

**SB**

**20**

## CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 20(CRA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Offered:

Referred:

Sponsor(s): SENATORS TORGERSON, Pearce, Kelly

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to certain programs of state aid to municipalities and recipients  
2 in the unorganized borough; and providing for an effective date."

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

4 \* Section 1. AS 29.10.200(50) is amended to read:

5 (50) AS 29.60.120(a) and (c) (priority revenue sharing [STATE AID]  
6 for health facilities and hospitals);

7 \* Sec. 2. AS 29.20.640(b) is amended to read:

8 (b) Compliance with the provisions of this section is a prerequisite to receipt of  
9 municipal tax resource equalization assistance under AS 29.60.010 - 29.60.080 and  
10 priority revenue sharing [STATE AID] for [MISCELLANEOUS] municipal services  
11 under AS 29.60.100 - 29.60.180. If a municipality does not comply with this section,  
12 the department shall withhold the allocations until the required reports are filed.

13 \* Sec. 3. AS 29.45.020 is amended to read:

14 Sec. 29.45.020. TAXPAYER NOTICE. (a) If a municipality levies and collects  
15 property taxes, the governing body shall provide the following notice:

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"NOTICE TO TAXPAYER

For the current fiscal year the (city)(borough) has been allocated the following amount of state aid for school and municipal purposes under the applicable financial assistance Acts:

PUBLIC SCHOOL FOUNDATION PROGRAM ASSISTANCE (AS 14.17)	\$
STATE AID FOR RETIREMENT OF SCHOOL CONSTRUCTION DEBT (AS 14.11.100)	\$
MUNICIPAL TAX RESOURCE EQUALIZATION [ASSISTANCE] (AS 29.60.010 - 29.60.080)	\$
<u>PRIORITY REVENUE SHARING</u> [STATE AID] FOR [MISCELLANEOUS] MUNICIPAL SERVICES (AS 29.60.100 - 29.60.180)	\$
<u>REVENUE SHARING FOR SAFE COMMUNITIES</u> (AS 29.60.350 - 29.60.375)	\$
TOTAL AID	\$

The millage equivalent of this state aid, based on the dollar value of a mill in the municipality during the current assessment year and for the preceding assessment year, is:

	MILLAGE EQUIVALENT	
	PREVIOUS YEAR	THIS YEAR
PUBLIC SCHOOL FOUNDATION PROGRAM ASSISTANCE	. . . . MILLS	. . . . MILLS
STATE AID FOR RETIREMENT OF SCHOOL CONSTRUCTION DEBT	. . . . MILLS	. . . . MILLS
MUNICIPAL TAX RESOURCE EQUALIZATION [ASSISTANCE]	. . . . MILLS	. . . . MILLS
<u>PRIORITY REVENUE SHARING</u> [STATE AID] FOR [MISCELLANEOUS] MUNICIPAL SERVICES	. . . . MILLS	. . . . MILLS
<u>REVENUE SHARING FOR SAFE</u>		

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COMMUNITIES

. . . MILLS . . . MILLS

TOTAL MILLAGE

EQUIVALENT . . . MILLS . . . MILLS"

Notice shall be provided

(1) by furnishing a copy of the notice with tax statements mailed for the fiscal year for which aid is received; or

(2) by publishing in a newspaper of general circulation in the municipality a copy of the notice once each week for a period of three successive weeks, with publication to occur not later than 45 days after the final adoption of the municipality's budget.

(b) Compliance with the provisions of this section is a prerequisite to receipt of municipal tax resource equalization [ASSISTANCE] under AS 29.60.010 - 29.60.080 and priority revenue sharing [STATE AID] for [MISCELLANEOUS] municipal services under AS 29.60.100 - 29.60.180. The department shall withhold annual allocations under those sections until municipal officials demonstrate that the requirements of this section have been met.

\* Sec. 4. AS 29.45.660(b) is amended to read:

(b) Compliance with the provisions of this section is a prerequisite to receipt of municipal tax resource equalization [ASSISTANCE] under AS 29.60.010 - 29.60.080 and priority revenue sharing [STATE AID] for [MISCELLANEOUS] municipal services under AS 29.60.100 - 29.60.180. The department shall withhold annual allocations under those sections until municipal officials demonstrate that the requirements of this section have been met.

\* Sec. 5. AS 29.60.100 is amended to read:

Sec. 29.60.100. PRIORITY REVENUE SHARING FOR MUNICIPAL SERVICES [REVENUE SHARING PAYABLE]. In addition to the equalization entitlements paid under AS 29.60.010 - 29.60.080, during each fiscal year the department shall pay priority revenue sharing for municipal services to [AID]

(1) [TO] a municipality or other eligible recipient that has the power to provide the services described in AS 29.60.110 - 29.60.130 and exercises the power in the manner required by AS 29.60.100 - 29.60.180;

1 (2) [TO] an unincorporated community under AS 29.60.140.

2 \* Sec. 6. AS 29.60.170 is amended to read:

3 Sec. 29.60.170. MUNICIPAL [MISCELLANEOUS] SERVICES ACCOUNT.

4 The municipal [MISCELLANEOUS] services account is established. Money to carry  
5 out the provisions of AS 29.60.100 - 29.60.180 shall be allocated by the department to  
6 the account in accordance with AS 29.60.280. If amounts in the account are insufficient  
7 to pay each municipality's or other recipient's share authorized under AS 29.60.100 -  
8 29.60.180, the amounts that are available shall be distributed pro rata among eligible  
9 municipalities and other recipients.

10 \* Sec. 7. AS 29.60.280(b) is amended to read:

11 (b) Money in the municipal [MISCELLANEOUS] services account established  
12 in AS 29.60.170 that exceeds the amount required to fully fund distributions authorized  
13 by AS 29.60.100 - 29.60.180 shall be reallocated to the tax equalization account  
14 established in AS 29.60.060 and distributed according to the provisions of AS 29.60.010  
15 - 29.60.080.

16 \* Sec. 8. AS 29.60.350 is amended to read:

17 Sec. 29.60.350. SAFE COMMUNITIES [MUNICIPAL ASSISTANCE] FUND.

18 (a) To implement the revenue sharing for safe communities program, there  
19 [THERE] is established in the department the safe communities [MUNICIPAL  
20 ASSISTANCE] fund consisting of the base amount account and the per capita  
21 account. The legislature may appropriate to the safe communities [MUNICIPAL  
22 ASSISTANCE] fund during each fiscal year a total [AN] amount equal to or greater  
23 than 30 percent of the income tax revenue received by the state under AS 43.20.011(e)  
24 for the previous fiscal year. Unless otherwise provided in the appropriation, the  
25 department shall allocate one-third of the money appropriated to the base amount  
26 account and two-thirds to the per capita account.

27 (b) The department shall distribute money from the safe communities  
28 [MUNICIPAL ASSISTANCE] fund to each municipality on an annual basis as provided  
29 in AS 29.60.360 and 29.60.370 and as adjusted under AS 29.60.373. A municipality  
30 may not receive payment until it submits to the department a resolution approved by the  
31 governing body of the municipality that requests the money. Distribution of money from  
32 the safe communities [MUNICIPAL ASSISTANCE] fund to all municipalities must be

1 made on July 31 [FEBRUARY 1] of the state fiscal year for which the appropriation to  
2 the fund is made. A municipality that incorporates after July 1 [DECEMBER 31] of a  
3 state fiscal year is not eligible for a distribution under this section until the following  
4 state fiscal year.

5 \* Sec. 9. AS 29.60.350 is amended by adding a new subsection to read:

6 (c) Money from the revenue sharing for safe communities program distributed  
7 to a municipality shall be used by that municipality only for the following services in the  
8 following order of priority:

- 9 (1) police protection and related public safety services;
- 10 (2) fire protection and emergency medical services;
- 11 (3) water and sewer services not offset by user fees;
- 12 (4) solid waste management;
- 13 (5) other services determined by the governing body to have the highest  
14 priority.

15 \* Sec. 10. AS 29.60.360 is amended to read:

16 Sec. 29.60.360. BASE AMOUNT ACCOUNT DISTRIBUTIONS [OF  
17 ASSISTANCE]. (a) The base amount to be distributed from the base amount account  
18 [MUNICIPAL ASSISTANCE FUND] to each municipality for the fiscal year shall be  
19 the amount received by the municipality during fiscal year 1978 under AS 43.70.080 as  
20 that section provided before the 1978 amendment. A city incorporated within a borough  
21 after June 30, 1977, shall receive as a base amount a share of the amount distributed to  
22 the borough in which it is located based on the ratio of population in the city to the total  
23 population in the borough. A city incorporated outside a borough after June 30, 1977,  
24 shall receive as a base amount the amount received by the city in the state most closely  
25 approximating it in population at the time of its incorporation. A borough incorporated  
26 after June 30, 1977, shall receive as a base amount the amount received by the borough  
27 in the state most clearly approximating it in population at the time of its incorporation,  
28 excluding each borough with a per capita full and true property value exceeding  
29 \$500,000. The base amount to be distributed to each municipality organized under  
30 federal law shall be the amount received as a base amount by the city most closely  
31 approximating it in population on June 30, 1977.

