

**ASSEMBLY STANDING COMMITTEE
ASSEMBLY FINANCE COMMITTEE
THE CITY AND BOROUGH OF JUNEAU, ALASKA**

May 18, 2022, 5:30 PM.

Assembly Chambers/Zoom Webinar

<https://juneau.zoom.us/j/93917915176> or call 1-253-215-8782 Webinar ID: 939 1791 5176

AGENDA

I. CALL TO ORDER

II. ROLL CALL

III. APPROVAL OF MINUTES

A. May 11, 2022

IV. AGENDA TOPICS

A. Budget Summary Update

B. Info Only: A Balancing Act Results

C. Decision List – For Final Action

D. Capital Improvement Plan (Res. 2975) – For Final Action

E. Set Mill Rates (Ord. 2022-08) - For Final Action

F. CBJ Budget (Ord. 2022-06) – For Final Action

V. NEXT MEETING DATE

A. June 1, 2022

VI. ADJOURNMENT

ADA accommodations available upon request: Please contact the Clerk's office 36 hours prior to any meeting so arrangements can be made for closed captioning or sign language interpreter services depending on the meeting format. The Clerk's office telephone number is 586-5278, TDD 586-5351, e-mail: city.clerk@juneau.org

DRAFT
City and Borough of Juneau
Minutes - Assembly Finance Committee Meeting
Wednesday, May 11, 2022, 5:30pm

I. CALL TO ORDER

The meeting was called to order at 5:32 pm by Chair Triem.

II. ROLL CALL

Committee Members Present: Carole Triem, Chair; Mayor Beth Weldon; Maria Gladyszewski; Greg Smith; Christine Woll; Alicia Hughes-Skandijs; Wade Bryson

Committee Members Present Virtually: None

Committee Members Absent: Wáahlaal Gíidaak; Michelle Bonnet-Hale

Staff Members Present: Rorie Watt, City Manager; Robert Barr, Deputy City Manager; Jeff Rogers, Finance Director; Adrien Speegle, Budget Analyst; Dr. Bridget Weiss, Juneau School District (JSD) Superintendent; Cassee Olin, JSD Director of Administrative Services; John Bohan, CBJ Chief Engineer; George Schaaf, Parks and Recreation Director; Jorden Nigro, Parks and Recreation Youth Development and Services Manager; Dave Scanlan, Eaglecrest General Manager

Others Present: Brian Holst, Juneau Economic Development Council Executive Director; Jake Carpenter, Juneau Economic Development Council Treasurer; Dr. Elizabeth Siddon, JSD School Board President

III. APPROVAL OF MINUTES

The May 4, 2022 minutes were approved as presented.

IV. AGENDA TOPICS

a. Juneau Economic Development Council (JEDC)

Chair Triem introduced Brian Holst, JEDC Executive Director and Jake Carpenter, JEDC Treasurer.

Mr. Carpenter stated that JEDC will not ask for an increase in funding in FY23.

Mr. Holst very briefly reviewed the comprehensive presentation and reports on packet pages 12-50 specifically highlighting JEDC's "Five Areas of Focus" on packet pages 17-22 and plans for FY23-FY24 annual support from CBJ on packet page 23.

Minutes - Assembly Finance Committee Meeting

Wednesday, May 11, 2022, 5:30pm

Mr. Holst answered Committee questions.

Motion: by Mayor Weldon to approve the JEDC budget.

Motion passed by unanimous consent.

Chair Triem moved to adjust the agenda and hear the "School District Budget – For Action" agenda item before the "Decision List" agenda item. Hearing no objections, the change was made.

b. Budget Summary Update

Jeff Rogers, Finance Director, presented packet pages 52-53.

Mr. Rogers reviewed the Assembly Adopted Changes to the FY23 Manager's Proposed Budget.

Mr. Rogers explained the State Reimbursement of Previously Unreimbursed School Bond Debt \$16 million revenue amount. The Alaska Senate and the House of Representatives funded \$200+ million that would repay municipalities for unreimbursed school bond debt that should have been reimbursed in previous years. However, action by the Senate to add additional costs to the state budget on May 10, 2022 caused the Senate version of the budget to swing from a \$1 billion surplus to a \$1 billion deficit. It is unclear whether school bond reimbursement will be approved or vetoed by the Governor at this time as a direct result. Mr. Rogers stated that the Committee is in an unenviable position as the status of the \$16 million reimbursement could heavily influence budgetary decisions made that evening. He stated there is no way to predict whether the funding will be approved.

Mr. Rogers reviewed projections for the FY24-FY26 budgets modeled off of previous year's expenditures and anticipated tax and service growth and showcased resulting projected deficits on packet pages 53-55. In summary, for FY24-26, after all one-time funding from previous budgets is removed and forecasted expenditures and revenues accounted for, a projected \$5-6 million deficit is expected every year. This projection drains the Unrestricted Fund Balance to less than \$5 million by FY26. Mr. Rogers stated that if corrective actions on the budget are not enacted by the Committee, then there would not be enough money in FY27 to run government.

He also demonstrated to the Committee that if CBJ is not reimbursed \$16 million by the state for school bond debt, then FY23 would end in a \$6 million deficit and corrective action by the Assembly would be needed much sooner.

Minutes - Assembly Finance Committee Meeting Wednesday, May 11, 2022, 5:30pm

Mr. Rogers answered Committee questions.

Robert Barr, Deputy City Manager, and Rorie Watt, City Manager, answered Committee questions around tourism and cruise ship volume. As of May, cruise ships are operating at just over half capacity.

c. School District Budget – For Action

Mr. Rogers informed the Committee to reference packet pages 61-62 for information regarding outside-the-cap funding for the Juneau School District (JSD) budget.

Dr. Bridget Weiss, JSD Superintendent, Cassee Olin, JSD Director of Administrative Services and Dr. Elizabeth Siddon, JSD School Board President, were available for questions.

Motion #1: by Assemblymember Smith that the Committee appropriate the outside the cap funding for \$157,700.

Assemblymember Smith withdrew his motion.

In response to Assemblymember Smith's question, Mr. Rogers clarified that each year, historically, the Manager's Proposed Budget for the JSD includes the maximum local contribution amount plus whatever the Assembly approved for outside-the cap funding in the previous year. The JSD, then, can request additional outside-the-cap funding if needed

Packet page 61 compares JSD's FY22 outside-the-cap funding to their FY23 request, reflecting an increase of \$157,700.

Motion #2: by Mayor Weldon to approve the Juneau School District budget as presented.

Mr. Rogers stated that it would be easier if the Committee made a decision on outside-the-cap funding before making a motion.

Mayor Weldon withdrew her motion.

Motion #3: by Mayor Weldon to approve the JSD's outside the cap funding request of \$2,275,000.

Amendment: by Mayor Weldon to add \$80,000 as one-time funding to replace wrestling mats for Floyd Dryden.

Minutes - Assembly Finance Committee Meeting Wednesday, May 11, 2022, 5:30pm

Objection to Amendment: by Assemblymember Woll for the purpose of a question.

Assemblymember Woll asked why the request for new wrestling mats was not included in the original funding request.

Dr. Siddon stated that the JSD board does not have an established system in place for high cost equipment replacement purchases especially as they grapple with general cost restraints because of their limited budget.

Assemblymember Bryson suggested that the Assembly and JSD Board members check with the activities supervisors to determine an itemized list of needed, major equipment or recreation area refurbishments before the next Joint Assembly School Facilities meeting so that budgetary requests for these projects are expected and organized.

Objection to Amendment: by Assemblymember Hughes-Skandijs.

Assemblymember Hughes-Skandijs objected to the process by which the request for the wrestling mats made it to the floor and agreed with Assemblymember Bryson that a more organized and bureaucratic method for determining funding for recreational equipment should be in place.

Roll Call Vote on Amendment

Aye: Weldon, Smith, Bryson, Triem

Nay: Hughes-Skandijs, Woll, Gladziszewski

Amendment Failed. Four (4) Ayes, Three (3) Nays.

Objection to Motion #3: by Assemblymember Bryson to comment.

Assemblymember Bryson stated, based on his personal research, that with enrollment in the JSD continuing to decline and facilities costs continuing to compound, CBJ is now spending less money on education for each student than it is on facility costs.

Roll Call Vote on Motion #3

Aye: Weldon, Woll, Hughes-Skandijs; Gladziszewski, Smith, Triem

Nay: Bryson

Motion Passed. Six (6) Ayes, One (1) Nay.

Minutes - Assembly Finance Committee Meeting Wednesday, May 11, 2022, 5:30pm

Motion #4: by Mayor Weldon to move School District Ordinance 2022-07 as amended by the Committee to the full Assembly.

Motion passed by unanimous consent.

The Committee recessed at 6:31pm.

The Committee reconvened at 6:42pm.

Mr. Rogers stated that he intended to present Amendments to the Biennial Budget on packet page 56 when discussing Agenda Item “b. Budget Summary Update”. He briefly summarized each Amendment and stated that they are explained in fuller detail in the memo on packet pages 57-58. He reminded the Committee that neither Amendment has any impact at all on General Funds (GF).

John Bohan, Chief Engineer was available for questions.

Motion: by Mayor Weldon to approve the Police E911 System Replacement from the Fleet and Equipment Reserve Fund Balance for \$810,000 and approve the Biosolids Solutions Capital Improvement Project (CIP) for \$2.5 million from Wastewater Fund Balance.

Motion passed by unanimous consent.

d. Decision List

Item #1 on the Decision List was discussed and voted upon under Agenda Topic “c. School District Budget – For Action”.

Mr. Rogers presented the Decision List (DL) on packet pages 59-60.

Decision List Item #2 - \$102,000 request within Parks & Recreation for Sheiyi xaat hit (the Juneau Youth Shelter (JYC)) to fund one full time position and two part-time positions for a Youth Development Leader (potentially grant funded).

More information for the JYC is available on packet pages 64-65.

