

Committee

CORRESPOND-  
ENCE

# Alaska MUNICIPAL League

TELEPHONES  
(907) 586-1325  
586-6526

204 N. FRANKLIN ST.  
JUNEAU, ALASKA 99801

SB 716: The AML Policy Statement endorses several features contained in SB 716:

1. consolidating the administration of programs into a single department,
2. increasing the minimum allocation, and
3. including intent language providing annual adjustments based on population and inflation.

Recommended amendments:

1. page 2, line 17. after "AS 29.88", add "AS 43.20.016". the municipal assistance fund. It is my understanding that this omission was simply a drafting error.
2. page 2, line 17. change "1983" to "1982". By making 1982 the base year, municipalities will not be penalized for applying their extra state assistance to local tax relief.
3. page 3, line 20. expand the list to include other municipal services, such as education, animal control, cemeteries, water and sewer.
4. page 5, line 10. delete subparagraph (b)

SB 797: This bill achieves consolidation of administration. It also provides for maximum local control by not mandating the use of the funds for basic services.

page 3, line 18. the formula should be corrected

$$\frac{A}{T} \times P$$

Future study: An in depth study of the whole issue of state assistance to municipalities is needed. Since the adoption of the municipal assistance fund and the revised revenue sharing program, many of the ground rules have changed. If a bill is adopted this year, it should be considered a short term solution.

Issues that should be considered in developing a new plan should include equity, predictability, and maximum local control.

## STATE REVENUE SHARING WITH MUNICIPALITIES

### Title 29, Chapter 88. Municipal Tax Resource Equalization

This chapter provides for revenue sharing to municipalities based on the formula - population times millage rate equivalent. Millage rate equivalent is determined by multiplying the sum of the locally generated revenue of the municipality by one-tenth of one percent of the full and true value of assessed property in the municipality. (The former revenue sharing program provided for per capita grants based on services provided, such as police, fire, planning, etc.)

### Title 29, Chapter 89. State Aid for Miscellaneous Municipal Purposes

Road Maintenance: Provides \$2,500 a mile for each mile of road, street or highway maintained by the local government and \$1,500 a mile for ice roads (same provision as former program except amounts per mile increased)

Health Facilities and Hospitals: For municipally operated and non-profit hospitals, provides \$1,000 per bed of \$250,000 a hospital with ten beds or more, or \$50,000 a hospital with less than ten beds. This money goes to the hospitals; there is no discretion on the part of the municipality on how the money should be spent. For a municipality operated health facility, provides \$2,000 per bed or \$8,000 per health facility, with the restriction that the money must be used for expenses of health facilities or operation and maintenance of health facilities. (same as former program except amounts increased)

Volunteer Fire Departments in Unorganized Borough: Provides \$10 per capita for population served by a volunteer fire department in the unorganized borough. (former program contained a per capita amount for all fire departments) Since expenses for fire departments in organized municipalities are included in the Chapter 88 formula, this section applies only to departments in the unorganized borough.

Native Village Governments: Provides \$25,000 to each native village government. (new provision)

### Title 29, Chapter 90. State Aid for Hospital Construction

Provides \$2,500 a bed for the maximum number of beds provided for in the construction design of the facility or five percent of the total project cost, whichever is greater. State aid continues until the municipality or other hospital sponsor has received an amount which, combined with state matching money for construction of the hospital, equals 25% of the total project cost. Money received for construction may not be used for any other purpose. (emphasis added) (same provision in former program)

Title 29, Chapter 95. Administration of Municipal Financial Assistance Programs

Provides for a \$25,000 minimum entitlement and for cost of living differentials. The Department of Community and Regional Affairs administers the entire revenue sharing program.

Temporary and Special Acts, Chapter 155

Hold Harmless: Provides that for the first five years no municipality may receive less than 125% of what it was entitled to receive under the former program; further provides for proration of payments if appropriation is not sufficient to cover hold harmless provision.

\* \* \* \* \*

MUNICIPAL ASSISTANCE FUND  
(AS 43.20.014)

The Municipal Assistance Fund, administered by the Department of Revenue, distributes money appropriated by the Legislature to municipalities on a per capita basis. There is no cost of living adjustment or payment to unincorporated municipalities. The statute provides that the fund contain an amount "equal to or greater" than 10% of the corporate income tax receipts, subject to Legislative appropriation. Legislative intent is that this money be used for local tax relief. Last year's changes in the oil and gas taxation policy, shifting the emphasis from corporate income to severance, greatly diminished the amount of money generated by the corporate income tax.