32 (b) If the amount in the base amount account from allocation of

1        appropriations [APPROPRIATED] to the safe communities [MUNICIPAL  
2        ASSISTANCE] fund [BY THE LEGISLATURE] during a fiscal year is insufficient for  
3        distribution of the full base amount to each municipality, the department shall prorate the  
4        amount available for distribution [ON THE BASIS OF AMOUNTS RECEIVED  
5        DURING THE FISCAL YEAR 1978 UNDER AS 43.70.080].

6        \* Sec. 11. AS 29.60.370(a) is amended to read:

7                Sec. 29.60.370. PER CAPITA ACCOUNT DISTRIBUTION [INCREASED  
8        ASSISTANCE]. (a) The [IF THE] amount allocated to the per capita account in the  
9        safe communities [MUNICIPAL ASSISTANCE] fund [AT THE TIME OF  
10        DISTRIBUTION EXCEEDS THE BASE AMOUNT TO BE DISTRIBUTED UNDER  
11        AS 29.60.360, THE EXCESS AMOUNT] shall be distributed to each municipality on  
12        the basis of population. Population for the purpose of this section shall be as certified  
13        by the commissioner of community and regional affairs. In determining the population  
14        of a borough, the population of all cities in the borough shall be deducted from the total  
15        population of the borough.

16        \* Sec. 12. AS 29.60 is amended by adding new sections to read:

17                Sec. 29.60.372. MINIMUM PAYMENT. If a municipality qualifies for a  
18        payment during a fiscal year under AS 29.60.010 - 29.60.080, 29.60.100 - 29.60.180,  
19        29.60.290, or 29.60.350 and if the total amount payable to the municipality under those  
20        sections is less than \$40,000, the department shall pay to the municipality a minimum  
21        payment in an amount equal to the difference between the total amount payable under  
22        those sections and \$40,000 as adjusted under AS 29.60.373.

23                Sec. 29.60.373. ADJUSTMENT OF PAYMENTS. Adjustment of payments  
24        shall be determined by prorating amounts payable under AS 29.60.360, 29.60.370, and  
25        29.60.372 by a factor that, when applied, reduces all payments in equal proportion so  
26        that total payments equal the amount appropriated to the safe communities fund.

27        \* Sec. 13. AS 29.60.370(b) is repealed.

28        \* Sec. 14. This Act takes effect July 1, 1996.

# FISCAL NOTE

Revision Date: February 20, 1996 Dept. Affected: Community & Regional Affairs  
 Title: An Act relating to certain programs of state aid to municipalities and recipients in the ... BRU: none  
 Sponsor: Sen. Torgerson Component: none  
 Requestor: Senate C&RA COMPONENT SERIAL NO. -

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>CAPITAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

REVENUE FUND SOURCE:

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FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME						
TEMPORARY						

Estimate of current (FY94) impact \$ none

ANALYSIS: (Attach a separate page if necessary)

This bill would make changes in formula allocations and payment dates for the Municipal Assistance Program (AS 29.60.350-375), however, these changes would not significantly affect program administration. Consequently, no fiscal impacts are anticipated for the department.

Prepared by: Remond Henderson, Director *Remond Henderson* Phone: 465-4708  
 Division: Division of Administrative Services Date: 2/20/96  
 Approved by Commissioner: *Mike Duran* Date: 2/20/96  
 Agency: Community & Regional Affairs

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Revision Date: \_\_\_\_\_ Dept. Affected: Revenue  
 Title: Alaska Municipal Basic Services Program BRU: Revenue Operations  
 Component: Treasury  
 Sponsor: Torgerson  
 Requestor: (S) CRA COMPONENT SERIAL NO. 121

Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ( )	(874.0)	(874.0)	(874.0)	(874.0)	(874.0)	(874.0)
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY96) cost \$ \_\_\_\_\_

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

This bill will advance the payment of municipal assistance from February 1 of the fiscal year to July 31 of the same year. This will result in the loss of 6 months of earnings on these funds in the general fund. Based upon this year's payout of approximately \$27.1 million and the current general fund rate of return of 5.4%, this amounts to \$874.0 in interest earnings that the general fund will forgo.

Prepared by: Vern Voss, Cash Manager *Betty Martin, Controller* Phone: 465-3700  
 Division: Treasury Date: February 19, 1996  
 Approved by Commissioner: Ross Kinney, Deputy Commissioner *Ross Kinney* Date: February 19, 1996  
 Agency: Department of Revenue

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A M E N D M E N T

OFFERED IN THE SENATE

BY SENATOR TORGERSON

TO: CSSSSB 20(CRA) Draft dated 2/10/96

- 1 Page 5, line 27, after "incorporation":
- 2       Insert ", excluding each borough with a per capita full and true property value
- 3 exceeding \$500,000"

9-LS0319AO  
Cook  
2/10/96

CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 20(CRA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Offered:  
Referred:

Sponsor(s): SENATORS TORGERSON, Pearce, Kelly

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to certain programs of state aid to municipalities and recipients  
2 in the unorganized borough; and providing for an effective date."

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6 for health facilities and hospitals);

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10 priority revenue sharing [STATE AID] for [MISCELLANEOUS] municipal services  
11 under AS 29.60.100 - 29.60.180. If a municipality does not comply with this section,  
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13 \* Sec. 3. AS 29.45.020 is amended to read:

14 Sec. 29.45.020. TAXPAYER NOTICE. (a) If a municipality levies and collects  
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"NOTICE TO TAXPAYER

For the current fiscal year the (city)(borough) has been allocated the following amount of state aid for school and municipal purposes under the applicable financial assistance

Acts:

PUBLIC SCHOOL FOUNDATION PROGRAM		
ASSISTANCE (AS 14.17)		\$
STATE AID FOR RETIREMENT OF SCHOOL		
CONSTRUCTION DEBT (AS 14.11.100)		\$
MUNICIPAL TAX RESOURCE EQUALIZATION		
[ASSISTANCE] (AS 29.60.010 - 29.60.080)		\$
<u>PRIORITY REVENUE SHARING</u> [STATE		
AID] FOR [MISCELLANEOUS] MUNICIPAL		
SERVICES (AS 29.60.100 - 29.60.180)		\$
<u>REVENUE SHARING FOR SAFE COMMUNITIES</u>		
<u>(AS 29.60.350 - 29.60.375)</u>		\$
TOTAL AID		\$

The millage equivalent of this state aid, based on the dollar value of a mill in the municipality during the current assessment year and for the preceding assessment year, is:

	MILLAGE EQUIVALENT	
	PREVIOUS YEAR	THIS YEAR
PUBLIC SCHOOL FOUNDATION		
PROGRAM ASSISTANCE	.... MILLS	.... MILLS
STATE AID FOR RETIREMENT		
OF SCHOOL CONSTRUCTION		
DEBT	... .MILLS	... .MILLS
MUNICIPAL TAX RESOURCE		
EQUALIZATION [ASSISTANCE]	... .MILLS	... .MILLS
<u>PRIORITY REVENUE SHARING</u>		
[STATE AID] FOR [MISCELLANEOUS]		
MUNICIPAL SERVICES	... .MILLS	... .MILLS
<u>REVENUE SHARING FOR SAFE</u>		

COMMUNITIES

...MILLS ...MILLS

TOTAL MILLAGE

EQUIVALENT ...MILLS ...MILLS"

Notice shall be provided

(1) by furnishing a copy of the notice with tax statements mailed for the fiscal year for which aid is received; or

(2) by publishing in a newspaper of general circulation in the municipality a copy of the notice once each week for a period of three successive weeks, with publication to occur not later than 45 days after the final adoption of the municipality's budget.

(b) Compliance with the provisions of this section is a prerequisite to receipt of municipal tax resource equalization [ASSISTANCE] under AS 29.60.010 - 29.60.080 and priority revenue sharing [STATE AID] for [MISCELLANEOUS] municipal services under AS 29.60.100 - 29.60.180. The department shall withhold ~~some~~ allocations under those sections until municipal officials demonstrate that the requirements of this section have been met.

\* Sec. 4. AS 29.45.660(b) is amended to read:

(b) Compliance with the provisions of this section is a prerequisite to receipt of municipal tax resource equalization [ASSISTANCE] under AS 29.60.010 - 29.60.080 and priority revenue sharing [STATE AID] for [MISCELLANEOUS] municipal services under AS 29.60.100 - 29.60.180. The department shall withhold annual allocations under those sections until municipal officials demonstrate that the requirements of this section have been met.