George Schaaf, Director of Parks and Recreation, and Jorden Nigro, Youth Development and Services Manager of Parks and Recreation, were available for questions.

Motion: by Mayor Weldon to approve \$102,200 for the Youth Development Leader with Parks and Recreation.

Objection: by Mayor Weldon.

Minutes - Assembly Finance Committee Meeting Wednesday, May 11, 2022, 5:30pm

Mayor Weldon stated that CBJ's operating budget includes a \$3.4 million deficit which does not yet include potential wage increases which could be \$2 million or more resulting in a potential \$5 million deficit. She commented that, although CBJ is "rich" in one-time funding, on-going expenses are not sustainable at this time.

The Committee discussed the motion and objection.

In response to Committee questions regarding the memo on packet page 64, Mr. Schaaf clarified that the memo was a direct response to Assembly questions about Youth Facility costs. He further explained that \$92,500 reflects GF support that Parks and Recreation is requesting in their FY23 budget request for the Youth Shelter. \$300,000 is what is projected to be needed in subsequent years based on grants Parks and Recreation anticipates receiving. Separately, there is an increment request for additional staff which is what is on the DL for \$102,200.

Mr. Schaaf answered Committee questions. Mr. Schaaf stated that the Youth Facility has been entirely funded by grants and not by general funds up to this point. The additional requests are in anticipation of less grant funding in the coming fiscal years.

Roll Call Vote

Aye: Woll, Hughes-Skandijs, Gladziszewski, Bryson, Smith, Triem

Nay: Weldon

Motion Passed. Six (6) Ayes, One (1) Nay.

Decision List Item #3 – Recreation Coordinator within Parks and Recreation Department

Motion: by Mayor Weldon to approve the increment request for \$69,600 to fund a Recreation Coordinator for the Dimond Park Field House.

Objection: Mayor Weldon, Assemblymember Hughes-Skandijs

Mayor Weldon stated her objection is due to this position not having sustainable funding source.

Roll Call Vote

Aye: Smith, Triem

Nay: Weldon, Woll, Bryson, Hughes-Skandijs, Gladziszewski

Motion Failed. Two (2) Ayes, Five (5) Nays.

Minutes - Assembly Finance Committee Meeting Wednesday, May 11, 2022, 5:30pm

Decision List Item #4 - Warming Shelter Contract Increase (6-Month Operating Period instead of 5-Month; Coincides with Annual Closing Date of Mill Campground)

Motion: by Mayor Weldon to grant the increased general funds request of \$30,000 over the Manager's Proposed Budget for a one month extension to the warming shelter contract.

Objection: by Mayor Weldon

Mr. Barr stated that warming shelter usage varied over the winter. Usage in its last month of operation was 40 beds a night.

Mr. Schaaf clarified that the Mill Campground cannot open a month early because of weather and ground conditions and because of staff limitations.

Roll Call Vote

Aye: Bryson, Hughes-Skandijs, Smith, Gladziszewski, Woll, Triem

Nay: Weldon

Motion Passed. Six (6) Ayes, One (1) Nay.

Decision List Item #5 – Capital City Fire and Rescue: Expanded Mobile Integrated Health (MIH) Program

Motion: by Assemblymember Bryson to approve funding request of \$540,700 for the expanded MIH program.

Objection: by Mayor Weldon to propose an amendment.

Amendment: by Mayor Weldon to move \$540,700 for one-time funding in FY23 from the General Fund (GF), then fund it from Tobacco Tax revenue that currently goes to Bartlett Regional Hospital (BRH) in the amount of \$518,000 in FY24 and in the future.

The Committee discussed the motion and amendment.

In response to Assemblymember Smith's question regarding how other similar programs to MIH are funded outside of Juneau, Mr. Barr clarified that programs like MIH are new and normally grant funded at first, but most other municipalities are making the effort to fund them more sustainably as grant funding declines.

Mr. Rogers clarified with the Assembly that the FY24 Manager's Proposed Budget will include the full cost of MIH and will also redirect Tobacco Tax revenue from

Minutes - Assembly Finance Committee Meeting Wednesday, May 11, 2022, 5:30pm

BRH back to the GF to fund MIH. If the cost of MIH exceeds the allocated Tobacco Tax revenue, the Finance Department will present the difference before the Assembly.

Mayor Weldon stated that she hoped state funding would make up any difference in cost between actual cost of MIH and funding from Tobacco Tax.

The Manager will always request an update from MIH regarding outside funding and productivity every year in case the revenue source might change.

The amendment passed by unanimous consent.

The original motion, as amended, passed by unanimous consent.

Decision List #6 – Eaglecrest (EC) GF Support for Pay Plan Adjustment

Dave Scanlan, Eaglecrest General Manager, was available for questions.

Motion: by Mayor Weldon to approve the \$210,000 request of general funds for Eaglecrest's pay plan adjustment.

Objection: by Mayor Weldon

Mayor Weldon stated that the EC staff and Board should meet with Human Resources to come up with a sustainable pay plan and revenue source.

Mr. Watt clarified that the Manager's Proposed Budget already includes a 7.5% wage scale increase which was enacted by the EC Board in January 2022 ensure each employee is paid at least minimum wage. The \$210,000 requested increase would provide another 14% increase in wages, for a total combined increase of almost 22%.

Amendment #1: by Assemblymember Woll to change the GF support amount from \$210,000 to \$105,000.

Assemblymember Woll stated that providing partial funding indicates the Assembly's intent and commitment to higher wages for EC employees and allows the opportunity for the EC Board to determine a more sustainable pay plan. She also clarified that she would like the EC board to raise wages for all EC employees as high as possible within competitive market value using EC revenue.

Objection to Amendment #1: Chair Triem, Assemblymember Hughes-Skandijs

Minutes - Assembly Finance Committee Meeting Wednesday, May 11, 2022, 5:30pm

Chair Triem stated that she does not feel the EC Board has shown sufficient commitment to solving the problem of insufficient pay to employees.

Mr. Scanlan stated that the EC Board is planning to meet on May 18, 2022. He shared that the staff recommendation to the Board is a 10% increase across all products (ski passes, gear, gift shop, etc) that could translate to \$140,000 in additional revenue in a good weather year.

In response to Chair Triem's questions, Mr. Rogers clarified that the Assembly has the power to direct any Enterprise Board to do anything that is legal. For example, while the EC Board sets the wages for each EC employee, the Assembly has the power to direct the Board to raise wages a specific percentage funded from a specific revenue source if deemed appropriate.

The Committee discussed the amendment and Mr. Scanlan answered Committee questions.

Roll Call Vote on Amendment #1

Aye: Woll, Smith, Gladziszewski, Bryson

Nay: Weldon, Hughes-Skandijs, Triem

Amendment Failed. Four (4) Ayes, Three (3) Nays.

Amendment #2: by Assemblymember Smith to amend motion to \$55,000 in GF support and \$55,000 from EC funds specifically intended to increase wages.

Objection to Amendment #2: by Mayor Weldon

Roll Call Vote on Amendment #2

Aye: Smith, Gladziszewski, Woll, Hughes-Skandijs, Bryson, Triem

Nay: Weldon

Amendment passed. Six (6) Ayes, One (1) Nay.

Roll Call Vote on Original Motion as amended

Aye: Smith, Hughes-Skandijs, Woll, Gladziszewski, Bryson, Triem

Nay: Weldon

Motion passed. Six (6) Ayes, One (1) Nay.

Decision List Item #7 - Airport General Obligation Bond

Motion: by Mayor Weldon to table the Airport General Obligation Bond indefinitely.

Minutes - Assembly Finance Committee Meeting Wednesday, May 11, 2022, 5:30pm

Objection: by Assemblymember Bryson.

Roll Call Vote

Aye: Woll, Weldon, Hughes-Skandijs, Smith, Gladziszewski, Triem

Nay: Bryson

Motion passed. Six (6) Ayes, One (1) Nay.

The Committee recessed at 7:37pm.

The Committee reconvened at 7:48pm.

*Decision List Item #8 – \$75,000 request for Downtown Business Association (DBA)
Main Street America Operations*

Motion: by Mayor Weldon to approve the \$75,000 request for DBA Main Street America Operations.

Objection: by Mayor Weldon for the purposes of an amendment; Chair Triem

Amendment: by Mayor Weldon to fund DBA's \$75,000 request from the Hotel Bed Tax Fund instead of GF.

The amendment passed by unanimous consent.

Assemblymember Smith stated that he would like to see next year's request from DBA to be reduced by half, at least.

Assemblymember Woll suggested that the Assembly make the effort to give DBA clear insight on project funding and expectations.

Roll Call Vote for Motion as Amended

Aye: Weldon, Bryson, Smith, Gladziszewski, Woll

Nay: Hughes-Skandijs, Triem

Motion passed. Five (5) Ayes, Two (2) Nays.

Decision List Item #9 - Arts and Humanities Council Grant (budget includes 10% inflationary increase)

In response to Committee questions, Mr. Rogers clarified that \$344,900 was thus far approved for on-going costs with GF on the Decision List. Mayor Weldon commented that each time the Committee approves GF for an ongoing project, it adds to the deficit which will lead to more difficult decisions in the future.

Minutes - Assembly Finance Committee Meeting Wednesday, May 11, 2022, 5:30pm

Motion: by Assemblymember Smith to table the Arts and Humanities Council Grant increased funding request indefinitely.

Objection: by Mayor Weldon for the purpose of a question.

Mayor Weldon removed her objection.

Motion passed by unanimous consent.

Decision List #10 - Juneau Community Foundation (JCF) – Social Services Block Grant (budget includes 10% inflationary increase + \$150K)

Motion: by Mayor Weldon to table JCF request indefinitely.

The Committee discussed the motion.

Amendment: by Assemblymember Gladziszewski to consider the JCF request at the Assembly Finance Committee meeting on May 18, 2022.

Objection: by Mayor Weldon.

Mayor Weldon reiterated that funding ongoing costs without a new revenue source will create a burden on the GF in the future.

