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En - HB 488

-- establishment of an accounting system ^{start} and
other specialized services for

municipalities and unincorporated ~~villages~~
communities under 1500 population."

line 12 all deleted ^{to read} all material
after the word "systems" delete all material
& insert the following: "

MEMORANDUM**State of Alaska**

TO: The Honorable Frank R. Ferguson
Alaska State House of Representatives

Thru: Byron I. Mallott
Director

DATE : February 2, 1972

FROM: Van K. Veselka
Local Government Specialist

SUBJECT: House Bill 488

House Bill 488, attached to this memo, as it states, provides funds for the establishment of accounting systems for cities of the fourth class. My comments on the bill are as follows:

1. I assume by fourth class cities, the bill would apply to the newly designated second class cities (assuming passage of the new municipal code).
2. On a contractual basis, estimating an accounting consultant one week to establish a set of books in a village and to break in a clerk, the money should reach at least 100 villages. If you broke the program into several visits for follow-up, modification of the system, and further training, you could still reach approximately fifty villages with a very good program. This approach would probably be most beneficial and would result in little existing staff time by utilizing consultants almost exclusively. This, of course, would only work if there were sufficient consultants who could relate well enough to the villages to be able to establish an immediate working relationship. If we were to not rely on consultants, it would mean greatly increasing our staff. A possibility would be for the agency to hire on a one-year contractual basis a couple of people who are accountants and who have worked in municipal accounting, and put them on the road for a year. This approach could probably be expected to work with about fifty villages, but it would allow tighter control and monitoring on the part of the agency. The point should be made that the establishment of an accounting system is something that can only be done by being in the village and working with the person there. Other subject areas can be reached by such approaches as seminars, education programs, etc., but not the establishment of accounting systems on a real basis. There are seventy-five fourth class cities now and, thus, we could reach approximately 668 of these communities. This would, no doubt, be a great benefit to these communities.

The Honorable Frank R. Ferguson

February 2, 1972

3. My concerns, though, are that though establishing accounting systems in 60% of the fourth class cities is of general good benefit, how does it relate to a priority ranking of the very immediate problems facing fourth class villages as a result of the Land Claims, such as the development of overall management capabilities in these villages, capability to develop land use plans, to make land selection, and broader view of the matter of community governmental and developmental management. It would appear to me that we would be locked too tightly to working on one functional area at a time when our client, so to speak, has other pressing needs that need to be addressed at the time. An accounting system would be a basic part of any assistance as it is essential to the local governments' operation, but it is still only a part of an overall system. These same monies, with the flexibility to work in the area of assisting the local community in the establishment of an overall planning and management funding system would, in my opinion, enable us to respond to the individual community's needs at any given time, and to develop this response, and its components like an accounting system, on an inter-related basis.

In summary, the basic thrust of the proposed legislation to provide the agency with funds to assist and work directly with the fourth class or village-level communities, is extremely good. I feel we could still, even with the overall approach, produce concrete results in at least sixty per cent of the villages utilizing staff increases and consultants, but I would sincerely hope that we would not be put in the position of being in a village (or have a consultant in a village) at a time when they are in dire need of direct assistance over any given subject area, and not be able to provide that assistance due to the inflexibility of the program. Such a situation, which is not currently uncommon, not only severely weakens our relationship chances of that village to get itself going. It is just generally erroneous and detrimental to come into a village with a prior determination of their needs, i. e. you need an accounting system, rather than coming in to get an assessment with and from them of what their needs are, and then address those needs.

VKV/pak

Attachment

HB

520

FOR THOSE ALASKA STATE HOUSING AUTHORITY
EMPLOYEES TRANSFERRED TO STATE EMPLOYMENT
BY THIS LEGISLATION,

Alaska State Housing Authority employee benefits,
such as retirement, annual leave, sick leave, and
medical insurance shall be integrated into the
state benefit system as if Authority employment
had been State employment, particularly in regard
to years of service and vested rights of individual
employees.

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Introduced: 1/14/72
Referred: Local Government
and Finance

IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

CS FOR HOUSE BILL NO. 520

IN THE LEGISLATURE OF THE STATE OF ALASKA

SEVENTH LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act appropriating to the Department of Community and Regional Affairs for local government study; and providing for an effective date."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

*Section 1. The sum of \$200,000 is appropriated from the general fund to the Department of Community and Regional Affairs to fund the cost of a study ^{by staff members} of local government. The scope of the study shall include but is not limited to ^{existing difficulties in} city-borough relationships, ~~generally and in the Anchorage area in particular,~~ ^{opportunities} for cooperation between city, borough and state agencies; ~~with~~ full integration of Alaska State Housing Authority as a working division ^{within} of the Department of Community and Regional Affairs; Advantages, disadvantages and estimated costs of implementing a property tax in unorganized borough areas; and other problem areas identified by the commissioner and staff of the Department of Community and Regional Affairs.

*Section 2. This Act takes effect July 1, 1972.

