150
Accounts receivable, net of \$72,369 allowance for doubtful accounts	226,405
Prepays	1,441
Due from the State of Alaska	228,804
Total unrestricted current assets	<u>1,935,800</u>

Non-current assets:

Restricted assets:

Cash and cash equivalents	806,919
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Capital assets:

Not being depreciated	9,743,784
Depreciated, net	31,808,143

Net Pension and OPEB assets:	7,472
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Total non-current assets	<u>42,366,318</u>
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Deferred outflows of resources:

Pension and OPEB deferrals	145,266
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Total assets and deferred outflows of resources	<u>\$ 44,447,384</u>
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Liabilities, Deferred Inflows of Resources and Net Position

Current liabilities:

Bonds payable - current portion	139,240
Accounts payable	140,227
Accrued interest payable	50,252
Due to General Fund	1,735,801
Prepaid lease revenue	707,615
Total current liabilities	<u>2,773,135</u>

Non-current liabilities:

Bonds payable	3,603,453
Net pension and OPEB liability	764,960
Total current and non-current liabilities	<u>7,141,548</u>

Deferred inflows of resources

Pension and OPEB deferrals	76,263
Total liabilities and deferred inflows of resources	<u>7,217,811</u>

Net position:

Net investment in capital assets	37,809,234
Restricted for Causeway debt	806,919
Restricted for Commercial Passenger Vessel Tax	11,060
Unrestricted	(1,397,640)
Total net position	<u>37,229,573</u>

Total liabilities, deferred inflows of resources and net position	<u>\$ 44,447,384</u>
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The notes to the financial statements are an integral part of this statement.

Exhibit F-2

CITY OF NOME, ALASKA

Port Facility Enterprise Fund

Statement of Revenues, Expenses, and Changes in Net Position

Year Ended June 30, 2020

Operating revenues:		
Causeway facility	\$	800,871
Harbor facility		438,166
Industrial park facility		420,032
Bad debt		(20,429)
Other		10,768
Total operating revenues		<u>1,649,408</u>
Operating expenses:		
Direct expenses:		
Causeway facility		183,384
Harbor facility		120,630
Industrial park facility		116,463
Total direct expenses		<u>420,477</u>
General and administrative expenses:		
Other		<u>585,420</u>
Total operating expenses, excluding depreciation		<u>1,005,897</u>
Depreciation:		
Causeway facility		1,147,344
Harbor facility		649,828
Quarry terminal facility		352,645
Industrial park facility		32,334
Total depreciation		<u>2,182,151</u>
Total operating expenses		<u>3,188,048</u>
Operating (loss)		<u>(1,538,640)</u>
Non-operating income (expenses):		
Interest income		51,424
Interest expense		(153,860)
State of Alaska on-behalf payments		(7,890)
Total non-operating income (expense)		<u>(110,326)</u>
(Loss) before capital contributions		(1,648,966)
Capital contributions		<u>353,383</u>
Change in net position		(1,295,583)
Net position, beginning of year		<u>38,525,156</u>
Net position, end of year	\$	<u><u>37,229,573</u></u>

The notes to the financial statements are an integral part of this statement.

Exhibit F-3

CITY OF NOME, ALASKA

Port Facility Enterprise Fund

Statement of Cash Flows

Year Ended June 30, 2020

Cash flows provided (used) by operating activities:	
Receipts from customers and users	\$ 1,580,743
Payments to employees	(553,523)
Payments to vendors	(921,335)
Net cash provided by operating activities	<u>105,885</u>
Cash flows provided by noncapital financing activities:	
Internal activity - payments to/from other funds	(127,068)
State of Alaska on-behalf payments	(7,890)
Net cash flows (used) by noncapital financing activities	<u>(134,958)</u>
Cash flows provided (used) by capital and related financing activities:	
Principal paid on debt	(133,768)
Interest paid on debt	(155,656)
Capital contributions	1,622,625
Acquisition of capital assets	(1,590,916)
Net cash (used) by capital and related financing activities	<u>(257,715)</u>
Cash flows provided by investing activities:	
Interest income	<u>51,424</u>
Net increase in cash and cash equivalents	(235,364)
Cash and cash equivalents at beginning of year	<u>2,521,433</u>
Cash and cash equivalents at end of year	\$ <u><u>2,286,069</u></u>
Composed of:	
Unrestricted cash and cash equivalents	1,479,150
Restricted cash and cash equivalents	806,919
	\$ <u><u>2,286,069</u></u>
Reconciliation of change in net assets to cash provided by operating activities:	
Operating (loss)	(1,538,640)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	2,182,151
Bad debt expense	20,429
Pension expense (benefit)	-
Changes in assets and liabilities that provided (used) cash:	
Accounts receivable	(76,508)
Accounts payable	(380,219)
Prepaid lease revenue	(12,586)
Net pension and OPEB asset	(7,472)
Pension and OPEB deferred outflows	(5,881)
Net pension and OPEB liability	(64,144)
Pension and OPEB deferred inflows	(11,245)
Net cash provided by operating activities	\$ <u><u>105,885</u></u>

The notes to the financial statements are an integral part of this statement.

Exhibit G-1

CITY OF NOME, ALASKA
Fiduciary Fund - Deferred Compensation Plan

Statement of Fiduciary Net Position

June 30, 2020

Assets

Investments:

ICMA Retirement Corporation	\$ 1,033,811
The Hartford	1,118,334
	<u>\$ 2,152,145</u>

Net Position

Held in trust for:

Deferred compensation plan	\$ <u>2,152,145</u>
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The notes to the financial statements are an integral part of this statement.

Exhibit G-2

CITY OF NOME, ALASKA
 Fiduciary Fund - Deferred Compensation Plan
 Statement of Changes in Fiduciary Net Position
 Year Ended June 30, 2020

Additions:	
Contributions	\$ 123,143
Investment gain (loss)	114,372
Total additions	<u>237,515</u>
Deductions:	
Regular benefit payments	<u>87,667</u>
Change in net position	149,848
Net position, beginning of year	<u>2,002,297</u>
Net position, end of year	\$ <u><u>2,152,145</u></u>

The notes to the financial statements are an integral part of this statement.

Notes to Financial Statements

Year Ended June 30, 2020

(1) Summary of Significant Accounting Policies**(a) *General***

The City of Nome, Alaska, Alaska (City) was incorporated in 1901 as a first-class city under the laws of the Territory of Alaska. The City operates under council-manager form of government and performs municipal duties allowed by Alaska Statutes and as directed by its residents.

The financial results of the recurring activities performed directly by the City (which include public safety, roads and building maintenance and improvements, swimming pool, administration, planning and zoning, public library, museum and recreation) are accounted for in the funds of the City. As discussed in the following paragraphs, the City delegates certain functions to other organizations.

(b) *Reporting Entity*

Water, sewer and electrical utility service provided to area residents is a function of the City delegated to the Nome Joint Utility System (Utility System), a legal subdivision of the City in accordance with Alaska Statute 29.43.340. The City has the authority for approval of all budgets, rates, acquisition and disposal of all real property. Ownership of the utility plant is with the Utility System. The accounts and financial transactions of the Utility System are maintained separate from those of the City and are included herein. Financial statements of the Utility System can be obtained by contacting the Utility Management at P.O. Box 70, Nome, Alaska 99762.

Public education provided to area residents is a function of the City delegated to the Nome Public Schools (City School), a legal subdivision of the City, in accordance with Alaska Statute 29.43.030. The City has the authority for approval of all budgets, rates, acquisition and disposal of all real property. Maintenance of the building improvements and equipment is with the City School. The accounts and financial transactions of the City School are maintained separate from those of the City and are included in the financial statements. Financial statements of the City School can be obtained by contacting the City School at P.O. Box 131, Nome, Alaska 99762.

In conformity with accounting principles generally accepted in the United States, the financial data of all potential component units included in the financial reporting entity meet the criteria for discrete presentation. These units included in a separate column to emphasize that they are legally separate from the City. Each potential component unit issues separate financial statements and has a June 30 year-end, except for the Utility System, which has a December 31 year-end.

Notes to Financial Statements, Continued

(c) Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activities of the primary government and its component units. For the most part, the effect of interfund activity has been eliminated from the total columns in the statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from the legally separate component unit for which the primary government is financially accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Deferred inflows of resources are the acquisition of fund balance/net position by the City that are applicable to a future reporting period. Deferred outflows of resources are the consumption of fund balance/net position by the City that are applicable to a future reporting period.

Separate financial statements are provided for governmental funds and proprietary funds. The major individual governmental funds and major individual enterprise fund are reported as separate columns in the fund financial statements. All other funds are presented in a single column as "other governmental funds".

(d) Measurement Focus, Basis of Accounting, and Basis of Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Notes to the Financial Statements, Continued

Taxes, charges for services, intergovernmental revenues and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other receipts such as licenses, permits and fees become measurable and available when cash is received by the City and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of a receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants, including capital grants, recognize revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and when revenues are considered to be available and measurable, which is considered to be within 12 months of the end of the current fiscal period.

The City reports the following major governmental funds:

- *The General Fund* is the government's primary operating fund. It allows for all financial resources of the general government, except those required to be accounted for in another fund.
- *The Cares Act Fund* is a special revenue fund which accounts for revenues provided by the Coronavirus Aid, Relief and Economic Security Act.

The City reports the following major proprietary fund:

- *The Port Facility Enterprise Fund* accounts for the operations of the Nome Port Facility.

Additionally, the City reports the following fund types:

- *Special Revenue Funds* – accounts for revenue sources that are legally restricted or committed to expenditure for specific purposes.
- *Debt Service Fund* – accounts for and reports financial resources that are restricted, committed, or assigned to expenditures for principal and interest
- *Capital Project Funds* – accounts for the acquisition of the capital assets or construction of major capital projects not being financed by proprietary funds.
- *Fiduciary Fund* – accounts for the City's Internal Revenue Code Section 457 deferred compensation plan.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund are charges to customers for sales and services for the causeway facility, harbor facility, and industrial park facility. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenue recognition of capital contributions are based on the requirements of the expenses. Revenue recognition of capital contributions are based on the requirements of the Governmental Accounting Standards Board Codification N50 Non-exchange Transactions.

Notes to the Financial Statements, Continued

(e) Estimates

In preparing the financial statements, management of the City is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities as of the date of the financial statements and revenues and expenditures/expenses for the period. Actual results could differ from those estimates.

(f) Cash and Investments

The City's investments have maturities between less than one year to five years, and are reported at fair value in the accompanying financial statements.

The City participates in the Alaska Municipal League Investment Pool (AMLIP) and invests in certificates of deposits insured by the Federal Depository Insurance Corporation (FDIC) or secured by eligible collateral held by a third party in the City's name. AMLIP is not SEC registered and is unrated. Alaska Statute 37.23 establishes regulatory oversight of the pool. The law sets forth numerous requirements regarding authorized investments and reporting. The pool is incorporated in the State of Alaska as a nonprofit corporation and reports to its Board of Directors. Alaska Statute 37.23.050 requires the retention of an investment manager.

The AMLIP manager is required to produce monthly disclosure statements to the pool. The pool has also retained an investment advisor to monitor the performance of the investment manager and to ensure compliance with investment policies. All participation in the pool is voluntary. The pool must maintain a dollar weighted average maturity of 90 days or less, and only purchase instruments having remaining maturities of 397 days or less. On a monthly basis, the investments in the pool are reviewed for fair value by an independent pricing service. There are no restrictions or limitations on withdrawals from AMLIP. As of June 30, 2020, the fair value of the investments in AMLIP approximates the net asset value at which they are reported. The fair value of our investments in AMLIP is the same as the value of our AMLIP units.

(g) Restricted Assets

Restricted assets consist of assets that must be used for the Port facilities causeway as required by bond indentures. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, and then unrestricted resources as they are needed.

(h) Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "internal balances" on the statement of the net position and as "advances to/from other funds" in the fund statements.

All outstanding current balances between funds are reported as "due to/from other funds" in the fund statements. These balances represent the numerous transactions that occur during the course of operations between individual funds for goods provided or services rendered. On the statements of cash flows for proprietary funds, these are treated as cash and cash equivalent transactions.

All trade and property tax receivables are shown net of an allowance for doubtful receivables. The allowance for doubtful receivables is an estimate of the amount uncollectible based on past experience.

Notes to the Financial Statements, Continued

(i) Capital Assets

Capital assets, which include property, buildings, vehicles and equipment are reported in the applicable governmental or business-type activities columns in the governmental-wide financial statements and proprietary fund financial statements. Capital assets are defined by the City as assets with an individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed and depreciated on a straight-line basis.

Donated capital assets or capital assets received in exchange are recorded at their estimated acquisition value at the date of donation or exchange. Interest incurred during construction is not capitalized.

All capital assets acquired or constructed for general government and school purposes are reported as expenditures in the fund that finances the asset acquisition.

Property, plant, and equipment of the City is depreciated using the straight-line method over the estimated life of the assets as follows:

	<u>Life in years</u>
Causeway	40
Infrastructure (C-Cell docks)	36-18
Improvements not buildings	40-5
Quarry jetty	40
Building	25-5
Machinery and equipment	10-5
Vehicles	10-5

(j) Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused personal leave benefits. All personal leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

(k) Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statements of net position. Bond premiums and discounts, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when incurred.

Notes to Financial Statements, Continued

In the governmental fund financial statements bond premiums and discounts, as well as bond issuance costs, are recognized during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

(l) *Pensions and Other Post-Employment Benefits (OPEB)*

For purposes of measuring the net pension and OPEB liabilities, deferred outflows of resources and deferred inflows of resources related to pension and OPEB plans, and pension and OPEB expense, information about the fiduciary net position of the Public Employees' Retirement System (PERS) and additions to/from PERS's fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms, investments are reported in fair value.

(m) *Unbilled Revenue*

The Utility System's billing for the sale of electrical energy and water consumption reflects metered energy and water sold through varying dates ending prior to the end of the monthly and annual accounting periods. The Utility System estimates and records the revenue earned for the sale of electrical energy and water consumption from the last billing through the end of the accounting period.

(n) *Unearned Revenues*

Amounts for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met are recorded as unearned revenue.

(o) *Prepaid Lease Revenue*

The City received advanced payment on a 35-year lease of land it owns. Revenue is recognized in the Port Fund each year for the payment related to the lease, with deferral of revenue recognized as prepaid lease revenue.

(p) *Fund Balances*

In the Fund Financial Statements, fund balance includes five classifications for fund balance as follows:

Nonspendable Fund Balance – Amounts that are legally or contractually required to be maintained intact (such as the corpus of an endowment fund) or amounts that are not in a spendable form (such as inventory, prepaid expenses, long-term receivables). Such constraint is binding until the legal or contractual requirement is repealed or the amounts become spendable.

Restricted Fund Balance – Amounts constrained to specific purposes by their providers (such as grantors and higher levels of government), through constitutional provisions, or by enabling legislation. Such constraint is binding unless modified or rescinded by external body, laws, or regulation.

Notes to the Financial Statements, Continued

Committed Fund Balance – Includes amounts that can be used only for the specific purposes determined by a formal action of the City's Council in the form of an ordinance or resolution. Commitments may be changed or lifted by the Council taking the same formal action that imposed the constraint originally.

Assigned Fund Balance – Fund Balance comprises amounts intended to be used by the City for specific purposes: intent can be expressed by the Council or by the management, having been designated such authority. Such constraint is binding unless modified or eliminated by the Council or Management. In governmental funds other than the General Fund, assigned fund balance represents the amount that is not restricted or committed.

Unassigned Fund Balance – Fund balance is the residual classification for the General Fund and includes all amounts not contained in the other classifications. Positive unassigned amounts will be reported only in the Operating Fund. If another governmental fund, other than the General Fund, has a fund balance deficit, then it will be reported as a negative amount in the unassigned classification in that fund.

The order of spending, regarding the restricted and unrestricted fund balance when an expenditure is incurred for which both restricted and unrestricted fund balance is available, should first reduce restricted fund balance and then unrestricted fund balance. The order of spending regarding unrestricted fund balance is that committed amounts should be reduced first, followed by the assigned amounts, and then the unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Compliance with the provisions of the Fund Balance Classification Policy are reviewed as part of the annual budget adoption process. The City Manager reports to the Council as close to the end of the year as possible the anticipated year-end fund balance or deficit. The Council takes appropriate action to commit or assign, or otherwise allocate prior year fund balances as a part of the budget planning process.

The City's Special Revenue Funds are used to account for administration, police, public works, library and museum programs that are restricted or committed.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to assign that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund, Special Revenue Funds and Port Facility Enterprise Fund. Encumbrances outstanding at year end, if any, are reported in assigned fund balances since they do not constitute expenditures or liabilities. The amount of encumbrances, if significant, are disclosed in the Notes to the Basic Financial Statements as commitments.

Notes to the Financial Statements, Continued

(q) Net Position

Government-wide net position is divided into three components:

- Net investment in capital assets – consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets plus deferred outflows of resources less deferred inflows of resources related to those assets.
- Restricted net position – consists of assets that are restricted by the City's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors. The City has restricted net position that consists of amounts of restricted for causeway debt, and E-911 surcharges.
- Unrestricted – all other net position is reported in this category.

(r) Statement of Cash Flows

The City follows the Governmental Accounting Standards Board Codification P80. This statement established standards for reporting cash flows of Proprietary Funds. For purposes of the Statement of Cash Flows, the City has defined cash as the demand deposits and all investments maintained in the cash management pool, regardless of maturity period, since the various funds use the cash management pool essentially as a demand deposit account.

(s) Deferred Compensation

The City offers their employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan permits employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or an unforeseeable emergency.

The City has determined that a fiduciary relationship does exist between it and its IRC Section 457 deferred compensation plan. The deferred compensation plan is reported as a pension trust fund.

(t) Retirement Plans

All full-time employees and certain permanent part-time employees of the City participate in the State of Alaska Public Employees' Retirement System (PERS).

The City has adopted GASB Codification P20, *Accounting for Pensions by State and Local Governmental Employers* and GASB Codification P50, *Accounting and Financial Reporting by Employers for Postretirement Benefits Other Than Pension*. GASB Codification P20 and P50 establish uniform standards for the measurement, recognition, and display of pension and postretirement health and expenditures/expense and related liabilities, assets, note disclosure and applicable required supplementary information in the financial reports of the state and local governmental employers.

Notes to the Financial Statements, Continued

(u) Risk Management

The City is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. The City's insurance is on a claims basis.

Coverage is as follows:

<u>Type of coverage</u>	<u>Limits of coverage</u>	<u>Deductible</u>
Property	\$1,000,000,000 including sublimits as scheduled	500,000 to 100,000
Commercial blanket bond		
– employee dishonesty	100,000 up to 500,000	1,000
Workers' compensation	Statutory benefits	-
General, auto, public officials' and police liability:		
Excess limits	10,250,000	10,000
Employment related practices	10,250,000	-

Claims on insurance have not exceeded coverage's in any of the last three years.

(v) Fair Value of Financial Instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following financial instruments are recorded at fair value or at amounts that approximate fair value: (1) cash and cash equivalents, (2) receivables, net, (3) certain other current assets, (4) accounts payable, and (5) other current liabilities. The carrying amounts reported in the balance sheet and Statement of Net Position for the above financial instruments closely approximates their fair value due to the short-term nature of these assets and liabilities, except for the City of Nome's investments. The carrying amount of the City of Nome's investments are determined based on quoted market prices.

The carrying amount of notes receivable and notes payable approximates fair value for those financial instruments with interest at variable rates, as those rates approximate current market rates for notes with similar maturities and credit quality.

Notes to the Financial Statements, Continued

(2) Property Taxes

Property taxes attach as an enforceable lien on property. Taxes are levied on the assessed value of taxable property as of January 1. Pursuant to Alaska Statute 29.53.170, the City establishes the mill rate on or before June 15. Tax bills mailed prior to July 1 are payable in two installments on July 31 and October 31. City property tax revenues are recognized in the fiscal year in which they become collectable. At June 30, 2020 the real and personal property tax levy of \$4,606,600 is reflected as deferred inflows of resources in the General Fund.