Mayor Weldon removed her objection.

Assemblymember Hughes-Skandijs stated she is willing to cut other services to keep funding JCF in the future.

Motion passed by unanimous consent.

Decision List Item #11 - Merge Juneau Youth Services (JYS) and Juneau Alliance for Mental Health, Inc. (JAMHI) Grants into JCF Social Service Block Grant

Mr. Barr stated that CBJ will be working very closely with JAMHI, the Juneau Police Department (JPD), and MIH in the coming years to create a Crisis Now response team. He asked that the Committee keep the JAMHI grant separate from JCF's grant process to facilitate collaboration between CBJ and JAMHI for the Crisis Now initiative.

Motion: by Assemblymember Gladziszewski to merge the JYS grant into the JCF Social Service Block Grant.

Minutes - Assembly Finance Committee Meeting Wednesday, May 11, 2022, 5:30pm

Motion passed by unanimous consent.

Decision List Item #12 and #13 – Southeast Alaska Association for the Education of Young Children (AEYC) Grants - Parents as Teachers & Operations

Motion: by Mayor Weldon to postpone AEYC Parents as Teachers and AEYC Operations to the Assembly Finance Committee meeting on May 18, 2022 when more information on what the State can provide is available.

Assemblymember Smith and Mayor Weldon stated that they are still working with Mr. Barr on funding solutions.

Motion passed by unanimous consent.

Decision List Item #14 - \$50,050 Request for Juneau Human Rights Commission (JHRC) - Afghan Refugee Sponsor Circle

Motion: by Mayor Weldon to table the \$50,050 request for JHRC Afghan Refugee Sponsor Circle indefinitely.

Mayor Weldon stated she wished for more information on this item before any further discussion.

Motion passed by unanimous consent.

Decision List Item #15 - Juneau Human Rights Commission (JHRC) - Community Engagement Project

Motion: by Mayor Weldon to approve the \$25,000 request for the JHRC Community Engagement Project.

Amendment: by Mayor Weldon to reduce the \$25,000 request to \$5,000 for JHRC to develop an action plan for community engagement.

Amendment passed by unanimous consent.

Original motion, as amended, passed by unanimous consent.

Decision List Item #16 - Juneau Festival Committee

Motion: by Mayor Weldon to approve the additional request of \$6,200 for the Juneau Festival Committee for 4th of July fireworks.

Motion passed by unanimous consent.

Minutes - Assembly Finance Committee Meeting Wednesday, May 11, 2022, 5:30pm

Decision List Item #18 - Alaska Heat Smart (AKHS) Cash Flow Reserve

Motion: by Mayor Weldon to approve the AKHS grant of \$108,000 and fund it from the Affordable Housing Fund (AHF).

Amendment: by Assemblymember Bryson to reduce the amount to \$58,000 from the AHF as a grant.

The Committee discussed the motion and amendment.

Objection to Amendment: by Chair Triem.

Chair Triem stated that she is more comfortable allowing AKHS the amount for which they asked.

Roll Call Vote on Amendment

Aye: Bryson

Nay: Smith; Weldon; Hughes-Skandijs; Woll; Gladziszewski; Triem

Amendment Failed. One (1) Aye, Six (6) Nays.

Original motion passed by unanimous consent.

Mr. Rogers reported that, after recent approvals from the Decision List, the Committee spent \$1.04 million of GF in FY23, however only \$351,100 of this amount represents ongoing costs in FY24 and beyond.

e. Passenger Fee Plan – For Action

Mr. Rogers presented packet pages 77-79 and stated that the only new piece of information is the breakdown of municipal services on packet page 79.

Mr. Rogers and Mr. Watt answered Committee questions.

Motion: by Mayor Weldon to accept the Passenger Fee Plan.

Objection: Assemblymember Hughes-Skandijs

Assemblymember Hughes-Skandijs commented that that she does not agree with CBJ funding privately owned docks that will profit as a result.

Assemblymember Hughes-Skandijs removed her objection.

Minutes - Assembly Finance Committee Meeting Wednesday, May 11, 2022, 5:30pm

Motion passed by unanimous consent.

f. Info Only: FY23 Youth Activity Grant Funding

Mr. Rogers presented packet pages 80-83 and stated that this request was consistent with previous year's procedure and the amount to be dispersed is in conformance with the Manager's Proposed Budget.

No action was required from the Committee.

g. Info Only: Sales Tax on Food

Mr. Rogers presented the ordinances on packet pages 84-88 to be introduced at the Regular Assembly meeting on May 16, 2022. Ordinance 2022-17 would place a question on the ballot to adjust the total summer sales tax rate to 6% by adding a seasonal 1% sales tax to make up for the sales tax exemption on food year round. Ordinance 2022-15 would amend the Uniform Sales Tax Code to exempt Supplemental Nutrition Assistance Program (SNAP) eligible foods if voters ratify the collection of seasonal 1% sales tax.

Mayor Weldon presented and summarized her alternative drafted ordinance on packet 89-92 which is an ordinance establishing a sales tax rebate program for lower income people which is modeled after the Senior Hardship Exemption.

The Committee discussed the ordinances presented.

Assemblymember Bryson commented that businesses across Juneau, especially small businesses, would struggle under a higher summer sales tax.

Assemblymember Smith stated that broader systematic change to sales tax is likely to help a wider range of the community rather than a focused strategy for sales tax exemption on food similar to the Senior Hardship Exemption.

Assemblymember Hughes-Skandijs asked how CBJ would compensate for lost revenue from sales tax on food. Mr. Rogers clarified that a one mill of property tax generates about \$5.5 million. Therefore, if CBJ exempted \$6.2 million of food, a one mill increase to the mill levy could compensate for most of the loss. The mill rate must be set by June 15th.

Assemblymember Gladyszewski suggested that the Committee consider a higher year round sales tax. Chair Triem agreed that a year round sales tax should still be considered especially since many of the Committee members have heard from small business owners very concerned about a higher seasonal tax.

Minutes - Assembly Finance Committee Meeting
Wednesday, May 11, 2022, 5:30pm

Mr. Rogers stated that staff plans to include the Sales Tax on Food discussion topic on the June 1, 2022 Assembly Finance Committee meeting agenda. The last day to pass an ordinance with a ballot measure for the October ballot is August 1st, 2022.

V. NEXT MEETING DATE

a. May 18, 2022

VI. ADJOURNMENT

The meeting was adjourned at 8:52pm.

