

City and Borough of Juneau
Minutes - Assembly Finance Committee Meeting
Wednesday, April 15, 2020, 5:00 PM

I. Call to Order

The meeting was called to order at 5:01 PM by Loren Jones, Chair.

II. Roll Call

Committee Members Present: Loren Jones, Chair, Mayor Beth Weldon, and Carole Triem.

Committee Members Participating Telephonically: Rob Edwardson, Alicia Hughes-Skandijs, Maria Gladziszewski, Wade Bryson, Greg Smith, and Michelle Bonnet Hale.

Committee Members Absent: None.

Staff Present: Rorie Watt, City Manager; Mila Cosgrove, Deputy City Manager; Jeff Rogers CBJ Finance Director; Adrien Speegle, CBJ Budget Analyst.

Others Present Telephonically: Nancy DeCherney, Juneau Arts and Humanities Council (JAHC) Executive Director; Brian Holst, Juneau Economic Development Council (JEDC) Executive Director; Liz Perry, President & CEO, Travel Juneau.

III. Items for Discussion

A. Update on COVID-19 Response

Mila Cosgrove, Deputy City Manager, presented an update on CBJ's response to COVID-19. Highlights include a new website for information updates; CBJ remains at a level two (2), with 23 confirmed cases of COVID-19 with one (1) currently hospitalized; supply chains remain operational.

Ms. Cosgrove gave an update on Lemon Creek Correctional Center (LCCC) COVID-19 cases and response.

Ms. Cosgrove responded to Assembly questions.

Chair Jones responded to Assembly questions.

B. Update on JEDC loan program

Brian Holst, Executive Director for JEDC, gave a report on the JEDC loan program. Applications continue to come in rapidly with a current loan request total matching the 3 million dollar fund dedicated by the Assembly.

Mr. Holst responded to Assembly questions.

Chair Jones requested that Mr. Holst provide a balance sheet of loan applications and statuses that accurately portrays the current numbers. Mr. Holst agreed.

Minutes - Assembly Finance Committee Meeting

Wednesday, April 15, 2020, 5:00 P.M.

Rorie Watt, CBJ Manager, clarified information regarding the loan resolution in regards to business employee numbers.

Mr. Watt responded to Assembly questions.

The meeting recessed at 5:58 PM.

The meeting reconvened at 6:08 PM.

IV. Budget Presentations

A. Hotel Bed Tax Funding (budget page 46)

Jeff Rogers, CBJ Finance Director, discussed Hotel Bed Tax information as presented in the packet memo.

Mr. Rogers responded to Assembly questions.

Nancy DeCherney, JAHc Executive Director, discussed concerns regarding Centennial Hall.

Ms. DeCherney responded to Assembly questions.

Mr. Rogers responded to Assembly questions.

B. Travel Juneau (budget page 46 and 66)

Liz Perry, President & CEO, Travel Juneau; presented budget and COVID-19 response for Travel Juneau.

Ms. Perry responded to Assembly questions.

Mr. Rogers responded to Assembly questions.

Mr. Rogers discussed potential options to address Travel Juneau, Centennial Hall and JAHc budget shortfalls.

Mayor Weldon requested Mr. Watt ask the Cruise Lines International Association (CLIA) for a reallocation of previously collected Marine Passenger Fee funds to Travel Juneau. Mr. Watt confirmed that he will contact CLIA to discuss this topic.

The meeting recessed at 7:24 PM.

The meeting reconvened at 7:29 PM.

Ms. Hughes-Skandijs was not present telephonically when meeting reconvened.

C. Revised Passenger Fee Recommendations – For Review (budget pages 49-50)

Minutes - Assembly Finance Committee Meeting

Wednesday, April 15, 2020, 5:00 P.M.

Mr. Watt presented revised Marine Passenger Fee memo that reflects an assumption of no cruise ships in 2020.

Ms. Hughes-Skandijs rejoined meeting telephonically at 7:33 PM.

Mr. Rogers responded to Assembly questions.

Mr. Watt responded to Assembly questions.

D. Childcare

Ms. Cosgrove presented Childcare Costing Options which include a model based on increasing capacity over a period of time. Infants and toddlers presented the highest need. The model reflects a \$200 per child monthly stipend to infants and toddlers and \$50 per child for the 3-5 year old age group which presented a lesser need. Additional stipends for children in low income households has been considered. The total cost for the program is projected to be \$765,190.00.

Ms. Cosgrove responded to Assembly questions.

V. Information Items

A. Budget Tools

Mr. Watt presented "red folder items" (in-meeting handouts) to be discussed at the meeting. Mr. Watt recommended a delay of the renovation to Augustus Brown Pool in favor of continued essential maintenance in order to reallocate the 3.3 million dollars for this CIP to the current budget challenges. Mr. Watt suggested revisiting this CIP in 6 months. Mr. Watt will meet with the Aquatics Board and will report back at a later date.

Mr. Watt discussed the Macro Budget Balancing Tool.

Mr. Watt presented a draft of the Manager's 30-Month Budget Plan.

B. Resolution 2629 Restricted Budget Reserve

Mr. Watt discussed CBJ Resolution 2629 that was passed in 2012 which establishes guidelines for the amount, use, and replenishment of the restricted budget reserve.

Mr. Watt responded to Assembly questions.

Mr. Rogers responded to Assembly questions.

Minutes - Assembly Finance Committee Meeting

Wednesday, April 15, 2020, 5:00 P.M.

Ms. Bonnet Hale requested that the City Manager begin discussion with CBJ unions regarding a temporary reduction in CBJ employee salaries in order to reduce CBJ-wide personnel costs in response to the projected budget deficit.

C. AFC Meeting Schedule

VI. Next Meeting Date

Wednesday, April 22, 2020, immediately following the Special Assembly Meeting at 5:00 P.M.

VII. Adjournment

Meeting was adjourned at 8:48 PM.