ASSEMBLY FINANCE COMMITTEE
THE CITY AND BOROUGH OF JUNEAU, ALASKA
Wednesday, February 3, 2021, 6:00 PM.
Zoom Webinar & FB Live Stream

(webinar: https://juneau.zoom.us/j/93917915176 or call 1-346-248-7799 Webinar ID: 939 1791 5176)

I. CALL TO ORDER

II. ROLL CALL

III. APPROVAL OF MINUTES

a. **Wednesday, January 6, 2021**

IV. ITEMS FOR ACTION

a. **COVID - Local Need and Federal Support**
b. **Bartlett Regional Hospital Testing Equipment - Ordinance 2020-09(AK)**
c. **Individual Assistance Supplemental Funding - Ordinance 2020-09(AL)**
d. **General Obligation Bond - Ordinance 2021-02**
e. **Juneau School District FY21 Budget Revision #3 - Ordinance 2020-10(B)**
f. **Remaining RALLY CARES Act Funding Request**

V. ITEMS FOR DISCUSSION

a. **Remote Sales Tax - Draft Uniform Code Changes**
b. **COVID-19 Loan Program**

VI. INFORMATION ITEMS

a. **Increase to Motor Vehicle Registration Tax**
b. **Manager's Passenger Fee Proposal**
c. **FY22 Revised Budget AFC Calendar**

VII. NEXT MEETING DATE

a. **Wednesday, March 3, 2021**

VIII. SUPPLEMENTAL MATERIALS

a. **AHFC Emergency Rental Assistance Fact Sheet**

b. **Biden COVID-19 Relief Proposal Comparison**

c. **Resolution 2941 - Individual Assistance Program Amendment**

d. **Shepherd of the Valley - Safe Space for Schooling Request**

IX. ADJOURNMENT

DRAFT

City and Borough of Juneau
Minutes - Assembly Finance Committee Meeting
Wednesday, January 6, 2021

I. Call to Order

The meeting was called to order at 6:00 PM by Carole Triem, Chair.

II. Roll Call

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

Committee Members Absent: None

Staff Present Virtually: Rorie Watt, City Manager; Mila Cosgrove, Deputy City Manager; Jeff Rogers, Finance Director; Adrien Speegle, Budget Analyst; Rob Palmer, City Attorney; Katie Koester, Public Works and Engineering Director

Others Present Virtually: Bruce Botelho, the New JACC Partnership Co-Chair; Erin Walker-Tolles, Catholic Community Services Executive Director

III. APPROVAL OF MINUTES

a. The December 9, 2020 minutes were approved as presented.

IV. ITEMS FOR ACTION

a. Centennial Hall Expansion

Mr. Watt presented materials to the Committee relating to the expansion concept of Centennial Hall into a joint facility with the Juneau Arts and Culture Center (JACC). Mr. Watt recommended a $75,000 appropriation from the General Fund's fund balance for consulting services to explore this concept.

<u>Motion</u>: by Mayor Weldon to forward an appropriating ordinance of $75,000 of fund balance to the Assembly for introduction and public hearing.

Mayor Weldon spoke to her motion, recognizing that voters voted down the idea of a new JACC building, but that this concept is different, as it is an expansion of Centennial Hall, including the addition of an upstairs level that the Assembly was considering before to increase convention spaces.

Objection: by Ms. Hughes-Skandijs, who expressed concerns about the financial position of the City and the optics of approving this appropriation when voters have recently voted down a similar concept and Juneau is still suffering from the ongoing pandemic. Mr. Jones also objected to the motion, expressing his concerns about the cost of this project to CBJ.

Chair Triem inquired about other funding sources available to help fund the expansion concept, specifically relating to the funds The New JACC Partnership raised for their original project plan.

Mr. Botelho stated that The New JACC Partnership raised between $15-20 million for the project. Mr. Botelho stated that he sees a range of alternatives for funding, such as other private sources, federal infrastructure funding, or the CBJ's availability of general obligation bond debt capacity. Mr. Botelho stated that he believes this facility will be particularly attractive to the cruise industry, and questioned the possibility of using marine passenger fee proceeds to fund a revenue bond, which would reduce the burden on CBJ's property tax payers.

Roll Call Vote:
Ayes: Bryson, Woll, Gladziszewski, Hale, Smith, Weldon
Nays: Hughes-Skandijs, Jones, Triem

Motion passed. Six (6) Ayes, Three (3) Nays.

b. **Centennial Hall Renovation**

Mr. Watt introduced a memorandum to the Committee relating to the renovation of Centennial Hall on packet page 18. At the Assembly meeting on December 14, 2020, the body rejected Transfer T-1031 due to the nature of the funding sources. In the memo, Mr. Watt laid out three options for the Assembly to consider on how to move forward with this project: wait for the 1% sales tax approved by voters in FY18 to become available, draw from the General Fund, or transfer funds from other CIPs.

Mr. Bryson questioned whether funding the renovation to Centennial Hall would interfere with the expansion concept previously discussed.

Ms. Koester responded, stating that there are mechanical upgrades that would be completed without having impact on future expansion projects.

Ms. Hughes-Skandijs stated that approval of the renovation funds ties directly into a bond package that the voters approved, both on the grounds of keeping people working for the Juneau economy and the potential projects that were listed on the bond ballot.

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Motion: by Mayor Weldon to forward a transfer as proposed in the memo to the Assembly.

Roll Call Vote:

Ayes: Bryson, Woll, Hughes-Skandijs, Jones, Triem, Weldon
Nays: Gladziszewski, Hale, Smith

Motion passed. Six (6) Ayes, Three (3) Nays

c. **Youth Sheltering at Hurlock Property**

Mr. Watt introduced a memorandum on packet page 20 detailing the remaining funding necessary to operate the Homelessness Youth Shelter at the Hurlock Street property. With the funding secured by Zach Gordon Youth Center (ZGYC), and funding that is pending in hopes of being secured, there is a remaining gap of $89,015.

Ms. Hughes-Skandijs asked to clarify whether the next budget cycle would include the annual operating budget for the homelessness youth shelter.

Mr. Watt responded that the FY22 budget would reflect an appropriation of $634,000, of which local funding would account for $89,000.

Motion: by Mayor Weldon to forward an appropriating ordinance for the secured funding grants to the Assembly, and asked for unanimous consent.

Motion passed by unanimous consent.

Mr. Watt introduced a second memo on packet page 21, stating that the ZGYC has been awarded $75,000 from the Alaska Department of Labor and Workforce Development to fund an additional homeless youth navigator position. This position will work closely with youths ages 18-24 to provide supportive services and aid in finding and maintaining housing. The navigator position is not a new service for ZGYC, but is an expansion of existing services. The sooner the Assembly is able to appropriate $75,000, the sooner ZGYC will be able to recruit for the position.

Motion: by Mr. Jones to forward an appropriating ordinance for the $75,000 grant from the Department of Labor to the Assembly, and asked for unanimous consent.

Motion passed by unanimous consent.

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d. **Architect/Engineer I Position**

Mr. Watt introduced a memo from Ms. Koester on packet page 28, stating that the Engineering and Public Works Department is seeking to reinstate an Architect I position that was unfunded in the FY21 budget. This position is necessary to fulfill capital project planning, design, and construction for Bartlett Regional Hospital (BRH). The position would be entirely funded by Bartlett fund balance via the capital budget.

Ms. Cosgrove stated that this position is accounted for in the FY22 budget.

<u>Motion:</u> by Ms. Hale to support the addition of the Architect I position to the FY21 budget, and asked for unanimous consent.

Motion passed by unanimous consent.

e. **Pending CARES Act Legislation (Forwarded by Assembly on December 22, 2020)**

Mr. Watt discussed updates to the CARES Act funding, stating that an additional $900 billion stimulus package was signed by President Trump on December 27, 2020. This legislation extends the eligible expenditure period under the CARES Act. The extension would allow CBJ to cover the cost of public safety personnel with remaining CARES funds for the period after December 30. Mr. Watt recommended that the Assembly pause on appropriating any additional CARES funding and take time to best assess individual, community, and business needs, as well as take into considering the financial position of the City going into FY22.

Mr. Jones asked for clarification as to when information will be available concerning the final settlement on CARES Act grants from 2020.

Mr. Rogers stated that there are many factors that play into determining the amount of unspent funding that may be returned to CBJ, depending on the specifics of each individual program. Mr. Rogers stated that he will have more information to share with the Assembly towards the end of January.

Ms. Gladziszewski stated that she is interested in Emergency Appropriation Resolution 2933 on packet page 46, questioning whether it is possible to move $700,000 of funding from Bartlett Regional Hospital to the Individual Assistance program, as Bartlett has additional CARES Act funding they can use for the COVID-19 testing equipment.

Ms. Woll reflected the sentiment, stating that she feels an obligation to get money into the community to individuals who applied for the Individual

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Assistance program, and questioned whether funding could come from expired programs or from programs that still have remaining funds.

Mr. Watt responded, stating that the Assembly could appropriate additional funding for the Individual Assistance Grant program, however it is a matter of deciding where the funding will come from.

Ms. Walker-Tolles provided an update on the Individual Assistance Grant program to the Committee.

Ms. Hughes-Skandijs stated that she is grateful for the funds that were available to be distributed through the Individual Assistance Grant program, though there is still a large population that that did not receive the assistance they need due to an oversubscription to the program during its first two days of opening.

Motion: by Mayor Weldon to delay action on CARES Act funding until the next AFC meeting.

Objection: by Ms. Hughes-Skandijs and Ms. Woll, who both expressed that individuals in the Juneau community need financial assistance now, and it is important to address that need rather than wait to make a decision in a month.

Amendment 1 to Original Motion: by Ms. Gladziszewski to amend the Mayor's motion to delay action on CARES Act funding until the next Finance Committee meeting, however exclude the $700,000 BRH topic from delay, and instead forward a deappropriating and reappropriating ordinance to the Assembly for introduction and consideration on January 25 and public hearing on February 8.

Amendment to Amendment 1: by Ms. Hughes-Skandijs to amend Ms. Gladziszewski's amendment to the original motion, instead of forwarding the reappropriating ordinance of $700,000 to the Assembly as a normal ordinance, forward it instead as an emergency appropriation resolution.

Objection to the Amendment to Amendment 1: by Ms. Hale and Mayor Weldon.
Ayes: Woll, Hughes-Skandijs, Smith, Triem
Nays: Bryson, Gladziszewski, Hale, Jones, Weldon

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

Ms. Gladziszewski's amendment to the original motion passed by unanimous consent.

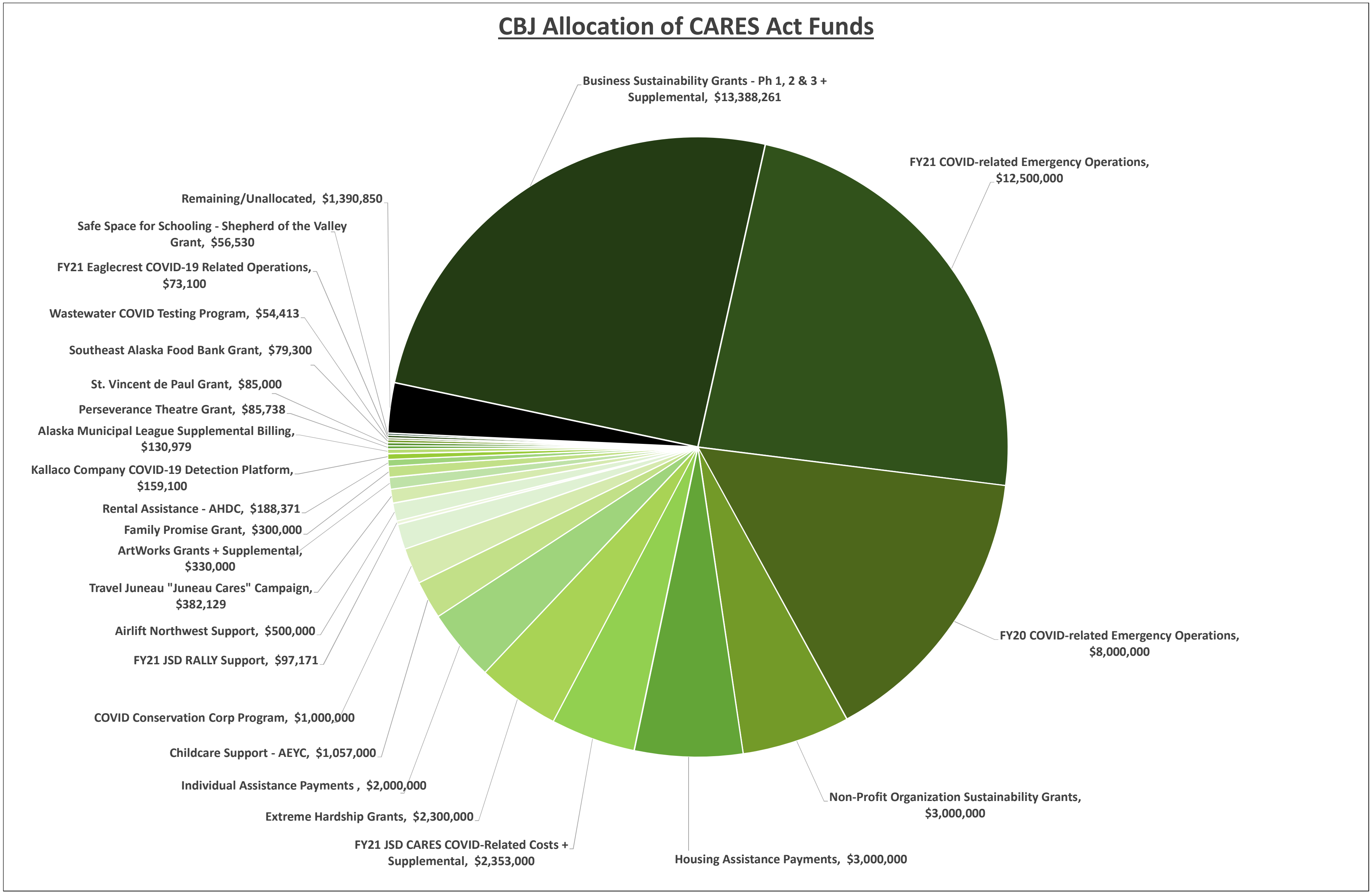
Mayor Weldon's original motion, as amended, passed by unanimous consent.

V. NEXT MEETING DATE

a. Wednesday, February 3, 2021

VI. ADJOURNMENT

The meeting was adjourned at 7:38 pm.


CBJ Allocation of CARES Act Funds
Business Sustainability Grants - Ph 1, 2 & 3 + Supplemental, $13,388,261
FY21 COVID-related Emergency Operations, $12,500,000
FY20 COVID-related Emergency Operations, $8,000,000
Non-Profit Organization Sustainability Grants, $3,000,000
Housing Assistance Payments, $3,000,000
FY21 JSD CARES COVID-Related Costs + Supplemental, $2,353,000
Extreme Hardship Grants, $2,300,000
Individual Assistance Payments , $2,000,000
Childcare Support - AEYC, $1,057,000
COVID Conservation Corp Program, $1,000,000
FY21 JSD RALLY Support, $97,171
Airlift Northwest Support, $500,000
Travel Juneau "Juneau Cares" Campaign, $382,129
ArtWorks Grants + Supplemental, $330,000
Family Promise Grant, $300,000
Rental Assistance - AHDC, $188,371
Kallaco Company COVID-19 Detection Platform, $159,100
Alaska Municipal League Supplemental Billing, $130,979
Perseverance Theatre Grant, $85,738
St. Vincent de Paul Grant, $85,000
Southeast Alaska Food Bank Grant, $79,300
Wastewater COVID Testing Program, $54,413
FY21 Eaglecrest COVID-19 Related Operations, $73,100
Safe Space for Schooling - Shepherd of the Valley Grant, $56,530
Remaining/Unallocated, $1,390,850

CBJ Allocation of CARES Act Funds

Total CARES Act Funding Available	**$ 53,210,942**		
Program/Purpose	**Appropriated**	**Projected Actuals**	**Difference**
Business Sustainability Grants - Ph 1, 2 & 3 + Supplemental	$ 14,000,000	$ 13,388,261	$ (611,739)
FY21 COVID-related Emergency Operations	$ 12,500,000	$ 12,500,000	$ -
FY20 COVID-related Emergency Operations	$ 8,000,000	$ 8,000,000	$ -
Non-Profit Organization Sustainability Grants	$ 3,000,000	$ 3,000,000	$ -
Housing Assistance Payments	$ 3,000,000	$ 3,000,000	$ -
FY21 JSD CARES COVID-Related Costs + Supplemental	$ 2,353,000	$ 2,353,000	$ -
Extreme Hardship Grants	$ 2,300,000	$ 2,300,000	$ -
Individual Assistance Payments	$ 2,000,000	$ 2,000,000	$ -
Childcare Support - AEYC	$ 1,057,000	$ 1,057,000	$ -
COVID Conservation Corp Program	$ 1,000,000	$ 1,000,000	$ -
COVID Testing Equipment & Build-Out	$ 700,000	$ 700,000	$ -
FY21 JSD RALLY Support	$ 600,000	$ 97,171	$ (502,829)
Airlift Northwest Support	$ 500,000	$ 500,000	$ -
Travel Juneau "Juneau Cares" Campaign	$ 383,775	$ 382,129	$ (1,646)
ArtWorks Grants + Supplemental	$ 330,000	$ 330,000	$ -
Family Promise Grant	$ 300,000	$ 300,000	$ -
Rental Assistance - AHDC	$ 200,000	$ 188,371	$ (11,629)
Kallaco Company COVID-19 Detection Platform	$ 175,000	$ 159,100	$ (15,900)
Alaska Municipal League Supplemental Billing	$ 130,979	$ 130,979	$ -
Perseverance Theatre Grant	$ 85,738	$ 85,738	$ -
St. Vincent de Paul Grant	$ 85,000	$ 85,000	$ -
Southeast Alaska Food Bank Grant	$ 79,300	$ 79,300	$ -
Wastewater COVID Testing Program	$ 75,000	$ 54,413	$ (20,587)
FY21 Eaglecrest COVID-19 Related Operations	$ 73,100	$ 73,100	$ -
Safe Space for Schooling - Shepherd of the Valley Grant	$ 70,000	$ 56,530	$ (13,470)
Total	**$ 52,997,892**	**$ 51,820,092**	**$ (1,177,800)**
Remaining/Unallocated	**$ 213,050**	**$ 1,390,850**	

MEMORANDUM

155 Municipal Way
Juneau, AK 99801
Phone: (907) 586-5215
Fax: (907) 586-0358

DATE: January 26, 2021

TO: Assembly Finance Committee

FROM: Jeff Rogers, Finance Director

SUBJECT: **COVD-19 Local Need and Federal Support**

As the Assembly takes up consideration of additional appropriations for Housing Assistance and/or Individual Assistance programs, the following information may provide context for discussion and decision making.

Local Unemployment Data
Up-to-date unemployment data is available from the State of Alaska here, and is presented in the following table.

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2020	4.7	4	4.1	10.9	10.9	11.7	10.3	5.7	5.7	4.7	5.1	4.4	
2019	5.3	5.5	5.2	4.6	4.2	4.3	3.9	3.7	3.9	4.2	4.4	4.4	4.4
2018	5	4.9	4.8	4.5	4	4.2	3.6	3.5	3.9	4.3	4.6	4.9	4.3
2017	5.4	5.4	5.1	4.6	4.1	4.5	4.3	3.9	4.3	4.4	4.6	4.8	4.6
2016	5.2	5.3	4.9	4.4	4.2	4.4	3.9	3.6	4.2	4.4	4.7	4.8	4.5

The data indicates a considerable increase in the unemployment rate starting in April 2020 and persisting above 10% through July 2020. However, the unemployment rate dropped by nearly half in August 2020. The rate of unemployment for October through December 2020 was in range with recent years. Economists have cautioned that pandemic circumstances have complicated the reporting of unemployment data, and these measures may not accurately reflect true employment. Nevertheless, it appears that Juneau likely experienced its peak level of unemployment in June 2020, and that local employment appears to be stabilizing currently close to pre-pandemic levels.

Many factors may have contributed to stronger-than-anticipated employment in recent months. CBJ and other governments have hired short-term emergency personnel. Health care providers may have staffed up in response to pandemic circumstances. Some business categories have done very well during the pandemic—namely home goods, home improvement, professional services, grocers, liquor distribution/sales, and marijuana cultivation/sales—and those businesses may have staffed up in response. It is also likely that transient/seasonal out-migration has exceeded transient/seasonal in-migration (i.e. resulting in a smaller number of working adults). It is also possible that some adults have stopped looking for work and have effectively withdrawn from the workforce (these adults are not counted as "unemployed", but they do factor into other measures, such as the Labor Participation Rate).

However, nothing about this data should be read to indicate that employment will remain at pre-pandemic levels going forward. The muted economic impact of the limited legislative session and uncertainty about summer tourism could potentially depress employment in the coming months, in comparison to recent years.

Renters Behind on Payments
Based on information from the Census Bureau, Mark Zandi and Jim Parrot released a report on January 25, 2021 that found that 18% of renters are behind on their rental payments. They found that the delinquent renters have an average balance of $5,600 in unpaid rent. They opine, "Those who have fallen behind in their rent are among the most vulnerable members of society: more likely to be unemployed, with less income and less education. They are also more likely to be families of color. […] Only one in four still has the sources of income they used prior to

the pandemic to cover their rent payment and other expenses. To help make up for this, more than half of those behind in their rent are borrowing from their family and friends, and a third need unemployment insurance and food assistance from the Supplemental Nutrition Assistance Program. Moreover, many of those who are managing to cover their rent are grasping at straws. One in four renters is relying on the stimulus checks provided through the CARES Act early in the pandemic, a fast fading source of funds. And one in three is using their credit cards and what savings and assets they have left to make ends meet. […] All of this leaves us in a precarious place. Nearly 18 million renter households tell the Census they have little to no confidence they will be able to continue making their rent payments on time. And more than half of those already late on their payments believe it is at least somewhat likely they will be evicted when the eviction moratorium ends."

Note that this report is aimed at describing the need for enhanced federal support to renters and the unemployed. It does not necessarily indicate or imply that states or municipalities should provide direct support. No information is available about the degree to which renters in Juneau follow or diverge from the national trends identified in the report.

Federally Funded Emergency Rental Assistance

Congress passed a $900 billion coronavirus stimulus bill on December 21, 2020 which was later signed by the President on December 27, 2020.

- Direct payments of $600 per person including dependents 16 and under.
- Unemployment benefits of $300 per week for 11 weeks, starting Dec. 27, 2020.
- Small business relief funding totaling $325 billion.
- Vaccine development and distribution monies of $69 billion.
- Transportation funding totaling $45 billion
- School funding totaling $82 billion
- Rental assistance totaling $25 billion
- No state and local funding or liability protection for businesses
- Existing CARES Act funding deadline extended to December 31, 2021

Of the $25 billion for rental assistance, the Alaska Housing Finance Corporation has been allocated at least $110 million in federal funds to provide emergency rental assistance in Alaska. (The Municipality of Anchorage should receive its own funding directly.) This Treasury FAQ provides more information for what those rental assistance funds can be used for, and how. It ranges from rental assistance to utilities relief. The Alaska Municipal League is in discussions with AHFC about how best to partner or collaborate with local governments to make this an effective process.

President Biden's Proposed American Rescue Plan

The Biden administration proposed a $1.9 trillion response and stimulus plan on January 14, 2021. While the details are still slowly emerging, here is a high-level summary of what is known today:

- Direct payments of $1,400 per person
- Unemployment insurance supplement of $400 per week
- $400 billion for pandemic emergency response (vaccination, testing, PPE, etc)
- $440 billion for state and local relief
- $170 billion for school reopening

Identifying Unmet Need:
A Summary of COVID-19 Assistance Programs in Juneau

Research Unit, Juneau Economic Development Council

January 2021

JEDC Juneau Economic Development Council

Research Question: *How have lower-income individuals and families been impacted in Juneau by the pandemic? What assistance are they getting? Who is not getting assistance that might need it?*

Summary of Findings

Who has not received aid?

Most existing pandemic relief programs provided aid to businesses or individuals receiving state unemployment benefits/federal Pandemic Unemployment Assistance (PUA). The only programs that delivered money directly to individuals in need came from the City and Borough of Juneau. From looking at most programs' eligibility criteria, it seems that people who were employed but worked part-time or for low wages would have benefitted the least from existing programs. Also, unemployed people who are not eligible for U.I. benefits would not have received aid from most programs.

Who are most in need of assistance?

The sectors of Juneau's economy which have seen the greatest job loss also have the lowest average monthly income. Demographic information from U.I. claimants in Juneau shows that 78% of claimants have an annual income of $39,999 or less, and 46% of claimants had less than $19,999 annual income. While the number of people receiving unemployment benefits has declined, these proportions have stayed relatively stable.

Surveys done by the Alaska DHSS help confirm that family households with lower annual income have been impacted more by the pandemic. Many parents have to stop working, reduce their hours, or take their children out of childcare because they can no longer afford it. For the lowest income bracket (households with less than $19,999 annual income), 73% to 83% of respondents expressed concerns about the stability of housing, ability to pay for expenses and bills, and access to medical care and medications.

The Living Wage Calculator from MIT estimates that having one child increases annual living expenses by $15,000 to $21,000 for a two-adult household. Unemployment benefits add $24 per dependent per week ($1,248 per year) for up to 3 dependents. CBJ Individual Assistance adds $300 per dependent (Adult amount up to $2000). Assistance programs have been undervaluing the costs of having children.

Affordability of Housing

Housing in Juneau is limited and expensive, having a vacancy rate of only 4.4%. Vacant rentals are on average more expensive than occupied ones, meaning that there are not many options for individuals and families who cannot afford their current rent. Using a formula from state labor economist Rob Kreiger, we estimate that the average single-family rental in Juneau requires 1.29 working individuals to afford rent. This means that even if one parent in a two-parent household loses their job, it is unlikely that they will be able to continue to afford rent. Individuals face a similar situation. It takes about 0.99 average wage earners to afford the average rental unit in Juneau, so job loss or a cut in hours can make rent unaffordable to many people.

The national eviction moratorium has helped reduce the number of people who have lost their housing because they cannot afford rent. Many people currently owe back rent payments and are in debt to their landlords. However, the recent federal COVID-19 Economic Relief Bill allots aid money specifically to pay rent for those in debt. Alaska will receive $200 million for this program, which should be enough to pay rent for people whose income is less than 80% of the area median for one year.

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1. Existing and Past Pandemic Relief Programs

1.1 Programs for Businesses

- Paycheck Protection Program (PPP)
    - Small businesses (<500 employees), sole proprietors, independent contractors, and self-employed persons were eligible for coverage.
    - This covered expenses from February 2 to December 31, 2020.
    - Eligible expenses included payroll costs, mortgage interest, rent, and utility costs.
- Economic Injury Disaster Loan (EIDL)
    - Small businesses and agricultural businesses (<500).
    - Provided low-interest loans to businesses who were affected by COVID-19.
- EIDL-Advance
    - Additional funds provided with the EIDL loan, that did not have to be repaid.
    - Offered $1,000 per employee, up to $10,000.
    - Amount was deducted from PPP loan, if applicable.
- Small Business Administration (SBA) Express Bridge Loans
    - Some small businesses that already had an existing relationship with an SBA Express Lender were given low-interest loans.
- SBA Debt Relief
    - Some small businesses that had a relationship with SBA had some debt payments covered.
- Families First Coronavirus Response Act (FFCRA)
    - Provided coverage to employers to pay for sick leave of employees for COVID-19 related illness or if a family member is sick.
    - Two weeks paid sick leave at regular rate because of quarantine, and/or experiencing symptoms and seeking a diagnosis.
    - Two weeks paid sick leave at a two-thirds rate because of a need to care for an individual in quarantine or a child whose school or child care is closed due to COVID-19.
    - Up to 10 weeks of paid expanded family and medical leave at a two-thirds rate if an employee is unable to work due to a lack of child care resulting from school closure due to COVID-19.
- AK CARES Grants
    - Small businesses in Alaska (<50 employees) were eligible for coverage of expenses incurred between March 11 to October 31, 2020.
    - Grant amounts were between $5,000 and $100,000.
    - Overseen by the State of Alaska
- City and Borough of Juneau (CBJ) Business Sustainability Grants
    - Juneau businesses, who demonstrated hardship due to COVID-19, were eligible for coverage of certain fixed operating expenses incurred between April 1 and October 31, 2020.
    - Grant awards were up to $99,000.
- CBJ Extreme Hardship Grants
    - Juneau businesses who demonstrated at least a 50% decline in revenue from 2019 were eligible for a proportional award based on their hardship and the applicant pool
    - Maximum grant award of $50,000.

1.2 Programs for Individuals

- CBJ Individual Aid Program
    - $2 million fund.
    - Available to:
        - People who reside within CBJ.
        - Experienced financial hardship due to the COVID-19 pandemic.
        - Currently have income at or under $58,900 per applicant.
        - Need assistance paying for basic needs like food, healthcare, nondiscretionary transportation, utilities, and housing from March 1 through December 30, 2020.
- CBJ COVID-19 Housing Assistance
    - $3 million fund.
    - Available to those who:
        - Rented or owned housing in Juneau (and live in the residence you are applying for).
        - Provide a description of your financial hardship due to COVID-19.
        - Currently have income at or under $94,240 per household.
        - Provide sufficient proof of qualifying costs during Aug. – Dec. 2020.
    - Application period open from October 27 to December 12, but only applications submitted before November 18 were covered.

1.3 Unemployment Assistance Programs

- Pandemic Unemployment Assistance (PUA):
    - Provided $600 per week to individuals whose jobs were impacted by COVID-19 but did not qualify for regular unemployment benefits. This included independent contractors, self-employed individuals, and gig workers. This program could not be combined with any of the other programs.
- Pandemic Emergency Unemployment Compensation (PEUC):
    - Provided up to 13 weeks of additional U.I. benefits to eligible individuals who have exhausted their benefits for regular state U.I. The state U.I. program has a maximum of 26 weeks of benefits. Individuals on this program were also able to receive benefits from LWA and FPUC.
- Federal Pandemic Unemployment Compensation (FPUC):
    - Provided an additional $600 per week to individuals receiving regular U.I. benefits or PEUC benefits. This program was recently renewed, but the amount was reduced to $300 per week.
- Lost Wages Assistance (LWA)
    - This program began just as the first round of FPUC ended. It provided an additional $300 per week to individuals receiving regular U.I. benefits or PEUC benefits.

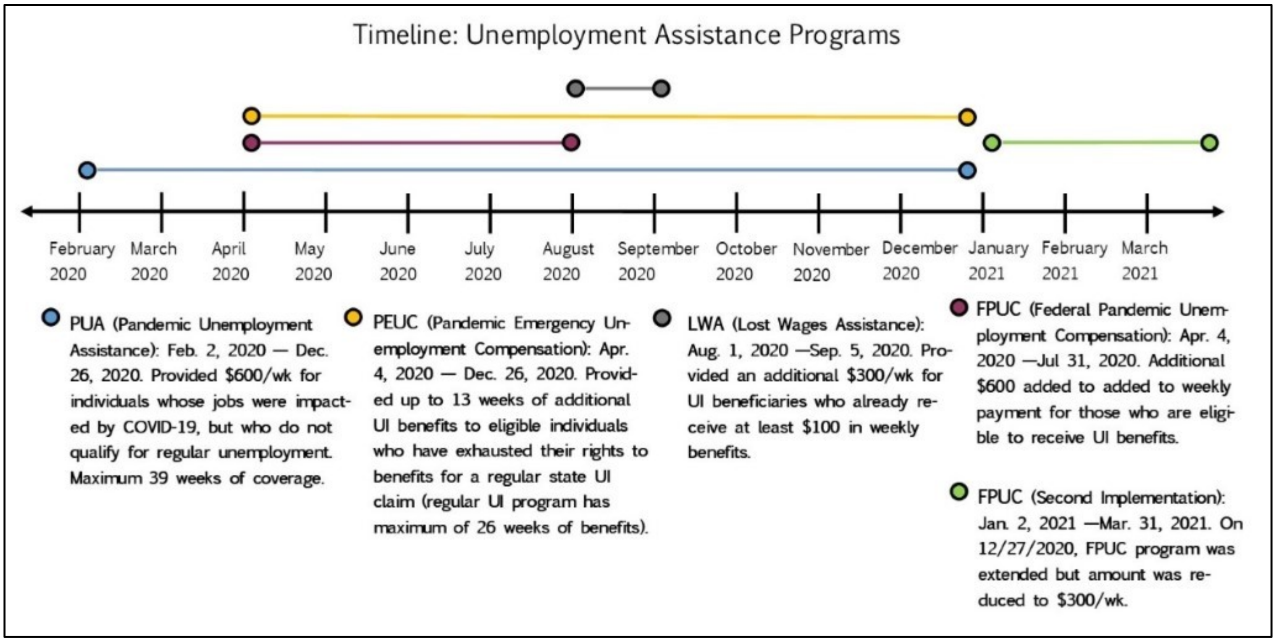


Figure 1: A timeline of COVID-19 Unemployment Assistance Programs.
Source: Alaska Department of Labor (AKDOL), Compiled by JEDC Staff

2. Quarterly Census Employment and Wages (QCEW) Sector Data

2.1 Summary of Data and Methods

JEDC looked at the most recent QCEW reports from Q1 and Q2 of 2020, which included data from before and after the statewide stay-at-home order was issued and closed all non-essential businesses on March 28, 2020. Since many sectors of Juneau's economy are highly seasonal, we also used the reports from 2018 and 2019 to compare annual data. To simplify this data, we broke out jobs into nine large sectors and nine smaller sectors. In general, the large sectors employ over 600 people per category, while the small sectors employ less than 600 people.

2.2 Industries that Saw the Greatest Job Loss

Nearly all sectors saw some job loss between Q1 and Q2 2020, as well as from Q2 2019 to Q2 2020. The sectors with the greatest job loss were:

- Travel and Hospitality (Quarterly: -27.2%, Annually: -54.9%)
- Retail Trade (Quarterly: -8.9%, Annually: -20.7%)
- Natural Resources [excluding mining] (Quarterly: -22.0%, Annually: -27.5%)
- Educational Services (Quarterly: -22.8%, Annually: -29.1%).
- Arts, Entertainment, and Recreation (Quarterly: -29.9%, Annually: -54.8%)

Mining, Health Care and Social Assistance, Professional and Business Services, Manufacturing, Information, and Other Services have all seen a 10% or greater decrease in employment annually. In total, Juneau saw a 10.3% quarterly decrease in jobs from Q1 to Q2 2020 and a 19.3% annual decrease in jobs from Q2 2019 to Q2 2020.

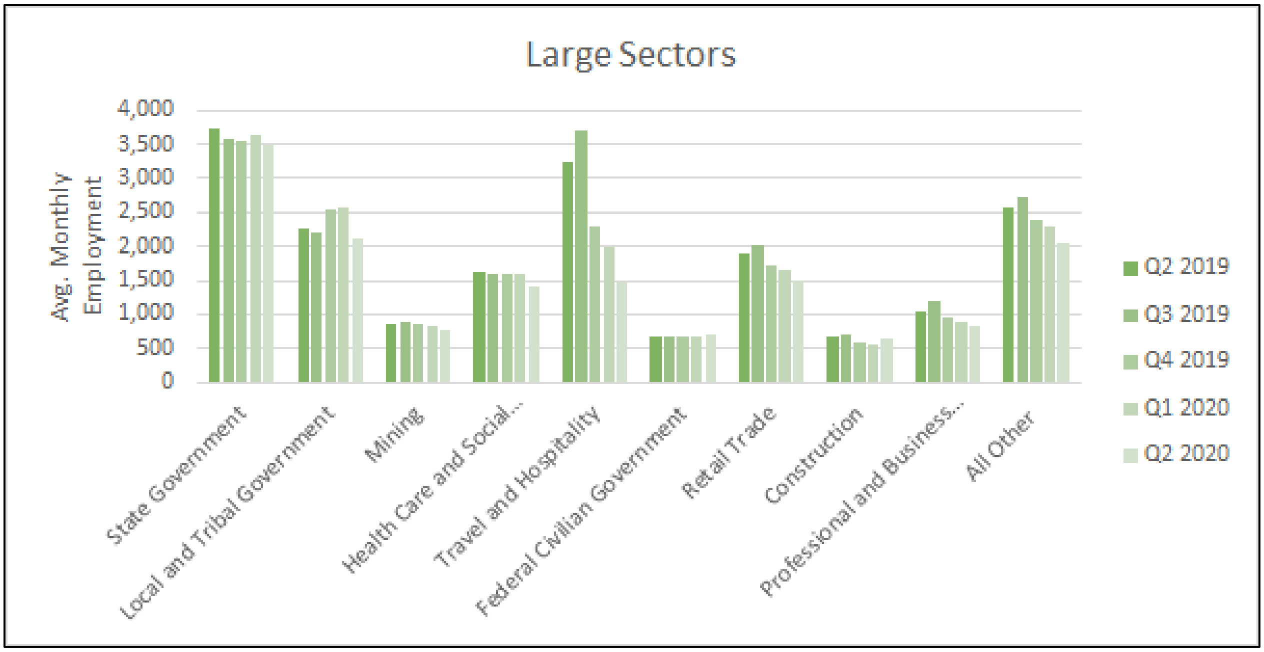


Figure 2: Average Monthly Employment in Juneau in Large Sectors.
Source: [AKDOL](), Compiled by JEDC Staff

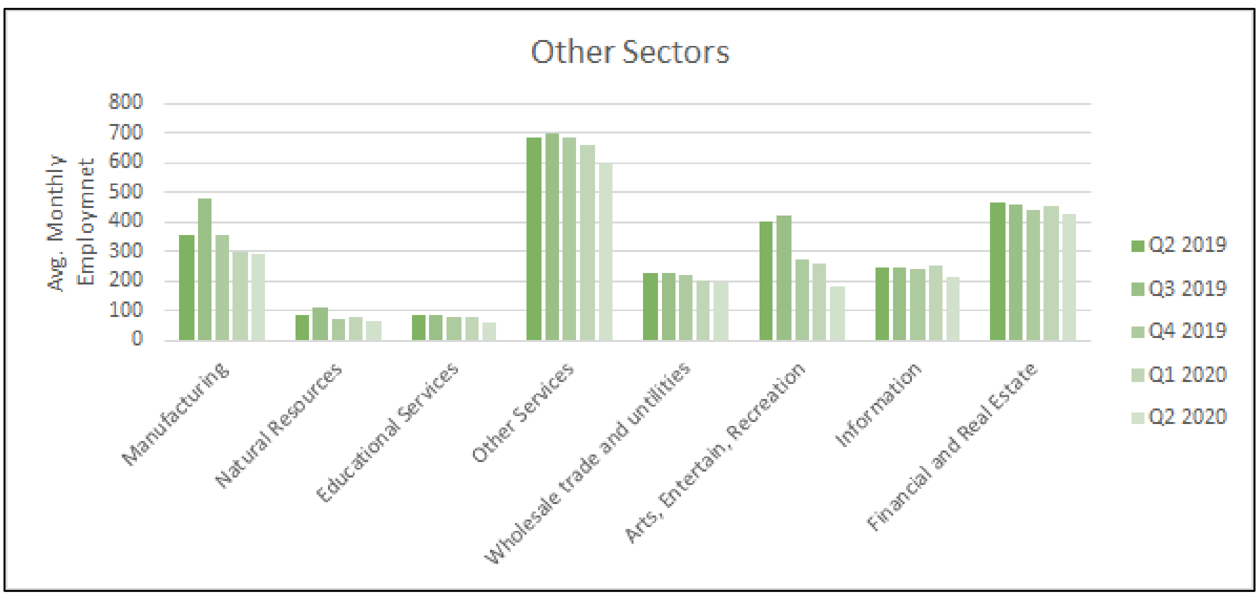


Figure 3: Average Monthly Employment in Juneau in Other Sectors.
Source: AKDOL, Compiled by JEDC Staff, Compiled by JEDC Staff

2.3 Summary

The greatest job losses were in low-income sectors.

In most cases, the sectors with the greatest job losses were also the sectors with the lowest average monthly wages. The lowest paid industries in 2019 were:

- Accommodation and Food Service* ($1,828 per month, $21,936 annually)
- Retail Trade ($2,554 per month, $29,592 annually)

- Educational Services ($1,883 per month, $22,596 annually)
- Arts, Entertainment, and Recreation ($1,232 per month, $14,784 annually)

** Accommodation and Food Service is a sub-sector of the Trade and Hospitality category, which is a combination of this and Transportation.*

It is also worth mentioning that the average monthly wage in all these sectors increased between Q1 and Q2 2020. Along with the decrease in jobs, this indicates that the lower-paid employees were the first to lose their jobs.

3. Unemployment Trends and Demographics

3.1 Most Recent UI Numbers Statewide

Juneau's unemployment rate has consistently been about 2% lower than the statewide average (Figures 4 and 5). While unemployment numbers dropped to pre-pandemic levels in October 2020, the preliminary data from November shows an increase in state and local claims.

There is more recent weekly data on unemployment *claims,* allowing us to examine how this has played out into December. Claims have been relatively stable since November, with only a small increase. However, the number of claims does not completely account for the number of unemployed people. Some unemployed people do not receive U.I. Eligibility for benefits may also have run out for people. It has been more than 42 weeks since the initial stay-at-home order took place. Usually, individuals can only receive 26 consecutive weeks of U.I. (39 weeks under PEUC).

However, an article from the Washington Post from January 14, 2021 reports that national unemployment claims jumped from 181,000 to 965,000 the previous week (Rosenburg, 2021). An economist mentions that this may be due to a backlog of claims from the holiday and/or the renewal of aid packages that will increase the weekly payments. He warns that it is dangerous to look too much into numbers from one week, so it will take a little while to see how this plays out.

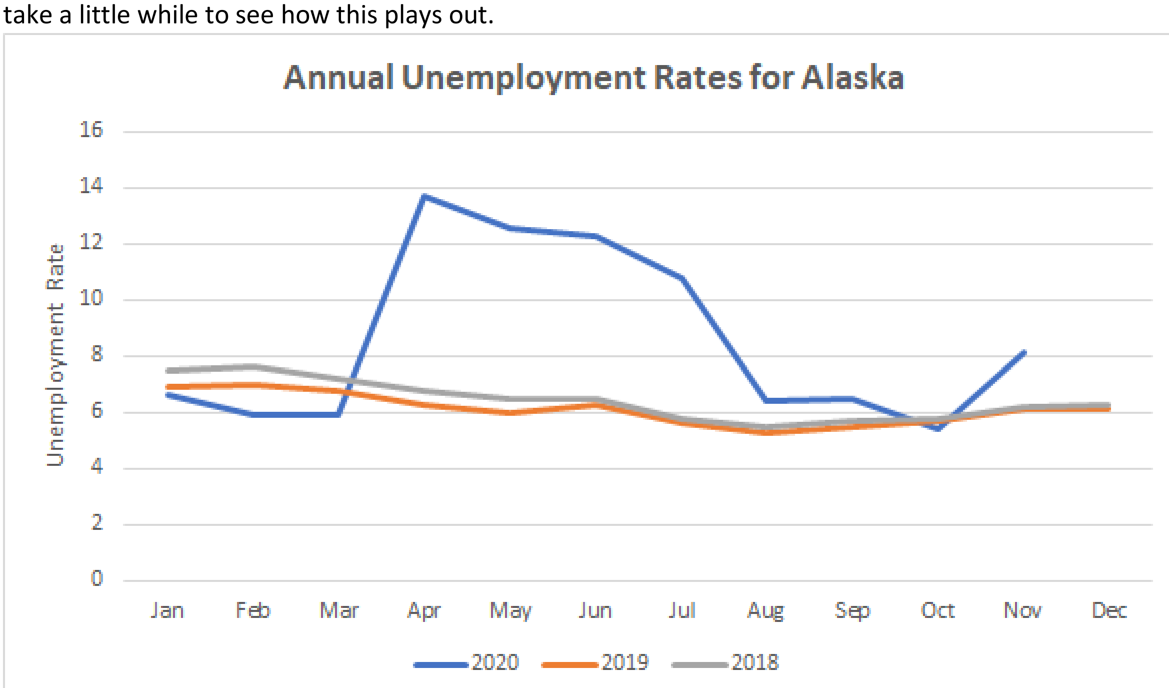


Figure 4: Annual Unemployment Rates for Alaska. Source: [AKDOL](), compiled by JEDC Staff.