\* Sec. 5. AS 29.60.100 is amended to read:

Sec. 29.60.100. PRIORITY REVENUE SHARING FOR MUNICIPAL SERVICES [REVENUE SHARING PAYABLE]. In addition to the equalization entitlements paid under AS 29.60.010 - 29.60.080, during each fiscal year the department shall pay priority revenue sharing for municipal services to [AID]

(1) [TO] a municipality or other eligible recipient that has the power to provide the services described in AS 29.60.110 - 29.60.130 and exercises the power in the manner required by AS 29.60.100 - 29.60.180;

1 (2) [TO] an unincorporated community under AS 29.60.140.

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3 Sec. 29.60.170. MUNICIPAL [MISCELLANEOUS] SERVICES ACCOUNT.

4 The municipal [MISCELLANEOUS] services account is established. Money to carry  
5 out the provisions of AS 29.60.100 - 29.60.180 shall be allocated by the department to  
6 the account in accordance with AS 29.60.280. If amounts in the account are insufficient  
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8 29.60.180, the amounts that are available shall be distributed pro rata among eligible  
9 municipalities and other recipients.

10 \* Sec. 7. AS 29.60.280(b) is amended to read:

11 (b) Money in the municipal [MISCELLANEOUS] services account established  
12 in AS 29.60.170 that exceeds the amount required to fully fund distributions authorized  
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14 established in AS 29.60.060 and distributed according to the provisions of AS 29.60.010  
15 - 29.60.080.

16 \* Sec. 8. AS 29.60.350 is amended to read:

17 Sec. 29.60.350. SAFE COMMUNITIES [MUNICIPAL ASSISTANCE] FUND.

18 (a) To implement the revenue sharing for safe communities program, there  
19 [THERE] is established in the department the safe communities [MUNICIPAL  
20 ASSISTANCE] fund consisting of the base amount account and the per capita  
21 account. The legislature may appropriate to the safe communities [MUNICIPAL  
22 ASSISTANCE] fund during each fiscal year a total [AN] amount equal to or greater  
23 than 30 percent of the income tax revenue received by the state under AS 43.20.011(e)  
24 for the previous fiscal year. Unless otherwise provided in the appropriation, the  
25 department shall allocate one-third of the money appropriated to the base amount  
26 account and two-thirds to the per capita account.

27 (b) The department shall distribute money from the safe communities  
28 [MUNICIPAL ASSISTANCE] fund to each municipality on an annual basis as provided  
29 in AS 29.60.360 and 29.60.370 and as adjusted under AS 29.60.373. A municipality  
30 may not receive payment until it submits to the department a resolution approved by the  
31 governing body of the municipality that requests the money. Distribution of money from  
32 the safe communities [MUNICIPAL ASSISTANCE] fund to all municipalities must be

1 made on July 31 [FEBRUARY 1] of the state fiscal year for which the appropriation to  
2 the fund is made. A municipality that incorporates after July 1 [DECEMBER 31] of a  
3 state fiscal year is not eligible for a distribution under this section until the following  
4 state fiscal year.

5 \* Sec. 9. AS 29.60.350 is amended by adding a new subsection to read:

6 (c) Money from the revenue sharing for safe communities program distributed  
7 to a municipality shall be used by that municipality only for the following services in the  
8 following order of priority:

9 (1) police protection and related public safety services;

10 (2) fire protection and emergency medical services;

11 (3) water and sewer services not offset by user fees;

12 (4) solid waste management;

13 (5) other services determined by the governing body to have the highest  
14 priority.

15 \* Sec. 10. AS 29.60.360 is amended to read:

16 Sec. 29.60.360. BASE AMOUNT ACCOUNT DISTRIBUTIONS [OF  
17 ASSISTANCE]. (a) The base amount to be distributed from the base amount account  
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21 after June 30, 1977, shall receive as a base amount a share of the amount distributed to  
22 the borough in which it is located based on the ratio of population in the city to the total  
23 population in the borough. A city incorporated outside a borough after June 30, 1977,  
24 shall receive as a base amount the amount received by the city in the state most closely  
25 approximating it in population at the time of its incorporation. A borough incorporated  
26 after June 30, 1977, shall receive as a base amount the amount received by the borough  
27 in the state most clearly approximating it in population at the time of its incorporation.  
28 The base amount to be distributed to each municipality organized under federal law shall  
29 be the amount received as a base amount by the city most closely approximating it in  
30 population on June 30, 1977.

31 (b) If the amount in the base amount account from allocation of  
32 appropriations [APPROPRIATED] to the safe communities [MUNICIPAL

1 ASSISTANCE] fund [BY THE LEGISLATURE] during a fiscal year is insufficient for  
2 distribution of the full base amount to each municipality, the department shall prorate the  
3 amount available for distribution [ON THE BASIS OF AMOUNTS RECEIVED  
4 DURING THE FISCAL YEAR 1978 UNDER AS 43.70.080].

5 \* Sec. 11. AS 29.60.370(a) is amended to read:

6 Sec. 29.60.370. PER CAPITA ACCOUNT DISTRIBUTION [INCREASED  
7 ASSISTANCE]. (a) The [IF THE] amount allocated to the per capita account in the  
8 safe communities [MUNICIPAL ASSISTANCE] fund [AT THE TIME OF  
9 DISTRIBUTION EXCEEDS THE BASE AMOUNT TO BE DISTRIBUTED UNDER  
10 AS 29.60.360, THE EXCESS AMOUNT] shall be distributed to each municipality on  
11 the basis of population. Population for the purpose of this section shall be as certified  
12 by the commissioner of community and regional affairs. In determining the population  
13 of a borough, the population of all cities in the borough shall be deducted from the total  
14 population of the borough.

15 \* Sec. 12. AS 29.60 is amended by adding new sections to read:

16 Sec. 29.60.372. MINIMUM PAYMENT. If a municipality qualifies for a  
17 payment during a fiscal year under AS 29.60.010 - 29.60.080, 29.60.100 - 29.60.180,  
18 29.60.290, or 29.60.350 and if the total amount payable to the municipality under those  
19 sections is less than \$40,000, the department shall pay to the municipality a minimum  
20 payment in an amount equal to the difference between the total amount payable under  
21 those sections and \$40,000 as adjusted under AS 29.60.373.

22 Sec. 29.60.373. ADJUSTMENT OF PAYMENTS. Adjustment of payments  
23 shall be determined by prorating amounts payable under AS 29.60.360, 29.60.370, and  
24 29.60.372 by a factor that, when applied, reduces all payments in equal proportion so  
25 that total payments equal the amount appropriated to the safe communities fund.

26 \* Sec. 13. AS 29.60.370(b) is repealed.

27 \* Sec. 14. This Act takes effect July 1, 1996.

## Committee Substitute for Sponsor Substitute for Senate Bill 20 Summary

Committee Substitute for Sponsor Substitute for Senate Bill 20 changes the name of the Revenue Sharing program to "Priority Revenue Sharing for Municipal Services," and changes the name of the Municipal Assistance Fund to the Safe Communities Fund. In addition, communities receiving payments under the Safe Communities Fund are required to spend those payments on specific purposes in the following order of priority:

- Police protection and related public safety services;
- Fire protection and emergency medical services;
- Water and sewer services not offset by user fees;
- Solid waste management;
- Other services determined by the governing body to have the highest priority

The intent of the name change is to more accurately reflect the purposes for which the money received from revenue sharing programs are used. The program appears to have fostered the perception that it was a type of "slush fund" for communities, and the change in name and requirements for use hopefully will dispel that notion. In addition, communities that levy and collect property taxes are required to list the funds received and the purpose for which they were used on the "Notice to Taxpayers."

Several changes are made in what is now Revenue Sharing for Safe Communities. In the event appropriations continue to be reduced, payments from the base amount account can now be proportionately reduced. In the past, this account was "held harmless" and appropriation reductions were taken from the per capita account. This resulted in an inequitable reduction of payments to communities. The committee substitute addresses this inequity.

The minimum entitlement to communities has been increased to \$40,000. If, however, appropriations continue to be reduced, this minimum entitlement may be proportionately reduced along with payments from the base amount account and the per capita account.

Finally, the date of payment has been changed so that communities receive entitlements from the Priority Revenue Sharing and the Safe Communities Fund on July 31. Previously, payments from revenue sharing were made on July 31 and municipal assistance payments were made on February 1.

Committee Substitute for Sponsor Substitute for Senate Bill 20  
Overview by Section

- Section 1: Housekeeping - name change
- Section 2: Housekeeping - name change
- Section 3: Housekeeping - name change; addition of revenue sharing for safekeeping on the notice to taxpayer
- Section 4: Housekeeping - name change
- Section 5: Housekeeping - name change
- Section 6: Housekeeping - name change
- Section 7: Housekeeping - name change
- Section 8: Housekeeping - name change. Establishes two accounts within the Safe Communities Fund and allocates 1/3 of the appropriation to the fund to the "base amount account" and 2/3 of the appropriation to the "per capita account." Changes the date the funds are distributed from February 1 to July 31
- Section 9: Requires payments from both accounts in the Safe Communities Fund to be spent on the following services in the following order of priority:
- Police protection and related public safety services;
  - Fire protection and emergency medical services;
  - Water and sewer services not offset by user fees;
  - Solid waste management;
  - Other services determined by the governing body to have the highest priority
- Section 10: Housekeeping - name change. Allows the distributions from the base amount account it to be prorated if the amount allocated to the account is insufficient to pay the full base amount to each eligible municipality.
- Section 11: Housekeeping - name change.
- Section 12: Adds a new section stating that the minimum entitlement to those communities eligible for payments under equalization of tax resources for municipal services, priority revenue sharing for municipal services and revenue sharing for safe communities, is \$40,000. Adds an additional section allowing the minimum entitlement to be reduced proportionately in the event appropriations to the safe communities fund are reduced.