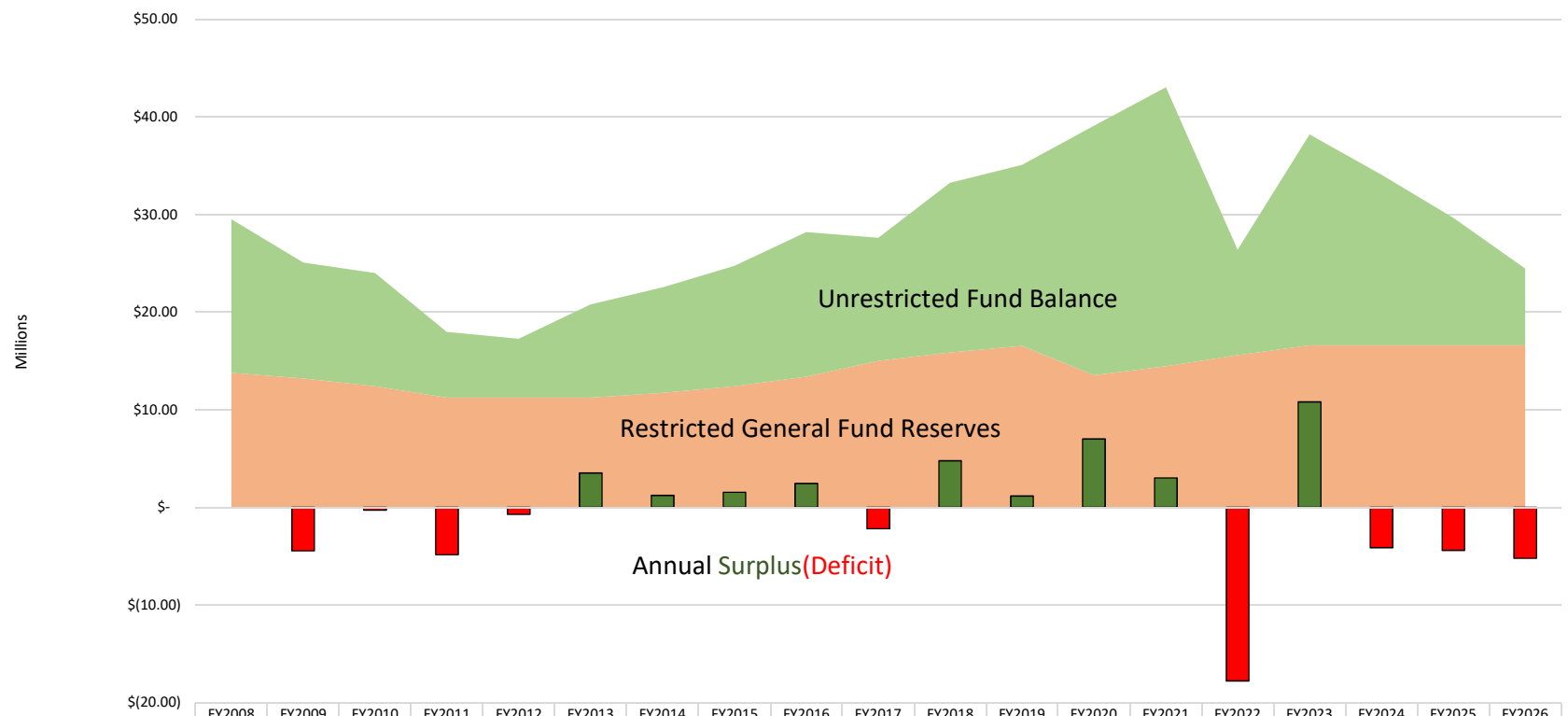
	Revenues	Expenditures	Surplus (Deficit)	Unrestricted Fund Balance
FY2021				
Manager Proposed Budget	\$ 152,721,100	\$ (160,022,100)	\$ (7,301,000)	\$ 18,252,900
Assembly Adopted Budget	\$ 157,129,500	\$ (152,163,600)	\$ 4,965,900	\$ 30,519,800
Final Year-End (audited)	\$ 158,916,400	\$ (155,889,900)	\$ 3,026,500	\$ 28,580,400
FY2022				
Manager Proposed Budget	\$ 158,632,100	\$ (166,440,700)	\$ (7,808,600)	\$ 20,771,800
Assembly Adopted Budget	\$ 162,239,300	\$ (167,608,800)	\$ (5,369,500)	\$ 23,210,900
New City Hall <i>(pending)</i>		\$ (6,300,000)		
Statter Harbor Phase IIIC/Seawalk CIPs		\$ (5,500,000)		
Deferred Maintenance (CBJ Facilities, schools, parks, etc)		\$ (5,500,000)		
Transfer to Affordable Housing Fund		\$ (5,000,000)		
Inflationary Costs of Augustus Brown Pool Renovation		\$ (3,000,000)		
Purchase of Harris Harbor Boat Yard		\$ (2,000,000)		
Eaglecrest Gondola Purchase		\$ (2,000,000)		
Capital Civic Center		\$ (2,000,000)		
Information Technology Infrastructure Upgrades <i>(pending)</i>		\$ (1,500,000)		
United Human Services Teal Street Center		\$ (1,300,000)		
EOC Expenditures		\$ (1,000,000)		
Lemon Creek Multi-Modal Path		\$ (1,000,000)		
Eaglecrest Gondola Transportation		\$ (500,000)		
Ballot Processing Center Capital Project		\$ (700,000)		
JPD/CCFR Radio System Replacement (early phase)		\$ (500,000)		
Grant/MPF Funded Supplemental Appropriations in the General Fund	\$ 286,600	\$ (286,600)		
Transfer ARPA Funds to Downtown Parking Fund to Replace Lost Revenue		\$ (300,000)		
North Douglas Crossing		\$ (250,000)		
The Glory Hall Sheltering Support		\$ (150,000)		
Grant Writer Position		\$ (120,000)		
CDD Plat Reviewer Position		\$ (70,000)		
Increased Assembly/Planning Commissioner Compensation		\$ (27,800)		
Support for Celebration		\$ (25,000)		
Additional Support to JSD for Ice Time		\$ (10,000)		
Supplemental Appropriations	\$ 286,600	\$ (39,039,400)		
Personnel Services Lapse		\$ 4,236,200		
Lapse GF Transfer to Debt Service Fund in FY22		\$ 1,984,200		
Non-Personnel Services Lapse		\$ 121,000		
ARPA Funds Replacing SMPFs	\$ 11,942,000			
ARPA SOA Local Government Lost Revenue Grant	\$ 9,261,500			
Sales Tax Revenue Above/(Below) Forecast	\$ 3,500,000			
Original ARPA Award Above Estimates	\$ 1,096,700			
Reduction to Investment Income	\$ (4,499,607)			
Reversal of Actual SMPFs from ARPA Funds	\$ (572,385)			
Mill Rate Reduction Not Included in Budget	\$ (540,000)			
Vehicle Registration Tax Under Projections	\$ (185,000)			
Anticipated Variances	\$ 20,003,208	\$ 6,341,400		
Final Year-End (projected)	\$ 182,529,108	\$ (200,306,800)	\$ (17,777,692)	\$ 10,802,708

		Revenues	Expenditures	Surplus (Deficit)	Unrestricted Fund Balance
166	FY2023				
167	Prior Year Adopted Budget	\$ 162,239,300	\$ (167,608,800)		
168	FY22 One-Time Expenditures/Revenue	\$ (10,552,400)	\$ 3,933,500		
169	Sales Tax Growth over FY22 Adopted Budget	\$ 10,700,000			
170	Property Tax Growth over FY22 Adopted Budget	\$ 3,203,500			
171	Adjusted Base	\$ 165,590,400	\$ (163,675,300)		
172					
173	Reduced Federal Support (various)	\$ (43,700)			
174	Reimbursement for Ambulance Transports (SEMT)	\$ 400,000			
175	Transition from Charging 85% of Allocated Costs to 100%	\$ 350,000			
176	Increased Charges for Services	\$ 302,900			
177	Increase Sales Tax Support to CIPs		\$ (1,500,000)		
178	Additional GF Support to JSD - Up to the Cap		\$ (1,262,400)		
179	Increase to Service Contracts		\$ (778,700)		
180	Merit Increases and Other Personnel Actions (and associated benefits)		\$ (576,100)		
181	New Streets Positions (2.92 FTE)		\$ (237,300)		
182	Increased Fleet Replacement Contributions		\$ (298,400)		
183	Household Hazardous Waste/Junked Vehicles Service Contract Increase		\$ (275,000)		
184	Microsoft Office and Other Technology Cost Increases		\$ (254,600)		
185	Comprehensive Plan		\$ (250,000)		
186	Increase to Supplies		\$ (237,100)		
187	Increased Social Service Assembly Grant (10% inflation + TGH)		\$ (235,400)		
188	Increased Insurance Premiums		\$ (222,600)		
189	Increase to Fleet Maintenance Rates		\$ (145,400)		
190	Travel and Training Increases (return to pre-pandemic)		\$ (93,900)		
191	Manager Proposed Budget	\$ 166,599,600	\$ (170,042,200)	\$ (3,442,600)	\$ 7,360,108
192					
193	Potential Wage Benefit Costs (unkown, subject to negotiation)		\$ (2,250,000)		
194	Fire - Expanded MIH Program		\$ (540,700)		
195	Increase Sales Tax Support to CIPs (Amendments)		\$ (375,000)		
196	School District Outside the Cap		\$ (157,700)		
197	Alaska Heat Smart Operations Grant		\$ (142,000)		
198	Clerk's Office Increments (1.5 FTE) - Technical Adj.		\$ (122,000)		
199	Shéiyi Xaat Hít Youth Development Leader FTEs		\$ (102,200)		
200	Increased GF Support to Eaglecrest		\$ (55,000)		
201	Warming Shelter Contract Increase		\$ (30,000)		
202	Juneau Festival Committee Increase		\$ (6,200)		
203	Juneau Human Right Commission - Community Engagement		\$ (5,000)		
204	Total Assembly Adopted Changes	\$ -	\$ (3,785,800)	\$ (3,785,800)	
205					
206	State Reimbursement of Previously Unreimbursed School Bond Debt	\$ 16,034,960			
207	Revenue Forecast Changes	\$ 16,034,960	\$ -	\$ 16,034,960	
208					
209	Assembly Adopted Budget	\$ 182,634,560	\$ (173,828,000)	\$ 8,806,560	\$ 19,609,268
210					
211	Supplemental Appropriation...				
212	Supplemental Appropriations	\$ -	\$ -		
213					
214	Anticipated Lapse		\$ 2,000,000		
215	Anticipated Variances	\$ -	\$ 2,000,000		
216					
217	Final Year-End (projected)	\$ 182,634,560	\$ (171,828,000)	\$ 10,806,560	\$ 21,609,268
218					

		Revenues	Expenditures	Surplus (Deficit)	Unrestricted Fund Balance
219	FY2024				
220	Prior Year Adopted Budget	\$ 182,634,560	\$ (173,828,000)		
221	FY23 One-Time Expenditures/Revenue	\$ (16,034,960)	\$ 772,000		
222	Sales Tax Growth over FY23 Adopted Budget	\$ 2,000,000		Per revenue forecast	
223	Property Tax Growth over FY23 Adopted Budget	\$ 1,325,390		2.5% growth	
224	Other Revenue Growth	\$ 393,100		2.5% growth	
225	Adjusted Base	\$ 170,318,090	\$ (173,056,000)		
226					
227	Tobacco Tax - MIH	\$ 540,700			
228	Potential Wage Benefit Costs (unknown, subject to negotiation)		\$ (1,900,000)		
229	Merit Increases and Other Personnel Actions (and associated benefits)		\$ (821,900)	Per FY24 Proposed Budget, includes OT	
230	Commodities and Services Cost Growth		\$ (705,100)	2.5% growth	
231	Manager Proposed Budget	\$ 170,858,790	\$ (176,483,000)	\$ (5,624,210)	\$ 15,985,058
232					
233	General Fund Impact of Decision List Items		\$ (500,000)		
234	Total Assembly Adopted Changes	\$ -	\$ (500,000)	\$ (500,000)	
235					
236					
237	Revenue Forecast Changes	\$ -	\$ -	\$ -	
238					
239	Assembly Adopted Budget	\$ 170,858,790	\$ (176,983,000)	\$ (6,124,210)	\$ 15,485,058
240					
241	Supplemental Appropriation...				
242	Supplemental Appropriations	\$ -	\$ -		
243					
244	Anticipated Lapse		\$ 2,000,000		
245	Anticipated Variances	\$ -	\$ 2,000,000		
246					
247	Final Year-End (projected)	\$ 170,858,790	\$ (174,983,000)	\$ (4,124,210)	\$ 17,485,058
248					
249	FY2025				
250	Prior Year Adopted Budget	\$ 170,858,790	\$ (176,983,000)		
251	FY24 One-Time Expenditures/Revenue				
252	Sales Tax Growth over FY24 Adopted Budget	\$ 1,437,500		2.5% growth	
253	Property Tax Growth over FY24 Adopted Budget	\$ 1,358,615		2.5% growth	
254	Other Revenue Growth	\$ 402,900		2.5% growth	
255	Adjusted Base	\$ 174,057,805	\$ (176,983,000)		
256					
257	Potential Wage Benefit Costs (unknown, subject to negotiation)		\$ (1,400,000)		
258	Merit Increases and Other Personnel Actions (and associated benefits)		\$ (850,000)	Estimate	
259	Commodities and Services Cost Growth		\$ (722,700)	2.5% growth	
260	Manager Proposed Budget	\$ 174,057,805	\$ (179,955,700)	\$ (5,897,895)	\$ 11,587,163
261					
262	General Fund Impact of Decision List Items		\$ (500,000)		
263	Total Assembly Adopted Changes	\$ -	\$ (500,000)	\$ (500,000)	
264					
265					
266	Revenue Forecast Changes	\$ -	\$ -	\$ -	
267					
268	Assembly Adopted Budget	\$ 174,057,805	\$ (180,455,700)	\$ (6,397,895)	\$ 11,087,163
269					
270	Supplemental Appropriation...				
271	Supplemental Appropriations	\$ -	\$ -		
272					
273	Anticipated Lapse		\$ 2,000,000		
274	Anticipated Variances	\$ -	\$ 2,000,000		
275					
276	Final Year-End (projected)	\$ 174,057,805	\$ (178,455,700)	\$ (4,397,895)	\$ 13,087,163
277					