At June 30, 2020, property tax receivables included the following:

2020 real and personal property taxes due in fiscal year 2021	\$	4,606,600
Real and personal property taxes currently past due		<u>312,132</u>
		4,918,732
Less:		
Estimated allowance for doubtful collections		89,054
Pre-payment of property taxes due in fiscal year 2021		<u>262,775</u>
	\$	<u>4,566,903</u>

(3) Cash and Short-Term Investments

As of June 30, 2020, the City had the following investments:

<u>Investment type</u>	<u>Fair Value</u>	<u>Investment maturities (in years)</u>		
		<u>Less than 1</u>	<u>1 to 5</u>	<u>5-10</u>
Large Cap Equity	\$ 674,120	674,120	-	-
Mid Cap Equity	956,864	956,864	-	-
International Equity Fund	47,257	47,257	-	-
Real Estate	9,159	9,159	-	-
Balanced Funds	256,208	256,208	-	-
Bonds	<u>208,537</u>	<u>208,537</u>	-	-
Total investments in deferred compensation	\$ <u>2,152,145</u>	<u>2,152,145</u>	-	-
AMLIP	1,546,212	1,546,212	-	-
Money Market	433,482	433,482	-	-
Certificates of deposit	<u>7,102,000</u>	<u>6,602,000</u>	<u>500,000</u>	-
Total	\$ <u>9,081,694</u>	<u>8,581,694</u>	<u>500,000</u>	-

At June 30, 2020, the City had \$2,152,145 of investments in its pension trust fund that accounts for the City's Internal Revenue Code Section 457 deferred compensation plan.

(a) Interest Rate Risk

The fair value of the City's fixed income investments fluctuate in response to changes in market interest rates. Increases in prevailing interest rates generally translate into decreases in fair value of those investments. Fair values of interest rate-sensitive instruments may be affected by the creditworthiness of the issuer, prepayment options, relative values of alternative investments, the liquidity of the instrument, and other general market

Notes to the Financial Statements, Continued

conditions. The City manages interest rate risk by allocating certain percentages of the portfolio over specified time period, and generally holds investments for less than five years, which minimizes the sensitivity of fair value to changes in market interest rates. The City has no formal policy that limits investment maturities relating to a specific deposit or interest rate risk.

(b) Credit Risk

Statutes authorize the City to invest in obligations of the United States, the State of Alaska and its political subdivisions, savings accounts, certificates of deposit, bankers' acceptances, repurchase agreements, and such other legal security instruments. The City code requires all investments to be collateralized and/or insured.

(c) Concentration of Credit Risk

The City places no limit in the amount the City may invest in any one issuer.

The following investments exceed 5% of the total portfolio in the Fiduciary Fund:

<u>Investment</u>	<u>June 30th Balance</u>	<u>Percentage</u>
General	\$ 478,938	22.25%
Vantagepoint Plus Fund	\$ 318,042	14.78%
Janus Forty	\$ 229,211	10.65%
VT PIMCO	\$ 189,028	8.78%
Vantagepoint 500 stock	\$ 168,493	7.83%
FA Growth	\$ 116,062	5.74%
Janus Enterprise	\$ 113,471	5.27%

(d) Custodial Credit Risk – Deposits

The City maintains a cash pool that is available for use by all funds. Each fund's portion of this pool is reported on the balance sheet as "Cash and cash equivalents" or amounts "due to/from other funds."

The City's bank accounts are insured by the Federal Depository Insurance Corporation (FDIC) to a maximum of \$250,000. U.S. Treasury obligations collateralize the remaining bank balances, which is held by Bank of New York in a Tri-party collateral agreement with Wells Fargo, the pledging financial institution's agent, in the City's name.

(e) Custodial Credit Risk – Investments

For an investment, this is a risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City had no debt securities exposed to custodial credit risk at June 30, 2020.

Notes to the Financial Statements, Continued

Reconciliation to the City's June 30, 2020 financial statements follows:

Petty cash	\$	1,731
Demand deposits		9,905,190
Money Markey		433,482
Certificate of deposit		7,102,000
AMLIP		1,546,212
Investment in deferred compensation plans		<u>2,152,145</u>
	\$	<u>21,140,760</u>
Governmental activities	\$	16,702,546
Business type activities		2,286,069
Fiduciary activity		<u>2,152,145</u>
	\$	<u>21,140,760</u>

(4) Receivables

Receivables as of year-end for the government's individual major funds and non-major funds, and business type activities, including the applicable allowances for uncollectible accounts, are as follows:

	General Fund	Other Governmental Funds	Total Governmental Funds	Business-type Activities	Total
Receivables:					
Property tax	\$ 4,655,957	-	4,655,957	-	4,655,957
Sales and bed tax	529,468	-	529,468	-	529,468
State of Alaska and Federal Government	10,712	125,330	136,042	228,804	364,846
Accounts - unrestricted	-	-	-	298,774	298,774
Other	<u>191,336</u>	<u>11,612</u>	<u>202,948</u>	<u>-</u>	<u>202,948</u>
Gross receivables	5,387,473	136,942	5,524,415	527,578	6,051,993
Less: allowance for uncollectibles	<u>119,004</u>	<u>-</u>	<u>119,004</u>	<u>72,369</u>	<u>191,373</u>
Net total receivables	\$ <u>5,268,469</u>	<u>136,942</u>	<u>5,405,411</u>	<u>455,209</u>	<u>5,860,620</u>

The City reports deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred inflows of resources and unearned revenue reported in the governmental funds were as follows:

	General Funds	CARES ACT Special Revenue Fund	Other Governmental Funds	Total
Unavailable taxes receivable – deferred inflows	\$ 4,826,401	-	-	4,826,401
Unearned revenues	\$ 14,634	1,908,288	51,978	1,974,900

Notes to the Financial Statements, Continued

(5) Investments

The City of Nome categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The City of Nome has the following recurring fair value measurements as of June 30, 2020:

	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments by fair value level:				
Money market	\$ <u>433,482</u>	<u>433,482</u>	<u>-</u>	<u>-</u>
Deferred compensation:				
Mutual Funds:				
Bonds	208,538	208,538	-	-
Large Cap Equity	674,120	674,120	-	-
Mid Cap Equity	956,864	956,864	-	-
International Equity Fund	47,257	47,257	-	-
Real Estate	9,159	9,159	-	-
Balanced Funds	<u>256,207</u>	<u>256,207</u>	<u>-</u>	<u>-</u>
Total investments in deferred compensation	\$ <u>2,152,145</u>	<u>2,152,145</u>	<u>-</u>	<u>-</u>
Investments measured at amortized cost:				
Certificate of deposit	\$ <u>7,102,000</u>			
Investment measured at net asset value:				
Pooled investments/ AMLIP	\$ <u>1,546,212</u>			

A portion of the City's investments are in the Alaska Municipal League Investment Pool (AMLIP). The investment in AMLIP represents the City's share of ownership in the pool rather than ownership of specific securities. The fair values of the investments in the pool approximates net asset value and is equal to the value of pool shares.

Notes to the Financial Statements, Continued

(6) Capital Assets

Capital asset activity for the year ended June 30, 2020, was as follows:

	Balance at July 1, 2019	Increases and transfers	Decreases and transfers	Balance at June 30, 2020
Governmental activities:				
Capital assets not being depreciated:				
Land general government	\$ 6,703,528	-	-	6,703,528
Land-schools	723,200	-	-	723,200
Artwork	257,375	19,551	-	276,926
Construction in progress	157,183	358,546	78,000	437,729
Total	7,841,286	378,097	78,000	8,141,383
Capital assets being depreciated:				
Buildings-general government	42,244,222	78,000	-	42,322,222
Buildings-schools	49,673,051	-	-	49,673,051
Vehicles, trucks and trailers	6,561,923	411,732	-	6,973,655
Assets other than buildings	1,549,794	318,109	-	1,867,903
Machinery and equipment	1,109,523	33,755	-	1,143,278
Office machinery and equipment	829,572	-	35,589	793,983
Total	101,968,085	841,596	35,589	102,774,092
Less accumulated depreciation:				
Buildings-general government	12,893,189	1,249,714	-	14,142,903
Buildings-schools	35,450,196	1,102,924	-	36,553,120
Vehicles, trucks and trailers	6,063,241	214,556	-	6,277,797
Assets other than buildings	1,203,289	106,206	-	1,309,495
Machinery and equipment	818,443	59,294	-	877,737
Office machinery and equipment	716,789	36,628	35,589	717,828
Total	57,145,147	2,769,322	35,589	59,878,880
Total capital assets, being depreciated, net	44,822,938	(1,927,726)	-	42,895,212
Governmental activities	\$ 52,664,224	(1,549,629)	(78,000)	51,036,595

Notes to the Financial Statements, Continued

	Balance at July 1, 2019	Increases and transfers	Decreases and transfers	Balance at June 30, 2020
Business-type activities:				
Capital assets not being:				
depreciated				
Land	\$ 6,618,242	-	-	6,618,242
Tideland patent	736,400	-	-	736,400
Construction in progress	2,475,106	1,411,033	1,496,997	2,389,142
Total	9,829,748	1,411,033	1,496,997	9,743,784
Capital assets being depreciated:				
Small boat harbor	5,380,529	-	-	5,380,529
Causeway	28,582,663	-	-	28,582,663
Cape Nome Quarry	3,912,724	-	-	3,912,724
Buildings	413,928	-	-	413,928
Machinery and equipment	346,832	47,821	-	394,653
Quarry Jetty	3,831,791	-	-	3,831,791
C-Cell dock-North	1,713,000	-	-	1,713,000
C-Cell dock-South	1,704,749	-	-	1,704,749
Westgold Dock	-	1,496,997	-	1,496,997
Other	20,808,752	132,062	-	20,940,814
Total	66,694,968	1,676,880	-	68,371,848
Less accumulated depreciation:				
Small boat harbor	2,249,930	160,958	-	2,410,888
Causeway	22,717,261	714,566	-	23,431,827
Cape Nome Quarry	90,906	156,509	-	247,415
Buildings	311,789	13,658	-	325,447
Machinery and equipment	345,813	1,019	-	346,832
Quarry Jetty	2,022,804	196,136	-	2,218,940
C-Cell dock-North	1,246,833	61,833	-	1,308,666
C-Cell dock-South	1,303,454	51,098	-	1,354,552
Westgold Dock	-	59,171	-	59,171
Other	4,092,764	767,203	-	4,859,967
Total	34,381,554	2,182,151	-	36,563,705
Total capital assets, being depreciated, net	32,313,414	(505,271)	-	31,808,143
Business-type activities	\$ 42,143,162	905,762	(1,496,997)	41,551,927

Notes to the Financial Statements, Continued

Depreciation and amortization expense was charged to the departments and functions of the primary government as follows:

Governmental activities:

Depreciation:

Legislative	\$ 4,269
Administrative	13,745
Information technology	32,519
City clerk	9,512
Police	251,901
Animal control	68
Emergency Services	248,096
Public works	513,887
Recreation center	76,342
Swimming pool	11,221
Museum	356,557
Library	146,163
Education	1,102,925
Visitor Center	<u>2,117</u>
Total depreciation	<u>2,769,322</u>

Business-type activities

Port	\$ <u>2,182,151</u>
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(7) **Long-Term Debt**

(a) Changes in long-term debt follows:

	Balance at July 1, 2019	Additions	Reductions	Balance at June 30, 2020	Due within one year
Governmental activities:					
Compensated absences	\$ 349,397	451,197	378,593	422,001	-
General obligation bonds	1,890,000	-	375,000	1,515,000	390,000
Premium on general obligation bonds	231,019	-	39,157	191,862	-
Landfill loan	164,863	-	114,862	50,001	42,230
Landfill closure and postclosure costs	1,338,695	78,697	60,000	1,357,392	-
Net pension and OPEB Liability	<u>5,912,461</u>	<u>-</u>	<u>749,136</u>	<u>5,163,325</u>	<u>-</u>
	<u>9,886,435</u>	<u>529,894</u>	<u>1,716,748</u>	<u>8,699,581</u>	<u>432,230</u>
Business-type activities:					
Revenue bonds	\$ 3,876,461	-	133,768	3,742,693	139,240
Net pension and OPEB Liability	<u>829,104</u>	<u>-</u>	<u>71,616</u>	<u>757,488</u>	<u>-</u>
Total business type activities	<u>\$ 4,705,565</u>	<u>-</u>	<u>205,384</u>	<u>4,500,181</u>	<u>139,240</u>

Notes to the Financial Statements, Continued

A summary of long-term bonded debt serviced directly by the City Port Facility Enterprise Fund at June 30, 2020 follows:

Year ending June 30	1986 Series A Port Revenue Bonds	
	Principal	Interest
2021	\$ 139,240	150,184
2022	144,937	144,487
2023	150,866	138,558
2024	157,037	132,386
2025	163,462	125,961
2026-2030	923,263	523,856
2031-2035	1,128,213	318,906
2036-2039	935,675	77,309
	<u>\$ 3,742,693</u>	<u>1,611,647</u>

The 1986 Series A Port Revenue Bond covenants require the City to establish, maintain and collect rates and charges for port services that will provide revenues each calendar year equal to at least 1.5 times the amount required each such calendar year to pay the principal and interest on these bonds and all port revenue bonds which may have an equal lien on the revenues of the port facility or moneys in the Port Facilities Revenue Fund, after necessary port operating and maintenance expenses have been paid but before depreciation. The covenants also required the establishment of certain accounts and funds to facilitate the repayment of this bond.

In early 2009, the City accepted NOAA's last offer, which includes repayment of the loan principal beginning January 1, 2009 at 4.05% for 30 years, with interest being deferred for the first 5 years and partially deferred for the second 5 years.

The 1986 Series A Port Revenue Bond covenants require the City to establish and maintain a reserve account from funds collected in the Port Facility Revenue Fund.

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Notes to Financial Statements, Continued

A summary of long-term bonded debt serviced directly by the City general government fund at June 30, 2020 follows:

Year ending June 30	2012 School G.O. Bonds		2015 School G.O. Bonds		2016 Refunding School G.O. Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	125,000	21,825	100,000	38,750	165,000	3,300
2022	130,000	16,100	105,000	33,625	-	-
2023	140,000	10,000	110,000	28,250	-	-
2024	130,000	3,250	120,000	22,500	-	-
2025	-	-	120,000	16,500	-	-
2026-2030	-	-	270,000	21,500	-	-
	<u>\$ 525,000</u>	<u>51,175</u>	<u>825,000</u>	<u>161,125</u>	<u>165,000</u>	<u>3,300</u>

Year ending June 30	Total		
	Principal	Interest	Total
2021	390,000	63,875	453,875
2022	235,000	49,725	284,725
2023	250,000	38,250	288,250
2024	250,000	25,750	275,750
2025	120,000	16,500	136,500
2026-2030	270,000	21,500	291,500
	<u>\$ 1,515,000</u>	<u>215,600</u>	<u>1,730,600</u>

In May 2012, the City issued \$1,180,000 of 2012 Series A General Obligation Refunding Bonds to advance refund \$1,245,000 of principal for the outstanding general obligation bonds, 2004 Series B. The bond was issued with a premium of \$201,256. For the year ended June 30, 2020, the City amortized \$16,772, leaving \$67,080 in unamortized premiums. The \$1,245,000 of 2004 Series B bonds are considered to be defeased and the liability for these bonds has been removed from the financial statements. As of June 30, 2020, the amount of defeased bonds still outstanding was \$565,000.

In February 2015, the City issued \$750,000 of 2015 Series one General Obligation Refunding Bonds to advance refund \$815,000 of principal for the outstanding general obligation bonds, 2006 Series A. The bond was issued with a premium of \$114,399. The City also issued 2015 Series One General Obligation Refunding Bonds to advance refund \$400,000 of principal for the outstanding general obligation bonds, 2009-2. The bond was issued with a premium of \$75,801. For the year ended June 30, 2020 the City amortized \$8,803 and \$5,831 leaving \$70,387 and \$46,646 respectively, of unamortized premiums. The \$815,000 of 2006 Series A bonds and the \$400,000 of 2009-2 bonds are considered to be defeased and the liability for these bonds has been removed from the financial statements. As of June 30, 2020, the amount of defeased bonds still outstanding was \$490,000 and \$370,000, respectively.

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FOR DISCUSSION PURPOSES ONLY

Notes to the Financial Statements, Continued

In November 2016, the City issued \$650,000 of 2016 Series Three and Four general obligation bonds with an average interest rate of 3.806% to advance refund \$665,000 of outstanding 2007 Series 1 bonds with an average interest rate of 4.235%. The bond was issued with a premium of \$38,753. For the year ended June 30, 2020 the City amortized \$7,751, leaving \$7,749 in unamortized premiums. The net proceeds of \$679,578 (after payment of \$9,175 in issuance costs) was used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with and escrow agent to provide for all future debt service payments on the 2007 Series 1 bond. As a result, the \$665,000 of 2007 Series 1 bonds are considered to be defeased and the liability for those bonds has been removed from the financial statements. As of June 30, 2020, there were no amount defeased in relation to the bonds still outstanding.

In 2009, the City issued a note payable to the State of Alaska, Department of Environmental Conservation (ADEC) in the amount of \$750,000 for the purpose of financing a landfill project. The loan requires annual principal and interest payments of \$42,980 and bears interest at 1.5%. In addition to the annual payment, the City is making extra payments towards principal.

A summary of long-term debt payable to the ADEC serviced directly by the City general government fund at June 30, 2020 follows:

Year ending June 30	ADEC Loan		Total
	Principal	Interest	
2021	\$ 42,230	750	42,980
2022	7,771	117	7,888
	<u>\$ 50,001</u>	<u>867</u>	<u>50,868</u>

Utility System Bond Ordinance Requirements

The Utility System is required to comply with various requirements established by the bond ordinance relating to each of the issues, including periodic payments to the trustees to cover principal and interest payments due the next year (bond redemption reserves).

(8) Interfund Receivables, Payables and Transfers**(a) Interfund Receivables and Payables**

A summary of interfund receivables and payables at June 30, 2020 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Port Facility Enterprise Fund	\$ 1,735,801
General Fund	Other Governmental Funds	492,831
CARES Act	General Fund	1,931,771
Other Governmental Funds	General Fund	1,676,393
Total primary government		<u>\$ 5,836,796</u>

Notes to the Financial Statements, Continued

(b) Interfund Transfers

A summary of interfund transfers in and out of June 30, 2020 is as follows:

<u>Transfer in:</u>	<u>Transfer out:</u>		<u>Total</u>
	<u>General Fund</u>	<u>Other governmental</u>	
Other governmental	\$ 468,945	154,903	623,848

There were transfers from the General Fund to the Debt Service fund to cover scheduled bond payments, the NPD Vehicle fund to cover equipment expenditures, and the Art Acquisition fund and Historic Preservation Grant fund to cover operating expenditures. There was a transfer from the Debt Service fund to the School Renovation and Repairs fund to cover capital outlays.

(9) Employee Retirement Systems and Plans

The City follows *Governmental Accounting Standards Board (GASB) Codification P20, Accounting for Pensions* by State and Local Governmental Employees and *GASB Codification P50, Accounting and Financial Reporting by Employers for Post-employment Benefits Other than Pensions*. *GASB Codification P20* and *GASB Codification P50* establish uniform standards for the measurement, recognition, and display of pension and other post-employment benefits other than pensions (healthcare) expenditures/expense and related liabilities, assets, note disclosure and applicable required supplementary information in the financial reports of state and local governmental employers.

All full-time employees and certain permanent part-time employees of the City participate in the State of Alaska Public Employees' Retirement System (PERS). In addition to the pension plan, PERS also administers other post-employment benefit (OPEB) plans.

The system is governed by the Alaska Retirement Management Board. The benefit and contribution provisions are established by State law and may be amended only by the State legislature. The Administrator of the Plan is the Commissioner of Administration or the Commissioner's designee.

Summary of Significant Accounting Policies. The financial statements for PERS are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. The City's contributions are recognized when due and a formal commitment to provide the contributions has been made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. All plan investments are reported at fair value.

PERS acts as the common investment and administrative agencies for the following multiple-employer plans:

<u>Plan Name</u>	<u>Type of Plan</u>
Defined Benefit Pension Plan (DB)	Cost-sharing, Defined Benefit Pension
Defined Contribution Pension Plan (DC)	Defined Contribution Pension
Defined Benefit Other Postemployment Benefits (OPEB):	
Occupational Death and Disability Plan	Defined Benefit OPEB
Alaska Retiree Healthcare Trust Plan	Defined Benefit OPEB
Retiree Medical Plan	Defined Benefit OPEB
Defined Contribution Other Postemployment Benefits (DC):	

Notes to the Financial Statements, Continued

Healthcare Reimbursement Arrangement Plan Cost-sharing, Defined Contribution OPEB
Other Postemployment Benefit Plans (OPEB)

Occupational Death and Disability Plan (ODD)

The Occupational Death and Disability Plan provides death benefits for beneficiaries of plan participants and long-term disability benefits to all active members within the System. For the year ended June 30, 2020 the employer contribution rate is 0.72% for peace officers/firefighters and 0.26% for all others.