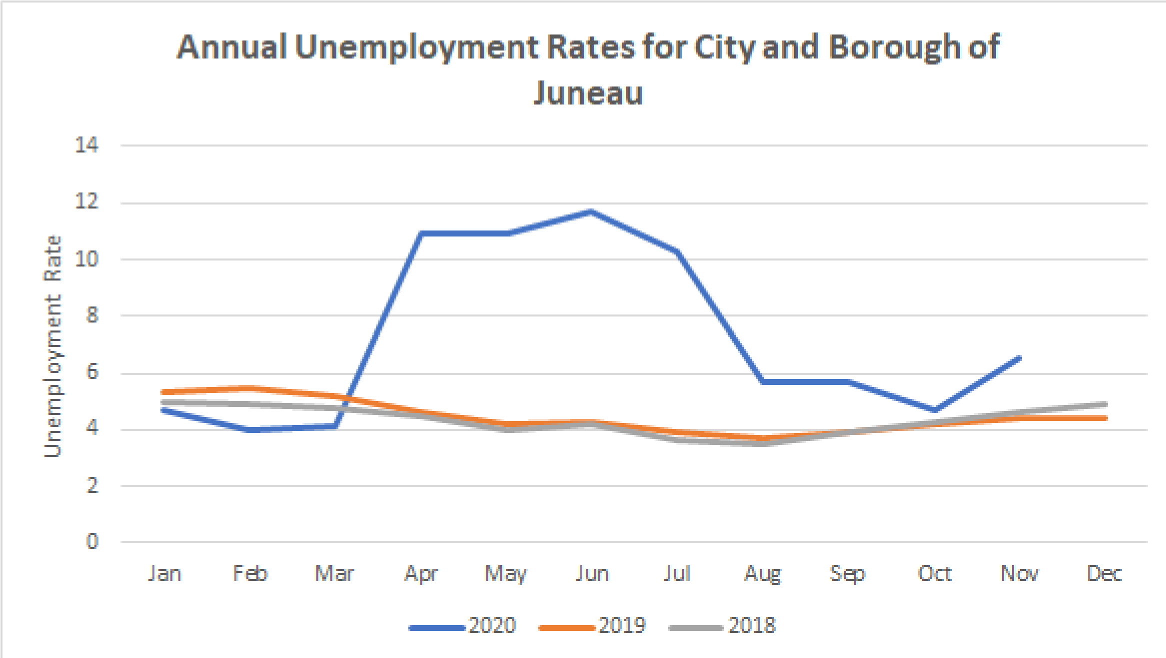


Figure 5:Annual Unemployment Rates for the City and Borough of Juneau. Source: AKDOL, compiled by JEDC Staff.

3.2 Demographic Information for U.I. Claimants

According to the AK DOL Unemployment Insurance Claimants report for May 2020 to November 2020, there was an average of 1,500 U.I. claimants from May to November 2020. The number of claimants has been steadily decreasing during this time, with 2,026 claimants in May and 974 in November. The report includes a breakdown of claimants by earnings, which "reflect wages paid to the claimant in the first four of the last five completed calendar quarters before the claimant files" (AKDOL, Unemployment Insurance Research Program). Seventy-eight percent of claimants had $39,999 annual earnings, while 46% had less than $19,999 annual earnings. In November, nineteen percent of Juneau claimants are supporting one or more dependents.

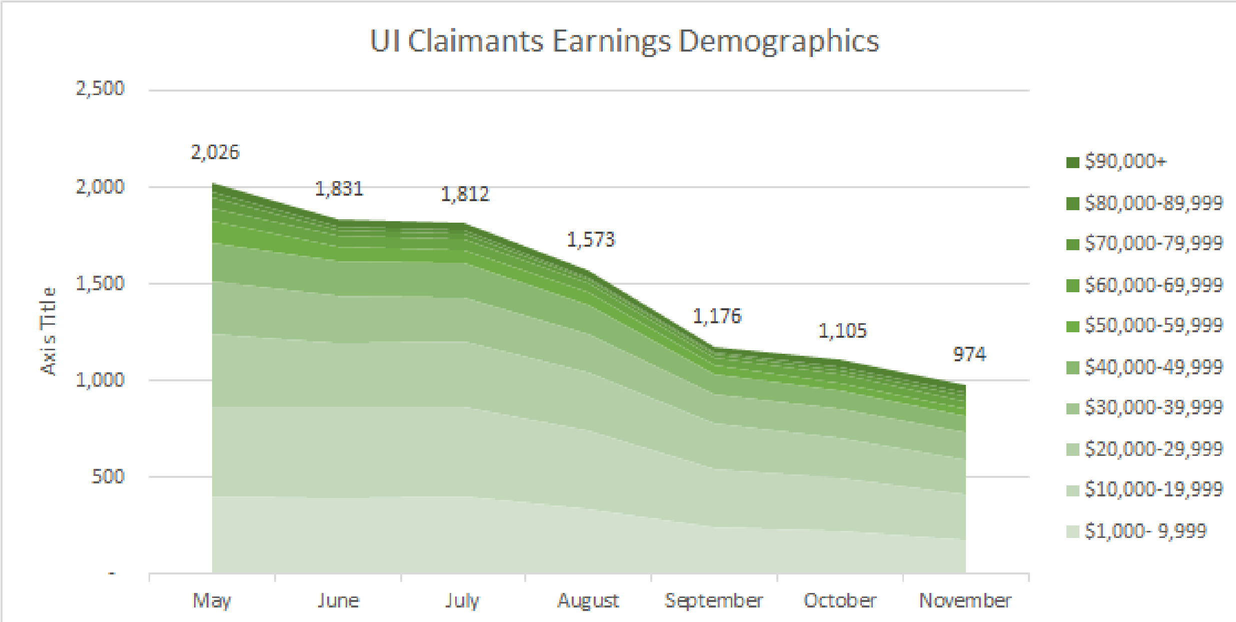


Figure 6: Unemployment Claimants Earnings Demographics. Source: AKDOL, Compiled by JEDC Staff

3.3 How Relief Programs Have Affected Assistance

As noted above, there were several unemployment assistance programs over the last year. The Federal Pandemic Unemployment Compensation (FPUC) program was included in the DOL report. This program provided eligible individuals with an additional $600 per week in regular benefits through July 2020. While FPUC was active, the average weekly payment was between $826 and $804, replacing about 75% of lost wages. When FPUC ended, these numbers dropped to $199 to $160 per month and only replaced about 16% of lost wages. Even with these assistance programs, the average person receiving assisted U.I. or PUA in 2020 made less than the MIT Living Wage Calculator's estimate for a single individual with no children in Juneau.

3.3.1 Pandemic Unemployment Assistance Details

The Pandemic Unemployment Assistance (PUA) program provided unemployment benefits to individuals who were not eligible for regular unemployment benefits, such as independent contractors, self-employed workers, and gig workers. PUA claims were not included in the DOL report, but data is available through the Opportunity Insights Economic Tracker, maintained by researchers at Harvard University.

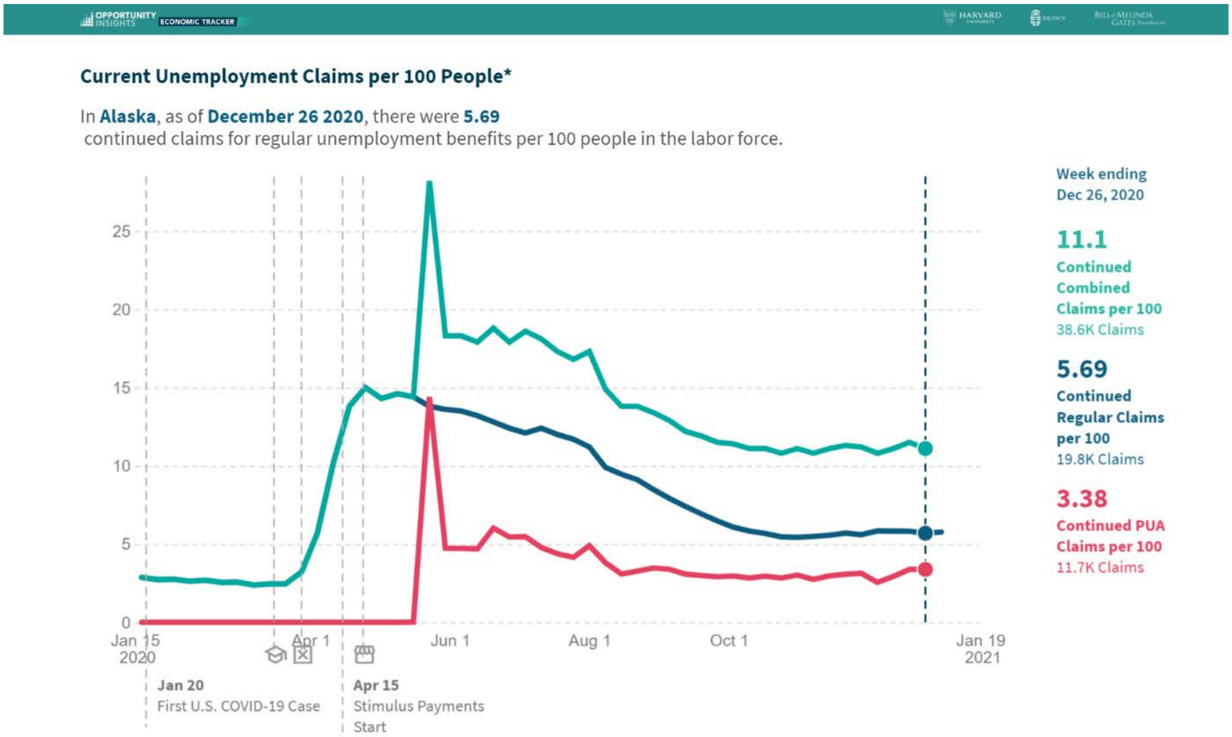


Figure 7: Current Unemployment Claims per 100 People in Alaska. Source: [Track the Recovery]()

Figure 7 shows that after the initial spike of claims when the program opened, PUA claims made up about one-third of all unemployment claims in Alaska. The program opened at the end of May but provided retroactive coverage starting on February 2, 2020. This program ended on December 26, 2020.

The Pandemic Emergency Unemployment Compensation (PEUC) was another program within this same period. It extended the eligible period for individuals to be on regular U.I. by up to 13 additional weeks, on top of the regular 26 weeks. At the end of December, PEUC made up about one-fifth of all U.I. claims in Alaska.

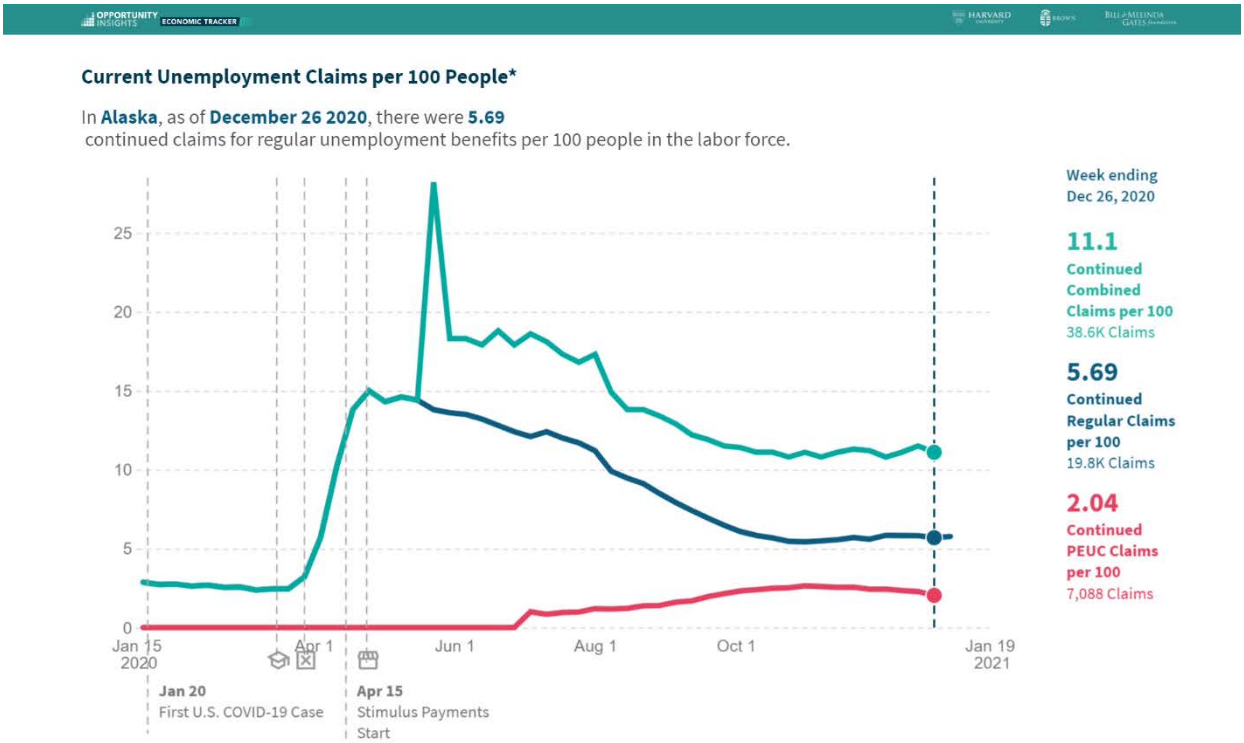


Figure 8: Current Unemployment Claims per 100 People in Alaska, showing a decrease in continued PEUC Claims.
Source: Track the Recovery

Individuals on PEUC were eligible to receive benefits from Federal Pandemic Unemployment Compensation (FPUC), while individuals on PUA *were not* eligible for FPUC. Only individuals on regular U.I. were eligible for the PEUC extension, so PUA claims were not eligible for an extension.

4. DHSS COVID-19 Family Surveys

Since April of this year, the AK Department of Health and Social Services has conducted several COVID-19 related surveys.

4.1 Survey from April

The first survey was conducted from April to May 2020 and examined the impact of COVID-19 on Alaska Families. In Juneau, 50.4% of parents reported that it was somewhat or very true that their household had more difficulty paying for expenses and bills. 67.5% reported that it was somewhat or very true that they had more difficulty getting needed items, food, or services. For those who needed it at the time of the survey, 68.2% of parents reported more difficulty obtaining health care, and 51.8% reported more difficulty obtaining mental health care.

4.2 Survey from November

DHSS has also released the results of a survey conducted from November 16 – December 7, 2020.
They found that parents with lower annual household income reported at higher rates that it was very true their child had been more irritable or easily angered than usual. Households that had $39,999 annual income or less reported this as very true 44% of the time, whereas 31% of all respondents reported this as true.

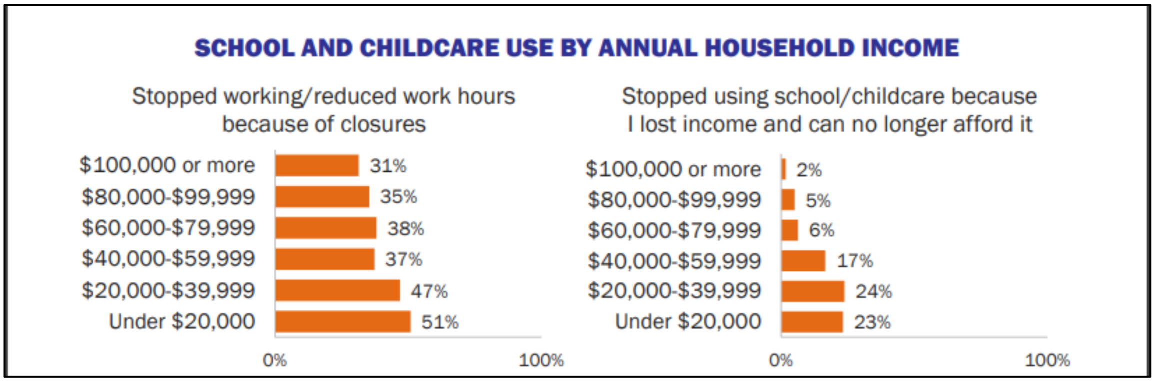


Figure 9: School and Childcare by Annual Household Income.
Source: [Alaska DHSS](), Survey 4 Child Health and School/Childcare Summary

Low-income households were also the most adversely affected when looking at childcare use. Over half of responding parents in households with an annual income less than $19,999 had to stop working or reduce hours because of school and childcare closures. One out of four households with less than $39,999 annual income had to stop using school or childcare because parents lost income and can no longer afford it. ***In Juneau, 36% of parents stopped working or reduced work hours because of closures.***

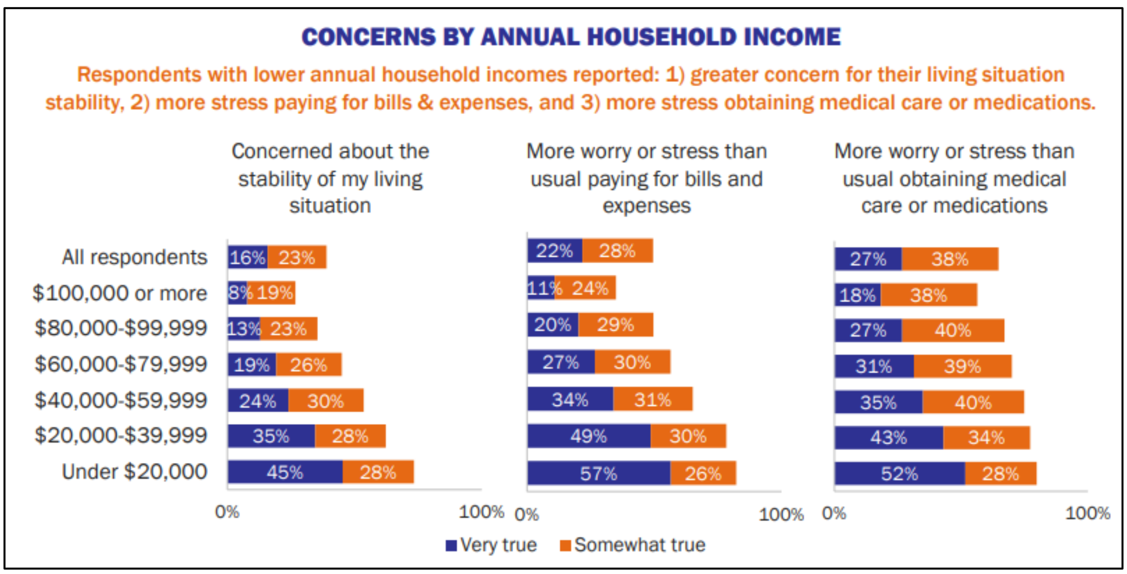


Figure 10: Household concerns by annual income for AK DHSS survey respondents.
Source: [Alaska DHSS](), Survey 4 Medical & Financial Summary

When looking at concerns by annual household income, we once again see that lower annual household income is directly related to increased stress. 73% of respondents in the lowest household income bracket were concerned about the stability of their living situation, 83% experienced more worry or stress than usual paying for bills and expenses, and 80% experienced more worry or stress than usual obtaining medical cares or medications.

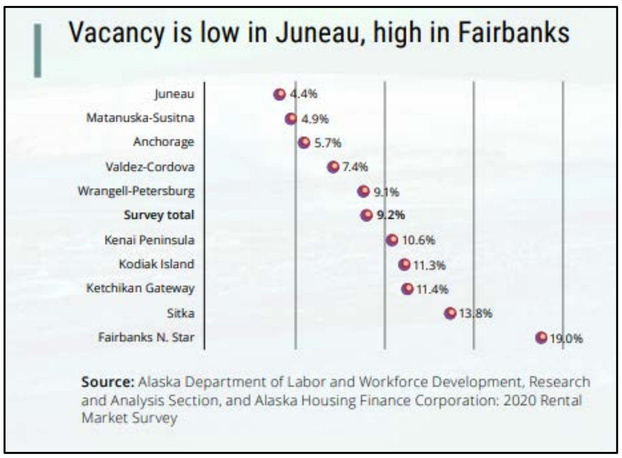
DHSS also made the limitations of this survey clear: "Although a large number of people responded to the survey, the results should not be interpreted as completely representative of all Alaskans. Residents of the Municipality of Anchorage, the Kenai Peninsula, and Juneau were overrepresented, as well as people who identified as White, and had an annual household income over $80,000." There is a demographic breakdown of the survey respondents available.

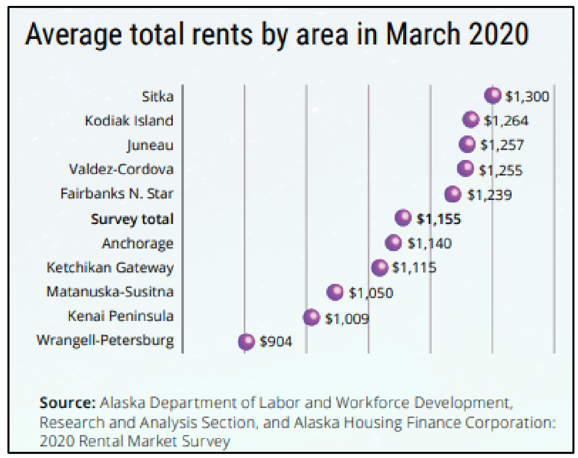
5. Housing Trends in Juneau

The last breakdown of the Alaska rental market done by state labor economist Rob Kreiger was published in August but only used data up to March of 2020. Kreiger notes that the data he gathered was too early in the pandemic to see the impacts it has caused on the rental market, but we can still get some useful information from his report. He notes that March vacancy rates in Sitka were already higher than expected, which was an early effect of fewer seasonal workers moving to town.

5.1 Rent Prices and Vacancy Rates

Juneau had the lowest vacancy rate of the areas surveyed, with only 4.4% of rental units vacant, compared to a 9.2% state average. At the end of 2020, Juneau still had a 4.4% vacancy rate. Juneau also had the third-highest average rent at $1,257 per month; the state average is $1,155.





Figures 11 and 12: Rental Unit Vacancy Rates and Average Rents in Selected Alaskan Communities. Source: Alaska Economic Trends Magazine, August 2020.

Kreiger explains an important relationship between vacancy rates and the price of rent for vacant units. In Juneau, the average price of vacant rentals is higher than the price of occupied rentals. Kreiger says, "this suggests a tight market where landlords are raising rent after people move out." Since there are a small number of vacant rentals, there is less competition between landlords, giving them more power over tenants and increasing their ability to charge more. ***For Juneau, this means that individuals and families evicted from their current homes because they cannot afford rent are unlikely to have less expensive options available to them.***

5.2 Kreiger's Housing Affordability Index

Kreiger also uses a combination of average income and average rent to measure how affordable housing is. He states that it is expected that an individual spends 30% of their wages on rent. So, he takes 30% of the average wage in a town and compares it to the average rent in an area to estimate how many wage earners

Figure 13: Income to rent index for selected Alaska Communities. Source: Alaska Economic Trends Magazine, August 2020.

are needed in a household to afford typical rent. Juneau was the third-least affordable, needing 0.96 earners needed to afford typical rent.

From DOL reporting, the average rent in Juneau in 2020 was $1,305, and the median was $1,293 (adjusted to include utilities, which Kreiger also did). The average rent for a single-family residence in Juneau was $1,704. This is an average of occupied and vacant units. From QCEW, the average monthly wage in Juneau in 2019** was $4,399. Using these numbers, we estimate that it takes:

- 0.99 earners to afford average rent
- 0.95 earners to afford median rent
- 1.29 earners to afford a single-family residence

This means that reduced hours or a cut in pay can easily make rent unaffordable for individuals. For families, if one parent becomes unemployed, it can quickly make housing unaffordable.

***As mentioned earlier, the average monthly wage in Juneau increased significantly from 2019 to Q2 2020, up to $5,017 per month. However, this is heavily influenced by the loss of many low-wage jobs, not an overall increase in wages or the number of high-paying jobs.*

6. Housing Programs and the Eviction Moratorium

6.1 CBJ Housing Assistance Program

The CBJ COVID-19 Housing Assistance Grant program was a $3 million aid package that concluded January 13, 2021. The Catholic Community Service (CCS) partnered with CBJ to administer this program. According to CCS: "The objective of the program is to provide financial support to people residing in the City and Borough of Juneau who have been financially harmed by COVID-19 and need assistance paying for mortgage, rent and utilities, including heating and fuel."

The program accepted aid applications October 27 to December 12. On January 6, CCS announced that due to overwhelming demand, there were no funds available to those who applied after November 18. This was about halfway through the application window.

6.2 Federal Eviction Moratorium

Last month, the CDC extended the eviction moratorium from December 31, 2020 to January 31, 2021. Federal programs providing foreclosure moratoriums and forbearance relief expire in late February or March, depending on the specific program. However, the deadline for these protections is rapidly approaching. The future of this policy is unclear, although the Biden Administration has indicated that they plan to extend these programs to at least the end of March. At the time of writing, President Biden has made an executive action to extend the federal ban on evictions through March 2021.

According to a study done in September by the National Council of State Housing Agencies, Alaska is estimated to have 20,000-30,000 renter households unable to pay rent and at risk of eviction by January

2021. This totals to an estimated $49 million to $74 million in rent shortfall statewide. Once again, low-income households are the most severely affected by this. 71% of the households estimated to be at risk of eviction have less than $50,000 annual income nationwide.

6.3 Emergency Rental Assistance Program (ERAP)

The U.S. Department of the Treasury recently announced a $25 billion aid program to assist households that cannot afford to pay utilities or rent due to COVID-19. Alaska has been allotted $200 million of this fund. According to the federal guidelines, eligible households have at least one person who:

- Qualifies for unemployment or has experienced a reduction in household income, incurred significant costs, or experienced a financial hardship due to COVID-19;
- Demonstrates a risk of experiencing homelessness or housing instability; and
- Has a household income at or below 80% of the area median.

There will be a priority for households with income at or below 50% of the area median or households that include an individual who has been unemployed for the 90 days before their application for assistance.

The Alaska Housing Finance Corporation (AHFC) anticipates that this $200 million is enough to fund every renter in Alaska that earns 80% of the average family income for 12 months.

Since this is a very recent development, details on the program are limited. We currently do not have a timeline of when applications will be open to renters or when funds will be made available. However, the promise of funds may be an incentive for landlords to not evict their tenants, even if the money has not been distributed by the end of March.

7. Reflections: Where can the remaining CARES funds be put to best use to support low-income individuals and families?

Housing assistance would be an effective way to distribute funds to individuals and families in need; however, with the recent news about the federal Emergency Rental Assistance Program (ERAP), it appears that these needs will be met soon. While ERAP will not assist with mortgage payments, an expanded local housing assistance program may not be the most effective way of distributing aid evenly to those most in need. Instead, a program similar to the CBJ Individual Assistance Program, with a greater concentration on providing assistance to families, may have a more desired impact.

Families with dependents have not received enough aid to compensate for the increased costs inherent with having children.

Families have also been impacted significantly, and past programs have undervalued the cost of having dependents. While the CBJ individual assistance program did award an additional $300 per dependent, the number of dependents could play a larger factor in determining eligibility. The number of dependents should be factored into household income if income is a deciding factor in aid eligibility and amount. An assistance program should include supplemental awards for having dependents since housing expenses do not adequately reflect the increase in living expenses associated with having dependents.

<u>Ensuring that funding goes to individuals that are most in need.</u>

A first-come, first-serve policy tends to benefit those with higher incomes because they are more likely to be in tune with local news such as new assistance programs. An alternative option that gives preference to those with lower incomes would help ensure that CBJ's money is getting to those with the greatest need. This could happen by having a specific application period where funds are first distributed to those in the lower-income brackets after the application period has ended until the funds are exhausted.

Sources and Links

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2. A.K. Dept. of Labor *Quarterly Census of Employment and Wages (QCEW)*: live.laborstats.alaska.gov/qcew/index.cfm
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   - Quarterly January to March 2020: https://live.laborstats.alaska.gov/qcew/ee2020Q1.pdf
   - Annual 2019: https://live.laborstats.alaska.gov/qcew/ee19.pdf
   - Annual 2018: https://live.laborstats.alaska.gov/qcew/ee18.pdf
3. A.K. Dept. of Labor *Seasonally Adjusted Unemployment Rates*: https://live.laborstats.alaska.gov/labforce/
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4. A.K. Dept. of Labor *Unemployment Insurance Research Program:* https://live.laborstats.alaska.gov/uiprog/index.cfm
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6. A.K. Dept. of Health and Social Services, *MCH Epidemiology*: http://dhss.alaska.gov/dph/wcfh/Pages/mchepi/default.aspx
   - Survey 1, General Health (April 2020): http:/dhss.alaska.gov/dph/wcfh/Documents/mchepi/COVID_Alaska_Families_survey_results.pdf
   - Survey 4, Winter Follow-Up (November – December 2020)
     - Mental Health & Substance Use: http://dhss.alaska.gov/dph/wcfh/Documents/mchepi/Survey%204%20-%20Mental%20Health%20and%20Substance%20Use.pdf
     - Child Health & School/Childcare: http://dhss.alaska.gov/dph/wcfh/Documents/mchepi/Survey4_Child_Health_Education.pdf
     - Medical & Financial: http://dhss.alaska.gov/dph/wcfh/Documents/mchepi/Survey4_Medical_Financial.pdf
7. Catholic Community Service *CBJ COVID-19 Housing Assistance Grant Program*: https://www.ccsak.org/cbjgrant.html
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13. U.S. Department of the Treasury, *Emergency Rental Assistance Program:* https://home.treasury.gov/policy-issues/cares/emergency-rental-assistance-program
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U.S. Department of the Treasury
Emergency Rental Assistance
Frequently Asked Questions

January 19, 2021

The Department of the Treasury (Treasury) is providing these Frequently Asked Questions (FAQ) as guidance regarding the requirements of the Emergency Rental Assistance (ERA) program established by section 501 of Division N of the Consolidated Appropriations Act, 2021, Pub. L. No. 116-260 (Dec. 27, 2020) (the "Act"). These FAQ will be supplemented by additional guidance and FAQ on a rolling basis.

1. The statute provides that ERA funds may be used for "utilities and home energy costs." How are those terms defined?

Utilities and home energy costs are separately-stated charges related to the occupancy of rental property. Accordingly, utilities include separately-stated electricity, gas, water and sewer, trash removal and energy costs, such as fuel oil. Telecommunication services (telephone, cable, Internet) delivered to the rental dwelling are not considered to be utilities. Utilities that are covered by the landlord within rent will be treated as rent.

2. Must a beneficiary of the rental assistance program have rental arrears?

No. The statute does not prohibit the enrollment of households for only prospective benefits. Section 501(c)(2)(B)(iii) of Division N of the Act does provide that assistance to reduce rental arrears, if any, must be provided before prospective rental benefits may be provided. The statute also provides a limitation on prospective benefits of three months at one time.

3. Must a grantee pay for all of a household's rental or utility arrears?

No. The full payment of arrears is allowed up to the 12-month limit established by the statute if the arrears can be shown to be due to COVID-19. (Grantees may provide assistance for an additional three months if necessary to ensure housing stability for a household.) However, a grantee may structure a program to provide less than full coverage of arrears. When structuring their program, grantees should consider how to best minimize any incentives for the non-payment of rent or utilities by potential beneficiaries of the program.

4. What outreach must be made by a grantee to a landlord or utility provider before determining that the landlord or utility provider will not accept direct payment from the grantee?

Grantees must make reasonable efforts to obtain the cooperation of landlords and utility providers to accept payments from the ERA program. Outreach will be considered complete if a request for participation is sent in writing, by certified mail, to the landlord or utility provider, and the addressee does not respond to the request within 21 calendar days after mailing; or, if the grantee has made at least three attempts by phone or email over a 21 calendar-day period to request the landlord or utility provider's participation. All efforts must be documented. The cost of the mailing would be an eligible administrative cost.

5. The statute limits eligibility to households with income that does not exceed 80 percent of area median income as defined by the Department of Housing and Urban Development (HUD) but does not provide a definition of household income. How is household income defined for purposes of the ERA program? How will income be documented and verified?

The statute provides that grantees may determine income eligibility by reference to either (i) household total income for calendar year 2020 or (ii) sufficient confirmation of the household's monthly income at the time of application, as determined by the Secretary of the Treasury (Secretary).

With respect to each household applying for assistance, grantees may choose between using the definition of "annual income" as provided by HUD in 24 CFR 5.609 and using adjusted gross income as defined for purposes of reporting under Internal Revenue Service (IRS) Form 1040 series for individual Federal annual income tax purposes.

For determining annual income, grantees should obtain at the time of application source documents evidencing annual income (*e.g.*, wage statement, interest statement, unemployment compensation statement), or a copy of Form 1040 as filed with the IRS for the household.

For determining monthly income, grantees must obtain income source documentation, as listed above, for at least the two months prior to the submission of the application for assistance. If an applicant qualifies based on monthly income, the grantee must redetermine the household income eligibility every three months for the duration of assistance.

6. In addition to providing an attestation in writing, must applicants document that they have experienced a reduction in income, incurred significant costs, or experienced other financial hardship due to the COVID-19 outbreak?

Yes, to the extent administratively feasible, grantees must require applicants to document that they have (i) qualified for unemployment benefits or (ii) experienced a reduction in income, incurred significant costs, or experienced other financial hardship due directly or indirectly to COVID-19 that threaten the household's ability to pay the costs of the rental property when due.

Grantees must also require applicants to demonstrate a risk of experiencing homelessness or housing instability, which may include past due rent and utility notices and eviction notices, if any, as part of the application process.

7. Is there a requirement that the eligible household have been in its current rental home when the public health emergency with respect to COVID-19 was declared?

No. However, payments under ERA are to be provided to households to meet housing costs that they are unable to meet as a result of the COVID-19 outbreak. There is no statutory requirement for the length of tenure in the current unit.

8. What data should a grantee collect regarding households to which it provides rental assistance in order to comply with Treasury reporting and recordkeeping requirements?

Treasury will provide instructions at a later time as to what information grantees must report to Treasury and how this information must be reported. At a minimum, in order to ensure that Treasury is able to fulfill its quarterly reporting requirements under section 501(g) of Division N of the Act and its ongoing monitoring and oversight responsibilities, grantees should anticipate the need to collect from households and retain records on the following:

- Address of the rental unit,
- Name, address, social security number, tax identification number or DUNS number, as applicable, for landlord and utility provider,
- Amount and percentage of monthly rent covered by ERA assistance,
- Amount and percentage of separately-stated utility and home energy costs covered by ERA assistance,
- Total amount of each type of assistance (*i.e.,* rent, rental arrears, utilities and home energy costs, utilities and home energy costs arrears) provided to each household,
- Amount of outstanding rental arrears for each household,
- Number of months of rental payments and number of months of utility or home energy cost payments for which ERA assistance is provided,
- Household income and number of individuals in the household, and
- Gender, race, and ethnicity for the primary applicant for assistance.

Grantees should also collect information as to the number of applications received in order to be able to report to Treasury the acceptance rate of applicants for assistance.

Treasury's Office of Inspector General may require the collection of additional information in order to fulfill its oversight and monitoring requirements.[1] Treasury will provide additional information regarding reporting to Treasury at a future date. Grantees will need to comply with the requirement in section 501(g)(4) of Division N of the Act to establish data privacy and security requirements for information they collect.

9. The statute requires that ERA payments not be duplicative of any other federally-funded rental assistance provided to an eligible household. Are tenants of federally subsidized housing, *e.g.*, Low Income Housing Credit, Public Housing, or Indian Housing Block Grant-assisted properties, eligible for ERA?

An eligible household that occupies a federally-subsidized residential or mixed-use property may receive ERA assistance, provided that ERA funds are not applied to costs that have been or will be reimbursed under any other federal assistance.

If an eligible household receives a monthly federal subsidy (*e.g.*, a Housing Choice Voucher, Public Housing, or Project-Based Rental Assistance) and the tenant rent is adjusted according to changes in income, the renter household may not receive ERA assistance.

If a household receives rental assistance other than the ERA, the ERA assistance may only be used to pay for costs, such as the tenant-paid portion of rent and utility costs, that are not paid for by the other rental assistance. Pursuant to section 501(k)(3)(B) of Subdivision N of the Act and 2 CFR 200.403, when providing ERA assistance, the grantee must review the household's income and sources of assistance to confirm that the ERA assistance does not duplicate any other assistance, including federal, state, and local assistance provided for the same costs.

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[1] Note that this FAQ is not intended to address all reporting requirements that will apply to the ERA program but rather to note for grantees information that they should anticipate needing to collect from households with respect to the provision of rental assistance.

10. May a grantee provide assistance to households for which the grantee is the landlord?

Yes, a grantee may provide assistance to households for which the grantee is the landlord provided that the grantee complies with the all provisions of the statute and this guidance and that no preferences beyond those outlined in the statute are given to households that reside in the grantee's own properties.

11. May a grantee provide assistance for arrears that have accrued before the date of enactment of the statute?

Yes, but not before March 13, 2020, the date of the emergency declaration pursuant to section 501(b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5191(b).

12. May a grantee provide assistance to a renter household with respect to utility or energy costs without also covering rent?

Yes. A grantee does not need to provide assistance with respect to rent in order to provide assistance with respect to utility or energy costs. The limitations in section 501(c)(2)(B) of Division N of the Act limiting assistance for prospective rent payments do not apply to the provision of utilities or home energy costs.

13. May a grantee provide ERA assistance to homeowners to cover their mortgage payment, utilities, or energy costs?

No. The statute requires that ERA assistance be provided only to eligible households, which is defined to include only households that are obligated to pay rent on a residential dwelling.

14. The statute provides that ERA funds may be used for "other expenses" as related to housing incurred due, directly or indirectly, to COVID-19, as defined by the Secretary. What are some examples of these "other expenses"?

The Secretary has not made such a determination at this time.

President-elect Biden Announces American Rescue Plan

Emergency Legislative Package to Fund Vaccinations, Provide Immediate, Direct Relief to Families Bearing the Brunt of the COVID-19 Crisis, and Support Struggling Communities

The COVID-19 pandemic and the corresponding economic crisis are devastating families across the country. More than 20 million Americans have contracted COVID-19, and at least 370,000 have died. From big cities to small towns, too many Americans are barely scraping by, or not scraping by at all. And the pandemic has shined a light on the persistence of racial injustice in our healthcare system and our economy. The need to act is clear in the lines at food banks, the small businesses that are closed or closing, and the growing number of Americans experiencing housing insecurity. After nearly a year of the public health crisis, our nation remains in this dark winter of the pandemic and facing a deep economic crisis.

President-elect Biden is laying out the first step of an aggressive, two-step plan for rescue, from the depths of this crisis, and recovery, by investing in America, creating millions of additional good-paying jobs, combatting the climate crisis, advancing racial equity, and building back better than before.

While Congress's bipartisan action in December was a step in the right direction, it was only a down payment. It fell far short of the resources needed to tackle the immediate crisis. We are in a race against time, and absent additional government assistance, the economic and public health crises could worsen in the months ahead; schools will not be able to safely reopen; and vaccinations will remain far too slow.

As last month's jobs report underscored, the virus and our economy are intertwined. We cannot rescue our economy without containing this virus.

Today, President-elect Biden is announcing the American Rescue Plan to change the course of the pandemic, build a bridge towards economic recovery, and invest in racial justice. The American Rescue Plan will address the stark, intergenerational inequities that have worsened in the wake of COVID-19. Researchers at Columbia University estimate that these proposals will cut child poverty in half.

Specifically, President-elect Biden's American Rescue Plan will:

- **Mount a national vaccination program, contain COVID-19, and safely reopen schools**, including by setting up community vaccination sites nationwide, scaling up testing and tracing, eliminating supply shortage problems, investing in high-quality treatments, providing paid sick leave to contain spread of the virus, addressing health disparities, and making the necessary investments to meet the president-elect's goal of safely reopening a majority of K-8 schools in the first 100 days.

- **Deliver immediate relief to working families bearing the brunt of this crisis** by sending $1,400 per-person checks to households across America, providing direct housing and nutrition assistance, expanding access to safe and reliable childcare and affordable healthcare, increasing the minimum wage, extending unemployment insurance, and giving families with kids and childless workers an emergency boost this year.

- **Support communities that are struggling in the wake of COVID-19** by providing support for the hardest-hit small businesses, especially small businesses owned by entrepreneurs of color, and protecting the jobs of the first responders, transit workers, and other essential workers we depend on.

In addition to addressing the public health and economic crises head on, the President-elect's plan will provide emergency funding to upgrade federal information technology infrastructure and address the recent breaches of federal government data systems. This is an urgent national security issue that cannot wait.

President-elect Biden's $1.9 trillion American Rescue Plan is ambitious, but achievable, and will rescue the American economy and start beating the virus. Congress should act expeditiously to help working families, communities, and small businesses persevere through the pandemic.

This legislative package is needed now to address the immediate crises. In the coming weeks, President-elect Biden will lay out his economic recovery plan to invest in America, create millions of additional good-paying jobs, combat the climate crisis, and build back better than before.

Mount a national vaccination program, contain COVID-19, and safely reopen schools

The pandemic is raging, with record high infection and death rates. A new strain of the virus that is even more contagious is appearing in communities across the country. Meanwhile, Americans are waiting to get their vaccines, even while doses are sitting on shelves. More than ten months into the pandemic, we still lack necessary testing capacity and are suffering from shortages of supplies like basic protective equipment for those on the front lines. Americans of color are being infected and are dying from COVID-19 at greater rates because of lasting systemic racism in our health care system. And, older Americans continue to suffer at disproportionate rates.

We can't wait to slow the spread of this virus. And, we can't fight this pandemic in fits and starts. President-elect Biden is putting forward a comprehensive plan to deal with this crisis and launch a whole-of-government COVID-19 response plan that will change the course of the pandemic by ensuring we have necessary supplies and protective gear, increasing testing to mitigate spread, vaccinating the US population, safely reopening schools, and addressing COVID-19 health disparities.

To support this plan, President-elect Biden is calling on Congress to provide the $160 billion in funding necessary to save American lives and execute on his plan to mount a national vaccination program, expand testing, mobilize a public health jobs program, and take other necessary steps to build capacity to fight the virus. He is also calling on Congress to ensure our schools have everything they need to safely reopen and to provide emergency paid leave so people can stay home when needed to help contain the spread of the virus. Altogether, this would put over $400 billion toward these critical measures for addressing COVID-19.

President-elect Biden's rescue proposal will:

Mount a national vaccination program. Current vaccination efforts are not sufficient to quickly and equitably vaccinate the vast majority of the U.S. population. We must ensure that those on the ground have what they need to get vaccinations into people's arms. The president-elect's proposal will invest $20 billion in a national vaccination program in partnership with states, localities, Tribes and territories. This will include launching community vaccination centers around the country and deploying mobile vaccination units to hard-to-reach areas. The Biden Administration will take action to ensure all people in the United States--regardless of their immigration status--can access the vaccine free-of-charge and without cost-sharing. To help states ensure that all Medicaid enrollees will be vaccinated, President-elect Biden will also work with Congress to expand the Federal Medicaid Assistance Percentage (FMAP) to 100% for the administration of vaccines.

Scale up testing to stop the spread of COVID, safely reopen schools, and protect at-risk populations. While we are working to vaccinate the population, we need to focus on what we know works. Testing is a critical strategy for controlling the spread of COVID-19, yet the U.S. is still not using it effectively. Despite innovations to improve testing, tests are still not widely available. The president-elect's plan invests $50 billion in a massive expansion of testing, providing funds for the purchase of rapid tests, investments to expand lab capacity, and support to help schools and local governments implement regular testing protocols. Expanded testing will ensure that schools can implement regular testing to support safe reopening; that vulnerable settings like prisons and long-term care facilities can regularly test their populations; and that any American can get a test for free when they need one.

Mobilize a public health jobs program to support COVID-19 response. The president-elect's plan includes an historic investment in expanding the public health workforce. This proposal will fund 100,000 public health workers, nearly tripling the country's community health roles. These individuals will be hired to work in their local communities to perform vital tasks like vaccine outreach and contact tracing in the near term, and to transition into community health roles to build our long-term public health capacity that will help improve quality of care and reduce hospitalization for low-income and underserved communities.

Address health disparities and COVID-19. While COVID-19 has devastated the entire country, it has hit some groups and communities of color much harder than others. President-elect Biden is committed to addressing the disparities evident in the pandemic at every step, from ensuring equitable distribution of vaccines and supplies to expanding health care services for underserved communities. His proposal includes funding to provide health services for underserved populations, including expanding Community Health Centers and investing in health services on tribal lands. These funds will support the expansion of COVID treatment and care, as well as our ability to provide vaccination to underserved populations.

Protect vulnerable populations in congregate settings. Long-term care residents and workers account for almost 40% of all U.S. COVID-19 deaths. Further, African-American and Latina women, who have borne the brunt of the pandemic, are overrepresented among long-term care workers. The president-elect's proposal provides critical funding for states to deploy strike teams to long-term care facilities experiencing COVID-19 outbreaks--which may impede vaccination of residents and workers--and to conduct better infection control oversight.

1 in 5 state and federal prisoners in the U.S. has had COVID-19, and African Americans and Latinos are overrepresented among incarcerated individuals. The proposal also supports COVID-19 safety in federal, state, and local prisons, jails, and detention centers by providing funding for COVID-19 mitigation strategies, including supplies and physical distancing; safe re-entry for the formerly incarcerated; and the vaccination of both incarcerated people and staff.

Identify and address emerging strains of COVID-19. The identification of new strains of SARS-CoV-2 in the United Kingdom and South Africa highlight a key vulnerability in our nation's COVID response: we simply do not have the kind of robust surveillance capabilities that we need to track outbreaks and mutations. Tracking the way the virus is changing and moving through the population is essential to understanding outbreaks, generating treatments and vaccines, and controlling the pandemic. The president-elect's proposal includes funding to dramatically increase our country's sequencing, surveillance, and outbreak analytics capacity at the levels demanded by the crisis.

Provide emergency relief and purchase critical supplies and deploy National Guard. Persistent supply shortages - from gloves and masks to glass vials and test reagents - are inhibiting our ability to provide testing and vaccination and putting frontline workers at risk. The president-elect's plan will invest $30 billion into the Disaster Relief Fund to ensure sufficient supplies and protective gear, and to provide 100% federal reimbursement for critical emergency response resources to states, local governments, and Tribes, including deployment of the National Guard. The president-elect will call for an additional $10 billion investment in expanding domestic manufacturing for pandemic supplies. These funds will support President-elect Biden in fulfilling his commitment to fully use the Defense Production Act and to safeguard the country by producing more pandemic supplies in the U.S.