		Revenues	Expenditures	Surplus (Deficit)	Unrestricted Fund Balance
278	FY2026				
279					
280	Prior Year Adopted Budget	\$ 174,057,805	\$ (180,455,700)		
281	FY25 One-Time Expenditures/Revenue				
282	Sales Tax Growth over FY25 Adopted Budget	\$ 1,473,437		2.5% growth	
283	Property Tax Growth over FY25 Adopted Budget	\$ 1,392,490		2.5% growth	
284	Other Revenue Growth	\$ 413,000		2.5% growth	
285	Adjusted Base	\$ 177,336,733	\$ (180,455,700)		
286	Potential Wage Benefit Costs (unknown, subject to negotiation)		\$ (2,000,000)		
287	Merit Increases and Other Personnel Actions (and associated benefits)		\$ (850,000)	Estimate	
288	Commodities and Services Cost Growth		\$ (740,800)	2.5% growth	
289	Manager Proposed Budget	\$ 177,336,733	\$ (184,046,500)	\$ (6,709,767)	\$ 6,377,396
290					
291	General Fund Impact of Decision List Items		\$ (500,000)		
292	Total Assembly Adopted Changes	\$ -	\$ (500,000)	\$ (500,000)	
293					
294	Revenue Forecast Changes	\$ -	\$ -	\$ -	
295					
296					
297	Assembly Adopted Budget	\$ 177,336,733	\$ (184,546,500)	\$ (7,209,767)	\$ 5,877,396
298					
299	Supplemental Appropriation...				
300	Supplemental Appropriations	\$ -	\$ -		
301					
302	Anticipated Lapse		\$ 2,000,000		
303	Anticipated Variances	\$ -	\$ 2,000,000		
304					
305	Final Year-End (projected)	\$ 177,336,733	\$ (182,546,500)	\$ (5,209,767)	\$ 7,877,396

19-Year General Government Fund Balance History and Projections
Includes Sales Tax Fund

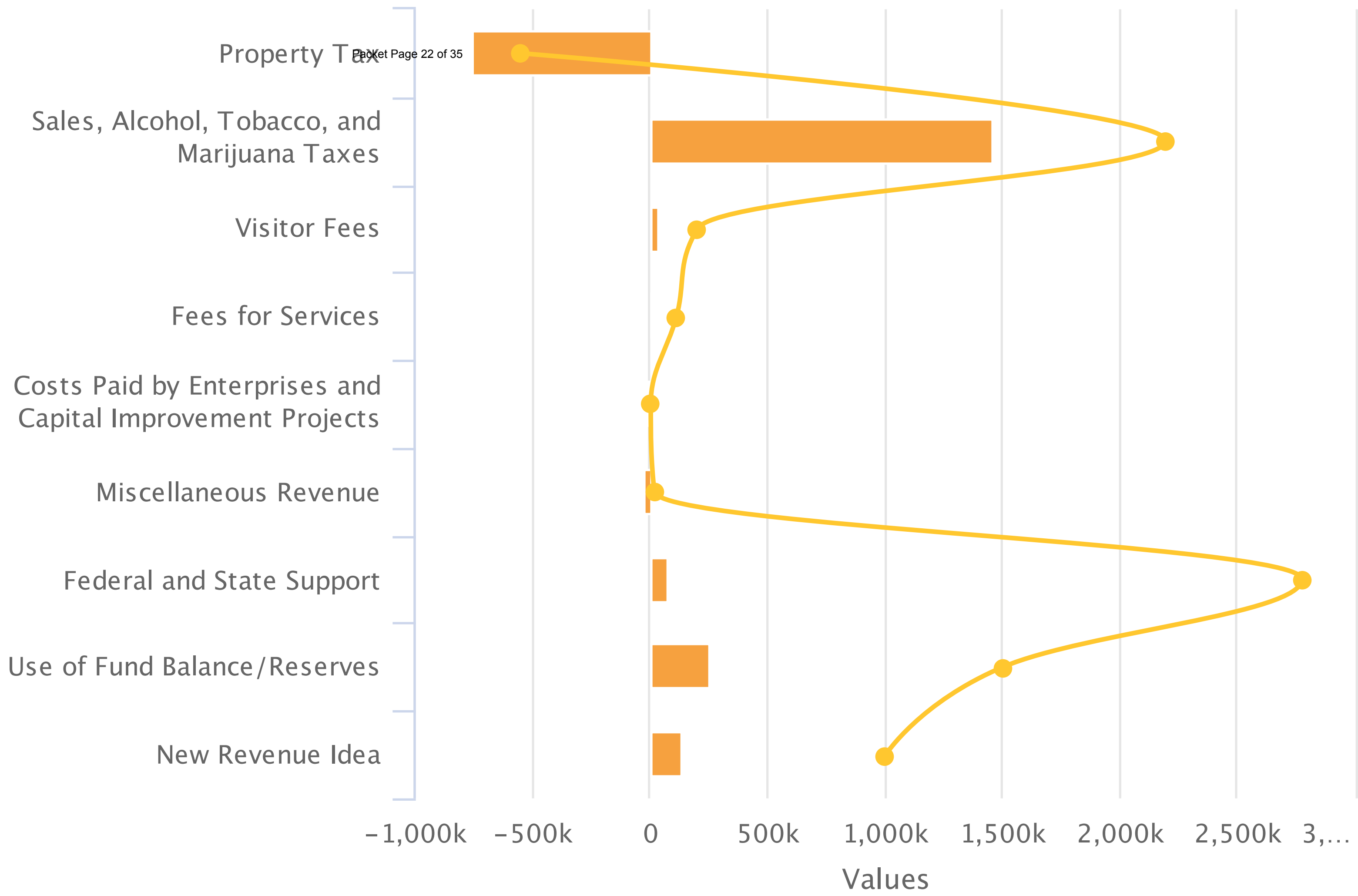


	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
■ Unrestricted Fund Balance	\$15.74	\$11.87	\$11.58	\$6.74	\$6.03	\$9.55	\$10.78	\$12.34	\$14.79	\$12.60	\$17.38	\$18.54	\$25.55	\$28.58	\$10.80	\$21.61	\$17.49	\$13.09	\$7.88
■ Reserves	\$13.79	\$13.21	\$12.42	\$11.26	\$11.26	\$11.26	\$11.76	\$12.41	\$13.41	\$15.02	\$15.86	\$16.55	\$13.55	\$14.46	\$15.60	\$16.60	\$16.60	\$16.60	\$16.60
■ Surplus/(Deficit)		\$(4.45)	\$(0.29)	\$(4.84)	\$(0.71)	\$3.52	\$1.23	\$1.56	\$2.45	\$(2.19)	\$4.78	\$1.17	\$7.01	\$3.03	\$(17.78)	\$10.81	\$(4.12)	\$(4.40)	\$(5.21)

Revenue Budget Comparison

Decreases vs. Increases (Click to hide)

