

ASSEMBLY FINANCE COMMITTEE MINUTES

January 10, 2024, at 6:45 PM

Assembly Chambers/Zoom Webinar



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

A. CALL TO ORDER

The meeting was called to order at 6:45 pm by Chair Christine Woll.

B. ROLL CALL

Committee Members Present: Chair Christine Woll; Michelle Hale; Greg Smith; Paul Kelly; Ella Adkison; Alicia Hughes-Skandijs; Wade Bryson

Committee Member Present Virtually: Mayor Beth Weldon; Wáahlaal Gíidaak

Committee Members Absent: None

Staff Members Present: Katie Koester, City Manager; Angie Flick, Finance Director; Adrien Wendel, Budget Manager

C. APPROVAL OF MINUTES

1. November 29, 2023

The November 29, 2023 minutes were approved as presented.

D. AGENDA TOPICS

2. Budget & Assembly Grants Process

Chair Woll introduced the memo on page 8 of the packet. She stated that the purpose of the memo was to provide clarity to Assemblymembers and the public about the adjustments made this year, especially with focus on improving the process of dealing with community funding requests.

Angie Flick, Finance Director, stated that a correction was needed in the memo to update that the discussion happened on the November 1 AFC meeting, not on the November 29 meeting. She shared that she's been working with Adrien Wendel, Budget Manager, to get an Assembly funding webpage launched which would be a resource for Assemblymembers to obtain historical requests that had been put forth and had been granted, as well as a historical table listing prior year Assembly grants. She stated that the webpage was currently in the review stage and that it would also be available to the public when ready.

Assemblymember Bryson asked if a line could be added to the Community Funding Form to show which population was being served. He stated that having information on demographics would help the Assembly with the decision-making process.

Ms. Flick stated that along with the memo the Assembly received a community funding request form and affirmed that a question asking which population was being served could be added to the form so that the Assembly would have access to that information.

Assemblymember Hale asked if a question could be added to the form that asks if the funding request addressed an Assembly goal. She also asked if there would be some kind of notification to applicants who have applied for funding in the past to make them aware of this new process.

Chair Woll stated that there was language in the form asking to identify Assembly goals or other community plans that were being addressed.

Ms. Flick stated that it is Staff's intention to notify those that requested grant funding last budget cycle to notify them of this new process.

Ms. Flick answered further Committee questions.

Assemblymember Smith asked if there could be more than one Assemblymember sponsor per applicant.

Chair Woll answered that there can be no more than three sponsors per applicant.

Ms. Flick added that there may be funding requests that come from Katie Koester, City Manager, as a part of her recommended budget, or that they may be deferred to the Assembly. She stated that the information would be gathered and available on the April 17 Assembly Finance Committee meeting.

Assemblymember Hughes-Skandijs asked what would happen in the scenario that Ms. Koester does not agree with the funding request from an applicant.

Ms. Koester stated that there were some community priorities that were routinely funded in the budget and that if a modest budget increase was needed for the same service, then she would consider that in the City Manager's budget. She shared the example of a fireworks show. Where inflation has made fireworks more expensive, a slight increase in funding for the same firework show would be considered. However, if a second firework show funding request was made, it would be referred to the Assembly. The applicant would need to find a sponsor for that request.

Chair Woll shared that after discussion with Staff, there had been requests made for an alternative Assembly Finance Committee budget calendar. She introduced the memo on pages 11 and 12 of the packet which shows the status quo calendar and an alternative calendar that shifts a couple Wednesday evening meeting workloads onto Saturday, April 6.

Ms. Flick stated that if the Assembly chose to adopt the alternative calendar, the weeks that include April 10 and April 24 would have no Assembly meetings scheduled. She added that the Clerk's Office appeared to have full availability for all Assemblymembers on April 6 and that there was a benefit to the alternative schedule because the long Saturday meeting would be in the beginning of the budget process.

Assemblymember Bryson expressed concern with the bandwidth of the Committee. He questioned how strong their capacity would be in absorbing information and discussing finances towards the end of that long day.

Assemblymember Hale responded that there would be multiple presentations at the end of the day, so it was not likely that the Assembly would be making any decisions at that time.

Mayor Weldon stated that six to eight hours on a Saturday was a long time for the public to stay engaged.

