

Presented by: The Assembly  
Introduced: 03/18/2002  
Drafted by: J.R. Corso

## **RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA**

### **Serial No. 2148**

#### **A Resolution Supporting Timely Adoption of a Long-Range State Fiscal Plan that Ensures a Stable Future for All Alaskans by Promoting Affordable State and Local Tax Levels and Adequate State and Local Services.**

WHEREAS, \$865 million of the state's General Fund budget this year is projected to come from the Constitutional Budget Reserve, and

WHEREAS, Alaska is thereby relying on its savings to fund one third of its budget, and

WHEREAS, according to the Alaska Department of Revenue, if action is not taken this year this fiscal gap will be over \$1 billion and the Constitutional Budget Reserve will be completely depleted by 2004, and

WHEREAS, if nothing is done and a \$1 billion fiscal gap occurs in 2004, local taxpayers will be forced to choose between severely reduced public services or massively increased taxes to cover the cost of schools, roads and other state services, and

WHEREAS, the state should continue to implement efficiencies and reasonable service reductions, but must also recognize that reductions alone cannot solve the magnitude of the projected fiscal gap, and

WHEREAS, budget cuts do not address the need for additional funding in some areas such as the deferred maintenance of state facilities, including schools and roads, and

WHEREAS, any long-range fiscal plan should be based on policies that provide financial stability in a fair and sustainable manner while maximizing the return on state assets, and

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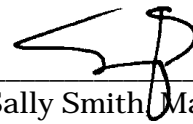
WHEREAS, if action is taken this year, Alaska can avoid depleting the Constitutional Budget Reserve, and can preserve this last savings account to act as a cushion against harsher cuts, higher taxes, and greater use of Permanent Fund earnings to address the fiscal gap;

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

**Section 1.** That all citizens are encouraged to contact the Governor and their legislators and urge them to take action this legislative session to adopt a fiscal plan that avoids a fiscal crisis in 2004.

**Section 2. Effective Date.** This resolution shall be effective immediately upon adoption.

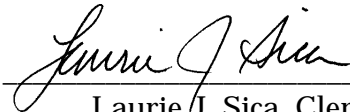
Adopted this 18<sup>th</sup> day of March, 2002.



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Sally Smith, Mayor

Attest:



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Laurie J. Sica, Clerk