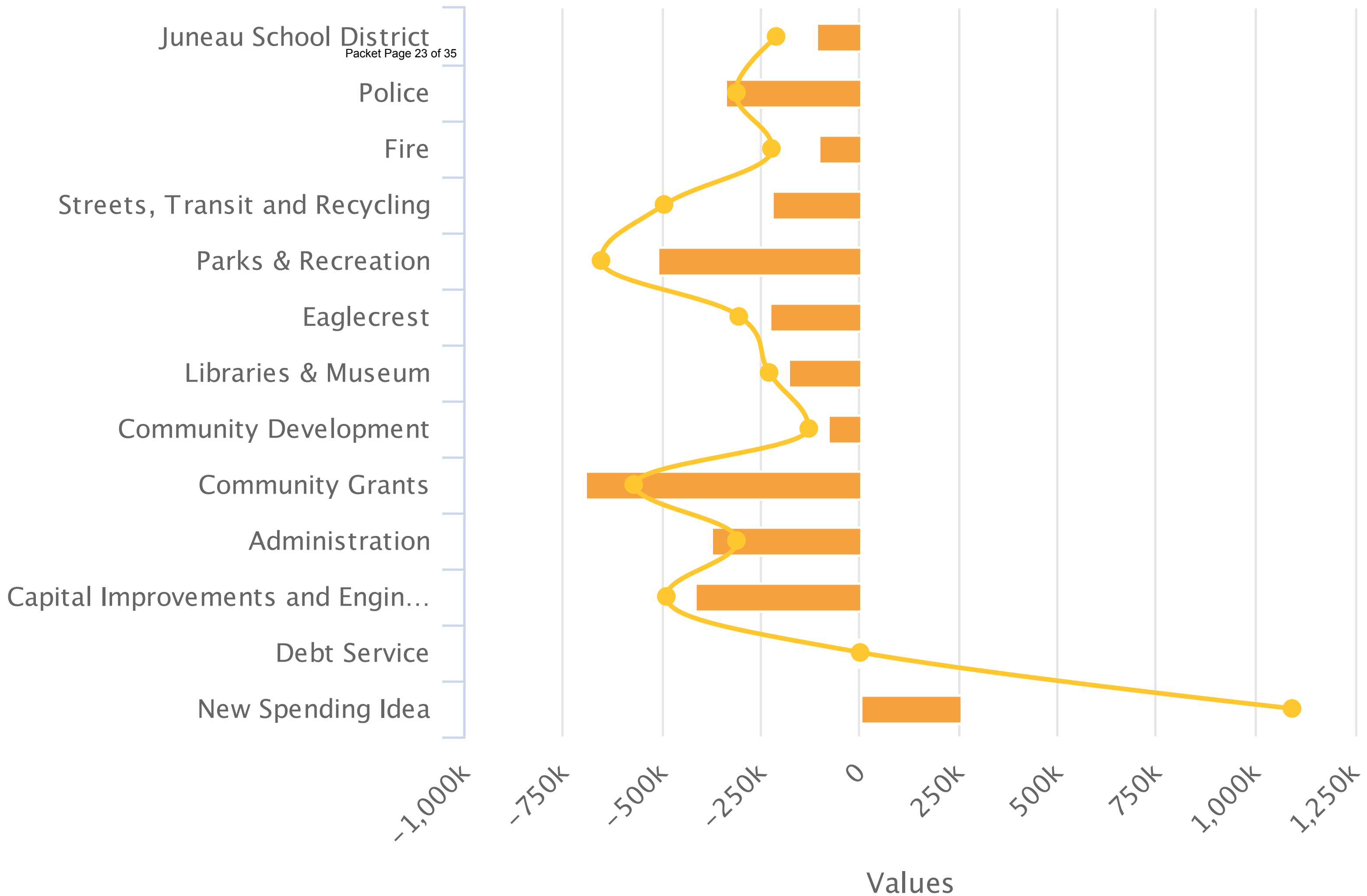
- **Average Submission Increase/Decrease**
- **Average Clicked Increase/Decrease**
- **Median Submission Increase/Decrease**
- ◆ **Mode of Clicked Increase/Decrease**



Expenses Budget Comparison

Decreases vs. Increases (Click to hide)

- Average Submission Increase/Decrease
- Average Clicked Increase/Decrease
- Median Submission Increase/Decrease
- ◆ Mode of Clicked Increase/Decrease



A Balancing Act
FY23 Proposed Budget Simulator Submission Results
5/16/2022

Top Revenue Increased

Average of All Increases Across All Submissions

Sales, Alcohol, Tobacco, and Marijuana Taxes	\$1,489,645
Property Tax	\$273,956
Use of Fund Balance/Reserves	\$256,944

Top Revenue Decreased

Average of All Decreases Across All Submissions

Property Tax	-\$1,098,402
Federal and State Support	-\$40,160
Fees for Services	-\$28,154

Top Expenses Increased

Average of All Increases Across All Submissions

New Spending Idea	\$260,285
Capital Improvements and Engineering	\$236,602
Streets, Transit and Recycling	\$164,228

Top Expenses Decreased

Average of All Decreases Across All Submissions

Community Grants	-\$760,235
Capital Improvements and Engineering	-\$615,924
Parks & Recreation	-\$520,225

A Balancing Act
FY23 Proposed Budget Simulator Submission Results
5/16/2022

Revenue Suggestions	Suggestion Amount
Land sales. It's a good time for it.	2,000,000
Electric bike and smart car rental can be huge for Juneau. You can charge whatever you wanted, and people will pay it. The city would own all of the kiosks, and cars. All of this revenue would go straight into the city budget.	2,000,000
\$100 Flat fee per household to help fund trails and parks	2,000,000
Non-Local retail business tax for high tourist areas. This will both add income and promote growth of local business owners. after all tourist come here for the culture and nature. not bamboo sheets and bogus jewelry shops	1,000,000
Delete tax exemption for non-profits and raise single purchase cap	1,000,000
Lobby the legislature to impose income tax. Juneau property owners shoulder our taxes...folks with high incomes are not contributing in any progressive way. Sinful.	800,000
VRBO/BnB tax separate from hotel bed tax Casino tax on ships Marine industrial facility: large vessel haulout and repair services City run ferry service to outlining communities in partnership with native corporations Privatize eaglecrest, partnership with cruise lines like in Icy Strait Point Underwater power line to Hoonah via greens creek connection. Rent usage to aelp.	700,000
\$20/annual permit for Outdoor vehicle park	40,000
Improve the fine schedule for Code Enforcement, Land Use, and Building Regulations.	-
Sales taxes applied to non-profit organizations who act as vendors of merchandise and who currently pay no sales tax.	-

A Balancing Act
FY23 Proposed Budget Simulator Submission Results
5/16/2022

Spending Suggestions	Suggestion Amount
Bring back the Deputy Fire Marshall. Add another Compliance Officer.	180,000
Remove sales tax on food	6,500,000
This money should go to building affordable apartments for low income people in the valley. You could build tiny apartments, which would house a lot of low income people. The city could own this property, and the money earned can go straight into the city budget. Currently there is nowhere for low income people to live, forcing us to be homeless or move elsewhere.	2,000,000
Grants for aspiring local business owners. Promote local culture and economic growth. Also grants to start more affordable childcare solutions. We need to help business owners succeed.	10,000,000
Cut each proposed budget 2.1%, 3.4M deficit achieved. If your directors cannot achieve this cut in their Capital expenditures or Operations, you have the wrong people in charge of the respective departments. Tie their incentive to the 2.1% reductions, and get employee buy in to come up with innovative ideas to reduce expense. Every CBJ employee knows where their department can save a little money. Budget reworks expense would be minimal.	500
Exempt groceries from Sales Tax and raise the general sales tax on everything else a bit. More money for libraries and places like the ZGYC and the new youth shelter; cut eaglecrest some to pay for it.	-
Use surplus reserve funds: To reduce property taxes 10% on a 1:1 basis for the next three years. Do not build city Taj Mahal - move city hall to JDHS and consolidate high school at TMHS. Revamp/Remodel Armory as JACC instead of CCC. Solve garbage dump/solid waste issues. Spend any excess funds above minimum reserve amount on housing issues and economic growth initiatives.	-
Recreation center for pickleball and other activities. Or else figure out how to share school gyms more sanely.	60,000

										Materials					Budget Book
#	Expenditure Description	Proposed in Manager's Budget	Request	GF Request Over FY22	GF Request Over Manager's	Mill Rate Equivalent	Status	Decision Date	One-Time or Ongoing	Meeting Date & Packet Page	Meeting Date & Packet Page	Meeting Date & Packet Page	Meeting Date & Packet Page	Meeting Date & Packet Page	
1	School District Outside the CAP	2,117,300	2,275,000	157,700	157,700	0.03	Approved	5/11/2022	Ongoing	4/13/2022 AFC packet pages 7-17	4/13/2022 AFC packet pages 18-27	4/13/2022 AFC packet pages 28-38	5/11/2022 AFC packet page 61	5/11/2022 AFC packet page 63	Page 107
2	Parks & Rec - Sheiyi xaat hit - 1.78 FTE Youth Development Leader (one FT position and two PTL positions) (potentially grant funded)	-	Packet Page 27 of 35 102,200	102,200	102,200	0.02	Approved	5/11/2022	Ongoing	5/4/2022 AFC packet page 53	5/11/2022 AFC packet page 64	5/11/2022 AFC packet page 65			Page 140
3	Parks & Rec - DPFH - 1.00 FTE Recreation Coordinator I	-	69,600	69,600	69,600	0.01	Rejected	5/11/2022	Ongoing	5/4/2022 AFC packet page 54					Page 141
4	Warming Shelter Contract Increase (6-Month Operating Period instead of 5-Month; Coincides with Annual Closing Date of Mill Campground)	170,000	200,000	107,800	30,000	0.01	Approved	5/11/2022	Ongoing	5/4/2022 AFC packet page 54					Page 87
5	Fire - Expanded MIH Program (potentially covered by State funding)	-	540,700	540,700	540,700	0.09	Approved	5/11/2022	One-Time GF, Fund w/ Tobacco Tax Ongoing	5/4/2022 AFC packet page 53	5/11/2022 AFC packet pages 66-68	5/11/2022 AFC packet page 69			Page 118
6	Eaglecrest GF Support for Pay Plan Adjustment	875,000	1,085,000	210,000	55,000	0.01	Approved	5/11/2022	Ongoing	4/27/2022 AFC packet pages 40-43					Page 102
7	Airport GO Bond	(660,300)	-	662,600	660,300	0.11	Tabled	5/11/2022	FY23 & FY24	2/2/2022 AFC packet page 97	2/2/2022 AFC minutes page 5	4/27/2022 AFC packet page 16			Page 164
8	Downtown Business Association - Main Street America/Operations	-	75,000	-	75,000	0.01	Approved	5/11/2022	One-Time Funded by HBT	5/4/2022 AFC packet page 23	5/11/2022 AFC packet page 70	5/11/2022 AFC packet pages 71-73			N/A
9	Arts and Humanities Council Grant (budget includes 10% inflationary increase)	184,300	250,000	82,500	65,700	0.01	Tabled	5/11/2022	Ongoing	5/4/2022 AFC packet pages 16-21	5/4/2022 AFC packet page 53				Page 88
10	Juneau Community Foundation - Social Services Block Grant (budget includes 10% inflationary increase + \$150K)	1,089,300	1,603,900	750,000	514,600	0.09	Postponed to 5/18/2022		Ongoing	5/4/2022 AFC packet page 8	5/4/2022 AFC packet pages 9-11	5/4/2022 AFC packet pages 12-14	5/4/2022 AFC packet page 15	5/4/2022 AFC packet page 52	Page 88
11	Merge JYS and JAHMI Grants into JCF Social Service Block Grant	450,000	Transfer Grant Admin	-	-	-	Approved - JYS Only	5/11/2022	Ongoing						Page 88
12	AEYC Grant - Parents as Teachers	-	141,000	141,000	141,000	0.02	Postponed to 5/18/2022		FY23 & FY24	5/4/2022 AFC packet pages 43-44					N/A
13	AEYC Grant - Operations	-	102,000	102,000	102,000	0.02	Postponed to 5/18/2022		FY23 & FY24	5/4/2022 AFC packet pages 43-44					N/A