Invest in treatments for COVID-19. Months into this pandemic, we still do not have reliable and accessible treatments. The federal government urgently needs to invest to support development, manufacturing, and purchase of therapies to ensure wide availability and affordability of effective treatments, as well as invest in studies of the long-term health impacts of COVID-19 and potential therapies to address them.

Protect workers against COVID-19. Millions of Americans, many of whom are people of color, immigrants, and low-wage workers, continue to put their lives on the line to keep the country functioning through the pandemic. They should not have to lie awake at night wondering if they'll make it home from work safely the next day, or if they'll bring home the virus to their loved ones and communities. The president-elect is calling on

Congress to authorize the Occupational Safety and Health Administration to issue a COVID-19 Protection Standard that covers a broad set of workers, so that workers not typically covered by OSHA, like many public workers on the frontlines, also receive protection from unsafe working conditions and retaliation. And, President-elect Biden is calling on Congress to provide additional funding for OSHA enforcement and grant funding, including for the Susan Harwood grant program, for organizations to help keep vulnerable workers healthy and safe from COVID-19. These steps will help keep more workers healthy, reopen more businesses safely, and beat the virus.

Restore U.S. leadership globally and build better preparedness. Protecting the United States from COVID-19 requires a global response, and the pandemic is a grave reminder that biological threats can pose catastrophic consequences to the United States and the world. The president-elect's plan will provide $11 billion including to support to the international health and humanitarian response; mitigate the pandemic's devastating impact on global health, food security, and gender-based violence; support international efforts to develop and distribute medical countermeasures for COVID-19; and build the capacity required to fight COVID-19, its variants, and emerging biological threats.

Provide schools the resources they need to reopen safely. A critical plank of President-elect Biden's COVID-19 plan is to safely reopen schools as soon as possible - so kids and educators can get back in class and parents can go back to work. This will require immediate, urgent action by Congress. The COVID-19 pandemic created unprecedented challenges for K-12 schools and institutions of higher education, and the students and parents they serve. School closures have disproportionately impacted the learning of Black and Hispanic students, as well as students with disabilities and English language learners. While the December down payment for schools and higher education institutions was a start, it is not sufficient to address the crisis. President-elect Biden is calling on Congress to provide $170 billion -- supplemented by additional state and local relief resources -- for K-12 schools and institutions of higher education. These resources will help schools serve all students, no matter where they are learning, and help achieve President-elect Biden's goal to open the majority of K-8 schools within the first 100 days of his Administration.

- **Provide $130 billion to help schools to safely reopen.** Schools need flexible resources to safely reopen and operate and/or facilitate remote learning. The president-elect's plan will provide $130 billion to support schools in safely reopening. These funds can be used to reduce class sizes and modify spaces so students and teachers can socially distance; improve ventilation; hire more janitors and implement mitigation measures; provide personal protective equipment; ensure every school has access to a nurse; increase transportation capacity to facilitate social distancing on the bus; hire counselors to support students as they transition back to the classroom; close the digital divide that is exacerbating inequities during the pandemic; provide summer school or other support for students that will help make up lost learning time this year; create and expand community schools; and cover other costs needed to support safely reopening and support students. These funds will also include provisions to ensure states adequately fund education and protect students in low-income communities that have been hardest hit by COVID-19. Districts must ensure that funds are used to not only reopen schools, but also to meet students' academic, mental health and social, and emotional needs in response to COVID-19, (e.g. through extended learning time, tutoring, and counselors), wherever they are learning. Funding can be used to prevent cuts to state pre-k programs. A portion of funding will be reserved for a COVID-19 Educational Equity Challenge Grant, which will support state, local and tribal governments in partnering with teachers, parents, and other stakeholders to advance equity- and evidence-based policies to respond to COVID-related educational challenges and give all students the support they need to succeed. In addition to this funding, schools will be able to access FEMA Disaster Relief Fund resources to get reimbursed for certain COVID-19 related expenses and will receive support to implement regular testing protocols.

- **Expand the Higher Education Emergency Relief Fund.** The president-elect's plan will ensure colleges have critical resources to implement public health protocols, execute distance learning plans, and provide emergency grants to students in need. This $35 billion in funding will be directed to public institutions, including community colleges, as well as, public and private Historically Black Colleges and Universities and other Minority Serving Institutions. This funding will provide millions of students up to an additional $1,700 in financial assistance from their college.
- **Hardest Hit Education Fund.** Provide $5 billion in funds for governors to use to support educational programs and the learning needs of students significantly impacted by COVID-19, whether K-12, higher education, or early childhood education programs.

Provide emergency paid leave to 106 million more Americans to reduce the spread of the virus. No American should have to choose between putting food on the table and quarantining to prevent further spread of COVID-19. And yet, nearly 1 in 4 workers and close to half of low-income workers lack access to paid sick leave, disproportionately burdening Americans of color. Lack of paid leave is threatening the financial security of working families and increasing the risk of COVID-19 infections, hospitalizations, and deaths. Congress did the right thing last year when it created an emergency paid leave program through the Families First Coronavirus Response Act. That action decreased daily infections by 400 cases per state per day in states that previously had no paid sick leave requirement. While the December down payment extended the Families First employer tax credits through March 2021, it did not renew the requirement that employers provide leave. President-elect Biden is calling on Congress to:

- **Put the requirement back in place and eliminate exemptions for employers with more than 500 and less than 50 employees.** He will also make it clear that healthcare workers and first responders get these benefits, too. Closing these loopholes in the Families First Coronavirus Response Act will extend emergency paid leave to up to 106 million additional workers.
- **Provide expanded paid sick and family and medical leave.** The president-elect will provide over 14 weeks of paid sick and family and medical leave to help parents with additional caregiving responsibilities when a child or loved one's school or care center is closed; for people who have or are caring for people with COVID-19 symptoms, or who are quarantining due to exposure; and for people needing to take time to get the vaccine.
- **Expand emergency paid leave to include federal workers.** This measure will provide paid leave protections to approximately 2 million Americans who work for the federal government.
- **Provide a maximum paid leave benefit of $1,400 per-week for eligible workers.** This will provide full wage replacement to workers earning up to $73,000 annually, more than three-quarters of all workers.
- **Reimburse employers with less than 500 employees for the cost of this leave.** Extending the refundable tax credit will reimburse employers for 100 percent of the cost of this leave.
- **Reimburse state and local government for the cost of this leave.**
- **Extend emergency paid leave measures until September 30, 2021.** With so much uncertainty surrounding the pandemic, extending paid leave until the end of September will help to limit the spread of COVID-19 and provide economic security to millions of working families.

Deliver Immediate, Direct Relief to Families Bearing the Brunt of the Crisis.

As a result of the COVID-19 crisis, millions of Americans are hurting through no fault of their own. More than 10 million Americans are unemployed, and 4 million have been out of work for half a year or longer. The jobs crisis is particularly severe in communities of color, where 1 in 10 Black workers and 1 in 11 Latino workers are unemployed. Large numbers of families are struggling to pay rent or their mortgages and put food on the table. And, last month, it only got worse: we lost 140,000 jobs in December, including 20,000 public educators, and nearly 400,000 jobs at restaurants and bars.

President-elect Biden is calling on Congress to take urgent action to deliver immediate, direct relief to Americans bearing the brunt of this crisis. Altogether, this would devote about $1 trillion towards building a bridge to economic recovery for working families and, according to researchers at Columbia University, cut child poverty in half.

President-elect Biden's plan will:

Give working families a $1,400 per-person check to help pay their bills, bringing their total relief payment from this and the December down payment to $2,000. More than 1 in 3 households -- and half of Black and Latino households -- are struggling to pay for usual household expenses like rent and groceries during the pandemic. In this crisis, working families need more than the $600 per person that Congress passed last year. President-elect Biden is calling on Congress to increase that direct financial assistance to $2,000. An additional $1,400 per person in direct checks will help hard-hit households cover expenses, spend money at local businesses in their communities, and stimulate the economy. President-elect Biden's plan will also expand eligibility to adult dependents who have been left out of previous rounds of relief and all mixed status households. And, his plan will ensure that the Treasury Department has the flexibility and resources it needs to deliver stimulus checks to the families that need them most, including the millions of families that still haven't received the $1,200 checks they are entitled to under the CARES Act.

Extend and expand unemployment insurance benefits so American workers can pay their bills. Around 18 million Americans rely on the unemployment insurance program. Congress did the right thing by continuing expanded eligibility and extending the number of weeks unemployed workers can receive benefits. One study estimates that extending pandemic unemployment insurance programs through 2021 could create or save over five million jobs. But these benefits are set to expire in weeks -- even as the COVID-19 pandemic worsens. Millions of Americans are receiving benefits through unemployment insurance programs that will no longer serve new beneficiaries starting in mid-March.

President-elect Biden is calling on Congress to extend these and other programs, providing millions of hard-hit workers with the financial security and peace of mind they need and deserve. And, he believes Congress should provide a $400 per-week unemployment insurance supplement to help hard-hit workers cover household expenses. The president-elect is committed to providing these emergency supports to families for as long as the COVID-19 crisis continues and employment opportunities remain limited. The president-elect is proposing to extend these emergency unemployment insurance programs through September 2021, and will work with Congress on ways to automatically adjust the length and amount of relief depending on health and economic conditions so future legislative delay doesn't undermine the recovery and families' access to benefits they need.

President-elect Biden's plan will:

- **Extend financial assistance for workers who have exhausted their regular unemployment compensation benefits.** Extending and increasing the additional weeks provided under the emergency unemployment insurance program will ensure that approximately 5 million Americans continue to receive assistance in the months ahead.
- **Extend financial assistance for unemployed workers who do not typically qualify for unemployment compensation benefits.** The president-elect believes Congress should extend unemployment support for self-employed workers, like ride-share drivers and many grocery delivery workers, who do not typically qualify for regular unemployment compensation. And, he supports increasing the number of weeks these workers can receive the benefit to provide long-term financial security to the program's approximately 8 million beneficiaries.
- **Fully fund states' short-time compensation programs and additional weeks of benefits.** Short-time compensation programs, also known as work sharing, help small businesses stay afloat and economically vulnerable workers make ends meet by enabling workers to stay on the job at reduced hours, while making up the difference in pay. These programs avoid layoffs and pave the way for rapid rehiring and an accelerated recovery.

Help struggling households keep a roof over their heads. The economic fallout of COVID-19 has made it more difficult for working families, especially families of color, to cover their housing expenses. Across the country, 1 in 5 renters and 1 in 10 homeowners with a mortgage are behind on payments. Congress took an important step in the right direction by securing $25 billion in rental assistance and extending the federal eviction moratorium until January 31. However, American families already owe $25 billion in back rent, and the threat of widespread evictions will still exist at the end of January. Further, more than 10 million homeowners have fallen behind on mortgage payments. Failing to take additional action will lead to a wave of evictions and foreclosures in the coming months, overwhelming emergency shelter capacity and increasing the likelihood of COVID-19 infections. And Americans of color, who have on average a fraction of the wealth available to white families, face higher risks of eviction and housing loss without critical assistance.

President-elect Biden is calling on Congress to take immediate action to forestall a coming wave of COVID-related evictions and foreclosures.

- **Ensure that families hit hard by the economic crisis won't face eviction or foreclosure.** The president-elect is calling on Congress to extend the eviction and foreclosure moratoriums and continue applications for forbearance on federally-guaranteed mortgages until September 30, 2021. These measures will prevent untold economic hardship for homeowners, while limiting the spread of COVID-19 in our communities. The president-elect is also calling on Congress to provide funds for legal assistance for households facing eviction or foreclosure.
- **Help renters and small landlords make ends meet by providing an additional $30 billion in rental and critical energy and water assistance for hard-hit individuals and families.** While the $25 billion allocated by Congress was an important down payment on the back rent accrued during this crisis, it is insufficient to meet the scale of the need. That's why President-elect Biden is proposing an additional $25 billion in rental assistance to provide much-needed rental relief, especially for low- and moderate-income households who have lost jobs or are out of the labor market. The president-elect is also proposing $5 billion to cover home energy and water costs and arrears through programs like the Low Income Home Energy Assistance Program, for struggling renters. These funds will ensure that the hardest-hit renters and small landlords, including those in disadvantaged communities that have suffered disproportionately in terms of pollution and other environmental harms, aren't put in the position where they can't cover their own housing expenses. This program includes a competitive set-aside of funding for states to invest in clean energy and energy efficiency projects that reduce electricity bills for families in disadvantaged communities.
- **Deliver $5 billion in emergency assistance to help secure housing for people experiencing or at risk of homelessness.** This funding will allow states and localities to help approximately 200,000 individuals and families obtain stable housing, while providing a downpayment on the president-elect's comprehensive approach to ending homelessness and making housing a right for all Americans. Specifically, these funds will provide flexibility for both congregate and non-congregate housing options, help jurisdictions purchase and convert hotels and motels into permanent housing, and give homeless services providers the resources they need to hire and retain staff, maintain outreach programs, and provide essential services.

Address the growing hunger crisis in America. About 1 in 7 households nationwide, including more than 1 in 5 Black and Latino households and many Asian American and Pacific Islander households, are struggling to secure the food they need. While the December down payment provided $13 billion to strengthen and expand federal nutrition programs, it will not solve the hunger crisis in America. President-elect Biden is calling on Congress to ensure all Americans, regardless of background, have access to healthy, affordable groceries. The president-elect's plan will:

- **Extend the 15 percent Supplemental Nutrition Assistance Program (SNAP) benefit increase.** Maintaining the increase through the summer - when childhood hunger spikes due to a lack of school meals - is a critical backstop against rising food insecurity. This change will help keep hunger at bay for around 40 million Americans. The president-elect is calling for this to be extended through September 2021. He is also committed to providing this boost for as long as the COVID-19 crisis continues, and will work with Congress on ways to automatically adjust the length and amount of relief depending on health and economic conditions so future legislative delay doesn't undermine the recovery and families' access to benefits they need.
- **Invest $3 billion to help women, infants and children get the food they need.** This multi-year investment in the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) is needed to account for increased enrollment due to growing hunger and to increase outreach to ensure that low-income families have access to high-quality nutritious food and nutrition education.
- **Partner with restaurants to feed American families and keep restaurant workers on the job at the same time.** The FEMA Empowering Essential Deliveries (FEED) Act will leverage the resources and expertise of the restaurant industry to help get food to families who need it, and help get laid-off restaurant workers across the country back on the job.
- **Support SNAP by temporarily cutting the state match.** The president-elect is calling for a one time emergency infusion of administrative support for state anti-hunger and nutrition programs to ensure that benefits get to the kids and families that need it most.
- **Provide U.S. Territories with $1 billion in additional nutrition assistance for their residents.** Bolstering the Nutrition Assistance Program block grant will help thousands of working families in Puerto Rico, American Samoa, and the Commonwealth of the Northern Mariana Islands put food on the table for the duration of the pandemic.

Raise the minimum wage to $15 per hour. Throughout the pandemic, millions of American workers have put their lives on the line to keep their communities and country functioning, including the 40 percent of frontline workers who are people of color. As President-elect Biden has said, let's not just praise them, let's pay them. Hard working Americans deserve sufficient wages to put food on the table and keep a roof over their heads, without having to keep multiple jobs. But millions of working families are struggling to get by. This is why the president-elect is calling on Congress to raise the minimum wage to $15 per hour, and end the tipped minimum wage and sub-minimum wage for people with disabilities so that workers across the country can live a middle class life and provide opportunity for their families.

Call on employers to meet their obligations to frontline essential workers and provide back hazard pay. Essential workers -- who are disproportionately Black, Latino, and Asian American and Pacific Islander-- have risked their lives to stock shelves, harvest crops, and care for the sick during this crisis. They have kept the country running even during the darkest days of the pandemic. A number of large employers, especially in the retail and grocery sectors, have seen bumper profitability in 2020 and yet done little or nothing at all to compensate their workers for the risks they took. The president-elect believes these employers have a duty to do right by their frontline essential workers and acknowledge their sacrifices with generous back hazard pay for the risks they took across 2020 and up to today. He and the Vice President-elect will call on CEOs and other business leaders to take action to meet these obligations.

Expand access to high-quality, affordable child care. We are facing an acute, immediate child care crisis in America, which is exacerbating our economic crisis. Due to increased costs and lower enrollment, a recent survey of child care providers showed that most child care providers expect that they will close within a few months without relief or are uncertain how long they can stay open. If left unaddressed, many child care providers will close -- some permanently -- and millions of children could go without necessary care, and millions of parents could be left to make devastating choices this winter between caring for their children and working to put food on the table. Early childcare providers are almost entirely women, among whom 40 percent are people of color, and so these closures could devastate engines of opportunity for minority- and women-owned businesses. President-elect Biden is calling on Congress to take immediate actions to address this crisis by helping child care centers reopen and remain open safely, and by making that care affordable to families who need it.

In addition, too many families are unable to afford child care, while early educators earn wages so low that they can't support their own families. This challenge existed before COVID-19, and the pandemic has exacerbated it. President-elect Biden is calling on Congress to ease the financial burden of care for families, expand financial support for child care providers so that this critical sector can stay afloat during the pandemic and beyond, and make critical investments to improve wages and benefits for the essential child care sector. President-elect Biden's plan will:

- **Help hard-hit child care providers, including family child care homes, cover their costs and operate safely by creating a $25 billion emergency stabilization fund.** This Emergency Stabilization Fund will help hard-hit child care providers that are in danger of closing and provide support to nearly half of all child care providers. It will also assist those that have had to shut down meet their financial obligations during the pandemic, so that they can reopen. It will help providers pay for rent, utilities, and payroll, as well as increased costs associated with the pandemic including personal protective equipment, ventilation supplies, smaller group sizes, and modifications to make the physical environment safer for children and workers.
- **Expand child care assistance to help millions of families and help parents return to work.** Millions of parents are risking their lives as essential workers, while at the same time struggling to obtain care for their children. Others have become 24/7 caregivers while simultaneously working remotely. Still more are unemployed, caring for their children full-time, and worrying about how they will make ends meet or afford child care when they do find a job. And, the limited access to child care during the pandemic has caused more women to leave the workforce. While the December down payment provides $10 billion in funding through the Child Care and Development Block Grant program, the president-elect's proposal expands this investment with an additional $15 billion in funding, including for those who experienced a job interruption during the COVID-19 pandemic and are struggling to afford child care. This additional assistance with child care costs will help the disproportionate number of women who left the labor force to take on caregiving duties reenter the workforce. And, this expanded investment will also help rebuild the supply of child care providers, and encourage states to take meaningful steps towards increasing the pay and benefits of child care workers.
- **Increase tax credits to help cover the cost of childcare.** To help address the childcare affordability crisis, President-elect Biden is calling on Congress to expand child care tax credits on an emergency basis for one year to help working families cover the cost of childcare. Families will get back as a tax credit as much as half of their spending on child care for children under age 13, so that they can receive a total of up to $4,000 for one child or $8,000 for two or more children. The tax credit will be refundable, meaning that families who don't owe a lot in taxes will still benefit. The full 50 percent reimbursement will be available to families making less than $125,000 a year. And, all families making between $125,000 and $400,000 will receive a partial credit so they receive benefits at least as generous as those they can receive today.

Bolster financial security for families and essential workers in the midst of the pandemic. The lowest income families are particularly vulnerable in the midst of the pandemic, and President-elect Biden is calling for one year expansions of key supports for families on an emergency basis. The Child Tax Credit should be made fully refundable for the year. Currently, 27 million children live in families with household incomes low enough that they didn't qualify for the full value of the Child Tax Credit, and this measure would give these children and their families additional needed resources. The president-elect is also calling to increase the credit to $3,000 per child ($3,600 for a child under age 6) and make 17 year-olds qualifying children for the year.

He is also calling for an expansion of the Earned Income Tax Credit for the year to ensure that the lowest income workers get critical support including millions of essential workers. He is proposing to raise the maximum Earned Income Tax Credit for childless adults from roughly $530 to close to $1,500, raise the income limit for the credit from about $16,000 to about $21,000, and expand the age range that is eligible including by eliminating the age cap for older workers and expanding eligibility for younger workers so that they can claim the credit they deserve. Expanding the Earned Income Tax Credit for childless adults would give a needed boost to the earnings of several million workers, including cashiers, home health aides, delivery people, and other people working in essential occupations. The president-elect also is committed to making sure that Americans who see their earnings fall in 2021 due to the pandemic don't see the Earned Income Tax Credit reduced as a result.

Lastly, the president-elect is calling for an additional $1 billion for states to cover the additional cash assistance that Temporary Assistance to Needy Families (TANF) recipients needed as a result of the pandemic crisis. The pandemic has led to increased TANF caseloads, generated higher costs for many TANF recipients - from higher utility costs to the need for internet access for remote schooling - and longer periods of joblessness given high unemployment. These funds will provide sorely needed relief.

Preserving and expanding health coverage. Roughly two to three million people lost employer sponsored health insurance between March and September, and even families who have maintained coverage may struggle to pay premiums and afford care. Further, going into this crisis, 30 million people were without coverage, limiting their access to the health care system in the middle of a pandemic. To ensure access to health coverage, President-elect Biden is calling on Congress to subsidize continuation health coverage (COBRA) through the end of September. He is also asking Congress to expand and increase the value of the Premium Tax Credit to lower or eliminate health insurance premiums and ensure enrollees - including those who never had coverage through their jobs - will not pay more than 8.5 percent of their income for coverage. Together, these policies would reduce premiums for more than ten million people and reduce the ranks of the uninsured by millions more.

Expanding access to behavioral health services. The pandemic has made access to mental health and substance use disorder services more essential than ever. The president-elect is calling on Congress to appropriate $4 billion to enable the Substance Abuse and Mental Health Services Administration and the Health Resources and Services Administration to expand access to these vital services.

Ensure adequate funding for veterans' health. COVID-19 has put enormous pressure on America's veterans and on the Veterans Health Administration that is charged with providing and facilitating top-notch care for them. The president-elect is committed to ensuring America delivers on its promise to the people who have served our country. To account for increased usage as many veterans have lost access to private health insurance, higher overall costs, and other pandemic-related impacts, the president-elect is immediately requesting an additional $20 billion to make sure that veterans' health care needs can be met through this crisis.

Combat increased risk of gender-based violence. The COVID-19 pandemic has exacerbated domestic violence and sexual assault, creating a "shadow pandemic" for many women and girls who are largely confined to their home with their abuser and facing economic insecurity that makes escape more difficult. President Biden is calling for at least $800 million in supplemental funding for key federal programs that protect survivors.

Provide Critical Support to Struggling Communities.

COVID-19 and the resulting economic crisis has devastated communities across the country. Schools remain closed, with students struggling with remote learning and parents - 1.6 million mothers this fall - leaving the workforce. Small businesses, the backbones of their communities that employ nearly half of American workers, are unable to keep their doors open. And, some state and local essential workers are seeing their wages reduced or their jobs disappear. President-elect Biden is calling on Congress to send a lifeline to small businesses; protect educators, public transit workers, and first responders from lay-offs; and keep critical services running at full strength. Altogether, his plan would provide approximately $440 billion in critical support to struggling communities. This is in addition to funds that President-elect Biden is requesting for safely reopening schools throughout the country.

President-elect Biden's plan will:

Provide small businesses with the funding they need to reopen and rebuild. Small businesses sustain half of the private sector jobs in America, and they have struggled in the wake of COVID-19. Black- and Brown-owned small businesses, and those in hard-hit industries like restaurants, hotels, and the arts, have suffered disproportionately. Nationally, small business revenue is down 32 percent, and at least 400,000 firms have permanently closed. To help hard-hit firms survive the pandemic and fully recover, President-elect Biden is calling on Congress to:

- **Provide grants to more than 1 million of the hardest hit small businesses.** This $15 billion in flexible, equitably distributed grants will help small businesses get back on their feet, put the current disaster behind them, and build back better.
- **Leverage $35 billion in government funds into $175 billion in additional small business lending and investment.** With a $35 billion investment in successful state, local, tribal, and non-profit small business financing programs, Congress can generate as much as $175 billion in low-interest loans and venture capital to help entrepreneurs -- including those in the clean energy sector -- innovate, create and maintain jobs, build wealth, and provide the essential goods and services that communities depend on.

In addition, the president-elect wants to work with Congress to make sure that restaurants, bars, and other businesses that have suffered disproportionately have sufficient support to bridge to the recovery, including through the Community Credit Corporation at the U.S. Department of Agriculture (USDA).

Provide support for first responders and other essential workers. Throughout the COVID-19 pandemic, first responders, frontline public health workers, and countless other essential workers have risked their lives to keep our communities safe and functioning. Educators have worked tirelessly to keep our children learning and growing, coming up with new ways to reach and engage their students, often while balancing caring for their own children. Without these front line workers, we will not be able to effectively respond to the pandemic, administer the vaccine, or safely reopen our schools. President-elect Biden is calling on Congress to provide $350 billion in emergency funding for state, local, and territorial governments to ensure that they are in a position to keep front line public workers on the job and paid, while also effectively distributing the vaccine, scaling testing, reopening schools, and maintaining other vital services. The president-elect is also calling on Congress to allocate $3 billion of this funding to the Economic Development Administration (EDA). Grants from EDA provide resources directly to state and local government entities, tribal institutions, institutions of higher education, and non-profits to fund initiatives that support bottom's up economic development and enable good-paying jobs. This funding - double the amount provided by the CARES Act - will support communities nationwide with a broad range of financial needs as they respond to and recover from COVID-19.

Protect the future of public transit. Safe and dependable public transit systems are critical for a robust and equitable economy recovery. The president-elect is calling for $20 billion in relief for the hardest hit public transit agencies. This relief will keep agencies from laying off transit workers and cutting the routes that essential workers rely on every day while making these transit systems more resilient and ensuring that communities of color maintain the access to opportunity that public transportation provides.

Support Tribal governments' response to COVID-19. COVID-19 has exacted an especially high toll in Indian Country. People living on reservations are four times more likely to have COVID-19 and American Indian and Alaska Natives are nearly twice as likely to die from COVID-19 than white Americans. While the December down payment had many beneficial provisions, it included little direct funding to help Tribal governments respond to COVID-19. President-elect Biden is calling on Congress to give Tribes the resources they need to obtain sufficient personal protective equipment, increase access to clean water and electricity, and expand internet access so that children can learn remotely and more families can obtain basic health care through telemedicine. President-elect Biden's plan would invest $20 billion in Indian Country to support Tribal governments' response to the pandemic. These resources will help to reduce stark and persistent inequities in COVID-19 transmission, hospitalization, and death, while improving economic conditions and opportunity.

Modernize federal information technology to protect against future cyber attacks.

In addition to the COVID-19 crisis, we also face a crisis when it comes to the nation's cybersecurity. The recent cybersecurity breaches of federal government data systems underscore the importance and urgency of strengthening U.S. cybersecurity capabilities. President-elect Biden is calling on Congress to launch the most ambitious effort ever to modernize and secure federal IT and networks. To remediate the SolarWinds breach and boost U.S. defenses, including of the COVID-19 vaccine process, President-elect Biden is calling on Congress to:

- **Expand and improve the Technology Modernization Fund.** A $9 billion investment will help the U.S. launch major new IT and cybersecurity shared services at the Cyber Security and Information Security Agency (CISA) and the General Services Administration and complete modernization projects at federal agencies. In addition, the president-elect is calling on Congress to change the fund's reimbursement structure in order to fund more innovative and impactful projects.

- **Surge cybersecurity technology and engineering expert hiring**. Providing the Information Technology Oversight and Reform fund with $200 million will allow for the rapid hiring of hundreds of experts to support the federal Chief Information Security Officer and U.S. Digital Service.
- **Build shared, secure services to drive transformational projects.** Investing $300 million in no-year funding for Technology Transformation Services in the General Services Administration will drive secure IT projects forward without the need of reimbursement from agencies.
- **Improving security monitoring and incident response activities.** An additional $690M for CISA will bolster cybersecurity across federal civilian networks, and support the piloting of new shared security and cloud computing services.

###

Presented by: The Manager
Presented: January 25, 2021
Drafted by: Finance

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2020-09(AK)

An Ordinance Amending Ordinance 2019-06(AI) Related to the Appropriation Fund Source for COVID-19 Testing Equipment.

WHEREAS, the Assembly appropriated $700,000 for COVID-19 testing equipment to be operated by Bartlett Regional Hospital with Ordinance 2019-06(AI) (June 29, 2020);

WHEREAS, during 2020, Bartlett Regional Hospital received approximately $13,200,000 of federal funds due to the COVID pandemic.

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is a non-code ordinance.

Section 2. Amendment of Ordinance 2019-06(AI). Section 3 of Ord. 2019-06(AI), Source of Funds, is amended by inserting “Bartlett Regional Hospital Fund Balance” and deleting “CARES Special Revenue Fund.”

Section 3. Effective Date. This ordinance shall be effective immediately after adoption.

Adopted this ____ day of ____________, 2021.

Attest:

____
Beth A. Weldon, Mayor

____
Elizabeth J. McEwen, Municipal Clerk

Presented by: The Manager
Presented: January 25, 2021
Drafted by: Finance

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2020-09(AL)

An Ordinance Appropriating $700,000 to the Manager as Supplemental Funding for the COVID-19 Emergency Individual Assistance Grant Program; Funding Provided by the CARES Act Special Revenue Fund.

WHEREAS, COVID-19 is a respiratory disease that can result in serious illness or death and is easily transmittable person to person; and

WHEREAS, on March 11, 2020, the World Health Organization declared the virus a pandemic; and

WHEREAS, on March 11, 2020, the State of Alaska declared a public health emergency in response to the anticipated outbreak of the virus in Alaska; and

WHEREAS, on March 13, 2020, President Donald J. Trump declared a national emergency in response to the virus pandemic; and

WHEREAS, on March 16, 2020, the Assembly declared a local emergency in response to COVID-19, which was extended with Resolution 2921; and

WHEREAS, Ordinance 2020-09(Y)(b) appropriated $2,000,000 and created the COVID-19 Emergency Individual Assistance Grant Program; and

WHEREAS, there is substantial demand for the Emergency Individual Assistance Program, which is best met with this appropriation; and

WHEREAS, the COVID-19 Emergency Individual Assistance Grant Program costs are necessary due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19); and

WHEREAS, the COVID-19 Emergency Individual Assistance Grant Program costs were not accounted for in the FY20 budget.

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is a noncode ordinance.

Section 2. Appropriation. In addition to the $2,000,000 appropriated by Ordinance 2020-09(Y)(b), there is appropriated to the Manager the sum of seven hundred thousand dollars ($700,000) for the COVID-19 Emergency Individual Assistance Grant Program.

Section 3. Source of Funds:
CARES Act Special Revenue Fund $ 700,000

Section 4. Effective Date. This ordinance shall become effective immediately after adoption.

Adopted this ____ day of ____________, 2021.

Attest:

____
Beth A. Weldon, Mayor

____
Elizabeth J. McEwen, Municipal Clerk

MEMORANDUM

155 Municipal Way
Juneau, AK 99801
Phone: (907) 586-5215
Fax: (907) 586-0358

DATE: January 29, 2021

TO: Assembly Finance Committee

FROM: Jeff Rogers, Finance Director

SUBJECT: **2021 Bond Issuance**

Introduction

Juneau voters have approved two bond ordinances in recent years. First was a $7 million bond for improvements to Centennial Hall, approved in October 2019. Second was a $15 million bond for improvements to schools, parks, streets, and energy efficiency of public buildings, approved in October 2020. This memo lays out the approach for selling these bonds in the spring of 2021.

One Issuance of Two Bond Approvals

The transactional cost of selling a bond is quite significant, but many of the costs of selling a bond are fixed per issuance—which means that two bonds can be sold together for far less than selling them separately. Hence, it reduces CBJ cost to sell fewer bonds, which is why I recommend that the two approved bonds be sold together as one $22 million issuance. Additionally, large bond issuances tend to enjoy more preferential market interest rates. Selling the bonds separately, at separate times, remains an option but it increases the total transactional and interest cost considerably.

CBJ to Proceed with Public Bond Sale without Alaska Municipal Bond Bank Authority

Direct placement of the bond with a private bank had been considered as an alternative to a public offering, but CBJ Financial Advisor has advised that a public offering is most likely to offer more competitive pricing, and hence lower borrowing costs. Additionally, direct bank placement generally come with maximum terms of 10 to 12 years.

The Alaska Supreme Court's decision in *Forrer v. State of Alaska* has temporarily suspended the activity of the Alaska Municipal Bond Bank Authority (AMBBA), pending further legal review. As such, CBJ will proceed to issue this bond through a public offering without using the AMBAA as a conduit. This approach will require CBJ to seek an independent credit rating. CBJ intends to use RBC Capital Markets as the underwriter for the sale. The underwriter plays a key role in selling the bond into the public market and will assist CBJ with obtaining a suitable credit rating.

Timing of Legislation and Sale

It appears that some of the school, park, and street projects will be ready to go out to bid as early as April 2020 with construction to begin as soon as the bid is awarded. Delaying the bond issuance would prevent those projects from advancing in the community. The current plan for Centennial Hall is not as time sensitive, but some of project components (HVAC improvements, for example) could go out to bid and be ready for construction this summer. Hence, I recommend that the Assembly target the following schedule for the bond issuance:

1.	Introduction of the Bond Ordinance	February 8	
2.	Public Hearing of the Bond Ordinance	March 1	
3.	Interest Rate Resolution	March 22 or April 5	
4.	Market Pricing/Sale	Mid-April	
5.	Closing	Mid-May	*funds available shortly thereafter*

Debt Structure and Term

The Assembly has expressed a desire to limit the impact of these debt issuances on the Debt Service Mill Rate in the near term. As the Assembly is aware, CBJ's total indebtedness declines precipitously between FY2022 and FY2026. Hence, a significant amount of "debt capacity" exists in the following years after FY2025. But the near term picture is less attractive—particularly considering the unpredictable burden of the state's failure to reimburse school bond debt.

I have worked with our Financial Advisor on options for a debt repayment structure that would have CBJ pay *interest only* on the bond debt for the first three to four years of the repayment period. These strategies delay principal payment until later in the repayment schedule. Effectively, CBJ would pay less today and more tomorrow. One of these options may be a sweet spot to take advantage of CBJ's growing debt capacity in future years while limiting the near-term impact. Note that longer term bonds and interest-only arrangements will result in higher interest costs over the life of the bond repayment. Our Financial Advisor has modeled the debt service costs of 10-year, 15-year, and 20-year terms with interest only payments for the first three to four years.

	10 Year Term	15 Year Term	20 Year Term
Total Principal Payments	22,000,000	22,000,000	22,000,000
Total Interest Payments	1,911,439	4,539,994	7,608,950
Total Debt Service	23,911,439	26,539,994	29,608,950
All-in True Interest Cost %	1.23%	1.98%	2.47%

The impact on the forecast Debt Service Mill Rate is captured on the attached table and chart. CBJ's Financial Advisor continues to refine this approach, and they will make adjustments as necessary.

2% Increase to Hotel Bed Tax Intended to Pay Cost of Centennial Hall Debt

The preceding discussion of the $7 million Centennial Hall bond ignores an important nuance of the originally intended repayment strategy.

Juneau voted in October 2019 on three ballot measures:

1.) Temporary 2% increase to the Hotel Bed Tax
2.) $7 million general obligation bond for Centennial Hall
3.) $4.5 million grant for a new Juneau Arts and Culture Center (JACC)

Measures #1 and #2 both passed, and #3 failed. Hence, Hotel Bed Tax was temporarily increased from 7% to 9% starting January 1, 2020. At the time, it was estimated that the additional 2% would generate approximately $440,000 annually. This amount of collections was estimated to be sufficient to fund the majority of the debt service on the $7 million bond repayment. However, that increase to the tax went into effect just months before the pandemic decimated Hotel Bed Tax receipts overall. This memo from the April 8, 2020 Assembly Finance Committee meeting discussed how the Assembly could balance the demand for Hotel Bed Tax receipts in the FY2021 budget. The Assembly accepted staff recommendations, and no Hotel Bed Tax funds were allocated in FY2021 for Centennial Hall debt or renovation.

It is likewise unlikely that sufficient Hotel Bed Tax receipts will be generated in FY2022 to allow the temporary 2% receipts to be expended on Centennial Hall debt. However, Hotel Bed Tax receipts will eventually normalize. One might reasonably forecast that the full recovery of Juneau visitation (and overnight lodging) will be slow, but should occur within the next several years. Eventually, as visitation normalize, the Assembly will be able to use the temporary 2% tax to subsidize the Debt Service Fund, which would reduce the required Debt Service Mill Rate.

For the purpose of the simplicity of the attached calculations, I have excluded any consideration of this subsidy from the 2% temporary increase to the Hotel Bed Tax. Just know that in future years, some amount of these receipts will be available to assist with debt repayment, which can effectively reduce the required Debt Service

Mill Rate.

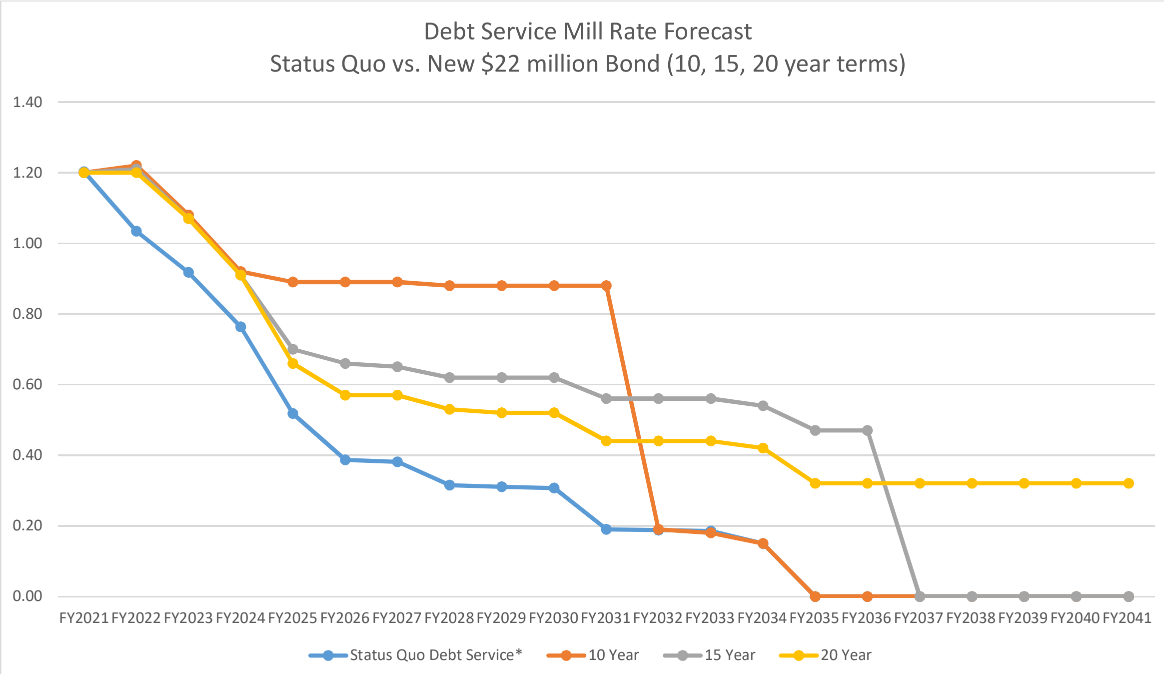
Recommendation

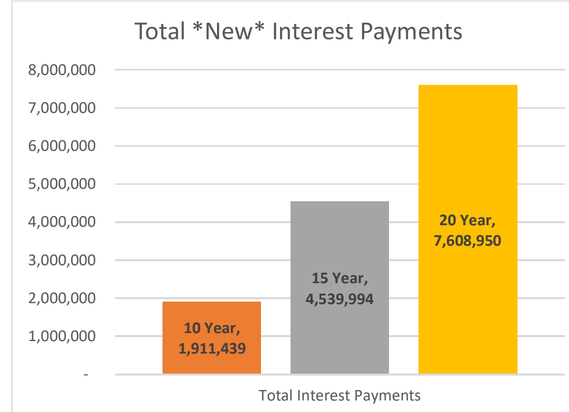
I recommend that the Assembly Finance Committee refer Ordinance 2021-02 to the full Assembly for introduction on February 8 and set it for public hearing on March 1st. Based on feedback from the Finance Committee at its meeting on February 3, staff will adjust the debt structure and term as needed.

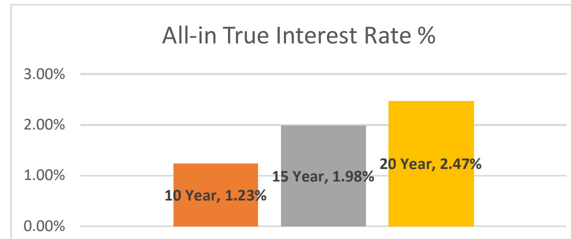
2021 Bond Issuance
Analysis of Loan Term based on Impact on Debt Service Mill Rate

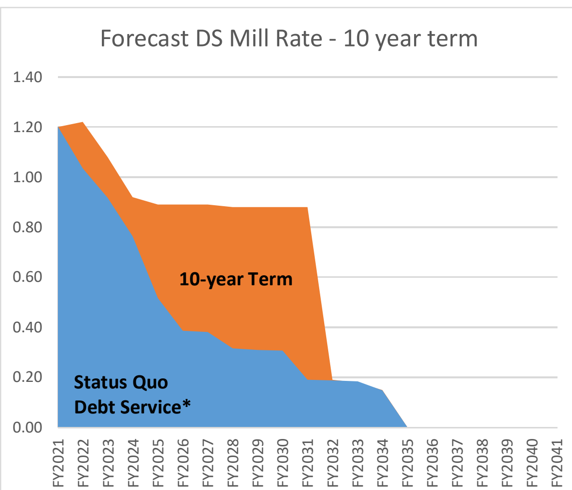
Status Quo Forecast				**10 Year**			**15 Year**			**20 Year**		
Fiscal Year	Forecast Valuation	Status Quo Debt Service*	Forecast DS Mill Rate	New Debt Service	Add. DS Mill Rate	**Total DS Mill Rate**	New Debt Service	Add. DS Mill Rate	**Total DS Mill Rate**	New Debt Service	Add. DS Mill Rate	**Total DS Mill Rate**
FY2021	5,120,417,119	6,155,501	1.20		0.00	**1.20**		0.00	**1.20**		0.00	**1.20**
FY2022	5,120,417,119	5,295,848	1.03	929,389	0.18	**1.22**	884,444	0.17	**1.21**	856,000	0.17	**1.20**
FY2023	5,197,223,376	4,769,037	0.92	836,450	0.16	**1.08**	796,000	0.15	**1.07**	770,400	0.15	**1.07**
FY2024	5,275,181,726	4,026,410	0.76	836,450	0.16	**0.92**	796,000	0.15	**0.91**	770,400	0.15	**0.91**
FY2025	5,354,309,452	2,770,285	0.52	2,011,450	0.38	**0.89**	986,000	0.18	**0.70**	770,400	0.14	**0.66**
FY2026	5,434,624,094	2,101,885	0.39	2,719,450	0.50	**0.89**	1,463,400	0.27	**0.66**	1,005,400	0.18	**0.57**
FY2027	5,516,143,456	2,101,760	0.38	2,787,250	0.51	**0.89**	1,501,400	0.27	**0.65**	1,031,000	0.19	**0.57**
FY2028	5,598,885,607	1,766,135	0.32	3,183,500	0.57	**0.88**	1,709,400	0.31	**0.62**	1,177,500	0.21	**0.53**
FY2029	5,682,868,891	1,765,385	0.31	3,254,750	0.57	**0.88**	1,750,150	0.31	**0.62**	1,201,000	0.21	**0.52**
FY2030	5,768,111,925	1,770,885	0.31	3,326,000	0.58	**0.88**	1,786,400	0.31	**0.62**	1,227,250	0.21	**0.52**
FY2031	5,854,633,604	1,114,135	0.19	4,026,750	0.69	**0.88**	2,163,150	0.37	**0.56**	1,486,000	0.25	**0.44**
FY2032	5,942,453,108	1,116,135	0.19		0.00	**0.19**	2,208,150	0.37	**0.56**	1,515,500	0.26	**0.44**
FY2033	6,031,589,904	1,115,635	0.18		0.00	**0.18**	2,246,900	0.37	**0.56**	1,541,500	0.26	**0.44**
FY2034	6,122,063,753	914,850	0.15		0.00	**0.15**	2,394,400	0.39	**0.54**	1,644,000	0.27	**0.42**
FY2035	6,213,894,709	-	0.00		0.00	**0.00**	2,905,800	0.47	**0.47**	1,995,000	0.32	**0.32**
FY2036	6,307,103,130	-	0.00		0.00	**0.00**	2,948,400	0.47	**0.47**	2,025,200	0.32	**0.32**
FY2037	6,401,709,677	-	0.00		0.00	**0.00**		0.00	**0.00**	2,056,800	0.32	**0.32**
FY2038	6,497,735,322	-	0.00		0.00	**0.00**		0.00	**0.00**	2,084,600	0.32	**0.32**
FY2039	6,595,201,352	-	0.00		0.00	**0.00**		0.00	**0.00**	2,118,600	0.32	**0.32**
FY2040	6,694,129,372	-	0.00		0.00	**0.00**		0.00	**0.00**	2,148,400	0.32	**0.32**
FY2041	6,794,541,313	-	0.00		0.00	**0.00**		0.00	**0.00**	2,184,000	0.32	**0.32**
		Total Principal Payments		**22,000,000**			**22,000,000**			**22,000,000**		
		Total Interest Payments		**1,911,439**			**4,539,994**			**7,608,950**		
		Total Debt Service		**23,911,439**			**26,539,994**			**29,608,950**		
		All-in True Interest Cost %		**1.23%**			**1.98%**			**2.47%**		

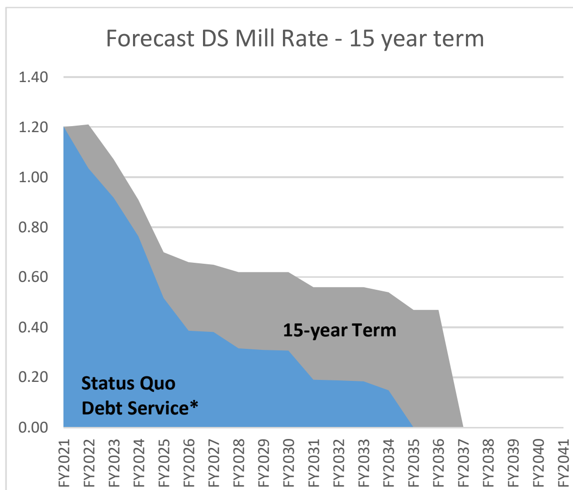
**Status Quo Debt Service amount assumes that School Bond Debt will be reimbursed at 100% or Assembly will fund any unreimbursed school debt with general funds*

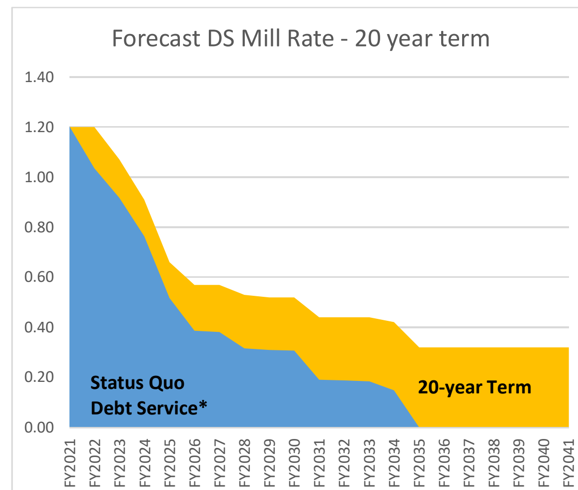

Debt Service Mill Rate Forecast
Status Quo vs. New $22 million Bond (10, 15, 20 year terms)
1.40
1.20
1.00
0.80
0.60
0.40
0.20
0.00
FY2021 FY2022 FY2023 FY2024 FY2025 FY2026 FY2027 FY2028 FY2029 FY2030 FY2031 FY2032 FY2033 FY2034 FY2035 FY2036 FY2037 FY2038 FY2039 FY2040 FY2041
Status Quo Debt Service*
10 Year
15 Year
20 Year


Total *New* Interest Payments
8,000,000
7,000,000
6,000,000
5,000,000
4,000,000
3,000,000
2,000,000
1,000,000
-
10 Year, 1,911,439
15 Year, 4,539,994
20 Year, 7,608,950
Total Interest Payments


All-in True Interest Rate %
3.00%
2.00%
1.00%
0.00%
10 Year, 1.23%
15 Year, 1.98%
20 Year, 2.47%


Forecast DS Mill Rate - 10 year term
10-year Term
Status Quo
Debt Service*


Forecast DS Mill Rate - 15 year term
15-year Term
Status Quo
Debt Service*


Forecast DS Mill Rate - 20 year term
20-year Term
Status Quo
Debt Service*

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

GENERAL OBLIGATION BONDS, 2021

Serial No. 2021-02

AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF GENERAL OBLIGATION BONDS IN ONE OR MORE SERIES TO PROVIDE NOT TO EXCEED $22,000,000 IN NET PROCEEDS; AND PROVIDING FOR THE FORM AND TERMS OF THE BONDS AND FOR UNLIMITED TAX LEVIES TO PAY THE BONDS.