Suggested changes to be incorporated in CS for SSSB 20 (CRA)

Sec. 3: Add a line for "Revenue Sharing for Safe Communities (AS 29.60.350-29.60.372)" following "Priority Revenue Sharing" in the Notice to Taxpayer

Sec. 9: Add a new section (d) which states "The intent of this section is to that the governing body of each municipality include, on its notice to taxpayer under AS 29.45.020, the amount of funds received from this program."

Sec. 10: Change 29.60.360(b) only by changing the word "appropriated" to "allocated"; changing the 'municipal assistance' fund to the "safe communities" and deleting the last portion of the final sentence "... on the basis of amounts received during the fiscal year 1978 under AS 43.70.080.

Sec. 11: Omit the opening phrase "After the distribution under AS 29.60.372(b)"

Sec. 12: Perhaps change the word "or" to "and" when listing the statutes under which a municipality qualifies in 29.60.372(a)

Reword (b) to say "Adjustments of payments under this section shall be determined by prorating amounts payable under AS 29.60.360, and AS 29.60.370, and 29.60.372(a) by a factor that, when applied, reduces all payments in equal proportion so that payment under AS 29.60.360, AS 29.60.370, and AS 29.60.372(a) equal the amount allocated to the Safe Communities Fund under AS 29.60.350

9-LS0319M

Cook

2/7/96

## CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 20(CRA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Offered:

Referred:

Sponsor(s): SENATORS TORGERSON, Pearce, Kelly

## A BILL

## FOR AN ACT ENTITLED

1 "An Act relating to certain programs of state aid to municipalities and recipients  
2 in the unorganized borough; and providing for an effective date."

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

4 \* Section 1. AS 29.10.200(50) is amended to read:

5 (50) AS 29.60.120(a) and (c) (priority revenue sharing [STATE AID]  
6 for health facilities and hospitals);

7 \* Sec. 2. AS 29.20.640(b) is amended to read:

8 (b) Compliance with the provisions of this section is a prerequisite to receipt of  
9 municipal tax resource equalization assistance under AS 29.60.010 - 29.60.080 and  
10 priority revenue sharing [STATE AID] for [MISCELLANEOUS] municipal services  
11 under AS 29.60.100 - 29.60.180. If a municipality does not comply with this section,  
12 the department shall withhold the allocations until the required reports are filed.

13 \* Sec. 3. AS 29.45.020 is amended to read:

14 Sec. 29.45.020. TAXPAYER NOTICE. (a) If a municipality levies and collects  
15 property taxes, the governing body shall provide the following notice:

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"NOTICE TO TAXPAYER

For the current fiscal year the (city)(borough) has been allocated the following amount of state aid for school and municipal purposes under the applicable financial assistance

Acts:

PUBLIC SCHOOL FOUNDATION PROGRAM		
ASSISTANCE (AS 14.17)		\$
STATE AID FOR RETIREMENT OF SCHOOL		
CONSTRUCTION DEBT (AS 14.11.100)		\$
MUNICIPAL TAX RESOURCE EQUALIZATION		
[ASSISTANCE] (AS 29.60.010 - 29.60.080)		\$
<u>PRIORITY REVENUE SHARING</u> [STATE		
AID] FOR [MISCELLANEOUS] MUNICIPAL		
SERVICES (AS 29.60.100 - 29.60.180)		\$
TOTAL AID		\$

The millage equivalent of this state aid, based on the dollar value of a mill in the municipality during the current assessment year and for the preceding assessment year, is:

	MILLAGE EQUIVALENT	
	PREVIOUS YEAR	THIS YEAR
PUBLIC SCHOOL FOUNDATION		
PROGRAM ASSISTANCE	.... MILLS	.... MILLS
STATE AID FOR RETIREMENT		
OF SCHOOL CONSTRUCTION		
DEBT	... .MILLS	... .MILLS
MUNICIPAL TAX RESOURCE		
EQUALIZATION [ASSISTANCE]	... .MILLS	... .MILLS
<u>PRIORITY REVENUE SHARING</u>		
[STATE AID] FOR [MISCELLANEOUS]		
MUNICIPAL SERVICES	... .MILLS	.... MILLS
TOTAL MILLAGE		
EQUIVALENT	... .MILLS	... .MILLS"

Notice shall be provided

1 (1) by furnishing a copy of the notice with tax statements mailed for the  
2 fiscal year for which aid is received; or

3 (2) by publishing in a newspaper of general circulation in the  
4 municipality a copy of the notice once each week for a period of three successive weeks,  
5 with publication to occur not later than 45 days after the final adoption of the  
6 municipality's budget.

7 (b) Compliance with the provisions of this section is a prerequisite to receipt of  
8 municipal tax resource equalization [ASSISTANCE] under AS 29.60.010 - 29.60.080  
9 and priority revenue sharing [STATE AID] for [MISCELLANEOUS] municipal  
10 services under AS 29.60.100 - 29.60.180. The department shall withhold annual  
11 allocations under those sections until municipal officials demonstrate that the  
12 requirements of this section have been met.

13 \* Sec. 4. AS 29.45.660(b) is amended to read:

14 (b) Compliance with the provisions of this section is a prerequisite to receipt of  
15 municipal tax resource equalization [ASSISTANCE] under AS 29.60.010 - 29.60.080 and  
16 priority revenue sharing [STATE AID] for [MISCELLANEOUS] municipal services  
17 under AS 29.60.100 - 29.60.180. The department shall withhold annual allocations under  
18 those sections until municipal officials demonstrate that the requirements of this section  
19 have been met.

20 \* Sec. 5. AS 29.60.100 is amended to read:

21 Sec. 29.60.100. PRIORITY REVENUE SHARING FOR MUNICIPAL  
22 SERVICES [REVENUE SHARING PAYABLE]. In addition to the equalization  
23 entitlements paid under AS 29.60.010 - 29.60.080, during each fiscal year the department  
24 shall pay priority revenue sharing for municipal services to [AID]

25 (1) [TO] a municipality or other eligible recipient that has the power to  
26 provide the services described in AS 29.60.110 - 29.60.130 and exercises the power in  
27 the manner required by AS 29.60.100 - 29.60.180;

28 (2) [TO] an unincorporated community under AS 29.60.140.

29 \* Sec. 6. AS 29.60.170 is amended to read:

30 Sec. 29.60.170. MUNICIPAL [MISCELLANEOUS] SERVICES ACCOUNT.  
31 The municipal [MISCELLANEOUS] services account is established. Money to carry  
32 out the provisions of AS 29.60.100 - 29.60.180 shall be allocated by the department to

1 the account in accordance with AS 29.60.280. If amounts in the account are insufficient  
2 to pay each municipality's or other recipient's share authorized under AS 29.60.100 -  
3 29.60.180, the amounts that are available shall be distributed pro rata among eligible  
4 municipalities and other recipients.

5 \* Sec. 7. AS 29.60.280(b) is amended to read:

6 (b) Money in the municipal [MISCELLANEOUS] services account established  
7 in AS 29.60.170 that exceeds the amount required to fully fund distributions authorized  
8 by AS 29.60.100 - 29.60.180 shall be reallocated to the tax equalization account  
9 established in AS 29.60.060 and distributed according to the provisions of AS 29.60.010  
10 - 29.60.080.

11 \* Sec. 8. AS 29.60.350 is amended to read:

12 Sec. 29.60.350. SAFE COMMUNITIES [MUNICIPAL ASSISTANCE] FUND.

13 (a) To implement the revenue sharing for safe communities program, there  
14 [THERE] is established in the department the safe communities [MUNICIPAL  
15 ASSISTANCE] fund consisting of the base amount account and the per capita  
16 account. The legislature may appropriate to the safe communities [MUNICIPAL  
17 ASSISTANCE] fund during each fiscal year a total [AN] amount equal to or greater  
18 than 30 percent of the income tax revenue received by the state under AS 43.20.011(e)  
19 for the previous fiscal year. Unless otherwise provided in the appropriation, the  
20 department shall allocate one-third of the money appropriated to the base amount  
21 account and two-thirds to the per capita account.