Membership in the plan consisted of the following at June 30, 2020 (latest available report):

Membership	PERS
Active plan members	22,311
Participating employers	154

Alaska Retiree Healthcare Trust Plan (ARHCT)

Beginning July 1, 2007, the Alaska Retiree Healthcare Trust Plan (ARHCT), a Healthcare Trust Fund of the State, was established. The ARHCT is self-funded and provides major medical coverage to retirees of the System. The System retains the risk of loss of allowable claims for eligible members. The ARHCT began paying member healthcare claims on March 1, 2008. Prior to that, healthcare claims were paid for by the Retiree Health Fund (RHF). For the year ended June 30, 2020 (latest available information) employer contributions were 4.88% of annual payroll. Membership in the plan consisted of the following at June 30, 2020 (latest report available):

Membership	PERS
Inactive plan members or beneficiaries currently receiving benefits	36,059
Inactive plan members entitled to but not yet receiving benefits	7,361
Inactive plan members not entitled to benefits	10,808
Active plan members	12,316
Total plan membership	66,544

Retiree Medical Plan (RMP)

The retiree medical plan provides major medical coverage to retirees of the DC plan. The plan is self-insured. Members are not eligible to use this plan until they have at least 10 years of service and are Medicare age eligible. For the year ended June 30, 2020 employer contributions were 1.32%. Membership in the plan consists of the following at June 30, 2020 (latest available report):

Membership	PERS
Inactive plan members or beneficiaries currently receiving benefits	34
Inactive plan members entitled to but not yet receiving benefits	1,412
Inactive plan members not entitled to benefits	13,248
Active plan members	22,311
Total plan membership	37,005

Notes to the Financial Statements, Continued

Healthcare Reimbursement Arrangement Plan

The Healthcare Reimbursement Arrangement Plan was established to allow medical expenses to be reimbursed from individual savings accounts established for eligible participants. Employer contributions are 3% of the average annual compensation of all employees in the plan. Membership in the plan consists of the following at June 30, 2020 (latest available report):

Membership	PERS
Inactive plan members or beneficiaries currently receiving benefits	40
Inactive plan members entitled to but not yet receiving benefits	1,412
Inactive plan members not entitled to benefits	13,248
Active plan members	22,311
Total plan membership	37,011

Investments

The Board is the investment oversight authority of the system's investments. As the fiduciary, the Board has the statutory authority to invest the assets under the Prudent Investor Rule. Fiduciary responsibility for the Board's invested assets is pursuant to AS 37.10.210.390.

State of Alaska Department of Treasury provides staff for the Board. Treasury has created a pooled environment by which it manages investments of the Board. Additionally, Treasury manages a mix of Pooled Investment Funds and Collective Investment Funds for the DC Participant-directed Pension plans under the Board's fiduciary responsibility.

Rate of Return

The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. The annual weighted rate of return, net of investment expense, for the year ended June 30, 2020 (latest available report) for the DB Plan for PERS is 5.88%, for the ARHCT plan is 6.03%, for the ODD Plan is 6.22%, and for the RMP is 6.21%.

For additional information on securities lending, interest rates, credit risks, foreign exchange, derivatives, fair value, and counterparty credit risks, see the separately issued report on the Invested Assets of the State of Alaska Retirement and Benefits Plans at:

<http://treasury.dor.alaska.gov/armb/Reports-and-Policies/Annual-Audited-Financial-Schedules.aspx>.

Notes to the Financial Statements, Continued

The long-term expected rate of return on pension and OPEB plan investments was determined using the building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation. The best estimates of arithmetic real rates of return for each major asset class are summarized below for the PERS plan:

<u>Asset Class</u>	<u>Long-Term Expected Real Rate of Return</u>
Broad Domestic Equity	8.16%
Global Equity (non-U.S.)	7.51%
Intermediate Treasuries	1.58%
Opportunistic	3.96%
Real Assets	4.76%
Private Equity	11.39%
Cash Equivalents	0.83%

Discount Rate: The discount rate used to measure the total pension and OPEB liabilities and assets is 7.38%, which represents a decrease of 0.62% since the prior measurement period. The projection of the cash flows used to determine the discount rate assumes that Employer and State contributions will continue to follow the current funding policy, which meets State statutes. Based on those assumptions, the net pension and OPEB plans fiduciary net pension and OPEB liabilities and assets were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension and OPEB plan investments were applied to all periods of projected benefit payments to determine the total pension and OPEB liabilities and assets. In the event benefit payments are not covered by the plan's fiduciary net position, a municipal bond rate would be used to discount the benefits not covered by the plan's fiduciary net position. The S&P Municipal Bond 20-Year High Grade Index rate was 2.79% as of June 30, 2020.

Employer and Other Contribution Rates. There are several contribution rates associated with the pension and healthcare contributions and related liabilities. These amounts are calculated on an annual basis.

Employer Effective Rate: This is the actual employer pay-in rate. Under current legislation, this rate is statutorily capped at 22% of eligible wages, subject to the salary floor, and other termination costs as described below. This rate is calculated on all PERS participating wages, including those wages attributable to employees in the defined benefit plan.

ARM Board Adopted Rate: This is the rate formally adopted by the Alaska Retirement Management Board. This rate is actuarially determined and used to calculate annual Plan funding requirements, without regard to the statutory rate cap or the GASB accounting rate. Prior to July 1, 2015, there were no constraints or restrictions on the actuarial cost method or other assumptions used in the ARM Board valuation. Effective July 1, 2015, the Legislature requires the ARM Board to adopt employer contribution rates for past service liabilities using a level percent of pay method over a closed 25 year term which ends in 2039. This will result in lower ARM Board Rates in future years.

Notes to the Financial Statements, Continued

On-behalf Contribution Rate: This is the rate paid in by the State as an on-behalf payment as mandated under current statute. Under state law, subject to annual appropriation, the state will contribute an on-behalf payment into the plan in an amount equal to the difference between the ARM Board Rate and the Employer Effective Rate. On-behalf contribution amounts have been recognized in these financial statements as both revenue and expenditures.

GASB Rate: This is the rate used to determine the long-term pension and healthcare liability for plan accounting purposes. Certain actuarial methods and assumptions for this rate calculation are mandated by the *Governmental Accounting Standards Board (GASB)*. Medicare Part D subsidies are not reflected in this rate. The rate uses a 7.38% discount rate.

Employer Contribution rates for the year ended June 30, 2020 are as follows:

	Employer Effective Rate	ARM Board Adopted Rate	State Contribution Rate
PERS:			
Pension	15.72%	23.73%	6.62%
OPEB	6.28%	4.89%	0%
Total PERS contribution rates	<u>22.00%</u>	<u>28.62%</u>	<u>6.62%</u>

Termination Costs: If the City decides to terminate coverage for a department, group, or other classification of members, even if that termination results from the decision to divest of a particular City function, all affected employees in that department, group, or other classification of members become immediately vested in the plan. The City must pay to have a termination study completed. The purpose of the study is to calculate the City's one-time termination costs. The costs represent the amount necessary to fully fund the costs of plan members who become vested through this process and for other changes in actuarial assumptions, such as, earlier than expected retirement, that arise from the act of termination of coverage. The City must pay a lump sum within 60 days of termination or arrange a payment plan that is acceptable to the PERS Administrator. For fiscal year 2020 the past service rate for PERS is 17.44%.

Actuarial Assumptions: The total pension and OPEB liabilities on June 30, 2020 (latest available) were determined by an actuarial valuation as of June 30, 2019 which was rolled forward to the measurement date June 30, 2020. These actuarial assumptions were based on the results of an actuarial experience study for the period from July 1, 2013 to June 30, 2017.

Investment return / discount rate	7.38% per year (geometric), compounded annually, net of expenses
Salary scale	Inflation – 2.5% per year Productivity – 0.25% per year
Payroll growth	2.75% per year (inflation + productivity)
Total inflation	Total inflation as measured by the Consumer Price Index for urban and clerical workers from Anchorage is assumed to increase 2.5% annually

Notes to the Financial Statements, Continued

Mortality (Pre-termination)	Based upon 2013-2017 actual mortality experience, 100% (male and female) of RP-2014 healthy annuitant table with MP-2017 generational improvement.
Mortality (Post-termination)	Mortality rates based upon the 2013-2017 actual experience. 91% of male and 96% of female rates of RP-2014 health annuitant table with MP-2017 generational improvement.
Total turnover	Based upon the 2013-2017 actual withdrawal experience.
Disability	Incidence rates based on 2013-2017 actual experience. Post-disability mortality in accordance with the RP-2014 disability table with MP-2017 generational improvement. Disabilities are assumed to be occupational 75% of the time for peace officers/firefighters, 40% of the time for others.
Retirement	Retirement rates based upon the 2013-2017 actual experience. Deferred vested members are assumed to retire at their earliest unreduced retirement date.
Marriage and age difference	Males are assumed to be three years older than their wives. Females are assumed to be two years younger than their husbands. For others, 75% of male members and 70% of female members are assumed to be married. For peace officers/firefighters, 85% of male members and 60% female members are assumed to be married.
Healthcare cost trend rates	Pre-65 medical: 7.5% grading down to 4.5% Post-65 medical: 5.5% grading down to 4.5% Prescription drugs: 8.5% grading down to 4.5% EGWP: 8.5% grading down to 4.5%.

As a result of the latest experience study, the Board adopted updated actuarial assumptions for the June 30, 2019 actuarial valuation to better reflect expected future experience. In addition to the changes in assumptions resulting from the experience study, the following assumption changes related to the ARHCT plan have been made since the prior valuation:

1. Based on recent experience, the healthcare cost trend assumptions were updated.
2. Per capita claims costs were updated to reflect recent experience.
3. Healthcare cost trends were updated to reflect a Cadillac Tax load.

Notes to the Financial Statements, Continued

The changes of assumptions from the latest experience study created substantial deferred outflows of resources attributable to the City, as well as an OPEB benefit recognized by the City for the State's proportionate share of OPEB plan expense attributable to the City. In some instances the reduction of revenues and expenses reported for the State's proportionate share of OPEB plan expense attributable to the City creates a net negative Pension/OPEB expense (net pension/OPEB benefit) which results in negative operating grants and contributions for certain functions reported on the Statement of Activities.

Alaska Public Employee Retirement System (PERS) – Defined Benefit Plan (DB)

Plan Description. The City participates in the Alaska Public Employees' Retirement System (PERS), a cost sharing multiple employer defined benefit pension plan. PERS provides retirement benefits, disability and death benefits, and post-employment healthcare to plan members and beneficiaries. The Plan was established and is administered by the State of Alaska, Department of Administration. The Public Employee's Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for PERS. This report may be obtained from the system at Pouch C, Juneau, Alaska 99811 or online at: <http://doa.alaska.gov/drdb/pers>.

Pension Benefits. All tier employee benefits vest with five years of credited service. There are three tiers of employees based on entry date. Tier I employees enrolled prior to July 1, 1986, with five or more years of credited service are entitled to annual pension benefits beginning at normal retirement age 55 or early retirement age 50. For Tier II and III employees enrolled after June 30, 1986, but before July 1, 2006, the normal and early retirement ages are 60 and 55, respectively. All tier employees with 30 or more years of credited service may retire at any age and receive a normal benefit.

The PERS defined benefit is closed to new hires enrolled on or after July 1, 2006. New hires after this date participate in the PERS defined contribution plan (DC) described later in these notes.

Currently there are 154 employers participating in PERS defined benefit plan, including the State of Alaska and 153 political subdivisions and public organizations.

The DB Plan's membership consisted of the following at June 30, 2020 (latest available report):

Inactive plan members or beneficiaries currently receiving benefits	36,059
Inactive plan members entitled to but not receiving benefits	7,361
Inactive members not entitled to benefits	10,808
Active plan members	<u>12,316</u>
Total DB plan membership	<u>66,544</u>

Retirement benefits are calculated by multiplying the average monthly compensation (AMC) times credited PERS service times the percentage multiplier. The AMC is determined by averaging the salaries earned during the five highest (three highest for peace officers/firefighters members or members hired prior to July 1, 1996) consecutive payroll years. Members must earn at least 115 days of credit in the last year worked to include it in the AMC calculation. The PERS pays a minimum benefit of \$25 per month for each year of service when the calculated benefit is less.

Notes to the Financial Statements, Continued

The percentage multipliers for peace officers/firefighters are 2% for the first ten years of service and 2.5% for all service over 10 years. The percentage multipliers for all other participants are 2% for the first ten years, 2.25% for the next ten years, and 2.5% for all remaining service earned on or after July 1, 1986. All service before that date is calculated at 2%.

Post-employment healthcare benefits are provided without cost to all members first enrolled before July 1, 1986. Members first enrolled after June 30, 1986, but before July 1, 2006, and who have not reached age 60 may elect to pay for major medical benefits.

Post Retirement Pension Adjustments. Post retirement pension adjustments (PRPAs) are granted annually to eligible benefit recipients when the consumer price index (CPI) increases during the preceding calendar year. PRPAs are calculated by multiplying the recipient's base benefit, including past PRPAs, times:

- (a) 75% of the CPI increase in the preceding calendar year or 9%, whichever is less, if the recipient is at least 65 or on PERS disability; or
- (b) 50% of the CPI increase in the preceding calendar year or 6%, whichever is less, if the recipient is at least 60, or has been receiving benefits for at least five years.

Ad hoc PRPAs, up to a maximum of 4%, may be granted to eligible recipients who first entered the PERS before July 1, 1986, if the CPI increases and the financial condition of the fund will permit an increase. In a year where an ad hoc PRPA is granted, eligible recipients will receive the higher of the two calculations.

Funding Policy. In April 2008 the Alaska Legislature passed legislation which statutorily capped the employer contribution, established a state funded "on-behalf" contribution, and required that employer contributions be calculated against all PERS eligible wages, including wages paid to participants of the PERS Tier IV defined contribution plan (DC) described later in these footnotes. The state legislature capped the rate at 22%, with the State contributing an on-behalf payment for the difference between the actuarial contribution and the cap.

Salary Floor. During the 25th legislation session, Senate Bill 125 passed, which established a June 30, 2008 salary floor under AS 39.35.255(a)(2). The salary floor is the total base salaries paid by an employer to active employees of the system as of the fiscal year ending June 30, 2008. The statute requires the Division of Retirement and Benefits (Division) to collect employer contributions at a minimum based on FY 2008 base salaries.

Employee Contribution Rate. The City's PERS active members are required to contribute 7.5% of their annual covered salary for peace officers/firefighters and 6.75% for all others.

Employer contributions for the year ended June 30, 2020, were:

	Pensions (DB)	Other Post-Employment Benefits (DB)	Total
\$	382,442	201,668	584,110

Notes to the Financial Statements, Continued

Public Employees Retirement Plans

For the year ended June 30, 2020 the State of Alaska contributed \$256,784 (100% pension cost) on-behalf of the City, which has been recorded in the fund financial statements under the modified-accrual basis of accounting. In the government-wide financial statements the on-behalf contribution has been adjusted as of the measurement date June 30, 2020 to a total of (\$90,423), to represent the pension/OPEB expense (benefit) attributable to the State under the full accrual basis of accounting.

Pension and OPEB Liabilities and Assets, Pension and OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions and OPEB: At June 30, 2020, the City reported liabilities and assets that reflected a reduction for State pension and OPEB support provided to the City. The amount recognized by the City as its proportionate share of net pension and OPEB liabilities (assets), the related State support, and the total portion of the net pension and OPEB liabilities (assets) that were associated with the City were as follows:

Defined Benefit:		
		Pension
City's proportionate share of the net pension liability	\$	5,775,101
State's proportionate share of the net pension liability		2,292,576
Total	\$	<u>8,067,677</u>
		OPEB
City's proportionate share of the ARHCT OPEB liability	\$	156,336
State's proportionate share of the ARHCT OPEB liability		62,178
Total	\$	<u>218,514</u>
City's proportionate share of the ODD OPEB liability (asset)	\$	<u>(58,407)</u>
City's proportionate share of the RMP OPEB liability	\$	<u>47,783</u>
Total City's share of net pension and OPEB liabilities and assets	\$	<u>5,920,813</u>

The net pension and OPEB liabilities and assets were measured as of June 30, 2020, and the total pension and OPEB liabilities used to calculate the net pension and OPEB liabilities and assets were determined by an actuarial valuation as of that date. The City's proportion of the net pension and OPEB liabilities and assets were based on the present value of contributions for FY2021 through FY2039, as determined by projections based on the June 30, 2020 valuation.

The City's proportionate share and changes in the pension and OPEB liabilities and assets were as follows:

	June 30, 2019 Measurement	June 30, 2020 Measurement	Change
Pension	0.1127%	0.1055%	(0.0072%)
OPEB:			
ARHCT	0.1126%	0.1054%	(0.0072%)
ODD	0.2141%	0.2409%	0.0268%
RMP	0.2141%	0.1997%	(0.0144%)

Notes to the Financial Statements, Continued

Based on the measurement date of June 30, 2020, the City recognized pension and OPEB expense of \$938,872 and (\$1,436,328), respectively, for the year ended June 30, 2020. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions and OPEB from the following sources:

	Pension	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Defined Benefit:		
Differences between expected and actual experience	\$ -	(85,494)
Changes of assumptions	176,808	-
Net difference between projected and actual earnings on pension plan investments	82,803	-
Changes in proportion and differences between City contributions and proportionate share of contributions	-	(149,056)
City contributions subsequent to the measurement date	382,442	-
Total	\$ 642,053	(234,550)

	OPEB ARHCT	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(105,055)
Changes of assumptions	207,455	-
Net difference between projected and actual earnings on OPEB plan investments	-	(68,458)
Changes in proportion and differences between City contributions and proportionate share of contributions	19,197	(29,129)
City contributions subsequent to the measurement date	152,200	-
Total	\$ 378,852	(202,642)

	OPEB ODD	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(18,210)
Changes of assumptions	-	(1,117)
Net difference between projected and actual earnings on OPEB plan investments	-	(386)
Changes in proportion and differences between City contributions and proportionate share of contributions	926	(3,913)
City contributions subsequent to the measurement date	11,577	-
Total	\$ 12,503	(23,626)

Notes to the Financial Statements, Continued

	OPEB RMP	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	(3,540)
Changes of assumptions	23,128	-
Net difference between projected and actual earnings on OPEB plan investments	-	(527)
Changes in proportion and differences between City contributions and proportionate share of contributions	750	(1,504)
City contributions subsequent to the measurement date	37,891	-
Total	\$ <u>61,769</u>	<u>(5,571)</u>

\$382,442 and \$201,668 are reported as deferred outflows of resources related to pension and OPEB resulting from City contributions subsequent to the measurement date and will be recognized as a reduction of the net pension and OPEB liabilities and as an increase to the net pension and OPEB assets in the year ended June 30, 2020, respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension and OPEB will be recognized in pension and OPEB expense as follows:

Year Ended June 30,	Pension	OPEB ARHCT	OPEB ODD	OPEB RMP
2020	\$ 34,132	39,257	(3,483)	1,867
2021	(61,135)	(53,211)	(3,483)	1,867
2022	23,493	16,470	(2,950)	3,132
2023	28,571	21,494	(2,938)	3,110
2024	-	-	(3,117)	2,626
Thereafter	-	-	(6,729)	5,705
Total	\$ <u>25,061</u>	<u>24,010</u>	<u>(22,700)</u>	<u>18,307</u>

For the year ended June 30, 2020, the City recognized (\$157,080) and (\$60,880) of pension and OPEB amortization of the net deferred outflows and inflows of resources, respectively.

