

Mayor
John K. Handeland

City Manager
Lee Smith

City Clerk/Treasurer
Dan Grimmer



Nome Common Council
Kohren Green
Scot Henderson
Mark Johnson
Maggie Miller
Adam Martinson
Cameron Piscoya

NOME COMMON COUNCIL
WORK & REGULAR MEETING AGENDA
MONDAY, JUNE 23, 2025 at 6:00 PM/7:00 PM
CITY 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

- [A.](#) June 17, 2025 Letter from Nome Public Schools to the Nome Common Council,

PAGE 3

- [B.](#) June 20, 2025 Memo Re: FY26 Budget Options to Address Nome Public Schools Financial Needs,

PAGE 4

ROLL CALL

APPROVAL OF AGENDA

OATH OF OFFICE

APPROVAL OF MINUTES

COMMUNICATIONS

CITIZEN'S COMMENTS

UNFINISHED BUSINESS

- [A.](#) 0-25-06-09 An Ordinance Amending the Nome Code of Ordinances, Section 17.10.010, Sales Tax, to Provide for a Six Percent (6%) Sales Tax Levy, Subject to Approval by the Qualified Voters of the City of Nome (SECOND READING/PUBLIC HEARING/FINAL DISCUSSION),

PAGE 6

NEW BUSINESS

- [A.](#) June 17, 2025 Memo from the Finance Director re: Fy26 Budget Correction needed in Fund 14: Capital Projects,

PAGE 8

- [B.](#) Public Hearing for Public Comment on use of The 2024 NSEDC Community Benefits Share Funds,

PAGE X

CITIZEN'S COMMENTS

UTILITY MANAGER'S REPORT

CITY MANAGER'S REPORT

- [A.](#) Memo from the City of Nome Finance Director re: Cash Flow,

PAGE 11

COUNCIL MEMBER'S COMMENTS

MAYOR'S COMMENTS AND REPORT

ADJOURNMENT



Nome Public Schools

PO Box 131~Nome, Alaska 99762
Phone: (907) 443-2231~Fax: (907) 443-5144

June 17, 2025

Nome Common Council
Mayor John Handeland
City of Nome
102 Division Street
Nome AK 99762

Honorable Sirs:

As you may be aware, Governor Dunleavy recently utilized his powers of veto on the state operating budget to reduce school funding below the statutory amount, effectively reducing the recent increase of \$700 to the BSA to \$500. The effect on Nome Public Schools is to reduce our foundation formula funding by an addition \$315,000 for the 2025-2026 school year.

This reduction, combined with the previous reduction in the City of Nome's contribution by \$700,000, is a \$1,000,000 cut to the school district with little time for the district to plan for such a significant change in revenue. At this time, we have few options to remove an additional \$315,000 from our budget without severely impacting the operations of schools. While we anticipate the Legislature will attempt a budget override, this will not occur until January, and there is no guarantee of success.

As such, we are formally requesting that the City Council agree to increase their contribution by \$315,000 to a total of \$3,015,000 for the FY26 school year.

Sincerely,

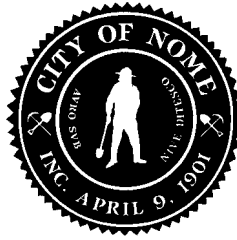
Jamie Burgess
Superintendent

Cc: Lee Smith, City Manager
Genevieve Hollins, Nome Public Schools CFO
Nickie Crowe, City of Nome CFO
Darlene Trigg, Board President, Nome Public Schools

Mayor
John K. Handeland

Manager
Lee Smith

Clerk
Dan Grimmer



Nome Common Council Item B.
Mark Johnson
Doug Johnson
Adam Martinson
Scot Henderson
Cameron Piscoya
Kohren Green

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

MEMORANDUM

Date: June 20, 2025
To: Lee Smith, City Manager
From: Nickie Crowe, Finance Director
Subject: FY26 Budget Options to Address Nome Public Schools Financial Needs

Due to a reduction in State funding, Nome Public Schools is requesting additional funding from the City in the amount of \$315,000 for a total contribution of \$3,015,000.

F26 Budget Options to Address School Financial Needs:

Option 1 – Increase the Fund Balance Appropriation from \$230,543.20 to \$545,543.20.

Impact: The City is still facing unknowns in the F26 budgeted revenue. The City is already dealing with reduced reserves. Further increasing the Fund Balance Appropriation is not recommended.

Option 2 – Increase the “Transfer Out” of the School Bond Fund to the General Fund from \$500,000 to \$815,000.

Impact: The school bond fund checking balance is \$1,255,697. This transfer out will leave a balance of \$440,697 available for debt service. Debt Service payments for F26 – F29 are \$291,500 with a potential State reimbursement of \$59,228 equals \$232,272 in debt service. With the transfer out and debt service activity, the school bond fund checking would have approximately \$208,425 remaining after debt service is paid in full. This fund also pays for projects under Fund 15 School Capital Projects. Funds would be limited.