Approved: March 1, 2021

Prepared by:

K&L GATES LLP
Seattle, Washington

City and Borough of Juneau, Alaska
Ordinance Serial No. 2021-02
Table of Contents*

* This Table of Contents and the cover page are provided for convenience only and are not a part of this ordinance.

Presented by: The Manager
Introduced: 02/08/21
Drafted by: Bond Counsel

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2021-02

An Ordinance Providing for the Issuance and Sale of General Obligation Bonds in One or More Series to Provide Not to Exceed $22,000,000 in Net Proceeds; and Providing for the Form and Terms of the Bonds and for Unlimited Tax Levies to Pay the Bonds.

WHEREAS, at the regular municipal election held on October 1, 2019, pursuant to Ordinance Serial No. 2019-35(c)(am), the Home Rule Charter of the City and Borough, and other resolutions and ordinances of the City and Borough, the qualified electors approved the issuance of general obligation bonds in the principal amount of not to exceed $7,000,000 (the "Centennial Hall Bond Authorization"); and

WHEREAS, at the regular municipal election held on October 6, 2020, pursuant to Ordinance Serial No. 2020-40(b)(am), the Home Rule Charter of the City and Borough, and other resolutions and ordinances of the City and Borough, the qualified electors approved the issuance of general obligation bonds in the principal amount of not to exceed $15,000,000 (the "Municipal Infrastructure Bond Authorization," and together with the Centennial Hall Bond Authorization, the "Bond Authorizations"); and

WHEREAS, it is deemed necessary and advisable and in the best interests of the City and Borough and its inhabitants that the City and Borough issue the Bond Authorizations in one or more series in the principal amount of not to exceed $22,000,000; and

WHEREAS, the Assembly finds that it is in the best interest of the City and Borough to sell the bonds herein authorized to RBC Capital Markets, LLC (the "Underwriter") on the terms and conditions set forth herein and in the bond purchase agreement(s) between the City and Borough and the Underwriter, as authorized by this ordinance;

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

Section 1. Classification. This ordinance is a noncode ordinance.

Section 2. Definitions. As used in this ordinance, the following words shall have the following meanings:

Assembly means the Assembly of the City and Borough of Juneau, Alaska as the same shall be duly and regularly constituted from time to time or any successor body.

Beneficial Owner means the beneficial owner of all or a portion of a Bond while such Bond is in fully immobilized form.

Bond Authorizations means the Centennial Hall Bond Authorization and the Municipal Infrastructure Bond Authorization.

Bond Fund means the "Debt Service Fund" of the City and Borough maintained pursuant to this ordinance.

Bond Purchase Agreement means the purchase agreement relating to each series of Bonds between the City and Borough and the Underwriter authorized to be entered into pursuant to Section 13 of this ordinance.

Bond Register means the registration books for the Bonds, maintained by the Bond Registrar, for the purpose of complying with the requirements of Section 149 of the Code and listing, inter alia, the names and addresses of all registered owners of the Bonds.

Bond Registrar means the financial institution selected by the City Manager or his/her designee as provided in Section 4 of this ordinance, for the purposes of registering and authenticating the Bonds, maintaining the Bond Register, and paying the principal of and interest on the Bonds.

Bonds means the City and Borough of Juneau, Alaska General Obligation Bonds, 2021[A/B] authorized to be issued pursuant to this ordinance in one or more series.

Bond Year means each one-year period that ends on the date selected by the City and Borough. The first and last Bond Years may be a shorter period. If no day is selected by the City and Borough before the earlier of the final maturity date of the Bonds or the date that is five years after the date of issuance of the Bonds, Bond Years end on each anniversary of the date of issue and on the final maturity date of the Bonds.

Centennial Hall Bond Authorization means the $7,000,000 principal amount of bonds authorized to be issued by the City and Borough pursuant to Ordinance Serial No. 2019-35(c)(am).

City and Borough means City and Borough of Juneau, Alaska, a municipal corporation duly organized and existing under and by virtue of the laws of the State of Alaska.

City and Borough Representative means the City Manager or such other official or employee of the City and Borough designated in writing by the City Manager.

City Manager means the city manager or interim city manager of the City and Borough.

Code means the federal Internal Revenue Code of 1986, as amended from time to time, and the applicable regulations thereunder.

Construction Funds means the funds maintained pursuant to Section 10 of this ordinance, into which shall be deposited the Bond proceeds, other than accrued interest.

DTC means The Depository Trust Company, New York, New York, a limited purpose trust company organized under the laws of the State of New York, as depository for the Bonds pursuant to Section 4 hereof.

Finance Director means the director or interim director of the finance department of the City and Borough.

Financial Advisor means PFM Financial Advisors LLC.

Government Obligations means direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America and bank certificates of deposit secured by such obligations.

Letter of Representations means a blanket issuer letter of representations from the City and Borough to DTC.

MSRB means the Municipal Securities Rulemaking Board or any successor to its functions.

Municipal Infrastructure Bond Authorization means the $15,000,000 principal amount of bonds authorized to be issued by the City and Borough pursuant to Ordinance Serial No. 2020-40(b)(am).

Net Proceeds, when used with reference to a series of Bonds, means the principal amount of such series of Bonds, plus accrued interest and original issue premium, if any, and less original issue discount.

Official Statement means the Official Statement of the City and Borough pertaining to the sale of such series of Bonds, in either preliminary or final form.

Private Person means any natural person engaged in a trade or business or any trust, estate, partnership, association, company or corporation.

Private Person Use means the use of property in a trade or business by a Private Person if such use is other than as a member of the general public. Private Person Use includes ownership of the property by the Private Person as well as other arrangements that transfer to the Private Person the actual or beneficial use of the property (such as a lease, management or incentive payment contract or other special arrangement) in such a manner as to set the Private Person apart from the general public. Use of property as a member of the general public includes attendance by the Private Person at municipal meetings or business rental of property to the Private Person on a day-to-day basis if the rental paid by such Private Person is the same as the rental paid by any Private Person who desires to rent the property. Use of property by nonprofit community groups or community recreational groups is not treated as Private Person Use if such use is incidental to the governmental uses of property, the property is made available for such use by all such community groups on an equal basis and such community groups are charged only a de minimis fee to cover custodial expenses.

Projects means the capital improvements which are specified in Section 3 of Ordinance Serial No. 2019-35(c)(am) and Section 3 of Ordinance Serial No. 2020-40(b)(am) of the City and Borough.

Record Date means the close of business on the 15th day prior to each day on which a payment of interest on the Bonds is due and payable.

Registered Owner means the person in whose name ownership of a Bond is identified in the Bond Register. For so long as the Bonds are held in book-entry only form, DTC shall be deemed to be the sole Registered Owner.

Registrar Agreement means the agreement between the City and Borough and the Bond Registrar entered into pursuant to Section 4 of this ordinance.

Rule means the SEC's Rule 15c2-12 under the Securities Exchange Act of 1934, as the same may be amended from time to time.

SEC means the United States Securities and Exchange Commission.

Term Bonds mean the portion of such series of Bonds, if any, designated as "Term Bonds" in the Bond Purchase Agreement for such series of Bonds.

Underwriter means RBC Capital Markets, LLC.

Interpretation and Rules of Interpretation.

(a) Unless the context otherwise indicates, words expressed in the singular shall include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and shall be deemed to mean and include the neuter, masculine or feminine gender, as appropriate.

(b) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

(c) All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this ordinance; the words "herein," "hereof," "hereby," "hereunder" and other words of similar import refer to this ordinance as a whole and not to any particular Article, Section or subdivision hereof.

Section 3. Authorization of Bonds. For the purpose of financing the Projects as authorized by the Centennial Hall Bond Authorization and the Municipal Infrastructure Bond Authorization and paying the costs of issuance of such bonds, the City and Borough shall issue its general obligation bonds in the aggregate principal amount of not to exceed $22,000,000 but in any event providing no more than $22,000,000 in net proceeds (principal amount plus premium, if any, less costs of issuance) (the "Bonds"). The Bonds shall be dated as of the date of initial delivery, shall be fully registered as to both principal and interest, shall be in denominations of $5,000 each, or any integral multiple thereof, provided that no Bond of any series shall represent more than one maturity, shall be numbered separately in such manner and with any additional designation as the Bond Registrar deems necessary for purposes of identification, and shall bear interest from their date payable on the dates and rates set forth in the respective approved Bond Purchase Agreement, and shall come due on the dates set forth in the Bond Purchase Agreement of the following years in the following estimated aggregate principal installments:

Maturity Year	Principal Amount*
2025	$ 190,000
2026	675,000
2027	740,000
2028	985,000
2029	1,075,000
2030	1,165,000
2031	1,600,000
2032	1,725,000
2033	1,850,000
2034	2,090,000
2035	2,685,000
2036	2,835,000

Total: $17,615,000*
* Principal maturities do not add to $22,000,000, in anticipation of selling Bonds with original issue premium, generating not more than $22,000,000 in net proceeds.

If the Bonds are sold in more than one series, the principal maturities of a series shall be applied to reduce the foregoing schedule as provided in the resolution approving the sale of that series; provided that in the aggregate the foregoing estimated principal amounts in any year are increased or decreased by no more than 15%, and *provided, further*, in the aggregate, the Bonds shall be issued in principal amounts that provide no more than $22,000,000 (principal amount plus premium, if any, less costs of issuance) in net proceeds or $22,000,000 in principal amount, whichever is less.

Section 4. Registration, Exchange and Payments.

(a) *Bond Registrar/Bond Register*. The City Manager or his/her designee is hereby authorized and directed to solicit proposals from and select a financial institution to act as authenticating agent, paying agent and bond registrar for each series of Bonds (the "Bond Registrar") and to enter into a Registrar Agreement with the Bond Registrar pursuant to which the Bond Registrar will perform the duties specified for the Bond Registrar under this ordinance and hold and invest certain funds (Bond proceeds and debt service money) from time to time. The form of the Registrar Agreement shall be subject to the approval of the City and Borough Representative, which approval shall be presumed upon the execution thereof by the City and Borough Representative. So long as any Bonds of a series remain outstanding, the Bond Registrar shall make all necessary provisions to permit the exchange or registration of transfer of such series of Bonds at its principal corporate trust office. The Bond Registrar may be removed at any time at the option of the City and Borough Representative upon prior notice to the Bond Registrar, DTC, each entity entitled to receive notice pursuant to Section 14, and a successor Bond Registrar appointed by the City and Borough Representative. No resignation or removal of the Bond Registrar shall be effective until a successor shall have been appointed and until the successor Bond Registrar shall have accepted the duties of the Bond Registrar hereunder. The Bond Registrar is authorized, on behalf of the City and Borough, to authenticate and deliver such series of Bonds transferred or exchanged in accordance with the provisions of such series of Bonds and this ordinance and to carry out all of the Bond Registrar's powers and duties under this ordinance. The Bond Registrar shall be responsible for its representations contained in the Certificate of Authentication on such series of Bonds.

(b) *Registered Ownership*. The City and Borough and the Bond Registrar, each in its discretion, may deem and treat the Registered Owner of each Bond of a series as the absolute owner thereof for all purposes (except as provided in Section 14 of this ordinance), and neither the City and Borough nor the Bond Registrar shall be affected by any notice to the contrary. Payment of any such Bond of a series shall be made only as described in Section 4(h) hereof, but such Bond may be transferred as herein provided. All such payments made as described in Section 4(h) shall be valid and shall satisfy and discharge the liability of the City and Borough upon such Bond to the extent of the amount or amounts so paid.

(c) *DTC Acceptance/Letter of Representations*. To induce DTC to accept the Bonds as eligible for deposit at DTC, the City and Borough has executed and delivered to DTC a Letter of Representations.

Neither the City and Borough nor the Bond Registrar will have any responsibility or obligation to DTC participants or the persons for whom they act as nominees (or any successor depository) with respect to the Bonds in respect of the accuracy of any records maintained by DTC (or any successor depository) or any DTC participant, the payment by DTC (or any successor depository) or any DTC participant of any amount in respect of the principal of or interest on Bonds of a series, any notice which is permitted or required to be given to Registered Owners under this ordinance (except such notices as shall be required to be given by the City and Borough to the Bond Registrar or to DTC (or any successor depository), or any consent given or other action taken by DTC (or any successor depository) as the Registered Owner. For so long as any Bonds of a series are held in fully-immobilized form hereunder, DTC or its successor depository shall be deemed to be the Registered Owner for all purposes hereunder (except as provided in Section 14), and all references herein to the Registered Owners shall mean DTC (or any successor depository) or its nominee and shall not mean the owners of any beneficial interest in such Bonds.

If any Bond shall be duly presented for payment and funds have not been duly provided by the City and Borough on such applicable date, then interest shall continue to accrue thereafter on the unpaid principal thereof at the rate stated on such Bond until such Bond is paid.

(d) *Use of Depository*.

(1) The Bonds shall be registered initially in the name of "CEDE & Co.", as nominee of DTC, with one Bond maturing on each of the maturity dates for each series of Bonds in a denomination corresponding to the total principal therein designated to mature on such date. Registered ownership of such immobilized Bonds, or any portions thereof, may not thereafter be transferred except (A) to any successor of DTC or its nominee, provided that any such successor shall be qualified under any applicable laws to provide the service proposed to be provided by it; (B) to any substitute depository appointed by the City and Borough Representative pursuant to subsection (2) below or such substitute depository's successor; or (C) to any person as provided in subsection (4) below.

(2) Upon the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository or a determination by the City and Borough Representative to discontinue the system of book-entry transfers through DTC or its successor (or any substitute depository or its successor), the City and Borough Representative may hereafter appoint a substitute depository. Any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it.

(3) In the case of any transfer pursuant to clause (A) or (B) of subsection (1) above, the Bond Registrar shall, upon receipt of all outstanding Bonds of a series, together with a written request from the City and Borough Representative, issue a single new Bond for each maturity of such series then outstanding, registered in the name of such successor or such substitute depository, or their nominees, as the case may be, all as specified in such written request of the City and Borough Representative.

(4) In the event that (A) DTC or its successor (or substitute depository or its successor) resigns from its functions as depository, and no substitute depository can be obtained, or (B) the City and Borough Representative determines that it is in the best interest of the Beneficial Owners of the Bonds of such series that such owners be able to obtain such Bonds in the form of Bond certificates, the ownership of such Bonds may then be transferred to any person or entity as herein provided, and shall no longer be held in fully-immobilized form. The City and Borough Representative shall deliver a written request to the Bond Registrar, together with a supply of definitive Bonds of such series, to issue Bonds of such series as herein provided in any authorized denomination. Upon receipt by the Bond Registrar of all then outstanding Bonds of such series together with a written request on behalf of the Assembly to the Bond Registrar, new

Bonds of such series shall be issued in the appropriate denominations and registered in the names of such persons as are requested in such written request.

(e) *Registration of Transfer of Ownership or Exchange; Change in Denominations*. The transfer of any Bond of a series may be registered and Bonds of such series may be exchanged, but no transfer of any such Bond shall be valid unless such Bond is surrendered to the Bond Registrar with the assignment form appearing on such Bond duly executed by the Registered Owner or such Registered Owner's duly authorized agent in a manner satisfactory to the Bond Registrar. Upon such surrender, the Bond Registrar shall cancel the surrendered Bond of such series and shall authenticate and deliver, without charge to the Registered Owner or transferee therefor, a new Bond (or Bonds at the option of the new Registered Owner) of the same series, date, maturity, redemption provisions and interest rate and for the same aggregate principal amount in any authorized denomination, naming as Registered Owner the person or persons listed as the assignee on the assignment form appearing on the surrendered Bond, in exchange for such surrendered and cancelled Bond. Any Bond may be surrendered to the Bond Registrar and exchanged, without charge, for an equal aggregate principal amount of Bonds of the same series, date, maturity, redemption provisions and interest rate, in any authorized denomination. The Bond Registrar shall not be obligated to register the transfer or to exchange any Bond during the 15 days preceding the date any such Bond is to be redeemed.

(f) *Bond Registrar's Ownership of Bonds*. The Bond Registrar may become the Registered Owner of any Bond with the same rights it would have if it were not the Bond Registrar, and to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as member of, or in any other capacity with respect to, any committee formed to protect the right of the Registered Owners of Bonds.

(g) *Registration Covenant*. The City and Borough covenants that, until all Bonds of a series have been surrendered and cancelled, it will maintain a system for recording the ownership of each Bond of such series that complies with the provisions of Section 149 of the Code.

(h) *Place and Medium of Payment*. Both principal of and interest on each series of Bonds shall be payable in lawful money of the United States of America. Interest on each series of Bonds shall be calculated on the basis of a 360-day year and twelve 30-day months. For so long as all Bonds of a series are in fully immobilized form, payments of principal and interest shall be made as provided to the parties entitled to receive payment as of each Record Date in accordance with the operational arrangements of DTC referred to in the Letter of Representations.

In the event that such series of Bonds are no longer in fully immobilized form, interest on such series of Bonds shall be paid by check or draft mailed to the Registered Owners at the addresses for such Registered Owners appearing on the Bond Register as of the Record Date, and principal of such series of Bonds shall be payable upon presentation and surrender of such Bonds by the Registered Owners at the principal office of the Bond Registrar; provided, however, that if so requested in writing by the Registered Owner of at least $1,000,000 principal amount of such series of Bonds, interest will be paid by wire transfer on the date due to an account with a bank located within the United States.

Section 5. Redemption and Purchase of Bonds.

(a) *Optional Redemption*. Each series of Bonds may be subject to optional redemption on the dates, at the price of par, and under the terms set forth in the Bond Purchase Agreement for such series of Bonds approved by the City and Borough Representative pursuant to Section 13.

(b) *Mandatory Redemption*. Each series of Bonds may be subject to mandatory redemption to the extent, if any, set forth in the Bond Purchase Agreement for such series of Bonds and as approved by the City and Borough Representative pursuant to Section 13.

(c) *Purchase of Bonds for Retirement*. The City and Borough reserves the right to purchase any of the Bonds of a series offered to the City and Borough at any price deemed reasonable to the City and Borough Representative.

(d) *Effect of Optional Redemption/Purchase*. To the extent that the City and Borough shall have optionally redeemed or purchased any Term Bonds prior to their scheduled mandatory redemption of such Term Bonds, the City and Borough may reduce the principal amount of the Term Bonds to be redeemed in like aggregate principal amount. Such reduction may be applied in the year specified by the City and Borough Representative.

(e) *Selection of Bonds for Redemption*. As long as the Bonds are held in book-entry only form, the selection of Bonds within a series and maturity to be redeemed shall be made in accordance with the operational arrangements in effect at DTC. If the Bonds are no longer held in uncertificated form, the selection of such Bonds within a series and maturity to be redeemed shall be made as provided in this subsection (e). If the City and Borough redeems at any one time fewer than all of the Bonds having the same series and maturity date, the particular Bonds or portions of Bonds of such series and maturity to be redeemed shall be selected by lot (or in such other manner determined by the Bond Registrar) in increments of $5,000. In the case of a Bond of a denomination greater than $5,000, the City and Borough and Bond Registrar shall treat each Bond as representing such number of separate Bonds each of the denomination of $5,000 as is obtained by dividing the actual principal amount of such Bond by $5,000. In the event that only a portion of the principal sum of a Bond is redeemed, upon surrender of the such Bond at the principal office of the Bond Registrar there shall be issued to the Registered Owner, without charge therefor, for the then unredeemed balance of the principal sum thereof, at the option of the Registered Owner, a Bond or Bonds of like series, maturity and interest rate in any of the denominations herein authorized. If Bonds are called for optional redemption, portions of the principal amount of such Bonds, in installments of $5,000 or any integral multiple of $5,000, may be redeemed. If less than all of the principal amount of any Bond is redeemed, upon surrender of such Bond at the principal office of the Bond Registrar there shall be issued to the registered owner, without charge therefor, for the then unredeemed balance of the principal amount thereof, a new Bond or Bonds, at the option of the Registered Owner, of like series, maturity and interest rate in any denomination authorized by this ordinance.

(f) *Notice of Redemption.*

(1) Official Notice. Unless waived by any owner of Bonds to be redeemed, official notice of any such redemption (which notice may be conditional) shall be given by the Bond Registrar on behalf of the City and Borough by mailing a copy of an official redemption notice by first class mail at least 20 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar.

All official notices of redemption shall be dated and shall state:

(A) the redemption date,

(B) the redemption price,

(C) if fewer than all outstanding Bonds are to be redeemed, the identification by series, maturity (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed,

(D) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date, and

(E) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal office of the Bond Registrar.

On or prior to any redemption date, the City and Borough shall deposit with the Bond Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

(2) Effect of Notice; Bonds Due. If an unconditional notice of redemption has been given, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City and Borough shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Bond Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the Registered Owner a new Bond or Bonds of the same series and maturity in the amount of the unpaid principal. All Bonds which have been redeemed shall be canceled and destroyed by the Bond Registrar and shall not be reissued.

(3) Additional Notice. In addition to the foregoing notice, further notice shall be given by the City and Borough as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed. Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (A) the CUSIP numbers of all Bonds being redeemed; (B) the date of issue of the Bonds as originally issued; (C) the rate of interest borne by each Bond being redeemed; (D) the maturity date of each Bond being redeemed; and (E) any other descriptive information needed to identify accurately the Bonds being redeemed. Each further notice of redemption may be sent at least 25 days before the redemption date to the insurer, if any, the party entitled to receive notice pursuant to Section 14, and to the Underwriter for such series of Bonds or to its business successor, if any, and to such persons and with such additional information as the City and Borough Representative shall deem appropriate, but such mailings shall not be a condition precedent to the redemption of such Bonds.

(4) Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

(5) Amendment of Notice Provisions. The foregoing notice provisions of this Section 5, including but not limited to the information to be included in redemption notices and the persons designated to receive notices, may be amended by additions, deletions and changes in order to maintain compliance with duly promulgated regulations and recommendations regarding notices of redemption of municipal securities.

Section 6. Form of Bonds. The Bonds shall be in substantially the following form:

UNITED STATES OF AMERICA

NO. ________ $____________

STATE OF ALASKA

CITY AND BOROUGH OF JUNEAU
GENERAL OBLIGATION BOND, 2021[A/B]

INTEREST RATE: MATURITY DATE: CUSIP NO.:

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

THE CITY AND BOROUGH OF JUNEAU, ALASKA (the “City and Borough”), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date identified above, the Principal Amount indicated above and to pay interest thereon from __________, 2021, or the most recent date to which interest has been paid or duly provided for until payment of this bond at the Interest Rate set forth above, commencing on ________ 1, 20___ and semiannually thereafter on the first day of each _______ and __________. Both principal of and interest on this bond are payable in lawful money of the United States of America. For so long as the bonds of this issue are held in fully immobilized form, payments of principal and interest thereon shall be made as provided in accordance with the operational arrangements of The Depository Trust Company ("DTC") referred to in the Blanket Issuer Letter of Representations (the "Letter of Representations") from the City and Borough to DTC. ____ is acting as the registrar, authenticating agent and paying agent for the bonds of this issue (the "Bond Registrar").

This bond is one of an authorized issue of bonds of like date and tenor, except as to number, amount, rate of interest and date of maturity, in the aggregate principal amount of $_________ (the "Bonds"), and is issued pursuant to elections authorizing the same for the purpose of making capital improvements to facilities of the City and Borough.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under Ordinance Serial No. 2021-02 of the City and Borough (the "Bond Ordinance") until the Certificate of Authentication hereon shall have been manually signed by or on behalf of the Bond Registrar. Capitalized terms used in this bond and not otherwise defined herein have the meanings given such terms in the Bond Ordinance.

The bonds of this issue are is issued under and in accordance with the provisions of the Constitution and applicable statutes of the State of Alaska and ordinances duly adopted by the Assembly, including the Bond Ordinance.

The bonds of this issue are subject to redemption as stated in the Bond Purchase Agreement dated _____________ for the Bonds.

The City and Borough has obligated and bound itself to make annual levies of ad valorem taxes upon all the taxable property within the City and Borough, without limitation as to rate or amount, in amounts sufficient, together with such other moneys of the City and Borough available for such purposes as the Assembly of the City and Borough may, from time to time, appropriate and make available to pay the principal of and interest on this bond as the same shall become due. The full faith, credit and resources of the City and Borough are hereby irrevocably pledged for the levy of such taxes and the prompt payment of such principal and interest. The pledge of tax levies for payment of principal of and interest on the bond may be discharged prior to maturity of the bond by making provision for the payment thereof on the terms and conditions set forth in the Bond Ordinance.

The bonds of this issue are not "private activity bonds" as such term is defined in the Internal Revenue Code of 1986, as amended (the "Code"). The City and Borough has not designated the bonds of this issue as "qualified tax-exempt obligations" under Section 265(b) of the Code for investment by banks, thrift institutions and other financial institutions.

It is hereby certified that all acts, conditions and things required by the Constitution and statutes of the State of Alaska to exist, to have happened, been done and performed precedent to and in the issuance of this bond have happened, been done and performed and that the issuance of this bond and the bonds of this issue does not violate any constitutional, statutory or other limitation upon the amount of bonded indebtedness that the City and Borough may incur.

IN WITNESS WHEREOF, the City and Borough of Juneau, Alaska has caused this bond to be executed by the manual or facsimile signature of its City Manager or his/her designee and attested by the manual or facsimile of the Clerk, and the official seal of the City and Borough to be impressed, imprinted or otherwise reproduced hereon, as of this ____ day of _________, 2021.

CITY AND BOROUGH OF
JUNEAU, ALASKA

By__________/s/ manual or facsimile____________
City Manager or Designee

ATTEST:

______/s/ manual or facsimile____________
Clerk

The Certificate of Authentication for the Bonds shall be in substantially the following form:

CERTIFICATE OF AUTHENTICATION

Date of Authentication:

This bond is one of the General Obligation Bonds, 2021[A/B] of the City and Borough of Juneau, Alaska, dated _____________, 2021, and described in the within-mentioned Bond Ordinance.

__________________________, as Bond Registrar

By____
Authorized Signer

Section 7. Execution of Bonds. The Bonds shall be executed on behalf of the City and Borough with the manual or facsimile signature of the City Manager or his/her designee, shall be attested by the manual or facsimile signature of the City and Borough Clerk, and the seal of the City and Borough shall be impressed or a facsimile thereof imprinted or otherwise reproduced thereon.

Only such Bonds as shall bear thereon a Certificate of Authentication in the form hereinbefore recited, manually executed by the Bond Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this ordinance. Such Certificate of Authentication shall be conclusive evidence that the Bonds so authenticated have been duly executed, authenticated and delivered hereunder and are entitled to the benefits of this ordinance.

In case either of the officers who shall have executed the Bonds shall cease to be officer or officers of the City and Borough before the Bonds so signed shall have been authenticated or delivered by the Bond Registrar, or issued by the City and Borough, such Bonds may nevertheless be authenticated, delivered and issued and upon such authentication, delivery and issuance, shall be as binding upon the City and Borough as though those who signed the same had continued to be such officers of the City and Borough. Any Bond may also be signed and attested on behalf of the City and Borough by such persons who are at the actual date of delivery of such Bonds the proper officers of the City and Borough although at the original date of such Bonds any such person shall not have been such officer of the City and Borough.

Section 8. Lost, Stolen, Destroyed or Mutilated Bonds. In case any Bonds shall at any time become mutilated or be lost, stolen or destroyed, the City and Borough in the case of such mutilated Bonds shall, and in the case of such lost, stolen or destroyed Bonds in its discretion may, execute and deliver a new Bond of like tenor and effect in exchange or substitution for and upon the surrender and cancellation of such mutilated Bonds, or in lieu of or in substitution for such destroyed, stolen or lost Bonds, or if such stolen, destroyed or lost Bonds shall have matured, instead of issuing a substitute therefor, the City and Borough at its option pay the same without the surrender thereof. Except in the case where a mutilated Bonds is surrendered, the applicant for the issuance of a substitute Bond shall furnish to the City and Borough evidence satisfactory to it of the theft, destruction, or loss of the original Bonds, and of the ownership thereof, and also such security and indemnity as may be required by the City and Borough, and no such substitute Bond shall be issued unless the applicant for the issuance thereof shall reimburse the City and Borough for the expenses incurred by the City and Borough in connection with the preparation, execution, issuance, and delivery of the substitute Bonds, and any such substitute Bond shall be equally and proportionately entitled to the security of this ordinance with all other bonds issued hereunder, whether or not the Bonds alleged to have been lost, stolen or destroyed shall be found at any time or be enforceable by anyone.

Section 9. Pledge of Taxes and Credit. The City and Borough hereby irrevocably covenants that, unless the principal of and interest on the Bonds are paid from other sources, it will make annual levies of taxes without limitation as to rate or amount upon all of the property in the City and Borough subject to taxation in amounts sufficient to pay such principal and interest as the same shall become due. The full faith, credit and resources of the City and Borough are hereby irrevocably pledged for the annual levy and collection of such taxes and for the prompt payment of such principal and interest. There is maintained in the office of the Finance Director a special fund of the City and Borough known as the “Debt Service Fund” (the “Bond Fund”), for the sole purpose of paying the principal of and interest on the Bonds and all other general obligation bonds of the City and Borough. Accrued interest, if any, received at the time of delivery of the Bonds shall be paid into the Bond Fund.

The City and Borough hereby irrevocably covenants and pledges for as long as the Bonds are outstanding that it will make provision for the payment of the principal of and interest on the Bonds in its annual budgets and further covenants that it will make annual levies of ad valorem taxes, for payment into the Bond Fund, upon all the property within the City and Borough subject to taxation, without limitation as to rate or amount, in amounts sufficient, with such other moneys available for such purposes as the Assembly from time to time may appropriate and order transferred to the Bond Fund, to pay the principal of and interest on the Bonds as the same shall be come due and payable.

Section 10. Construction Funds for Proceeds of the Bonds. There has heretofore been created in the office of the Finance Director of the City and Borough certain funds and accounts (the "Construction Funds"), into which shall be paid the proceeds of the Bonds (other than accrued interest which shall be deposited in the Bond Fund), and any and all other moneys which the City and Borough may now or later have on hand which are necessary and legally available to pay the costs authorized by Ordinance Serial No. 2019-35(c)(am) and Ordinance Serial No. 2020-40(b)(am) and paying the costs of issuance of the Bonds. The Finance Director shall maintain records sufficient to account for the investment and expenditure of the Bond Authorizations.

Said funds shall be drawn upon for paying the costs authorized by Ordinance Serial No. 2019-35(c)(am) and Ordinance Serial No. 2020-40(b)(am), for repaying any other funds or accounts of the City and Borough that may have advanced moneys for such purposes and for paying all expenses incidental to such purposes and the expenses incidental to the issuance of the Bonds. Bond proceeds in the Construction Funds may be invested in any legal investment for City and Borough funds and the proceeds thereof and earnings thereon shall be deposited in the Construction Funds or at the option of the Finance Director in the Bond Fund. In the event there are any proceeds of the Bonds left remaining in the Construction Funds after the payment of all of such costs and expenses, the same may be used for any purpose permitted under Ordinance Serial No. 2019-35(c)(am) and Ordinance Serial No. 2020-40(b)(am) or may be transferred to the Bond Fund or may be used for any purpose permitted under Section 10.10 of the Home Rule Charter of the City and Borough.

Section 11. Defeasance. In the event that money and/or noncallable Government Obligations maturing or having guaranteed redemption prices at the option of the holder at such time or times and bearing interest to be earned thereon in amounts (together with such money, if any) sufficient to redeem and retire part or all of the Bonds in accordance with the its terms, are hereafter irrevocably set aside in a special account and pledged to effect such redemption and retirement, then no further payments need be made into the Bond Fund or any account therein for the payment of the principal of and interest on the Bonds or portion thereof so provided for and the Bonds or portion thereof shall then cease to be entitled to any lien, benefit or security of this ordinance, except the right to receive the accounts so set aside and pledged, and the Bonds or portion thereof shall no longer be deemed to be outstanding hereunder.

Section 12. Tax Covenants.

(a) *Arbitrage Covenant.* The City and Borough hereby covenants that it will not make any use of the proceeds of sale of the Bonds or any other funds of the City and Borough which may be deemed to be proceeds of the Bonds pursuant to Section 148 of the Code and the applicable regulations thereunder which, if such use had been reasonably expected on the dates of delivery of the Bonds to the initial purchasers thereof, would have caused such Bonds to be "arbitrage bonds" within the meaning of said section and said regulations. The City and Borough will comply with the requirements of Section 148 of the Code and the applicable regulations thereunder throughout the term of the Bonds.

(b) *Private Person Use Limitation for Bonds.* The City and Borough covenants that for as long as the Bonds is outstanding, it will not permit:

(1) More than 10% of the Net Proceeds of the Bonds to be used for any Private Person Use; and

(2) More than 10% of the principal or interest payments on the Bonds in a Bond Year to be directly or indirectly (A) secured by any interest in property used or to be used for any Private Person Use or secured by payments in respect of property used or to be used for any Private Person Use, or (B) derived from payments (whether or not made to the City and Borough) in respect of property, or borrowed money, used or to be used for any Private Person Use.

The City and Borough further covenants that, if:

(3) More than five percent of the Net Proceeds of the Bonds is to be used for any Private Person Use; and

(4) More than five percent of the principal or interest payments on the Bonds in a Bond Year are (under the terms of this ordinance or any underlying arrangement) directly or indirectly: (A) secured by any interest in property used or to be used for any Private Person Use or secured by payments in respect of property used or to be used for any Private Person Use, or (B) derived from payments (whether or not made to the City and Borough) in respect of property, or borrowed money, used or to be used for any Private Person Use, then, (i) any Private Person Use of the projects described in subsection (3) hereof or Private Person Use payments described in subsection (4) hereof that is in excess of the five percent limitations described in such subsections (3) or (4) will be for a Private Person Use that is related to the state or local governmental use of the projects funded by the Bonds, and (ii) any Private Person Use will not exceed the amount of Net Proceeds of the Bonds used for the state or local governmental use portion of the project to which the Private Person Use of such portion of the project relates. The City and Borough further covenants that it will comply with any limitations on the use of the projects by other than state and local governmental users that are necessary, in the opinion of its bond counsel, to preserve the tax status of the Bonds. The covenants of this section are specified solely to assure the continued exemption from regular income taxation of the interest on the Bonds. To that end, the provisions of this section may be modified or eliminated without any requirement for formal amendment thereof upon receipt of an opinion of the City and Borough's bond counsel that such modification or elimination will not adversely affect the tax status of the Bonds.

Section 13. Sale of Bonds.

(a) *Bond Sale*. The City and Borough Representative is authorized to negotiate and complete the sale of the Bonds to the Underwriter on terms and conditions consistent with this ordinance and the Bond Purchase Agreement for the Bonds. Such terms and conditions, including the final principal amount, date, principal amounts of each maturity, final interest rates, maturity dates and redemption provisions, all as provided for in this ordinance, shall be set forth in the Bond Purchase Agreement, all subject to the Assembly's approval by resolution, which resolution may, at the option of the Assembly, provide for delegation within parameters approved by the Assembly.

Subject to the terms and conditions set forth in this Section 13, the City and Borough Representative is hereby authorized to execute the final form of a Bond Purchase Agreement, upon his or her approval of the final interest rates, maturity dates, aggregate principal amount, principal maturities and redemption rights set forth therein. Following the sale of the Bonds, the Designated Representative shall provide a report to the Assembly, describing the final terms of the Bonds approved pursuant to the authority delegated in this section.

The City and Borough Representative is further authorized and directed to take such other actions to publicize or facilitate the sale as he/she may deem desirable or necessary, including, but not limited to, securing a rating on the Bonds from one or more of the established rating services.

(b) *Delivery; Documentation*. Upon the passage of this ordinance, the proper officials of the City and Borough, including the City and Borough Representative, are authorized and directed to undertake all other actions necessary for the prompt execution and delivery of the Bonds to the Underwriter thereof and further to execute all closing certificates and documents required to effect the closing and delivery of the Bonds in accordance with the terms of the Bond Purchase Agreement.

The City and Borough Representative and other City and Borough officials, agents, and representatives are hereby authorized and directed to do everything necessary for the prompt issuance, execution and delivery of the Bonds to the Underwriter and for the proper application and use of the proceeds of sale of the Bonds. In furtherance of the foregoing, the City and Borough Representative is authorized to approve and enter into agreements for the payment of costs of issuance, including Underwriter's discount, the fees and expenses specified in the Bond Purchase Agreement, including fees and expenses of Underwriter and other retained services, including Bond Counsel, Financial Advisor, rating agent, Bond Registrar, and other expenses customarily incurred in connection with issuance and sale of bonds.

(c) *Preliminary and Final Official Statements*. The City and Borough Representative is authorized to ratify and to approve for purposes of the Rule, on behalf of the City and Borough, the Official Statement (and any preliminary Official Statement) and any supplement thereto relating to the issuance and sale of the Bonds and the distribution of the Bonds pursuant thereto with such changes, if any, as may be deemed by him/her to be appropriate.

Section 14. Undertaking to Provide Ongoing Disclosure.

(a) *Contract/Undertaking*. This section constitutes the City and Borough's written undertaking for the benefit of the owners of the Bonds as required by Section (b)(5) of the Rule.

(b) *Financial Statements/Operating Data*. The City and Borough agrees to provide or cause to be provided to the Municipal Securities Rulemaking Board ("MSRB"), the following annual financial information and operating data for the prior fiscal year (commencing June 30, 2022 for the fiscal year ending June 30, 2021):

1. Annual financial statements, which may or may not be audited prepared in accordance with generally accepted accounting principles;

2. The assessed valuation of taxable property in the City and Borough;

3. Property taxes due and property taxes collected;

4. Property tax levy rate per $1,000 of assessed valuation; and

5. Outstanding general obligation debt of the City and Borough.

Items 2-5 shall be required only to the extent that such information is not included in the annual financial statements.

Such annual information and operating data described above shall be provided on or before nine months after the end of the City and Borough's fiscal year. The City and Borough's current fiscal year ends June 30. The City and Borough may adjust such fiscal year by providing written notice of the change of fiscal year to the MSRB. In lieu of providing such annual financial information and operating data, the City and Borough may cross-reference to other documents available to the public on the MSRB's internet website.

If not provided as part of the annual financial information discussed above, the City and Borough shall provide the City and Borough's audited annual financial statement prepared in accordance generally accepted accounting principles when and if available to the MSRB.

(c) *Listed Events*. The City and Borough agrees to provide or cause to be provided, in a timely manner to the MSRB notice of the occurrence of any of the following events with respect to the Bonds not in excess of ten business days after the occurrence of the event:

1. Principal and interest payment delinquencies;

2. Non-payment related defaults, if material;

3. Unscheduled draws on debt service reserves reflecting financial difficulties;

4. Unscheduled draws on credit enhancements reflecting financial difficulties;

5. Substitution of credit or liquidity providers, or their failure to perform;

6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material or events affecting the tax status of the Bonds;

7. Modifications to rights of owners, if material;

8. Optional, contingent or unscheduled Bond calls other than scheduled sinking fund redemptions for which notice is given pursuant to Exchange Act Release 34-23856, if material, and tender offers;

9. Defeasances;

10. Release, substitution or sale of property securing the repayment of the Bonds, if material;

11. Rating changes;

12. Bankruptcy, insolvency, receivership or similar event of the City and Borough;

13. The consummation of a merger, consolidation, or acquisition of the City and Borough or the sale of all or substantially all of the assets of the City and Borough, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement to undertake such an action, other than pursuant to its terms, if material;

14. Appointment of a successor or additional trustee or the change of name of the trustee, if material;

15. Incurrence of a financial obligation of the City and Borough, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City and Borough, any of which affect security holders, if material; and

16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the City and Borough, any of which reflect financial difficulties.

The term “financial obligation” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term "financial obligation" shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

Solely for purposes of information, but without intending to modify this agreement, with respect to the notice regarding property securing the repayment of the Bonds, the City and Borough will state in its preliminary and Final Official Statements that there is no property securing the repayment of the Bonds.

(d) *Notice Upon Failure to Provide Financial Data*. The City and Borough agrees to provide or cause to be provided, in a timely manner, to the MSRB notice of its failure to provide the annual financial information described in subsection (b) above on or prior to the date set forth in subsection (b) above.

(e) *EMMA; Format for Filings with the MSRB*. Until otherwise designated by the MSRB or the SEC, any information or notices submitted to the MSRB in compliance with the Rule are to be submitted through the MSRB's Electronic Municipal Market Access system ("EMMA"), currently located at www.emma.msrb.org. All notices, financial information and operating data required by this undertaking to be provided to the MSRB must be in an electronic format as prescribed by the MSRB. All documents provided to the MSRB pursuant to this undertaking must be accompanied by identifying information as prescribed by the MSRB.

(f) *Termination/Modification*. The City and Borough's obligations to provide annual financial information and notices of material events shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. Any provision of this section shall be null and void if the City and Borough (1) obtains an opinion of nationally recognized bond counsel to the effect that the portion of the Rule that requires that provision is invalid, has been repealed retroactively or otherwise does not apply to the Bonds and (2) notifies the MSRB of such opinion and the cancellation of this section.