Sensitivity of the Net Pension and OPEB Liabilities and Assets to Changes in the Discount Rate: The following presents the net pension and OPEB liabilities and assets of the plan calculated using the discount rate of 7.38%, as well as what the Plans' net pension and OPEB liabilities and assets would be if they were calculated using a discount rate that is 1-percentage-point lower (6.38%) or 1-percentage-point higher (8.38%) than the current rate:

	1% Decrease (6.38%)	Current Rate (7.38%)	1% Increase (8.38%)
Net pension liability (asset)	\$ <u>7,622,120</u>	<u>5,775,101</u>	<u>4,228,283</u>
Net OPEB ARHCT liability (asset)	\$ <u>1,257,531</u>	<u>156,336</u>	<u>(749,516)</u>
Net OPEB ODD liability (asset)	\$ <u>(55,403)</u>	<u>(58,407)</u>	<u>(60,835)</u>
Net OPEB RMP liability	\$ <u>120,015</u>	<u>47,783</u>	<u>(6,597)</u>

Notes to the Financial Statements, Continued

Sensitivity of the City's proportionate share of the Net OPEB liability and assets to changes in the healthcare cost trend rates. The following present the City's proportionate share of the net OPEB liability (asset), as well as what the City's proportionate share of the net OPEB liability (asset) would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Current Rate	1% Increase
Net OPEB ARHCT liability (asset)	\$ (855,462)	156,336	1,391,112
Net OPEB ODD liability (asset)	\$ N/A	N/A	N/A
Net OPEB RMP liability (asset)	\$ (14,696)	47,783	133,310

Alaska Public Employee Retirement System (PERS) – Defined Contribution Plan (DC)

Plan Description and Funding Requirements. City's and Public Employers in the State of Alaska have a defined contribution retirement plan (PERS Tier IV) for new hires first enrolled on or after July 1, 2006. This Plan is administered by the State of Alaska, Department of Administration in conjunction with the defined benefit plan noted above. The Administrator of the Plan is the Commissioner of Administration or the Commissioner's designee. Plan members make mandatory contributions of 8% of gross eligible compensation. This amount goes directly to the individual's account. State statutes require the employer to contribute 5% of employees' eligible compensation. Additionally, employers are required to contribute to OPEB (DB): 1.32% for the retiree medical plan (DB), 0.26% for occupational and death and disability benefits (DB) and 3% of employers' average annual employee compensation to the health reimbursement arrangement (HRA DC). The effective employer contribution is 22%. Additionally, there is a defined benefit unfunded liability (DBUL) amount levied against the DC plan and allocated to the DB Plan's pension and OPEB contribution.

Plan members are 100% vested with their contributions.

Members become vested in employers' contributions as follows:

- 2 years of service – 25%
- 3 years of service – 50%
- 4 years of service – 75%
- 5 years of service – 100%

The City contributed \$230,718 for the year ended June 30, 2020, which included forfeitures of \$35,286 which have been applied as employer contributions.

(10) Landfill Closure and Post Closure Costs

State and Federal laws and regulations require the City to place a final cover on its landfill sites when they stop accepting waste to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and post closure costs will be paid only near or after the date that the landfills stop accepting waste, the City reports a portion of these closure and post closure costs as a long-term liability at June 30, 2020, based on the landfill capacities used as of that date. The \$1,357,392 amount reported to date is based on the use of 59.17% of the Center Creek Landfill prior to closure, 100% of the Center Creek Monofill, and 58.87% of the Beam Road Landfill. Total estimated costs of closure and post closure for these landfills total \$2,453,971 as the remaining capacity is filled. These amounts are based on what it would cost to perform all closure and post closure costs in 2007. The City closed the old landfill and opened the new landfill in September 1996. Actual costs may change due to inflation, deflation, changes in technology, or changes in laws and regulations.

Notes to the Financial Statements, Continued

State and Federal regulations (18 AAC 60.398 and 40 CFR 258.74, respectively) require the City to provide financial assurances for future closure and post closure costs. There are a number of allowable mechanisms available. The City uses the local government financial test assurance mechanism to be in compliance with regulations. Future inflation costs and additional costs that might arise from changes in closure and post closure requirements are covered by charges to future landfill users, taxpayers, or both.

(11) Litigation

The City, in normal course of its activities, is involved in various claims and litigation. In the opinion of management, the disposition of these matters is not expected to have a material adverse effect on the financial statements of the City. The City may have insurance coverage for these matters.

(12) Contingent Liabilities

The City receives numerous grants, which are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement for expenditures disallowed under the terms of the grant. Management believes that such disallowances, if any, would not be material.

The City's current share of unfunded OPEB liabilities related to PERS between measurement dates created an OPEB benefit as a result of the decrease to the estimated liability. Due to the change, The City's proportionate share of pension plan expenses is negative for the year. Per GASB 75, the negative proportionate share has been allocated to operating grants and contributions for Legislative, Information Technology, Planning and Engineering, City Clerk and Recreation Center to report negative program revenues.

(13) Budget and Budgetary Accounting

The Nome Common Council (Council) is required to review or enact through the passage of a resolution or ordinance the budgets for the City, School District and Utility System prior to each entity's fiscal year-end, June 30 for the City and School District and December 31 for the Utility System. The City's operating budget is prepared by the City Manager in the spring proceeding the fiscal year to which it relates and is submitted to the Council for enactment. The operating budget includes proposed expenditures and the proposed means of financing them. The School District's budget is prepared by the Superintendent of Schools in the spring proceeding the fiscal year to which it relates. It is submitted to the Nome District School Board for review and approval and then to the Council for purposes of passing the resolution setting the contribution for the fiscal year. The Utility System's operating budget is prepared by the Utility System manager in the fall preceding the fiscal year to which it relates. It is submitted to the Nome Joint Utility System Board for review and approval and then to the Council for passage.

The City Manager, the Nome District School Board and the Nome Joint Utility System Board are authorized to transfer budgeted amounts within any fund or department; however, any revisions that alter the total expenditures of any fund or department must be approved by the Council. Formal budgetary integration is employed as a management control device during the year for the City's and School District's General Fund, Special Revenue Funds and the City's Capital Projects Funds and Port Facility Enterprise Fund. All budgets are adopted on a basis of accounting consistent with accounting principles generally accepted in the United States of America, and all lapse at year-end except for budgets related to the Debt Service Fund, Capital Projects Funds and Special Revenue Funds. Budgeted amounts are presented as originally adopted or as amended by the Council for the General Fund. There was no budget adopted for the CARES Act Special Revenue Fund therefore no original or amended budget is presented.

Notes to the Financial Statements, Continued

The following had expenditures in excess of appropriations in the General Fund for the year ended June 30, 2020:

Non-departmental	106,876
Visitor Center	23,150

Excess expenditures in General Fund were funded by available revenue and fund balance.

(14) Subsequent Accounting Pronouncements

The Governmental Accounting Standards Board has passed several new accounting standards with upcoming implementation dates covering several topics as follows:

- GASB 84 *Fiduciary Activities*. Effective for fiscal years beginning after December 15, 2019
- GASB 87 *Leases*. Effective for fiscal years beginning after June 15, 2021.
- GASB 89 *Accounting for Interest Cost Incurred before the End of a Construction Period*. Effective for fiscal years beginning after December 15, 2020.
- GASB 90 *Majority equity interests*. Effective for fiscal years beginning after December 15, 2019.
- GASB 91 *Conduit Debt Obligations*. Effective for fiscal years beginning after December 15, 2021.
- GASB 92 *Omnibus 2020*. This Statement has multiple effective dates which vary by topic.
- GASB 93 *Replacement of Interbank Offered Rates*. Effective for fiscal years beginning after June 15, 2021.
- GASB 94 *Public-Private and Public-Public Partnerships and Availability Payments Arrangements*. Effective for fiscal years beginning after June 15, 2022.
- GASB 95 *Postponement of the Effective Dates of Certain Authoritative Guidance*. Effective immediately.
- GASB 96 *Subscription-Based Information Technology Arrangements*. Effective for fiscal years beginning after June 15, 2022.
- GASB 97 *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. Effective for fiscal years beginning after June 15, 2021.

GASB Statements No. 84, 94 and 97 are not expected to have any significant impact on the financial statements of the City.

GASB Statement No. 87, the objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

Notes to the Financial Statements, Continued

GASB Statement No. 89 requires interest costs incurred before the end of a construction period to be recognized as an expenditure or expense in the period in which the cost is incurred for financial statements prepared under the current financial resources measurement focus or the economic resource measurement focus.

GASB Statement No. 90 requires a majority equity interest in a legally separate entity should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment or permanent fund. Those governments and funds should measure the majority interests at fair value. For all other holdings of majority interests in a legally separate entity, a government should report the legal separate entity as a component unit.

GASB Statement No. 91 provides a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures

GASB Statement No. 92, the objectives of this Statement are to enhance comparability and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements.

GASB Statement No. 93, addresses the fact that some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR)—most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate.

GASB Statement No. 95 provides temporary relief to governments in light of the COVID-19 pandemic. The effective dates of the following pronouncement are postponed by one year: GASB Statements No. 83, No.84, No.88, No. 89, No. 90, No. 91, No.92, and No. 93. The effective date for GASB 87 has been postponed by 18 months.

GASB Statement No. 96 will improve financial reporting by establishing a definition for Subscription-based information technology arrangements (SBITAs) and providing uniform guidance for accounting and financial reporting for transactions that meet that definition. That definition and uniform guidance will result in greater consistency in practice. Establishing the capitalization criteria for implementation costs also will reduce diversity and improve comparability in financial reporting by governments. This Statement also will enhance the relevance and reliability of a government's financial statements by requiring a government to report a subscription asset and subscription liability for a SBITA and to disclose essential information about the arrangement. The disclosures will allow users to understand the scale and important aspects of a government's SBITA activities and evaluate a government's obligations and assets resulting from SBITAs.

Notes to the Financial Statements, Continued

(15) Related Parties

The City received payments for pilot and landfill fees in the amount of \$588,478, and had receivable at year end of \$107,584 from Nome Joint Utility. During the year the city made a required contribution of \$3,000,000 to Nome Public Schools.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF NOME, ALASKA
Schedule of the City's Proportionate Share of the Net Pension Liability
Public Employees' Retirement System (PERS)
June 30, 2020

Year	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability	State of Alaska Proportionate Share of the Net Pension Liability	Total Net Pension Liability	City's Covered Payroll	City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.0713%	\$ 3,324,880	\$ 3,063,690	\$ 6,388,570	\$ 4,256,768	78%	62.37%
2016	0.1062%	\$ 5,152,410	\$ 138,151	\$ 5,290,561	\$ 3,091,332	167%	63.96%
2017	0.1269%	\$ 7,091,710	\$ 893,136	\$ 7,984,846	\$ 3,016,750	235%	59.55%
2018	0.1051%	\$ 5,432,839	\$ 2,023,811	\$ 7,456,650	\$ 3,057,182	178%	63.37%
2019	0.1127%	\$ 5,599,916	\$ 1,619,291	\$ 7,219,207	\$ 3,169,595	177%	65.19%
2020	0.1055%	\$ 5,775,101	\$ 2,292,576	\$ 8,067,677	\$ 3,130,982	184%	63.42%

Notes to Schedule:

1. The plan measurement date is one year prior to fiscal year end for all years presented.
2. This schedule is intended to present 10 years of information. Additional years' information will be included as it becomes available.

REVISÉD DRAFT
FOR DISCUSSION PURPOSES ONLY

CITY OF NOME, ALASKA

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

Public Employees' Retirement System (PERS)

June 30, 2020

Year	City's Proportion of the Net OPEB Liability (Asset)	City's Proportionate Share of the Net OPEB Liability (Asset)	State of Alaska Proportionate Share of the Net OPEB Liability (Asset)	Total Net OPEB Liability (Asset)	City's Covered Payroll	City's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
Alaska Retiree Healthcare Trust Plan (ARHCT):							
2018	0.1051%	\$ 887,886	\$ 331,346	\$ 1,219,232	\$ 3,057,182	29.04%	89.68%
2019	0.1126%	\$ 1,155,990	\$ 335,315	\$ 1,491,305	\$ 3,169,595	36.47%	88.12%
2020	0.1054%	\$ 156,336	\$ 62,178	\$ 218,514	\$ 3,130,982	4.99%	98.13%
Occupational Death and Disability (ODD):							
2018	0.2018%	\$ (28,631)	\$ -	\$ (28,631)	\$ 3,057,182	-0.94%	212.97%
2019	0.2141%	\$ (41,590)	\$ -	\$ (41,590)	\$ 3,169,595	-1.31%	270.62%
2020	0.2409%	\$ (58,407)	\$ -	\$ (58,407)	\$ 3,130,982	-1.87%	297.43%
Retiree Medical Plan (RMP):							
2018	0.1303%	\$ 10,523	\$ -	\$ 10,523	\$ 891,245	1.18%	93.98%
2019	0.2141%	\$ 27,249	\$ -	\$ 27,249	\$ 603,292	4.52%	88.71%
2020	0.1997%	\$ 47,783	\$ -	\$ 47,783	\$ 452,109	10.57%	83.17%

Notes to Schedule:

- The plan measurement date is one year prior to fiscal year end for all years presented.
- This schedule is intended to present 10 years of information. Additional years' information will be included as it becomes available.

REVISIED DRAFT
FOR DISCUSSION PURPOSES ONLY

CITY OF NOME, ALASKA

Schedule of the City's Contributions (Pensions)

Public Employees' Retirement System (PERS)

June 30, 2020

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 284,388	\$ (284,388)	\$ -	\$ 3,091,332	9.20%
2016	\$ 276,563	\$ (276,563)	\$ -	\$ 3,016,750	9.17%
2017	\$ 320,169	\$ (320,169)	\$ -	\$ 3,057,182	10.47%
2018	\$ 368,291	\$ (368,291)	\$ -	\$ 3,169,595	11.62%
2019	\$ 357,431	\$ (353,150)	\$ 4,281	\$ 3,130,982	11.42%
2020	\$ 381,045	\$ (382,442)	\$ (1,397)	\$ 3,666,977	10.39%

Notes to schedule

- Valuation date: June 30, 2018, which was rolled forward to June 30, 2019.
- Actuarially determined contribution rates are calculated as of June 30th, two years prior to the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

- Actuarial cost method: Entry Age Normal - level percentage of payroll.
- Amortization method: Level dollar, closed.
- Amortization period: 25 years, as a level of percentage of payroll.
- Asset valuation method: The actuarial asset value was reinitialized to equal fair value of assets as of June 30, 2014. Beginning in FY2015, the assets value method recognizes 20% of the gain or loss each year, for a period of 5 years, all assets are valued at fair value.
- Inflation: 2.5% per annum.
- Salary increases: Ranges from 7.75% to 2.75% based on service for Peace Officers/Firefighters. Ranges from 6.75% to 2.75% based on age and service for all others.
- Investment rate of return: 7.38%, net of pension plan investment expenses. This is based on an average inflation rate of 2.5% and a real rate of return of 4.88%.
- Retirement age: Retirement rates based upon the 2013-2017 actual experience.
- Mortality: Mortality rates based upon the 2013-2017 actual experience.
- This schedule is intended to present 10 years of information. Additional years' information will be included as it becomes available.

CITY OF NOME, ALASKA

Schedule of the City's Contributions (OPEB)

Public Employees' Retirement System (PERS)

June 30, 2020

Year	Contractually Required Contribution	Contributions Relative to the Contractually Required Contribution	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
Alaska Retiree Healthcare Trust Plan (ARHCT):					
2018	\$ 104,974	\$ (104,974)	\$ -	\$ 3,169,595	3.31%
2019	\$ 129,124	\$ (129,124)	\$ -	\$ 3,130,982	4.12%
2020	\$ 152,200	\$ (152,200)	\$ -	\$ 3,666,977	4.15%
Occupational Death and Disability (ODD):					
2018	\$ 5,344	\$ (5,344)	\$ -	\$ 3,169,595	0.17%
2019	\$ 9,836	\$ (9,836)	\$ -	\$ 3,130,982	0.31%
2020	\$ 11,577	\$ (11,577)	\$ -	\$ 3,666,977	0.32%
Retiree Medical Plan (RMP):					
2018	\$ 24,963	\$ (24,963)	\$ -	\$ 603,292	4.14%
2019	\$ 23,439	\$ (23,439)	\$ -	\$ 452,109	5.18%
2020	\$ 37,891	\$ (37,891)	\$ -	\$ 1,011,932	3.74%

Notes to schedule

- Valuation date: June 30, 2018, which was rolled forward to June 30, 2019.
- Actuarially determined contribution rates are calculated as of June 30th, two years prior to the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

- Actuarial cost method: Entry Age Normal - level percentage of payroll.
- Amortization method: Level dollar, closed.
- Amortization period: 25 years, as a level of percentage of payroll.
- Asset valuation method: The actuarial asset value was reinitialized to equal fair value of assets as of June 30, 2014. Beginning in FY2015, the assets value method recognizes 20% of the gain or loss each year, for a period of 5 years, all assets are valued at fair value.
- Inflation: 2.5% per annum.
- Salary increases: Ranges from 7.75% to 2.75% based on service for Peace Officers/Firefighters. Ranges from 6.75% to 2.75% based on age and service for all others.
- Investment rate of return: 7.38%, net of pension plan investment expenses. This is based on an average inflation rate of 2.5% and a real rate of return of 4.88%.
- Retirement age: Retirement rates based upon the 2013-2017 actual experience.
- Mortality: Mortality rates based upon the 2013-2017 actual experience.
- This schedule is intended to present 10 years of information. Additional years' information will be included as it becomes available.

ADDITIONAL SUPPLEMENTARY INFORMATION

CITY OF NOME, ALASKA

Exhibit I-1

Other Governmental Funds

Combining Balance Sheet

June 30, 2020

	Special Revenue Funds						Total
	E-911 Surcharge	NPD SART	NSEDC Community Benefits Share	Institute of Museum and Library Services Grant	FEMA Pandemic	CESP	
Assets							
Cash and short-term investments	\$ -	-	-	-	-	-	-
Receivables:							
Federal	-	625	-	-	122,326	-	122,951
State of Alaska	-	-	-	-	-	-	-
Other	10,992	-	-	-	-	-	10,992
Due from other funds	470,062	-	269,113	2,905	-	50,234	792,314
Total assets	<u>\$ 481,054</u>	<u>625</u>	<u>269,113</u>	<u>2,905</u>	<u>122,326</u>	<u>50,234</u>	<u>926,257</u>
Liabilities and Fund Balances							
Liabilities:							
Accounts payable	-	388	6,235	1,161	9,282	-	17,066
Unearned revenue	-	-	-	1,744	-	50,234	51,978
Due to other funds	-	237	-	-	113,044	-	113,281
Total liabilities	<u>-</u>	<u>625</u>	<u>6,235</u>	<u>2,905</u>	<u>122,326</u>	<u>50,234</u>	<u>182,325</u>
Fund balances:							
Restricted:							
E-911 Surcharge	481,054	-	-	-	-	-	481,054
Committed-							
Community projects	-	-	262,878	-	-	-	262,878
Assigned-							
Debt service	-	-	-	-	-	-	-
Landfill	-	-	-	-	-	-	-
Total fund balances	<u>481,054</u>	<u>-</u>	<u>262,878</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>743,932</u>
	<u>\$ 481,054</u>	<u>625</u>	<u>269,113</u>	<u>2,905</u>	<u>122,326</u>	<u>50,234</u>	<u>926,257</u>

Exhibit I-1, Continued

CITY OF NOME, ALASKA

Other Governmental Funds

Combining Balance Sheet, Continued

	Capital Project Funds					Total Other Governmental Funds
	Debt Service Fund	Landfill	Nome Eskimo Roads	School Renovation and Repairs	Total	
Assets						
Cash and short-term investments	\$ 1,379,962	-	-	-	-	1,379,962
Receivables:						
Federal	-	-	-	-	-	122,951
State of Alaska	2,379	-	-	-	-	2,379
Other	-	-	-	620	620	11,612
Due from other funds	-	704,667	17,547	161,865	884,079	1,676,393
Total assets	\$ 1,382,341	704,667	17,547	162,485	884,699	3,193,297
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	-	-	17,547	162,485	180,032	197,098
Unearned revenue	-	-	-	-	-	51,978
Due to other funds	379,550	-	-	-	-	492,831
Total liabilities	379,550	-	17,547	162,485	180,032	741,907
Fund balances:						
Restricted:						
E-911 Surcharge	-	-	-	-	-	481,054
Committed-	-	-	-	-	-	
Community projects	-	-	-	-	-	262,878
Assigned-						
Debt service	1,002,791	-	-	-	-	1,002,791
Landfill	-	704,667	-	-	704,667	704,667
Total fund balances	1,002,791	704,667	-	-	704,667	2,451,390
	\$ 1,382,341	704,667	17,547	162,485	884,699	3,193,297

CITY OF NOME, ALASKA

Other Governmental Funds

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

Year Ended June 30, 2020

	Special Revenue Funds				
	E-911 Surcharge	NPD SART	NSEDC Community Benefits Share	NSEDC Community Employment Program	Public Library Assistance
Revenues:					
Local sources:					
Charges for services	\$ 86,795	-	-	-	-
Other	-	-	1,044,727	5,465	-
Intergovernmental:					
State of Alaska	-	-	-	-	7,000
Federal sources	-	12,538	-	-	3,047
Total revenues	<u>86,795</u>	<u>12,538</u>	<u>1,044,727</u>	<u>5,465</u>	<u>10,047</u>
Expenditures:					
Current:					
Administrative	-	-	-	5,465	-
Information technology	-	-	-	-	-
Police	8,087	17,538	-	-	-
Emergency services	-	-	-	-	-
Public works	-	-	-	-	-
Museum	-	-	-	-	-
Library	-	-	-	-	10,047
Non-departmental	-	-	928,631	-	-
Debt service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Capital outlay	-	-	-	-	-
Total expenditures	<u>8,087</u>	<u>17,538</u>	<u>928,631</u>	<u>5,465</u>	<u>10,047</u>
Excess (deficiency) of revenues over expenditures	<u>78,708</u>	<u>(5,000)</u>	<u>116,096</u>	<u>-</u>	<u>-</u>
Other financing sources (uses):					
Transfers (out)	-	-	-	-	-
Transfers in	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	78,708	(5,000)	116,096	-	-
Fund balances, beginning of year	<u>402,346</u>	<u>5,000</u>	<u>146,782</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ 481,054</u>	<u>-</u>	<u>262,878</u>	<u>-</u>	<u>-</u>