The Municipal Assistance Fund was created when the Legislature repealed the Gross Business License Tax. Under that program, municipalities received 60% of revenues generated. Since it was a pre-statehood dedicated sharing, the amount was distributed automatically and not subject to Legislative appropriation.

Prepared by  
Alaska Municipal League  
February, 1982

REVENUE SHARING/MUNICIPAL ASSISTANCE

Two proposals have been introduced this session to combine the revenue sharing and municipal assistance programs into one. Neither bill makes any changes to the special revenue sharing entitlements for roads, volunteer fire departments, health facilities, hospitals, etc. Following is comparison of the proposals.

	SB716/HB746	SB 797
Municipal Assistance Fund (10% or Greater of Corporate Income Tax)	Repeals	Repeals
Distribution Formula	Current Revenue Sharing Formula	Per Capita Adjusted for Cost of Living
Minimum Entitlement	\$100,000	\$25,000
Unincorporated Communities	Transferred to Rural Development Grants Section	\$25,000 grant
Requirements	Spend 50% on at least 3 basic services	None
Hold Harmless	Open-Ended	5-Years
Future Funding Levels	Intent to Increase With Inflation & Population	No Intent Language
Amount Needed to trigger bill	\$140,851,300*	\$143,100,000*

\*The difference between the 2 figures represents the amount currently going to unincorporated communities.

Excerpts from report prepared by the Department of Community and Regional Affairs.

The Department of Community and Regional Affairs has examined state programs to provide financial assistance to localities in Alaska, with particular emphasis on revenue sharing and municipal assistance and finds the following problems:

- Revenue sharing emphasizes tax effort and ability to raise taxes while municipal assistance emphasizes population and tax relief.
- Municipal assistance is linked to the declining corporate income tax collections.

- Localities are growing increasingly dependent on the state for funding of property tax relief and increased service provision at the same time.
- The revenue sharing and municipal assistance programs are administered by two different agencies and have different reporting and accountability requirements.

In order to address these problems, the Department proposes the following program:

- The municipal assistance statute should be repealed and all funds for this purpose should be distributed through the revenue sharing program.
- The minimum entitlement for incorporated entities should be \$100,000. Unincorporated entities should be deleted from the program and treated separately.
- The entire program should be funded at a level no less than the proposed fiscal year 1983 appropriation. This amount should increase each year by the same percentage that the proposed constitutional spending limit allows the state budget to increase.
- The existing Rural Development Assistance Program should be expanded to be a program of assistance to unincorporated communities that requires application on a competitive basis for grants up to \$100,000 for capital projects, operation and maintenance of capital projects and community services.

Excerpts from report of the Special Committee on Property Taxation.

Notwithstanding the considerable attention given to municipal aid programs in recent years, many problems and dissatisfactions continue to exist. The passage of SB 524 during the past legislative session, for example, drastically reduced the source of revenue for the municipal assistance program established under AS 43.20.016. Additionally, the expressed desire of many legislators to reduce or eliminate local taxes through the application of surplus state revenues is contrary to the formula approach for local revenue sharing adopted less than two years ago, which may actually penalize local governments for reductions in locally generated taxes.

If the basic premise underlying a local assistance program is that all citizens should share more or less equally in the benefits of the state's surplus revenues, a simple per capita based distribution formula should be developed which will award a base entitlement to each municipality that is generally equal to that municipality's share of the statewide population. In order to reflect differences in the cost of providing government services, a regional cost-of-living allowance (COLA) should be applied in addition to the base entitlement. Also, recognizing the fact that small municipalities may experience higher per capita costs due to economies of scale, a minimum entitlement should be provided to guarantee that each local government receives a meaningful allowance to be used to provide municipal services.