22 (b) The department shall distribute money from the safe communities  
23 [MUNICIPAL ASSISTANCE] fund to each municipality on an annual basis as provided  
24 in AS 29.60.360 and 29.60.370. A municipality may not receive payment until it  
25 submits to the department a resolution approved by the governing body of the  
26 municipality that requests the money. Distribution of money from the safe communities  
27 [MUNICIPAL ASSISTANCE] fund to all municipalities must be made on July 31  
28 [FEBRUARY 1] of the state fiscal year for which the appropriation to the fund is made.  
29 A municipality that incorporates after July 1 [DECEMBER 31] of a state fiscal year is  
30 not eligible for a distribution under this section until the following state fiscal year.

31 \* Sec. 9. AS 29.60.350 is amended by adding a new subsection to read:

32 (c) Money from the revenue sharing for safe communities program distributed

1 to a municipality shall be used by that municipality only for the following services in the  
2 following order of priority:

- 3 (1) police protection and related public safety services;
- 4 (2) fire protection and emergency medical services;
- 5 (3) water and sewer services not offset by user fees;
- 6 (4) solid waste management;
- 7 (5) other services determined by the governing body to have the highest  
8 priority.

9 \* Sec. 10. AS 29.60.360 is amended to read:

10 Sec. 29.60.360. BASE AMOUNT ACCOUNT DISTRIBUTIONS [OF  
11 ASSISTANCE]. (a) The base amount to be distributed from the base amount account  
12 [MUNICIPAL ASSISTANCE FUND] to each municipality for the fiscal year shall be  
13 the amount received by the municipality during fiscal year 1978 under AS 43.70.080 as  
14 that section provided before the 1978 amendment. A city incorporated within a borough  
15 after June 30, 1977, shall receive as a base amount a share of the amount distributed to  
16 the borough in which it is located based on the ratio of population in the city to the total  
17 population in the borough. A city incorporated outside a borough after June 30, 1977,  
18 shall receive as a base amount the amount received by the city in the state most closely  
19 approximating it in population at the time of its incorporation. A borough incorporated  
20 after June 30, 1977, shall receive as a base amount the amount received by the borough  
21 in the state most clearly approximating it in population at the time of its incorporation.  
22 The base amount to be distributed to each municipality organized under federal law shall  
23 be the amount received as a base amount by the city most closely approximating it in  
24 population on June 30, 1977.

25 (b) If, after the distribution under AS 29.60.372(b), the amount remaining in  
26 the base amount account from allocation of appropriations [APPROPRIATED] to  
27 the safe communities [MUNICIPAL ASSISTANCE] fund [BY THE LEGISLATURE]  
28 during a fiscal year is insufficient for distribution of the full base amount to each  
29 municipality, the department shall prorate the amount available for distribution on the  
30 basis of amounts received during the fiscal year 1978 under AS 43.70.080.

31 \* Sec. 11. AS 29.60.370(a) is amended to read:

32 Sec. 29.60.370. PER CAPITA ACCOUNT DISTRIBUTION [INCREASED

1 ASSISTANCE]. (a) After the distribution under AS 29.60.372(b), [IF] the amount  
2 allocated to the per capita account in the safe communities [MUNICIPAL  
3 ASSISTANCE] fund [AT THE TIME OF DISTRIBUTION EXCEEDS THE BASE  
4 AMOUNT TO BE DISTRIBUTED UNDER AS 29.60.360, THE EXCESS AMOUNT]  
5 shall be distributed to each municipality on the basis of population. Population for the  
6 purpose of this section shall be as certified by the commissioner of community and  
7 regional affairs. In determining the population of a borough, the population of all cities  
8 in the borough shall be deducted from the total population of the borough.

9 \* Sec. 12. AS 29.60 is amended by adding a new section to read:

10 Sec. 29.60.372. MINIMUM PAYMENT. (a) If a municipality qualifies for a  
11 payment during a fiscal year under AS 29.60.010 - 29.60.080, 29.60.100 - 29.60.180,  
12 29.60.290, or 29.60.350 and if the total amount payable to the municipality under those  
13 sections is less than \$40,000, the department shall pay to the municipality a minimum  
14 payment in an amount equal to the difference between the total amount payable under  
15 those sections and \$40,000.

16 (b) One-third of the amount needed for payments under (a) of this section shall  
17 be distributed by the department from the base amount account and two-thirds of the  
18 amount needed shall be distributed from the per capita account.

19 \* Sec. 13. AS 29.60.370(b) is repealed.

20 \* Sec. 14. This Act takes effect July 1, 1996.

Municipal Assistance Program Base Amount Assessment - Boroughs - FY96				
Municipality	MA Population	MA Base Amount	Per Capita Full Value	notes:
Aleutians East	109	\$7,080	\$32,669	incorporated 1987, assumed same base amount as Haines Borough; False Pass base amount subtracted in 1990
Bristol Bay*	1,576	\$13,986	\$130,646	
Denali	1,427	\$13,986	\$38,273	incorporated 1990, assumed same base amount as Bristol Bay Borough
Fairbanks North Star*	47,493	\$566,727	\$43,175	
Haines*	968	\$7,275	\$58,230	
Kenai Peninsula*	26,012	\$347,211	\$77,254	
Ketchikan Gateway*	5,683	\$32,610	\$68,475	
Kodiak Island*	7,112	\$20,815	\$57,091	
Lake & Peninsula	893	\$12,645	\$37,171	incorporated 1989, assumed same base amount as Bristol Bay Borough; Pilot Point base amount subtracted (1992), Egegik base amount subtracted (1995)
Mat-Su*	41,067	\$90,818	\$43,888	
North Slope*	2,472	\$1,203,621	\$1,333,321	
Northwest Arctic	509	\$7,275	\$41,355	incorporated 1986, assumed same base amount as Haines Borough
Yakutat	691	\$13,986	\$37,233	incorporated 1992, assumed same base amount as Lake & Peninsula Borough
<b>Census Area Regions in the Unorganized Borough</b>				
	Population (excluding cities in region)		Prospective Base Amount	Based on Borough:
Aleutians West	1,906		\$13,986	as per Bristol Bay Borough (+330)
Bethel	5,556		\$32,610	as per Ketchikan Gateway (-127)
Dillingham	253		\$7,080	as per Aleutians East (+154)
Nome	0		\$7,000	as per Aleutians East (-109)
Prince of Wales	1,275		\$13,986	as per Denali (-152)
Skagway-Hoonah	1,131		\$7,275	as per haines (+213)
Southeast Fairbanks	5,548		\$32,610	as per Ketchikan Gateway (-135)
Valdez-Cordova	3,336		\$1,203,621	as per North Slope (+864)
Wade Hampton (Yuk)	128		\$7,080	as per Aleutians East (+19)
Wrangell-Petersberg	365		\$7,275	as per Northwest Arctic (-144)
Yukon-Koyukuk	2,155		\$1,203,621	as per North Slope (-317)

Comparison of an 8% Cut to Municipal Assistance Payments Under Existing Formula vs. "Base Amounts" Not Held Harmless

