City and Borough of Juneau
Minutes - Assembly Finance Committee Meeting
Wednesday, April 19, 2017, 5:30 p.m.

I. Call to Order

The meeting was called to order at 5:30 PM by Jesse Kiehl, Chair.

II. Roll Call

Committee Members Present: Jesse Kiehl, Chair; Beth Weldon, Norton Gregory, Mary Becker, Debbie White, and Loren Jones.
Committee Members Participating Telephonically**:** Maria Gladziszewski.
Committee Members Absent: Jerry Nankervis, and Mayor Ken Koelsch.

Staff Present: Rorie Watt, City Manager; Mila Cosgrove, Deputy City Manager; Bob Bartholomew, Finance Director; Robert Barr, Library Director; Lindsey Foster, Administrative Officer, Parks & Recreation; Roger Healy, Director, Engineering & Public Works; Nate Abbott, Interim Manager, Eaglecrest; Sam Muse, Controller; Jean Hodges, Assistant Controller, and Elisabeth Jensen, Budget Analyst.

Others Present: Liz Perry, Director, Travel Juneau; Gin Anderson, Vice Chair, Travel Juneau Board; Kelly Moore; Tonya Cadigan; Jill Ramiel, President, Downtown Business Association Board; Brian Holst, Executive Director, JEDC; Lauren McVeigh, Board Chair, JEDC; Steve Ricci, JEDC Board member; Nadine Lefebvre, JEDC Board member; Dana Gunderson, Downtown Business Association Board member; and Midgi Moore, Downtown Business Association Board member and Travel Juneau Board member.

III. Approval of Minutes

The April 12, 2017, minutes were approved as presented.

IV. Travel Juneau – Change to FY18 Approved Budget

Liz Perry, Director, Travel Juneau; presented the FY18 Revised budget for Travel Juneau, including an additional request of $190,000 for additional funding in FY18. Ms. Perry responded to questions from the committee.

Debbie White, moved to accept Travel Juneau's budget as submitted, including the additional funding request of $190,000.
Ms. Gladziszewski objected.

Minutes - Assembly Finance Committee Meeting
Wednesday, April 19, 2017, 5:30 p.m.

Roll call votes:
Ayes: White, Gregory, Weldon, and Becker.
Nays: Jones, Gladziszewski and Kiehl.
Absent: Nankervis, and Mayor Koelsch.
Motion FAILED 4-3.

The meeting recessed at 6:19 PM.
The meeting reconvened at 6:24 PM.

Loren Jones, moved to accept Travel Juneau's base budget as presented in the FY18 Revised Budget and place the additional funding request of $190,000 on the Pending List. Without OBJECTION.

V. Downtown Business Association (DBA) – Funding Request

Jill Ramiel presented the FY18 funding request of $50,000 from the Downtown Business Association (DBA), and responded to questions from the committee.

Norton Gregory, moved to add the Downtown Business Association's FY18 funding request of $50,000 to the AFC's Pending List.

Loren Jones, moved to amend the main motion, changing the amount from $50,000 to $75,000.
Ms. White objected to the motion to amend.

Mr. Jones, restated his motion to amend the main motion. He moved to add the Downtown Business Association's FY18 funding request of $50,000 to the AFC's Pending List; and add an additional amount of $25,000 in FY18 funding for DBA to the AFC's Pending List as a separate line item for consideration by the AFC.
Ms. White, removed her objection.
Without OBJECTION.

VI. Eaglecrest

Nate Abbott, Interim Director, Eaglecrest; and Michael Stanley, Eaglecrest Board; presented the FY18 Revised budget for Eaglecrest to the committee, and responded to questions from the committee. Mr. Abbott outlined how Eaglecrest works hard to manage to the bottom line each year. Chair Kiehl asked if the budget included any expenditures or revenues in connection with conceptual alcohol sales. Mr. Abbott assured Mr. Kiehl that it was not included in the FY18 Revised Budget.

Loren Jones, moved to approve the Eaglecrest FY18 Revised budget as presented. Without OBJECTION.

Minutes - Assembly Finance Committee Meeting
Wednesday, April 19, 2017, 5:30 p.m.

The meeting recessed at 7:16 PM.
The meeting reconvened at 7:27 PM.

VII. Juneau Economic Development Council (JEDC) – Change to FY18 Approved Budget

Brian Holst, Executive Director, JEDC; and Lauren McVeigh, Board Chair, JEDC; presented information regarding the JEDC FY18 Budget, with core funding remaining constant at $300,000. They also outlined three options, totaling an additional request of $77,500 in FY18.

The three additional options for the Assembly to consider include:

1.) $25,000 – Invest in Juneau's Entrepreneurial Capacity
2.) $35,000 – Pursue Innovation in Ocean and Maritime Industry
3.) $17,500 – Attract Talent to Juneau: Choose Juneau

Mr. Holst and Ms. McVeigh responded to questions from the committee.

