



CITY AND BOROUGH OF SITKA

ASSEMBLY CHAMBERS
330 Harbor Drive
Sitka, AK
(907)747-1811

Minutes - Final

City and Borough Assembly

*Mayor Steven Eisenbeisz
Deputy Mayor Thor Christianson,
Vice Deputy Mayor Valorie Nelson,
Kevin Knox, Kevin Mosher, Crystal Duncan, Rebecca
Himschoot*

*Municipal Administrator: John Leach
Municipal Attorney: Brian Hanson
Municipal Clerk: Sara Peterson*

Thursday, April 1, 2021

6:00 PM

Assembly Chambers

SPECIAL MEETING

I. CALL TO ORDER

II. FLAG SALUTE

III. ROLL CALL

Nelson participated by videoconference.

Present: 7 - Christianson, Knox, Mosher, Nelson, Eisenbeisz, Himschoot, and Duncan

IV. CORRESPONDENCE/AGENDA CHANGES

None.

V. PERSONS TO BE HEARD

School Board Member Eric Van Cise apologized for the inaccurate information he shared at a recent School Board meeting regarding pay increases for City employees. Van Cise mentioned the additional funding request sent to the Assembly from School Board President Amy Morrison and thanked the Assembly for their consideration. Richard Wein spoke about a news report by KCAW regarding shipping water to Mars, noted he had reviewed the infrastructure bill and hoped Sitka would receive funding.

VI. NEW BUSINESS:

A [21-056](#) Discussion / Direction / Decision of the FY2022 Draft Administrator's Budget with focus on other governmental funds

Finance Director Melissa Haley reviewed the purpose, fund balance end of FY20, expected revenue for FY22, and FY22 appropriation for Agency Funds, Trust Funds,

Permanent Fund, Debt Service Fund, and Special Revenue Funds (Pet Adoption, Sitka Asset Forfeiture, Library Building, SE Alaska Economic Development, GPIIP Contingency, Sitka Community Hospital Dedicated, Student Activities Travel, Utility Subsidization, Commercial Passenger Vessel Excise Tax, Visitor Enhancement, Revolving, Guaranty, Library Endowment, Bulk Water).

Regarding the Visitor Enhancement Fund, Administrator Leach spoke to the Chamber/Visit Sitka contract which would expire in December 2021. He said ideally the contract would match the fiscal year, however, he was sensitive to the Chamber needs. Haley reminded the Assembly this was a requirement, per the contract, to confirm the amount of funding with a minimum commitment of \$300,000. The current budget included \$300,000 for base services plus \$158,600 for additional services as proposed at the March 23 work session. Rachel Roy, Chamber of Commerce Executive Director, spoke to the reasons for a calendar year vs. fiscal year. Assembly Members discussed the contract amount and details.

Richard Wein was in support of the motion.

A motion was made by Mosher to fund Visit Sitka at the base rate of \$300,000 plus an additional amount of \$158,600 for FY22 as explained at the March 23 work session. The motion PASSED by the following vote.

Yes: 6 - Christianson, Knox, Mosher, Eisenbeisz, Himschoot, and Duncan

No: 1 - Nelson

B [21-057](#)

Discussion / Direction, if desired, of the FY2022 Draft Budget as it relates to the General Fund, Enterprise Funds, Internal Service Funds, School Funding, and other Funds (Assembly action may be taken)

Finance Director Melissa Haley summarized next steps. She said the comprehensive draft budget would be distributed by April 30 with the first reading of the budget ordinance on May 11.

A motion was made by Mosher to allocate 100% of Secure Rural Schools (SRS) funding, if received, to the School District.

Richard Wein spoke in opposition.

Mosher believed this to be a good compromise. Eisenbeisz told of the March 31 letter from the School District requesting an additional \$565,000. Nelson spoke in opposition to the request. Administrator Leach reviewed the FY21 school funding request and FY22 approved motion for school funding. Knox commented on the need to solidify what the definition of instructional and non instructional meant to both governmental bodies. Haley shared a safe estimate for SRS, based on averages, was \$500,000. Eric Van Cise, School Board Vice President, told of the District's long history of fiscal responsibility and value of partnering with the City.

A motion was made by Mosher to AMEND the amount to not exceed \$600,000. The AMENDMENT PASSED by the following vote.

Yes: 5 - Christianson, Duncan, Nelson, Knox, and Mosher

No: 2 - Himschoot and Eisenbeisz

The main motion as amended PASSED by the following vote.

Yes: 6 - Knox, Eisenbeisz, Himschoot, Mosher, Christianson, and Duncan

No: 1 - Nelson

A motion was made by Eisenbeisz to remove the additional dispatch position from the FY22 budget. The motion FAILED by the following vote.

Yes: 2 - Eisenbeisz and Nelson

No: 5 - Himschoot, Knox, Duncan, Mosher, and Christianson

Richard Wein spoke in support of the motion.

Administrator Leach stated there was a deficit of approximately \$400,000. He reminded when developing the budget, the focus was on public education, public works and public safety. The additional dispatch position was seen as a need. Fire Chief Warren told of the high turnover in dispatch and that an added position would help decrease the length of shifts and overtime. Christianson spoke to the idea of using reserves to close the deficit. Mosher agreed.

VII. PERSONS TO BE HEARD:

Richard Wein said the M1 had increased, commented a lot of money was going out in the City budget however there weren't many cuts, spoke to the urgency of the haul out, and stated the need for a herring moratorium.

VIII. EXECUTIVE SESSION

None.

IX. ADJOURNMENT

A motion was made by Knox to ADJOURN. Hearing no objections, the meeting ADJOURNED at 9:00p.m.

ATTEST: _____

**Sara Peterson, MMC
Municipal Clerk**