The City and Borough may amend this section with an opinion of nationally recognized bond counsel in accordance with the Rule. In the event of any amendment of this section, the City and Borough shall describe such amendment in the next annual report, and shall include a narrative explanation of the reason for the amendment and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the City and Borough. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (1) notice of such change shall be given in the same manner as for a material event under Subsection (c), and (2) the annual report for the year in which the change is made shall present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

(g) *Bond Owner's Remedies Under this Section*. A Bond owner's right to enforce the provisions of this section shall be limited to a right to obtain specific enforcement of the City and Borough's obligations hereunder, and any failure by the City and Borough to comply with the provisions of this undertaking shall not be a default with respect to the Bonds under this ordinance.

(h) *Additional Information*. Nothing in this Section 14 shall be deemed to prevent the City and Borough from disseminating any other information, using the means of dissemination set forth in this Section 14 or any other means of communication, or including any other information in any annual financial statement or notice of occurrence of a material event, in addition to that which is required by this Section 14. If the City and Borough chooses to include any information in any annual financial statement or notice of the occurrence of a material event in addition to that specifically required by this Section 14 the City and Borough shall have no obligation under this ordinance to update such information or to include it in any future annual financial statement or notice of occurrence of a material event.

Section 15. Severability. If any one or more of the covenants or agreements provided in this ordinance to be performed on the part of the City and Borough shall be declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements of this ordinance and shall in no way affect the validity of the other provisions of this ordinance or of the Bonds.

Section 16. Effective Date. This ordinance shall become effective thirty days after adoption.

ADOPTED this 1st day of March, 2021.

____
Beth Weldon, Mayor

ATTEST:

____
Beth McEwen, Clerk

CERTIFICATE

I, the undersigned, Clerk of the City and Borough of Juneau, Alaska (the "City and Borough"), Do HEREBY CERTIFY:

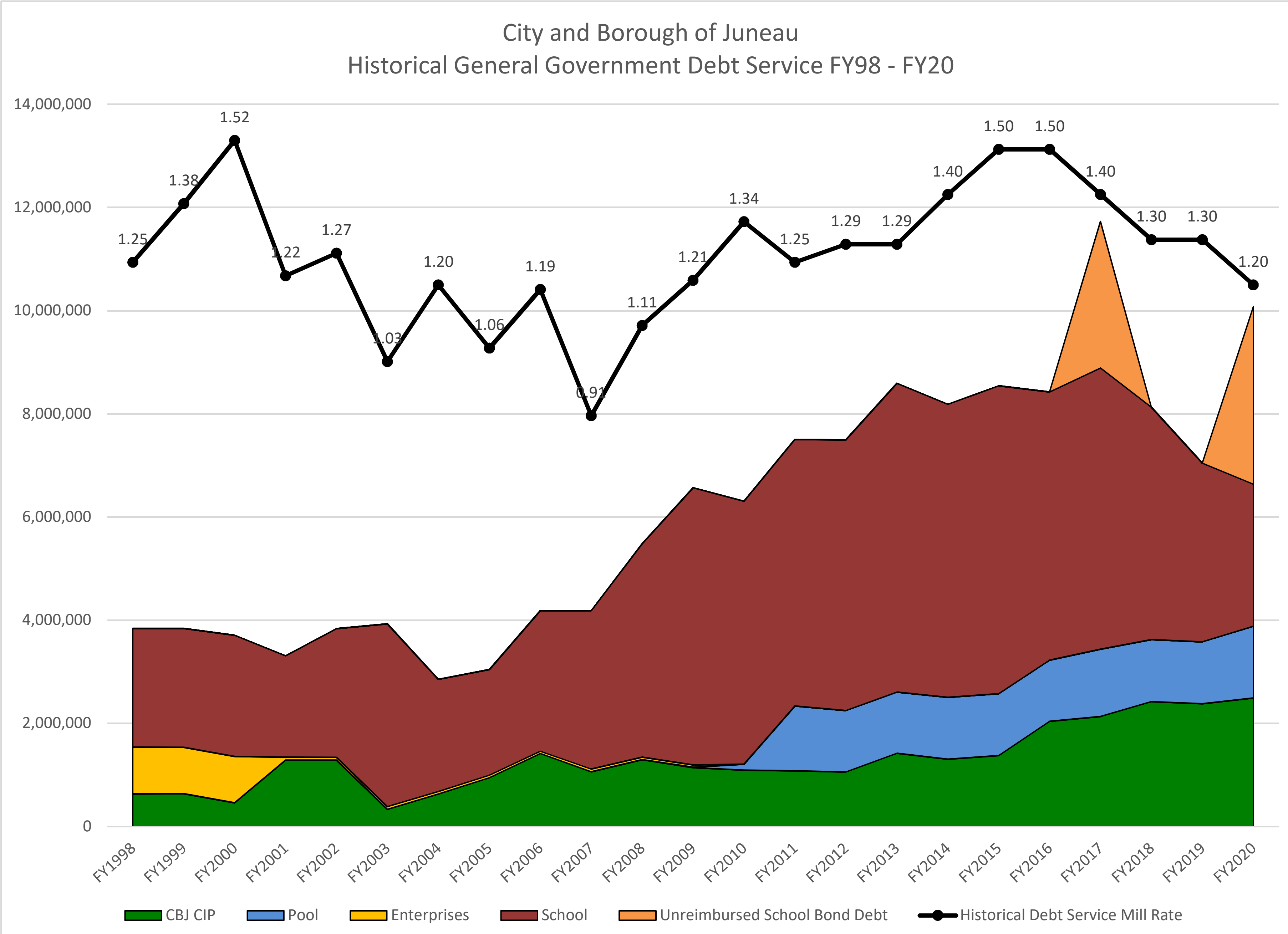
1. That the attached ordinance is a true and correct copy of Ordinance Serial No. 2021-02 (the "Ordinance") of the City and Borough as finally passed at a regular meeting of the Assembly of the City and Borough (the "Assembly") held on the 1st day of March, 2021, and duly recorded in my office.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such special meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Assembly voted in the proper manner for the passage of the Ordinance; that all other requirements and proceedings incident to the proper passage of the Ordinance have been duly fulfilled, carried out and otherwise observed; and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand this ___ day of March, 2021.

____

Beth McEwen, Clerk
City and Borough of Juneau


City and Borough of Juneau
Historical General Government Debt Service FY98 - FY20
14,000,000
12,000,000
10,000,000
8,000,000
6,000,000
4,000,000
2,000,000
0
1.25
1.38
1.52
1.22
1.27
1.03
1.20
1.06
1.19
0.91
1.11
1.21
1.34
1.25
1.29
1.29
1.40
1.50
1.50
1.40
1.30
1.30
1.20
FY1998
FY1999
FY2000
FY2001
FY2002
FY2003
FY2004
FY2005
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SOURCES AND USES OF FUNDS

City and Borough of Juneau
New Money GO Bonds - Series 2021 (Wrap Around Existing DS)
Rates as of 1/27/2021 + 25 bps cushion
10 Year Term

Sources:	
Bond Proceeds:	
Par Amount	17,350,000.00
Premium	4,838,994.40
	22,188,994.40

Uses:		
Project Fund Deposits:		
Project Fund		22,000,000.00
Delivery Date Expenses:		
Cost of Issuance	100,000.00	
Underwriter's Discount	86,750.00	
		186,750.00
Other Uses of Funds:		
Additional Proceeds		2,244.40
		22,188,994.40

BOND PRICING

City and Borough of Juneau
New Money GO Bonds - Series 2021 (Wrap Around Existing DS)
Rates as of 1/27/2021 + 25 bps cushion
10 Year Term

Bond Component	*Maturity Date*	*Amount*	*Rate*	*Yield*	*Price*	*Premium (-Discount)*
Bond Component:						
	06/01/2025	1,175,000	4.000%	0.630%	113.654	160,434.50
	06/01/2026	1,930,000	4.000%	0.710%	116.484	318,141.20
	06/01/2027	2,075,000	5.000%	0.810%	124.932	517,339.00
	06/01/2028	2,575,000	5.000%	0.950%	127.783	715,412.25
	06/01/2029	2,775,000	5.000%	1.100%	130.182	837,550.50
	06/01/2030	2,985,000	5.000%	1.230%	132.398	967,080.30
	06/01/2031	3,835,000	5.000%	1.340%	134.499	1,323,036.65
		17,350,000				4,838,994.40

Dated Date	04/21/2021	
Delivery Date	04/21/2021	
First Coupon	12/01/2021	
Par Amount	17,350,000.00	
Premium	4,838,994.40	
Production	22,188,994.40	127.890458%
Underwriter's Discount	-86,750.00	-0.500000%
Purchase Price	22,102,244.40	127.390458%
Accrued Interest		
Net Proceeds	22,102,244.40	

BOND SUMMARY STATISTICS

City and Borough of Juneau
New Money GO Bonds - Series 2021 (Wrap Around Existing DS)
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Dated Date	04/21/2021
Delivery Date	04/21/2021
First Coupon	12/01/2021
Last Maturity	06/01/2031
Arbitrage Yield	1.105762%
True Interest Cost (TIC)	1.164206%
Net Interest Cost (NIC)	1.348457%
All-In TIC	1.231927%
Average Coupon	4.890473%
Average Life (years)	7.733
Weighted Average Maturity (years)	7.827
Duration of Issue (years)	6.739
Par Amount	17,350,000.00
Bond Proceeds	22,188,994.40
Total Interest	6,561,438.89
Net Interest	1,809,194.49
Total Debt Service	23,911,438.89
Maximum Annual Debt Service	4,026,750.00
Average Annual Debt Service	2,364,867.58
Underwriter's Fees (per $1000)	
Average Takedown	
Other Fee	5.000000
Total Underwriter's Discount	5.000000
Bid Price	127.390458

Bond Component	*Par Value*	*Price*	*Average Coupon*	*Average Life*	*PV of 1 bp change*
Bond Component	17,350,000.00	127.890	4.890%	7.733	14,800.25
	17,350,000.00			7.733	14,800.25

	TIC	All-In TIC	Arbitrage Yield
Par Value	17,350,000.00	17,350,000.00	17,350,000.00
+ Accrued Interest			
+ Premium (Discount)	4,838,994.40	4,838,994.40	4,838,994.40
- Underwriter's Discount	-86,750.00	-86,750.00	
- Cost of Issuance Expense		-100,000.00	
- Other Amounts			
Target Value	22,102,244.40	22,002,244.40	22,188,994.40
Target Date	04/21/2021	04/21/2021	04/21/2021
Yield	1.164206%	1.231927%	1.105762%

BOND DEBT SERVICE

City and Borough of Juneau
New Money GO Bonds - Series 2021 (Wrap Around Existing DS)
Rates as of 1/27/2021 + 25 bps cushion
10 Year Term

Period Ending	*Principal*	*Coupon*	*Interest*	*Debt Service*
06/30/2022			929,388.89	929,388.89
06/30/2023			836,450.00	836,450.00
06/30/2024			836,450.00	836,450.00
06/30/2025	1,175,000	4.000%	836,450.00	2,011,450.00
06/30/2026	1,930,000	4.000%	789,450.00	2,719,450.00
06/30/2027	2,075,000	5.000%	712,250.00	2,787,250.00
06/30/2028	2,575,000	5.000%	608,500.00	3,183,500.00
06/30/2029	2,775,000	5.000%	479,750.00	3,254,750.00
06/30/2030	2,985,000	5.000%	341,000.00	3,326,000.00
06/30/2031	3,835,000	5.000%	191,750.00	4,026,750.00
	17,350,000		6,561,438.89	23,911,438.89

BOND DEBT SERVICE

City and Borough of Juneau
New Money GO Bonds - Series 2021 (Wrap Around Existing DS)
Rates as of 1/27/2021 + 25 bps cushion
10 Year Term

Period Ending	*Principal*	*Coupon*	*Interest*	*Debt Service*	*Annual Debt Service*
12/01/2021			511,163.89	511,163.89	
06/01/2022			418,225.00	418,225.00	
06/30/2022					929,388.89
12/01/2022			418,225.00	418,225.00	
06/01/2023			418,225.00	418,225.00	
06/30/2023					836,450.00
12/01/2023			418,225.00	418,225.00	
06/01/2024			418,225.00	418,225.00	
06/30/2024					836,450.00
12/01/2024			418,225.00	418,225.00	
06/01/2025	1,175,000	4.000%	418,225.00	1,593,225.00	
06/30/2025					2,011,450.00
12/01/2025			394,725.00	394,725.00	
06/01/2026	1,930,000	4.000%	394,725.00	2,324,725.00	
06/30/2026					2,719,450.00
12/01/2026			356,125.00	356,125.00	
06/01/2027	2,075,000	5.000%	356,125.00	2,431,125.00	
06/30/2027					2,787,250.00
12/01/2027			304,250.00	304,250.00	
06/01/2028	2,575,000	5.000%	304,250.00	2,879,250.00	
06/30/2028					3,183,500.00
12/01/2028			239,875.00	239,875.00	
06/01/2029	2,775,000	5.000%	239,875.00	3,014,875.00	
06/30/2029					3,254,750.00
12/01/2029			170,500.00	170,500.00	
06/01/2030	2,985,000	5.000%	170,500.00	3,155,500.00	
06/30/2030					3,326,000.00
12/01/2030			95,875.00	95,875.00	
06/01/2031	3,835,000	5.000%	95,875.00	3,930,875.00	
06/30/2031					4,026,750.00
	17,350,000		6,561,438.89	23,911,438.89	23,911,438.89

BOND SOLUTION

City and Borough of Juneau
New Money GO Bonds - Series 2021 (Wrap Around Existing DS)
Rates as of 1/27/2021 + 25 bps cushion
10 Year Term

Period Ending	*Proposed Principal*	*Proposed Debt Service*	*Total Adj Debt Service*	*Revenue Constraints*	*Unused Revenues*	*Debt Serv Coverage*
06/30/2021						
06/30/2022		929,389	929,389		-929,389	
06/30/2023		836,450	836,450		-836,450	
06/30/2024		836,450	836,450		-836,450	
06/30/2025	1,175,000	2,011,450	2,011,450	2,102,137	90,687	104.50852%
06/30/2026	1,930,000	2,719,450	2,719,450	2,843,623	124,173	104.56610%
06/30/2027	2,075,000	2,787,250	2,787,250	2,917,931	130,681	104.68851%
06/30/2028	2,575,000	3,183,500	3,183,500	3,328,851	145,351	104.56576%
06/30/2029	2,775,000	3,254,750	3,254,750	3,406,026	151,276	104.64784%
06/30/2030	2,985,000	3,326,000	3,326,000	3,478,097	152,097	104.57297%
06/30/2031	3,835,000	4,026,750	4,026,750	4,213,582	186,832	104.63976%
06/30/2032				4,291,497	4,291,497	
06/30/2033				4,373,112	4,373,112	
06/30/2034				4,656,228	4,656,228	
06/30/2035				5,654,644	5,654,644	
06/30/2036				5,739,464	5,739,464	
06/30/2037				5,825,556	5,825,556	
06/30/2038				5,912,939	5,912,939	
06/30/2039				6,001,633	6,001,633	
06/30/2040				6,091,658	6,091,658	
06/30/2041				6,183,033	6,183,033	
	17,350,000	23,911,439	23,911,439	77,020,009	53,108,570	

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City and Borough of Juneau
New Money GO Bonds - Series 2021 (Wrap Around Existing DS)
Rates as of 1/27/2021 + 25 bps cushion
15 Year Term

SOURCES AND USES OF FUNDS

City and Borough of Juneau
New Money GO Bonds - Series 2021 (Wrap Around Existing DS)
Rates as of 1/27/2021 + 25 bps cushion
15 Year Term

Sources:	
Bond Proceeds:	
Par Amount	17,615,000.00
Premium	4,574,887.45
	22,189,887.45

Uses:		
Project Fund Deposits:		
Project Fund		22,000,000.00
Delivery Date Expenses:		
Cost of Issuance	100,000.00	
Underwriter's Discount	88,075.00	
		188,075.00
Other Uses of Funds:		
Additional Proceeds		1,812.45
		22,189,887.45

BOND PRICING

City and Borough of Juneau
New Money GO Bonds - Series 2021 (Wrap Around Existing DS)
Rates as of 1/27/2021 + 25 bps cushion
15 Year Term

Bond Component	*Maturity Date*	*Amount*	*Rate*	*Yield*	*Price*	*Yield to Maturity*	*Call Date*	*Call Price*	*Premium (-Discount)*
Bond Component:									
	06/01/2025	190,000	4.000%	0.630%	113.654				25,942.60
	06/01/2026	675,000	4.000%	0.710%	116.484				111,267.00
	06/01/2027	740,000	5.000%	0.810%	124.932				184,496.80
	06/01/2028	985,000	5.000%	0.950%	127.783				273,662.55
	06/01/2029	1,075,000	5.000%	1.100%	130.182				324,456.50
	06/01/2030	1,165,000	5.000%	1.230%	132.398				377,436.70
	06/01/2031	1,600,000	5.000%	1.340%	134.499				551,984.00
	06/01/2032	1,725,000	5.000%	1.430%	133.495 C	1.682%	06/01/2031	100.000	577,788.75
	06/01/2033	1,850,000	5.000%	1.500%	132.720 C	1.953%	06/01/2031	100.000	605,320.00
	06/01/2034	2,090,000	4.000%	1.740%	120.869 C	2.163%	06/01/2031	100.000	436,162.10
	06/01/2035	2,685,000	4.000%	1.800%	120.253 C	2.310%	06/01/2031	100.000	543,793.05
	06/01/2036	2,835,000	4.000%	1.840%	119.844 C	2.424%	06/01/2031	100.000	562,577.40
		17,615,000							4,574,887.45

Dated Date	04/21/2021	
Delivery Date	04/21/2021	
First Coupon	12/01/2021	
Par Amount	17,615,000.00	
Premium	4,574,887.45	
Production	22,189,887.45	125.971544%
Underwriter's Discount	-88,075.00	-0.500000%
Purchase Price	22,101,812.45	125.471544%
Accrued Interest		
Net Proceeds	22,101,812.45	

BOND SUMMARY STATISTICS

City and Borough of Juneau
New Money GO Bonds - Series 2021 (Wrap Around Existing DS)
Rates as of 1/27/2021 + 25 bps cushion
15 Year Term

Dated Date	04/21/2021
Delivery Date	04/21/2021
First Coupon	12/01/2021
Last Maturity	06/01/2036
Arbitrage Yield	1.507532%
True Interest Cost (TIC)	1.933177%
Net Interest Cost (NIC)	2.208356%
All-In TIC	1.982197%
Average Coupon	4.440909%
Average Life (years)	11.409
Weighted Average Maturity (years)	11.357
Duration of Issue (years)	9.346
Par Amount	17,615,000.00
Bond Proceeds	22,189,887.45
Total Interest	8,924,994.44
Net Interest	4,438,181.99
Total Debt Service	26,539,994.44
Maximum Annual Debt Service	2,948,400.00
Average Annual Debt Service	1,756,323.16
Underwriter's Fees (per $1000)	
Average Takedown	
Other Fee	5.000000
Total Underwriter's Discount	5.000000
Bid Price	125.471544

Bond Component	***Par Value***	***Price***	***Average Coupon***	***Average Life***	***PV of 1 bp change***
Bond Component	17,615,000.00	125.972	4.441%	11.409	17,423.40
	17,615,000.00			11.409	17,423.40

	TIC	All-In TIC	Arbitrage Yield
Par Value	17,615,000.00	17,615,000.00	17,615,000.00
+ Accrued Interest			
+ Premium (Discount)	4,574,887.45	4,574,887.45	4,574,887.45
- Underwriter's Discount	-88,075.00	-88,075.00	
- Cost of Issuance Expense		-100,000.00	
- Other Amounts			
Target Value	22,101,812.45	22,001,812.45	22,189,887.45
Target Date	04/21/2021	04/21/2021	04/21/2021
Yield	1.933177%	1.982197%	1.507532%

BOND DEBT SERVICE

City and Borough of Juneau
New Money GO Bonds - Series 2021 (Wrap Around Existing DS)
Rates as of 1/27/2021 + 25 bps cushion
15 Year Term

Period Ending	*Principal*	*Coupon*	*Interest*	*Debt Service*
06/30/2022			884,444.44	884,444.44
06/30/2023			796,000.00	796,000.00
06/30/2024			796,000.00	796,000.00
06/30/2025	190,000	4.000%	796,000.00	986,000.00
06/30/2026	675,000	4.000%	788,400.00	1,463,400.00
06/30/2027	740,000	5.000%	761,400.00	1,501,400.00
06/30/2028	985,000	5.000%	724,400.00	1,709,400.00
06/30/2029	1,075,000	5.000%	675,150.00	1,750,150.00
06/30/2030	1,165,000	5.000%	621,400.00	1,786,400.00
06/30/2031	1,600,000	5.000%	563,150.00	2,163,150.00
06/30/2032	1,725,000	5.000%	483,150.00	2,208,150.00
06/30/2033	1,850,000	5.000%	396,900.00	2,246,900.00
06/30/2034	2,090,000	4.000%	304,400.00	2,394,400.00
06/30/2035	2,685,000	4.000%	220,800.00	2,905,800.00
06/30/2036	2,835,000	4.000%	113,400.00	2,948,400.00
	17,615,000		8,924,994.44	26,539,994.44

BOND DEBT SERVICE

City and Borough of Juneau
New Money GO Bonds - Series 2021 (Wrap Around Existing DS)
Rates as of 1/27/2021 + 25 bps cushion
15 Year Term

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
12/01/2021			486,444.44	486,444.44	
06/01/2022			398,000.00	398,000.00	
06/30/2022					884,444.44
12/01/2022			398,000.00	398,000.00	
06/01/2023			398,000.00	398,000.00	
06/30/2023					796,000.00
12/01/2023			398,000.00	398,000.00	
06/01/2024			398,000.00	398,000.00	
06/30/2024					796,000.00
12/01/2024			398,000.00	398,000.00	
06/01/2025	190,000	4.000%	398,000.00	588,000.00	
06/30/2025					986,000.00
12/01/2025			394,200.00	394,200.00	
06/01/2026	675,000	4.000%	394,200.00	1,069,200.00	
06/30/2026					1,463,400.00
12/01/2026			380,700.00	380,700.00	
06/01/2027	740,000	5.000%	380,700.00	1,120,700.00	
06/30/2027					1,501,400.00
12/01/2027			362,200.00	362,200.00	
06/01/2028	985,000	5.000%	362,200.00	1,347,200.00	
06/30/2028					1,709,400.00
12/01/2028			337,575.00	337,575.00	
06/01/2029	1,075,000	5.000%	337,575.00	1,412,575.00	
06/30/2029					1,750,150.00
12/01/2029			310,700.00	310,700.00	
06/01/2030	1,165,000	5.000%	310,700.00	1,475,700.00	
06/30/2030					1,786,400.00
12/01/2030			281,575.00	281,575.00	
06/01/2031	1,600,000	5.000%	281,575.00	1,881,575.00	
06/30/2031					2,163,150.00
12/01/2031			241,575.00	241,575.00	
06/01/2032	1,725,000	5.000%	241,575.00	1,966,575.00	
06/30/2032					2,208,150.00
12/01/2032			198,450.00	198,450.00	
06/01/2033	1,850,000	5.000%	198,450.00	2,048,450.00	
06/30/2033					2,246,900.00
12/01/2033			152,200.00	152,200.00	
06/01/2034	2,090,000	4.000%	152,200.00	2,242,200.00	
06/30/2034					2,394,400.00
12/01/2034			110,400.00	110,400.00	
06/01/2035	2,685,000	4.000%	110,400.00	2,795,400.00	
06/30/2035					2,905,800.00
12/01/2035			56,700.00	56,700.00	
06/01/2036	2,835,000	4.000%	56,700.00	2,891,700.00	
06/30/2036					2,948,400.00
	17,615,000		8,924,994.44	26,539,994.44	26,539,994.44

BOND SOLUTION

City and Borough of Juneau
New Money GO Bonds - Series 2021 (Wrap Around Existing DS)
Rates as of 1/27/2021 + 25 bps cushion
15 Year Term

Period Ending	*Proposed Principal*	*Proposed Debt Service*	*Total Adj Debt Service*	*Revenue Constraints*	*Unused Revenues*	*Debt Serv Coverage*
06/30/2021						
06/30/2022		884,444	884,444		-884,444	
06/30/2023		796,000	796,000		-796,000	
06/30/2024		796,000	796,000		-796,000	
06/30/2025	190,000	986,000	986,000	2,102,137	1,116,137	213.19844%
06/30/2026	675,000	1,463,400	1,463,400	2,843,623	1,380,223	194.31618%
06/30/2027	740,000	1,501,400	1,501,400	2,917,931	1,416,531	194.34731%
06/30/2028	985,000	1,709,400	1,709,400	3,328,851	1,619,451	194.73797%
06/30/2029	1,075,000	1,750,150	1,750,150	3,406,026	1,655,876	194.61336%
06/30/2030	1,165,000	1,786,400	1,786,400	3,478,097	1,691,697	194.69866%
06/30/2031	1,600,000	2,163,150	2,163,150	4,213,582	2,050,432	194.78915%
06/30/2032	1,725,000	2,208,150	2,208,150	4,291,497	2,083,347	194.34809%
06/30/2033	1,850,000	2,246,900	2,246,900	4,373,112	2,126,212	194.62868%
06/30/2034	2,090,000	2,394,400	2,394,400	4,656,228	2,261,828	194.46325%
06/30/2035	2,685,000	2,905,800	2,905,800	5,654,644	2,748,844	194.59853%
06/30/2036	2,835,000	2,948,400	2,948,400	5,739,464	2,791,064	194.66368%
06/30/2037				5,825,556	5,825,556	
06/30/2038				5,912,939	5,912,939	
06/30/2039				6,001,633	6,001,633	
06/30/2040				6,091,658	6,091,658	
06/30/2041				6,183,033	6,183,033	
	17,615,000	26,539,994	26,539,994	77,020,009	50,480,014	

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City and Borough of Juneau
New Money GO Bonds - Series 2021 (Wrap Around Existing DS)
Rates as of 1/27/2021 + 25 bps cushion
20 Year Term

SOURCES AND USES OF FUNDS

City and Borough of Juneau
New Money GO Bonds - Series 2021 (Wrap Around Existing DS)
Rates as of 1/27/2021 + 25 bps cushion
20 Year Term

Sources:	
Bond Proceeds:	
Par Amount	18,175,000.00
Premium	4,021,423.40
	22,196,423.40

Uses:	
Project Fund Deposits:	
Project Fund	22,000,000.00
Delivery Date Expenses:	
Cost of Issuance	100,000.00
Underwriter's Discount	90,875.00
	190,875.00
Other Uses of Funds:	
Additional Proceeds	5,548.40
	22,196,423.40

BOND PRICING

City and Borough of Juneau
New Money GO Bonds - Series 2021 (Wrap Around Existing DS)
Rates as of 1/27/2021 + 25 bps cushion
20 Year Term

Bond Component	*Maturity Date*	*Amount*	*Rate*	*Yield*	*Price*	*Yield to Maturity*	*Call Date*	*Call Price*	*Premium (-Discount)*
Bond Component:									
	06/01/2026	235,000	4.000%	0.710%	116.484				38,737.40
	06/01/2027	270,000	5.000%	0.810%	124.932				67,316.40
	06/01/2028	430,000	5.000%	0.950%	127.783				119,466.90
	06/01/2029	475,000	5.000%	1.100%	130.182				143,364.50
	06/01/2030	525,000	5.000%	1.230%	132.398				170,089.50
	06/01/2031	810,000	5.000%	1.340%	134.499				279,441.90
	06/01/2032	880,000	5.000%	1.430%	133.495 C	1.682%	06/01/2031	100.000	294,756.00
	06/01/2033	950,000	5.000%	1.500%	132.720 C	1.953%	06/01/2031	100.000	310,840.00
	06/01/2034	1,100,000	4.000%	1.740%	120.869 C	2.163%	06/01/2031	100.000	229,559.00
	06/01/2035	1,495,000	4.000%	1.800%	120.253 C	2.310%	06/01/2031	100.000	302,782.35
	06/01/2036	1,585,000	4.000%	1.840%	119.844 C	2.424%	06/01/2031	100.000	314,527.40
	06/01/2037	1,680,000	4.000%	1.880%	119.436 C	2.524%	06/01/2031	100.000	326,524.80
	06/01/2038	1,775,000	4.000%	1.920%	119.031 C	2.613%	06/01/2031	100.000	337,800.25
	06/01/2039	1,880,000	4.000%	1.960%	118.627 C	2.693%	06/01/2031	100.000	350,187.60
	06/01/2040	1,985,000	4.000%	2.000%	118.224 C	2.766%	06/01/2031	100.000	361,746.40
	06/01/2041	2,100,000	4.000%	2.040%	117.823 C	2.831%	06/01/2031	100.000	374,283.00
		18,175,000							4,021,423.40

Dated Date	04/21/2021	
Delivery Date	04/21/2021	
First Coupon	12/01/2021	
Par Amount	18,175,000.00	
Premium	4,021,423.40	
Production	22,196,423.40	122.126126%
Underwriter's Discount	-90,875.00	-0.500000%
Purchase Price	22,105,548.40	121.626126%
Accrued Interest		
Net Proceeds	22,105,548.40	

BOND SUMMARY STATISTICS

City and Borough of Juneau
New Money GO Bonds - Series 2021 (Wrap Around Existing DS)
Rates as of 1/27/2021 + 25 bps cushion
20 Year Term

Dated Date	04/21/2021
Delivery Date	04/21/2021
First Coupon	12/01/2021
Last Maturity	06/01/2041
Arbitrage Yield	1.762722%
True Interest Cost (TIC)	2.432250%
Net Interest Cost (NIC)	2.727077%
All-In TIC	2.471470%
Average Coupon	4.155617%
Average Life (years)	15.139
Weighted Average Maturity (years)	15.004
Duration of Issue (years)	11.708
Par Amount	18,175,000.00
Bond Proceeds	22,196,423.40
Total Interest	11,433,950.00
Net Interest	7,503,401.60
Total Debt Service	29,608,950.00
Maximum Annual Debt Service	2,184,000.00
Average Annual Debt Service	1,472,268.23
Underwriter's Fees (per $1000)	
Average Takedown	
Other Fee	5.000000
Total Underwriter's Discount	5.000000
Bid Price	121.626126

Bond Component	*Par Value*	*Price*	*Average Coupon*	*Average Life*	*PV of 1 bp change*
Bond Component	18,175,000.00	122.126	4.156%	15.139	18,278.85
	18,175,000.00			15.139	18,278.85

	TIC	All-In TIC	Arbitrage Yield
Par Value	18,175,000.00	18,175,000.00	18,175,000.00
+ Accrued Interest			
+ Premium (Discount)	4,021,423.40	4,021,423.40	4,021,423.40
- Underwriter's Discount	-90,875.00	-90,875.00	
- Cost of Issuance Expense		-100,000.00	
- Other Amounts			
Target Value	22,105,548.40	22,005,548.40	22,196,423.40
Target Date	04/21/2021	04/21/2021	04/21/2021
Yield	2.432250%	2.471470%	1.762722%

BOND DEBT SERVICE

City and Borough of Juneau
New Money GO Bonds - Series 2021 (Wrap Around Existing DS)
Rates as of 1/27/2021 + 25 bps cushion
20 Year Term

Period Ending	*Principal*	*Coupon*	*Interest*	*Debt Service*
06/30/2022			856,000	856,000
06/30/2023			770,400	770,400
06/30/2024			770,400	770,400
06/30/2025			770,400	770,400
06/30/2026	235,000	4.000%	770,400	1,005,400
06/30/2027	270,000	5.000%	761,000	1,031,000
06/30/2028	430,000	5.000%	747,500	1,177,500
06/30/2029	475,000	5.000%	726,000	1,201,000
06/30/2030	525,000	5.000%	702,250	1,227,250
06/30/2031	810,000	5.000%	676,000	1,486,000
06/30/2032	880,000	5.000%	635,500	1,515,500
06/30/2033	950,000	5.000%	591,500	1,541,500
06/30/2034	1,100,000	4.000%	544,000	1,644,000
06/30/2035	1,495,000	4.000%	500,000	1,995,000
06/30/2036	1,585,000	4.000%	440,200	2,025,200
06/30/2037	1,680,000	4.000%	376,800	2,056,800
06/30/2038	1,775,000	4.000%	309,600	2,084,600
06/30/2039	1,880,000	4.000%	238,600	2,118,600
06/30/2040	1,985,000	4.000%	163,400	2,148,400
06/30/2041	2,100,000	4.000%	84,000	2,184,000
	18,175,000		11,433,950	29,608,950

BOND DEBT SERVICE

City and Borough of Juneau
New Money GO Bonds - Series 2021 (Wrap Around Existing DS)
Rates as of 1/27/2021 + 25 bps cushion
20 Year Term

Period Ending	*Principal*	*Coupon*	*Interest*	*Debt Service*	*Annual Debt Service*
12/01/2021			470,800	470,800	
06/01/2022			385,200	385,200	
06/30/2022					856,000
12/01/2022			385,200	385,200	
06/01/2023			385,200	385,200	
06/30/2023					770,400
12/01/2023			385,200	385,200	
06/01/2024			385,200	385,200	
06/30/2024					770,400
12/01/2024			385,200	385,200	
06/01/2025			385,200	385,200	
06/30/2025					770,400
12/01/2025			385,200	385,200	
06/01/2026	235,000	4.000%	385,200	620,200	
06/30/2026					1,005,400
12/01/2026			380,500	380,500	
06/01/2027	270,000	5.000%	380,500	650,500	
06/30/2027					1,031,000
12/01/2027			373,750	373,750	
06/01/2028	430,000	5.000%	373,750	803,750	
06/30/2028					1,177,500
12/01/2028			363,000	363,000	
06/01/2029	475,000	5.000%	363,000	838,000	
06/30/2029					1,201,000
12/01/2029			351,125	351,125	
06/01/2030	525,000	5.000%	351,125	876,125	
06/30/2030					1,227,250
12/01/2030			338,000	338,000	
06/01/2031	810,000	5.000%	338,000	1,148,000	
06/30/2031					1,486,000
12/01/2031			317,750	317,750	
06/01/2032	880,000	5.000%	317,750	1,197,750	
06/30/2032					1,515,500
12/01/2032			295,750	295,750	
06/01/2033	950,000	5.000%	295,750	1,245,750	
06/30/2033					1,541,500
12/01/2033			272,000	272,000	
06/01/2034	1,100,000	4.000%	272,000	1,372,000	
06/30/2034					1,644,000
12/01/2034			250,000	250,000	
06/01/2035	1,495,000	4.000%	250,000	1,745,000	
06/30/2035					1,995,000
12/01/2035			220,100	220,100	
06/01/2036	1,585,000	4.000%	220,100	1,805,100	
06/30/2036					2,025,200
12/01/2036			188,400	188,400	
06/01/2037	1,680,000	4.000%	188,400	1,868,400	
06/30/2037					2,056,800
12/01/2037			154,800	154,800	
06/01/2038	1,775,000	4.000%	154,800	1,929,800	
06/30/2038					2,084,600
12/01/2038			119,300	119,300	
06/01/2039	1,880,000	4.000%	119,300	1,999,300	
06/30/2039					2,118,600
12/01/2039			81,700	81,700	
06/01/2040	1,985,000	4.000%	81,700	2,066,700	
06/30/2040					2,148,400
12/01/2040			42,000	42,000	
06/01/2041	2,100,000	4.000%	42,000	2,142,000	
06/30/2041					2,184,000
	18,175,000		11,433,950	29,608,950	29,608,950

BOND SOLUTION

City and Borough of Juneau
New Money GO Bonds - Series 2021 (Wrap Around Existing DS)
Rates as of 1/27/2021 + 25 bps cushion
20 Year Term

Period Ending	*Proposed Principal*	*Proposed Debt Service*	*Total Adj Debt Service*	*Revenue Constraints*	*Unused Revenues*	*Debt Serv Coverage*
06/30/2021						
06/30/2022		856,000	856,000		-856,000	
06/30/2023		770,400	770,400		-770,400	
06/30/2024		770,400	770,400		-770,400	
06/30/2025		770,400	770,400	2,102,137	1,331,737	272.86301%
06/30/2026	235,000	1,005,400	1,005,400	2,843,623	1,838,223	282.83498%
06/30/2027	270,000	1,031,000	1,031,000	2,917,931	1,886,931	283.01945%
06/30/2028	430,000	1,177,500	1,177,500	3,328,851	2,151,351	282.70496%
06/30/2029	475,000	1,201,000	1,201,000	3,406,026	2,205,026	283.59914%
06/30/2030	525,000	1,227,250	1,227,250	3,478,097	2,250,847	283.40573%
06/30/2031	810,000	1,486,000	1,486,000	4,213,582	2,727,582	283.55192%
06/30/2032	880,000	1,515,500	1,515,500	4,291,497	2,775,997	283.17369%
06/30/2033	950,000	1,541,500	1,541,500	4,373,112	2,831,612	283.69198%
06/30/2034	1,100,000	1,644,000	1,644,000	4,656,228	3,012,228	283.22555%
06/30/2035	1,495,000	1,995,000	1,995,000	5,654,644	3,659,644	283.44081%
06/30/2036	1,585,000	2,025,200	2,025,200	5,739,464	3,714,264	283.40232%
06/30/2037	1,680,000	2,056,800	2,056,800	5,825,556	3,768,756	283.23395%
06/30/2038	1,775,000	2,084,600	2,084,600	5,912,939	3,828,339	283.64862%
06/30/2039	1,880,000	2,118,600	2,118,600	6,001,633	3,883,033	283.28298%
06/30/2040	1,985,000	2,148,400	2,148,400	6,091,658	3,943,258	283.54393%
06/30/2041	2,100,000	2,184,000	2,184,000	6,183,033	3,999,033	283.10589%
	18,175,000	29,608,950	29,608,950	77,020,009	47,411,059	

Presented by:	The Manager
Introduced:	February 8, 2021
Drafted by:	Finance

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2020-10(B)

An Ordinance Appropriating $302,929 from the Treasury for FY21 School District Operations.

Section 1. Classification. This ordinance is a noncode ordinance.

Section 2. Estimated Funding Sources. This Ordinance will make the following changes to the City and Borough of Juneau School District Operating Budget for the fiscal year beginning July 1, 2020 and ending June 30, 2021.

Estimated Revenue	
State Support:	$ 246,283
CBJ General Fund Support:	$ 56,646
Total Changes	**$ 302,929**

Section 3. Appropriation. The following amounts are hereby changed for the fiscal year beginning July 1, 2020, and ending June 30, 2021.

General Operations:	$ 302,266
Quality Schools:	$ 663
Total Changes	**$ 302,929**

Section 4. Effective Date. This ordinance shall become effective immediately upon adoption.

Adopted this ________ day of ____________, 2021.

____
Beth A. Weldon, Mayor

Attest:

____
Elizabeth J. McEwen, Municipal Clerk

CITY AND BOROUGH OF JUNEAU SCHOOL DISTRICT

BOARD AGENDA ITEM

DEPARTMENT: ADMINISTRATIVE SERVICES 7.3

_____ INFORMATION

__X__ ACTION

TITLE: FY 2021 BUDGET REVISON #3 (FINAL READING)

STRATEGIC INITIATIVE:
N/A Operational

BACKGROUND
Operating Fund: The District submitted its FY 2021 OASIS report to the Alaska Department of Education & Early Development (DEED) on November 5. Duplicate students were reconciled on December 21. The reports from DEED are attached. We have decrease of 570 students under projected enrollment for this year, rounded to the nearest whole number. The initial enrollment count for intensive students matches projected.

The decrease in enrollment has triggered the Hold Harmless provision of the DEED Foundation Formula. As a result of the decreased enrollment and Hold Harmless provision, we anticipate an additional $245,620 in foundation funding and a slight increase to Quality Schools funding of $663 for a total of $246,283 in additional state funds. The City & Borough of Juneau may choose to provide an additional $56,646 for general school operations. The total of additional education funding available is $302,929.

There is also a final adjustment to PERS/TRS On-behalf as a result of corrections made during the DEED budget submission process in July 2020.

The original Juneau Community Charter School budget calculation contained a value for the proposed FY21 Legislative Operating Grant that was vetoed by the governor.

Some vacant elementary and special education teacher positions are not being filled.

The increase in HomeBRIDGE enrollment created a subsequent increase in student allocation expenditures. There is not usually a line item for this cost.

School non-personnel budgets are reduced according to reduced enrollment.

Instructional supplies and technology increase from Revision #2 are being transferred to CARES funding.

The district has procured a new accounting software vendor. Implementation will occur in FY21, so funds previously committed for this purpose can be released.

Grants and Programs: The DEED Transportation grant revenue is expected to be reduced due to the decrease in enrollment. Final DEED Transportation revenue was released in December.

The District has received additional grant funding due to the COVID-19 pandemic. A summary appears below.

FUNDING SOURCE	FY21 GRANT AMOUNT
DEED CARES GRANT	925,000
DEED CONTACT TRACING	103,000
CBJ CARES GRANT	2,953,000
TOTAL	$3,981,000

CURRENT ISSUE BEFORE THE BOARD:
Whether to approve the attached budget revision.

RECOMMENDATION:
The administration recommends approving this budget revision.

PROS/CONS:
This budget revision is an adjustment for changes in revenues and expenditures since budget revision #2 was approved.

EQUITY CONSIDERATIONS:
N/A

BUDGET IMPLICATIONS:
Recognition of changes to revenues and expenditures.

NEXT STEPS:
If approved, the administration will submit the revision to the Assembly for approval and appropriation.

MOTION: I move to approve the FY21 Budget Revision #3 as presented.

