

**MUNICIPALITY OF ANCHORAGE –
ANCHORAGE ASSEMBLY –
MATANUSKA-SUSITNA BOROUGH -
ASSEMBLY**

JOINT MEETING - WORKSESSION

Wednesday, October 14, 2020 11:00 AM-1:00 PM

Virtual Meeting via Teams; the public may join at <http://bit.ly/20201014jointmeeting>

If you would like to provide comments during the joint meeting, please email testimony@anchorageak.gov by 5:00p.m. on Tuesday, October 13, 2020 with the subject line *Joint Meeting – Audience Participation*. Written comments can also be emailed to testimony@anchorageak.gov.

Agenda

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA
4. PLEDGE OF ALLEGIANCE/LAND ACKNOWLEDGEMENT
5. INITIAL AUDIENCE PARTICIPATION
6. JOINT ITEMS OF BUSINESS
 - A. Discussion on COVID-19 Impacts (requested by Matanuska-Susitna Borough Assembly)
 - B. Transportation Coordination Between Both Municipalities (carry over item from October 3, 2019 meeting)
 - C. Salmon in Streams (carry over items from October 3, 2019 meeting)
 - D. Education Funding (carry over item from October 3, 2019 meeting)
 - E. Other items of mutual interest
7. FINAL AUDIENCE PARTICIPATION
8. ADJOURNMENT

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SUBJECT: JOINT RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY AND THE MUNICIPALITY OF ANCHORAGE ASSEMBLY IN FAVOR OF THE STATE OF ALASKA FULLY FUNDING SCHOOL BOND DEBT REIMBURSEMENT.

AGENDA OF: October 14, 2020

Assembly Action:

MANAGER RECOMMENDATION: Present to the Assembly for consideration.

APPROVED BY GEORGE HAYS, ACTING BOROUGH MANAGER:

Route To:	Department/Individual	Initials	Remarks
	Originator: G. Hays		
	Finance Director		
	Borough Attorney		
	Borough Clerk		

ATTACHMENT(S): Fiscal Note: YES _____ NO X
Resolution Serial No. 20-103 (4 pp)

SUMMARY STATEMENT: This legislation is coming forward at the request of the Matanuska-Susitna Borough Assembly and the Municipality of Anchorage assembly.

Action:

**MATANUSKA-SUSITNA BOROUGH
RESOLUTION SERIAL NO. 20-103**

JOINT RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY AND THE MUNICIPALITY OF ANCHORAGE ASSEMBLY IN FAVOR OF THE STATE OF ALASKA FULLY FUNDING SCHOOL BOND DEBT REIMBURSEMENT.

WHEREAS, the state of Alaska has a constitutional responsibility to "maintain a system of public schools" under Article VII, 1 of the Alaska State Constitution; and

WHEREAS, since 1970 the state of Alaska has encouraged municipalities to bond for school major maintenance projects by reimbursing municipalities with bonding authority for principal and interest payments; and

WHEREAS, between 2006 and 2015, the Legislature determined that school projects which passed the Alaska State Department of Education and Early Development's criteria and were approved by local voters would receive 70 percent debt reimbursement, and those that did not meet the department's criteria would receive 60 percent reimbursement; and

WHEREAS, relying on the state's commitment to fund its moral and constitutional obligations, the Matanuska-Susitna Borough and the Municipality of Anchorage have maintained schools for the education of our state's most precious resource, our children; and

WHEREAS, the Matanuska-Susitna Borough and the Municipality

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of Anchorage issued bonds relying in good faith on the state to live up to its financial commitments to education; and

WHEREAS, in 2015 the Legislature responded to a difficult fiscal situation by placing a five-year moratorium on any new projects being eligible for school bond debt reimbursement, thus giving municipalities and voters across the state notice that bonds sold within the five-year period would be the sole responsibility of local taxpayers; and

WHEREAS, in 2016 the Legislature recognized the state's responsibility to honor past project funding and appropriated funds to the municipalities for school debt reimbursement; and

WHEREAS, in 2016 then Governor Bill Walker, in trying to address the budget deficit, cut 25 percent of the funding for both municipal and rural schools from appropriation bills using his line-item reduction power; and

WHEREAS, these reductions saved the state of Alaska \$40,703,819 out of an estimated \$3,000,000,000 deficit, or 1.2 percent, by shifting costs to local municipalities and by leaving badly needed rural projects unfunded; and

WHEREAS, the Matanuska-Susitna Borough lost \$5,692,185 as a result of the line-item reduction; and

WHEREAS, the Municipality of Anchorage lost approximately \$11 Million as a result of the line-item reduction; and

WHEREAS, in 2020 the Matanuska-Susitna Borough lost

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approximately \$16 Million in state revenues, largely the school bond debt reimbursement funds, which equate to 20% of our current area-wide property tax in a single year, and

WHEREAS, in 2020 the Municipality of Anchorage lost approximately \$20.5 Million in state revenues; and

WHEREAS, Alaska municipalities do not have the fiscal resources to close the state's revenue gap; and

WHEREAS, state should not reach a long-term solution to its revenue problems by ignoring its constitutional obligation to public education.

NOW, THEREFORE, BE IT RESOLVED, the Matanuska-Susitna Borough Assembly and the Municipality of Anchorage Assembly:

- hereby support full funding from the state of Alaska for the school bond debt reimbursement; and
- call on Governor Mike Dunleavy to fully fund the fiscal year 2022 budget and future state of Alaska moral and constitutional obligation to public schools through school bond debt reimbursement in his budget submittal to the Legislature; and
- call on the Alaska Legislature to continue its practice of fully funding these moral and constitutional obligations to public schools; and
- call on Governor Mike Dunleavy and the Alaska Legislature

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to adopt a Fiscal Year 2022 budget that reinstates full
funding for this year's school debt reimbursement payments.

ADOPTED by the Matanuska-Susitna Borough Assembly this - day
of -, 2020.

VERN HALTER
Matanuska-Susitna Borough Mayor

ATTEST:

LONNIE R. McKECHNIE, CMC, Borough Clerk
(SEAL)

FELIX RIVERA
Municipality of Anchorage Chair

ATTEST:

BARBARA A. JONES, Municipal Clerk
(SEAL)