MUNICIPALITY OF ANCHORAGE  
 PROJECTED IMPACTS OF FY1983 MUNICIPAL ASSISTANCE AND STATE REVENUE SHARING  
 ON 1983 PROPERTY TAXES

SCENARIO A - FY1983 MUNICIPAL ASSISTANCE AND STATE REVENUE SHARING FUNDING AS  
 RECOMMENDED BY HOUSE FINANCE COMMITTEE

	<u>1982</u>	<u>1983</u>	
Expenditures	\$137.0	\$150.7	+10%
Municipal Assistance and State Revenue Sharing	-52.2	-46.0	-12%
Other Non-Tax Revenues	<u>-52.1</u>	<u>-52.1</u>	NC
Property Taxes	\$ 32.7	\$ 52.6	+61%

SCENARIO B - FY1983 MUNICIPAL ASSISTANCE AND STATE REVENUE SHARING INCREASE  
 FUNDED AT THE RATE OF INFLATION AND POPULATION GROWTH

	<u>1982</u>	<u>1983</u>	
Expenditures	\$137.0	\$150.7	+10%
Municipal Assistance and State Revenue Sharing	-52.2	-57.4	+10%
Other Non-Tax Revenues	<u>-52.1</u>	<u>-52.1</u>	NC
Property Taxes	\$ 32.7	\$ 41.2	+26%

SCENARIO C - FY1983 MUNICIPAL ASSISTANCE AND STATE REVENUE SHARING REQUIRED TO  
 HAVE PROPERTY TAX INCREASE EQUAL TO INFLATION AND POPULATION GROWTH

	<u>1982</u>	<u>1983</u>	
Expenditures	\$137.0	\$150.7	+10%
Municipal Assistance and State Revenue Sharing	-52.2	-62.6	+20%
Other Non-Tax Revenues	<u>-52.1</u>	<u>-52.1</u>	NC
Property Taxes	\$ 32.7	\$ 36.0	+10%

SCENARIO D - FY1983 MUNICIPAL ASSISTANCE AND STATE REVENUE SHARING REQUIRED TO  
 MAINTAIN PROPERTY TAX AT FY1982 LEVEL

	<u>1982</u>	<u>1983</u>	
Expenditures	\$137.0	\$150.7	+10%
Municipal Assistance and State Revenue Sharing	-52.2	-65.9	+26%
Other Non-Tax Revenues	<u>-52.1</u>	<u>-52.1</u>	NC
Property Taxes	\$ 32.7	\$ 32.7	NC

- ASSUMPTIONS:
- (1) Inflation Rate           8%
  - Population Growth    2%
  - 10%
  - (2) Expenditures increase at rate of inflation and population growth
  - (3) "Other Non-Tax Revenues" do not change

BRIEF EXPLANATION OF STATE REVENUE SHARING FORMULA FOUND IN AS 29.88

The formula found in AS 29.88 is designed to equalize tax resources among local government taxing unit. The intent is to use state revenue sharing to target aid to municipalities that have raised more local revenues relative to the tax base available in the community.

The formula contained in AS 29.88.010 appears to be simple and straight forward:

$$\text{Entitlement} = P \times R$$

where P = population, and

R = millage rate equivalent, determined by dividing the sum of the locally generated revenue of the taxing unit by one-tenth of one percent (one mill) of the full and true value of assessed property of the taxing unit.

Population in this formula refers to the population of a municipality (or service area) as annually determined by the Department based on the latest figures of the United States Bureau of the Census or other reliable data.

Millage rate equivalent, as explained, is computed as follows:

$$\text{Millage rate equivalent} = \frac{\text{locally generated revenues}}{.001 \times \text{full and true property value}}$$

In effect, this formula takes all locally generated eligible revenue and converts it into the mill rate the municipality would have had to levy to generate the same amount of revenue if property taxation was the only local revenue generator.

Acceptable locally generated revenues are listed in law to include local sales and property taxes; motor vehicle payments; revenue from fees, rentals, penalties, licenses or permits for a municipal service; special assessments; and utility payments in lieu of taxes. The law specifically excludes local taxes used to operate or pay debt service on utilities; revenue from interest; and revenue from the sale and lease of land or equipment. Federal or State grants or entitlements, State shared taxes, and other revenue not specifically listed as an acceptable locally generated revenue are not eligible.

The "entitlement" number produced by the equalization formula is not a dollar amount, but is merely a relative number. A percentage is arrived at by dividing each municipality's "entitlement number" by the sum of all municipal entitlement numbers. This percentage is then multiplied times the entire appropriation available for AS 29.88 to determine each municipality's level of funding under the tax equalization account.