Assemblymember Hale expressed support for the option stating that she thought the Assembly would make better decisions with the extra time between meetings.

Chair Woll stated that the intent would be to have a very structured agenda for April 6 so presenters could choose to participate only when they needed to.

Assemblymember Hughes-Skandijs stated that the Saturday option could also boost public engagement because people would be more available on the weekend to attend.

Motion: by Assemblymember Bryson to direct Staff to use the April 6 Saturday option for this year's budget season.

Objection: by Mayor Weldon for the purpose of stating that this option creates too long of a day, especially with the school district topic on the agenda.

Roll Call Vote on Motion

Ayes: Bryson, Hughes-Skandijs, Wáahlaal Gíidaak, Hale, Adkison, Kelly, Woll

Nays: Weldon, Smith

Motion passed. Seven (7) Ayes, Two (2) Nays.

Chair Woll expressed support for Mayor Weldon's concerns and stated the importance of creating excellent packets in advance so that the Committee could be focused and well organized.

Ms. Flick stated that April 6 would be a very structured Saturday so presentations could be given efficiently. She added that the meeting would be in Assembly Chambers so it would be recorded and the public would be able to attend through Zoom.

3. Program Updates from Partner Agencies

Ms. Flick stated that there are partner agencies that the Assembly supports year to year that grant and do work on the Assembly's behalf. She stated that these agencies typically give a funding presentation to the Assembly during the budget cycle. She stated that during the next couple of Assembly Finance meetings these agencies will be asked to provide program updates to the Assembly prior to the budget process. She explained that if there was additional funding needed above what is included in the Manager's proposal, these agencies could request it through the Assembly Grant process.

Chair Woll introduced the partner agency Juneau Economic Development Council (JEDC).

Brian Holst, JEDC Executive Director, explained that the JEDC board was appointed by the Assembly. He continued that the JEDC is an independent, non-profit organization and introduced their staff, stating that they are unique because in addition to providing information they also engage in implementing programs.

Mr. Holst presented JEDC's five areas of focus on packet pages 22 through 27.

Mr. Holst presented the slide on page 29 of the packet that shows information about job pay and growth in Juneau, noting that CBJ's average monthly wage falls below Juneau's average of \$5,200, and CBJ is experiencing roughly a 2% change in average monthly employment between 2018 and 2023.

Mr. Holst presented the slide on page 30 of the packet which shows demographic trends of Juneau. He stated that Juneau's older population continued to grow and that for the first time the 60 years and older population was larger than the 20 years and younger population. He expressed that Juneau needed net migration to attract more people into the community if it doesn't want to see population decline.

Mr. Holst stated that the JEDC had identified two potential initiatives they intend to request Assembly grant funding for in FY25. The first being the Choose Juneau campaign which is designed to attract people 25-40 years old to move to and live in Juneau. The second initiative is to update the Juneau Economic Plan, which was adopted in 2015 and takes action to support Juneau's economy.

Assemblymember Hale brought up housing as the highest priority for the Assembly and asked how housing fits into the Choose Juneau campaign.

Mr. Holst stated that the JEDC has submitted a request to fund non-local seasonal workforce housing as part of the Marine Passenger Fee funding process, and underscored that housing is seen by the JEDC as a huge problem to solve for the community.

Assemblymember Smith asked about the need to focus on the age group that the JEDC had identified.

Mr. Holst stated that the significance of focusing on this age group was that they are of working age and that they would bring families and children to Juneau, contributing the most to Juneau's economy and sustained population.

4. Audit Services Extension

Ms. Flick reminded the Committee of the conversation about audit services they had last year and stated that the current contract with Elgee Rehfeld was set to expire at the end of the fiscal year, June 30, 2024. She stated that Staff felt strongly about retaining Elgee Rehfeld for another year because many parts of the greater CBJ organization have experienced major leadership changes.

Assemblymember Bryson stated that the Bartlett Board had not had the opportunity to discuss this extension and had previously requested a different auditor that was specialized in healthcare. He stated that because Elgee Rehfeld was at the end of their contract, this would be an appropriate time to look for new auditors.

Ms. Flick replied that the previous Bartlett CEO, Mr. Keith, did want to solicit their own auditor and there was a motion at the meeting last year to table the discussion until later in the year. She stated that one solution could be to create an RFP that allows the choice of all three elements of the audit including schools, the hospital, and the city or any combination of the three.