Attachments
- October 2020 Enrollment, reconciled
- FY21 ADM Foundation and Local Calc
- FY21 Budget Revision #3 – Operating Fund
- FY21 Budget Revision #3 – Grants & Programs
- DEED OASIS Update Report

FY21 October Count (reconciled) compared to Projected Enrollment

Oct 16th	K	1	2	3	4	5	6*	7	8	9	10	11	12	Subtl	Sped PK	Total	Proj.	+/- Proj.
AB	25	36	35	31	43	43								213	7	**220**	373	**-153**
GA	27	38	43	36	29	38								211	6	**217**	291	**-74**
GV	26	42	33	43	45	38								227	10	**237**	350	**-113**
HV	27	30	38	24	36	31								186	5	**191**	244	**-53**
TCLL	10	12	13	10	12	12								69	0	**69**	65	**4**
MR	31	37	35	33	49	35								220	20	**240**	311	**-71**
RB	34	40	41	39	47	36								237	13	**250**	319	**-69**
JCCS		6	12	6	11	9	8	10	7	12				81		**81**	93	**-12**
MONT	5	20	20	16	19	14	13	13	18					138	1	**139**	182	**-43**
DH							138	130	140					408		**408**	516	**-108**
FD							127	112	108					347		**347**	432	**-85**
JD										151	133	145	109	538		**538**	632	**-94**
TM										157	135	142	138	572		**572**	655	**-83**
YD/JYS										3	10	20	50	83		**83**	74	**9**
HB	38	42	34	37	28	28	30	36	38	24	29	28	18	410		**410**	35	**375**
JYC*								1		2	3	4	10	20		**20**	20	**0**
TOTAL	**223**	**303**	**304**	**275**	**319**	**284**	**316**	**302**	**311**	**349**	**310**	**339**	**325**	**3960**	**62**	**4022**	**4592**	**-570**
Projected	**344**	**374**	**346**	**326**	**361**	**318**	**366**	**335**	**361**	**377**	**323**	**366**	**335**	**4532**	**60**	**4592**		
+/- Proj	**-121**	**-71**	**-42**	**-51**	**-42**	**-34**	**-50**	**-33**	**-50**	**-28**	**-13**	**-27**	**-10**	**-572**	**2**	**-570**		

***JYC ADM set by DEED, adjusted to actual in 12th grade**

Prepared 01/06/21 after reconciliation to DEED report

Foundation and Local Funding

				PROJECTED		WITH HOLD HARMLESS	FY21+HH	FY21+HH
		FY20		FY21		FY21	less FY21 Proj	less FY20
Enrollment		**4620**		**4592**		**4021.50**	(571)	(599)
ADM (w/o Corr.)		**4590.26**		**4557**		**3612.70**	(944)	(978)
Multiplied by various school formulas								
School Adjusted ADM		5396.00		5363.48		5151.94	(212)	(244)
District Cost Factor		1.145		1.145		1.145		
		6178.42		6141.18		5898.98		
Special Needs Factor		1.2		1.2		1.2		
		7414.1		7369.42		7078.78		
CTE Factor		1.015		1.015		1.015		
		7525.31		7479.96		7184.96	$ (1,749,350)	$ (2,018,276)
Intensive Count x 13	96	1248	93	1209	93	1209	-	(231,270)
Correspondence Count x 0.90	29.75	26.78	35	31.50	408.8	367.92	1,994,971	2,022,960
District Adjusted ADM		**8800.09**		**8720.46**		**8761.88**	$ 245,621	$ (226,585)
Foundation Calculation								
Basic Need (AADM x $5930)		$ 52,184,534		$ 51,712,328		$ 51,957,948	245,620	(226,586)
Required Local Contribution		(14,508,530)		(14,916,199)		(14,916,199)	-	(407,669)
State Aid		37,676,004		36,796,129		37,041,749	245,620	(634,255)
Additional State Aid		1,016,893		-		-	-	(1,016,893)
Total State Aid		$ 38,692,897		$ 36,796,129		$ 37,041,749	**245,620**	**(1,651,148)**
Local Contribution Calculation		FTV 2018		FTV 2019		FTV 2019		
CBJ Full & True Value		5,474,917,000		5,628,754,200		5,628,754,200		
Multiplied by 2.65 mills								
Required Local Contribution		$ 14,508,530		$ 14,916,199		$ 14,916,199	**-**	**407,669**
Determination of Cap								
23% of Basic Need		12,002,443		11,893,835		11,950,328	56,493	(52,115)
23% of Quality Schools		32,384		32,091		32,244	153	(140)
23% Additional State Aid		233,885		-		-	-	(233,885)
Additional allowable local contribution		12,268,712		11,925,926		11,982,572	**56,646**	**(286,140)**
Maximum Local Appropriation (Cap)		$ 26,777,242		$ 26,842,125		$ 26,898,771	**56,646**	**121,529**
Total Foundation and Local Contribution		**$ 65,470,139**		**$ 63,638,254**		**$ 63,940,520**		
Quality Schools Grants (ADM*16)		140,801		139,527		140,190	663	(611)
Change in funding							**$ 302,929**	**$ (1,530,231)**

Prepared 01/06/2021 after duplicate count reconciliation, verified to DEED report prepared 12/18/2020

FY 2021 Operating Budget	Original Operating	Revision 1	Revision 2	Revision 3	Revised Operating
REVENUES					
State Foundation Program	36,796,100			245,600	37,041,700
Quality Schools	139,500			700	140,200
CBJ General Fund Appropriation	26,842,100			56,600	26,898,700
CBJ Restricted Fund Appropriation	-				-
PERS/TRS On-behalf	5,400,000	500,000		263,000	6,163,000
Other Revenues	727,000				727,000
OTHER FINANCIAL SOURCES					
Release of Committed Funds - Accounting Software	-			230,000	230,000
Use of fund balance	1,217,600	-	267,400	(237,400)	1,247,600
Total Funding Sources	**71,122,400**	**500,000**	**267,400**	**558,500**	**72,448,200**
	+100 rounding				
EXPENDITURES					
REQUIRED OPERATING EXPENDITURES					
Insurance: Property, Liability, etc.	995,900				995,900
Learn to Swim	50,400				50,400
Recovery of Indirect Costs	(260,000)				(260,000)
Utilities	1,966,100				1,966,100
Certificated Payment for Leave	45,000				45,000
Teacher Discretionary	50,400				50,400
Student Activities—Elementary	57,800				57,800
JSAA Professional Development	56,100				56,100
Juneau Community Charter School	1,343,300			(21,000)	1,322,300
Grants Administrator	4,800				4,800
Payments to Retirement Systems by State	5,400,000	500,000		263,000	6,163,000
Subtotal Required Operating Expenditures	**9,709,800**	**500,000**		**242,000**	**10,451,800**
ESSENTIAL EXPENDITURES					
Formula Driven Allocations					
Elementary Teachers	11,160,100			(487,800)	10,672,300
Middle School Teachers	4,685,100		30,000		4,715,100
High School Teachers	7,216,100				7,216,100
Montessori Teachers	1,273,100				1,273,100
HomeBRIDGE Teacher	54,200				54,200
HomeBRIDGE Student Allocations	-			1,000,000	1,000,000
Principals	1,650,000				1,650,000
Assistant Principals	600,000				600,000
Increased Sub Pay	77,200				77,200
Classified Staffing	3,417,300				3,417,300
Cultural Education Paraeducators	318,900				318,900
Health Services	775,000				775,000
Health Services Supplies and Support	17,400				17,400
School Non-personnel Budgets	527,800			(105,500)	422,300
Total Formual Driven Allocations	**31,772,200**	**-**	**30,000**	**406,700**	**32,208,900**
Program Based Allocations					
Special Education	16,089,800			(326,900)	15,762,900
English Learner	1,126,800				1,126,800
English Learner Supplies	13,500				13,500
Talented Enrichment Development	653,400				653,400
Talented Enrichment Supplies	15,300				15,300
Teaching and Learning District Staff and Supplies	329,500				329,500
Native Student Success Staff	99,600				99,600

FY 2021 Operating Budget	Original Operating	Revision 1	Revision 2	Revision 3	Revised Operating
Assessment Staff and Supplies	531,100				531,100
PowerSchool Services	29,700				29,700
Career and Technical Education Staff and Supplies	161,200				161,200
Guidance Counselor Supplies	3,500				3,500
Instructional Technology	871,500		43,000	(43,000)	871,500
Total Program Based Allocations	**19,924,900**	**-**	**43,000**	**(369,900)**	**19,598,000**
Administration					
Board of Education	73,800				73,800
Office of Superintendent	351,600				351,600
Chief of Staff and Communications	231,400				231,400
Administrative Services and Fiscal Services	1,274,900			230,000	1,504,900
Human Resources	736,300				736,300
Total Administration	**2,668,000**	**-**	**-**	**230,000**	**2,898,000**
Total Facility & Information Technology	**6,474,700**	**-**	**-**	**-**	**6,474,700**
Subtotal Essential Expenditures	**60,839,800**	**-**	**73,000**	**266,800**	**61,179,600**
DISCRETIONARY SERVICES					
Supplemental Instructional					
Instructional Supplies, Library support	232,400		194,400	(194,400)	232,400
SAT/ACT/WorkKeys	18,000				18,000
High School Credit Recovery	30,000				30,000
Total Supplemental Instructional	**280,400**	**-**	**194,400**	**(194,400)**	**280,400**
Total Staff Services	**216,800**	**-**	**-**	**-**	**216,800**
Total District Level Enrichment	**15,000**	**-**	**-**	**-**	**15,000**
Total Professional Development	**60,600**	**-**	**-**	**-**	**60,600**
Subtotal Discretionary Services	**572,800**	**-**	**194,400**	**(194,400)**	**572,800**
Total Expenditures	**71,122,400**	**500,000**	**267,400**	**314,400**	**72,204,200**
Projected Change in Fund Balance	-	-	-	244,100	244,000
Total Funding Sources	71,122,400				72,448,200
Required Expenditures	9,709,800				10,451,800
Essential Expenditures	60,839,800				61,179,600
Other Essential Expenditures	572,800				572,800
Total Operating Expenditures	71,122,400				72,204,200
Funding Sources less Expenditures	-				244,000

FY21 Grants and Program Budgets	FY21 Budget	Revision 3	FY21 Revised
REVENUES			
CBJ Restricted Fund Appropriations & CARES	2,055,100	2,953,000	5,008,100
Pupil Transportation	3,035,000	(629,400)	2,405,600
CARES	-	1,028,000	1,028,000
Other Revenues	9,435,000		9,435,000
OTHER FINANCIAL SOURCES			
Total Unassigned Fund Balance	531,000	-	531,000
Total Funding Sources	**15,056,100**	**3,351,600**	**18,407,700**
EXPENDITURES			
ESSENTIAL EXPENDITURES			
Formula Driven Allocations			
Health Services		103,000	103,000
Total Formual Driven Allocations	**855,000**	**103,000**	**958,000**
Program Based Allocations			
Instructional Technology		1,330,000	1,330,000
Total Program Based Allocations	**1,645,000**	**1,330,000**	**2,975,000**
Facility & Informational Technology			
Maintenance	-	325,000	325,000
Total Facility & Information Technology	**-**	**325,000**	**325,000**
Subtotal Essential Expenditures	**2,500,000**	**1,758,000**	**4,258,000**
DISCRETIONARY SERVICES			
Supplemental Instructional			
Instructional Supplies, Library support	-	1,073,000	1,073,000
Total Supplemental Instructional	**100,000**	**1,073,000**	**1,173,000**
Total District Level Enrichment	**52,500**	**-**	**52,500**
Total Student Activities	**1,201,500**	**-**	**1,201,500**
Targeted Assistance Programs			
Total Targeted Assistance Programs	**2,702,000**	**-**	**2,702,000**
Total Professional Development	**530,000**	**-**	**530,000**
Total Student Services	**73,000**	**-**	**73,000**
Ancilliary Services			
Pupil Transportation	3,035,000	(629,400)	2,405,600
Meal Transportation		300,000	300,000
Community Schools	395,000		395,000
Food Service	2,378,600	250,000	2,628,600
RALLY	1,515,000	600,000	2,115,000
Total Ancilliary Services	**7,323,600**	**520,600**	**7,844,200**
Subtotal Discretionary Services	**11,982,600**	**1,593,600**	**13,576,200**
Total Expenditures	**14,482,600**	**3,351,600**	**17,834,200**
Projected Ending Fund Balance	573,500	-	573,500
Total Funding Sources	15,056,100	3,351,600	18,407,700
Essential Expenditures	2,500,000	1,758,000	4,258,000
Discretionary Services	11,982,600	1,593,600	13,576,200
Total Operating Expenditures	14,482,600	3,351,600	17,834,200
Funding Sources less Expenditures	573,500	-	573,500

THE STATE of ALASKA
GOVERNOR MIKE DUNLEAVY

Department of Education & Early Development

Finance & Support Services
801 West 10th Street, Suite 200
P.O. Box 110500
Juneau, Alaska 99811-0500
Main: 907.465.2261
Mindy.Lobaugh@alaska.gov

TO: Superintendent

FROM: Mindy Lobaugh
School Finance Specialist

DATE: December 21, 2020

SUBJECT: FY 2021 Foundation Update – OASIS

Districts submitted FY2021 Fall OASIS data through the State Report Manager (SRM) for counting average daily membership (ADM). On November 10, 2020 each district was emailed regarding the duplicate listings, errors, or conflicts including information on how to correct the student data.

Attached is the reconciled FY2021 OASIS Update Foundation Report and the District Foundation Summary. Please note, this is not the *Closeout* Foundation Report as the impact aid vouchers continue to be applied through the end of February 2021 as well as the intensive student reviews have not yet been finalized by the Special Education (SPED) Division. This information is anticipated to be in the closeout notification of the FY2021 Foundation Entitlement that is sent mid-March 2021, along with an updated foundation payment schedule.

If the district does not agree with the Department of Education & Early Development's reconciled ADM's, a written appeal may be submitted to the department, as outlined in regulation 4 AAC 40. The appeal must provide evidence that demonstrates money to which the district is entitled to has been denied or withheld by the department; and the appeal must be postmarked no later than 30-days from the above date.

If there are any questions regarding the attached information, you may contact me at Mindy.Lobaugh@alaska.gov or at the above phone number.

Attachment: FY2021 OASIS Update Foundation Report
District Foundation Summary of Student Counts

cc: Elwin Blackwell, School Finance Manager
Business Manager

School District	$5,930 Basic Need	Minimum Required Local Effort	Eligible Federal Impact Aid Total prior to applying %	Impact AID Percent	Deductible Impact AID 90%	BSA State AID	Quality Schools	FY2021 Total State Entitlement
Alaska Gateway	9,187,290	0	356,572	100.00%	320,915	8,866,375	24,789	8,891,164
Aleutian Region	1,417,507	0	20,185	100.00%	18,167	1,399,340	3,825	1,403,165
Aleutians East	5,920,334	518,791	1,761,726	45.84%	726,818	4,674,725	15,974	4,690,699
Anchorage	436,473,203	108,008,941	14,709,937	50.01%	6,620,796	321,843,466	1,177,668	323,021,134
Annette Island	6,188,726	0	1,722,950	100.00%	1,550,655	4,638,071	16,698	4,654,769
Bering Strait	42,295,369	0	12,399,481	100.00%	11,159,533	31,135,836	114,119	31,249,955
Bristol Bay	1,962,296	969,279	63,309	54.52%	31,064	961,953	5,295	967,248
Chatham	3,340,843	0	101,313	100.00%	91,182	3,249,661	9,014	3,258,675
Chugach	4,961,512	0	4,041	100.00%	3,637	4,957,875	13,387	4,971,262
Copper River	7,007,659	0	372,637	100.00%	335,373	6,672,286	18,908	6,691,194
Cordova	4,820,675	877,505	40,220	46.26%	16,745	3,926,425	13,007	3,939,432
Craig	7,131,537	456,422	558,668	59.65%	299,921	6,375,194	19,242	6,394,436
Delta/Greely	10,254,393	0	311,927	100.00%	280,734	9,973,659	27,668	10,001,327
Denali	9,127,219	963,260	3,772	34.41%	1,168	8,162,791	24,627	8,187,418
Dillingham	6,934,898	767,188	482,191	55.39%	240,377	5,927,333	18,711	5,946,044
Fairbanks	146,502,429	30,283,537	19,399,460	61.49%	10,735,855	105,483,037	395,285	105,878,322
Galena	51,337,374	97,845	186,805	13.08%	21,991	51,217,538	138,516	51,356,054
Haines	4,198,499	1,154,820	0	71.29%	0	3,043,679	11,328	3,055,007
Hoonah	2,852,686	215,318	16,409	43.99%	6,496	2,630,872	7,697	2,638,569
Hydaburg	2,504,298	50,089	0	37.36%	0	2,454,209	6,757	2,460,966
Iditarod Area	6,372,378	0	516,635	100.00%	464,972	5,907,406	17,194	5,924,600
Juneau	51,957,948	14,916,199	0	55.48%	0	37,041,749	140,190	37,181,939
Kake	2,234,958	92,305	299,592	58.42%	157,519	1,985,134	6,030	1,991,164
Kashunamiut	6,098,649	0	2,313,849	100.00%	2,082,464	4,016,185	16,455	4,032,640
Kenai Peninsula	104,428,190	28,329,664	0	56.12%	0	76,098,526	281,762	76,380,288
Ketchikan Gateway	31,495,713	4,915,414	0	44.95%	0	26,580,299	84,980	26,665,279
Klawock	2,658,478	180,024	664,159	81.64%	487,997	1,990,457	7,173	1,997,630
Kodiak Island	33,537,115	4,492,198	2,720,734	47.65%	1,166,787	27,878,130	90,488	27,968,618
Kuspuk	8,666,161	0	2,934,557	100.00%	2,641,101	6,025,060	23,383	6,048,443
Lake & Peninsula	9,747,615	458,226	645,053	21.58%	125,282	9,164,107	26,300	9,190,407
Lower Kuskokwim	80,351,263	0	19,637,317	100.00%	17,673,585	62,677,678	216,799	62,894,477
Lower Yukon	43,741,518	0	12,660,010	100.00%	11,394,009	32,347,509	118,021	32,465,530
Mat-Su	206,050,718	32,944,658	0	52.38%	0	173,106,060	555,955	173,662,015
Nenana	11,773,481	81,065	0	73.64%	0	11,692,416	31,767	11,724,183
Nome	10,354,670	1,241,891	60,833	37.52%	20,542	9,092,237	27,938	9,120,175
North Slope	36,287,212	16,139,142	5,487,306	38.77%	1,914,686	18,233,384	97,908	18,331,292
Northwest Arctic	41,729,351	2,014,033	5,391,697	40.12%	1,946,834	37,768,484	112,592	37,881,076
Pelican *	499,543	37,094	0	98.67%	0	462,449	1,348	502,158
Petersburg	7,304,989	1,178,855	0	63.19%	0	6,126,134	19,710	6,145,844
Pribilof	1,429,130	0	697,999	100.00%	628,199	800,931	3,856	804,787
Saint Mary's	3,751,555	88,003	0	46.96%	0	3,663,552	10,122	3,673,674
Sitka	16,114,182	3,448,307	55,510	48.47%	24,215	12,641,660	43,478	12,685,138
Skagway	2,223,216	793,905	0	49.22%	0	1,429,311	5,999	1,435,310
Southeast Island	4,325,757	0	0	100.00%	0	4,325,757	11,672	4,337,429
Southwest Region	13,986,261	0	4,234,986	100.00%	3,811,487	10,174,774	37,737	10,212,511
Tanana	837,790	39,547	10,024	81.84%	7,383	790,860	2,260	793,120
Unalaska	5,593,828	1,886,365	10,545	57.40%	5,448	3,702,015	15,093	3,717,108
Valdez	9,392,053	3,993,757	6,917	44.81%	2,790	5,395,506	25,341	5,420,847
Wrangell	3,876,975	583,830	913	90.58%	744	3,292,401	10,461	3,302,862
Yakutat	1,582,717	215,360	16,795	34.49%	5,213	1,362,144	4,270	1,366,414
Yukon Flats	6,556,979	0	1,688,578	100.00%	1,519,720	5,037,259	17,692	5,054,951
Yukon/Koyukuk	30,779,902	0	1,348,552	100.00%	1,213,697	29,566,205	83,049	29,649,254
Yupiit	10,260,738	0	3,959,856	100.00%	3,563,870	6,696,868	27,685	6,724,553
Mt. Edgecumbe	4,184,030	0	0	100.00%	0	4,184,030	11,289	4,195,319
								26,027,300
TOTALS:	1,574,603,810	262,432,837	117,874,020		83,319,971	1,228,851,002	4,248,512	1,259,165,175

**Pelican's funding floor is included in the State Entitlement*

School Distr	FY2021 ADM	FY2021 Corresp. ADM	FY2021 Total ADM	Before School Size Adjust HH	School Size ADM; HH included where eligb.	District Cost Factor	Adjusted for Cost Factor	Special Needs Factor 1.20	CTE Factor 1.015	SPED Intsv.	Adjust for SPED Intsv *13.00	Students + Intensive Special Education	District Corresp 90%	District Adjusted ADM
Alaska Gatew	332.90	62.80	395.70	594.78	594.78	1.594	948.08	1,137.70	1,154.77	26	338	1,492.77	56.52	1,549.29
Aleutian Reg	24.95	-	24.95	79.20	79.20	1.939	153.57	184.28	187.04	4	52	239.04	0.00	239.04
Aleutians Eas	206.25	-	206.25	379.53	379.53	1.991	755.64	906.77	920.37	6	78	998.37	0.00	998.37
Anchorage	38,505.94	2,814.00	41,319.94	44,058.10	48,222.21	1.000	48,222.21	57,866.65	58,734.65	949	12337	71,071.65	2532.60	73,604.25
Annette Islan	313.40	-	313.40	448.94	448.94	1.338	600.68	720.82	731.63	24	312	1,043.63	0.00	1,043.63
Bering Strait	1,742.15	-	1,742.15	2,802.66	2,802.66	1.998	5,599.71	6,719.65	6,820.44	24	312	7,132.44	0.00	7,132.44
Bristol Bay	95.33	16.00	111.33	148.67	168.59	1.478	249.18	299.02	303.51	1	13	316.51	14.40	330.91
Chatham	139.50	1.00	140.50	249.55	259.16	1.576	408.44	490.13	497.48	5	65	562.48	0.90	563.38
Chugach	80.85	567.55	648.40	164.58	164.58	1.496	246.21	295.45	299.88	2	26	325.88	510.80	836.68
Copper River	268.53	141.55	410.08	444.54	495.56	1.316	652.16	782.59	794.33	20	260	1,054.33	127.40	1,181.73
Cordova	262.30	26.38	288.68	388.32	438.58	1.234	541.21	649.45	659.19	10	130	789.19	23.74	812.93
Craig	207.81	668.51	876.32	319.12	356.02	1.206	429.36	515.23	522.96	6	78	600.96	601.66	1,202.62
Delta/Greely	533.67	239.64	773.31	753.22	898.13	1.241	1,114.58	1,337.50	1,357.56	12	156	1,513.56	215.68	1,729.24
Denali	163.70	1,032.55	1,196.25	299.98	351.86	1.332	468.68	562.42	570.86	3	39	609.86	929.30	1,539.16
Dillingham	410.60	-	410.60	555.65	578.53	1.346	778.70	934.44	948.46	17	221	1,169.46	0.00	1,169.46
Fairbanks	10,338.20	933.10	11,271.30	12,662.86	14,551.60	1.070	15,570.21	18,684.25	18,964.51	377	4901	23,865.51	839.79	24,705.30
Galena	141.50	8,923.01	9,064.51	230.53	354.45	1.391	493.04	591.65	600.52	2	26	626.52	8030.71	8,657.23
Haines	201.40	63.10	264.50	310.98	365.51	1.200	438.61	526.33	534.22	9	117	651.22	56.79	708.01
Hoonah	128.89	-	128.89	213.65	213.65	1.399	298.90	358.68	364.06	9	117	481.06	0.00	481.06
Hydaburg	67.90	96.70	164.60	112.27	126.25	1.504	189.88	227.86	231.28	8	104	335.28	87.03	422.31
Iditarod Area	168.25	136.83	305.08	348.00	348.00	1.846	642.41	770.89	782.45	13	169	951.45	123.15	1,074.60
Juneau	3,612.70	408.80	4,021.50	4,419.78	5,151.95	1.145	5,898.98	7,078.78	7,184.96	93	1209	8,393.96	367.92	8,761.88
Kake	92.14	-	92.14	144.62	168.19	1.459	245.39	294.47	298.89	6	78	376.89	0.00	376.89
Kashunamiut	306.85	-	306.85	442.43	442.43	1.619	716.29	859.55	872.44	12	156	1,028.44	0.00	1,028.44
Kenai Penins	6,012.16	1,743.75	7,755.91	8,138.48	9,478.36	1.171	11,099.16	13,318.99	13,518.77	194	2522	16,040.77	1569.38	17,610.15
Ketchikan Ga	1,905.27	168.62	2,073.89	2,381.17	2,580.58	1.170	3,019.28	3,623.14	3,677.49	114	1482	5,159.49	151.76	5,311.25
Klawock	116.50	-	116.50	195.79	208.92	1.302	272.01	326.41	331.31	9	117	448.31	0.00	448.31
Kodiak Islanc	2,015.58	230.10	2,245.68	2,555.21	2,658.86	1.289	3,427.27	4,112.72	4,174.41	98	1274	5,448.41	207.09	5,655.50
Kuspuk	350.75	-	350.75	630.40	630.40	1.734	1,093.11	1,311.73	1,331.41	10	130	1,461.41	0.00	1,461.41
Lake & Penir	312.55	5.70	318.25	647.94	647.94	1.994	1,291.99	1,550.39	1,573.65	5	65	1,638.65	5.13	1,643.78
Lower Kuskc	4,008.75	-	4,008.75	5,957.92	5,957.92	1.663	9,908.02	11,889.62	12,067.96	114	1482	13,549.96	0.00	13,549.96
Lower Yukor	2,029.69	-	2,029.69	2,978.92	2,978.92	1.861	5,543.77	6,652.52	6,752.31	48	624	7,376.31	0.00	7,376.31
Mat-Su	14,495.12	3,390.00	17,885.12	17,180.66	18,864.36	1.070	20,184.87	24,221.84	24,585.17	547	7111	31,696.17	3051.00	34,747.17
Nenana	115.00	1,685.68	1,800.68	192.84	271.40	1.338	363.13	435.76	442.30	2	26	468.30	1517.11	1,985.41
Nome	624.40	62.70	687.10	785.04	838.98	1.450	1,216.52	1,459.82	1,481.72	16	208	1,689.72	56.43	1,746.15
North Slope	1,941.95	-	1,941.95	2,680.00	2,680.00	1.791	4,799.88	5,759.86	5,846.26	21	273	6,119.26	0.00	6,119.26
Northwest Ar	1,929.59	22.96	1,952.55	2,837.91	2,837.91	1.823	5,173.51	6,208.21	6,301.33	55	715	7,016.33	20.66	7,036.99
Pelican	11.00	-	11.00	39.60	39.60	1.477	58.49	70.19	71.24	1	13	84.24	0.00	84.24
Petersburg	425.99	-	425.99	613.11	650.00	1.244	808.60	970.32	984.87	19	247	1,231.87	0.00	1,231.87
Pribilof	52.00	6.00	58.00	88.58	95.45	1.691	161.41	193.69	196.60	3	39	235.60	5.40	241.00
Saint Mary's	192.85	-	192.85	300.12	300.12	1.624	487.39	584.87	593.64	3	39	632.64	0.00	632.64
Sitka	1,065.88	77.83	1,143.71	1,352.29	1,443.72	1.195	1,725.25	2,070.30	2,101.35	42	546	2,647.35	70.05	2,717.40
Skagway	131.00	-	131.00	216.73	216.73	1.174	254.44	305.33	309.91	5	65	374.91	0.00	374.91
SE Island	145.25	0.80	146.05	300.74	357.99	1.403	502.26	602.71	611.75	9	117	728.75	0.72	729.47
Southwest Re	605.25	-	605.25	1,022.53	1,022.53	1.685	1,722.96	2,067.55	2,098.56	20	260	2,358.56	0.00	2,358.56
Tanana	29.55	-	29.55	55.07	58.97	1.786	105.32	126.38	128.28	1	13	141.28	0.00	141.28
Unalaska	386.90	-	386.90	530.05	530.05	1.441	763.80	916.56	930.31	1	13	943.31	0.00	943.31
Valdez	541.50	111.30	652.80	751.47	840.42	1.170	983.29	1,179.95	1,197.65	22	286	1,483.65	100.17	1,583.82
Wrangell	178.80	-	178.80	282.28	398.67	1.159	462.06	554.47	562.79	7	91	653.79	0.00	653.79
Yakutat	71.40	25.00	96.40	117.49	126.99	1.412	179.31	215.17	218.40	2	26	244.40	22.50	266.90
Yukon Flats	196.25	-	196.25	351.84	398.76	2.116	843.78	1,012.54	1,027.73	6	78	1,105.73	0.00	1,105.73
Yukon/Koyul	301.85	3,945.30	4,247.15	559.17	559.17	1.835	1,026.08	1,231.30	1,249.77	30	390	1,639.77	3550.77	5,190.54
Yupiit	498.90	-	498.90	793.53	793.53	1.723	1,367.25	1,640.70	1,665.31	5	65	1,730.31	0.00	1,730.31
Mt. Edgecum	372.15	-	372.15	444.59	484.75	1.195	579.28	695.14	705.57	0	0	705.57	0.00	705.57
TOTALS:	99,409.54	27,607.26	127,016.80	125,553.43	136,912.36		165,085.61	198,102.74	201,074.28	3,047	39,611	240,685.28	24,846.56	265,531.84

School District	2019 Full Values	FY2020 prior year Basic Need	.00265 x 2019 Full Value	45% of PY Basic Need	Required Minimum Local Effort [Lesser of .00265 or 45%]
Alaska Gateway	-	9,232,773	-	0	-
Aleutian Region	-	1,340,417	-	0	-
Aleutians East	195,770,298	5,677,145	518,791	2,554,715	518,791
Anchorage	40,758,090,887	443,427,610	108,008,941	199,542,425	108,008,941
Annette Island	-	5,190,648	-	0	-
Bering Strait	-	41,745,480	-	0	-
Bristol Bay	446,600,753	2,153,954	1,183,492	969,279	969,279
Chatham	-	3,520,226	-	0	-
Chugach	-	4,062,347	-	0	-
Copper River	-	6,800,702	-	0	-
Cordova	331,134,027	4,699,051	877,505	2,114,573	877,505
Craig	172,234,643	5,597,149	456,422	2,518,717	456,422
Delta/Greely	-	10,315,294	-	0	-
Denali	363,494,308	7,931,197	963,260	3,569,039	963,260
Dillingham	289,504,895	6,931,933	767,188	3,119,370	767,188
Fairbanks	11,427,749,901	150,104,430	30,283,537	67,546,994	30,283,537
Galena	36,922,615	30,232,800	97,845	13,604,760	97,845
Haines	435,781,192	3,872,527	1,154,820	1,742,637	1,154,820
Hoonah	81,252,007	2,714,220	215,318	1,221,399	215,318
Hydaburg	18,901,623	1,837,173	50,089	826,728	50,089
Iditarod Area	-	6,084,477	-	0	-
Juneau	5,628,754,202	52,184,534	14,916,199	23,483,040	14,916,199
Kake	34,832,176	2,317,622	92,305	1,042,930	92,305
Kashunamiut	-	5,525,040	-	0	-
Kenai Peninsula	10,690,439,310	106,276,452	28,329,664	47,824,403	28,329,664
Ketchikan Gateway	1,854,873,241	30,108,211	4,915,414	13,548,695	4,915,414
Klawock	67,933,467	2,930,962	180,024	1,318,933	180,024
Kodiak Island	1,695,168,901	32,644,947	4,492,198	14,690,226	4,492,198
Kuspuk	-	8,892,747	-	0	-
Lake & Peninsula	172,915,580	9,716,364	458,226	4,372,364	458,226
Lower Kuskokwim	-	80,443,593	-	0	-
Lower Yukon	-	42,716,755	-	0	-
Mat-Su	12,431,946,561	201,569,832	32,944,658	90,706,424	32,944,658
Nenana	30,590,529	9,278,375	81,065	4,175,269	81,065
Nome	468,638,188	9,981,435	1,241,891	4,491,646	1,241,891
North Slope	22,209,401,546	35,864,759	58,854,914	16,139,142	16,139,142
Northwest Arctic	760,012,531	41,317,631	2,014,033	18,592,934	2,014,033
Pelican	13,997,761	499,543	37,094	224,794	37,094
Petersburg	444,851,060	7,261,285	1,178,855	3,267,578	1,178,855
Pribilof	-	1,380,030	-	0	-
Saint Mary's	33,208,499	3,666,875	88,003	1,650,094	88,003
Sitka	1,301,247,929	15,882,023	3,448,307	7,146,910	3,448,307
Skagway	409,473,580	1,764,234	1,085,105	793,905	793,905
Southeast Island	-	5,098,495	-	0	-
Southwest Region	-	13,520,222	-	0	-
Tanana	14,923,545	1,116,145	39,547	502,265	39,547
Unalaska	711,835,683	5,955,914	1,886,365	2,680,161	1,886,365
Valdez	2,427,238,746	8,875,016	6,432,183	3,993,757	3,993,757
Wrangell	220,313,378	4,355,882	583,830	1,960,147	583,830
Yakutat	81,268,037	1,602,938	215,360	721,322	215,360
Yukon Flats	-	6,909,873	-	0	-
Yukon/Koyukuk	-	17,229,971	-	0	-
Yupiit	-	9,674,795	-	0	-
Mt. Edgecumbe	-	4,299,606	-	0	-
TOTALS:	116,261,301,599	1,534,333,659	308,092,448	562,657,575	262,432,837

School District	FY2021 Basic Need	Additional Local .002 Mills of Current F/V	23% of Basic Need + Quality Schools AADM	Additional Local Contribution [Greater of .002 or 23% subtotal]	MAXIMUM LOCAL: Required plus additional Local Contribution
Alaska Gateway	9,187,290	-	-	-	-
Aleutian Region	1,417,507	-	-	-	-
Aleutians East	5,920,334	391,541	1,365,351	1,365,351	1,884,142
Anchorage	436,473,203	81,516,182	100,659,700	100,659,700	208,668,641
Annette Island	6,188,726	-	-	-	-
Bering Strait	42,295,369	-	-	-	-
Bristol Bay	1,962,296	893,202	452,546	893,202	1,862,481
Chatham	3,340,843	-	-	-	-
Chugach	4,961,512	-	-	-	-
Copper River	7,007,659	-	-	-	-
Cordova	4,820,675	662,268	1,111,747	1,111,747	1,989,252
Craig	7,131,537	344,469	1,644,679	1,644,679	2,101,101
Delta/Greely	10,254,393	-	-	-	-
Denali	9,127,219	726,989	2,104,925	2,104,925	3,068,185
Dillingham	6,934,898	579,010	1,599,330	1,599,330	2,366,518
Fairbanks	146,502,429	22,855,500	33,786,474	33,786,474	64,070,011
Galena	51,337,374	73,845	11,839,455	11,839,455	11,937,300
Haines	4,198,499	871,562	968,260	968,260	2,123,080
Hoonah	2,852,686	162,504	657,888	657,888	873,206
Hydaburg	2,504,298	37,803	577,543	577,543	627,632
Iditarod Area	6,372,378	-	-	-	-
Juneau	51,957,948	11,257,508	11,982,572	11,982,572	26,898,771
Kake	2,234,958	69,664	515,427	515,427	607,732
Kashunamiut	6,098,649	-	-	-	-
Kenai Peninsula	104,428,190	21,380,879	24,083,289	24,083,289	52,412,953
Ketchikan Gateway	31,495,713	3,709,746	7,263,559	7,263,559	12,178,973
Klawock	2,658,478	135,867	613,100	613,100	793,124
Kodiak Island	33,537,115	3,390,338	7,734,349	7,734,349	12,226,547
Kuspuk	8,666,161	-	-	-	-
Lake & Peninsula	9,747,615	345,831	2,248,000	2,248,000	2,706,226
Lower Kuskokwim	80,351,263	-	-	-	-
Lower Yukon	43,741,518	-	-	-	-
Mat-Su	206,050,718	24,863,893	47,519,535	47,519,535	80,464,193
Nenana	11,773,481	61,181	2,715,207	2,715,207	2,796,272
Nome	10,354,670	937,276	2,388,000	2,388,000	3,629,891
North Slope	36,287,212	44,418,803	8,368,578	44,418,803	60,557,945
Northwest Arctic	41,729,351	1,520,025	9,623,647	9,623,647	11,637,680
Pelican	499,543	27,996	115,205	115,205	152,299
Petersburg	7,304,989	889,702	1,684,681	1,684,681	2,863,536
Pribilof	1,429,130	-	-	-	-
Saint Mary's	3,751,555	66,417	865,186	865,186	953,189
Sitka	16,114,182	2,602,496	3,716,262	3,716,262	7,164,569
Skagway	2,223,216	818,947	512,719	818,947	1,612,852
Southeast Island	4,325,757	-	-	-	-
Southwest Region	13,986,261	-	-	-	-
Tanana	837,790	29,847	193,212	193,212	232,759
Unalaska	5,593,828	1,423,671	1,290,052	1,423,671	3,310,036
Valdez	9,392,053	4,854,477	2,166,001	4,854,477	8,848,234
Wrangell	3,876,975	440,627	894,110	894,110	1,477,940
Yakutat	1,582,717	162,536	365,007	365,007	580,367
Yukon Flats	6,556,979	-	-	-	-
Yukon/Koyukuk	30,779,902	-	-	-	-
Yupiit	10,260,738	-	-	-	-
Mt. Edgecumbe	4,184,030	-	-	-	-
TOTALS:	1,574,603,810	232,522,602	293,625,596	333,244,800	595,677,637

Schedule A: 23% of Basic Need + Quality Schools.

School District	Required Local	FY2021 Basic Need	AADM Quality Schools grant x 23%	23% of Basic Need + Grants issued on AADM
Alaska Gateway	-	9,187,290	-	-
Aleutian Region	-	1,417,507	-	-
Aleutians East	518,791	5,920,334	15,974	1,365,351
Anchorage	108,008,941	436,473,203	1,177,668	100,659,700
Annette Island	-	6,188,726	-	-
Bering Strait	-	42,295,369	-	-
Bristol Bay	969,279	1,962,296	5,295	452,546
Chatham	-	3,340,843	-	-
Chugach	-	4,961,512	-	-
Copper River	-	7,007,659	-	-
Cordova	877,505	4,820,675	13,007	1,111,747
Craig	456,422	7,131,537	19,242	1,644,679
Delta/Greely	-	10,254,393	-	-
Denali	963,260	9,127,219	24,627	2,104,925
Dillingham	767,188	6,934,898	18,711	1,599,330
Fairbanks	30,283,537	146,502,429	395,285	33,786,474
Galena	97,845	51,337,374	138,516	11,839,455
Haines	1,154,820	4,198,499	11,328	968,260
Hoonah	215,318	2,852,686	7,697	657,888
Hydaburg	50,089	2,504,298	6,757	577,543
Iditarod Area	-	6,372,378	-	-
Juneau	14,916,199	51,957,948	140,190	11,982,572
Kake	92,305	2,234,958	6,030	515,427
Kashunamiut	-	6,098,649	-	-
Kenai Peninsula	28,329,664	104,428,190	281,762	24,083,289
Ketchikan Gateway	4,915,414	31,495,713	84,980	7,263,559
Klawock	180,024	2,658,478	7,173	613,100
Kodiak Island	4,492,198	33,537,115	90,488	7,734,349
Kuspuk	-	8,666,161	-	-
Lake & Peninsula	458,226	9,747,615	26,300	2,248,000
Lower Kuskokwim	-	80,351,263	-	-
Lower Yukon	-	43,741,518	-	-
Mat-Su	32,944,658	206,050,718	555,955	47,519,535
Nenana	81,065	11,773,481	31,767	2,715,207
Nome	1,241,891	10,354,670	27,938	2,388,000
North Slope	16,139,142	36,287,212	97,908	8,368,578
Northwest Arctic	2,014,033	41,729,351	112,592	9,623,647
Pelican	37,094	499,543	1,348	115,205
Petersburg	1,178,855	7,304,989	19,710	1,684,681
Pribilof	-	1,429,130	-	-
Saint Mary's	88,003	3,751,555	10,122	865,186
Sitka	3,448,307	16,114,182	43,478	3,716,262
Skagway	793,905	2,223,216	5,999	512,719
Southeast Island	-	4,325,757	-	-
Southwest Region	-	13,986,261	-	-
Tanana	39,547	837,790	2,260	193,212
Unalaska	1,886,365	5,593,828	15,093	1,290,052
Valdez	3,993,757	9,392,053	25,341	2,166,001
Wrangell	583,830	3,876,975	10,461	894,110
Yakutat	215,360	1,582,717	4,270	365,007
Yukon Flats	-	6,556,979	-	-
Yukon/Koyukuk	-	30,779,902	-	-
Yupiit	-	10,260,738	-	-
Mt. Edgecumbe	-	4,184,030	-	-
TOTALS:	262,432,837	1,574,603,810	3,435,272	293,625,596

District Foundation Summary

Fall 2020 OASIS Collection from State Report Manager
School Year 2020-2021
Prepared 12/18/2020

	Certified/Submitted SRM Data as of 11/6/2020				Reconciled/Processed OASIS Data as of 12/18/2020				Change
	Elementary (PK-6)	**Secondary (7-12)**	**Total (PK-12)**	**Intensive**	**Elementary (PK-6)**	**Secondary (7-12)**	**Total (PK-12)**	**Intensive***	**in ADM**
Juneau Borough School District									
Auke Bay Elementary (220010)	219.60	0.00	219.60	4	220.35		220.35	4.00	0.75
Dzantik'i Heeni Middle School (220020)	137.75	270.00	407.75	9	137.75	270.00	407.75	9.00	0.00
Floyd Dryden Middle School (220030)	127.20	223.75	350.95	3	127.20	219.75	346.95	3.00	(4.00)
Harborview Elementary (220060)	260.50	0.00	260.50	13	260.50		260.50	13.00	0.00
HomeBRIDGE (228010)	236.80	173.00	409.80	4	236.80	172.00	408.80	4.00	(1.00)
Johnson Youth Center (227020)	0.00	16.15	16.15	0		20.00	20.00		3.85
Juneau Community Charter School (229010)	62.35	18.65	81.00	0	62.35	18.65	81.00		0.00
Juneau-Douglas High School: Yadaa.at Kalé (220070)	0.00	538.45	538.45	8		538.45	538.45	8.00	0.00
Mendenhall River Community School (220140)	240.46	0.00	240.46	17	239.96		239.96	17.00	(0.50)
Montessori Borealis Public Alternative School (227030)	108.00	31.00	139.00	1	107.60	31.00	138.60	1.00	(0.40)
Riverbend Elementary (220100)	250.25	0.00	250.25	16	250.10		250.10	16.00	(0.15)
Sayéik: Gastineau Community School (220040)	218.00	0.00	218.00	2	217.05		217.05	2.00	(0.95)
Sít' Eetí Shaanáx̱ - Glacier Valley Elementary (220050)	238.15	0.00	238.15	1	236.75		236.75	1.00	(1.40)
Thunder Mountain High School (220150)	0.00	572.34	572.34	15		572.34	572.34	15.00	0.00
Yaakoosge Daakahidi Alt. H.S. (227010)	0.00	82.90	82.90	0		82.90	82.90		0.00
Total	2099.06	1926.24	4025.30	93	2,096.41	1,925.09	4,021.50	93.00	(3.80)

**Intensives are reviewed separately and have not been updated.*

JUNEAU SCHOOL DISTRICT

SUPERINTENDENT'S OFFICE
10014 Crazy Horse Drive
Juneau, AK 99801-8529
(907) 523-1702

MEMORANDUM

DATE: **January 28, 2021**

TO: **City and Borough of Juneau Assembly**

FROM: **Dr. Bridget Weiss, Superintendent**

RE: **FY21 CBJ CARES funding request**

The Juneau School District would like to thank CBJ for their continued support through this pandemic. One important collaboration that occurred last fall, was our opportunity to support families with a Child Care option and your support through CBJ CARES Funding to provide a subsidy to families who needed access to Child Care.

The initial termination date of CBJ CARES funding created a stop date of the subsidy of December, 2020. Since the original combined effort, as you are aware, the expiration date of the CBJ CARES funds has been extended.

The original agreement was that families, as a whole, would have access to a total no greater than $600,000 by the end of December. This request is to continue the support to families who need access to Child Care through RALLY for the remainder of the school year.

The enrollment in RALLY in September was low, 16 students. But as we got the subsidy in place, and people became more comfortable with the mitigation of health and safety, the program grew to serving 41 students during the month of December. Throughout the fall, the total subsidy support made to families was $97,171.35. Per our agreement, the remaining, unused portion of the $600,000 was "returned" to CBJ.

When the subsidy for families expired, our enrollment dropped to a currently served total of 23 students in January. We believe families are still in need of the subsidy and are requesting that CBJ CARES funds be utilized to support families between now and the end of May. **Based on our calculations, the total funds needed between February and May would be no more than $140,000 given our enrollment experience throughout the fall. This would provide subsidies to families who need to access RALLY for childcare.**

We are hopeful that the health status in Juneau will continue to be supportive of in person learning. And with such, we will continue to increase our elementary in person learning sessions as much as possible. Waiting for all staff to be vaccinated, large enough space for physical distancing of cohorts and staffing to keep cohorts to a reasonable size will be obstacles to us returning to full time in person learning this spring.

MEMORANDUM

155 Municipal Way
Juneau, AK 99801
Phone: (907) 586-5215
Fax: (907) 586-0358

DATE: January 28, 2021

TO: Assembly Finance Committee

FROM: Jeff Rogers, Finance Director

SUBJECT: **Draft Amendments to Uniform Sales Tax Code**

Introduction

The Alaska Remote Sellers Sales Tax Commission (the Commission) is considering amendments to the Uniform Remote Sales Tax Code. If the Commission formally adopts the amendments under consideration, all member jurisdictions will be required to adopt the amended Uniform Remote Sales Tax Code within 90 or 120 days. A detailed list of the changes and a clean copy of the amended code are attached. For the most part, the amendments under consideration are technical, clerical, and non-substantive. However, there is a clarification of the definition of "services" that has a broad impact on the collection of sales taxes for remotely delivered services.

Taxation of Services Delivered Remotely between Jurisdictions

CBJ's local sales tax code exempts the sale of *goods* ordered from outside the borough and delivered outside the borough. However, that exemption does not apply to the sale of *services* ordered from outside the borough and delivered outside the borough. Historically, CBJ has required those sellers to collect Juneau sales tax from their clients outside of the borough. Principally, this applies to the sellers of professional services—attorneys, architects, engineers, accountants, marketing/media, etc.

There is an important interconnection between Juneau's exemption of out-of-borough sales and the application of remote sales tax by other jurisdictions. With goods, if a Juneau seller receives an order from Sitka and ships the order to Sika, then the seller would claim the CBJ out-of-borough sales tax exemption on the sale of those goods. At the same time, that seller may be required to assess and collect Sitka's sales tax. That transaction is only taxed once, at the point of delivery. This is referred to as "destination taxation" rather than "origination taxation." Generally speaking, the entire concept of remote sales tax collection allowed by the *Wayfair* decision is based on the concept of "destination taxation."

However, with services, if a Juneau seller receives a request for services from a client in Sitka, performs that service in Juneau, and then delivers the work product (drawings, documents, reports, etc) to the client in Sika, the seller would still be obligated to assess CBJ sales tax. At the same time, that seller may be required to assess and collect Sitka's sales tax on those same services. This transaction is subject to being taxed *twice*, once at the point of origin and again at the point of delivery.

The Commission agrees that the Uniform Remote Sales Tax Code and local sales tax codes need to be in alignment to prevent double taxation. And in the examples above, the destination community (Sitka) has the greatest claim on the right to assess and collect sales tax.

In order to be compliant with *Wayfair* and the Commerce Clause of the US Constitution, the Commission feels it is important to treat the remote delivery of services between Alaska jurisdictions in the same way that the Commission treats remote delivery of services into Alaska from the other states. Hence, as the Commission continues to register remote service providers like Hulu, Netflix, Disney+, and HBO; it is important to ensure that Alaska-based service providers are subject to the same taxation concept. This alignment is necessary to prevent legal challenges.

Summary
The Commission is requesting feedback from members about the impact of the clarified definition of services in the amended code. Notably, the Commission recognizes that these changes to the Uniform Remote Sales Tax Code will require most members to also amend their local codes to clearly exempt services that are performed locally but delivered remotely.

There is no action item at this time. Feedback from the Assembly Finance Committee on the proposed amendments will be shared with the Commission.

ALASKA REMOTE SELLER SALES TAX COMMISSION

To: ARSSTC Members

From: Clinton Singletary, Statewide Municipal Sales Tax Director

Re: Draft Uniform Code Updates – January 2021

Over the months of December & January, Commission staff met weekly with representatives from member jurisdictions to discuss and work through numerous code updates that Commission staff have been accumulating over the last year. Many of these needed updates are more clerical in nature, but several are more substantive and will have a clear impact on the Commission and/or member jurisdictions.