An example demonstrating the entire calculation process is as follows:

The City of Icy Bay, population 1,560 reported the following locally generated revenues for FY 1981 (the prior year's revenues are used): The total amount of approved locally generated revenues are, in this example \$659,235 and the full and true value of assessed property within the City of Icy Bay is, for example, \$24,646,700.

Calculation #1 
$$\frac{\text{locally generated revenue}}{\text{one mill X full \& true property value}} = \text{Millage rate equivalent}$$
$$\frac{\$659,235}{.001 \times \$24,647,000} = 26.75$$

Calculation #2 
$$\begin{array}{l} \text{Population X millage rate equivalent} = \text{Entitlement (number)} \\ 1,560 \quad \times 26.75 \quad \quad \quad = 41,730 \end{array}$$

Calculation #3 
$$\begin{array}{l} \text{Entitlement numbers for all municipalities} = 4,475,800 \\ \frac{\text{Municipal entitlement number}}{\text{Sun of all entitlement numbers}} = \text{Entitlement percentage} \\ \frac{41,730}{4,175,800} = .0093235 \end{array}$$

Calculation #4 
$$\begin{array}{l} \text{Amount appropriated to AS 29.88} = \$34,913,800 \\ \text{Chapter 88 funding for Icy Bay} = \text{Amount appropriated X} \\ \text{entitlement percentage for Icy Bay} \end{array}$$

$$\$325,519 = 34,913,800 \times .0093235$$

Assuming there is no need to proration, the City of Icy Bay would receive \$325,519 under the tax equalization account.



Official Business

# Alaska State Legislature

## Senate

Pouch V  
State Capitol  
Juneau, Alaska 99811

### M E M O R A N D U M

TO: Peggy Mulligan  
Senate Secretary

DATE: 15 March 1984

FROM: Senator Frank R. Ferguson *FRF*  
Chairman  
Community & Regional Affairs  
Committee

SUBJ: Committee Meeting

There will be a Senate Community and Regional Affairs Committee meeting Tuesday, March 20, at 3:00 at the Beltz Room: SB 468, Authorizing certain second class cities to adopt home rule charters.

cc: Senator Bennett  
Senator Halford  
Senator Gilman  
Senator Sackett

FRF/ae



Official Business

# Alaska State Legislature

## Senate

Pouch V  
State Capitol  
Juneau, Alaska 99811

### M E M O R A N D U M

TO: Senator Bennett, Co-Chair  
Senate Finance Committee

FROM: Senator Ferguson, Chair *EF*  
Senate C & RA Committee

DATE: February 29, 1984

RE: House Bill 537

SCS HB 537 (C&RA) passed out of Senate C & RA yesterday with a further referral to Finance. Senator Eliason has a companion bill, but the house bill came over first. Because HB 537 has no fiscal impact, I recommend that you waive finance referral.

cc: Senator Eliason  
Representative Grussendorf



Official Business

# Alaska State Legislature

Pouch V  
State Capitol  
Juneau, Alaska 99811

## M E M O R A N D U M

TO: Peggy Mulligan  
Senate Secretary

DATE: 23 February 1984

FROM: Senator Frank R. Ferguson *FRF*  
Chairman  
Community & Regional Affairs  
Committee

SUBJ: Committee Meeting

There will be a Senate Community and Regional Affairs Committee meeting Tuesday, February 28 at 3:00 at the Beltz Room: HB 537, "An Act authorizing municipalities to exempt motor vehicles from taxation".

cc: Senator Bennett  
Senator Halford  
Senator Gilman  
Senator Sackett

FRF/ae



Official Business

# Alaska State Legislature

Pouch V  
State Capitol  
Juneau, Alaska 99811

## MEMORANDUM

TO: Peggy Mulligan  
Senate Secretary

DATE: 16 February 1984

FROM: Senator Frank R. Ferguson  
Chairman  
Community & Regional Affairs  
Committee

SUBJ: Committee Meeting

*FRF*

There will be a Senate Community and Regional Affairs Committee meeting Tuesday, February 21 at 3:00 at the Beltz Room: SB 428, Relating to Vital Statistics records, and HB 537, Authorizing municipalities to exempt motor vehicles from taxation.

