

# SPECIAL ASSEMBLY MEETING 2023-10

## **DRAFT** MINUTES

April 26, 2023 at 5:30 PM



### Assembly Chambers/Zoom Webinar

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

Immediately followed by Assembly Finance Committee Meeting

#### A. CALL TO ORDER

**Meeting No. 2023-10:** The Special Meeting of the City and Borough of Juneau Assembly was held in the Assembly Chambers and called to order by Acting Mayor Carole Triem at 5:33p.m. Mayor Weldon and Deputy Mayor Maria Gladziszewski participated virtually via Zoom so senior Assemblymember Carole Triem presided during this meeting.

#### B. LAND ACKNOWLEDGEMENT

We would like to acknowledge that the City and Borough of Juneau is on Tlingit land, and wish to honor the indigenous people of this land. For more than ten thousand years, Alaska Native people have been and continue to be integral to the well-being of our community. We are grateful to be in this place, a part of this community, and to honor the culture, traditions, and resilience of the Tlingit people. Gunalchéesh!

#### C. ROLL CALL

**Assemblymembers Present:** Carole Triem, Maria Gladziszewski (via Zoom), Greg Smith, Christine Woll, Michelle Hale, Wade Bryson, Alicia Hughes-Skandijs, and Mayor Beth Weldon (via Zoom)

**Assemblymembers Absent:** 'Wáahlaal Gídaak

**JSD Board of Education Members & Staff Present:** President Deedie Sorensen, Emil Mackey, Will Muldoon, Elizabeth "Ebette" Siddon, Amber Frommherz, Martin Stepetin Sr., Superintendent Bridget Weiss, Finance Officer Cassee Olin

**CBJ Staff Present:** City Manager Rorie Watt, Deputy City Manager Robert Barr, Acting City Attorney Sherri Layne, Municipal Clerk Beth McEwen, Finance Director Jeff Rogers, Finance Director Angie Flick, Budget Manager Adrien Speegle, Controller Sarita Knoll, Finance Administration Coordinator John Nesmith, Engineer/Public Works Director Katie Koester, Parks and Recreation Director George Schaaf, Docks & Harbors Administrative Officer Teena Larson, Assistant Attorney Emily Wright, Tourism Manager Alexandra Pierce

#### D. APPROVAL OF MINUTES

##### 1. October 24, 2022 Assembly Reorganizational Meeting #2022-24 DRAFT Minutes

**MOTION** by Ms. Hale to approve the minutes of the October 24, 2022 Assembly meeting and asked for unanimous consent. **Hearing no objection, the minutes were approved by unanimous consent.**

E. MANAGER'S REQUEST FOR AGENDA CHANGES – None.

#### F. PUBLIC PARTICIPATION

The public may participate in person or via Zoom webinar. Testimony time will be limited by the Mayor based on the number of participants. **Members of the public that want to provide oral testimony via remote participation must notify the Municipal Clerk prior to 4pm the day of the meeting by calling 907-586-5278 and indicating the topic(s) upon which they wish to testify.** For in-person participation at the meeting, a sign-up sheet will be made

available at the back of the Chambers and advance sign-up is not required. Members of the public are encouraged to send their comments in advance of the meeting to BoroughAssembly@juneau.gov.

**G. AGENDA TOPICS/PUBLIC HEARING**

**2. Ordinance 2023-14 An Ordinance Appropriating Funds from the Treasury for FY24 City and Borough Operations.**

This ordinance appropriates \$519,655,600 in expenditure authority for the City and Borough of Juneau's FY24 operating budget, excluding the School District. This ordinance appropriates all transfers between funds that support operations, debt service and capital projects as well as the associated expenditures within the funds themselves.

This ordinance also recognizes \$492,395,600 of forecast revenue and transfers-in and decreases fund balances, across all funds, by \$27,260,000. The forecast revenue and draw from fund balance are sufficient to fund the budgeted expenditures. Budgeted expenditures and revenues will be reviewed in detail with the Finance Committee during the budget process in April and May.

The Charter requires that a public hearing be held on the FY24 operating budget by May 1, 2023, and the ordinance be adopted by June 15, 2023.

**The City Manager recommends holding the charter required public hearing for this ordinance, followed by referral back to the Assembly Finance Committee for further review.**

**Public Comment**

*None.*

**Assembly Action**

**MOTION** by Mayor Weldon to refer Ordinance 2023-14 back to the Assembly Finance Committee for further review and asked unanimous consent. ***Hearing no objection, the motion passed by unanimous consent.***

**3. Ordinance 2023-15 An Ordinance Appropriating Funds from the Treasury for FY24 School District Operations.**

This ordinance will appropriate to the School District an FY24 operating budget of \$96,317,000. This is an overall increase in the budget of \$9,658,000 from the FY23 Amended Budget. The FY24 school budget is supported with a combination of funding sources including CBJ local funding of \$33,050,800 and state and federal funding of \$58,996,000. The local funding consists of \$30,775,800 for general operations and \$2,275,000 for programs and activities not subject to the state funding cap.

State statute requires the Assembly to determine the total amount of local educational funding support to be provided and provide notification of the support to the School Board within 30 days of the School District's budget submission. To meet this timing provision, it is necessary for the Assembly to determine the amount of funding and provide notice in the month of April. This amount cannot subsequently be reduced, unless the amount exceeds the State funding cap, but it can be increased. If the Assembly does not set the amount and furnish the School Board with notice within 30 days, the amount requested by the School District is automatically approved. By Charter, the Assembly is required to appropriate the School District's budget no later than May 31, 2023.