										Materials					Budget Book
#	Expenditure Description	Proposed in Manager's Budget	Request	GF Request Over FY22	GF Request Over Manager's	Mill Rate Equivalent	Status	Decision Date	One-Time or Ongoing	Meeting Date & Packet Page	Meeting Date & Packet Page	Meeting Date & Packet Page	Meeting Date & Packet Page	Meeting Date & Packet Page	
14	Juneau Human Rights Commission - Afghan Refugee Sponsor Circle	-	50,050	50,050	50,050	0.01	Tabled		One-Time	5/11/2022 AFC packet page 74					N/A
15	Juneau Human Rights Commission - Community Engagement Project	-	25,000	25,000	5,000	0.00	Approved	5/11/2022	One-Time	5/11/2022 AFC packet page 75					N/A
16	Juneau Festival Committee	31,300	37,500	17,500	6,200	0.00	Approved	5/11/2022	Ongoing	5/11/2022 AFC packet page 76					Page 88
17	Alaska Heat Smart Grant - FY23 Operations	-	142,000	32,000	142,000	0.02	Approved	5/4/2022	One-Time	5/4/2022 AFC packet pages 38-42					N/A
18	Alaska Heat Smart Grants - Cash Flow Reserve	-	108,000	83,000	108,000	0.02	Approved	5/11/2022	One-Time from AHF	5/4/2022 AFC packet pages 38-42					N/A

Total Requests 2,825,050 0.49

Assembly FY2023 Actions	HBT	75,000	
	AHF	108,000	
	GF - One-Time	687,700	0.12
	GF - Ongoing	351,100	0.06
	Total	1,221,800	



Response to Question Posed at May 11 Meeting Regarding Additional Social Service Funding

At the May 11 CBJ Assembly Finance Committee meeting, Assembly Member Smith asked what the repercussions would be if the additional request of \$514,600 for social service grants was not provided. I apologize for not being able to be at the May 18 meeting, but Juneau Community Foundation Board Chair, John Pugh will be attending.

Briefly, for context, in the 2019 school year about 1,400 children applied for Free and Reduced Lunches. What do we know about this number? First we know it is low. Many older students do not apply, due to embarrassment. Second, to meet eligibility a family of four has income between about \$41,800 and \$59,500. JEDC's 2020 Economic Report tells us that 23% of all households in Juneau earn less than \$50,000 per year, and our poverty rate, which has risen for several years was 7.9% in 2018.

So on the one hand things seem pretty good, 44% of households earn \$100,000 or more a year, a poverty rate less than the rest of Alaska and the US, better income equality than the US and Alaska as a whole, which is among the best in the US. On the other hand, more than 1,400 students qualified for Free and Reduced Lunch in 2019, weekend student food bag numbers have increased, as has the number of meals for seniors, and individuals and families are struggling to find housing they can afford.

It is with numbers like this in mind that I provide the following potential funding uses of the additional \$514,600 that we requested on behalf of about 30 organizations. Bear in mind that organizations may have to decrease services to individual if there are no increases in their budgets. To fund everything listed below would require about a \$1.3 million increase.

- Provide 20 more beds for people trying to maintain sobriety and function;
- Eliminate a potential a rent increase for low income housing in order to increase wages to maintain employees;
- Assist 50 or more people with SSI/SSDI benefits, SSA appeals, and disability claims;
- Assist low income neighbors with civil legal issues (consumer law, family law, housing problems, public benefits, healthcare, Alaska Native law, veterans, and the elderly);
- Ensure the necessary professional personnel are in place to be able to bill Medicaid, Medicare, and other federally funded social service programs;
- Provide food to 350 students on the weekends;
- Ensure seniors receive the food they need;
- Provide healthcare or cover increases in healthcare insurance for employees in order to attract and maintain employees;
- Identify and advocate for 225 at risk middle and high school students to improve student self-regulation, other social emotional skills, and work with families;



- Provide increased wages to attract and retain nurses, travel nurses, and other health professionals to ensure mental health and health programs can continue;
- Reach an estimated 700 students through presentations, run programs for 100 students, present mental health topics to 50 parents all to help meet the increasing mental health needs of Juneau's youth;
- Increase employee wages and meet the increasing number of people needing assistance;
- Expand adult education services that have been reduced due to increasing costs;
- Maintain current number of employees rather than continuing to reduce employees and programs, in order increase the wages for remaining positions.

In April, when I asked Juneau's social service providers the question that Assembly Member Smith posed, the resounding response was that everyday costs are up; wages have had to be increased to attract and retain employees; rent, insurance, and health care costs are all increasing; and, significantly, client numbers have been increasing. All the while options for funding for several organizations have decreased.

We understand that with the current CBJ budget structure it is difficult to increase a continuing cost. At the last Assembly Finance Committee meeting there were some creative funding solutions for certain programs. Finding a creative solution to assist the increasing number of our neighbors who are struggling is vital. Not doing so, will, be expensive in the medium and long run, as a result of fewer clients being served. And, for some, it will be life-threatening.

Thank you for the opportunity to respond to your request with this additional information.

Amy Skilbred
Executive Director
Juneau Community Foundation
907-321-8884, amy@juneaucf.org

Presented by: The City Manager
 Introduced: April 4, 2022
 Drafted by: Engineering & Public Works Department

RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2975 vAFC2

A Resolution Adopting the City and Borough Capital Improvement Program for Fiscal Years 2023 through 2028, and Establishing the Capital Improvement Project Priorities for Fiscal Year 2023.

WHEREAS, the CBJ Capital Improvement Program is a plan for capital improvement projects proposed for the next six fiscal years; and

WHEREAS, the Assembly has reviewed the Capital Improvement Program for Fiscal Year 2023 through Fiscal Year 2028, and has determined the capital improvement project priorities for Fiscal Year 2023.

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

Section 1. Capital Improvement Program.

(a) Attachment A, entitled "City and Borough of Juneau Capital Improvement Program, Fiscal Years 2023-2028," dated **June 1, 2022**, is adopted as the Capital Improvement Program for the City and Borough.

(b) The following list, as set forth in the "City and Borough of Juneau Capital Improvement Program, Fiscal Years 2023 - 2028," are pending capital improvement projects to be undertaken in FY23:

FISCAL YEAR 2023 GENERAL SALES TAX IMPROVEMENTS		
DEPARTMENT	PROJECT	FY23 BUDGET
Eaglecrest	Deferred Maintenance /Mountain Operations Improvements	\$ 275,000
Manager's Office	JPD and CCFR - Radio System Replacement - seed money	150,000
Parks & Recreation	Deferred Building Maintenance	725,000
Parks & Recreation	Park & Playground Deferred Maintenance and Repairs	100,000
Parks & Recreation	Sports Field Resurfacing & Repairs	100,000
Parks & Recreation	Trail Maintenance	350,000
Parks & Recreation	Jackie Renninger Park Planning and Design	75,000
Parks & Recreation	Sigoowu Ye Park Lighting	300,000
	General Sales Tax Improvements Total	\$ 2,075,000

**FISCAL YEAR 2023
AREAWIDE STREET SALES TAX PRIORITIES**

DEPARTMENT	PROJECT	FY23 BUDGET
Street Maintenance	Pavement Management	\$ 800,000
Street Maintenance	Sidewalk & Stairway Repairs	750,000
Street Maintenance	Areawide Drainage Improvements	200,000
Street Maintenance	Teal St (supplemental increase from FY22)	992,000
Street Maintenance	Cedar Lane - Mend to Columbia - Surfacing and Utility Rehabilitation	360,000
Street Maintenance	Calhoun Avenue Phase 2 Surfacing and Utility Rehabilitation	1,750,000
Street Maintenance	Tongass Phase 2 (supplemental increase from FY22)	540,000
Street Maintenance	Crow Hill Drive Surfacing and Utility Rehabilitation	2,973,000
Street Maintenance	7 Mile Fleet Garage Bay Canopy Addition	100,000
Street Maintenance	Gold Creek Flume rehabilitation	200,000
Capital Transit	Bus Shelters Improvements	60,000
Capital Transit	FTA Grant Match - Install Additional Elect. Bus Charger Infrastructure - Bus	
	Barn	750,000
	FTA Grant Match - Install Elect. Bus Charger Infrastructure at Valley Transit	
Capital Transit	Center	450,000
Managers Office	Zero Waste Program	100,000
Managers Office	Lemon Creek Multi Modal Path Scoping and Planning	150,000
Engineering	Juneau Douglas North Crossing PEL Study - CBJ Staff time for project	175,000
Engineering	Road and Utility Project Designs for FY24	100,000
Engineering	Contaminated Sites ADEC Follow up Reporting	50,000
Areawide Street Sales Tax Priorities Total		<u><u>\$ 10,500,000</u></u>

**FISCAL YEAR 2023
TEMPORARY 1% SALES TAX PRIORITIES
Voter Approved Sales Tax 10/01/18 - 09/30/23**

DEPARTMENT	PROJECT	FY23 BUDGET
Manager's Office	Affordable Housing Fund	\$ 400,000 *
Manager's Office	IT Upgrades	400,000
Wastewater Utility	JDTP Decant Station	2,750,000
	Facilities Planning (Infiltration and Inflow, ABTP long term study, solids	
Wastewater Utility	digester)	300,000
Wastewater Utility	JDTP SCADA and Instrumentation Upgrades	150,000
Parks & Recreation	Deferred Building Maintenance	1,400,000
Parks & Recreation	Centennial Hall Upgrade / Deferred maintenance	2,800,000
School District	JSD Buildings Major Maintenance / Match	800,000
School District	MRCS Boiler Room Renovation	900,000
Airport	FAA Project Match	600,000
Temporary 1% Sales Tax Priorities Total		<u><u>\$ 10,500,000</u></u>