Loren Jones, moved to approve the JEDC budget as presented by the Manager, and place the three additional options for the FY18 Revised budget in the amount of $77,500, on the AFC's Pending List.
Without OBJECTION.

VIII. Funding for FY18 Personnel Services – One-time Cost Increases

Handout provided.
Mila Cosgrove presented a memo from Dallas Hargrave, Human Resources & Risk Management Director, to the Assembly, titled, "Request for Ratification of MEBA Tentative Agreement on Contract Reopener and to Apply Terms to Unrepresented Employees."

Ms. Cosgrove explained that the bargaining team and MEBA reached a tentative agreement through a swift and productive process, with extending their understanding of the financial situation in the economic re-opener. The memo lays out the associated costs for represented and non-represented employees. Because this is a mid-year term, it does not need to be voted on, it is treated essentially as a letter of agreement, but is being presented to the AFC due to the financial impact.

Bob Bartholomew provided a hand-out, " Governmental Lapse & Budget Reductions by Department FY16 & FY17" to address how the CBJ will pay for the one-time cost increases anticipated as outlined in the memo from Mr. Hargrave. He explained that at this point there is sufficient funding in the Manager's FY18 Revised budget to absorb this one-time cost increase.

Ms. Cosgrove and Mr. Bartholomew responded to questions from the committee.

Chair Kiehl directed staff to bring the information back to the Assembly with a resolution to approve the pay element.

IX. FY17 Budget Supplementals

Bob Bartholomew discussed the two FY17 Budget Supplemental items on page 30 of the packet that had been reviewed by the AFC in a previous meeting.

The Airport request would increase their spending authority in FY17 by $43,000 from their own internal fund balance.

The supplemental request for Parks & Rec will increase General Fund support in the amount of $180,000 in FY17 if needed, though P&R will make their best effort to manage spending. If Parks & Rec is successful, any portion of the supplemental that is not used would be returned to fund balance.

Loren Jones, moved to direct staff to bring forward supplemental FY17 ordinances for both the Airport and Parks & Rec for approval by the Assembly.
Without OBJECTION.

X. General Government Budget Balancing Options

Mila Cosgrove, referenced the two page hand-out outlining a number of reduction options that was provided at the AFC meeting on April 12, 2017.
At the previous AFC meeting the list was introduced to the committee, and requested that the Assembly members review the list for areas they may want more details on or have future conversations on throughout the budget process.

Since the last meeting, Chair Kiehl stated that he had received items from Assembly members requesting further information and analysis from staff on the following items.

- Cost of the Public Information Officer.
- Cost to the CBJ and possible revenue increases were we to begin accepting credit card payments; broken out by Utilities, Property Tax, Sales Tax and the balance of the CBJ's fees and charges.
- Possible increases to the CBJ's Hotel Tax. What would additional 1%, 2% and 3% hotel tax provide in added revenue?

Mr. Jones requested further details on the following items:

- CDD Planning Review.
- Community Services Officer reduction in the Valley.

Minutes - Assembly Finance Committee Meeting
Wednesday, April 19, 2017, 5:30 p.m.

XI. Info Item – Pending List of the FY18 Revised Budget

Bob Bartholomew outlined the AFC FY18 Revised Budget Pending List on page 31 of the packet.

XII. Info Item – Capital Improvements Program – Resolution 2791(b)

Bob Bartholomew provided the track change enabled version of the CIP Resolution 2791(b) found on pages 32 – 37 of the packet.
Mr. Jones stated that he had recently discussed the CIP list with the City Manager and the Engineering staff and would like to decrease the amount for the McGinnis Subdivision Improvements – Phase 3 by $25,000 and create a new CIP project to look at Electric Vehicle Charging Stations.

Loren Jones, moved to amend the CIP Resolution 2791(b), by decreasing McGinnis Subdivision Improvements – Ph 3 from $1,000,000 to $975,000, and using the difference of $25,000 to fund a new Engineering CIP project, "Areawide EV Charging Stations" in the amount of $25,000.

Mr. Gregory objected to the motion, and asked for information on the impact to the neighborhood as a result of the decrease in funding to the McGinnis project.

Rorie Watt stated that there would not be an impact to the neighborhood, and spoke in support of the Areawide EV (Electric Vehicle) Charging Stations, since Juneau is seeing at least one new Electric Vehicle in town each week. He also stated that this would likely be an annual CIP project moving forward due to the demand.

Mr. Gregory removed his objection.
Without OBJECTION.

XIII. Next Meeting Date

Wednesday, April 26, 2017, immediately following the Special Assembly meeting at 5:00 p.m.

XIV. Adjournment

Meeting was adjourned at 8:59 PM