(Continued)

CITY OF NOME, ALASKA

Other Governmental Funds

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances, Continued

	Special Revenue Funds					
	Art Acquisition	Historic Preservation Grant	FEMA Pandemic	Institute of Museum and Library Services Grant	Total	Debt Service Fund
Revenues:						
Local sources:						
Charges for services	\$ -	-	-	-	86,795	-
Other	9,000	-	-	-	1,059,192	-
Intergovernmental:						
State of Alaska	-	-	30,581	-	37,581	76,374
Federal sources	-	730	91,745	8,256	116,316	-
Total revenues	9,000	730	122,326	8,256	1,299,884	76,374
Expenditures:						
Current:						
Administrative	-	-	26,521	-	31,986	-
Information technology	-	-	1,860	-	1,860	-
Police	-	-	61,999	-	87,624	-
Emergency services	-	-	8,932	-	8,932	-
Public works	-	12,153	18,191	-	30,344	-
Museum	9,231	-	-	-	9,231	-
Library	-	-	-	8,256	18,303	-
Non-departmental	-	-	4,823	-	933,454	-
Debt service:						
Principal	-	-	-	-	-	375,000
Interest	-	-	-	-	-	80,900
Capital outlay	-	-	-	-	-	-
Total expenditures	9,231	12,153	122,326	8,256	1,121,734	455,900
Excess (deficiency) of revenues over expenditures	(231)	(11,423)	-	-	178,150	(379,526)
Other financing sources (uses):						
Transfers (out)	-	-	-	-	-	(154,903)
Transfers in	231	11,423	-	-	11,654	455,900
Total other financing sources (uses)	231	11,423	-	-	11,654	300,997
Net change in fund balances	-	-	-	-	189,804	(78,529)
Fund balances, beginning of year	-	-	-	-	554,128	1,081,320
Fund balances, end of year	\$ -	-	-	-	743,932	1,002,791

(Continued)

REVISED DRAFT
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CITY OF NOME, ALASKA

Exhibit I-2, Continued

Other Governmental Funds

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances, Continued

	Capital Project Funds					Total Other Governmental Funds
	Landfill	School Renovation and Repairs	Nome Eskimo Roads	NPD Vehicle	Total	
Revenues:						
Local sources:						
Charges for services	\$ -	-	-	-	-	86,795
Other	-	130,534	-	-	130,534	1,189,726
Intergovernmental:						
State of Alaska	-	-	-	-	-	113,955
Federal sources	-	-	50,000	-	50,000	166,316
Total revenues	-	130,534	50,000	-	180,534	1,556,792
Expenditures:						
Current:						
Administrative	-	-	-	-	-	31,986
Information technology	-	-	-	-	-	1,860
Police	-	-	-	-	-	87,624
Emergency services	-	-	-	-	-	8,932
Public works	-	-	-	-	-	30,344
Museum	-	-	-	-	-	9,231
Library	-	-	-	-	-	18,303
Non-departmental	-	-	-	-	-	933,454
Debt service:						
Principal	-	-	-	-	-	375,000
Interest	-	-	-	-	-	80,900
Capital outlay	-	285,437	50,000	1,391	336,828	336,828
Total expenditures	-	285,437	50,000	1,391	336,828	1,914,462
Excess (deficiency) of revenues over expenditures	-	(154,903)	-	(1,391)	(156,294)	(357,670)
Other financing sources (uses):						
Transfers (out)	-	-	-	-	-	(154,903)
Transfers in	-	154,903	-	1,391	156,294	623,848
Total other financing sources (uses)	-	154,903	-	1,391	156,294	468,945
Net change in fund balances	-	-	-	-	-	111,275
Fund balances, beginning of year	704,667	-	-	-	704,667	2,340,115
Fund balances, end of year	\$ 704,667	-	-	-	704,667	2,451,390

REVISED DRAFT
FOR DISCUSSION PURPOSES ONLY

Exhibit J-1

CITY OF NOME, ALASKA
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2020

<u>Federal Grant Title</u>	<u>Pass Through/ Grant Number</u>	<u>Catalog of Federal Domestic Assistance Number</u>	<u>Total Grant Award</u>	<u>Expenditures</u>
U.S. Department of Interior:				
Passed through the State of Alaska, Department of Commerce, Community, and Economic Development:				
Payment in lieu of taxes	None	15.226	\$ 499,331	499,331
Passed through the State of Alaska, Department of Natural Resources				
Swanberg Dredge, Condition, Assessment, and Stabilization	HPF Grant 18008	15.904	15,000	730
Passed through Nome Eskimo Community Tribal Transportation Program	MOA	15.033	50,000	50,000
Total U.S. Department of Interior			564,331	550,061
U.S. Department of the Treasury:				
Passed through the State of Alaska, Department of Commerce, Community, and Economic Development:				
COVID-19 Coronavirus Relief Fund	20-CRF-146	21.019	5,679,072	831,812
U.S. Department of Commerce:				
Direct:				
Nome Inner Harbor Launch Ramp Repair	07-01-07499	11.300	1,692,413	34,813
U.S. Department of Justice:				
Passed through State of Alaska, Department of Public Safety:				
SART	None	16.588	12,538	12,538
U.S. Department of Homeland Security (Public Assistance Grant):				
Passed through the State of Alaska, Department of Military and Veteran Affairs:				
COVID-19 Pandemic Response	DR-4533-AK	97.036	261,016	91,745
National Endowment for the Humanities:				
Direct:				
Continuing Education	LB21-FY17-2	45.313	1,797	1,797
Passed through the State of Alaska, Department of Education and Early Development:				
Continuing Education	CED-20-023	45.310	1,250	1,250
Passed through Nome Eskimo Community- Native American and Native Hawaiian Library Services	NG-01-19-0174-19	45.311	10,000	8,256
Total National Endowment for the Humanities			13,047	11,303
Total expenditures of federal awards			\$ 8,222,417	1,532,272
Reconciliation from Federal Financial Assistance to Federal sources revenues, Exhibit D-1:				
Above expenditures, per schedule			\$ 1,532,272	
Less: Capital Contributions, Port Facility Enterprise Fund			(34,813)	
Total Federal sources revenue Exhibit D-1			\$ 1,497,459	
See notes to the schedule				

CITY OF NOME, ALASKA
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2020

Note 1. General

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the City under programs of the federal government for the year ended June 30, 2020. The information in this Schedule is presented in accordance with the requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the basic financial statements of the City.

Note 2. Basis of Accounting

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The City has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

Note 3. Reporting Entity

The City, for purpose of the Schedule of Expenditures of Federal Awards, includes all the funds of the primary government as defined by GASB Codification, Section 2100, *The Financial Reporting Entity*. It does not include the component units of the City: The Nome Public Schools and the Nome Joint Utility System. These component units also receive Federal assistance, but separately satisfy the audit requirements of the Uniform Guidance, if applicable.

Note 4. Subrecipients

No federal funds were passed through to subrecipients.

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COMPLIANCE REPORTS

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards

Independent Auditor's Report

Members of the City Council
City of Nome, Alaska
Nome, Alaska

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the Nome Public Schools discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Nome, Alaska, as of and for the year ended June 30, 2020 and the related notes to the financial statements which collectively comprise the City of Nome, Alaska's basic financial statements, and have issued our report thereon dated Month XX, 2020. Our report includes a reference to other auditors who audited the financial statements of Nome Joint Utility System, a discretely presented component unit, as described in our report on the City of Nome, Alaska's financial statements. This report does not include the result of the other auditors' testing of internal controls over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Nome, Alaska's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City of Nome, Alaska's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Nome, Alaska's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Nome, Alaska's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

Anchorage, Alaska
Month XX, 2020

Report on Compliance For Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance

Independent Auditor's Report

Members of the City Council
City of Nome, Alaska
Nome, Alaska

Report on Compliance for Each Major Federal Program

We have audited the City of Nome, Alaska's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of City of Nome, Alaska's major federal programs for the year ended June 30, 2020. City of Nome, Alaska's major federal programs are identified in the summary of auditor's results section of the accompanying Federal Schedule of Findings and Questioned Costs.

City of Nome, Alaska's basic financial statements include the operations of Nome Public Schools and Nome Joint Utility System, component units, which received \$1,989,457 and \$0, respectively, in federal awards which are not included in City of Nome, Alaska's Schedule of Expenditures of Federal Awards during the year ended June 30, 2020. Our audit, described below, did not include the operations of Nome Public Schools because the organizational unit was subjected to a separate audit performed in accordance with the Uniform Guidance, and Nome Joint Utility System because the organizational unit engaged other auditors to perform an audit.

Management's Responsibility

Management is responsible for compliance with the requirements of federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of City of Nome, Alaska's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about City of Nome, Alaska's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of City of Nome, Alaska's compliance.

Opinion on Each Major Federal Program

In our opinion, City of Nome, Alaska complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on Internal Control Over Compliance

Management of the City of Nome, Alaska is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Nome, Alaska's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of City of Nome, Alaska's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Federal Schedule of Findings and Questioned Costs

Year Ended June 30, 2020

Section I – Summary of Auditor's Results**Financial Statements**

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Is a going concern emphasis-of-matter paragraph included in the audit report

___ Yes X No

Internal control over financial reporting:

Material weakness(es) identified?

___ Yes X No

Significant deficiency(ies) identified?

___ Yes X None reported

Noncompliance material to financial statements noted?

___ Yes X No**Federal Awards**

Internal control over major programs (2 CFR 200.516 (a)(1)):

Material weakness(es) identified

___ Yes X No

Significant deficiency(ies) identified?

___ Yes X None reported

Any material noncompliance with provisions of laws, regulations, contracts, or grant agreements related to a major program (2 CFR 200.516 (a)(2))?

___ Yes X No

Type of auditor's report issued on compliance for major programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance, 2 CFR 200.516(a)(3) or (4)?

___ Yes X No

Identification of major programs:

CFDA Number(s)/Cluster
21.019

Name of Federal Program or Cluster
COVID-19 Coronavirus Relief Funds

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

X Yes ___ No

Federal Schedule of Findings and Questioned Costs, Continued

Section II – Financial Statement Findings

The City of Nome did not have any findings that related to the financial statements.

Section III – Federal Award Findings and Questioned Costs

The City of Nome did not have any findings that related to federal awards.

Action Taken:
Yes____
No____
Abstain____

CITY OF NOME, ALASKA

RESOLUTION NO. R-21-01-04

**A RESOLUTION ENDORSING PROJECTS
FOR THE CITY OF NOME'S 2021 STATE LEGISLATIVE PRIORITIES**

WHEREAS, it is with unanimity that the following prioritized projects are considered worthy of advocacy to State of Alaska legislative and administrative leaders:

- Priority 1) Public Safety, Domestic Violence and Sexual Assault;
- Priority 2) Full Support of Statewide Port Construction Bond Package;
 - Legislative resolution supporting expedition of Port of Nome Modifications design & construction, and continued collaboration with Alaska Department of Transportation & Public Facilities;
- Priority 3) Nome School Capital Improvements:
 - New Teacher Housing Complex (\$7 M);
 - Beltz Campus Generator & Electrical Service Replacement (\$1.6M);
 - DDC Control System Replacement (\$2.2 M);
 - Upgrades to NES Exterior, Structure & Parking (\$2 M);
 - Hold Harmless Funding Plan for COVID-19 Response
- Priority 4) Continued State Partnership with communities:
 - Full funding of the Power-Cost Equalization (PCE) Program;
 - Funding of Municipal Revenue Sharing Program;
 - School Bond Debt Reimbursement;
 - Continued on-behalf funding for PERS liabilities;
- Priority 5) Infrastructure maintenance and improvements:
 - Nome Airport Runway Upgrades;
 - Nome Road Improvements; particularly Front Street, Steadman Street, and Little Creek Road, including aging water-sewer utility replacement within roads and dust control on Center Creek Road;
- Priority 6) Covered Multi-Use Recreational Structure (\$950,000);
- Priority 7) Water and Sewer Infrastructure Improvements.

NOW, THEREFORE, BE IT RESOLVED that the Nome City Council endorses the aforementioned items for inclusion in the City of Nome 2021 State of Alaska Legislative Priorities Package.

APPROVED and SIGNED this 25th day of January, 2021.

JOHN K. HANDELAND, Mayor

ATTEST:

BRYANT HAMMOND, City Clerk

Action Taken:

Yes_____

No_____

Abstain_____

CITY OF NOME, ALASKA

RESOLUTION NO. R-21-01-05

A RESOLUTION ENDORSING PROJECTS
FOR THE CITY OF NOME'S 2021 FEDERAL LEGISLATIVE PRIORITIES

WHEREAS, City leaders look to the Federal Government for assistance as a partner with Nome to improve the quality of life for all of Nome's residents; and,

WHEREAS, it is with unanimity that the following community infrastructure items and position statements are considered worthy of advocacy to Federal legislative and administrative leaders:

- Domestic Violence and Sexual Assault as a Public Safety Concern;
- Arctic Deep Draft Port at Nome;
- Seasonal Coast Guard Forward Operating Location;
- Maritime Communications Center;
- Drug & Alcohol Abuse, Suicide Prevention; Education, and Treatment;
- Alternative Energy Production Sources and Enhanced Energy Storage;
- Water and Sewer Infrastructure Improvements, including adequate facilities to accommodate waste generated by increasing marine traffic.
- Preparedness & Emergency Response Equipment Facility;

NOW, THEREFORE, BE IT RESOLVED that the Nome City Council endorses the aforementioned items for inclusion in the City of Nome 2021 Federal Legislative Priorities Package.

APPROVED and SIGNED this 25th day of January, 2021.

JOHN K. HANDELAND, Mayor

ATTEST:

BRYANT HAMMOND, City Clerk

TO: Mayor and City Council

FROM: Glenn Steckman

RE: City Manager's report

January 25, 2021

CARES Funding: The finance staff has now processed 2173 checks for Phase 5. The final batch of checks were being mailed this week. About 20 applications are left to be processed. The 20 applications were incomplete by either omission of SS# or lacking signatures. Phase 6: all business and employee checks have been mailed. Phase 4: Most businesses have been sent their checks.

Union Negotiations: City staff is meeting with union employees to negotiate a new three year agreement.

City Hall Ventilation: the heating and ventilation system is over 42 years old. The control system was replaced in 1990. I am requesting that we proceed with design. Estimated at \$39,000 based on a 2015 report.

Public Safety Advisory Commission: The Commission is scheduled to meet on Monday, February 1, at 6pm in council chambers. The new use of force policy will be on the agenda.

NEST: NEST will be vacating the Mini early next week. Many of the non-housed in our community have now been vaccinated. I am meeting with the Day Shelter to discuss their plans.

Iron Dog: The race is scheduled toll proceed but with changes due to COVID-19. All racers will be tested daily along the trail. There will be no dinner in Nome. The racers only will be allowed in the City of Nome garage. The number of racers is about 72. Iron Dog is expected to have six support personnel while in Nome.

NPD: the number active cases of sexual abuse has been reduced to 22 for current cases and the 461 old sexual abuse cases. Five rape kits have been processed to the Bode testing lab for quicker results.

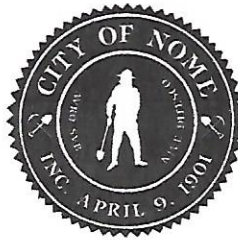
Pool: The pool levels have been restored. PH levels are now being adjusted. Training and guard preparation soon will start. The goal is to have the pool re-open by early February.

Gym: The gym is open, the weight room is open and bowling has returned. The sauna will continue to be closed until its deemed safe to open.

Mayor
John K. Handeland

Manager
Glenn Steckman

Clerk
Bryant Hammond



Nome Common Council
Jerald Brown Item B.
Mark Johnson
Doug Johnson
Adam Martinson
Jennifer Reader
Meghan Sigvanna Topkok

102 Division St. • P.O. Box 281
Nome, Alaska 99762
(907) 443-6663
Fax (907) 443-5349

MEMORANDUM

Date: 01/20/2021

To: Glenn Steckman, City Manager

From: Nickie Crowe, Acting Finance Director *nc*

Subject: F20 Financial Review

General Fund - Revenue

Total revenue collected for the general fund is \$12,778,764, which is an increase over F20 projections. F20 revenue projected at \$12,557,999 plus a fund balance appropriation of \$1,957,374 for a total of \$14,515,373.

- Property tax levied is \$4,293,930. Of this amount, an accounts receivable has been booked for REAL tax at \$114,790 and Personal tax at \$34,958.
- Sales tax collected is \$5,755,854 as compared to budget at \$5,660,000 (an increase of \$95,854)
 - Sales tax effected by COVID 19, as well as a sales tax holiday, which reduced sales tax from 7% to 5% for June 2020.
- Bed tax collected is \$102,533 as compared to budget at \$135,000 (a decrease of \$32,467)
- Permits, Licenses, and Fees show a decrease in landfill fees, remodeling permits, and excavation/fill permits for a total decrease \$20,607. Motor vehicle fees, chauffeur licenses, cemetery fees, and building permits show an increase in revenue of \$24,561; this is a net increase of \$3,955.
- Shared revenue / Municipal Assistance increased due to Employer PERS on-behalf, which is offset by the same amounts in PERS expense accounts by department
- Payment in Lieu of Tax increased \$17,204 due to an increase in rental income reported by Bering Vue and Bering Straits Regional Housing Authority
- Ambulance revenue reported at \$153,771 (net of contract adjustments), as compared to budget of \$185,000 (decrease of \$31,229)

- Ambulance revenue effected by COVID 19. There was a significant drop in calls for service from March 2020 - June 2020.
- Recreation center revenue decreased \$70,226 due to building closures resulting from COVID 19
- Pool revenue increased due to an increase in passes, admissions, and facility rental (increase of \$9,358)
- Investment and Interest Earnings increased due to increased interest income for investments in FDIC-insured CDs (increase of \$54,430)
- Building, Equipment, Land Lease Rents decreased due to less rental activity in equipment rental, rental of Old St. Joe's, and a decrease in rental at the public safety building meeting room (decrease of \$7,454)

General Fund - Expense

Total F20 General Fund expenditures were \$12,316,063 compared to the budget of \$14,515,373. Due to staff turnover, grant funding, as well as building closures due to the impact of COVID 19, expenses came in under budget. The final result in the General Fund is a revenue surplus of \$462,701.

- Personnel salary and benefits were below budget by \$1,328,482 due to staff turnover, challenges filling positions, and cost allocations to grants (ex FEMA, CARES).
- Operating expenses were below budget \$524,043; this is due to a decrease in spending in areas like professional services, operating supplies, travel and training, snow removal, vehicle maintenance labor and parts, and road materials.
- Building Maintenance & Utilities were below budget by \$91,812. The majority of this decrease was in Building Materials & Supplies (\$33,420) electricity (\$28,710), and Janitorial Services & Supplies (\$22,897).
- Non-Departmental is over budget by \$33,729; this is attributed to increased bad debt expense due to increasing the bad debt allowance for personal tax. Also noted in this department is a decrease in General Insurance due to year end credits for General Liability and the Loss Control Incentive plan.
- Major Vehicle, Machinery, and Equipment purchases - 2007 CAT 966H Engine/Transmission Rebuild \$100,771, 2019 Ford Expedition \$55,681, 2020 Wausau MP318 Snow blower \$255,274, Space Saver Kennel System \$10,746, Air Paks, Cylinders, Valves \$73,252, Chain Link Fencing \$34,017
- Major Software/Office Upgrades/Other - Public Safety Building AHU System Software Upgrades \$17,965, Clerk MARS Software \$19,900, IT Server Migration Hardware/Software \$106,273, IT Backup Server \$8,021

School Bond Fund - Revenue & Expense

Total revenue received is through the State program for the reimbursement of School Bond debt payments, which we received \$76,374. The General Fund transferred in \$455,900 to cover school bond principal and interest payments. In transfers out, \$154,903 was transferred to School Renovation and Repair to cover the ACSA Toilet renovation expenses.