Municipality	Estimated FY 97 MA Payments	MA Payments With 8% Cut	\$\$ Difference	% Difference	MA Base Amounts Not Held Harmless With 8% Cut	\$\$ Difference	% Difference	Relative \$\$ Difference	Relative % Difference
City of Akhlok	\$3,274	\$2,934	(\$340)	-10.38%	\$3,012	(\$262)	-8.00%	\$78	2.38%
City of Akiak	\$11,486	\$10,124	(\$1,362)	-11.86%	\$10,567	(\$919)	-8.00%	\$443	3.86%
City of Akutan	\$15,701	\$13,846	(\$1,855)	-11.81%	\$14,445	(\$1,256)	-8.00%	\$599	3.81%
City of Alakanuk	\$26,699	\$24,128	(\$2,571)	-9.63%	\$24,563	(\$2,136)	-8.00%	\$435	1.63%
City of Aleknagik	\$6,915	\$6,140	(\$775)	-11.21%	\$6,362	(\$553)	-8.00%	\$222	3.21%
Alcutlans East Borough	\$10,875	\$10,420	(\$455)	-4.18%	\$10,005	(\$870)	-8.00%	(\$415)	-3.82%
City of Allakaket	\$5,705	\$5,037	(\$668)	-11.71%	\$5,249	(\$456)	-8.00%	\$212	3.71%
City of Ambler	\$11,594	\$10,279	(\$1,315)	-11.34%	\$10,666	(\$928)	-8.00%	\$387	3.34%
City of Anaktuvuk Pass	\$10,461	\$9,218	(\$1,243)	-11.88%	\$9,624	(\$837)	-8.00%	\$406	3.88%
Municipality of Anchorage	\$14,061,530	\$12,964,382	(\$1,097,148)	-7.80%	\$12,936,608	(\$1,124,922)	-8.00%	(\$27,774)	-0.20%
City of Anderson	\$23,558	\$20,894	(\$2,664)	-11.31%	\$21,673	(\$1,885)	-8.00%	\$779	3.31%
City of Angoon	\$24,275	\$21,718	(\$2,557)	-10.53%	\$22,333	(\$1,942)	-8.00%	\$615	2.53%
City of Aniak	\$23,853	\$21,380	(\$2,473)	-10.37%	\$21,945	(\$1,908)	-8.00%	\$565	2.37%
City of Anvik	\$3,509	\$3,100	(\$409)	-11.66%	\$3,228	(\$281)	-8.00%	\$128	3.66%
City of Atka	\$3,544	\$3,131	(\$413)	-11.65%	\$3,260	(\$284)	-8.00%	\$129	3.65%
City of Atkasuk	\$25,563	\$24,571	(\$992)	-3.88%	\$23,518	(\$2,045)	-8.00%	(\$1,053)	-4.12%
City of Barrow	\$174,205	\$156,185	(\$18,020)	-10.34%	\$160,269	(\$13,936)	-8.00%	\$4,084	2.34%
City of Bethel	\$250,262	\$228,151	(\$22,111)	-8.84%	\$230,241	(\$20,021)	-8.00%	\$2,090	0.84%
City of Bettles	\$1,722	\$1,577	(\$145)	-8.42%	\$1,584	(\$138)	-8.00%	\$7	0.42%
City of Brevig Mission	\$9,573	\$8,445	(\$1,128)	-11.78%	\$8,807	(\$766)	-8.00%	\$362	3.78%
Bristol Bay Borough	\$60,270	\$54,716	(\$5,554)	-9.22%	\$55,448	(\$4,822)	-8.00%	\$732	1.22%
City of Buckland	\$15,123	\$13,356	(\$1,767)	-11.68%	\$13,913	(\$1,210)	-8.00%	\$557	3.68%
City of Chefornak	\$13,715	\$12,136	(\$1,579)	-11.51%	\$12,618	(\$1,097)	-8.00%	\$482	3.51%
City of Chevak	\$24,430	\$21,528	(\$2,902)	-11.88%	\$22,476	(\$1,954)	-8.00%	\$948	3.88%
City of Chignik	\$5,330	\$4,730	(\$600)	-11.26%	\$4,904	(\$426)	-8.00%	\$174	3.26%
City of Chuathbaluk	\$4,762	\$4,230	(\$532)	-11.17%	\$4,381	(\$381)	-8.00%	\$151	3.17%
City of Coffman Cove	\$9,117	\$8,035	(\$1,082)	-11.87%	\$8,388	(\$729)	-8.00%	\$353	3.87%
City of Cold Bay	\$11,910	\$10,973	(\$937)	-7.87%	\$10,957	(\$953)	-8.00%	(\$16)	-0.13%
City of Cordova	\$136,334	\$125,405	(\$10,929)	-8.02%	\$125,427	(\$10,907)	-8.00%	\$22	0.02%
City of Craig	\$74,023	\$65,741	(\$8,282)	-11.19%	\$68,101	(\$5,922)	-8.00%	\$2,360	3.19%
City of Deering	\$5,893	\$5,242	(\$651)	-11.05%	\$5,422	(\$471)	-8.00%	\$180	3.05%
City of Delta Junction	\$58,653	\$55,129	(\$3,524)	-6.01%	\$53,961	(\$4,692)	-8.00%	(\$1,168)	-1.99%
Denali Borough	\$61,724	\$55,935	(\$5,729)	-9.28%	\$56,786	(\$4,938)	-8.00%	\$791	1.28%
City of Dillingham	\$106,735	\$97,188	(\$9,547)	-8.94%	\$98,196	(\$8,539)	-8.00%	\$1,008	0.94%
City of Diomedea	\$5,552	\$4,896	(\$656)	-11.82%	\$5,108	(\$444)	-8.00%	\$212	3.82%
City of Eagle	\$6,012	\$5,391	(\$621)	-10.33%	\$5,531	(\$481)	-8.00%	\$140	2.33%

Comparison of an 8% Cut to Municipal Assistance Payments Under Existing Formula vs. "Base Amounts" Not Held Harmless

Municipality	Estimated FY 97 MA Payments	MA Payments With 8% Cut	\$\$ Difference	% Difference	MA Base Amounts Not Held Harmless With 8% Cut	\$\$ Difference	% Difference	Relative \$\$ Difference	Relative % Difference
City of Eek	\$10,321	\$9,117	(\$1,204)	-11.67%	\$9,495	(\$826)	-8.00%	\$378	3.67%
City of Ekwok	\$3,696	\$3,261	(\$435)	-11.77%	\$3,400	(\$296)	-8.00%	\$139	3.77%
City of Elim	\$10,327	\$9,131	(\$1,196)	-11.58%	\$9,501	(\$826)	-8.00%	\$370	3.58%
City of Emmonak	\$30,118	\$26,874	(\$3,244)	-10.77%	\$27,709	(\$2,409)	-8.00%	\$835	2.77%
City of Fairbanks	\$2,205,959	\$2,066,975	(\$138,984)	-6.30%	\$2,029,482	(\$176,477)	-8.00%	(\$37,493)	-1.70%
Fairbanks NSB	\$2,342,757	\$2,129,627	(\$213,130)	-9.10%	\$2,155,336	(\$187,421)	-8.00%	\$25,709	1.10%
City of False Pass	\$3,281	\$2,910	(\$371)	-11.31%	\$3,019	(\$262)	-8.00%	\$109	3.31%
City of Fort Yukon	\$30,228	\$27,407	(\$2,821)	-9.33%	\$27,810	(\$2,418)	-8.00%	\$403	1.33%
City of Galena	\$25,637	\$23,394	(\$2,243)	-8.75%	\$23,586	(\$2,051)	-8.00%	\$192	0.75%
City of Gambell	\$23,705	\$21,032	(\$2,673)	-11.28%	\$21,809	(\$1,896)	-8.00%	\$777	3.28%
City of Golovin	\$6,177	\$5,513	(\$664)	-10.75%	\$5,683	(\$494)	-8.00%	\$170	2.75%
City of Goodnews Bay	\$9,074	\$7,992	(\$1,082)	-11.92%	\$8,348	(\$726)	-8.00%	\$356	3.92%
City of Grayling	\$7,923	\$7,021	(\$902)	-11.38%	\$7,289	(\$634)	-8.00%	\$268	3.38%
City of Haines	\$69,505	\$63,572	(\$5,933)	-8.54%	\$63,945	(\$5,560)	-8.00%	\$373	0.54%
Haines Borough	\$40,862	\$36,831	(\$4,031)	-9.86%	\$37,593	(\$3,269)	-8.00%	\$762	1.86%
City of Holy Cross	\$11,134	\$9,904	(\$1,230)	-11.05%	\$10,243	(\$891)	-8.00%	\$339	3.05%
City of Homer	\$208,628	\$191,037	(\$17,591)	-8.43%	\$191,938	(\$16,690)	-8.00%	\$901	0.43%
City of Hoonah	\$39,032	\$35,189	(\$3,843)	-9.85%	\$35,909	(\$3,123)	-8.00%	\$720	1.85%
City of Hooper Bay	\$37,788	\$33,549	(\$4,239)	-11.22%	\$34,765	(\$3,023)	-8.00%	\$1,216	3.22%
City of Houston	\$35,559	\$31,490	(\$4,069)	-11.44%	\$32,714	(\$2,845)	-8.00%	\$1,224	3.44%
City of Hughes	\$2,847	\$2,515	(\$332)	-11.66%	\$2,619	(\$228)	-8.00%	\$104	3.66%
City of Huslia	\$9,696	\$8,611	(\$1,085)	-11.19%	\$8,920	(\$776)	-8.00%	\$309	3.19%
City of Hydaburg	\$16,303	\$14,575	(\$1,728)	-10.60%	\$14,999	(\$1,304)	-8.00%	\$424	2.60%
City & Borough of Juneau	\$1,427,669	\$1,301,027	(\$126,642)	-8.87%	\$1,313,455	(\$114,214)	-8.00%	\$12,428	0.87%
City of Kachemak	\$14,820	\$13,100	(\$1,720)	-11.61%	\$13,634	(\$1,186)	-8.00%	\$534	3.61%
City of Kake	\$27,142	\$24,180	(\$2,962)	-10.91%	\$24,971	(\$2,171)	-8.00%	\$791	2.91%
City of Kaktovik	\$8,533	\$7,639	(\$894)	-10.48%	\$7,850	(\$683)	-8.00%	\$211	2.48%
City of Kallag	\$9,115	\$8,021	(\$1,094)	-12.00%	\$8,386	(\$729)	-8.00%	\$365	4.00%
City of Kasaaan	\$1,484	\$1,310	(\$174)	-11.73%	\$1,365	(\$119)	-8.00%	\$55	3.73%
City of Kenai	\$394,445	\$364,626	(\$29,819)	-7.56%	\$362,889	(\$31,556)	-8.00%	(\$1,737)	-0.44%
Kenai Peninsula Borough	\$1,347,372	\$1,227,349	(\$120,023)	-8.91%	\$1,239,582	(\$107,790)	-8.00%	\$12,233	0.91%
City of Ketchikan	\$512,408	\$475,988	(\$36,420)	-7.11%	\$471,415	(\$40,993)	-8.00%	(\$4,573)	-0.89%
Ketchikan Gateway Borough	\$249,773	\$223,712	(\$26,061)	-10.43%	\$229,791	(\$19,982)	-8.00%	\$6,079	2.43%
City of Klana	\$16,145	\$14,370	(\$1,775)	-10.99%	\$14,853	(\$1,292)	-8.00%	\$483	2.99%
City of King Cove	\$33,019	\$29,278	(\$3,741)	-11.33%	\$30,377	(\$2,642)	-8.00%	\$1,099	3.33%
City of Kivalina	\$12,538	\$11,052	(\$1,486)	-11.85%	\$11,535	(\$1,003)	-8.00%	\$483	3.85%