There will be a Joint Senate and House Community and Regional Affairs Committee meeting Wednesday, February 22, at 3:15 at Room 110, Behrends Building: SJR 41, Disapproving the Local Boundary Commission recommendation for annexation of territory to the City of Hoonah.

cc: Senator Bennett  
Senator Halford  
Senator Gilman  
Senator Sackett

FRF/ae



Official Business

# Alaska State Legislature

Pouch V  
State Capitol  
Juneau, Alaska 99811

## M E M O R A N D U M

TO: Peggy Mulligan  
Senate Secretary

DATE: 6 February 1984

FROM: Senator Frank R. Ferguson  
Chairman  
Senate Community & Regional  
Affairs Committee

SUBJ: SJR 34 Meeting

There will be a Joint Senate & House Community and Regional Affairs Committee meeting Tuesday, February 14 at 3:15 p.m. in the Beltz Room: SJR 34, Disapproving the Local Boundary Commission recommendation for annexation of territory to the City of Haines.

cc: Senator Bennett  
Senator Halford  
Senator Sackett  
Senator Gilman

FRF/ae



Official Business

# Alaska State Legislature

## Senate Committee on Community & Regional Affairs

Pouch V  
State Capitol  
Juneau, Alaska 99811

### MEMORANDUM

TO: Peggy Mulligan  
Senate Secretary

FROM: Senator Ferguson, Chairman  
Senate C & RA Committee *RF*

The Senate Community and Regional Affairs Committee will consider the following bills on Tuesday, February 7 at 3:00 p.m. in the Beltz Room: House Bill 162, Senate Bill 376, and Senate Bill 204.

cc: Senator Bennett  
Senator Halford  
Senator Sackett  
Senator Gilman



Official Business

# Alaska State Legislature

Senate  
Office of the Secretary

JAN 12 RECD

Pouch V  
State Capitol  
Juneau, Alaska 99811

## MEMORANDUM

TO: Senator Frank Ferguson  
Chairman  
Community and Regional Affairs Committee

FROM: Peggy Mulligan *PM*  
Secretary of the Senate

RE: Governor's Appointment

DATE: January 11, 1984

The President has referred the following Governor's appointee to your Committee for recommendation in accordance with AS 39.05.080.

### COMMISSIONER

Emil Notti  
Department of Community and Regional Affairs

A copy of Mr. Notti's resume is attached.

## RESUME

Emil Reynold Notti  
6735 Gray Street  
Juneau, AK 99801  
Phone: (907) 586-2168

### Education

BSEE, Northrop University  
Inglewood, California - 1961

### Military Service

U.S. Navy 1952-1956 - Honorable Discharge

### Honors

Honorary Doctor of Humane Letters Degree from Alaska  
Methodist University, 1969  
President Emeritus, Alaska Federation of Natives  
Nominee - Alaskan of the Year, 1969

### Employment

December 1982 to Present: Director, Legislative Re-  
lations for Governor Bill Sheffield.  
April 1980 - December 1982: Emil Notti & Associates,  
Anchorage, Alaska

Job placement for high level professional personnel.  
Generate job placements, interview potential candi-  
dates, screen for suitability of client, and check  
references for clients.

April 1978 - March 1980: President, Doyon, Limited,  
Fairbanks.

The President of Doyon, Limited is chief executive  
officer for the Corporation. The President is  
responsible for the general supervision and control of  
the business, property, and affairs of the Corporation.  
He reports to the Board of Directors monthly and to the  
stockholders annually. The President presides at all  
meetings of the stockholders.

1976 to April 1978: Senior Vice President, Doyon,  
Limited, Fairbanks.

The Senior Vice President has internal management of  
the Company. The Vice President of Finance, Director  
of Resources, and Director of Lands report to the  
Senior Vice President. He is part of a senior invest-  
ment committee. He held negotiations for oil and gas and  
heavy minerals exploration on millions of acres of  
Company land. He has responsibility for dealing with  
government bodies - both legislative and  
administrative. Operating budgets and planning

Resume  
Emil Notti  
Page 2

functions are the responsibility of the Senior Vice President. Preparation and presentation of reports to the Board of Directors and to the stockholders at the Annual Meeting of Stockholders are made by the Senior Vice President.