Introduced: 1/14/72
Referred: Local Government
and Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 CS HOUSE BILL NO. 520

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act appropriating to the Local Affairs Agency for
7 local government study; and providing for an
8 effective date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. The sum of ^{200,000} ~~40,000~~ is appropriated from the general fund
11 to the Office of the ^{Govt CNA} ~~Governor, Local Affairs Agency~~ to fund the cost of a
12 study of local government ~~in the Greater Anchorage area.~~ (X)

13 ~~Sec. 2.~~ The remaining balance of the appropriation made by this Act
14 lapses into the general fund on June 30, 1973.

15 * Sec. ~~2~~ This Act takes effect on the day after its passage and
16 approval or on the ~~day~~ it becomes law without approval.

301. 1, 1972



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**CITY OF
ANCHORAGE**



ALASKA

POST OFFICE BOX 400
ANCHORAGE, ALASKA
99501

December 30, 1971

Mr. Don Berry, Executive Director
Alaska Municipal League
210 Admiral Way
Juneau, Alaska 99801

Dear Don:

In response to your Bulletin 72-6 regarding Local Government Study Committee, the City of Anchorage expressed its view at the recent Alaska Municipal League Conference in conjunction with Item 32, Part II, Local Governmental Study. This item suggests a study of local government forms and structure throughout Alaska. This is quite different than the Governor's statement in which he is proposing a "technical" local government study of only the Anchorage area. We believe that the problem is more "political" in nature than "technical," and, while the technical aspects need to be developed for the political decision, we certainly would be opposed to any "technical" study limited to only the Anchorage area.

I suggest that you use as a reference for your meeting in early January the report entitled "The State and the Local Governmental System" published by the Institute of Social, Economic and Government Research, University of Alaska, March, 1970. I am sure that you have this report and have read it and, therefore, I need not dwell on the fact that existing local government legislation, particularly in regard to boroughs and borough-city-state relationship, is sadly deficient. The opening paragraph in Chapter IX, "Conclusion," of the report states:

"The Alaska Constitutional Convention--by creating only a very general framework and looking to its long-run adaptability--forced the people and their representatives to cope with major, still-unresolved political problems: the reconciliation of state responsibility and local self-determination and the definition of the roles and relationships of state, borough, and city government."

This opening paragraph states very well the problem with which we are confronted. In the absence of constitutional guidelines and, further, in the absence of specific legislative guidelines, the borough and city relationships will continue to be in conflict and unresolved until specific powers and relationships are established. Further, the relationship between local



AIRMAIL IS FASTER

Mr. Don Berry, Executive Director
December 30, 1971
Page 2

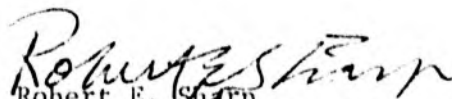
governments and the state still remain unresolved. For example, what is the highway responsibility of the state and local governments? You can carry this same example into a half dozen areas ranging from public health to police services.

Don, it would do little good for a "technical" committee to come up with what it considers an answer to the local government problem if the politicians do not agree and fail to enact legislation for implementation. Therefore, this committee should be "politically oriented" and be supplied with sufficient technical staff to provide those types of answer that may be necessary for the political decisions required for a solution. Accordingly, the committee should consist of, primarily, elected officials from local government and state government along with a sufficient number from the executive branches of local and state government to give it balance. In addition, the general public should be represented on it.

To go a little further into the specifics, this group should come up with recommendations as to the specific relationships and responsibility of the state and local government and the boroughs and cities. Standards for annexation is a prime example of a need that has gone unmet for over ten years. I don't feel that the committee should be limited by any particular parameter; instead, the entire local government form and structure should be explored, studied and solutions offered which will be politically acceptable. I could cite a dozen areas of legislature deficiencies, but you are equally aware of them.

If we can be of any further assistance on this subject, please contact me.

Sincerely yours,


Robert E. Sharp
City Manager

RES:ccb

Attachment

cc: Mayor and Council

February 18, 1972

Mr. George W. Anderson
Second Vice President
Alaska Municipal League
204 Franklin
Juneau, Alaska 99801

Dear George:

We are most appreciative of your letter of February 17 and for your earlier testimony before the House Local Government Committee. Thanks very much for taking the time to advise us of your views.

Sincerely,

Mike Miller, Chairman
House Local Government Committee

Alaska
MUNICIPAL
League

TELEPHONE
586-1325

204 FRANKLIN
210 ADMIRAL WAY
JUNEAU, ALASKA 99801

February 17, 1972

The Honorable Mike Miller
Chairman
House Local Government
Committee
Capital Building
Juneau, Alaska 99801

RE: HB 520

Dear Representative Miller:

We of the Alaska Municipal League respectfully urge the expansion of this bill in scope and funding to enable inclusion of all local governments throughout the state.

Results of this expanded study could very well supply the tools necessary for solving the numerous and varied problems facing local governments. In it's present form the limitations in scope and funding of this bill exclude and delay the assistance needed by our troubled municipalities and boroughs.

We believe a more comprehensive study would result in a strengthened Local Affairs Agency better able to assume and fulfill its responsibility.

Please be assured that I stand ready to present answers or comments to any questions your committee may have.

Sincerely,

George W. Anderson

George W. Anderson
Second Vice President

GWA:bf