City and Borough of Juneau
Minutes - Assembly Finance Committee Meeting
Wednesday, May 12, 2021

I. CALL TO ORDER

The meeting was called to order at 5:50 pm by Carole Triem, Chair.

II. ROLL CALL

Committee Members Participating Virtually: Carole Triem, Chair; Mayor Beth Weldon; Loren Jones; Alicia Hughes-Skandijs; Wade Bryson; Maria Gladziszewski; Greg Smith; Christine Woll; Michelle Bonnet-Hale

Committee Members Absent: None

Staff Present Virtually: Rorie Watt, City Manager; Mila Cosgrove, Deputy City Manager; Jeff Rogers, Finance Director; Adrien Speegle, Budget Analyst; Teresa Bowen, Assistant Municipal Attorney; Carl Uchytil, Port Director; Dave Scanlan, Eaglecrest General Manager

Others Present Virtually: None

III. APPROVAL OF MINUTES

The May 5, 2021 minutes were approved as presented.

IV. ITEMS FOR ACTION

a. Docks & Harbors - Revised Budget

Jeff Rogers, Finance Director, introduced the Docks and Harbors FY22 Revised Budget. He reminded the Committee that departmental budgets are developed in January, at which time it was unknown that Juneau would not be seeing any large cruise ships in the 2021 tourist season, resulting in Docks and Harbors' budget reflecting stale revenue expectations. The Assembly Finance Committee (AFC) approved Docks and Harbors' FY22 budget during the April 7, 2021 meeting. In light of significantly changed circumstances, staff invited Docks and Harbors to submit a revised budget based on updated summer assumptions.

Carl Uchytil, Port Director, was present and available for questions.

<u>Motion</u>: by Ms. Gladziszewski to approve the revised FY22 Docks and Harbors budget.

Motion passed by unanimous consent.

b. Eaglecrest - Revised Budget

Mr. Rogers explained that similarly to Docks and Harbors, Eaglecrest's budget also reflects out of date information due to being prepared so early in the year. Eaglecrest experienced a much better ski season than expected, resulting in revenue projections being higher than anticipated. In light of significantly changed circumstances, staff invited Eaglecrest to submit a revised budget based on updated revenues.

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

Motion: by Ms. Gladziszewski to approve the revised FY22 Eaglecrest budget.

Motion passed by unanimous consent.

c. School District Funding – for Final Action

Mr. Rogers reminded the Committee that they already approved the maximum local funding amount for the Juneau School District earlier in the budget process. The remaining "outside the cap" amount is still up for consideration. Mr. Rogers directed the Committee's attention to packet page 16 which shows a comparison between the appropriated "outside the cap" funding in FY21 versus the School District's FY22 "outside the cap" funding request. Mr. Rogers stated that the "outside the cap" funding request for FY22 reflects an increase of $16,400 over FY21. Mr. Rogers noted that there were several representatives of the School District available to answer questions if needed.

Motion: by Mayor Weldon to approve the total request for funding in the amount $29,336,100, which includes the $2,071,500 amount outside the cap.

Motion passed by unanimous consent.

Mr. Rogers clarified that this ordinance would be up for public hearing at the May 24, 2021 Regular Assembly meeting.

d. Pending List

Mr. Rogers stated that the Committee only has a few more outstanding decisions to make on the pending list, including funding for Travel Juneau, vote by mail, Assembly and Planning Commission compensation, Hospital Board compensation, and commercial passenger vehicle business grants.

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Travel Juneau

<u>Motion</u>: by Mayor Weldon to approve Travel Juneau's full FY22 funding request of $625,000.

Motion passed by unanimous consent.

Vote by Mail

Rorie Watt, City Manager, introduced a memo on packet page 19 regarding an update on vote by mail for the 2022 election. Mr. Watt expects staff to be ready to present another update with options regarding space requirements, cost of hosting a local vote by mail election, and whether the location could be a city facility by sometime in June. Mr. Watt recommended that the Committee take the vote by mail topic off the pending list, and address it instead as a supplemental appropriation during FY22.

Mr. Watt responded to committee questions.