September 1972 to 1976: President, Alaska Native Foundation, Anchorage.

Chief Administrator for the Foundation. Prepares budgets, seeks contracts from State and Federal agencies, coordinates seminars and training activities, chairs Board meetings.

June 1971 to September 1972: Deputy Commissioner, Department of Health & Social Services, State of Alaska.

Full responsibilities for Department in absence of Commissioner. Department had approximately 1400 employees. Worked with Divisions in Department to prepare budget. The Divisions in the Department were Public Health, Mental Health, Administration, Corrections, and Family and Childrens Services. Other programs attached to the Commissioner's office were Office of Alcoholism and Office of Aging.

April 1970 - May 1971: Self-Employed. Electronic Systems, Sitka.

Sales and service of electronic equipment for commercial boats, cars, institutions and homes.

June 1967 - March 1970: President, Alaska Federation of Natives, Anchorage. The Alaska Federation of Natives, Native land claims lobbying. Organizing regional Native organizations.



Official Business

# Alaska State Legislature

Senate  
Office of the Secretary

Pouch V  
State Capitol  
Juneau, Alaska 99811

## M E M O R A N D U M

TO: Senator Frank Ferguson  
Chairman  
Community and Regional Affairs Committee

FROM: Peggy Mulligan  
Secretary of the Senate

RE: Governor's Appointment

DATE: January 11, 1984

The President has referred the following Governor's appointee to your Committee for recommendation in accordance with AS 39.05.080.

### COMMISSIONER

Emil Notti  
Department of Community and Regional Affairs

A copy of Mr. Notti's resume is attached.



Alaska State Legislature  
Senate

OFFICIAL BUSINESS

POUCH V  
CAPITOL BUILDING  
JUNEAU, ALASKA 99811

President Jalmar Kerttula  
Alaska State Senate  
Pouch V  
Juneau, Alaska 99811

12 January 1984

Dear Mr. President:

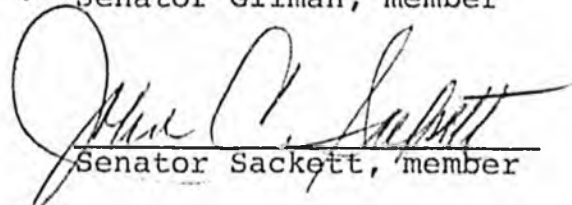
In accordance with AS 39.05.080, the members of the Community and Regional Affairs Committee have considered the appointment of Emil Notti as Commissioner of the Department of Community and Regional Affairs, and no objections have been stated to his confirmation. This does not indicate an intention on the part of any committee member to vote for or against his confirmation.

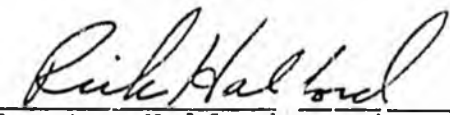
Sincerely,

  
\_\_\_\_\_  
Senator Frank R. Ferguson, Chairman

  
\_\_\_\_\_  
Senator Gilman, member

  
\_\_\_\_\_  
Senator Bennett, Vice-Chairman

  
\_\_\_\_\_  
Senator Sackett, member

  
\_\_\_\_\_  
Senator Halford, member

FRF/ae



Official Business

# Alaska State Legislature

Senate

Committee on

Community & Regional Affairs

Pouch V  
State Capitol  
Juneau, Alaska 99811

President Jalmar Kerttula  
Alaska State Senate  
Pouch V  
Juneau, Alaska 99811


May 24, 1983


Dear Mr. President:

The members of the Community and Regional Affairs have considered the appointment of Mark Lewis as Commissioner of the Department of Community and Regional Affairs, and no objections have been stated to his confirmation. This does not indicate an intention on the part of any committee member to vote for or against his confirmation.

Sincerely,

  
Senator Frank Ferguson, Chairman

  
Senator Gilman, member

  
Senator Bennett, Vice-Chairman

  
Senator Sackett, member

  
Senator Halford, member



Official Business

# Alaska State Legislature

Pouch V  
State Capitol  
Juneau, Alaska 99811

20 February 1984

Mr. Tom True  
P.O. Box 509  
Haines, AK 99827

Dear Mr. True:

Thank you for your letter concerning the Haines annexation bill, Senate Joint Resolution 34, and it's sister bill, House Joint Resolution 59.