Assemblymember Adkison asked if keeping Elgee Rehfeld for another year would help to retroactively figure out what happened to cause the major school district deficit.

Ms. Flick answered that auditors normally just look at transactions that have occurred in the prior fiscal year, but the Committee could request they look into the schools finances and use forensic auditing to search for a cause of the deficit.

Chair Woll asked if Assemblymembers wanted to provide direction other than moving forward with a one-year extension of the Elgee Rehfeld contract.

Assemblymember Hughes-Skandijs expressed support for the extension of the contract.

Assemblymember Hale expressed concern for the extension stating that the Bartlett Board needed a chance to discuss it and submit their feedback.

Chair Woll asked how quickly this decision needed to be made and expressed support for giving the Bartlett Board the opportunity to weigh in.

Ms. Flick stated that there was some time left before the decision needed to be made but that it should not be significantly delayed.

Assemblymember Bryson expressed concern for the extension of the Elgee Rehfeld contract and stated that the Bartlett Board would have a chance to discuss this at their next board meeting on January 23.

Assemblymember Smith expressed support for giving the Bartlett Board one month to weigh in but stressed that there were other areas, such as the School District, that needed the Assembly's focus.

Assemblymember Hughes-Skandijs expressed support for waiting a month to hear from the Bartlett Board.

Motion: by Assemblymember Smith to move that the Assembly table the issue of extending the Elgee Rehfeld contract until the next Assembly Finance meeting and in the interim reach out to the Bartlett Board about their position.

Motion passed by unanimous consent.

5. Association for the Education of Young Children (AEYC) Parents as Teachers Funding Request

Ms. Koester stated that the AEYC had requested supplemental funding for the Parents as Teachers program. She explained that the program supports parents in increasing knowledge of early childhood development and helping their children to prepare for school. She explained that it is a State funded program but that the State had not provided sufficient funding and that this year the program would need an additional \$65,000.

Ms. Koester explained that there were a couple of options for funding this program including redirecting funds from the Childcare Business Startup program, directing Staff to request a supplemental request of General Funds, or deciding that the program funding was sufficient.

Assemblymember Bryson asked whether additional childcare spaces would be created if the Assembly increased the funding to the full level.

Ms. Koester replied that this program does not provide childcare spaces but instead provides AEYC staff monthly visitation to facilitate learning and development for children up to the age of three years old.

Assemblymember Hale asked that if the Assembly chose to fund this program and later had requests for new childcare business startups that exceeded the allocated funding, would the City Manager ask the Assembly to add more funds to the Childcare Business Startup fund.

Ms. Koester answered that that would be reasonable because of the Assembly's focus on childcare.

Blue Shibler, AEYC Executive Director, addressed the question of the childcare startup costs. She explained that the \$20,000 granted so far was used to help expand a family childcare home by four spaces. She shared that she was in contact with someone interested in starting a childcare business in her home. She explained that the funds left over in the Childcare Business Startup fund, after the \$65,000 transfer to the Teachers as Parents program, would be sufficient to help this new childcare business open and would add an additional eight childcare spaces.

Motion: by Assemblymember Hale to direct Staff to fund the extra \$65k for the Parents as Teachers program through the existing Childcare Business Startup funds and request that the City Manager come to the Assembly if there is further funding needed for the Childcare Business Startup fund.

Motion passed by unanimous consent.

6. 2024 Legislative Priorities

Chair Woll explained that the memo on pages 16-18 of the packet was for information purposes and that the goal was to get this out into the public, discuss it as a body, and finalize priorities at a later time.

Ms. Koester directed focus to the supplemental materials, pointing to the Capital Civic Center project update on pages 38 and 39 of the packet. She explained that the partner who's advocating for the Capital Civic Center had updated their request through the Public Works and Facilities committee and that the request had moved from a full funding \$75 million project to a phased project. She stated that Staff will supplement the new project description in the packet that will be circulated at the Legislative Breakfast.

E. SUPPLEMENTAL MATERIALS

7. Juneau Economic Development Council Slide Deck

These materials were discussed under Agenda Topic #3.

8. 2024 Legislative Priorities

These materials were discussed under Agenda Topic #6.

F. NEXT MEETING DATE

February 7, 2024

G. ADJOURNMENT

The meeting was adjourned at 8:24 pm.