Option 3 – Increase Sales Tax from 5% to 6.5%

Impact: The current F26 budget has a 6% sales tax starting 1/1/26 built in. Increasing to a 6.5% sales tax starting 1/1/26 could provide an additional \$283,000 in General Sales Tax Revenue and \$36,500 in Alaska Remote Sellers Sales Tax, totaling a projected \$319,500.

Option 4 – Increase the “Transfer Out” of the School Bond fund to the General Fund from \$500,000 to \$657,500; this is an increase of \$157,500 / 50% of the School’s Financial need. The school could look into increasing their transfer from the school’s apartment fund.

Impact: After this transfer and paying debt service through F29; the school bond fund checking would have approximately \$365,925.

1st Reading: June 9th, 2025
2nd Reading: June 23rd, 2025

Presented By:
City Manager

Action Taken:
Yes____
No____

CITY OF NOME, ALASKA

ORDINANCE NO. O-25-06-09

AN ORDINANCE AMENDING THE NOME CODE OF ORDINANCES, SECTION 17.10.010, SALES TAX, TO PROVIDE FOR A SIX PERCENT (6%) SALES TAX LEVY, SUBJECT TO APPROVAL BY THE QUALIFIED VOTERS OF THE CITY OF NOME

WHEREAS, the City of Nome needs additional revenue to provide services necessary for the basic function of government and provision of education to the children of Nome; and

WHEREAS, anticipated revenues for FY 2026 are currently inadequate to fund City services and education at a level desired by the Nome City Council and by other members of the community including the Nome Public Schools; and

WHEREAS, the future of any community lies in providing basic governmental services and quality education to the children of that community; and

WHEREAS, a one percent (1%) increase in the sales tax levy would partially address revenue needs of the City;

NOW THEREFORE, BE IT ENACTED BY THE COUNCIL OF THE CITY OF NOME, ALASKA:

Section 1. Classification: This is a code ordinance.

Section 2. Amendment of NCO § 17.10.010: That NCO 17.10.010 of the Code of Ordinances of Nome, Alaska, is hereby amended to read as follows:

17.10.010 Sales tax.

There shall be levied and collected a sales tax of ~~five~~ **six** percent of the selling price on all retail sales and rentals of goods and services in the city, except as provided in NCO Section 17.10.020.

Section 3. Authorization for Election. The City of Nome shall hold a municipal election and place before the qualified voters a proposition for approval or rejection. The City Clerk is directed to take all action necessary to arrange for the proposition to be presented at the municipal election. The proposition shall be substantially in the following form:

PROPOSITION NO. 1

SHOULD THE CITY'S SALES TAX RATE INCREASE FROM FIVE PERCENT (5%) TO SIX PERCENT (6%)?

Shall Section 17.10.010 of the Nome Code of Ordinances be amended to read as follows
[Struck words are deleted; new words are **bold and underlined**]?

There shall be levied and collected a sales tax of ~~five~~ six percent of the selling price on all retail sales and rentals of goods and services in the city, except as provided in NCO Section 17.10.020.

PROPOSITION NO. 1 YES ()
 NO ()

YES means that the sales tax rate should increase to 6%.

NO means that the sales tax rate should remain at 5%.

Section 4. Effective Date: Section 2 of this ordinance shall become effective following the certification of election results showing that approval by a majority vote of those qualified voters actually voting on the question at the election. The remaining sections shall be effective upon adoption.

APPROVED and **SIGNED** the 23rd DAY OF JUNE, 2025.

JOHN K. HANDELAND
Mayor

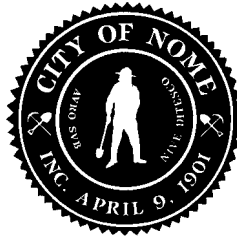
ATTEST:

DAN GRIMMER
City Clerk

Mayor
John K. Handeland

Manager
Lee Smith

Clerk
Dan Grimmer



Nome Common Council Item A.
Mark Johnson
Doug Johnson
Adam Martinson
Scot Henderson
Cameron Piscoya
Kohren Green

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

MEMORANDUM

Date: June 17, 2025
To: Lee Smith, City Manager
From: Nickie Crowe, Finance Director
Subject: FY26 Budget Correction Needed in Fund 14: Capital Projects

I am writing this memo to inform you of an error in the FY26 Fund 14 Capital Projects fund budget. The FY26 budgets were approved on 6/9/25 via Ordinance/second reading. There were additional changes made in the General Fund that were approved by the Nome Common Council. One of these changes effected the "Transfer in" to Fund 14 Capital Projects.

