

Presented by: Mayor Beth Weldon
Introduced: 07/22/2019
Drafted by: The Manager

RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2861

A Resolution Urging the Alaska Legislature and Governor to Restore Funding for the State Operating Budget to Help Ensure Long Term Fiscal and Economic Stability for the Citizens of the State of Alaska.

WHEREAS, the Legislature went through a rigorous process and passed a state operating budget for FY20 with substantial reductions that will impact state services; and

WHEREAS, the Governor's vetoes of the Legislature's budget will have significant adverse impacts to local residents, municipalities, Alaskan businesses, and the local and statewide economy; and

WHEREAS, those additional reductions will require local municipalities, including the City and Borough of Juneau, to abruptly adjust their budgets to support core services, like education, social services, and healthcare; and

WHEREAS, specific direct impacts to the City and Borough of Juneau are in excess of \$5.225 million; and

WHEREAS, there is another \$1.5 million in direct funding eliminated from the community for housing, homelessness, behavioral health, and education services in Juneau, as well as the elimination of payments to 321 senior citizens who qualify for low income assistance; and

WHEREAS, the University of Alaska has had the state funded portion of their FY20 operating budget cut by approximately 41 percent and the University is a major employer in the community as well as a critical source of workforce training for our local industries; and

WHEREAS, economists throughout the state are predicting immediate and long lasting economic harm to the state economy; and

WHEREAS, negative impacts to the economy directly reduce existing local revenues, like sales and property taxes, that fund 90 percent of the City and Borough of Juneau's general government services and would drain diligently saved cash reserves; and

WHEREAS, Juneau could lose hundreds of public and private sector jobs and residents because the Governor's budget vetoes prioritize significantly increased individual dividends over basic state services such as education, social services, and health care; and

WHEREAS, reducing the School Construction Debt Reimbursement is a reduction of the State's prior commitments and forces municipalities to increase local taxes to cover existing obligations; and

WHEREAS, Alaska's municipalities and economy need budget certainty from the Administration and the Legislature to allow for budget planning and the development of sustainable local budgets that provide predictable public services; and

WHEREAS, the City and Borough of Juneau as Alaska's Capital City believes that coordination between state and local government results in effective outcomes; and

WHEREAS, the continued fiscal reality requires the Legislature to demonstrate strong leadership and bold action to pass a budget that creates a vibrant and thriving future for all Alaskans.

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. The Assembly of the City and Borough of Juneau calls upon the Alaska State Legislature to take affirmative and immediate action to provide funding for state services and to provide for a sustainable and predictable balanced state budget for the foreseeable future and the Assembly further calls upon the Governor to partner with the Legislature and support its budget initiatives.

Section 2. The Assembly of the City and Borough of Juneau requests a budget that does not shift the funding burden for core services, such as education, social services and healthcare, from the State to local municipalities. The Governor's budget vetoes would force municipalities to raise taxes.

Section 3. The Assembly of the City and Borough of Juneau requests that if significant reductions are deemed necessary, then a transition plan be presented for consideration and that any transition plan show a proposed implementation over several years to minimize the shock to the economy and the citizens of Alaska.

Section 4. The Assembly of the City and Borough of Juneau calls upon its citizens to respectfully voice their opinions regarding the budget to the Governor and Legislators throughout the State.

Section 5. The Assembly of the City and Borough of Juneau urges that the Alaska State Legislature engage in meaningful discussion of all fiscal options (including broad based state taxes and substantial use of permanent fund earnings as originally intended by

the voters in 1976) with the goal of providing a strong future to Alaska citizens and to take an assertive role to implement its duty of appropriation.

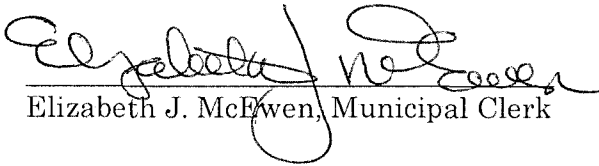
Section 6. Effective Date. This resolution shall be effective immediately after its adoption.

Adopted this 22nd day of July, 2019.



Beth A. Weldon, Mayor

Attest:



Elizabeth J. McEwen, Municipal Clerk