Special Revenue Fund - Revenue & Expense

There is increased revenue and expense in the NSEDC Community Benefits share program. \$744,625 was received for Supplemental Energy Funds, and \$100,000 was received to help mitigate the COVID response.

Also in F20, we began tracking FEMA and CARES expenses related to COVID 19. In FEMA, \$122,326 was allocated to salaries, benefits, cleaning supplies, advertisements, legal expenses, professional cleaning services, personal protective equipment, and EOC expenses. In CARES, \$831,812 was allocated to salaries, benefits, repair to Medic 3, advertisements, and medical equipment and fees.

Capital Projects Fund - Revenue & Expense

Nome Eskimo Community contributed \$50,000 toward road maintenance. This funding was allocated to aggregate road material, super sacks of calcium chloride, and tires for a dump truck and loader.

School Renovation & Repair - Revenue & Expense

In revenue, \$130,533 was received from Nome Public Schools for the High School Roof Project. \$154,900 was transferred in from the School Bond Fund to cover the expenses for the ACSA Toilet Renovation.

Port Operating Fund - Revenue

The total port revenue collected for F20 was \$1,743,667. F20 revenue projections were \$1,706,055 plus a fund balance appropriation of \$1,001,577.

- Causeway facility revenue increased \$25,871 due to increased cargo and gravel wharfage
- Harbor facility revenue decreased \$18,833 due to slightly less fuel/gravel wharfage, and an expected short-term lease that did not materialize.

- Industrial Park facility revenue decreased in storage rental by \$24,854 and increased in leases by \$19,887; net decrease of \$4,967.
- Interest Earnings increased due to increased income for investments in FDIC-insured CDs (increase \$28,924)

Port Operating Fund - Expense

The total port expenditures are \$2,536,764 compared to the budget of \$2,707,632. Total expense vs revenue (before asset/CWIP pickup & depreciation) resulted in a deficit of \$793,097. Expenses came in under budget; however, emergency repairs to the Westgold Dock caused a significant transfer to port capital projects.

- Personnel salary and benefits are below budget by \$47,159 due to allocations to grants, reduction in staff time due to COVID 19
- Operating expenses came in under budget by \$90,814; the majority of the reduction stems from a decrease in professional services, lobbying, and travel & training
- Utilities are under budget by \$18,605, which is due to a decrease in garbage charges
- Port Bad Debt expense increased \$15,428 due to an adjustment to the balance sheet for estimated uncollectible accounts, which are those 60 days or more past due at year-end. However, many of these accounts are often collected after being recorded as bad debt.

Port Capital Projects - Revenue and Expense

Port capital project activity consisted of grant projects, as well as non-grant projects. \$353,383 is revenue through grant reimbursements for the Arctic Deep Draft project, the Harbor CAP 107 Study with the Corps, and the EDA Harbor Launch Ramp repair project. \$1,188,174 is a transfer in from port operating to cover the non-grant related projects.

The non-grant related projects consisted of the Westgold Dock Emergency repair for \$1,047,109, the causeway anode replacement \$300, and Industrial Pad Fuel line repair for \$132,062.

PORT OF NOME

Phone/443-6619 Fax/443-5473

Memo

TO: Mayor John K. Handeland & Nome Common Council
FROM: Jim West, Jr., Chairman – Nome Port Commission *JW2*
THRU: Glenn Steckman - City Manager
DATE: 01/21/2021
RE: Additional matching funds to meet cost-share of increasing EDA grant #07-01-07499
– in place to fund the Launch Ramp Replacement Project

The Port Commission passed the following motion at their Regular Meeting on Thursday, January 21, 2021.

1. Moved by Lean and seconded by Rowe, that the following motion be approved:
 - **MOTION:** Recommending the Common Council support up to \$270K in matching funds to meet cost-share of U.S. Economic Development Administration (EDA) grant #07-01-07499, of which additional funds are being requested to demo and construct the Launch Ramp Replacement Project.

AT THE ROLL CALL:

Ayes: Henderson, Rowe, Sheffield, McLarty, Smithhisler, Lean, West

The motion **CARRIED** unanimously.

Discussion on this motion is reflected in the minutes of the January 21, 2021 Regular Meeting.



RECEIVED
NOV 15 2018
**CITY OF NOME
CLERKS DEPARTMENT**

Brevig Mission Diomedes Erim Gambell Golovin Koyuk Nome Saint Michael Savoonga Shaktoolik Stebbins Teller Unalakleet Wales White Mountain

November 8, 2018

Mr. Richard Beneville, Mayor
 City of Nome
 P.O. Box 281
 Nome, AK 99762

Re: 2018 Large Infrastructure Program – Inner Harbor Concrete Launch Ramp Repair


Dear Mayor Beneville,

The Norton Sound Economic Development Corporation (NSED) Board of Directors (Board) met November 1, 2018 and reviewed the City of Nome's (City) 2018 Large Infrastructure Program (LIP) application for the project titled "Inner Harbor Concrete Launch Ramp Repair" (Project). We are pleased to inform you that the NSED Board approved funding for this Project in the amount of \$300,000.

Before proceeding with an award packet and implementation of the grant, NSED is requiring the City to provide a budget following NSED's format on how the funds will be allocated. A sample budget and an NSED Financial Statement Report template are enclosed. The budget must outline in detail how the City will be applying the \$300,000 towards the Project. Upon receipt and acceptance of the budget, we will send the City an award packet.

Please submit the completed budget to Amanda Patrick, Community Development Coordinator, whom may be contacted at amandap@nsedc.com or at (888) 650-2477. Ms. Patrick will also be able to address any questions you may have on this matter.

Sincerely,


 Janis Ivanoff
 President & CEO

Enclosures: Sample Budget
 NSED Financial Statement Report

cc: Dan Harrelson, NSED Board Chairman
 Adem Boeckmann, NSED Board Member
 Community Benefits Staff
 File

**MINUTES (AMENDED)
NOME PORT COMMISSION
REGULAR MEETING
November 19th, 2020**

The Regular Meeting of the Nome Port Commission was called to order at 6:47 pm by Chairman West in Council Chambers at City Hall, located at 102 Division Street.

ROLL CALL

Members Present: Lean; West; Henderson; Rowe; Sheffield; McLarty

Absent: Smithhisler

Also Present: Lucas Stotts, Harbormaster; Joy Baker, Port Director (telephonically)

In the audience: James Mason; Cathy Rubano

APPROVAL OF AGENDA

Chairman West asked for a motion to approve the agenda:

Motion to approve made by McLarty, seconded by Henderson.

At the Roll Call:

Ayes: West; Henderson; Rowe; Sheffield; McLarty; Lean

Nays:

Abstain:

The motion **CARRIED**.

APPROVAL OF MINUTES

Oct 15th, 2020
Regular Meeting

Motion made by McLarty, seconded by Henderson to approve minutes;

At the Roll Call

Ayes: West; Henderson; Rowe; Sheffield; McLarty; Lean

Nays:

Abstain:

The motion **CARRIED**.

CITIZENS' COMMENTS

None

COMMUNICATIONS

- 20-09-17 Legislative Consultants- Alaska Budget Report
- 20-10-19 Polar Star will make winter voyage to Arctic – Arctic Today
- 20-10-30 PND Memo – Recommendation for Outer Harbor Fender Piling
- 20-11-12 U.S. Boats Faced Russian Aggression Near Alaska – NY Times
- 20-11-12 Russia's Northern Sea Route Shipping is growing – Barents Observer

Discussion:

- Sheffield commented that she had been in discussions with the POLAR STAR staff at Regional Headquarters, who are working in the Arctic and planning three trips back to Dutch Harbor for resupply during the upcoming months, but not planning to stop in Nome. UAF and other agencies are working with the POLAR STAR to get oceanographic information released from the various science groups on board.

COMMISSIONER'S UPDATES

McLarty commented that he has recently taken a new position with NSEDC as the Vessel's Manager. That this position was historically not in Nome, but he will be managing vessels in UNK as well.

HARBORMASTER'S REPORT

- HM Stotts provided an overview of maintenance items currently being done in prep for winter, and items slated to be done in the spring.
- HM Assist Schuneman is still working at the port office for the next couple weeks confirming container and vessel storage, and assisting in finalizing all winter billing. He will transition to Public Works Roads after the holiday to assist with snow removal.
- We are compiling an operations and maintenance manual for ease of planning, training and budgeting.
- The Port office is now closed to the public, but staff remain available to respond to customer inquiries while coordinating final billing on commercial accounts and resolving manifest inconsistencies.

Discussion:

- Henderson asked if there was any movement on the GARCO building upgrades, or if anything is planned with that building anytime soon.
 - PD Baker stated that USDA Rural Development had some funds, but only under the loaning programs. We are researching grant opportunities for several of our projects that need funds, and should revisit the priorities list with the group again soon.
 - HM Stotts commented that Building Maintenance patched some areas of the roof, and Assist HM Schuneman keeps the in-house storage organized.

PORT DIRECTOR'S REPORT

PD Baker stated that the project to replace zinc anodes on the West Gold, City and Fish docks, went out to bid and was awarded at the last City Council meeting to Global Diving and Salvage. There was only one other bidder, American Marine.

Discussion:

- McLarty asked if the City was utilizing the current stock of anodes for this project.
 - PD Baker stated that it had been debated, but the quantity and sizes did not sufficiently match up with the project, so it was left to the contractor to provide.
- West asked for the total awarded bid price, which PD Baker responded was \$219,515.00. The second bid came in at \$340,000, give or take.
- Sheffield asked if we knew when Congress may vote on Nome's Deep Draft Port.
 - PD Baker replied that approval of that legislation is typically sometime toward the end of the year, but indications from DC are uncertain due to the current political landscape.

PD Baker provided a brief update on dock damages done by DeForge Maritime's NOLA GAIL/THELMA 302, regarding PND Engineers doing an on-site inspection, cost estimate and initial design drawings for the repair. DeForge Maritime has accepted responsibility for the damage, and is willing to complete the repairs per PND specs. DeForge will provide a qualified contractor to do the repairs under PND oversight.

Discussion:

- McLarty asked how the damages occurred.
 - HM Stotts provided a brief overview; The NOLA GAIL/THELMA302 was towing into the Outer Harbor with a persisting SE swell, which caused the barge's stern to swing northwest toward the docks, making contact with the north end of the Middle Dock, then the south end of the West Gold Dock.

The stern of the barge is tapered, and when empty, sits higher than the elevation of the sheet pile docks. As the barge was elevated with the crest of each swell, the stern was pushed beyond the top of the sheet pile. As the barge fell into the upcoming troughs, it landed on the sheet pile, bending it in, and causing tears in the sheets in several places. This occurred several times before the tug was able to shorten the tow gear up enough to pull the barge away from the docks.

PD Baker provided an update on the Inner Harbor CAP 107 Study to deepen and widen the federal dredge limits within Nome's Inner harbor. The team conducts monthly project calls, and is presently evaluating alternatives that include not only to deepen and widen the current dredge footprint, but also dredging of the Snake River to support the new moorage project. The biggest challenge is with the South Wall design criteria that currently limits any high-capacity equipment/cargo loads.

PD Baker briefed the group on the recent bid opening for the Launch Ramp Replacement Project. There were four bids submitted, but unfortunately all bids exceeded the project budget, presently capped at \$2.1M. (\$1.7M-EDA; \$300K-NSEDC; and \$100K -City), with the lowest bid at \$3.1M.

PD Baker informed the group on the proposed layout of the intersection of the Causeway access as part of the Port Road Improvements Project. Multiple alternatives had been provided by DOT's contractor, PDC Engineers, regarding how best to facilitate traffic flow.

DOT heard from users requesting no stop signs or roundabouts, and these alternatives are intended to address those concerns. HM Stotts spoke briefly on the staff's markup #5 and the DOT provided Alt #8 which realigns the West Beach access to the north.

Group discussion followed:

Henderson asked what the issue was with a roundabout brought up by opponents of that option. He added that that section of the Port Road causes the most congestion and traffic issues with his drivers and that a roundabout would force traffic to slow down in that area.

Lean commented that any option needs to have open area, no depressions or curbs as it would be a snow removal and PWR maintenance nightmare. Leaving the area open will allow flexibility in use for future development, freight loads, etc. Lean added that the option realigning West Beach road to the North (alt #8) seemed like the best option.

McLarty stated that he liked alt #8 as well, as it allowed more turning room and visibility to the north and south, and is more protected from ocean storms. He inquired on whether the intersection would be paved, and if traffic control measures would be done through road painting.

West commented that another alternative would be to divert all West Beach traffic from the current location to a route that wraps around NJU's settling ponds and then join the road that leads to the Post Office Annex.

Rowe asked if there was an issue having a stop sign on the south facing traffic flow, from town to the causeway. Group discussion concurred that with the high volume of trucks hauling gravel to the port increasing each year, that flow should remain a priority. Rowe added that the option realigning the West Beach road to the north looked to be the most expensive option, and the Alt #5 markup looked to be close to the layout we currently have in place.

Motion:

The following motion was moved by McLarty and seconded by Henderson:

Recommend the following Port Rd Intersection Design Alternatives to Alaska Department of Transportation (ADOT), as part of the Port Road Improvements Project, listed in the order of priority:

- A. Markup of Alternative 5, as shown on the attached
- B. Markup of Alternative 8, as shown on the attached
- C. Alternative 7 as presented

At the Roll Call

Ayes: Henderson, Rowe, Sheffield, McLarty, Lean, West.

Nays:

Abstain:

The motion **CARRIED** unanimously.

OLD BUSINESS

- Thornbush Pad – Recommended Path Forward on Development

Henderson commented that during the work session the group had decided to move forward in recommending geotech work be performed on the TBS pad, and the group agreed.

Motion:

The following motion was moved by Henderson and seconded by McLarty:

Recommend having geotech work performed on the Thornbush property while a contractor is in Nome to do work for other parties during December 2020, for capturing boreholes to determine subsurface conditions for planning further development.

At the Roll Call

Ayes: Rowe, Sheffield, McLarty, Lean, West, Henderson.

Nays:

Abstain:

The motion **CARRIED** unanimously.

NEW BUSINESS

- Causeway Middle & Westgold Dock Damage

PD Baker provided an overview of communications with DeForge Maritime who is planning to work with Ridge Contracting to complete the repairs. PND is drafting design drawings for the repair work, and will provide on-site inspection during construction.

West asked about the timeline of the repair. PD Baker responded that DeForge has indicated early spring, with specific dates provided as the time gets closer.

McLarty asked if DeForge will be paying for engineering fees. PD Baker responded that yes, they have agreed to pay all costs associated with the damage.

CITIZENS' COMMENTS

None.

COMMISSIONER'S COMMENTS

Rowe commented that he appreciated the ability to join the meeting through Zoom and it was a good work session and meeting.

Sheffield commented that she also appreciated the Zoom ability, and also that the status of the ice is even more weird that what we are used to due to the large amount of warm water still in the area.

Lean commented that he appreciated the Zoom ability also due the amount of COVID cases in Nome. He added that crab fisheries are still being discussed at the NSEDC and federal level but feels that there won't be a local crab season in Nome next summer. There is however an interest in pink salmon.

McLarty suggested that port staff reach out to Nikolai and ask if he has drill log info on that area that he could share.

Henderson commented that it was a good meeting.

West agreed it was a good meeting too.

ADJOURNMENT

Motion was made by Lean for adjournment 8:10 pm.

APPROVED and **SIGNED** this 21st day of January 2021.

Jim West, Jr.

Jim West, Chairman

ATTEST:

Joy Baker

Joy Baker, Port Director



Memo

To: Glenn Steckman – City Manager
From: Lucas Stotts – Harbormaster *LS*
CC: Joy Baker – Port Director; Nome Port Commission
Date: January 20, 2021
Re: 2nd Quarter Report F2021

Office/Accounting:

The last of our commercial vessels wrapped operations in late October, allowing staff to do a final recap on all shipping activity and completing invoice adjustments. Coordination of vessel storage sites and billing occupies a large part of the team's time at season close, and once complete, allows focus on winter tasks. These include, compiling vessel traffic stats, reconciling accounts, collections, inventories, procurement, maintenance planning and budget review.

Impound notices were mailed in December on account balances over 120 days late. Customers were given an opportunity to question the impound effort at an informal hearing, followed by additional steps to prompt payment – which roughly occurs on about 60-70% of the accounts. We anticipate another round of impounds in February, after which will be part of a public sale auction in late spring.

Operations:

Activity at the Small Boat Harbor slowed in late September, with most fishing vessels and dredges hauling out in early October. The few remaining vessels utilized the Causeway docks for several more weeks as they were still ice-free. The uplands storage areas stayed busy well into December with crews working to prepare for the winter ice-mining season.

During the month of October, 2020 commercial vessels traffic consisted of the research vessels NORSEMAN II and SIKULIAQ, and the final main line cargo barges from Alaska Marine Lines and Alaska Logistics. As a protection measure, port staff and public works spent a few weeks removing floats, ladders, fenders and tire curtains to prevent damage from ice movement.

Maintenance:

A few winter maintenance items are mobile enough to be completed in the City shop when needed, but the majority of routine service and repairs must wait until late spring when weather is more amenable. There is also a planning/purchase phase that can be achieved in winter months, but general maintenance is:

Achieved:

- Coordinate w/NJUS-AFS to install a taller light pole and new security camera at barge loading ramps.

- Coordinate w/Golder & Associates to drill core samples on the filled/unfilled Thornbush pad areas
- Inventory and upgrade of all facility signage to meet safety compliance and enhance guidance
- Remove gate on Boat Yard and add fill material in area to address ponding/settling.

Planned:

- Coordinate with fuel contractor to replace 6" jet valve at marine fuel header and rebuild old 6" as spare.
- Continued coordination with PD Baker, PND Engineers and DeForge Maritime to repair dock damages.
- Remove and replace SBH ladder handrails with heavy-duty handrails before reinstall in spring.
- Modify chain lengths on camel fenders to hang independently and allow for better handling.
- Coordinate with Public Works Road Crew to address settling issues on existing storage pads.
- Upgrade and enhance Kids Don't Float (KDF) lifejacket stations and stock through donations



(Port of Nome Outer Harbor mid-December 2020 ice free)

Vehicle Status:

2014 FORD F250 4X4 (Good)
 2012 GMC Sierra Crew Cab 4X4 (Good)
 2002 FORD F350 Flatbed (Fair – Used by PWR in winter months)
 2005 CHEVY Trailblazer (Fair)
 2010 Guardian Trailer (Good)
 2010 Guardian SAR/Workboat (Good)
 2020 TuffBoat Work Skiff (Good)



Nome Volunteer Fire Department

P.O. Box 82 • Nome, Alaska 99762 • (907) 443-2310 • Fax (907) 443-4104 & (907) 443-4109

To: Glenn Steckman, City Manager – City Council Members – Mayor John Handeland

From: Jim West Jr NVFD Fire Chief

January 5, 2021

Subject: 3rd Quarter Report 2020 – Nome Vol. Fire Department

Introduction: The purpose of this Report is to keep City Manager and Council Members informed of activities of NVFD

Active Volunteers:

Currently there are 32 volunteers with new members: Chris Ta.

Call Volume:

46– Ambulance Assists

6 – False Alarms

14 Total Fires: 5 – Building Fires – 2 vehicle Fires, 4 trash of rubbish waste fires, 3 other fires

5 - MVA 's - Motor/snow machine Vehicles Accidents

10 – Search and Rescues with 2 still open active one on land other in the water

6 - Training Meetings - Officers /Planning Meetings

Total man hours for the month: 890-man hours for the Quarter

Goals: Continue to be provide the highest level of emergency response for both the City of Nome and the area of Norton Sound

Thank you for supporting the Nome Volunteer Fire Dept.

Respectfully,

Jim West Jr – Chief -NVFD



Nome Volunteer Ambulance Department

Nome, Alaska

To: Glenn Steckman, City Manager

City Council Members

Date: January 5, 2021

Mayor John Handeland

From: James West Jr

Subject: 3rd Quarter Report

Nome Volunteer Ambulance Department

Call Stats:

Volume – During the past quarter NVAD responded to 135 calls for the 3-month period.

Peak Days - Monday – Tuesday

Peak Times – Noon to Midnight

Average Time Dispatch to Scene – 6.45 minutes

Incident Causes- Most calls involved altered level of Consciousness (45.37%),

Seizures/Convulsions (12.77), Fall Victim (5.7%), Chest Pain/Discomfort (12.51%)

Disposition Breakdown- 135 Patients were treated and transported by EMS, 3 Dead at scene, 9 calls where patient refused care

Patients Ages- The majority of the calls were for patients who were between the ages 30-39. The over all average age was 36.