<u>Motion</u>: by Ms. Gladziszewski to remove the vote by mail topic from the pending list.

Motion passed by unanimous consent.

Increased Assembly, Planning Commission, and Hospital Board Compensation

Mr. Jones introduced a document on packet page 20 detailing the budget impact of compensation changes for the Assembly, the Hospital Board, and the Planning Commission. The FY22 budgetary impact is estimated at $40,000 to the general fund budget and $26,400 to the hospital fund.

<u>Motion</u>: by Mr. Jones to accept the compensation changes and request that Law draft the appropriate ordinances to bring to the Assembly for introduction and public hearing.

<u>Objection</u>: by Mayor Weldon and Mr. Smith for the purpose of a question. They later removed their objections.

Mr. Jones and Chair Triem clarified that in addition to adjusting the budget for increased compensation, an ordinance must also be introduced and publically heard prior to implementation.

Beth McEwen, Municipal Clerk, clarified the Hospital Board would not be required to file a financial disclosure statement.

Mr. Jones stated that, if approved, the increase would go into effect only after the October 2021 election. The last time the Assembly compensation was changed was 1994.

The Committee discussed the motion.

<u>Amendment</u>: by Mr. Smith to amend Mr. Jones' motion by eliminating the appropriation of funds into the budget for the compensation increase and only have an ordinance brought forward for further discussion, introduction and public hearing.

<u>Objection</u>: by Mayor Weldon.

<u>Roll Call Vote on Amendment</u>:
Ayes: Smith, Woll, Gladziszewski, Bryson, Hale
Nays: Weldon, Hughes-Skandijs, Jones, Triem

Motion passed. Five (5) Ayes, Four (4) Nays.

<u>Original Motion as Amended</u>:

Motion passed by unanimous consent.

The committee recessed at 6:24 PM.
The committee reconvened at 6:35 PM.

Commercial Passenger Vehicle Business Grants

<u>Motion</u>: by Mayor Weldon to table the Commercial passenger vehicle grant topic until next week so she can discuss procedure with the city attorney.

Motion passed by unanimous consent.

To conclude the Committee's consideration of the pending list, Mr. Watt noted that he recognizes Ms. Gladziszewski's request from the previous meeting to provide additional funding support for the Clerk's Office in FY22, however at this time he does not have a recommendation. He explained that there are uncertainties around staffing needs as CBJ transitions out of the pandemic and the city shifts back to in-person meetings. Mr. Watt assured the Committee that better online access to minutes and meetings is a project he intends to work on.

Ms. Gladziszewski withdrew her request to add this topic to the pending list.

V. ITEMS FOR DISCUSSION

a. Update on Sales and Consumer Taxes – Q3 Actuals

Mr. Rogers presented packet pages 26-31 that reflect updated consumer tax receipts for the third quarter of FY21. Mr. Rogers noted that sales tax and hotel bed tax receipts came in slightly higher than projected. He stated that these updates in consumer tax receipts will be reflected in the FY22 adopted budget, once finalized.

b. Further Consideration of Mill Rate

Mr. Rogers presented a document on packet pages 22-25 detailing changes to the FY21 and FY22 budgets in response to committee actions. Mr. Rogers shared an Excel version of the file that allows the Committee to input a specific mill rate and see the budgetary impact of the decision. Mr. Rogers explained that this document will help committee members prepare for next week's meeting, at which the final mill rate must be set for the FY22 budget.

Ms. Woll requested that in preparation for next week's meeting, she would like to see a preview of the FY23 budget to ensure the Committee is fully considering future fiscal year budgetary impacts when setting the mill rate for FY22.

Mr. Rogers answered committee questions.

VI. INFORMATION ITEMS

a. FY22 Revised Budget AFC Calendar

Mr. Rogers stated that during next week's meeting, the Committee will have to make all final budget decisions, including setting the mill rate. Furthermore, the Committee will need to forward the CBJ budget ordinance and mill levy ordinance out of committee to the full Assembly for public hearing.

VII. NEXT MEETING DATE

a. May 19, 2021

VIII. AJOURNMENT

The meeting was adjourned at 7:18 pm.