Following is a breakdown of the more substantive updates that were agreed upon by the Code Update Working Group, including a brief justification / background of why the update is being recommended.

Code Section	Description	Justification / Background
Section 040(A)	Threshold calculation updated to include current year, not just previous calendar year.	Not as limiting a timeframe since there are now two time windows to be examined in determining threshold.
Section 050	Was the old Section 230; renamed section to more accurate description; included language for local sale.	No change to the original intent of this section. Section title better describes goal of section and inclusion of "local sale" better describes the type of transaction. "Local Sale" was also added as a new definition.
Section 080 A & B	Remove registration requirement for marketplace sellers who only sell on marketplaces.	Tax would already be collected by the marketplace, the seller would have nothing to report. Versions of this can be found in other states. Added affidavit requirement.
Section 080 (H)	Member jurisdiction business license clarification	Add language explaining that registration as remote seller satisfies jurisdiction business license requirements, but only if seller does not have physical presence in jurisdiction. Common question from sellers.
Section 090 (B)	Allow for annual filing frequency, dependent on member jurisdiction code allowances.	Will be modifying filing frequency change policy to only grant annual if no taxable sales.
Section 110 (A)	Clarifies rounding language	Specifies that only gross sales and exempt sales should be rounded.
Section 120 (C)	Interest on refund requests	Specifies that the Commission will not pay interest on refund requests.
Section 170 (A)	Late Filing fee language	Update late filing fee to max out at 4 months, same as penalty in C.

Section 170 (F)	Penalty Waivers	The code specifies the timeframe in which a waiver can be requested and limits the waiver to one a year. Waiver policy will be developed to fine-tune the number of waivers allowed and the circumstances that will qualify for a waiver.
Section 180	Remote Reseller Certificate	Codifies the existence of the remote reseller certificate
Section 240	Penalty cleanup / clarification	Paragraph A was added to defer to member jurisdiction penalties if the member penalty is different. Removed old paragraph E on late filing fees since that is a duplicate of Section 170.
Section 260	Savings Clause	Provides discrimination protection.
Section 270 – Definitions		
	Local sale	Used in Section 050
	Marketplace	Used in conjunction with definition of marketplace seller, for purposes of Section 080
	Marketplace Seller	For purposes of Section 080
	Point of Delivery	Added paragraph C specific to POD for services
	Remote Seller	Cleaned up definition to focus on a seller making sales into jurisdiction where the seller does not have physical presence. Applies to both in-state & out of state sellers.
	Services	Updated definition to specify any service provided which is delivered into a member jurisdiction.

Other Changes throughout the Uniform Code

- Throughout the code the use of the term jurisdiction was updated to focus on either taxing jurisdiction or member jurisdiction. These definitions were updated such that taxing jurisdiction is just a jurisdiction in Alaska with a sales tax. Member jurisdiction is a taxing jurisdiction that has adopted the Uniform Code.
- Sections 100(C), 130(C), 150(E), and 200 were all standardized for a 3-year timeframe, instead of the varying years.

ADDENDUM A
REMOTE SELLER SALES TAX CODE & COMMON DEFINITIONS

WHEREAS, the inability to effectively collect sales tax on sales of property, products or services transferred or delivered into Alaska is seriously eroding the sales tax base of communities, causing revenue losses and imminent harm to residents through the loss of critical funding for local public services and infrastructure; and

WHEREAS, the harm from the loss of revenue is especially serious in Alaska because the State has no income tax, and sales tax revenues are one of the primary sources of funding for services provided by local governments; and

WHEREAS, the failure to collect sales tax on remote sales creates market distortions by creating an unfair tax advantage for businesses that limit their physical presence in the taxing jurisdictions but still sell goods and services to consumers, which becomes easier and more prevalent as technology advances; and

WHEREAS, the failure to tax remote sales results in the creation of incentives for businesses to avoid a physical presence in the state and its respective communities, resulting in fewer jobs and increasing the share of taxes to those consumers who buy from competitors with a physical presence in the state and its cities; and

WHEREAS, the structural advantages for remote sellers, including the absence of point-of-sale tax collection, along with the general growth of online retail, make clear that erosion of the sales tax base is and has been occurring; and

WHEREAS, remote sellers who make a substantial number of deliveries into or have large gross revenues from Alaska benefit extensively from the Alaska market, affecting the economy as well as burdening local infrastructure and services; and

WHEREAS, delivery of goods and services into local municipalities rely on and burden local transportation systems, emergency and police services, waste disposal, utilities and other infrastructure and services; and,

WHEREAS, given modern computing and software options, it is neither unusually difficult nor burdensome for remote sellers to collect and remit sales taxes associated with sales into Alaska taxing jurisdictions; and

WHEREAS, due to a recent decision by the United States Supreme Court and the lack of a state sales tax it is appropriate for the municipalities to collectively amend their sales tax codes to account for remote sellers who do not have a physical presence either in the State of Alaska or in a specific taxing jurisdiction, but do have a taxable connection with the State of Alaska or taxing jurisdiction; and

WHEREAS, this ordinance is not retroactive in its application; and

WHEREAS, this ordinance provides a safe harbor to those who transact limited sales in Alaska; and

WHEREAS, amending local sales tax codes reflects the 2018 Supreme Court "*Wayfair*" decision to allow for the application of the taxing jurisdiction's sales tax code requirements to sellers without a physical presence in the State of Alaska or taxing jurisdiction; and

WHEREAS, the intent is to levy municipal sales tax to the maximum limit of federal and state constitutional doctrines; and

WHEREAS, the [insert name of municipality] has entered into a cooperative agreement with other local governments called the Alaska Intergovernmental Remote Seller Sales Tax Agreement ("the Agreement"); and

WHEREAS, the terms of the Agreement require adoption of certain uniform provisions for collection and remittance of municipal sales tax applicable to sales made by remote sellers similar to the Streamlined Sales and Use Tax Agreement.

NOW, THEREFORE, it is enacted as follows:

Chapter __ of the [fill in name] Code of Ordinances is hereby amended by adopting a new Chapter __ to read as follows:

Sales Made by Remote Sellers: The Alaska Remote Sellers Sales Tax Code is an ordinance prepared by the Alaska Remote Seller Sales Tax Commission and hereby adopted by reference.

ALASKA REMOTE SELLER SALES TAX CODE

SECTION 010 – Interpretation

A. In order to prevent evasion of the sales taxes and to aid in its administration, it is presumed that all sales and services by a person or entity engaging in business are subject to the sales tax.
B. The application of the tax levied under this Code shall be broadly construed and shall favor inclusion rather than exclusion.
C. Exemptions from the tax levied under this Code or from the taxing jurisdiction shall be narrowly construed against the claimant and allowed only when such exemption clearly falls within an exemption defined in this Code or the taxing jurisdiction's Code.
D. The scope of this Code shall apply to remote sellers or marketplace facilitators, delivering products or services to Member municipalities adopting this Code, within the state of Alaska.

SECTION 020 – Title to Collected Sales Tax

Upon collection by the remote seller or marketplace facilitator, title to collected sales tax vests in the Commission for remittance to the taxing jurisdiction. The remote seller or marketplace facilitator remits collected sales tax to the Commission on behalf of the taxing jurisdiction, from whom that power is delegated, in trust for the taxing jurisdiction and is accountable to the Commission and taxing jurisdiction.

SECTION 030 – Imposition – Rate

A. To the fullest extent permitted by law, a sales tax is levied and assessed on all remote sales where delivery is made within the local taxing jurisdiction(s) that is a Member, within the state of Alaska.
B. The applicable tax shall be added to the sales price.
C. The tax rate added to the sale price shall be the tax rate for the taxing jurisdiction(s) where the property or product is sold, or service that was rendered is received, and based on the date the property or product was sold or the date the service rendered was received.
D. An Address and Tax Rate Database will be made available to remote sellers and marketplace facilitators, indicating the appropriate tax rate to be applied.
E. The tax assessed shall be consistent with relevant jurisdictional tax caps, single unit sales, and exemptions.
F. When a sale is made on an installment basis, the applicable sales tax shall be collected at each payment, calculated at the sales tax rate in effect, and with the cap applied, at the time of the original sale or the date the service is rendered, based on the local jurisdictions' Code(s).
G. When a sales transaction involves placement of a single order with multiple deliveries made at different points in time that are separately invoiced, the applicable sales tax shall be collected on each separately invoiced delivery, calculated at the sales tax rate in effect, and with the cap applied, at the time of the original sale or the date the service is rendered.

SECTION 040 – Obligation to Collect Tax - Threshold Criteria

A. Any remote seller or marketplace facilitator must collect and remit sales tax in compliance with all applicable procedures and requirements of law, provided the remote seller or marketplace facilitator has met one of the following Threshold Criteria ("Threshold Criteria") in the previous calendar year:

1. The remote seller's statewide gross sales, including the seller's marketplace facilitator's statewide gross sales, from the sale(s) of property, products or services delivered into the state meets or exceeds one hundred thousand dollars ($100,000); or
2. The remote seller, including the seller's marketplace facilitator, sold property, products, or services delivered into the state in two hundred (200) or more separate transactions.

B. For purposes of determining whether the Threshold Criteria are met, remote sellers or marketplace facilitators shall include all gross sales, from all sales of goods, property, products, or services rendered within the state of Alaska.

SECTION 050. – No Retroactive Application
The obligations to collect and remit sales tax required by this chapter are applicable at the effective date of the ordinance adopting the Alaska Remote Seller Sales Tax Code.

SECTION 060 – Payment and Collection
Pursuant to this Code, taxes imposed shall be due and paid by the buyer to the remote seller or marketplace facilitator at the time of the sale of property or product or date service is rendered, or with respect to credit transactions, at the time of collection. It shall be the duty of each remote seller or marketplace facilitator to collect the taxes from the buyer and to hold those taxes in trust for the taxing authority of the taxing jurisdiction. Failure by the remote seller or marketplace facilitator to collect the tax shall not affect the remote seller's, or marketplace facilitator's, responsibility for payment to the Commission.

SECTION 070 – Remote Seller and Marketplace Facilitator Registration Requirement

A. If a remote seller's gross statewide sales within the last calendar year meets or exceeds the Threshold Criteria, the remote seller shall register with the Commission. If a marketplace facilitator's gross statewide sales within the last calendar year meets or exceeds the Threshold Criteria, the marketplace facilitator shall register with the Commission.
B. A remote seller or marketplace facilitator meeting the Threshold Criteria shall apply for a certificate of sales tax registration within thirty (30) calendar days of the effective date of this Code or within thirty (30) calendar days of meeting the Threshold Criteria whichever occurs second. Registration shall be to the Commission on forms prescribed by the Commission.
C. An extension may be applied for and granted based on criteria established by the Commission, based on evidence produced to describe time necessary to update software or other technical needs, not to exceed ninety (90) days.
D. Upon receipt of a properly executed application, the Commission shall confirm registration, stating the legal name of the remote seller or marketplace facilitator, the primary address, and the primary sales tax contact name and corresponding title. The failure of the Commission to confirm registration does not relieve the remote seller or marketplace facilitator of its duty to collect and remit sales tax.

E. Each business entity shall have a sales tax registration under the advertised name.
F. The sales tax certificate is non-assignable and non-transferable.

SECTION 080 – Tax Filing Schedule

A. All remote sellers or marketplace facilitators subject to this Code shall file a return on a form or in a format prescribed by the Commission and shall pay the tax due.
B. Filing of sales tax returns are due monthly; quarterly filing is optional upon application and approval by the Commission, consistent with the code of the local jurisdiction.
C. A remote seller or marketplace facilitator who has filed a sales tax return will be presumed to be making sales in successive periods unless the remote seller or marketplace facilitator files a return showing a termination or sale of the business in accordance with this Code.
D. The completed and executed return, together with the remittance in full for the tax due, shall be transmitted to and must be received by the Commission on or before midnight Alaska Standard Time on the due date. Monthly returns are due the last day of the immediate subsequent month. Quarterly returns are due as follows:

Quarter 1 (January – March)	April 30
Quarter 2 (April – June)	July 31
Quarter 3 (July – September)	October 31
Quarter 4 (October – December)	January 31

E. If the last day of the month following the end of the filing period falls on a Saturday, Sunday, federal holiday or Alaska state holiday, the due date will be extended until the next business day immediately following.
F. Any remote seller or marketplace facilitator holding a remote seller registration shall file a sales tax return even though no tax may be due. This return shall show why no tax is due. If the remote seller or marketplace facilitator intends to continue doing business a return shall be filed reflecting no sales and a confirmation of the intent to continue doing business and shall continue to do so each filing period until the entity ceases doing business or sells the business. If the remote seller or marketplace facilitator intends to cease doing business, a final return shall be filed along with a statement of business closure.
G. The remote seller or marketplace facilitator shall prepare the return and remit sales tax to the Commission on the same basis, cash or accrual, which the remote seller or marketplace facilitator uses in preparing its federal income tax return. The remote seller or marketplace facilitator shall sign the return, and transmit the return, with the amount of sales tax and any applicable penalty, interest or fees that it shows to be due, to the Commission.
H. Remote sellers and marketplace facilitators failing to comply with the provisions of this Code shall, if required by the Commission and if quarterly filing has been chosen, file and transmit collected sales taxes more frequently until such time as they have demonstrated to the Commission that they are or will be able to comply with the provisions of this Code. Six (6) consecutive on-time sales tax filings, with full remittance of the sales taxes collected, shall establish the presumption of compliance and return to quarterly filing.
I. The preparer of the sales tax return shall keep and maintain all documentation

supporting any and all claims of exempted sales and purchases. Documentation for exempted sales should include the number of the exemption authorization card presented by the buyer at the time of the purchase; the date of the purchase; the name of the person making the purchase; the organization making the purchase; the total amount of the purchase; and the amount of sales tax exempted. This documentation shall be made available to the Commission upon request. Failure to provide such documentation may invalidate that portion of the claim of exemption for which no documentation is provided.

SECTION 090 – Estimated Tax

A. In the event the Commission is unable to ascertain the tax due from a remote seller or marketplace facilitator by reason of the failure of the remote seller or marketplace facilitator to keep accurate books, allow inspection, or file a return, or by reason of the remote seller or marketplace facilitator filing a false or inaccurate return, the Commission may make an estimate of the tax due based on any evidence in their possession.
B. Sales taxes may also be estimated, based on any information available, whenever the Commission has reasonable cause to believe that any information on a sales tax return is not accurate.
C. A remote seller's or marketplace facilitator's tax liability under this Code may be determined and assessed for a period of six (6) years after the date the return was filed or due to be filed with the Commission. No civil action for the collection of such tax may be commenced after the expiration of the six- (6-) year period except an action for taxes, penalties and interest due from those filing periods that are the subject of a written demand or assessment made within the six- (6-) year period, unless the remote seller or marketplace facilitator waives the protection of this section.
D. The Commission shall notify the remote seller or marketplace facilitator, in writing, that the Commission has estimated the amount of sales tax that is due from the remote seller or marketplace facilitator. The Commission shall serve the notice on the remote seller or marketplace facilitator by delivering the notice to the remote seller's or marketplace facilitator's place of business, or by mailing the notice by certified mail, return receipt requested, to the remote seller's or marketplace facilitator's last known mailing address. A remote seller or marketplace facilitator who refuses the certified mail will be considered to have accepted the certified mail for purposes of service.
E. The Commission's estimate of the amount of sales tax that is due from a remote seller or marketplace facilitator shall become a final determination of the amount that is due unless the remote seller or marketplace facilitator, within thirty (30) calendar days after service of notice of the estimated tax:
   1. Files a complete and accurate sales tax return for the delinquent periods supported by satisfactory records and accompanied by a full remittance of all taxes, interest, penalties, costs and other charges due; or
   2. Files a written notice with the Commission appealing the estimated tax amount in accordance with the appeal procedures.
   3. Arguments or reasons for failure to timely file a return and remit taxes collected shall not be considered a valid basis or grounds for granting an appeal. The basis and grounds for granting an appeal of an assessment are:
      a. The identity of the remote seller or marketplace facilitator is in error;

b. The amount of the debt is erroneous due to a clerical error (and the nature and extent of the error is specified in the request for appeal); or
c. The remote seller or marketplace facilitator disputes the denial of exemption(s) for certain sales.

F. The amount of sales tax finally determined to be due under this section shall bear interest and penalty from the date that the sales tax originally was due, plus an additional civil penalty of fifty dollars ($50) for each calendar month or partial month for which the amount of sales tax that is due has been determined.

SECTION 100 – Returns – Filing Contents

A. Every remote seller or marketplace facilitator required by this chapter to collect sales tax shall file with the Commission upon forms furnished by the Commission a return setting forth the following information with totals rounded to the nearest dollar:
   1. Gross sales;
   2. The nontaxable portions separately stating the amount of sales revenue attributable to each class of exemption;
   3. Computation of taxes to be remitted;
   4. Calculated discount (if applicable) based on taxing jurisdiction's code; and
   5. Such other information as may be required by the Commission.
B. Each tax return remitted by a remote seller or marketplace facilitator shall be signed (digital or otherwise) by a responsible individual who shall attest to the completeness and accuracy of the information on the tax return.
C. The Commission reserves the right to reject a filed return for failure to comply with the requirements of this Code for up to three (3) months from the date of filing. The Commission shall give written notice to a remote seller or marketplace facilitator that a return has been rejected, including the reason for the rejection.

SECTION 110 – Refunds

A. Upon request from a buyer or remote seller or marketplace facilitator the Commission shall provide a determination of correct tax rate and amount applicable to the transaction. In the case of an overpayment of taxes, the remote seller or marketplace facilitator shall process the refund and amend any returns accordingly.
B. If the claimant is a remote seller or marketplace facilitator, and the tax refund is owed to any buyer, the remote seller or marketplace facilitator submits, and the Commission approves, a refund plan to all affected buyers.
C. The Taxing Jurisdictions may allow a buyer to request a refund directly from the Taxing Jurisdiction.

SECTION 120 – Amended Returns

A. A remote seller or marketplace facilitator may file an amended sales tax return, with supporting documentation, and the Commission may accept the amended return, but only in the following circumstances:
   i. The amended return is filed within one (1) year of the original due date for the return; and
   ii. The remote seller or marketplace facilitator provides a written justification for requesting approval of the amended return; and
   iii. The remote seller or marketplace facilitator agrees to submit to an audit upon request

of the Commission.

B. The Commission shall notify the remote seller or marketplace facilitator in writing (by email or otherwise) whether the Commission accepts or rejects an amended return, including the reasons for any rejection.
C. The Commission may adjust a return for a remote seller or marketplace facilitator if, after investigation, the Commission determines the figure included in the original returns are incorrect; and the Commission adjusts the return within two (2) years of the original due date for the return.
D. A remote seller or marketplace facilitator may file a supplemental sales tax return, with supporting documentation, and the Commission may accept the supplemental return, but only in the following circumstances:
   i. The remote seller or marketplace facilitator provides a written justification for requesting approval of the supplemental return; and
   ii. The remote seller or marketplace facilitator agrees to submit to an audit upon request of the Commission.

SECTION 130 – Extension of Time to File Tax Return

Upon written application of a remote seller or marketplace facilitator, stating the reasons therefor, the Commission may extend the time to file a sales tax return but only if the Commission finds each of the following:

1. For reasons beyond the remote seller's or marketplace facilitator's control, the remote seller or marketplace facilitator has been unable to maintain in a current condition the books and records that contain the information required to complete the return;
2. Such extension is a dire necessity for bookkeeping reasons and would avert undue hardship upon the remote seller or marketplace facilitator;
3. The remote seller or marketplace facilitator has a plan to cure the problem that caused the remote seller or marketplace facilitator to apply for an extension and the remote seller or marketplace facilitator agrees to proceed with diligence to cure the problem;
4. At the time of the application, the remote seller or marketplace facilitator is not delinquent in filing any other sales tax return, in remitting sales tax to the Commission or otherwise in violation of this chapter;
5. No such extension shall be made retroactively to cover existing delinquencies.

SECTION 140 – Audits

A. Any remote seller or marketplace facilitator who has registered with the Commission, who is required to collect and remit sales tax, or who is required to submit a sales tax return is subject to a discretionary sales tax audit at any time. The purpose of such an audit is to examine the business records of the remote seller or marketplace facilitator in order to determine whether appropriate amounts of sales tax revenue have been collected by the remote seller or marketplace facilitator and remitted to the Commission.
B. The Commission is not bound to accept a sales tax return as correct. The Commission may make an independent investigation of all retail sales or transactions conducted within the State or taxing jurisdiction.
C. The records that a remote seller or marketplace facilitator is required to maintain under this chapter shall be subject to inspection and copying by authorized employees or agents of the Commission for the purpose of auditing any return filed under this chapter, or to

determine the remote seller's or marketplace facilitator's liability for sales tax where no return has been filed.

D. In addition to the information required on returns, the Commission may request, and the remote seller or marketplace facilitator must furnish, any reasonable information deemed necessary for a correct computation of the tax.
E. The Commission may adjust a return for a remote seller or marketplace facilitator if, after investigation or audit, the Commission determines that the figures included in the original return are incorrect, and that additional sales taxes are due; and the Commission adjusts the return within two (2) years of the original due date for the return.
F. For the purpose of ascertaining the correctness of a return or the amount of taxes owed when a return has not been filed, the Commission may conduct investigations, hearings and audits and may examine any relevant books, papers, statements, memoranda, records, accounts or other writings of any remote seller or marketplace facilitator at any reasonable hour on the premises of the remote seller or marketplace facilitator and may require the attendance of any officer or employee of the remote seller or marketplace facilitator. Upon written demand by the Commission, the remote seller or marketplace facilitator shall present for examination, in the office of the Commission, such books, papers, statements, memoranda, records, accounts and other written material as may be set out in the demand unless the Commission and the person upon whom the demand is made agree to presentation of such materials at a different place.
G. The Commission may issue subpoenas to compel attendance or to require production of relevant books, papers, records or memoranda. If any remote seller or marketplace facilitator refuses to obey any such subpoena, the Commissioner may refer the matter to the Commission's attorney for an application to the superior court for an order requiring the remote seller or marketplace facilitator to comply therewith.
H. Any remote seller, marketplace facilitator, or person engaged in business who is unable or unwilling to submit their records to the Commission shall be required to pay the Commission for all necessary expenses incurred for the examination and inspection of their records maintained outside the Commission.
I. After the completion of a sales tax audit, the results of the audit will be sent to the business owner's address of record.
J. In the event the Commission, upon completion of an audit, discovers more than five hundred dollars ($500) in additional sales tax due from a remote seller or marketplace facilitator resulting from a remote seller's or marketplace facilitator's failure to accurately report sales and taxes due thereupon, the remote seller or marketplace facilitator shall bear responsibility for the full cost of the audit. The audit fee assessment will be in addition to interest and penalties applicable to amounts deemed to be delinquent by the Commission at the time of the conclusion of the audit.

SECTION 150 – Audit protest

A. If the remote seller or marketplace facilitator wishes to dispute the amount of the estimate, or the results of an examination or audit, the remote seller or marketplace facilitator must file a written protest with the Commission, within thirty (30) calendar days of the date of the notice of estimated tax or results of an audit or examination. The protest must set forth:
   1. The remote seller's or marketplace facilitator's justification for reducing or

increasing the estimated tax amount, including any missing sales tax returns for the periods estimated; or
2. The remote seller's or marketplace facilitator's reasons for challenging the examination or audit results.

B. In processing the protest, the Commission may hold an informal meeting or hearing with the remote seller or marketplace facilitator, either on its own or upon request of the remote seller or marketplace facilitator, and may also require that the remote seller or marketplace facilitator submit to an audit, if one was not previously conducted or a more formal audit, if an estimation audit was previously performed.
C. The Commission shall make a final written determination on the remote seller's or marketplace facilitator's protest and mail a copy of the determination to the remote seller or marketplace facilitator.
D. If a written protest is not filed within thirty (30) days of the date of the notice of estimated tax or the result of a review, audit or examination, then the estimated tax, review, audit or examination result shall be final, due and payable to the Commission.

SECTION 160 – Penalties and Interest for Late Filing

A. A late filing fee of twenty-five dollars ($25) per month (or quarter) shall be added to all late-filed sales tax reports in addition to interest and penalties.
B. Delinquent sales tax bear interest at the rate of fifteen percent (15%) per annum until paid.
C. In addition, delinquent sales tax shall be subject to an additional penalty of 5% per month, or fraction thereof, until a total of 20% of delinquent tax has been reached. The penalty does not bear interest.
D. Fees, penalties and interest shall be assessed and collected in the same manner as the tax is assessed and collected, and applied first to fees, penalties and interest, second to past due sales tax.
E. The filing of an incomplete return, or the failure to remit all tax, shall be treated as the filing of no return.
F. A penalty assessed under this section for the delinquent remittance of sales tax or failure to file a sales tax return may be waived by the Commission, upon written application of the remote seller or marketplace facilitator accompanied by a payment of all delinquent sales tax, interest and penalty otherwise owed by the remote seller or marketplace facilitator, within forty-five (45) calendar days after the date of delinquency. A remote seller or marketplace facilitator may not be granted more than one (1) waiver of penalty under this subjection in any one calendar year. The Commission shall report such waivers of penalty to the taxing jurisdiction, in writing.

SECTION 170 – Repayment Plans

A. The Commission may agree to enter into a repayment plan with a delinquent remote seller or marketplace facilitator. No repayment plan shall be valid unless agreed to by both parties in writing.
B. A remote seller or marketplace facilitator shall not be eligible to enter into a repayment plan with the Commission if the remote seller or marketplace facilitator has defaulted on a repayment plan in the previous two (2) calendar years.
C. The repayment plan shall include a secured promissory note that substantially complies

with the following terms:

i. The remote seller or marketplace facilitator agrees to pay a minimum of ten percent (10%) down payment on the tax, interest and penalty amount due. The down payment shall be applied first to penalty, then to accumulated interest, and then to the tax owed.
ii. The remote seller or marketplace facilitator agrees to pay the balance of the tax, penalty and interest owed in monthly installments over a period not to exceed two (2) years.
iii. Interest at a rate of fifteen percent (15%) per annum shall accrue on the principal sum due. Interest shall not apply to penalties owed or to interest accrued at the time the repayment plan is executed or accruing during the term of the repayment plan.
iv. If the remote seller or marketplace facilitator is a corporation or a limited liability entity the remote seller or marketplace facilitator agrees to provide a personal guarantee of the obligations under the repayment plan.
v. The remote seller or marketplace facilitator agrees to pay all future tax bills in accordance with the provisions of this chapter.
vi. The remote seller or marketplace facilitator agrees to provide a security interest in the form of a sales tax lien for the entire unpaid balance of the promissory note to be recorded by the Commission at the time the repayment plan is signed. The remote seller or marketplace facilitator shall be responsible for the cost of recording the tax lien.

D. If a remote seller or marketplace facilitator fails to pay two (2) or more payments as required by the repayment plan agreement, the remote seller or marketplace facilitator shall be in default and the entire amount owed at the time of default shall become immediately due. The Commission will send the remote seller or marketplace facilitator a notice of default. The Commission may immediately foreclose on the sales tax lien or take any other remedy available under the law.

SECTION 180 – Remote Seller or Marketplace Facilitator Record Retention

Remote sellers or marketplace facilitators shall keep and preserve suitable records of all sales made and such other books or accounts as may be necessary to determine the amount of tax which the remote seller or marketplace facilitator is obliged to collect. Remote sellers or marketplace facilitators shall preserve suitable records of sales for a period of six (6) years from the date of the return reporting such sales, and shall preserve for a period of six (6) years all invoices of goods and merchandise purchased for resale, and all such other books, invoices and records as may be necessary to accurately determine the amount of taxes which the remote seller or marketplace facilitator was obliged to collect under this chapter.

SECTION 190 – Cessation or Transfer of Business

A. A remote seller or marketplace facilitator who sells, leases, conveys, forfeits, transfers or assigns the majority of their business interest, including a creditor or secured party, shall make a final sales tax return within thirty (30) days after the date of such conveyance.
B. At least ten (10) business days before any such sale is completed, the remote seller or marketplace facilitator shall send to the Commission, by approved communication (email confirmation, certified first-class mail, postage prepaid) a notice that the remote

seller's or marketplace facilitator's interest is to be conveyed and shall include the name, address and telephone number of the person or entity to whom the interest is to be conveyed.

C. Upon notice of sale and disclosure of buyer, the Commission shall be authorized to disclose the status of the remote seller's or marketplace facilitator's sales tax account to the named buyer or assignee.
D. Upon receipt of notice of a sale or transfer, the Commission shall send the transferee a copy of this Code with this section highlighted.
E. Neither the Commission's failure to give the notice nor the transferee's failure to receive the notice shall relieve the transferee of any obligations under this section.
F. Following receipt of the notice, the Commission shall have sixty (60) days in which to perform a final sales tax audit and assess sales tax liability against the seller of the business. If the notice is not mailed at least ten (10) business days before the sale is completed, the Commission shall have twelve (12) months from the date of the completion of the sale or the Commission's knowledge of the completion of the sale within which to begin a final sales tax audit and assess sales tax liability against the seller of the business. The Commission may also initiate an estimated assessment if the requirements for such an assessment exist.
G. A person acquiring any interest of a remote seller or marketplace facilitator in a business required to collect the tax under this chapter assumes the liability of the remote seller or marketplace facilitator for all taxes due the Commission, whether current or delinquent, whether known to the Commission or discovered later, and for all interest, penalties, costs and charges on such taxes.
H. Before the effective date of the transfer, the transferee of a business shall obtain from the Commission an estimate of the delinquent sales tax, penalty and interest, if any, owed by the remote seller or marketplace facilitator as of the date of the transfer, and shall withhold that amount from the consideration payable for the transfer, until the remote seller or marketplace facilitator has produced a receipt from the Commission showing that all tax obligations imposed by this chapter have been paid. A transferee that fails to withhold the amount required under this subsection shall be liable to the Commission and taxing jurisdiction for the lesser of the amount of delinquent sales tax, penalty and interest due from the remote seller or marketplace facilitator as of the date of transfer, and the amount that the transferee was required to withhold.
I. In this section, the term "transfer" includes the following:
    1. A change in voting control, or in more than fifty percent (50%) of the ownership interest in a remote seller or marketplace facilitator that is a corporation, limited liability company or partnership; or
    2. A sale of all or substantially all the assets used in the business of the remote seller or marketplace facilitator; or
    3. The initiation of a lease, management agreement or other arrangement under which another person becomes entitled to the remote seller's or marketplace facilitator's gross receipts from sales, rentals or services.
J. Subsection H of this section shall not apply to any person who acquires their ownership interest in the ongoing business as a result of the foreclosure of a lien that has priority over the Commission's sales tax lien.
K. Upon termination, dissolution or abandonment of a corporate business, any officer

having control or supervision of sales tax funds collected, or who is charged with responsibility for the filing of returns or the payment of sales tax funds collected, shall be personally liable for any unpaid taxes, interest, administrative costs and penalties on those taxes if such officer willfully fails to pay or cause to be paid any taxes due from the corporation. In addition, regardless of willfulness, each director of the corporation shall be jointly and severally liable for unpaid amounts. The officer shall be liable only for taxes collected which became due during the period he or she had the control, supervision, responsibility or duty to act for the corporation. This section does not relieve the corporation of other tax liabilities or otherwise impair other tax collection remedies afforded by law.

L. A remote seller or marketplace facilitator who terminates the business without the benefit of a purchaser, successor or assign shall make a final tax return and settlement of tax obligations within thirty (30) days after such termination. If a final return and settlement are not received within thirty (30) days of the termination, the remote seller or marketplace facilitator shall pay a penalty of one hundred dollars ($100), plus an additional penalty of twenty-five dollars ($25) for each additional thirty- (30-) day period, or part of such a period, during which the final return and settlement have not been made, for a maximum of six (6) additional periods.

SECTION 200 – Use of Information on Tax Returns

A. Except as otherwise provided in this chapter, all returns, reports and information required to be filed with the Commission under this Code, and all information contained therein, shall be kept confidential and shall be subject to inspection only by:
   1. Employees and agents of the Commission and taxing jurisdiction whose job responsibilities are directly related to such returns, reports and information;
   2. The person supplying such returns, reports and information; and
   3. Persons authorized in writing by the person supplying such returns, reports and information.

B. The Commission will release information described in subsection A of this section pursuant to subpoena, order of a court or administrative agency of competent jurisdiction, and where otherwise required by law to do so.

C. Notwithstanding subsection A of this section, the following information is available for public inspection:
   1. The name and address of sellers;
   2. Whether a business is registered to collect taxes under this chapter;
   3. The name and address of businesses that are sixty (60) days or more delinquent in filing returns or in remitting sales tax, or both filing returns and remitting sales tax; and, if so delinquent, the amount of estimated sales tax due, and the number of returns not filed.

D. The Commission may provide the public statistical information related to sales tax collections, provided that no information identifiable to a particular remote seller or marketplace facilitator is disclosed.

E. Nothing contained in this section shall be construed to prohibit the delivery to a person, or their duly authorized representative, of a copy of any return or report filed by them, nor to prohibit the publication of statistics so classified as to prevent the identification of particular buyers, remote sellers, or marketplace facilitators, nor to prohibit the furnishing of information on a reciprocal basis to other agencies or political subdivisions of the state or the United States concerned with the enforcement of tax laws.

F. Nothing contained in this section shall be construed to prohibit the disclosure through enforcement action proceedings or by public inspection or publication of the name, estimated balance due, and current status of payments, and filings of any remote seller or marketplace facilitator or agent of any remote seller or marketplace facilitator required to collect sales taxes or file returns under this chapter, who fails to file any return and/or remit in full all sales taxes due within thirty (30) days after the required date for that business. Entry into any agreement whether pursuant to the provisions of this chapter or otherwise shall not act as any prohibition to disclosure of the records of that remote seller or marketplace facilitator as otherwise provided in this chapter.

G. A prospective lessee or purchaser of any business or business interest may inquire as to the obligation or tax status of any business upon presenting to the Commission a release of tax information request signed by the authorized agent of the business.

H. All returns referred to in this chapter, and all data taken therefrom, shall be kept secure from public inspection, and from all private inspection.

SECTION 210 – Violations

A. A remote seller or marketplace facilitator that fails to file a sales tax return or remit sales tax when due, in addition to any other liability imposed by this Code, shall pay to the Commission all costs incurred by the Commission to determine the amount of the remote seller’s or marketplace facilitator’s liability or to collect the sales tax, including, without limitation, reviewing and auditing the remote seller’s or marketplace facilitator’s business records, collection agency fees, and actual reasonable attorney’s fees.

B. A person who causes or permits a corporation of which the person is an officer or director, a limited liability company of which the person is a member or manager, or a partnership of which the person is a partner, to fail to collect sales tax or to remit sales tax to the Commission as required by this Code shall be liable to the Commission for the amount that should have been collected or remitted, plus any applicable interest and penalty.

C. Notwithstanding any other provision of law, and whether or not the Commission initiates an audit or other tax collection procedure, the Commission may bring a declaratory judgment action against a remote seller or marketplace facilitator believed to meet the criteria to establish that the obligation to remit sales tax is applicable and valid under local, state and federal law. The action shall be brought in the judicial district of the taxing jurisdiction.

D. The Commission may cause a sales tax lien to be filed and recorded against all real and personal property of a remote seller or marketplace facilitator where the remote seller or marketplace facilitator has:
   1. Failed to file sales tax returns for two (2) consecutive filing periods as required by the Code; or
   2. Failed within sixty (60) days of the end of the filing period from which taxes were due to either (a) remit all amounts due or (b) to enter into a secured payment agreement as provided in this Code.
   3. Prior to filing a sales tax lien, the Commission shall cause a written notice of intent to file to be mailed to the last known address of the delinquent remote seller or marketplace facilitator.

E. In addition to other remedies discussed in this Code, the Commission may bring a civil action to:
   1. Enjoin a violation of this Code. On application for injunctive relief and a finding of a violation or threatened violation, the superior court shall enjoin the violation.
   2. Collect delinquent sales tax, penalty, interest and costs of collection, either before or after estimating the amount of sales tax due.
   3. Foreclose a recorded sales tax lien as provided by law.

F. All remedies hereunder are cumulative and are in addition to those existing at law or equity.

SECTION 220 – Penalties for Violations

A. A buyer, remote seller, or marketplace facilitator who knowingly or negligently submits false information in a document filed with the Commission pursuant to this Code is subject to a penalty of five hundred dollars ($500).
B. A remote seller or marketplace facilitator who knowingly or negligently falsifies or conceals information related to its business activities with the Commission or taxing jurisdiction is subject to a penalty of five hundred dollars ($500).
C. A person who knowingly or negligently provides false information when applying for a certificate of exemption is subject to a penalty of five hundred dollars ($500).
D. Any remote seller or marketplace facilitator who fails to file a return by the due date required under this chapter, regardless of whether any taxes were due for the reporting period for which the return was required, shall be subject to a penalty of twenty-five dollars ($25) for the first sales tax return not timely filed. The filing of an incomplete return shall be treated as the filing of no return.
E. A remote seller or marketplace facilitator who fails or refuses to produce requested records or to allow inspection of their books and records shall pay to the Commission a penalty equal to three (3) times any deficiency found or estimated by the Commission with a minimum penalty of five hundred dollars ($500).
F. A remote seller or marketplace facilitator who falsifies or misrepresents any record filed with the Commission is guilty of an infraction and subject to a penalty of five hundred dollars ($500) per record.
G. Misuse of an exemption card is a violation and subject to a penalty of fifty dollars ($50) per incident of misuse;
H. Nothing in this chapter shall be construed as preventing the Commission from filing and maintaining an action at law to recover any taxes, penalties, interest and/or fees due from a remote seller or marketplace facilitator. The Commission may also recover attorney’s fees in any action against a delinquent remote seller or marketplace facilitator.

SECTION 230 – Sellers with a physical presence in the taxing jurisdiction.

A. Sellers with a physical presence in a Taxing Jurisdiction and no remote or internet-based sales shall report, remit, and comply with standards, including audit authority, of the Taxing Jurisdiction.

B. Sellers with a physical presence in a Taxing Jurisdiction that also have remote or internet-based sales where the Point of Delivery is in a different Taxing Jurisdictions shall (i) report and remit the remote or internet sales to the Commission; and ii) report and remit the in-store sales to the Taxing Jurisdiction.

C. Sellers with a physical presence in a Taxing Jurisdiction that also have remote or internet-based sales where the Point of Delivery is in the same Taxing Jurisdictions shall report and remit those remote sales to the Taxing Jurisdiction.

D. Sellers and marketplace facilitators that do not have a physical presence in a Taxing Jurisdiction must report and remit all remote sales to the Commission.

E. For all purchases the tax rate added to the sale price shall be as provided in the Taxing Jurisdiction's sales tax code, based on point of delivery.

F. A marketplace facilitator is considered the remote seller for each sale facilitated through its marketplace and shall collect, report, and remit sales tax to the Commission. A marketplace facilitator is not considered to be the remote seller for each sale or rental of lodging facilitated through its marketplace, wherein the seller is considered to have a physical presence in the Taxing Jurisdiction.

SECTION 240 – Remittance of Tax; Remote Seller Held Harmless

A. Any remote seller or marketplace facilitator that collects and remits sales tax to the Commission as provided by law may use an electronic database of state addresses that is certified by the Commission pursuant to subsection (C) of this section to determine the jurisdictions to which tax is owed.

B. Any remote seller or marketplace facilitator that uses the data contained in an electronic database certified by the Commission pursuant to subsection (C) of this section to determine the jurisdictions to which tax is owed shall be held harmless for any tax, charge, or fee liability to any taxing jurisdiction that otherwise would be due solely as a result of an error or omission in the database.

C. Any electronic database provider may apply to the Commission to be certified for use by remote sellers or marketplace facilitators pursuant to this section. Such certification shall be valid for three years. In order to be certified, an electronic database provider shall have a database that satisfies the following criteria:

   1. The database shall designate each address in the state, including, to the extent practicable, any multiple postal address applicable to one location and the taxing jurisdictions that have the authority to impose a tax on purchases made by purchasers at each address in the state.
   2. The information contained in the electronic database shall be updated as necessary and maintained in an accurate condition. In order to keep the database accurate, the database provider shall provide a convenient method for taxing jurisdictions that may be affected by the use of the database to inform the provider of apparent errors in the database. The provider shall have a process in place to promptly correct any errors brought to the provider's attention.

SECTION 250 – Definitions

Adoption of definitions does not compel an individual municipality to exempt certain defined items. Each municipality should specifically adopt definitions necessary for consistency to implement both brick-and-mortar sales tax code and provisions related to remote sellers or marketplace facilitators. For definitions that have no applicability to brick-and-mortar sales tax code, municipality may choose either to include definitions in the definitional section of general sales tax ordinance or adopt the common definitions by reference.

"Buyer or purchaser" means a person to whom a sale of property or product is made or to whom a service is furnished.

"Commission" means the Alaska Intergovernmental Remote Sales Tax Commission established by Agreement between local government taxing jurisdictions within Alaska, and delegated tax collection authority.

"**Delivered electronically**" means delivered to the purchaser by means other than tangible storage media.

"Entity-based exemption" means an exemption based on who purchases the product or who sells the product. An exemption that is available to all individuals shall not be considered an entity-based exemption.

"**Goods for resale**" means:

A. the sale of goods by a manufacturer, wholesaler or distributor to a retail vendor; sales to a wholesale or retail dealer who deals in the property sold, for the purpose of resale by the dealer.

B. Sales of personal property as raw material to a person engaged in manufacturing components for sale, where the property sold is consumed in the manufacturing process of, or becomes an ingredient or component part of, a product manufactured for sale by the manufacturer.

C. Sale of personal property as construction material to a licensed building contractor where the property sold becomes part of the permanent structure.

"Marketplace facilitator" means a person that contracts with remote sellers to facilitate for consideration, regardless of whether deducted as fees from the transaction, the sale of the remote seller's property or services through a physical or electronic marketplace operated by the person, and engages:

(a) Directly or indirectly, through one or more affiliated persons in any of the following:

(i) Transmitting or otherwise communicating the offer or acceptance between the buyer and remote seller;

(ii) Owning or operating the infrastructure, electronic or physical, or technology that brings buyers and remote sellers together;

(iii) Providing a virtual currency that buyers are allowed or required to use to purchase products from the remote seller; or

(iv) Software development or research and development activities related to any of the activities described in (b) of this subsection (3), if such activities are directly related to a physical or electronic marketplace operated by the person or an affiliated person; and

(b) In any of the following activities with respect to the seller's products:
(i) Payment processing services;
(ii) Fulfillment or storage services;
(iii) Listing products for sale;
(iv) Setting prices;
(v) Branding sales as those of the marketplace facilitator;
(vi) Order taking;
(vii) Advertising or promotion; or
(viii) Providing customer service or accepting or assisting with returns or exchanges.

"**Member**" means a taxing jurisdiction that is a signatory of the Alaska Remote Sales Tax Intergovernmental Agreement, thereby members of the Commission, and who have adopted the Remote Seller Sales Tax Code.

"**Monthly**" means occurring once per calendar month.

"**Nonprofit organization"** means a business that has been granted tax-exempt status by the Internal Revenue Service (IRS); means an association, corporation, or other organization where no part of the net earnings of the organization inures to the benefit of any member, shareholder, or other individual, as certified by registration with the IRS.

"**Person**" means an individual, trust, estate, fiduciary, partnership, limited liability company, limited liability partnership, corporation, or any other legal entity.

"**Physical presence**" means a seller who establishes any one or more of the following within a local taxing jurisdiction:

1. Has any office, distribution or sales house, warehouse, storefront, or any other place of business within the boundaries of the local taxing jurisdiction;
2. Solicits business or receiving orders through any employee, agent, salesman, or other representative within the boundaries of the local taxing jurisdiction or engages in activities in this state that are significantly associated with the seller's ability to establish or maintain a market for its products in this state.
3. Provides services or holds inventory within the boundaries of the local taxing jurisdiction;
4. Rents or Leases property located within the boundaries of the local taxing jurisdiction.

A seller that establishes a physical presence within the local taxing jurisdiction in any calendar year will be deemed to have a physical presence within the local taxing jurisdiction for the following calendar year.

"Point of delivery" means the location at which property or a product is delivered or service rendered.

A. When the product is not received or paid for by the purchaser at a business location of a remote seller in a Taxing Jurisdiction, the sale is considered delivered to the location where receipt by the purchaser (or the purchaser's recipient, designated as such by the purchaser) occurs, including the location indicated by instructions for delivery as supplied by the purchaser (or recipient) and as known to the seller.

B. When the product is received or paid for by a purchaser who is physically present at a business location of a Remote Seller in a Taxing Jurisdiction the sale is considered to have been made in the Taxing Jurisdiction where the purchaser is present even if delivery of the product takes place in another Taxing Jurisdiction. Such sales are reported and tax remitted directly to the Taxing Jurisdiction not to the Commission.

C. For products transferred electronically, or other sales where the remote seller or marketplace facilitator lacks a delivery address for the purchaser, the remote seller or marketplace facilitator shall consider the point of delivery the sale to the billing address of the buyer.

"**Product-based exemptions"** means an exemption based on the description of the product and not based on who purchases the product or how the purchaser intends to use the product.