GOALS: NVAD is focusing on recruiting and training more members, as we continue to work on improving relations with Norton Sound Health Corporation, COVID Training

Staffing:

Hunter Belamey---- EMT-3 Rose Reale ---- EMT -2

New Members: William Briggs, Jennifer Morton, David Jones

Retiring member: John Washington

Thank You for supporting NVAD and giving us the opportunity to Volunteer for the City of Nome


James D West Jr : NVAD Chief



City of Nome Police Department

Michael Heintzelman
Chief of Police

4th Quarter Statistical Report
October 1st to December 31st, 2020

General patrol statistics

Total Calls for Service counting keep check patrols: 3096
Of which Alcohol Related: 954

Total Arrests: 144
Alcohol Related: 109

Total Charges: **551**

Total Citations: 107

Total Incidents (Reports): 297

Total Intoxicated Person's calls: 228

Total Ambulance Requests: 177

Total Fire Department Response: 16

Total Sexual Assaults: 20

Dispatch Statistics

911 calls - 273
Non-emergency calls 1,267

RapidSOS is in the pilot phase at Nome Police Department. Sgt Harrison initially discovered and started the process, CO Supv. Silva Weaver took it over and implemented the program. It's still under the training phase. The purpose is to help identify the location of 911 callers. Nome is first agency in Western Alaska to pilot the program. Currently it's 95% accurate even with our limited cell towers.

Three radio quotes have been successfully obtained and submitted from REVL, Artic Com, and Pro Com. It's pending currently the direction that the city will take to upgrade our critical failing radio system.

Personnel

Officer Raymond Murray resigned October, 2020.
CO II Silver Weaver, Promoted to Dispatch Supervisor December, 2020.
Dispatch Supervisor Ecke, demoted to CO II, December, 2020 with hopes to gain a night shift supervisor and be assigned that position.
Officer Elizabeth Jachim is still out on works man compensation for an undetermined amount of time due to knee injury.

Nome Police Department
102 Greg Kruschek Avenue/ PO Box 1230- Nome, AK 99762
Voice (907) 443-5262 - Fax (907) 443-2266

Currently, Nome Police Department is critical staffing for patrol needs in part caused by difference of conventional employees and rotational employees. Patrol is operating with four patrol officers, one a shift. This has been an extreme burden on the department and the individual employees. Calls for Service are at another record all time high with the lowest level of personnel in the field.

Investigator C. Murray in January will be assigned to help patrol until new hires are found.

Officer Nguyen tentatively is resigning January, 2021.

The Nome Police Department dispatch center is fully staffed, the need for more full time positions exist as currently there are (5) five, in history sake at least (6) six has been the minimum.

DV/SA Coordinator was filled with the re-hire of Sharon Sparks.

Vacancies

Currently four (4) police officer spots are vacant. Possibly (5) five, if funds for Officer E. Jachim's are coming from the community police office grant.

There are no dispatch or support role vacancies.

Vehicles

Officer Martino showed a strong interest in helping take care of the fleet and was assigned our fleet manager and works with Kelly Corns in regards to service and repairs.

With giving the F-250 away, needs for next fiscal year would be one (1) new patrol vehicle.

319 –Went to Public Works, who traded it with the Port. (Chief's old truck)

302 – Old CSO Van
Good condition from repairs made last couple of quarters.

679 – New Ford Expedition
Good condition

318 – Ford Expedition
Fair condition, no major issues at this time. Higher miles.

321 – Silver unmarked Explorer
Good condition, Investigators vehicle (shaking when going over 40mph, pending quote)

322 – Black Explorer
Good condition, just changed wheel bearings.

323 – White Explorer
Good condition, TPMS sensor bad

329 – Dodge CSO Van
Good condition, not drivable in the winter even with studded tires due to the light weight and only 2WD.

482 – Ford Expedition
Good condition, transmission repair was done.

481 – Ford Expedition
Fair Condition, Officer R. Murray crashed the vehicle into a light pole, damage to the front bumper bar and bumper, but mechanically intact.

885 – F-150

New condition – one had strobe issues was fixed by a grounding, connector problem. Antenna just broke off due to the height hitting the garage doors.

887 – F-150

New condition – one tail-light had crack in it, unknown causes, temporarily fixed by silicone.

Blue Chevy Silverado

Fair condition, driven by Chief

NEST Shelter (Mini Convention Center)

The shelter has shown to be an ever increasing area for calls for service. As the shelter operators 24/7. Ambulance calls has dramatically increased. Arrests have increased, and general requests for police help has increased. CSO Piercy has exhausted his efforts as well. The city building is still functioning, but damages from the patrols have existed from calls for service such as food being spilled or thrown, assaults, furniture or items being moved or thrown, and general fights in and outside the building. The doors are holding, but are constantly being pulled, pushed, or even trying to be broken by patrons by rocks, crutches, or their fists.

INVESTIGATIONS

Investigators are being operated under the supervision of Deputy Chief Pruckner. Extreme production and efficiency has been found with Investigator Scott Weaver and Cordell Murray. Higher felonious cases, missing persons, death investigations and specifically sexual assault cases are referred to the investigations department once the patrol unit has taken the initial case. This has been effective and rapport with the district attorney has grown. By allowing patrol to focus on their calls, Investigations have been able to directly focus on cases specifically for a better quality case and helping the victim through their trauma. They also work with DV/SA Coordinator Sharon Sparks who has been a tremendous help to the department and following up with victims or advocating for them.

Mike Heintzelman

Nome Police Department
PO BOX 1230
Nome AK 99762
907-443-2266 fax
907-443-5262 dispatch

Quarterly Report

Building inspector and building maintenance

- 1. Fixed the moisture damage up in the Richard Foster Building Mech. Room**
- 2. Waxed the entrance of the Richard Foster Building wood floor**
- 3. Replaced refrigerator in city hall**
- 4. Fixed the backup Generator at public works shop that also backed up the firehall**
- 5. Took down youth softball fence for new fence next year**
- 6. Pulled 10 runs of Cat5e in council chambers, and mounted comm box in the closet. Helping Dana & John**
- 7. Had Telealaska pull wire and put jacks for the Cat5e for OSJ for meetings.**
- 8. Starting the install of the hands free devices. Soap dispensers, sanitizer dispensers, faucets and paper towel holders**

Thank you

David Barron



Kegoayah Kozga Library

DATE: January 15, 2021
TO: W. Glenn Steckman III, City Manager
FROM: Marguerite La Riviere, Library Director

SUBJECT: FY2021 Second Quarter Report

Grant Duties for Other Departments by Library Director:

In addition to writing and maintaining the grants for the library, the Library Director was tasked by the Finance Director and the City Manager with the following grants:

1. Nome Police Department Grants:

The Library Director was tasked with working with the Finance Department and the Police Department at the direction of the City Manager to help write and administer two grants which were in total awarded to the City of Nome in an amount in excess of \$100,000. The Library Director continues to help with these grants.

2. Finance Department Grant Assistance:

The Library Director was tasked with working with the Finance Department at the direction of the City Manager to assist with the Phase IV and Phase V grants.

IMLS Grant with Nome Eskimo Community (\$10,000):

The Kegoayah Kozga Public Library received \$10,000 from the IMLS grant with Nome Eskimo Community. These funds are used to support youth programming and purchase library materials in cooperation with Nome Eskimo Community. We are very grateful for this partnership.

Alaska Digital Library Continues to be Available during Library Closure:

Registered library patrons may receive a username and password from the library staff and have access to digital books and audiobooks through this online program for their reading and listening pleasure. Since January of 2020, there have been over 900 digital check outs of digital books or audiobooks by Nome patrons.

Library Events and Programming:

Virtual Author Visit with Heather Lende:

We had 21 people attend our Zoom virtual author visit with Heather Lende. We were honored to be invited by the Alaska Reads Program to be a part of their program this year. Locally, we partnered with the Nome Arts Council for this event and they were very happy to partner with us. We distributed the books that were sent to us from the Center of the Book via “no contact” curbside delivery. The book talk came at just the right time for many people in our community. We received a tremendous amount of positive feedback from our community about this program.

During the Zoom program, Kristine McRae introduced Heather Lende and then Heather read from her book "Find the Good". After the reading, Kristine asked Heather questions about the craft of writing and questions specifically about the book. Questions were asked by the audience and Heather closed by reading a passage from her latest book "Of Bears and Ballots - An Alaskan Adventure in Small-Town Politics".

The Nome Nugget Newspaper wrote a very favorable review of our Zoom presentation with Heather Lende.

Youth Programming:

A very important program provided by the Kegoayah Kozga Public Library is youth programming. The library developed COVID-19 safety protocols to safely distribute the youth craft kits in October, November and December via “No Contact Curbside Pick-Up” from the library parking lot or in bad weather from the library front porch. We have received over 200 requests from our local patrons for our youth craft kits.

Deputy Public Information Officer:

The Library Director was tasked with Deputy Public Information Officer duties relating to the Unified Command in response to the COVID-19 pandemic.

Kegoayah Kozga Public Library Closure: The Kegoayah Kozga Public Library is closed to foot traffic due to the COVID-19 pandemic. However, we continue to provide services to our library patrons while closed. The library continues to serve the community while closed and continues to work towards providing additional services that can be provided while keeping the library staff and Community of Nome safe and healthy during the pandemic.

FOSTER



PROMISE ME YOU'LL
Always Remember
YOU ARE

BRAVE

than you BELIEVE

STRONGER

than you SEEM and

SMARTER

than you THINK

—A. A. Milne

Item 1.



October



NOVEMBER



Library Quarterly Report for Oct. Nov. Dec. 2020

Thank you! We appreciate the kits and all the work you are all putting in to distribute these safely! They are so fun.

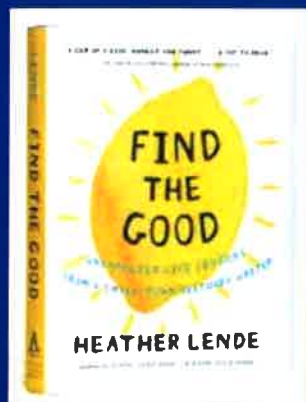
-Curbside Craft Patron Quote



December

Item 1.

2020 ALASKA READS



READING & CRAFT TALK WRITING ABOUT YOUR COMMUNITY

WITH ALASKA WRITER
HEATHER LENDE

.....
WEDNESDAY, OCTOBER 14 ★ 7:00 PM
FREE VIRTUAL ZOOM EVENT!

PLEASE REGISTER! ★ EMAIL LIBRARY@NOMEALASKA.ORG
.....

LIMITED COPIES OF **FIND THE GOOD** AVAILABLE!
REQUEST A COPY; EMAIL LIBRARY@NOMEALASKA.ORG

PART OF THE ALASKA CENTER FOR THE BOOK'S **ALASKA READS 2020**. FIND MORE EVENTS: ALASKACENTERFORTHEBOOK.ORG



Date: January 20, 2021
 To: Glenn Steckman, City Manager
 From: Amy Phillips-Chan, Museum Director
 CC: Bryant Hammond, City Clerk



RE: Carrie M. McLain Memorial Museum Quarterly Report (October-December 2020)

COVID-19 Public Relations

Museum Director Phillips-Chan is serving as a Principal Information Officer (PIO) for the City of Nome during the Covid-19 public health emergency. One part of this role involves listening to local organizations share their thoughts and activities during EOC meetings. At the request of the City Manager, the Museum Director also composes and disseminates City of Nome Public Service Announcements (PSAs) related to the Covid-19 pandemic. There have been over 40 PSAs released to date.

The Museum Director has also been working with the Nome Police Department to draft and disseminate public release statements regarding police investigations and other activities.

New Additions to the Collection

The Museum received and accessioned 5 donations and purchases of historical objects and contemporary artwork from October – December 2020.

- **2020.17 Olanna:** Five framed woodblock and woodcut prints as well as a copy of the journal *Graphic Arts of the Alaskan Eskimo*. The prints represent the work of celebrated visual artists from the Bering Strait region during the 1970s-1980s including: Bernard Katexac, Joseph Senungetuk, Peter Seeganna, Melvin Olanna, and Larry Ahvakana.
- **2020.18 Olanna:** One woodblock print by Karen Olanna titled "Pandemic Response." Created for the Covid-19 Artwork Initiative.
- **2020.19 Geiger:** One carved ivory watchband with gold nuggets and carved polar bear faces. The watch belonged to the donor's father William Adam Geiger who was stationed at Fort Richardson in Anchorage during WWII from 1943 to 1945.
- **2020.20 Tahbone:** Two masks by Marjorie Kunaq Tahbone handmade from skin, fur, and beads titled "Ceremonial Healing" and "Family Protection." Created for the Covid-19 Artwork Initiative.
- **2020.21 Kunnuk:** A three-piece walrus ivory sculpture by Joseph Kunnuk Sr. featuring a berry picker and a seal hunter "social distancing," a girl and boy dancing and wearing masks, and an ivory mask with inset baleen decoration. Created for the Covid-19 Artwork Initiative.



Marjorie Kunaq Tahbone. 2020. *Family Protection* (left) and *Ceremonial Healing* (right).
CMMM 2020.20.1 and CMMM 2020.20.2

Curatorial Research

Our Stories in Ivory: This project is a unique partnership between the Smithsonian Arctic Studies Center, the Carrie M. McLain Memorial Museum, and over 30 Inupiaq cultural knowledge bearers. The accompanying publication features heritage items from the Smithsonian National Museum of Natural History, National Museum of the American Indian, and Carrie M. McLain Museum collections, along with oral histories and stories. It will be published by the Smithsonian Arctic Studies Center as *Contributions to Circumpolar Anthropology*, Volume 10.

Nome: Hub of Cultures and Communities across the Bering Strait: This is a museum catalog focused on the main exhibit at the Carrie M. McLain Memorial Museum. The publication features object histories, community essays, oral histories, and historical and contemporary photographs. It will be published by the University of Alaska Press.

Public Outreach

Museum Donations on Facebook: The museum continues to share recent donations and acquisitions with the public on the Carrie M. McLain Memorial Museum Facebook page. Each entry is accompanied by a photograph of the item as well as a brief description of the object and its unique history. Explore new additions to the collection at:
<https://www.facebook.com/carriemclainmemorialmuseum/>

Research Inquiries: Although the museum has been closed to the public due to the Covid-19 public health emergency, the museum continues to receive and respond to a diversity of research requests from the public.

Documenting Covid-19 in Nome, Alaska: An Oral History Project: Phase 1

The Carrie M. McLain Memorial Museum partnered with *The Nome Nugget* newspaper to document the 2020 Covid-19 pandemic through oral history recordings. Over 20 community members participated in interviews and shared their unique experiences of 2020. The community stories will be archived and shared in an upcoming publication and special exhibit at the museum as part of Phase 2.

Special thanks to oral historian RB Smith for leading the interviews and sincere appreciation to all those who shared their stories!

Ethan Ahkvaluk, Adem Boeckmann, Josephine Bourdon, Ava Earthman, Ruth Ann Glaser, Diana Haecker, Nils Hahn, John Handeland, Tobin Hobbs, Emily Hofstaedter, Mary Jane Litchard, Tiffany Martinson, Derek McLarty, Kristine McRae, Dr. Mark Peterson, Truong Phan, Veronica Alviso Phan, Katherine Scott, Carol Seppilu, Rhonda Schneider, Glenn Steckman, Crystal Toolie, Ryan VandeVere, and James Ventress.



Emily Hofstaedter participates in an oral history interview about the Covid-19 pandemic in the KNOM studio in Nome. November 6, 2020.

Covid-19 Artwork Initiative: Phase 1

The Carrie M. McLain Memorial Museum is partnering with artists from across the Bering Strait region to create artwork that reflects or responds to the Covid-19 pandemic. Artwork will become part of the museum's permanent collection. The art and accompanying artist interviews will also be shared in an upcoming publication and special exhibit at the museum as part of Phase 2.

Thank you to the following artists who have participated in the initiative so far!

John Handeland: A donation of over 200 digital photographs illustrating community members of Nome "Masking Up!"

Joseph Kunnuk Sr. A walrus ivory sculpture that illustrates an Inupiaq family during the Covid-19 pandemic who is helping to keep their community safe through social distancing and mask wearing while still maintaining important cultural traditions, including seal hunting, berry-picking, and dancing.

Karen Olanna: A woodblock print in black and red titled "Pandemic Response."

Marjorie Kunaq Tahbone: Two masks crafted from skin, fur, and beads. "Ceremonial Healing" is an alder-tanned sealskin mask with fishskin trim, woven white bleached sealskin, and beadwork designs. "Family Protection" features a pieced black and white calfskin qupak with ground squirrel skin on the top and bottom.



John Handeland and Kalaggina Muktoyuk give an air hug at the AC Store in Nome. 2020.
From the series "Masking Up!" by John Handeland.

Professional Development

Alaska Anthropological Association:

Museum Director Dr. Amy Phillips-Chan serves as President of the Alaska Anthropological Association. Right now we are planning the Association's first ever virtual conference #AkAA virtual 2021. For more information on the Alaska Anthropological Association, please visit www.alaskaanthropoloy.org or check out the attached pages from the most recent newsletter!



#AkAA virtual 2021

Amy Phillips-Chan, Carrie M. McLain Memorial Museum and Dawn Biddison, Smithsonian Arctic Studies Center, are organizing a session titled Alaska Museums and Artists Respond to the Covid-19 Pandemic for the 48th Annual Meeting of the Alaska Anthropological Association that will be held as a virtual conference (#AkAA virtual 2021) from March 1-5, 2021. The session seeks to bring together museums, cultural centers, and artists from across the state to share their experiences in documenting and responding to the pandemic (abstract below).

Alaska Museums and Artists Respond to the Covid-19 Pandemic

The Covid-19 pandemic has ushered in a new era of educational outreach in which museums and cultural organizations are pursuing alternative strategies to stay engaged with the public and provide meaningful experiences. Alaska museums have responded to the pandemic with innovative programs that offer remote access to educational resources from online exhibits and robotic tours to virtual activities and social events. The dynamic intersection between the contemporary art field and museums has also experienced a surge of creativity as artists partner with museums to visualize emotive responses to the pandemic. This session highlights forward-looking approaches taken by Alaska artists and museums to reflect, respond, and connect during this period of social transformation.

Participating museums, cultural centers, and artists include:

Anchorage Museum

Carrie M. McLain Memorial Museum

Juneau-Douglas City Museum

Katirvik Cultural Center

Ketchikan Museums

Smithsonian Arctic Studies Center

Sonya Kelliher-Combs

Amy Meissner

Melissa Shaginoff

Museums Alaska: Director Phillips-Chan serves as Vice-President of the statewide museum association, Museums Alaska. Museums Alaska offers professional development, networking, advocacy, grant, and other opportunities to help museums and cultural centers achieve excellence in the field. Learn more at: <https://museumsalaska.org/>



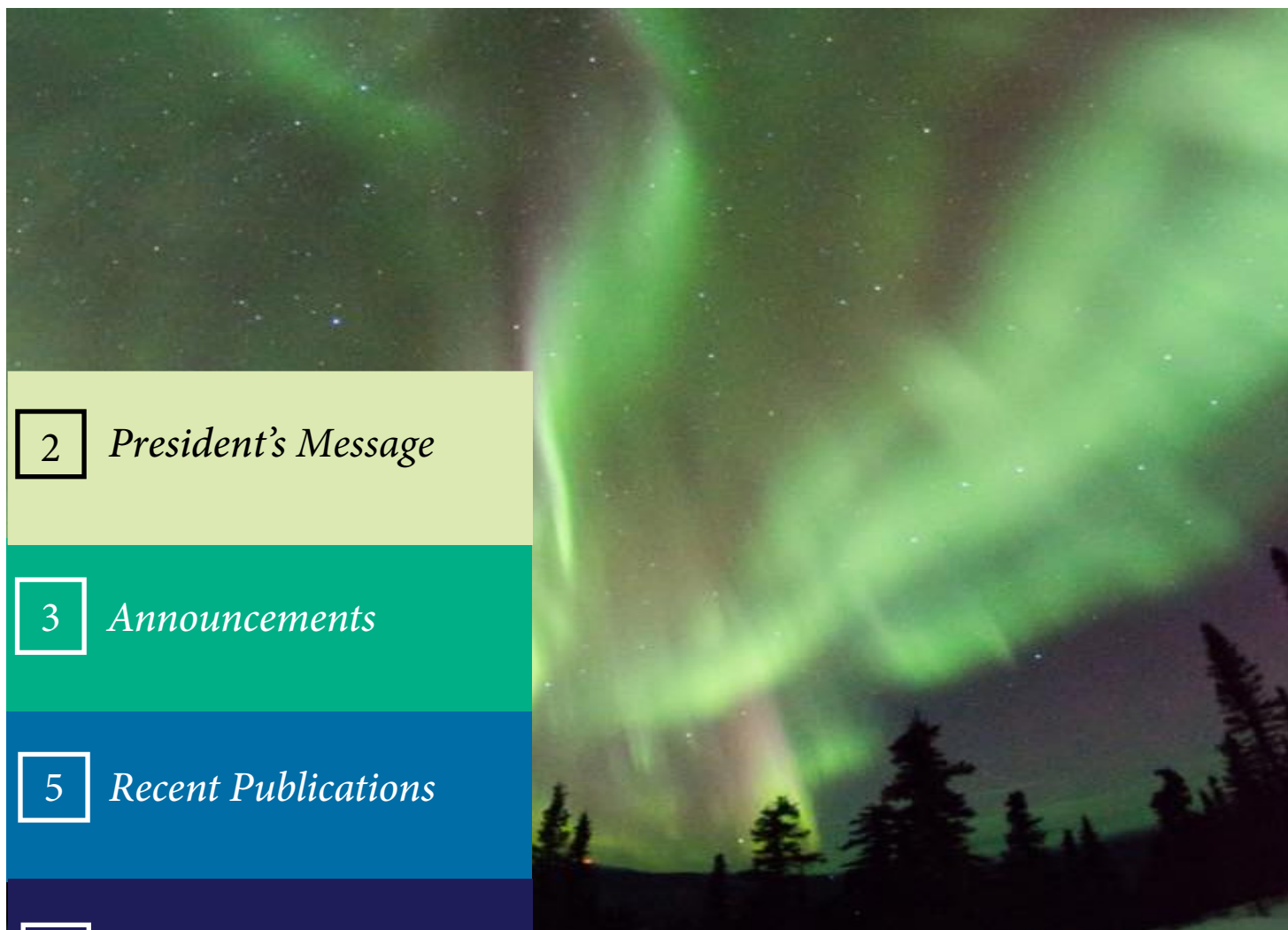
Alaska Anthropological Association Newsletter

Item J.