In Fund 14, Capital Projects: the following budget line items need to be corrected:

14.3888.8830 "Transfer in –General Fund" – this line item needs to be reduced by \$50,000. In the General Fund, a change was made to reduce the transfer out for vehicle/equipment savings from \$150,000 to \$100,000

14.6601.0004 "Admin Vehicle replacement" – this line item needs to be reduced by \$50,000; this is a placeholder to keep the budget in balance.

This change will reduce the Capital Projects budget from \$682,370.81 to \$632,370.81.

The accounting entries for the "Transfer in" line item are year-end entries. This budget error could be fixed during the mid-year budget amendment or if the Council prefers this issue be remedied quickly, it can be corrected via Ordinance in July 2025 over two readings.

My sincere apologies for this budget error. Please advise on the preferred timing of the budget correction. Attached to this memo is a visual illustration of the needed budget changes.

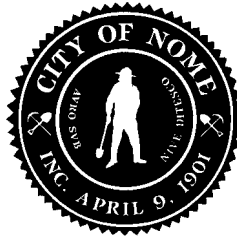
FY2026 Approved Budget Capital Projects Fund		F22 Actuals	F23 Actuals	F24 Actuals	F25 YTD Actuals @ 4.30.25	O-24-06-04 F25 Approved Budget	O-25-03-04 F25 Approved Amended Budget	O-25-06-05 F26 Approved Budget	Budget Notes
CPF Revenue									
14.3010.0001	Nome Eskimo Mtnc Roads	50,000.00	-	-	-	-	-		
14.3011.0008	HUD Grant Award			126,951.51	95,656.30	500,000.00	473,048.49	100,000.00	Grant Reimbursement
14.3011.0009	HUD 3D Housing Grant Match			298,449.35	129,545.55		300,000.00	100,000.00	
14.3406.0001	12DC406 Richard Foster Bldg	-	-	-	-	-	-	-	
14.3501.0001	Contribution to NPS 18 Plex	387.50	20,300.50	-	-	38,496.00	38,496.00	38,496.00	Reimbursement from NPS
14.3601.0001	Sale of Vehicles - Replcmnt Program	20,175.07	-	-	-	-	-	-	
14.3701.0002	Coronavirus Local Fiscal Recovery Fund	188,695.26	152,597.35	31,761.31	1,130,292.91	1,141,485.02	1,130,292.91	-	
14.3701.0011	Contribution to SCC Fire Alarm	-	-	-	25,000.00	-	25,000.00	-	
14.3888.8812	Transfer in - Net PWR Rev %		97,490.42	70,831.46	-	93,874.81	93,874.81	93,874.81	GF Transfer - Assign General Interest to CAT 160M
14.3888.8815	Transfer In - Net Ambulance Revenue %	-	34,993.11	-	-	-	-	-	
14.3888.8818	Transfer In - Vehicle Replacement Fund	33,316.83	288,945.14	159,604.17	-	188,900.00	309,538.22	105,000.00	EMS multi purpose hose truck \$105k;
14.3888.8820	Transfer In - Other Funds	85,360.71	14,639.29	-	-	-	-	-	
14.3888.8830	Transfer In - General Fund	44,754.76	309,827.46	375,585.09	-	681,471.98	708,482.63	245,000.00	** CHANGE TO \$195,000.
14.3999.9999	Fund Balance Appropriation						168,321.88	-	
	Total CPF Revenue:	422,690.13	918,793.27	1,063,182.89	1,380,494.76	2,644,227.81	3,247,054.94	682,370.81	** CHANGE TO \$632,370.81.
CPF Expense									
14.6011.0001	Nome Eskimo Mtnc Roads	50,000.00	-	-	-	-	-		
14.6011.0008	HUD Grant Award			126,951.51	202,403.07	500,000.00	473,048.49	100,000.00	3D Housing Grant Funding \$600,000, City In Kind \$250,000
14.6011.0009	HUD Grant Award - MATCH			302,068.05	131,676.44		300,000.00	100,000.00	
14.6406.0001	12DC406 Richard Foster Bldg	-	-	-	-	-	-	-	
NPS 18 Plex									
14.6501.1820	NPS 18 Plex - Engineering	387.50	20,300.50	-	-	38,496.00	38,496.00	38,496.00	Bristol Task Order #44 - Contract Amt
14.6501.2071	NPS 18 Plex - Operating	-	-	-	-	-	-	-	
14.6501.7020	NPS 18 Plex - Utilities	404.34	176.47	-	-	-	-	-	
14.6501.8010	NPS 18 Plex - Land/Buildings	-	4,135.00	-	-	-	-	-	
Vehicle Replacement Program									
14.6601.0001	Vehicle Purchase - Police	53,491.90	128,980.06	159,604.17	162,810.57	60,000.00	167,486.00	-	
14.6601.0002	Vehicle Purchase - PWKS		110,027.00	-	-	48,900.00	-	-	
14.6601.0003	Vehicle Purchase - EMS		-	-	-	80,000.00	80,000.00	105,000.00	MultiPurposeHoseTruck \$90,000\$15k Ship
14.6601.0004	Vehicle Purchase - Admin	-	49,938.08	-	62,052.22	-	62,052.22	150,000.00	** CHANGE TO \$100,000.
14.6601.0005	Vehicle Purchase - Ambulance			-	-	-	-	-	
CPF Expense Continued:									
14.6701.0001	MCC Heat & Vent Upgrades	1,848.69	-	-	-	-	-	-	
14.6701.0002	NRC Heat & Vent Upgrades	188,695.26	152,597.35	21,356.14	-	-	-	-	Fire Plan Review \$10,055, RSA Engin \$27,692, Bristol \$6,125
14.6701.0003	PWKS Heat & Vent Upgrades	1,848.68	-	-	-	-	-	-	
14.6701.0004	City Hall Heat & Vent Upgrades	85,360.71	85,764.60	31,761.31	1,476,366.36	1,470,957.00	1,529,108.00	-	
14.6701.0005	NRC Locker Room Upgrades	-	-	-	-	-	-	-	
14.6701.0006	Ice Rink Design & Construction	-	-	-	-	-	-	-	
14.6701.0009	NVFD Concrete Replacement	24,910.00	-	-	-	-	-	-	
14.6701.0010	City Hall Fire Alarm Upgrades	-	-	-	-	-	-	-	