"**Property**" and **"product"** means both tangible property, an item that can be seen, weighed, measured, felt, or touched, or that is in any other manner perceptible to the senses; and intangible property, anything that is not physical in nature (i.e.; intellectual property, brand recognition, goodwill, trade, copyright and patents).

"Quarter" means trimonthly periods of a calendar year; January-March, April-June, July-September, and October-December.

"Receive or receipt" means

A. Taking possession of property;
B. Making first use of services;
C. Taking possession or making first use of digital goods, whichever comes first.

The terms "receive" and "receipt" do not include temporary possession by a shipping company on behalf of the purchaser.

"**Remote sales**" means sales of goods or services by a remote seller or marketplace facilitator.

"Remote seller" means a seller or marketplace facilitator making sales of goods or services delivered within the State of Alaska, without having a physical presence in a taxing jurisdiction, or conducting business between taxing jurisdictions, when sales are made by internet, mail order, phone or other remote means. A marketplace facilitator shall be considered the remote seller for each sale facilitated through its marketplace.

"**Resale of services"** means sales of intermediate services to a business the charge for which will be passed directly by that business to a specific buyer.

"Sale" or "retail sale" means any transfer of property for consideration for any purpose other than for resale.

“Sales or purchase price” means the total amount of consideration, including cash, credit, property, products, and services, for which property, products, or services are sold, leased, or rented, valued in money, whether received in money or otherwise, without any deduction for the following:

A. The seller’s cost of the property or product sold;
B. The cost of materials used, labor or service cost, interest, losses, all costs of transportation to the seller, all taxes imposed on the seller, and any other expense of the seller;
C. Charges by the seller for any services necessary to complete the sale, other than delivery and installation charges;
D. Delivery charges;
E. Installation charges; and
F. Credit for any trade-in, as determined by state law.

“**Seller**” means a person making sales of property, products, or services, or a marketplace facilitator facilitating sales on behalf of a seller.

“**Services**” means all services of every manner and description, which are performed or furnished for compensation, and delivered electronically or otherwise outside the taxing jurisdiction (but excluding any that are rendered physically within the taxing jurisdiction, including but not limited to:

A. Professional services;
B. Services in which a sale of property or product may be involved, including property or products made to order;
C. Utilities and utility services not constituting a sale of property or products, including but not limited to sewer, water, solid waste collection or disposal, electrical, telephone services and repair, natural gas, cable or satellite television, and Internet services;
D. The sale of transportation services;
E. Services rendered for compensation by any person who furnishes any such services in the course of his trade, business, or occupation, including all services rendered for commission;
F. Advertising, maintenance, recreation, amusement, and craftsman services.

“Tax cap” means a maximum taxable transaction.

“Taxing jurisdiction” means a local government in Alaska that has a sales tax and is a member of the Alaska Remote Sellers Sales Tax Commission.

“**Transferred electronically**” means obtained by the purchaser by means other than tangible storage media.

SECTION 260 – Supplemental Definitions

The Commission shall promulgate Supplemental Definitions that are incorporated into this Remote Seller Sales Tax Code. Supplemental Definitions are available at www.arsstc.org. Provisions of the Supplemental Definitions that are amended, deleted, or added prior to or after the effective date of the latest amendment to this chapter shall be applicable for purposes of this chapter on the effective date provided for such amendments, deletions, or additions, including retroactive provisions.

To: **Rorie Watt, CBJ Manager**
CC: **Jeff Rogers, CBJ Finance Director**
Mila Cosgrove, CBJ Deputy Manager
From: **Brian Holst, JEDC Executive Director**
Date: **Tuesday, December 8, 2020**
Re: **Final Report on Covid19 Emergency Loans per CBJ Resolution 2888**
Reporting Period: Wednesday, April 1 to Monday, November 30

1. INTRODUCTION AND OBJECTIVES

CBJ Assembly adopted Resolution 2888 on Wednesday, April 1, providing the Juneau Economic Development Council three million dollars for loans for small businesses in Juneau negatively impacted by Covid19. CBJ Resolution 2888 states: "The purpose of the loans administered by JEDC is to provide small businesses with working capital to bridge the time before federal or state monies are available. The absence of State or Federal assistance does not absolve the business owner for the responsibility to repay the loan." JEDC, following stipulations in Resolution 2888, created a loan program to meet the goals of the Assembly. This report summarizes the application processing and disbursement phases of the loan program between Wednesday, April 1, to Monday, November 30.

To qualify for the program, businesses must have met the following five criteria:
1. Business is physically located in Juneau.
2. Business is current with CBJ Sales Tax.
3. Business is current with property tax.
4. Business had 25 or fewer employees during the first quarter of 2020.
5. COVID-19 has adversely impacted the business.

Resolution 2888 allowed the CBJ Manager to consider exceptions to this eligibility, proposed by the Juneau Economic Development Council, on a case-by-case basis.

2. PROGRAM SECTION

a. Summary of Main Activities

Starting April 2, 2020, JEDC began receiving and processing applications for the CBJ Covid-19 Emergency Loan Program. As of November 30, 2020, all applications had been processed and disbursed. The online application was closed in September. The majority of the applications were submitted and processed in the first month of the program. Businesses that applied after April 30 were kept on a waiting list as loan decisions were made. The first-come, first-serve basis meant we waited for some businesses to sign documents or complete applications, holding a place in line until we were able to determine that they were not interested or they did not respond.

As we moved further through the list, the pace of releasing loans slowed as the remaining applications were characterized, generally, as slower to respond with needed information, having ownership structures requiring customized loan documents, or requesting amounts that required more careful underwriting.

The loan terms were as follows:

Express Loan:	$7,500
Amount:	Up to $50,000, includes Express Loan, if received
Term:	30 months, with six months of loan payment deferral
Fees:	$0
Interest Rate:	2%
Special Condition:	Loans fully repaid within twelve months pay no interest

Many loans have now started repayment after the six-month loan payment deferral period. Applicants who applied to the CBJ Business Sustatinablitly Grant Program were eligible to receive six months of payments as an eligible expense of their grant, reducing loan balances. JEDC is currently reaching out to loan recipients to remind them of their repayment options as the loan program enters into a loan servicing phase.

b. Application Review and Disbursement Process

On April 1, 2020, the CBJ Assembly passed Emergency Appropriation Res. 2888(b)(am), which allocated $3,000,000 of CBJ Budget Reserve Funds to provide small businesses access to low-interest loans. Businesses met the following requirements to be eligible for the program: have 25 or fewer employees (full-time equivalent), been adversely impacted by COVID-19, have a business license as of January 1, 2020; have a physical presence in Juneau as of March 1, 2020, and be current with CBJ property and sales taxes.

JEDC bought a subscription to HelloWorks to create and collect applications and to sign loan documents electronically. JEDC staff released the application on April 2 at 5:00 PM, just one day after the Assembly passed the Ordinance. Applicants entered their name and email in the link found on the JEDC website and were sent a link to their application. Applicant's work on their application was saved automatically and accessed using the link in their email.

JEDC staff downloaded submitted applications and assigned loan numbers based on the order received. JEDC staff members reviewed applicant eligibility and application completeness. If an applicant was not immediately eligible, JEDC staff directed applicants to the necessary resources to remedy their application, where possible. Some eligibility issues included expired business licenses, missing documents, and CBJ tax compliance. Applicants had to pay any outstanding CBJ taxes before being considered eligible. JEDC staff also collected missing information and documents from applicants, such as phone numbers or Operating Agreements, to ensure correct documentation to support taking on debt. Once an eligible applicant had a complete application, a final review was conducted by either the Executive Director or Loan Officer. Approved applicants were called by either the Executive Director or Loan Officer to review the loan terms. Loan documents were then sent to the relevant signers using HelloWorks. Once documents were signed, the Executive Director sent a memo to the JEDC accountant, who transferred funds via an ACH transfer to the business's bank account.

Full loan requests were not considered immediately. JEDC considered all applications for an express loan of $7,500 or lower before addressing the remaining, larger loan requests since larger loan requests required a more extensive review process and more documentation. Doing this allowed JEDC to move quickly with loans, meet immediate needs, and give time to make sure that larger loans underwent sufficient analysis and documentation review to safeguard CBJ resources. Larger loan requests were considered in the third week of the program.

Applicants of the CBJ Business Sustainability Grant Program had the option of using part or all of their awarded grant money to pay off their loan. In the first phase of the grant program, applicants could make this choice in their grant application. Applicants could also communicate that they wanted to use the grant money to pay off their loan when corresponding with JEDC staff. The CBJ Emergency Loan was not considered an eligible expense in this phase of the program. In later phases of the CBJ Business Sustainability Grant Program, applicants could include their CBJ Emergency Loan as an eligible expense under "long-term debt" and receive assistance for up to six months of their loan payments. Any funds awarded for CBJ Emergency Loan Payments were paid directly against their loan balance and not sent to the applicant.

c. Significant Events and Accomplishments

- JEDC has received 205 applications and disbursed a total of $3,051,750.
- Of that number, 32 applications did not qualify because of tax compliance issues, duplicate application, incomplete, or voluntary application withdrawal.
- CBJ reviewed tax compliance for all applications.
- One-hundred seventy-three (173) loans approved.
- As of today, 15 of the approved loans have been fully paid off, six of which used their CBJ Business Sustainability Grant to pay off their loan in full.
- One hundred one applicants had a portion of their loan paid off by the CBJ Business Sustainability Grant Program, totaling $538,990. This grant program is being re-opened so more loan recipients may have the opportunity to pay off a portion of their loan through this program.
- The 173 businesses with approved loans reported 481 part-time and 387 full-time positions during the first quarter of 2020.

CBJ Emergency Loan Weekly Report: 4/26/20	Applications	Dollars	Part-Time Jobs	Full-Time Jobs
Total Applications	205			
Active	**173**	**$3,051,750**	481	397
Approved Loans (some final amounts to be determined)	**173**	**$3,051,750**	481	397
Completed Loan, met full need	173	$3,051,750	481	397
Received Express Loan, Waiting for second disbursement	0	$ -	0	0
Loan Documents Sent But Not Signed	0	$ -	0	0
Loans in Approval Process	**0**	**$ -**	0	0
Application Complete	0			
Additional Documents/Info Needed	0			
Not Active (Tax Issues, Duplicate, Above Threshold, Withdrawn)	**32**			

Figure 1. This table summarizes the current state of all applications for this loan program. JEDC was able to lend slightly more than $3,000,000 because of limited lending of reflows (loans paid back by participants) during the loan issuing window.

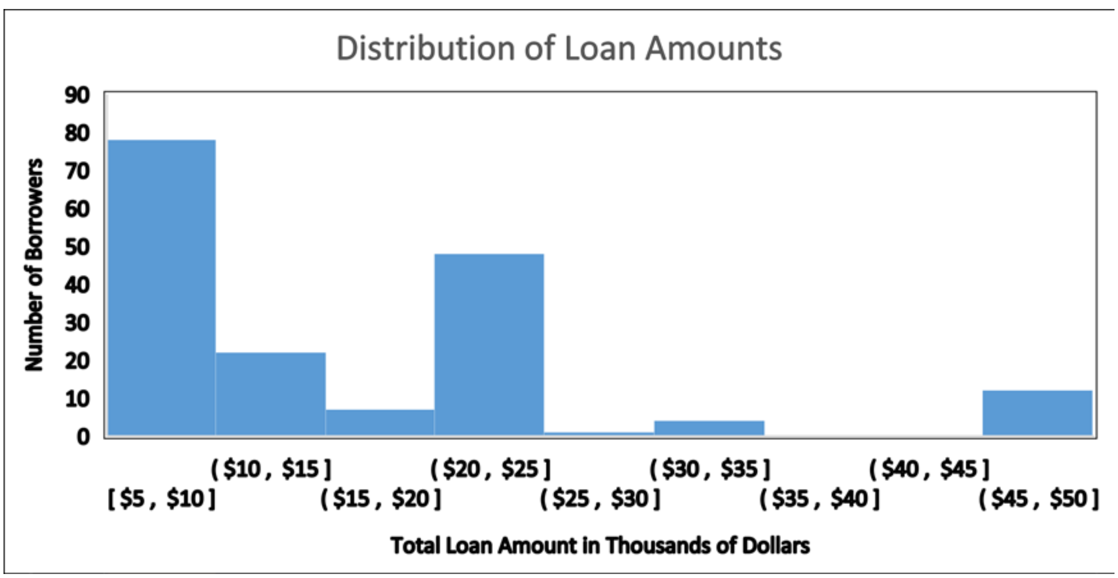

Figure 2. The above graph shows the frequency distribution of the loan amounts received by businesses. The average total loan received was for $17,551. The most frequently received loan was for $7,500. The median total loan amount was for $15,000.

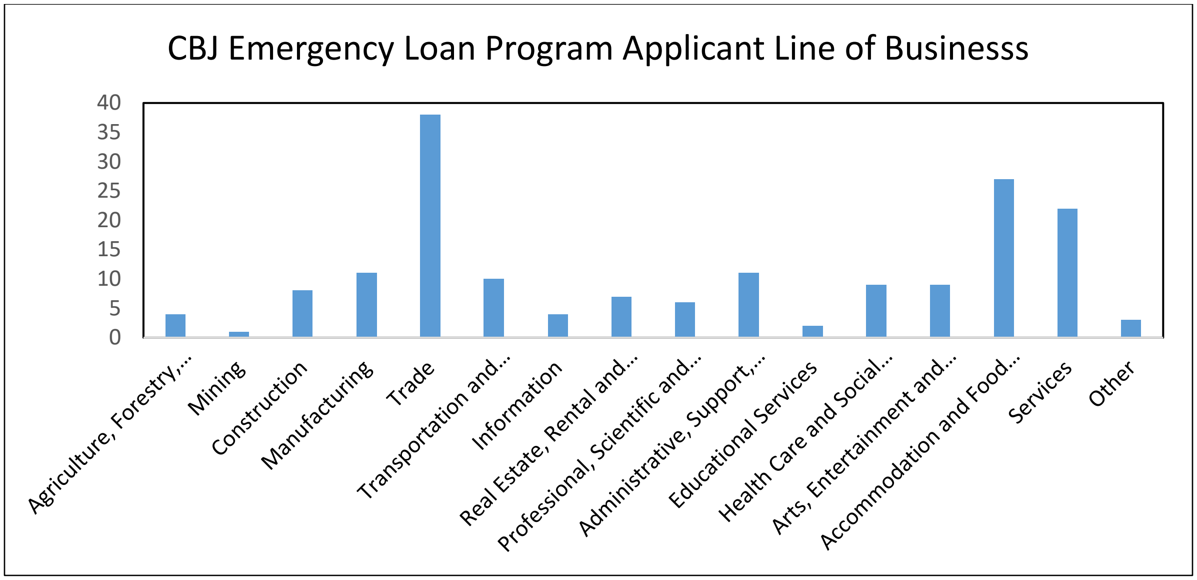

Figure 3. The above graph shows the sector for all approved and funded applicants. Trade and Accommodation/Food Services were the most represented. The Services sector was the most represented sector that is not directly related to tourism.

3. ADMINISTRATIVE SECTION

JEDC has calculated its administrative costs. Some costs include:

- JEDC personnel has invested approximately 800 hours of effort.
- JEDC acquired HelloWorks software to manage paperless processes (upgrade from HelloSign to HelloWorks). The cost is $3,633 for the first year.
- Initial IT support to create a completely hands-free process was $2,500 in professional services.
- JEDC's portfolio software can manage 50 loans. Two hundred additional loans are estimated to cost $3,200 in the first year of the program and approximately $800 in each subsequent year.
- Per the Ordinance, JEDC is to be compensated 1% of the loan capital or $30,000.
- JEDC will use the interest paid by borrowers to pay for costs associated with servicing the loans.

CBJ Emergency Loan Program

CBJ Business Assistance Programs in Response to COVID-19

Emergency Loan Program
- Ordinance Passed April 1, 2020
- $3,000,000 in funding

Business Sustainability Grant Program
- Phase 1 Ordinance Passed June 8, 2020
- Phases 2 & 3 Ordinance Passed August 3, 2020
- Combined $14,000,000 in funding

Extreme Hardship Grant Program
- Ordinance Passed November 23, 2020
- $2,300,000 in funding

CBJ Emergency Loan Program
A quick turnaround on loan processing…

- Ordinance Passed April 1, 2020
- Application available online April 2, 2020
- First loans signed on April 4, 2020
- Loan disbursement began on April 6, 2020
- Online application closed in September 2020
- Last loans finalized in November 2020

JEDC Juneau Economic Development Council

CBJ Emergency Loan Program Requirements

To qualify, businesses must have met the following criteria:

1. Business is physically located in Juneau.
2. Business is current with CBJ Sales Tax.
3. Business is current with property tax.
4. Business had 25 or fewer employees during the first quarter of 2020.
5. COVID-19 has adversely impacted the business.

Resolution 2888 allowed the CBJ Manager to consider exceptions to this eligibility, proposed by the Juneau Economic Development Council, on a case-by-case basis.

JEDC Juneau Economic Development Council

Loan Terms

Express Loan:	$7,500
Amount:	Up to $50,000, including Express Loan, if received
Term:	30 months, with six months of loan payment deferral
Fees:	$0
Interest Rate:	2%
Special Condition:	Loans fully repaid within twelve months pay no interest

Application Process, Review and Disbursement

JEDC Juneau Economic Development Council

Application Process, Review and Disbursement

- Application was available online through HelloWorks, software that supports form creation, submission and electronic signatures
- JEDC staff downloaded applications and assigned loan numbers based on the order received.
- JEDC considered all applications for an express loan of $7,500 or lower before addressing the remaining, larger loan requests since larger loan requests required a more extensive review process and more documentation.
- JEDC coordinated with the CBJ Sales Tax Office to confirm that applicants met requirements regarding being compliant with sales and property tax.
- Once approved, applicants were called by either the Executive Director or Loan Officer to review the loan terms. Loan document were signed electronically with HelloWorks and funds were disbursed with an ACH transfer.

JEDC Juneau Economic Development Council

Overview and Current Status of CBJ Emergency Loan Program as of January 27, 2021

Application Numbers	
Total Applications:	205
Approved:	173
Did Not Qualify:	32
Fully Paid Off:	24

Overlap with Business Sustainability Grant Program	
# of loans with BSG Allocations:	109
Funds paid back via BSG Program:	$585,916

State of the Portfolio	
Total Funds Disbursed:	$3,051,750
Funds Paid Back:	$954,202
Funds Outstanding:	$2,097,548
Number of Loans Remaining in Portfol:	149

JEDC Juneau Economic Development Council

Presented by: The Manager
Introduced: 11/25/19
Drafted by: R. Palmer III

ORDINANCE OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2019-41(b)

An Ordinance Increasing the Motor Vehicle Registration Tax.

BE IT ENACTED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

Section 1. Classification. This ordinance is of a general and permanent nature and shall become a part of the City and Borough of Juneau Municipal Code.

Section 2. Amendment of Section. CBJ 69.30.010 Tax levy, is amended to read:

69.30.010 Tax levy.

(a) *Biennial tax levy.* Commencing January 1, 2021, there is levied a biennial motor vehicle registration tax pursuant to the provisions of AS 28.10.431 (Biennial Motor Vehicle Registration Tax) according to the following schedule:

MOTOR VEHICLE TAX SCHEDULE - BIENNIAL SCHEDULE

	Tax According to Age of Vehicle Since Model Year, in the First Year of Biennial Period:							
Type	*1st*	*2nd*	*3rd*	*4th*	*5th*	*6th*	*7th*	*8th or over*
Motorcycle	$10	$10	$10	$10	$10	$10	$10	$10
Non-commercial passenger vehicles or motor homes as defined in AS 28.10.421(b)(1)	$70	$70	$70	$70	$70	$70	$70	$70
Non-commercial trailers, as defined in AS 28.10.421(b)(6)	$10	$10	$10	$10	$10	$10	$10	$10

Non-commercial pickup trucks or vans not exceeding 10,000 pounds unladen weight as defined in AS 28.10.421(b)(2)	$70	$70	$70	$70	$70	$70	$70	$70

(b) Commercial vehicles are not subject to the City and Borough Motor Vehicle Registration Tax.

Section 3. Amendment of Section. CBJ 69.30.010 Tax levy, is amended to read:

69.30.010 Tax levy.

(a) *Biennial tax levy.* Commencing January 1, 2026, there is levied a biennial motor vehicle registration tax pursuant to the provisions of AS 28.10.431 (Biennial Motor Vehicle Registration Tax) according to the following schedule:

MOTOR VEHICLE TAX SCHEDULE - BIENNIAL SCHEDULE

	Tax According to Age of Vehicle Since Model Year, in the First Year of Biennial Period:							
Type	*1st*	*2nd*	*3rd*	*4th*	*5th*	*6th*	*7th*	*8th or over*
Motorcycle	$11	$11	$11	$11	$11	$11	$11	$11
Non-commercial passenger vehicles or motor homes as defined in AS 28.10.421(b)(1)	$75	$75	$75	$75	$75	$75	$75	$75
Non-commercial trailers, as defined in AS 28.10.421(b)(6)	$11	$11	$11	$11	$11	$11	$11	$11
Non-commercial pickup trucks or vans not exceeding 10,000 pounds unladen weight as defined in AS 28.10.421(b)(2)	$75	$75	$75	$75	$75	$75	$75	$75

(b) Commercial vehicles are not subject to the City and Borough Motor Vehicle Registration Tax.

Section 4. Amendment of Section. CBJ 69.30.010 Tax levy, is amended to read:

69.30.010 Tax levy.

(a) *Biennial tax levy.* Commencing January 1, 2031, there is levied a biennial motor vehicle registration tax pursuant to the provisions of AS 28.10.431 (Biennial Motor Vehicle Registration Tax) according to the following schedule:

MOTOR VEHICLE TAX SCHEDULE - BIENNIAL SCHEDULE

	Tax According to Age of Vehicle Since Model Year, in the First Year of Biennial Period:							
Type	*1st*	*2nd*	*3rd*	*4th*	*5th*	*6th*	*7th*	*8th or over*
Motorcycle	$12	$12	$12	$12	$12	$12	$12	$12
Non-commercial passenger vehicles or motor homes as defined in AS 28.10.421(b)(1)	$80	$80	$80	$80	$80	$80	$80	$80
Non-commercial trailers, as defined in AS 28.10.421(b)(6)	$12	$12	$12	$12	$12	$12	$12	$12
Non-commercial pickup trucks or vans not exceeding 10,000 pounds unladen weight as defined in AS 28.10.421(b)(2)	$80	$80	$80	$80	$80	$80	$80	$80

(b) Commercial vehicles are not subject to the City and Borough Motor Vehicle Registration Tax.

Section 5. **Effective Date.** This ordinance shall be effective 30 days after its adoption.

Adopted this 16th day of December, 2019.

Beth A. Weldon

Beth A. Weldon, Mayor

Attest:

Elizabeth J. McEwen

Elizabeth J. McEwen, Municipal Clerk

City and Borough of Juneau
City & Borough Manager's Office
155 South Seward Street
Juneau, Alaska 99801
Telephone: 586-5240| Facsimile: 586-5385

DATE: January 26, 2021

TO: Chair Triem and Assembly Finance Committee

FROM: Rorie Watt, City Manager

RE: Draft FY22 Passenger Fee Proposal

This memo discusses my proposal for the expenditure of passenger fees (CBJ $5 Marine Passenger Fee, $3 Port Development Fee and $5 State Commercial Passenger Vessel Fee).

This proposal is made in accordance with the MOA that was reached with CLIA in March of 2019 and is designed to provide services and solve community issues related to cruise ship tourism.

The cruise tourism industry holds a consensus view that sailings will resume to Southeast Alaska in the summer of 2021. This view is challenged by a number of factors including the CDC Framework for a Conditional Sailing Order, the ongoing closure of Canadian ports, and the technical implications of the Jones Act. Those factors introduce significant uncertainty.

In spite of that significant uncertainty, discussions with cruise tourism industry representatives indicate a reduced cruise season that starts late and ramps up later in the summer. Signals from the industry point to a visitation number on the order of 500,000 and 750,000 cruise visitors in 2021. For the purposes of budgeting, staff consensus best guess on a forecast points to 550,000 visitors this summer, with up to 100,000 visitors in May/June and 450,000 visitors in Jul/Aug/Sept. This forecast may or may not be conservative and is based on the overall concept that vaccination, testing, and therapeutic treatments will continue to improve. At this time and partially based on pent up demand, it appears that the cruise industry could make a strong return in the summer of 2022.

Here is how that forecast for visitation translates to passenger fee revenue in FY21 and FY22:

			PAX	MPF	PDF	State CPV*	Total
CY2020	Jul/Aug/Sept	FY2021	0	$ -	$ -		$ -
CY2021	May/June	FY2021	100,000	$ 500,000	$ 300,000		$ 900,000
CY2021	Jul/Aug/Sept	FY2022	450,000	$ 2,250,000	$ 1,350,000		$ 4,050,000
CY2022	April/May/Jun	FY2022	500,000	$ 2,500,000	$ 1,500,000	$ 2,750,000	$ 7,250,000
CY2022	Jul/Aug/Sept	FY2023	800,000	$ 4,000,000	$ 2,400,000		$ 7,200,000

**State CPV receipts remitted to CBJ approximately eight months after they are received*

FY21 Passenger Fee Total $ 900,000
FY22 Passenger Fee Total $ 11,300,000

The FY21 Adopted Budget forecasts $2.7 million of total passenger fees, which is considerably higher than the $900,000 now forecast for the remainder of FY21. Likely, after the necessary FY21 expenditures, the two passenger fee funds will have deficit/negative fund balances. These negative balances could be self-corrected by surplus passenger fee receipts in FY22.

At this time and out of an abundance of caution, I propose that CBJ budget to expend passenger fees in FY22 only on items that are necessary to accommodate and welcome the passengers anticipated. If projections change, the budget can be adjusted.

	Direct Cost	Overhead*	Total
Debt Service: Juneau Cruise Terminal Docks	2,093,600		**2,093,600**
CBJ Municipal Services			
Ambulance/EMS Support	842,300	69,300	**911,600**
Police Support	883,300	72,700	**956,000**
Seawalk, Open Space and Restroom Maintenance	405,500	33,400	**438,900**
Street Cleaning/Repair	215,000	17,700	**232,700**
D&H- Port Management & Landscaping	315,000	25,900	**340,900**
D&H- Port Customs Office Bldg Maint	133,500	11,000	**144,500**
Third-Party Visitor Services by Assembly Grant			
Travel Juneau - Crossing Guards	363,400		**363,400**
Travel Juneau - Visitor Information Services	150,000		**150,000**
DBA - Downtown Security Program	67,000		**67,000**
TBMP - Best Management Practices Support	15,000		**15,000**
Franklin Dock Enterprises (Security, Restrooms)	170,000		**170,000**
AJ Juneau Dock, LLC (Security, Restrooms)	179,800		**179,800**
Total Proposed FY22 Passenger Fee Expenditures	**5,833,400**	**230,000**	**6,063,400**

**Proportional allocation of CBJ overhead costs for management, administration, finance, and legal support*

Passenger fee funding for all CBJ municipal services and the related overhead is calculated by a third-party cost allocation consultant (Matrix Consulting) in compliance with applicable federal standards and industry best practices.

City and Borough of Juneau
Assembly Finance Committee (AFC)
FY22 Revised Budget Calendar and Key Dates – as of 1/19/2021
Wednesdays at 5:30 pm, unless otherwise stated

APRIL 2021

5th **Special Assembly Meeting – Monday – 5:30pm –Followed by Assembly Finance Committee**
Special Assembly Meeting to Introduce FY22 Revised budget, immediately Followed by Assembly Finance Committee meeting, Chambers

A. Introduction of the General Operating CBJ Budget Ordinance 2020-09
B. Introduction of the General Operating School District Budget Ordinance 2020-10
C. Introduction of the Mill Levy Ordinance 2020-08
D. Introduction of the CIP Resolution 2877

5th **AFC Meeting #1 – Monday – 5:30pm - Immediately following Special Assembly Meeting**

A. Distribution of the Operating Budget, Capital Budget and Capital Improvement 6-Year Plan
B. FY22 Revised Budget Overview
C. School District Budget Presentation
D. Docks & Harbors (Carl Uchytil, Port Director)

7th **AFC Meeting #2 – 5:00pm**

A. FY22 Revised Budget Overview (cont.)
B. Eaglecrest Ski Area (Dave Scanlan, Eaglecrest General Manager)
C. Capital Improvements Projects Program Budget/Plan

14th **AFC Meeting #3 – 5:00pm**

A. Hotel-Bed Tax Funding
B. Travel Juneau (Liz Perry, President/CEO)
C. Revised Passenger Fee Recommendations – For Review
D. Childcare

21st **Special Assembly Meeting - 5:00pm - Followed by Assembly Finance Committee**
Within 30 days after receipt of the (school) budget, the assembly shall determine the amount to be made available from local sources for school purposes, and shall furnish the School board with a statement (motion) of the amount to be made available for FY22 School District operations. (Charter Section 13.6 (b))

Public hearings on the following (must be completed by May 1, per Charter Section 9.6)

A. General Operating CBJ Budget Ordinance 2020-09
B. General Operating School District Budget Ordinance 2020-10
C. Capital Improvement Program (CIP) Resolution 2877
D. Mill Levy Ordinance 2020-08

21st **AFC Meeting #4 (Immediately following Special Assembly Meeting)**

A. Juneau International Airport (Patty Wahto, Airport Manager)
B. Bartlett Regional Hospital Presentation (Kevin Benson, CFO)
C. Debt Service Presentation
D. Proposed Mill Rate Presentation
E. School District - Funding “Outside the cap” – For Action
F. School Operating Budget – For Action

28th **AFC Meeting #5 – 5:00pm**

A. Marine Passenger Fee Recommendations – For Action
B. Capital Improvements Projects Program Budget/Plan – For Action
C. Requested Budget Increments
D. Pending Items List

MAY 2021

5th **AFC Meeting #6 – 5:00pm**

A. School District Funding Ordinance 2020-10 – For Final Action
B. Requested Budget Increments
C. Pending Items List
D. FY20 Supplemental Review

12th **AFC Meeting #7 – 5:00pm**

A. Fund Balance – Committee Questions
B. Pending Items List – For Final Action
C. Set Mill Rates – For Final Action
D. Final FY22 Revised Budget Decisions –
   a. CIP Resolution 2877
   b. Mill Levy Ordinance 2020-08
   c. General CBJ Operating Ordinance 2020-09

17th **Regular Assembly Meeting – Monday – 7pm**

A. Adoption of the School District's General Operating Budget Ordinance 2020-10

19th **BREAK – No meeting unless needed for critical items.**

26th **BREAK – No meeting unless needed for critical items.**

By May 31st, the assembly must determine the amount to be made available from local sources for school purposes (Charter Section 13.6 (b))

JUNE 2021

2nd **AFC Meeting**

A. TBD

7th **Regular Assembly Meeting – Monday – 7pm**

A. Adoption of the General Operating CBJ Budget Ordinance 2020-09
B. Adoption of the CIP Resolution 2877
C. Adoption of the Mill Levy Ordinance 2020-08

The Charter requires that the following budget actions be made by June 15th:

- **Appropriating Ordinances Adopting a Budget (Charter Section 9.7 (a))**
- **Mill Levy Ordinance (Charter Section 9.7 (b))**
- **CIP by Resolution (Charter Section 9.8)**

FACT SHEET

January 27, 2021

Alaska's Emergency Rental Assistance

Program background:
The FY2021 Omnibus and COVID Relief and Response Act passed by Congress and signed into law at year-end 2020 included $25 billion for emergency housing assistance. Alaska's share includes distribution from the U.S. Department of Treasury through the Coronavirus Relief Fund to tribal housing authorities, the Municipality of Anchorage, and Alaska Housing Finance Corporation.

The request to spend the funding was submitted by Governor Dunleavy to the State of Alaska's Legislative Budget & Audit Committee. The committee acted on January 17, 2021 to authorize AHFC to expend up to $200 million in federal funds consistent with the intent of the federal legislation.

This is the second time in 12 months that AHFC has been approached to administer federal funds for COVID-19 housing assistance. There are significant differences in what was authorized in summer 2020 and federal intent associated with emergency rental relief.

What's different?
The 2020 legislation allowed for an immediate response to those who lost income because of COVID-19. Funds were limited and the program was designed to allow all eligible Alaskans a chance to apply and receive up to $1,200 of assistance payable to their landlord or mortgage servicer.

The **Treasury Department is still issuing guidance on eligible uses for the 2021 funds**; however, there are some things that are clear:

- The program is available only to renters meeting certain program criteria including being at or below 80% of Area Median Income (AMI), to be calculated after their COVID-19 hardship. Funds will be paid to landlords.
- Utilities are an eligible expenditure with funds to be paid to the utility.
- Renters who owe back rent because of loss of income due to COVID-19 will have their arrearages cured prior to issuance of current or future payments.
  - Qualifying renters can receive up to 12 months of assistance with the possibility of receiving an additional three months assistance.
- More personal information related to their COVID-19 financial hardship is required of applicants.
- Current program rules make homeowners ineligible for emergency housing assistance.

Key dates:
Dec. 21, 2020: COVID Relief and Response Act passed by the House and Senate
Dec. 27, 2020: COVID Relief and Response Act signed into law by President Trump
Jan. 18, 2021: Governor Dunleavy transmits and Alaska's Legislative Budget & Audit Committee authorizes AHFC to expend up to $200 million in federal funds for emergency housing assistance.
Now: Alaskans can visit alaskahousingrelief.org to sign up for email notification for news about the program design including eligibility information, documentation required for proof of financial hardship, and notification of sign-up.

Additional resources: U.S. Department of the Treasury Emergency Rental Relief Program

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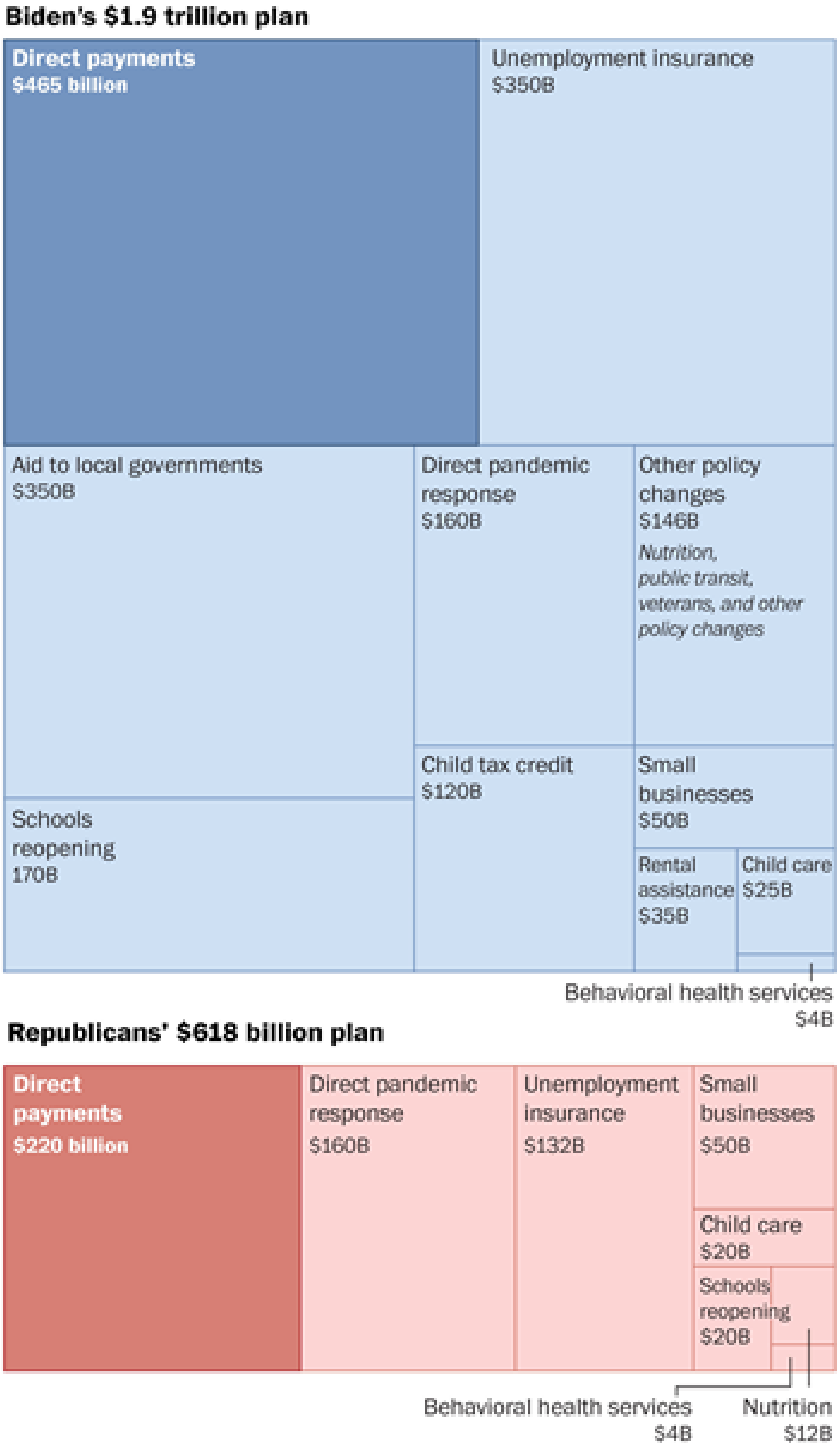
4300 Boniface Parkway • Anchorage, Alaska 99504 • P.O. Box 101020 • Anchorage, Alaska 99510
907-338-6100 (Anchorage) or (Toll-Free) 1-800-478-AHFC (2432) • www.ahfc.us

The scale of coronavirus relief proposals from President Biden and a group of Senate Republicans



Source: Post analysis of relief proposals and crfb.org

DANIELA SANTAMARIÑA/THE WASHINGTON POST

Presented by:
Presented:
Drafted by: R. Palmer III

RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Resolution Serial No. 2941 vAFC1

A Resolution Amending the COVID-19 Emergency Individual Assistance Program Criteria.

WHEREAS, the Assembly established the COVID-19 Emergency Individual Assistance Program with Ordinance 2020-09(Y)(b) on November 23, 2020;

WHEREAS, the Assembly amended the COVID-19 Emergency Individual Assistance Program with Resolution 2931 on December 22, 2020;

WHEREAS, upon consideration of the supplemental appropriation in Ordinance 2020-09(AL), this resolution is necessary to ensure that limited financial resources are spread throughout the community;

WHEREAS, the COVID-19 Emergency Individual Assistance Program, as amended, is necessary due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19); and

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

Section 1. Amendment of COVID-19 Emergency Individual Assistance Grant Program Criteria. The program is subject to the following terms and conditions:

(a) **Intent**. The intent of this grant program is to provide a simple application for financial support to people residing in the City and Borough of Juneau who have been financially harmed by COVID-19 and need assistance paying for basic needs like food, healthcare, nondiscretionary transportation, utilities, and housing from March 1 through December 30, 2020.

(b) **Administration**. The Grant Administrator is Catholic Community Services. The Manager is authorized to execute an agreement with the Grant Administrator for disbursement of program funds. The Grant Administrator is responsible for assuring the program funds are disbursed only to eligible applicants. The Grant Administrator shall be provided a reasonable administration fee based on actual expenses, which are anticipated to be around $40,000.00. The Grant Administrator shall provide the Manager with program status reports at reasonable intervals. The Manager shall provide updates to the Finance Committee or Assembly. The Grant Administrator shall review applications, make eligibility determinations, and request grant disbursement from the City and Borough of Juneau for the eligible recipients.

(c) **Eligible Applicants**.

(1) **Individuals residing in the CBJ.** This program is only open to individuals and not businesses. An applicant must be eighteen years of age or older and reside in the CBJ. An applicant applying for or with a dependent must be a parent or guardian with legal custody of the dependent. Residence in the CBJ may be established by voter registration in the CBJ, an Alaska driver's license with an address in the CBJ, or similar documentation.

(2) **COVID-19 financial hardship**. The applicant must describe how the applicant has been financially harmed by COVID-19.

(3) **Income and livability costs.** The applicant must provide sufficient proof of income and proof basic needs expenses, which may be self-attested.

(4) **Additional information.** The Grant Administrator may request additional information from applicants when the application contains insufficient or contradictory information or the Grant Administrator may deem the application incomplete. The Grant Administrator shall not keep a copy of any income verification. The Grant Administrator shall notify applicants of incomplete applications. Incomplete applications have three working days to cure to keep the original application filing date; otherwise the application is deemed complete on the date it is cured.

(d) **Grants.**

(1) **Amount**. The grant amount is determined by the following income levels:

Index	Income limit	Grant Amount
50% Area Median Income (AMI)	$58,900	$500~~1000~~
40% AMI	$47,120	$750~~1500~~
30% AMI	$29,450	$1000~~2000~~

(2) **Dependent Grant Amount**. In addition to the grant amount identified in subsection (d)(1), each dependent of the applicant that is less than 18 years old qualifies for a $300 grant for an applicant at or below 30% AMI; a $200 grant for an applicant between 30% AMI and 40% AMI; and a $100 grant for an applicant between 40% AMI and 50% AMI. A dependent is only eligible for one ~~$300~~ grant even if more than one parent or guardian applies.

(3) **Payment Process**. The Grant Administrator shall send, or instruct the City and Borough of Juneau to send, the grant payments to applicants. A grant for a dependent must be paid to the parent or guardian applicant.

(e) **Exceptions.** The Grant Administrator, after receiving direction from the Manager or designee, has the authority to make reasonable exceptions that match the intent of this grant program.

(f) **Confidentiality.** Except as provided in this ordinance, all application material submitted for this grant and all information contained therein shall be kept confidential except for inspection by:
(1) Employees, auditors, and agents of the City and Borough, including the Grant Administrator, whose job responsibilities are directly related to such applications and information;
(2) The applicant; and
(3) Court order.

However, nothing in this ordinance shall be construed to provide confidentiality to summary information about program status and effectiveness. Upon balancing the public's right to know and privacy of disadvantaged individuals, this confidentiality provision is intended to provide the same level of confidentiality as provided in A.S. 47.05.020 and 7 AAC 37.030 (prohibition on disclosure of public assistance records).

(g) **Priority.** The Grant Administrator must only consider applications received prior to December 15, 2020. The Grant Administrator must review and categorize the applications by the three income tiers in subsection (d)(1). The Grant Administrator shall award grants by tier in the following order: 30% or less AMI, between 30.1% AMI and 40% AMI, and then between 40.1% AMI and 50% AMI. Within each tier, the Grant Administrator shall award the grants in the order in which the applications were received. ~~Applications are processed on a first-come, first-served basis. The Grant Administrator will continue to expend funds until funds are fully exhausted.~~

Section 2. **Effective Date.** This resolution shall become effective immediately after its adoption.

Adopted this _____ day of February, 2021.

____
Beth A. Weldon, Mayor

Attest:

____
Elizabeth J. McEwen, Municipal Clerk

Update for Safe Space for Schooling at Shepherd of the Valley
January 7-30

Thank you all for your support; I wanted to give an update after completing four weeks in the new schedule.

1. We are running the program from 7:30 am - 3:30 pm with three staff members based on the need from families. We were not able to cut back on hours or staff.
2. Volunteers from National Honor Society and the library come in throughout the week to read or tutor. That's been incredibly helpful.
3. Mondays are full (over 20) with youth ranging from kindergarten through high school. We are at the point that we need to turn youth away on Mondays. The other days average 15 youth for at least part of the day.

The program is going amazingly well and we have a great working relationship with the schools and families now.

Here is where we stand financially:

1. We have spent $5600 on payroll in less than four weeks
2. Close to $1300 in utilities + food (internet is $450 a month plus electricity, water, oil & plowing)
3. We plan on operating until May unless the model for in person schooling radically changes

The budget to run into May:

Payroll	$26,242
Internet	$2250
Utilities/Food	$6908
Insurance	$908
Total	$36,308

We have been promised $7840 from JCF (haven't received check yet)
We are requesting $15,000 from Rasmuson Foundation at their March meeting

That leaves us with a $13,468 deficit.

We had $13,470 from CARES funding leftover and I would like to request the assembly allow us to use those funds to keep operating through May.

Thank you for your consideration.
Peace
Pastor Tari Stage-Harvey

Presented by: The Manager
Presented: February 8, 2021
Drafted by: Finance

RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 2940

A Resolution Amending Emergency Appropriation Resolution 2915 Related to the Eligible Expenditure Period for Three Drop-In Distance Learning Centers for School-Age Youth During the COVID-19 Pandemic.

WHEREAS, the Assembly appropriated $70,000 for three drop-in distance learning centers for school-age youth during the COVID-19 pandemic with Emergency Appropriation Resolution 2915 (October 26, 2020);

WHEREAS, on December 27th, President Trump extended the CARES Act eligible expenditure period from December 30, 2020 to December 31, 2021.

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

Section 1. Amendment of Emergency Appropriation Resolution 2915. The last whereas clause of Emergency Appropriation Resolution 2915 is amended by inserting "December 31, 2021" and deleting "December 30, 2020".

Section 3. Effective Date. This resolution shall be effective immediately after adoption.

Adopted this ____ day of ____________, 2021.

Attest: ________________________________
Beth A. Weldon, Mayor

____
Elizabeth J. McEwen, Municipal Clerk