**The City Manager recommends holding the charter required public hearing for this ordinance, followed by a motion to set the amount of local funding to be provided to the school district, and then referral of the ordinance back to the Assembly Finance Committee for additional review.**

**Public Comment**

*None.*

**Assembly Action**

**MOTION** by Mayor Weldon to set the amount of local funding for the School District Operations at \$30,775,800, which is funding to the cap, and to refer Ordinance 2023-15 back to the Assembly Finance Committee for further review and asked unanimous consent. ***Hearing no objection, the motion passed by unanimous consent.***

**4. Ordinance 2023-16 An Ordinance Establishing the Rate of Levy for Property Taxes for Calendar Year 2023 Based upon the Proposed Budget for Fiscal Year 2024.**

This ordinance establishes the mill rates for property taxes for 2023, which funds a significant portion of the City and Borough of Juneau's FY24 operating budget. The Charter requires the Assembly to adopt, by ordinance, the tax levies necessary to fund the budget before June 15.

The mill levies presented in this ordinance support the Manager's FY24 Revised Budget that will be reviewed by the Assembly Finance Committee (AFC). As part of the budget review process, the AFC reviews, amends and recommends to the Assembly the final mill levies.

For FY24, the operating mill rate is proposed to decrease 0.28 mills for a total proposed mill levy of 10.28 mills, the components of which are:

**FY2024 Proposed Mill Rate**

Areawide: 6.32 (a decrease of 0.28 from FY23 Adopted)

Roaded Service Area: 2.45 (flat from FY23 Adopted)

Fire Service Area: 0.34 (flat from FY23 Adopted)

Debt Service: 1.20 (flat from FY23 Adopted)

**Total FY24 Proposed Mill Rate: 10.28 (a decrease of 0.28 from FY23 Adopted)**

**The City Manager recommends holding the charter required public hearing for this ordinance, followed by referral back to the Assembly Finance Committee for further review.**

**Public Comment**

*Due to an accident that had stopped traffic on the Back Loop Road for hours on April 26, Ms. Gerke did not arrive at the meeting until the Finance Committee was in progress. Due to the special circumstances, Ms. Triem, allowed public testimony on this matter during a portion of the Assembly Finance Committee meeting.*

**Ms. Brandee Gerke**, a resident off the Back Loop Road, testified requesting the Assembly consider a reduction in the mill levy due to the state of the economy at this time and enumerated the reasons for her request.

**Assembly Action**

**MOTION** by Mayor Weldon to refer Ordinance 2023-16 back to the Assembly Finance Committee (AFC) for further review and asked unanimous consent.

Mayor Weldon noted that the Assembly will be discussing this item again on May 17 according to the AFC schedule.

Ms. Hale objected for purposes of a statement. She said that she has been running scenarios based on the budget book, particularly Doc-11, which is the Mill Rate Sensitivity Calculation. She said that currently at the 10.28 mill rate, they would be at a deficit of \$9,438 but she will be looking at possibly making changes to the mill levy, possibly to the rate of 10.20, which would be a deficit of \$529,921, or she may wish to go further. She stated that reason she wants to consider that is because we have a substantial restricted budget reserve, we have a fund balance, and she believes that we should not be imposing that fear when we have a fund balance to provide us with a buffer. She said she wanted to put that she will be bringing that up as a point of discussion in the future and she removed her objection. ***Hearing no further objection, the motion passed by unanimous consent.***

**5. Resolution 3016 A Resolution Adopting the City and Borough Capital Improvement Program for Fiscal Years 2024 through 2029, and Establishing the Capital Improvement Project Priorities for Fiscal Year 2024.**

This resolution would adopt the Capital Improvement Program (CIP) for Fiscal Years 2024 through 2029, as required by Charter Section 9.4, and lists the capital projects that will be initially appropriated by ordinance in FY24.

The Public Works and Facilities Committee reviewed the preliminary CIP at its March 6, 2023 meeting and forwarded the plan to the Assembly.

**The City Manager recommends holding the charter required public hearing for this resolution, followed by referral back to the Assembly Finance Committee for further review.**

**Public Comment**

*None.*

**Assembly Action**

**MOTION** by Mayor Weldon to refer Resolution 3016 back to the Assembly Finance Committee (AFC) for further review and asked unanimous consent. ***Hearing no objection, the motion passed by unanimous consent.***

**6. Resolution 3026 A Resolution Providing For Interest Rates For The General Obligation Bonds Being Issued Through Negotiated Sale by RBC Capital Markets, LLC.**

On or about May 4, 2023, CBJ is scheduled to sell approximately \$6.4 million in general obligation bonds approved by voters in the October 4, 2022 municipal election.

The issuance of bonds was authorized by the Assembly in Ordinance 2023-13(b) adopted March 20, 2023. The final Assembly action, per CBJ Charter, related to these bonds is to "prescribe" (set/accept) by resolution the interest rates and annual principal maturity payment dollar amounts.

CBJ legal counsel, K&L Gates, has prepared Resolution 3026 to adopt the interest rates, via delegation to the City Manager, and set other final bond sale terms. Schedule A of the resolution lists the years and amounts when the bonds will mature and sets the maximum interest rates authorized. The aggregate interest cost for all the bonds is estimated to be near 3.83%.

**The City Manager recommends the Assembly adopt this resolution.**

**Public Comment**

*None.*

**Assembly Action**

**MOTION** by Mayor Weldon to adopt Resolution 3026 and asked unanimous consent. ***Hearing no objection, the motion passed by unanimous consent.***

**H. SUPPLEMENTAL MATERIALS**

**I. ADJOURNMENT**

*There being no further business to come before the Assembly, the meeting adjourned at 5:50 p.m.*

Signed: \_\_\_\_\_  
Elizabeth J. McEwen  
Municipal Clerk

Signed: \_\_\_\_\_  
Beth A. Weldon  
Mayor