FY2026 Approved Budget Capital Projects Fund		F22 Actuals	F23 Actuals	F24 Actuals	F25 YTD Actuals @ 4.30.25	O-24-06-04 F25 Approved Budget	O-25-03-04 F25 Approved Amended Budget	O-25-06-05 F26 Approved Budget	Budget Notes
14.6701.0011	SCC Fire Alarm Upgrades	15,743.05	77,286.98	3,010.77	-	-	-	-	
14.6701.0012	Morgue Upgrades	-	-	-	-	-	-	-	
14.6701.0013	Police Camera Upgrades	-	86,857.00	-	-	-	-	-	
14.6701.0014	Equip Purchase - Public Works	-	27,609.17	167,710.80	197,485.03	142,000.00	197,483.42	95,000.00	Hitachi EX-31 Excavator \$95,000
14.6701.0015	Heavy Equipment Purchase	-	-	-	175,000.00	93,874.81	268,874.81	93,874.81	Cat 160M - Initial Payment \$175,000; Annual Payment \$93,874.81
14.6701.0016	NPD 911 & Radio Comm Sys Upgrd	-	42,637.53	32,274.00	-	-	-	-	
14.6701.0017	Camera Upgrades - Recreation Center			95,784.00	-	-	-	-	
14.6701.0018	OSJ Flooring			-	397.80	50,000.00	-	-	
14.6701.0019	Steadman Park			-	-	-	-	-	ADEC Requirement
14.6701.0020	Police Impound Storage			-	587.48	40,000.00	10,000.00	-	
14.6701.0021	NVFD Improvements			-	47,506.00	45,000.00	95,506.00	-	
14.6701.0022	Landfill Equipment			41,659.33	-	-	-	-	
14.6701.0023	NACTEC Upgrades			10,171.35	-	-	-	-	
14.6701.0024	Nome Recreation Center Upgrades			-	-	75,000.00	-	-	
14.6888.8830	Transfers Out - General Fund	-	-	-	-	-	25,000.00	-	
Total CPF Expense:		422,690.13	786,309.74	992,351.43	2,456,284.97	2,644,227.81	3,247,054.94	682,370.81	** CHANGE TO \$632,370.81.

Mayor
John K. Handeland

Manager
Lee Smith

Clerk
Dan Grimmer



Nome Common Council Item A.
Mark Johnson
Doug Johnson
Adam Martinson
Scot Henderson
Cameron Piscoya
Kohren Green

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

MEMORANDUM

Date: June 20, 2025
To: Lee Smith, City Manager
From: Nickie Crowe, Finance Director
Subject: Status Update on General Fund Checking

The bank reconciliations are complete through 5/31/25. In this final quarter of FY25, our General fund cash has been steadily dropping.

At 04/30/25 - \$1,713,031.77

At 05/31/25 - \$ 790,779.77

As of today, our book balance is \$663,306.72.

This total includes revenue updated through 06/19/25, payroll paid out through 6/13/25, and also includes today's AP check run.

May 2025 sales tax is due today, and I expect to receive another \$240,000 for General Sales Tax.

I will continue to update you, as I believe our cash balance will remain low until we collect FY26 property tax, with first half due 7/31/25.

The port owes the General Fund \$740,478; this breaks down into \$208,902 in grant funds & \$531,576 from Port Operating. I will continue to monitor the Port Operating bank account and transfer funds when available.