Comparison of an 8% Cut to Municipal Assistance Payments Under Existing Formula vs. "Base Amounts" Not Held Harmless

Municipality	Estimated FY 97 MA Payments	MA Payments With 8% Cut	\$\$ Difference	% Difference	MA Base Amounts Not Held Harmless With 8% Cut	\$\$ Difference	% Difference	Relative \$\$ Difference	Relative % Difference
City of Klawock	\$28,459	\$25,229	(\$3,230)	-11.35%	\$26,182	(\$2,277)	-8.00%	\$953	3.35%
City of Kobuk	\$2,873	\$2,533	(\$340)	-11.83%	\$2,643	(\$230)	-8.00%	\$110	3.83%
City of Kodiak	\$432,770	\$400,338	(\$32,432)	-7.49%	\$398,148	(\$34,622)	-8.00%	(\$2,190)	-0.51%
Kodiak Island Borough	\$259,790	\$231,112	(\$28,678)	-11.04%	\$239,007	(\$20,783)	-8.00%	\$7,895	3.04%
City of Kotlik	\$20,532	\$18,199	(\$2,333)	-11.36%	\$18,889	(\$1,643)	-8.00%	\$690	3.36%
City of Kotzebue	\$138,465	\$125,923	(\$12,542)	-9.06%	\$127,388	(\$11,077)	-8.00%	\$1,465	1.06%
City of Koyuk	\$10,150	\$8,963	(\$1,187)	-11.69%	\$9,338	(\$812)	-8.00%	\$375	3.69%
City of Koyukuk	\$4,878	\$4,346	(\$532)	-10.91%	\$4,488	(\$390)	-8.00%	\$142	2.91%
City of Kupreanof	\$851	\$749	(\$102)	-11.99%	\$783	(\$68)	-8.00%	\$34	3.99%
City of Kwethluk	\$25,817	\$22,889	(\$2,928)	-11.34%	\$23,752	(\$2,065)	-8.00%	\$863	3.34%
Lake and Peninsula Borough	\$45,558	\$41,608	(\$3,950)	-8.67%	\$41,913	(\$3,645)	-8.00%	\$305	0.67%
City of Larsen Bay	\$4,611	\$4,057	(\$554)	-12.01%	\$4,242	(\$369)	-8.00%	\$185	4.01%
City of Lower Kalskag	\$11,132	\$9,821	(\$1,311)	-11.78%	\$10,241	(\$891)	-8.00%	\$420	3.78%
City of Manokotak	\$14,577	\$12,868	(\$1,711)	-11.74%	\$13,411	(\$1,166)	-8.00%	\$545	3.74%
City of Marshall	\$11,092	\$9,824	(\$1,268)	-11.43%	\$10,205	(\$887)	-8.00%	\$381	3.43%
Mat-Su Borough	\$1,540,307	\$1,366,362	(\$173,945)	-11.29%	\$1,417,082	(\$123,225)	-8.00%	\$50,720	3.29%
City of McGrath	\$20,339	\$18,300	(\$2,039)	-10.03%	\$18,712	(\$1,627)	-8.00%	\$412	2.03%
City of Mekoryuk	\$7,754	\$6,852	(\$902)	-11.63%	\$7,134	(\$620)	-8.00%	\$282	3.63%
City of Mountain Village	\$29,197	\$25,971	(\$3,226)	-11.05%	\$26,861	(\$2,336)	-8.00%	\$890	3.05%
City of Napakiak	\$13,109	\$11,722	(\$1,387)	-10.58%	\$12,060	(\$1,049)	-8.00%	\$338	2.58%
City of Napaskiak	\$14,344	\$12,624	(\$1,720)	-11.99%	\$13,196	(\$1,148)	-8.00%	\$572	3.99%
City of Nenana	\$29,914	\$27,828	(\$2,086)	-6.97%	\$27,521	(\$2,393)	-8.00%	(\$307)	-1.03%
City of New Stuyahok	\$15,310	\$13,519	(\$1,791)	-11.70%	\$14,085	(\$1,225)	-8.00%	\$566	3.70%
City of Newhalen	\$6,240	\$5,517	(\$723)	-11.59%	\$5,741	(\$499)	-8.00%	\$224	3.59%
City of Nightmute	\$6,723	\$5,919	(\$804)	-11.96%	\$6,185	(\$538)	-8.00%	\$266	3.96%
City of Nikolai	\$4,448	\$3,916	(\$532)	-11.96%	\$4,092	(\$356)	-8.00%	\$176	3.96%
City of Nome	\$194,363	\$177,407	(\$16,956)	-8.72%	\$178,814	(\$15,549)	-8.00%	\$1,407	0.72%
City of Nondalton	\$8,833	\$7,824	(\$1,009)	-11.42%	\$8,126	(\$707)	-8.00%	\$302	3.42%
City of Noorvik	\$22,187	\$19,693	(\$2,494)	-11.24%	\$20,412	(\$1,775)	-8.00%	\$719	3.24%
City of North Pole	\$89,827	\$82,808	(\$7,019)	-7.81%	\$82,641	(\$7,186)	-8.00%	(\$167)	-0.19%
North Slope Borough	\$1,294,770	\$1,283,832	(\$10,938)	-0.84%	\$1,191,188	(\$103,582)	-8.00%	(\$92,644)	-7.16%
Northwest Arctic Borough	\$26,711	\$24,378	(\$2,333)	-8.73%	\$24,574	(\$2,137)	-8.00%	\$196	0.73%
City of Nuiqsut	\$14,571	\$12,826	(\$1,745)	-11.98%	\$13,405	(\$1,166)	-8.00%	\$579	3.98%
City of Nulato	\$13,382	\$11,854	(\$1,528)	-11.42%	\$12,311	(\$1,071)	-8.00%	\$457	3.42%
City of Nunapitchuk	\$16,486	\$14,545	(\$1,941)	-11.77%	\$15,167	(\$1,319)	-8.00%	\$622	3.77%
City of Old Harbor	\$11,348	\$10,028	(\$1,320)	-11.63%	\$10,440	(\$908)	-8.00%	\$412	3.63%

Comparison of an 8% Cut to Municipal Assistance Payments Under Existing Formula vs. "Base Amounts" Not Held Harmless