* Operating Budget Funding

**FISCAL YEAR 2023
STATE MARINE PASSENGER FEE PRIORITIES**

DEPARTMENT	PROJECT	FY23 BUDGET
Managers Office	Cirulator Plan	\$ 100,000
Docks	Real Time Weather Monitoring Station	55,000
Docks	Dock Electrification	2,640,000
Managers Office	Seawalk Expansion	1,000,000
Parks & Recreation	Refillable Water Bottle Station	50,000
Parks & Recreation	Marine Park Improvements Planning and Design	250,000
State Marine Passenger Fee Priorities Total		<u><u>\$ 4,095,000</u></u>

**FISCAL YEAR 2023
BARTLETT HOSPITAL ENTERPRISE FUND**

DEPARTMENT	PROJECT	FY23 BUDGET
Bartlett Hospital	Deferred Maintenance	\$ 3,000,000
Bartlett Hospital Enterprise Fund Total		<u><u>\$ 3,000,000</u></u>

**FISCAL YEAR 2023
LANDS & RESOURCES FUND**

DEPARTMENT	PROJECT	FY23 BUDGET
Lands & Resources	Pits and Quarries Infrastructure Maintenance and Expansion	\$ 150,000
	Lands & Resources Fund Total	\$ 150,000

**FISCAL YEAR 2023
WASTEWATER ENTERPRISE FUND**

DEPARTMENT	PROJECT	FY23 BUDGET
Wastewater Utility	Biosolids Crusher	\$ 2,500,000
Wastewater Utility	MWWTP SCADA	1,500,000
Wastewater Utility	Outer Drive and West Juneau Pump Station Upgrades	500,000
Wastewater Utility	MWWTP Treatment Upgrades - SBR Tank Rehab/Full Floor Aeration	500,000
Wastewater Utility	MWWTP Influent Piping Reconfiguration/Valve Upgrades	500,000
Wastewater Utility	Teal St (supplemental increase from FY22)	150,000
	Cedar Lane - Mend to Columbia - Surfacing and Utility Rehabilitation	
Wastewater Utility	(supplemental increase from FY22)	45,000
Wastewater Utility	Calhoun Avenue Phase 2 Surfacing and Utility Rehabilitation	35,000
Wastewater Utility	Tongass Phase 2 (supplemental increase from FY22)	60,000
Wastewater Utility	Collection System Lift Station Upgrades	250,000
Wastewater Utility	Crow Hill Drive	50,000
Wastewater Utility	Dudley Street (Loop Rd to End)	50,000
Wastewater Utility	Lower D and 1st Street (Douglas) -- Sewer Replacement	50,000
Wastewater Utility	Stairway Sewer Improvements	250,000
Wastewater Utility	Areawide Collection System Improvements	150,000
Wastewater Utility	Road and Utility Project Designs for FY24	50,000
Wastewater Utility	Pavement Management Program-Utility Adjustments (frames &lids)	25,000
	Wastewater Enterprise Fund Total	\$ 6,665,000

**FISCAL YEAR 2023
WATER ENTERPRISE FUND**

DEPARTMENT	PROJECT	FY23 BUDGET
Water Utility	Glacier Highway (Lena Loop) Water System Condition Scoping	\$ 150,000
Water Utility	Cope Park Pump Station Upgrades, New Pumps, Motors, Communications	1,000,000
Water Utility	Water Pipeline Assessment	200,000
Water Utility	Crow Hill Drive (Douglas Hwy to End)	520,000
Water Utility	Lower D and 1st Street Douglas Water System Replacement	225,000
Water Utility	Teal St (supplemental increase from FY22)	70,000
	Cedar Lane - Mend to Columbia - Surfacing and Utility Rehabilitation	
Water Utility	(supplemental increase from FY22)	45,000
Water Utility	Calhoun Avenue Phase 2 Surfacing and Utility Rehabilitation	230,000
Water Utility	Tongass Phase 2 (supplemental increase from FY22)	105,000
Water Utility	PRV Station Improvements / Upgrades, Crow Hill, 5th St Douglas, W Jnu	100,000
Water Utility	Areawide Water System Repairs	100,000
Water Utility	Road and Utility Project Designs for FY24	50,000
Water Utility	Pavement Management Water Utility Adjustments	8,000
	Water Enterprise Fund Total	\$ 2,803,000

ORDINANCE 2022-06 CAPITAL PROJECTS FUNDING TOTAL

\$ 39,388,000

ORDINANCE 2022-06 OPERATING BUDGET FUNDING TOTAL

\$ 400,000 *

*** Operating Budget Funding**

(c) The following list, as set forth in the "City and Borough of Juneau Capital Improvement Program, Fiscal Years 2023-2028," are capital improvement projects identified as priorities proposed to be undertaken beginning in FY23, but are dependent on other unsecured funding sources. As the sources are secured, the funds will be appropriated:

**FISCAL YEAR 2023
AIRPORT UNSCHEDULED FUNDING**

DEPARTMENT	PROJECT	
Airport	Construct Terminal Area (121/135) Apron Rehab & North ramp lighting & fencing	\$ 7,400,000
Airport	26 MALSR (FAA F&E Project)	3,900,000
Airport	Channel Flying Property Acquisition (FAA compliance)	1,500,000
Airport	Taxilane Improvement (East) non-FAA eligible portions	225,000
	Airport Unscheduled Funding Total	<u>\$ 13,025,000</u>

**FISCAL YEAR 2023
UNSCHEDULED FUNDING**

DEPARTMENT	PROJECT	
Capital Transit	FTA Grant - Install additional Elect. Bus Charger Infrastructure	\$ 3,200,000
Capital Transit	FTA Grant Match - Instal Elect. Bus Charger Infrastructure at Valley Transit Center	1,500,000
Parks and Recreation	Hank Harmon Public Range Hunter Safety Access Grant (unscheduled)	600,000
Parks and Recreation	Eagle Valley Center Heat Pump and Energy Efficiency (unscheduled)	300,000
Harbors	UAS Downtown Property Purchase	3,000,000
Harbors	Cost Share w/ ACOE - Statter Breakwater Feasibility Study	500,000
Street Maintenance	Calhoun Avenue Pedestrian Bridge Rehabilitation -Replacement - FED Hwys Bridge Rehabilitation Grant	350,000
Managers Office	JPD and CCFR - Radio System replacement	12,000,000
	Unscheduled Funding Total	<u>\$ 21,450,000</u>

Section 2. Fiscal Year 2023 Budget. It is the intent of the Assembly that the capital improvement project budget allocations as set forth in the FY23 pending Capital Improvements List in Section 1(b), above, not already appropriated, shall become a part of the City and Borough's Fiscal Year 2023 Budget.

Section 3. State and Federal Funding. To the extent that a proposed CIP project, as set forth in Section 1(c), above, includes state funding, federal funding, or both, the amount of funding for that project is an estimate only, and is subject to appropriation contingent upon final funding being secured. It is the intent of the Assembly that once funding is secured, these items will be brought back to the Assembly for appropriation.

Section 4. Effective Date. This resolution shall be effective immediately upon adoption.

Adopted this _____ day of **June**, 2022.

Beth A. Weldon, Mayor

Attest:

Elizabeth J. McEwen, Municipal Clerk

2022 Assessed Valuations and FY2023 Mill Rates and Property Tax
Scenarios for Assembly Consideration

Taxable Assessed Valuation	FY2022		FY2023	
	Valuation		Valuation	
	Non-Roaded	\$ 502,576,641	\$ 503,071,305	
	Roaded	\$ 4,889,470,497	\$ 5,224,648,329	
	Roaded w/o Fire	\$ 28,177,111	\$ 29,677,361	
	Total	\$ 5,420,224,249	\$ 5,757,396,995	

Taxable Assessed Valuation Increase over Prior Year **6.2%**

FY2023 Scenarios for Consideration						
		Prior Year	As Proposed	Option #1	Option #2	Option #3
				Accept Proposal	Flat from Prior Year	Accept Proposal + Fund
						DL Ongoing Costs
Mill Rates	Areawide	6.60	6.70	6.70	6.60	6.76
	Roaded	2.45	2.45	2.45	2.45	2.45
	Fire	0.31	0.31	0.31	0.31	0.31
	Debt	1.20	1.20	1.20	1.20	1.20
	Total	10.56	10.66	10.66	10.56	10.72
Property Tax	Areawide	\$ 35,773,480	\$ 38,574,560	\$ 38,574,560	\$ 37,998,820	\$ 38,920,004
	Roaded	\$ 12,048,237	\$ 12,873,098	\$ 12,873,098	\$ 12,873,098	\$ 12,873,098
	Fire	\$ 1,515,736	\$ 1,619,641	\$ 1,619,641	\$ 1,619,641	\$ 1,619,641
	Debt	\$ 6,504,269	\$ 6,908,876	\$ 6,908,876	\$ 6,908,876	\$ 6,908,876
	Total	\$ 55,841,722	\$ 59,976,175	\$ 59,976,175	\$ 59,400,435	\$ 60,321,619

Property Tax Revenue Increase (Decrease) over Proposed(\$\$\$):	N/A	\$ -	\$ (575,740)	\$ 345,444
Property Tax Revenue Increase over Prior Year (\$\$\$):	\$ 4,134,454	\$ 4,134,454	\$ 3,558,714	\$ 4,479,897
Property Tax Revenue Increase over Prior Year (%):	7.4%	7.4%	6.4%	8.0%

Change Resulting from Mill Rate Change	\$ (575,740)	\$ 345,444
Change Resulting from Valuation	\$ 4,134,454	\$ 4,134,454
Net Change from Prior Year	\$ 3,558,714	\$ 4,479,897