Volume 46, Number 4

www.alaskaanthropology.org

January 2021



2 *President's Message*

3 *Announcements*

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14 *In Memoriam*

Key Dates

#AkAA virtual 2021:
March 1-5, 2021

Society for American Archaeology
Annual Meeting: April 15-17, 2021

Do you have a recent publication, event, or field school to advertise?

Email dskinnner2@alaska.edu to be featured in the next newsletter.



Like the AkAA Facebook page to stay current on news and events in Alaska anthropology.



President's Message



Dear Members,

I hope all is well and you are enjoying a peaceful start to the new year. The blankets of snow draped across the tundra and hills around Nome suggest a fresh beginning as we look forward to the many possibilities for 2021. The year 2020 held difficulty and uncertainty for many of us but it also revealed our immense depth of strength and resilience that we drew from to overcome challenges in the face of this shared experience. Below are a few AkAA highlights from 2020:

- The Alaska Anthropological Association partnered with the National Park Service to hold a well-attended and successful 47th Annual Meeting in Fairbanks.
- The Association organized an anti-harassment training workshop in partnership with STAR (Standing Against Rape) along with an open conversation on the AkAA's new Anti-Harassment Policy during the 47th Annual Meeting.
- The AkAA lent its support to the continuation of the MA program in Anthropology at the University of Alaska Anchorage. The program was saved and is now accepting applicants for the 2021-2022 school year.

President

Amy Phillips-Chan

Board Members

Morgan Blanchard

Joshua Lynch

Scott Shirar

Sam Coffman

Brittney M. Howell

Other Association Officials

Ann Biddle, treasurer

John Hemmeter, student intern

Dougless Skinner, newsletter editor

The purpose of the Alaska Anthropological Association is to serve as a vehicle for maintaining communication among people interested in all branches of anthropology; to promote public awareness and support for anthropological activities and goals; to foster knowledge, understanding, and appreciation of Alaska Native and circumpolar cultural heritage; to work in collaboration with Indigenous communities on all aspects of research and education; and to facilitate the dissemination of anthropological works in both technical and non-technical formats.

- The National Park Service, in partnership with the Alaska Anthropological Association Public Education Group, won first place for their poster WOOD in the 2020 SAA State Archaeology Celebration Poster Contest.

- Two edited volumes 18(1) and 18(2) of the peer-reviewed *Alaska Journal of Anthropology* were organized and published.

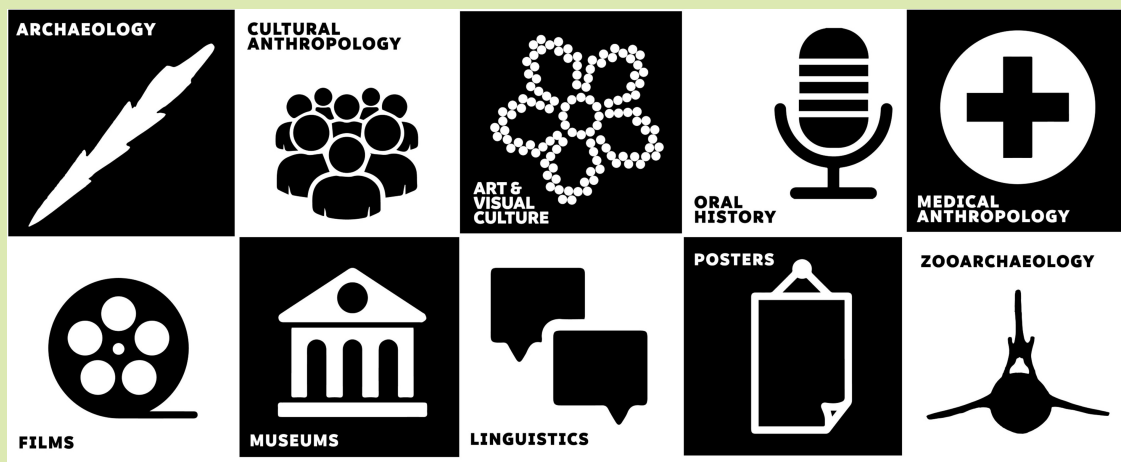
- Despite the economic upheaval of 2020, the Association ended the year financially in the black with a strong return on our investment account.

Another bright spot on the horizon is the Alaska Anthropological Association's launch of its first virtual annual meeting, #AkAA virtual 2021, which will be held March 1-5 via Zoom. The conference team has been hard at work over the past several months to organize a stimulating and engaging online experience. To increase accessibility and encourage diverse views, the conference will be offered free to all registered participants. Kudos to Exhibit AK for the design of our sleek conference logo as well as the modern track icons. This year we are excited and honored to welcome Dr. E.J.R. David (University of Alaska Anchorage) and Dr. Heather Igloliorte (Concordia University) as the featured keynote speakers. In addition to sessions and workshops, the conference affords us an opportunity to recognize emerging scholars and distinguished colleagues through scholarships and awards. We hope you will join us in the upcoming conversation through participation in a session or sharing your thoughts on a remarkable contribution or mentor in the field.

With appreciation for your good work and best wishes for the coming days,
Amy Phillips-Chan

Alaska Anthropological Association 48th Annual Meeting

Fostering a Culture of Equity through the Removal of Boundaries



The Alaska Anthropological Association partnered with Exhibit AK in Juneau, AK to create a conference logo for #AkAA virtual 2021 as well as modern and sleek track icons for the annual conference program. Sincere appreciation to Exhibit AK for their generous in-kind contribution that helped to finance the graphic design work.



Call for #AkAA virtual 2021 Sponsors

#AkAA virtual 2021 offers an excellent opportunity for your organization or business to increase its visibility, network, advertise job openings, and promote your products or services to the Alaskan community. We are expecting this year's virtual conference to exceed 200 participants! There are a variety of ways to advertise or help sponsor the event.

Advertisement in the Conference Program

The popular conference program contains information on keynote speakers, sessions, presenters, and more. A digital copy of the program will be available to all participants and accessible to the public on the Alaska Anthropological Association website. Cost per AD: \$25 (1/4 page), \$50 (1/2 page), \$100 (1 full page). Sponsor logo will be featured on the conference website with purchase of a full page ad.

All conference attendees will be able to see

Advertisement in the Virtual Waiting Room

your advertisement in a virtual waiting room while they wait for each session to begin via Zoom. Cost per AD: \$10 (10 sec), \$20 (20 sec), \$30 (30 sec).

#AkAA virtual 2021 is free for all registrants. Any financial gift is greatly appreciated and will be used to offset conference expenses or support student scholarships as we strive to address the current needs of our members and communities while continuing to make space for critical conversations.

#AkAA Virtual 2021 Donation

Table in the Virtual Exhibit Room

Reserve a table in the virtual exhibit room to promote your products, publications, or services. The virtual exhibit room will be open the length of the conference with a designated time in the program for visitors and vendors to interact. Cost per TABLE: \$50.

Deadline for submissions is January 31, 2021
Contact Sam Coffman at scoffman@alaska.edu or (907)474-6819
to join us as a sponsor of #AkAA virtual 2021!



Call for #AkAA virtual 2021 Presentations

To better address the current needs of our members and communities while continuing to make space for conversations, the 48th Annual Meeting of the Alaska Anthropological Association will be offered as a free virtual conference (#AkAA virtual 2021) from March 1-5, 2021. The theme of the conference this year is *Fostering a Culture of Equity through the Removal of Boundaries*. The virtual format of the conference this year affords the opportunity to offer both research-driven presentations as well as social events that encourage conversations and connections. The boundary-less conference format also offers us a significant opportunity to better serve our underrepresented communities as well as our colleagues from all over the world. We welcome ideas for sessions and presentations in a variety of media, including but not limited to papers, posters, storytelling, film, panel discussions and multi-media performances.

The call for sessions have now closed. Abstracts for individual presentations should be submitted via the website by January 22, 2021. Abstracts should be 100 words or less. Please visit www.alaskaanthropology.org to submit your abstract.

Please note that all individual abstracts without a specific session title listed on the form will be reviewed as general submissions. An acceptance/notification email will be sent shortly after your abstract is received. All presenters will need to register for the conference. Please consider renewing or becoming a member of the Alaska Anthropological Association. Contact Marine Vanlandeghem (mcvanlandeghem@alaska.edu) with questions about submitting an abstract.

Volunteers are also needed for the 2021 conference. Opportunities include serving as a Zoom session assistant, creating social media posts and live tweeting sessions, and helping with various backend tasks like posting recorded sessions to Youtube, linking those posts to the Association website, and getting poster sessions organized and up online. Please contact Anne Jensen (ajatnuvuk@gmail.com) for more information and to sign up as a volunteer. Thank you!

We look forward to connecting with you online!

#AkAA virtual 2021 Committee

TO: Glenn Steckman, City Manager

From: Joe Horton, Public Works

Subject: Public Works Department Quarterly Report (October)

October

- PWR - install stop signs and post where they were knocked over
- PWR - haul 21 loads of sand from Fort Davis to the sand shed to be screened
- PWR - screen sand with the state DOT for the winter roads
- PWR - install 6" pipe for drainage across east 6th & N, 3rd & Carsten Way, across Carsten and on the north west corner of 6th and K street
- PWR - add gravel to our ditches and road on 4th from Steadman to K street
- PWR - add Pit run gravel to some of the sink holes on the youth softball fields
- REC - finish removing the fencing around the Youth softball field
- REC - build a new deck for the bowling alley exit
- City Hall - replace the light fixtures with LED lights fixtures in the boiler room
- PWB - install fence & post where the fence was removed for repair of a sink hole in the cap on the Steadman park field
- Mini - put Flashing on the roof top of the false wall where it was a leaking
- PWB - remove the school & speed limit sign by the old hospital on 5th
- PWB - patch the roof on a 40' storage Conex Van up on Thronbush
- PW - removed the bus shelter from east 5th and E street to paint over the graffiti
- PSB - replace the fan belts on AHU 1&2 units
- Cemetery - performed burials
- Landfill - repair the entrance gates that were damaged during free dump Saturday
- Landfill - removed the Freon from 6 units
- Landfill had a total of 657 residential and 36 commercial businesses For Free Dump Saturdays

November

- PWR - snow and ice control on the city streets
- PWR - hauled 19,872 yards of snow to the snow dump
- PSB - replace the fuel pump on boiler #4 and service boilers #1,2,3 and 4
- PSB - adjust 5 of the interior doors that were not closing all the way
- PWB - boiler service City hall, Mini, Landfill, Icy view and main Fire hall
- Fire Hall - repair the kitchen sink drain
- Landfill - replace the 2 way radio antenna that blew down during a wind storm
- Landfill - repair the pressure valve on the water pump
- Landfill - removed the Freon from 2 units
- Landfill - had a total of 414 residential and 21 commercial businesses
For Free Dump Saturdays

December

- PWB - install new electrical outlet boxes on the east wall of the shop
- PWR - hauled 33,804 yards of snow to the snow dump
- PWR - push snow that was hauled from other contractors and the D.O.T that was hauled to the snow dumps EST 25,000 yards
- Visitor's Center - work to thaw frozen water lines
- Visitor's Center - clean the clogged drain
- REC - build new benches and install in the men's sauna
- REC - replace the down spout on the boiler
- Landfill - replace the blower motor on the boiler
- Landfill - removed the Freon from 4 units
- Landfill - had a total of 252 residential and 6 commercial businesses
For Free Dump Saturdays



Date: January 12, 2021
To: Glenn Steckman, City Manager
CC: Bryant Hammond, City Clerk
Cheryl Thompson, Administrative Assistant
From: Chip Leeper, Director of Parks and Recreation
Re: Quarterly Report
Reporting Period: October 1st – December 31st, 2020

Nome Recreation Center

For most of the past quarter the facility was allowed to be partially reopened with some patron caps in place to limit the amount of users allowed in a space at one time.

In the weight room up to 15 people were permitted at one time. Out in the gymnasium a maximum of 30 users were allowed at a time. In the event that the demand was larger than posted we installed a 2-hour usage time limit in order that everyone could have an opportunity to recreate.

This appeared to work well and after a slow start usage numbers began climbing steadily. Sadly just as things were beginning to have a sense of normalcy everything ground back to a halt when a local swell in covid-related infections necessitated the facility be reclosed on November 15th, 2020.

Things remained closed until December 14th, 2020 when we were again allowed to reopen to the public.

That opening was short-lived as we again closed on December 28th, 2020 after the gymnasium was visited by a youth infected with the virus.

After another week being closed we were able to reopen on Monday, January 4th, 2021.

Throughout all of this people from our department have been assisting the City of Nome with other projects and staffing as needed. Assistant Director Clark Bruno, Lead Attendant Sean Norris and I have regularly worked the daily, incoming Alaska Airlines flight.

In addition, Clark did several stints assisting City Hall and the Port with filing and staffing coverage. Meanwhile I continued to assist the City Manager with projects and assignments.

Due to these front-line responsibilities both Clark and I were asked to get the covid-vaccine that was made available by Norton Sound Health Corporation. Each received their first dose on December 17, 2020. The second dosage will be administered 3 weeks later.



Nome Swimming Pool

Like all non-essential facilities, the Nome Swimming Pool was closed to the public on Saturday, March 15th, 2020 and has remained closed ever since. Lifeguards and support staff remain on unpaid leave until we can reopen to the public again.

In the meantime, Nome Public Schools and NANA Management Services contracted with Polar Pools out of Anchorage to do some repairs and upgrades in the mechanical room.

On Monday, November 4th, 2020, Polar Pools' Bob Walker came up to Nome to start the repairs. Project work involved installing newly fabricated steel bases for the recirculation pumps, all new drain pipe from the strainers to the sand filters, removal of a water pressure reducer, installation of new VFR control boxes and the rebuilding the auxiliary sand filter.

For the most part things went well but some complications arose when the work crew attempted to put the access panel hatches back on the sand filters. The first issue involved an ill-fitting seal as the manufacturer sent the wrong sized gaskets.

While attempting to cannibalize the top (auxiliary) gasket for use on the bottom sand filter the fiberglass support rods broke leaving the final project unfinished.

With non-functioning sand filters we were forced to wait for a new materials and a return trip from Mr. Walker.

Note: Polar Pools returned on January 4th, 2021 to complete the repairs and we have begun the process of getting things back on order. More information will be provided in the next quarterly report.

RECEIVED

Item M.


JAN 13 2021**CITY OF NOME
CLERKS DEPARTMENT****NOME CHAMBER OF COMMERCE****NOME CONVENTION & VISITORS BUREAU**

cc: Paul G. Kosto, Nome Chamber of Commerce Executive Director

TO: Glenn Steckman, City Manager

DATE: January, 2020

City Council Members
Mayor John Handeland

FROM: Drew McCann, Director 
Nome Convention & Visitors Bureau

SUBJECT: 2nd Quarter
FY 2020/21

INTRODUCTION

The following lists the highlights of the goals and accomplishments for the Nome Convention and Visitors Bureau (CVB) during The City of Nome 2nd Quarter FY 2020-21 October, November, and December 2020. The purpose of this memo is to inform the City of Nome on the progress of the CVB operations and to provide a historical record of activities for CVB staff as reference for future planning. The COVID-19 pandemic has had major impact on CVB operations. During this time, the Visitor Center was not open to the public. Iditarod has also announced they will not be coming into Nome this year due to the virus, thus we will not have the Iditarod events calendar or tourists in town.

STAFFING

The Visitor Center (VC) adhered to the COVID-19 guidance provided by the Federal, State and Local governing bodies. Based on that guidance, the VC was closed to the public for the entire quarter. We plan to remain on winter hours until May which is when we will shift to add Saturday into our schedule. We do open on weekends or stay open later if we have a request or know of an event that is in town. The Visitor Center current winter hours are 9 AM to 5 PM,

Monday through Friday. During this time staff has answered the phone, responded to email requests, and began a thorough cleaning inside the VC. During this quarter, the Chamber hired Drew McCann as the Director for the Nome CVB. Drew has been a Nome resident for over a decade and his wife and children have been in Nome their entire lives. Having the director role staffed will allow the VC to focus on moving towards the realization of goals that promote Nome and tourist activities within Nome.

INQUIRIES AND TRAFFIC COUNT

Our webcam continues to be the focal point for information request. Further information on the webcam is covered later in this report.

During this period, we had the following traffic:

Visitors in the VC: **0 due to closure of facility to the public**

Phone Inquiries: **180 (average)**

Email Requests: **224 (average)**

Website Visitors: **43,005 (above average)**

Webpage views: **82,503 (above average)**

Visitor Countries: **86 (above average)**

These numbers are extremely exciting for us as they compare relatively close with our summer (Q4, April-June) numbers when visitors are constantly looking for information on travel to Nome. One of the newest VC priorities is focused on engaging our digital visitors (website and webcam viewers). In the future we will provide an update on engagement growth and any challenges we anticipate as we look to bring those digital visitors to Nome.

COMPLETED VISITOR PROMOTION ACTIVITIES

We have a grand new sign on the front of the Visitor Center. Glen Pardy was commissioned for this and we are very appreciative of his great work. We have used our website to provide visitors and residents of Nome with another avenue of accessing COVID-related PSAs, relief forms, and more. We have been able to engage with our digital visitors more during this time and have made changes to our website to increase that engagement. We added two new views to the webcam for a total of 3 views: The Visitor Center and Ocean View, Front St. East View, and Front St. West View. We are still working on improving the user-end of these views to make it more seamless but have gotten roughly 98% positive feedback on the new views, with the other few pieces of feedback corrected by a brief "how-to" instruction.

PLANNED VISITOR PROMOTION ACTIVITIES

We would normally be preparing the Iditarod calendar during this time, however with the Iditarod not reaching Nome this year, that is unnecessary. As travel and trade shows open back up across the US, we will be looking into the feasibility of traveling to these shows. In the past we found the impact in attending these shows by the conversations we had in the Visitor Center with travelers who attended our booth. We would also like to travel to observe and engage other visitor centers that have similar tourist profiles to Nome. In the coming quarter, we will be largely focused on improving the engagement with visitors both at our center and through our digital channels. We will be working to convert and create displays in the visitor center that are more interactive. We will develop and work with the City on a long-term plan for the exterior of the VC as well with the focus to engage visitors more. On the digital side of operations, we are moving to provide information in a more concise way on our website, as well as become a conduit for digital content about Nome and the region to visitors interested in traveling to Nome. Lastly, we will be working on our social media accounts to connect with potential visitors and promote Nome as a tourist destination.