SJR 34 bill was heard in the Senate Community and Regional Affairs Committee, of which I am chairman, February 14, and passed out of committee.

Thank you for your concern, and if I can be of further assistance, please do not hesitate to contact my office.

Sincerely,

A handwritten signature in cursive script that reads "Frank R. Ferguson".

Frank R. Ferguson  
Alaska State Senator

FRF/ae



Official Business

# Alaska State Legislature

Pouch V  
State Capitol  
Juneau, Alaska 99811

20 February 1984

Mr. Gary D. Matthews  
P.O. Box 247  
Haines, AK 99827

Dear Mr. Matthews:

Thank you for your letter concerning the Haines annexation bill, Senate Joint Resolution 34, and it's sister bill, House Joint Resolution 59.

SJR 34 bill was heard in the Senate Community and Regional Affairs Committee, of which I am chairman, February 14, and passed out of committee.

Thank you for your concern, and if I can be of further assistance, please do not hesitate to contact my office.

Sincerely,

A handwritten signature in cursive script that reads "Frank R. Ferguson".

Frank R. Ferguson  
Alaska State Senator

FRF/ae



Official Business

# Alaska State Legislature

Pouch V  
State Capitol  
Juneau, Alaska 99811

20 February 1984

A. W. Jurgeleit & Harriet Jurgeleit  
P.O. Box 292  
Haines, AK 99827

Dear Mr. & Mrs. Jurgeleit:

Thank you for your letter concerning the Haines annexation bill, Senate Joint Resolution 34, and it's sister bill, House Joint Resclution 59.

SJR 34 bill was heard in the Senate Community and Regional Affairs Committee, of which I am chairman, February 14, and passed out of committee.

Thank you for your concern, and if I can be of further assistance, please do not hesitate to contact my office.

Sincerely,

A handwritten signature in cursive script that reads "Frank R. Ferguson".

Frank R. Ferguson  
Alaska State Senator

FRF/ae



Official Business

# Alaska State Legislature

Pouch V  
State Capitol  
Juneau, Alaska 99811

20 February 1984

Mr. & Mrs. Richard Fredricks  
P.O. Box 621  
Haines, AK 99827

Dear Richard & Susan:

Thank you for your letter concerning the Haines annexation bill, Senate Joint Resolution 34, and it's sister bill, House Joint Resolution 59.

SJR 34 bill was heard in the Senate Community and Regional Affairs Committee, of which I am chairman, February 14, and passed out of committee.

Thank you for your concern, and if I can be of further assistance, please do not hesitate to contact my office.

Sincerely,

A handwritten signature in cursive script that reads "Frank R. Ferguson".

Frank R. Ferguson  
Alaska State Senator

FRF/ae



Official Business

# Alaska State Legislature

Pouch V  
State Capitol  
Juneau, Alaska 99811

20 February 1984

Mr. Gary D. Matthews  
P.O. Box 247  
Haines, AK 99827

Dear Mr. Matthews:

Thank you for your letter concerning the Haines annexation bill, Senate Joint Resolution 34, and its sister bill, House Joint Resolution 59.

SJR 34 bill was heard in the Senate Community and Regional Affairs Committee, of which I am chairman, February 14, and passed out of committee.

Thank you for your concern, and if I can be of further assistance, please do not hesitate to contact my office.

Sincerely,

A handwritten signature in cursive script that reads "Frank R. Ferguson".

Frank R. Ferguson  
Alaska State Senator

FRF/ae

FEB 14 1984

*A. W. Jurgelait*

*Box 292*

*Haines, Alaska 99827*

February 10, 1984

Senator Frank Ferguson  
Pouch V  
State Capitol  
Juneau, Alaska 99811

Dear Senator Ferguson:

We have been advised that Senator Richard Eliason and Representative Peter Goll have introduced resolutions opposing the annexation recommendations of the Local Boundary Commission.

We sincerely hope that as a member of the Community and Regional Affairs Committee you will support these resolutions which reflect the views of the majority of the people in this area.

Thank you.

