



City of Hoonah

P.O. Box 360 Hoonah, AK 99829 (907) 945-3663 Fax (907) 945-3445

**City Council Meeting Minutes  
December 13, 2016  
5:00pm in Council Chambers**

- I. **Call to Order-** 5:00 pm
- II. **Roll Call-** M. Erickson- present (5:04pm), A. Wilson-present, S. McConnell-present, S. Savland-present, E. Phillips-present, G. Skaflestad-present. Quorum present. Mayor Skaflestad, Administrator Gray and Clerk McKillican also present.
- III. **Public Hearing-**
  - I. **Final Reading of Ordinance 16-12-15 A Non-Code Ordinance of the City of Hoonah Adopting the 2017 Budget-** Mayor opened public hearing for Ordinance 16-12-15. No public comment. Mayor closed public hearing.
- IV. **Ordinances and Resolutions**
  - I. **Final Reading of Ordinance 16-12-15 A Non-Code Ordinance of the City of Hoonah Adopting the 2017 Budget –** Moved by Erickson, Seconded by Skaflestad for the final reading of Ordinance 16-12-15. Roll Call Vote: A. Wilson-yes, M. Erickson-yes, G. Skaflestad-yes, E. Phillips-yes, S. Savland-yes, S. McConnell-yes. 6 yes 0 no. Motion Carried.
- V. **Old Business**
  - I. **1 % Sales Tax Proposition –** Moved by Savland, Seconded by Erickson to go into committee session. Administrator Gray updated the ordinance with the suggestions from councilmembers. Councilmember McConnell and Skaflestad agreed it looked good and we should move forward with it so that the council can get out and educate people. Councilmember Savland stated that we need to make sure that we've done everything in our power to cut our current budget and this is the last resort. Councilmember Wilson- People of the community looks to us to put forward what we believe on. There are other remedies that an additional sales tax. We should be looking at a higher tobacco tax that just 3%. Juneau and other communities charge more for cigarettes than we do. Adding \$1.00 a pack makes more sense. Administrator Gray- Without the 1% we won't have the money to cover the school contribution or keep departments at full staffing. Cuts will have to made to services. The council can add an excise tax to alcohol and tobacco without taking it to a cote of the community. Council agreed they would like more information on the excise tax option and also comparisons of different percentages.  
6:18 pm- Council went back into regular session  
**Introduction of Ordinance 16-12-16** An Ordinance of the City of Hoonah Authorizing a Sales Tax Proposition of 1% - Moved by Skaflestad, Seconded by Phillips to Introduce Ordinance 16-12-16 as written. Roll Call Vote: A. Wilson-no, M. Erickson-yes, G. Skaflestad-yes, E. Phillips-yes, S. Savland-yes, S. McConnell-yes. 5 yes 0 no. Motion Carried.

- VI. **Council Comment-** Council discussed the school budget. Mayor- The city currently has some Forest Timber Tax reserves in the amount of \$220,000 in a CD. We can use that money for our school contribution this year. It was put in a reserve for the gym bond and the city only owes one more payment on the bond and then the money can be used. Councilmember Skaflestad- During times of fiscal distress the school can go back to the bargaining table with the union. Maybe it's time for them to do that and take a look at insurance cost. Councilmember Erickson- The city has had to tighten our belt and the school needs to do the same. Councilmember Savland- 4 1/2 % of the sales tax revenue goes to gym/pool, youth center extra-curricular activities, leaving the city to run on 2% of that income. It's not like the city hasn't stepped up to help the youth in our community.
- VII. **Adjourn-** 6:19 pm

PASSED AND APPROVED THIS 9<sup>th</sup> DAY OF FEBRUARY, 2017

  
Kenneth K. Skaflestad, Mayor

ATTEST:   
Jennifer McKillican, City Clerk