Yours truly,

*A. W. Jurgelait*  
*Haines S. Jurgelait*

*Responded 2-20-84*

Tom True  
Box 509  
Haines, Alaska 99827

Senator Frank Ferguson  
Alaska State Legislature  
Pouch V  
Juneau, Ak. 99811

Dear Senator Ferguson,

You will shortly be considering the resolution submitted by Representative Goll and Senator Eliason opposing the Local Boundary Commission's recommendation for the Haines area. I hope that you will also support the resolution.

The Boundary Commission's recommendation is pernicious and heavy handed. The citizens of the borough have overwhelmingly voted against the annexation and in favor of keeping their 3rd class borough status in the recent past. The Commission completely ignored this fact, and indeed "cooked" their population density figures in order to meet a standard. The unified municipality alternative which is mixed into their recommendation is not only unpopular, but is a form of blackmail designed to make some people in the borough support the lesser of 2 evils.

The abilities and flexibility of the third class borough have never been fully utilized. The borough's educational, cultural, and tax assessment powers, and the optional establishment of service areas are more than adequate for an area with such a small population. I hope you will vote to defeat the annexation/unification proposal of the Local Boundary Commission.

Sincerely,

*Tom True*

Tom True

*Responded 2-20-84*

FEB 14 1984

Box 621  
Haines  
Feb. 9, 1984

Sen. Frank Ferguson, Chair  
Community and Regional  
Affairs Committee  
Juneau, Alaska 99811

Dear Sen. Ferguson

I am writing to state our strong opposition to the proposed plan of annexation presented by the Local Boundary Commission. This is a plan imposed from "the top" totally against the expressed desire of the people of the area concerned.

We are residents of the Haines Borough and wish to make this our permanent residence. Presently we are living on Small Tract Rd.

The Local Boundary Commission's statement calling our area "The Greater Haines Area" is a creation of their imagination. There simply is no such entity and they obviously do not grasp what is the nature of this area. This becomes even more evident when they classify it as urban in character. I don't care how you stretch the word "urban", it simply can not be applied to this area.

The Borough Assembly does have the power now to plan and zone in its territory and also to create service areas. There is no need to belong to the city to do this.

Finally, we question the motivation involved in the extreme pressure to push this annexation. The City Council can not meet its financial obligation of past bills and is simply looking for more to share their bad investments claiming it's for our good that we be annexed.

Thank you for your attention on this matter.

Richard Fredricks  
Susan Fredricks

Richard & Susan Fredricks  
Haines, Alaska

Responded 2-20-84

FEB 14 1984

February 10, 1984

Box 247  
Haines, Alaska 99827

Senator Frank Ferguson

Dear Sir:

I am writing to urge you to vote against the Local Boundary Commission's recommendation to the Legislature for annexation of lands to the City of Haines. Please consider the following points.

When the Local Boundary Commission held public hearings in Haines, an overwhelming majority of the citizens testifying, opposed annexation. This opposition was further emphasized when sixty four percent (64%) of the entire borough (including the City of Haines), voted against annexation on the advisory ballot question in the October 4, 1983 Municipal election. Eighty percent (80%) of the borough residents residing outside the City of Haines voted against annexation in the same election.

The Local Boundary Commission is recommending that the city annex an area about three times the city's present size. This includes far removed areas such as the Haines Cannery and the airport. The city cannot possibly provide services such as water and sewer to many of these areas, however, they would raise taxes from the present 1.6 mills to 7.6 mills. There are already many residents in the present city boundaries who do not receive these services, but still pay the higher tax rate.

The Local Boundary Commission cited the lack of planning and zoning powers by the borough as one of the reasons for the city to annex such a large area. In the October 4, 1983 Municipal Election, the citizens of the Haines Borough voted in favor of planning, platting and zoning by service area, which enables each service area to make its own decisions on these matters, if the people of that area vote to enact such powers. All of the service areas in the proposed annexation currently have fire protection, which was voted on by each service area, and are taxed an additional rate of 1.0 to 2.2 mills, depending on the area.

Most of us who live outside the city made the choice to live beyond the services and higher taxes. I urge you to consider the above concerns and vote AGAINST the Local Boundary Commission's recommendation to the Legislature for annexation of lands to the City of Haines.

Sincerely,

*Gary D. Matthews*  
Gary D. Matthews

*responded 2-20-84*