Municipality	Estimated FY 97 MA Payments	MA Payments With 8% Cut	\$\$ Difference	% Difference	MA Base Amounts Not Held Harmless With 8% Cut	\$\$ Difference	% Difference	Relative \$\$ Difference	Relative % Difference
City of Ouzinkie	\$9,517	\$8,415	(\$1,102)	-11.58%	\$8,756	(\$761)	-8.00%	\$341	3.58%
City of Palmer	\$200,907	\$183,282	(\$17,625)	-8.77%	\$184,834	(\$16,073)	-8.00%	\$1,552	0.77%
City of Pelican	\$10,318	\$9,428	(\$890)	-8.63%	\$9,493	(\$825)	-8.00%	\$65	0.63%
City of Petersburg	\$162,462	\$148,204	(\$14,258)	-8.78%	\$149,465	(\$12,997)	-8.00%	\$1,261	0.78%
City of Pilot Point	\$3,778	\$3,378	(\$400)	-10.59%	\$3,478	(\$302)	-8.00%	\$98	2.59%
City of Pilot Station	\$18,825	\$16,599	(\$2,226)	-11.82%	\$17,319	(\$1,506)	-8.00%	\$720	3.82%
City of Platinum	\$2,077	\$1,889	(\$188)	-9.05%	\$1,911	(\$166)	-8.00%	\$22	1.05%
City of Point Hope	\$29,098	\$26,021	(\$3,077)	-10.57%	\$26,770	(\$2,328)	-8.00%	\$749	2.57%
City of Port Alexander	\$4,194	\$3,726	(\$468)	-11.16%	\$3,858	(\$336)	-8.00%	\$132	3.16%
City of Port Heiden	\$4,707	\$4,171	(\$536)	-11.39%	\$4,330	(\$377)	-8.00%	\$159	3.39%
City of Port Lions	\$9,661	\$8,541	(\$1,120)	-11.59%	\$8,888	(\$773)	-8.00%	\$347	3.59%
City of Quinhagak	\$20,164	\$17,828	(\$2,336)	-11.59%	\$18,551	(\$1,613)	-8.00%	\$723	3.59%
City of Ruby	\$8,215	\$7,321	(\$894)	-10.88%	\$7,558	(\$657)	-8.00%	\$237	2.88%
City of Russian Mission	\$10,508	\$9,252	(\$1,256)	-11.95%	\$9,667	(\$841)	-8.00%	\$415	3.95%
City of Sand Point	\$39,522	\$35,312	(\$4,210)	-10.65%	\$36,360	(\$3,162)	-8.00%	\$1,048	2.65%
City of Savoonga	\$23,763	\$21,192	(\$2,571)	-10.82%	\$21,862	(\$1,901)	-8.00%	\$670	2.82%
City of Saxman	\$15,385	\$13,674	(\$1,711)	-11.12%	\$14,154	(\$1,231)	-8.00%	\$480	3.12%
City of Scammon Bay	\$15,945	\$14,097	(\$1,848)	-11.59%	\$14,669	(\$1,276)	-8.00%	\$572	3.59%
City of Selawik	\$24,034	\$21,276	(\$2,758)	-11.48%	\$22,111	(\$1,923)	-8.00%	\$835	3.48%
City of Seldovia	\$17,303	\$15,881	(\$1,422)	-8.22%	\$15,919	(\$1,384)	-8.00%	\$38	0.22%
City of Seward	\$153,240	\$140,327	(\$12,913)	-8.43%	\$140,981	(\$12,259)	-8.00%	\$654	0.43%
City of Shageluk	\$5,276	\$4,663	(\$613)	-11.62%	\$4,854	(\$422)	-8.00%	\$191	3.62%
City of Shaktolik	\$7,166	\$6,319	(\$847)	-11.82%	\$6,593	(\$573)	-8.00%	\$274	3.82%
City of Sheldon Point	\$5,895	\$5,201	(\$694)	-11.77%	\$5,423	(\$472)	-8.00%	\$222	3.77%
City of Shishmaref	\$19,980	\$17,699	(\$2,281)	-11.42%	\$18,382	(\$1,598)	-8.00%	\$683	3.42%
City of Shungnak	\$9,819	\$8,789	(\$1,030)	-10.49%	\$9,033	(\$786)	-8.00%	\$244	2.49%
City and Borough of Sitka	\$457,721	\$418,590	(\$39,131)	-8.55%	\$421,103	(\$36,618)	-8.00%	\$2,513	0.55%
City of Skagway	\$50,343	\$46,892	(\$3,451)	-6.85%	\$46,316	(\$4,027)	-8.00%	(\$576)	-1.15%
City of Soldotna	\$244,536	\$227,554	(\$16,982)	-6.94%	\$224,973	(\$19,563)	-8.00%	(\$2,581)	-1.06%
City of St. George	\$7,053	\$6,223	(\$830)	-11.77%	\$6,489	(\$564)	-8.00%	\$266	3.77%
City of St. Mary's	\$17,606	\$15,567	(\$2,039)	-11.58%	\$16,198	(\$1,408)	-8.00%	\$631	3.58%
City of St. Michael	\$16,201	\$14,750	(\$1,451)	-8.96%	\$14,905	(\$1,296)	-8.00%	\$155	0.96%
City of St. Paul	\$27,707	\$24,442	(\$3,265)	-11.78%	\$25,490	(\$2,217)	-8.00%	\$1,048	3.78%
City of Stebbins	\$17,164	\$15,142	(\$2,022)	-11.78%	\$15,791	(\$1,373)	-8.00%	\$649	3.78%
City of Tanana	\$14,698	\$13,204	(\$1,494)	-10.16%	\$13,522	(\$1,176)	-8.00%	\$318	2.16%
City of Teller	\$9,890	\$8,724	(\$1,166)	-11.79%	\$9,099	(\$791)	-8.00%	\$375	3.79%

Comparison of an 8% Cut to Municipal Assistance Payments Under Existing Formula vs. "Base Amounts" Not Held Harmless

Municipality	Estimated FY 97 MA Payments	MA Payments With 8% Cut	\$\$ Difference	% Difference	MA Base Amounts Not Held Harmless With 8% Cut	\$\$ Difference	% Difference	Relative \$\$ Difference	Relative % Difference
City of Tenakee Springs	\$5,331	\$4,858	(\$473)	-8.87%	\$4,905	(\$426)	-8.00%	\$47	0.87%
City of Thorne Bay	\$24,180	\$21,414	(\$2,766)	-11.44%	\$22,246	(\$1,934)	-8.00%	\$832	3.44%
City of Toglak	\$29,521	\$26,350	(\$3,171)	-10.74%	\$27,159	(\$2,362)	-8.00%	\$809	2.74%
City of Toksook Bay	\$19,346	\$17,132	(\$2,214)	-11.44%	\$17,798	(\$1,548)	-8.00%	\$666	3.44%
City of Unalakleet	\$31,196	\$27,944	(\$3,252)	-10.42%	\$29,700	(\$2,496)	-8.00%	\$756	2.42%
City of Unalaska	\$152,307	\$134,929	(\$17,378)	-11.41%	\$140,122	(\$12,185)	-8.00%	\$5,193	3.41%
City of Upper Kalskag	\$7,804	\$7,021	(\$783)	-10.03%	\$7,180	(\$624)	-8.00%	\$159	2.03%
City of Valdez	\$526,718	\$507,697	(\$19,021)	-3.61%	\$484,581	(\$42,137)	-8.00%	(\$23,116)	-4.39%
City of Wainwright	\$19,655	\$17,344	(\$2,311)	-11.76%	\$18,083	(\$1,572)	-8.00%	\$739	3.76%
City of Wales	\$6,137	\$5,400	(\$737)	-12.01%	\$5,646	(\$491)	-8.00%	\$246	4.01%
City of Wasilla	\$218,923	\$199,196	(\$19,727)	-9.01%	\$201,409	(\$17,514)	-8.00%	\$2,213	1.01%
City of White Mountain	\$7,443	\$6,553	(\$890)	-11.96%	\$6,848	(\$595)	-8.00%	\$295	3.96%
City of Whittier	\$11,707	\$10,498	(\$1,209)	-10.33%	\$10,770	(\$937)	-8.00%	\$272	2.33%
City of Wrangell	\$136,653	\$124,915	(\$11,738)	-8.59%	\$125,721	(\$10,932)	-8.00%	\$806	0.59%
City and Borough of Yakutat	\$42,395	\$38,986	(\$3,409)	-8.04%	\$39,003	(\$3,392)	-8.00%	\$17	0.04%

EFFECTS OF CSSB20 ON FY 96 SRS/MA ENTITLEMENTS (NO PASE AMOUNT HOLD HARMLESS - \$40,000 OVERALL MINIMUM ENTITLEMENT)

Potential Interest Earnings From Early SAFE Payment

Municipality	Actual FY 96	Actual FY 96	Actual FY96	CSSB20	CSSB20	CSSB20	% Change	CSSB20	CSSB20	CSSB20	CSSB20	CSSB20	% Change	FY 96 SAFE \$\$	CSSB20	% Change
	SRS \$\$	MA \$\$	MA/SRS Total \$\$	FY 96 SRS \$\$	FY 96 SAFE \$\$ (No Hold Harmless)	SRS/SAFE \$\$ Pre Min Ent.	From Current Programs	Minimum Ent. Add-On	Minimum Ent. Prorated	FY 96 SAFE \$\$ Prorated	SAFE \$\$ Final Payment	SRS/SAFE \$\$ Total Payment	From Current Programs	at 5% Interest for 6 Months	SRS/SAFE \$\$ Plus Interest	From Current Programs
City of Anchorage	\$24,754	\$3,569	\$28,323	\$24,754	\$3,647	\$28,401	0.28%	\$11,599	\$11,531	\$3,626	\$15,157	\$39,911	40.91%	\$378	\$40,289	42.25%
City of Akutan	\$31,210	\$11,025	\$42,035	\$31,010	\$11,396	\$42,408	0.88%	\$0	\$0	\$11,330	\$11,330	\$42,340	0.73%	\$282	\$42,622	1.40%
City of Aleknagik	\$29,752	\$17,789	\$47,541	\$29,752	\$18,387	\$48,139	1.28%	\$0	\$0	\$18,280	\$18,280	\$48,032	1.03%	\$456	\$48,488	1.89%
City of Anchorage	\$35,685	\$27,963	\$63,648	\$35,685	\$28,388	\$64,073	0.67%	\$0	\$0	\$28,223	\$28,223	\$63,908	0.41%	\$704	\$64,611	1.51%
City of Anchorage	\$29,488	\$7,415	\$36,883	\$29,488	\$7,626	\$37,094	0.57%	\$2,906	\$2,889	\$7,581	\$10,471	\$39,939	8.28%	\$261	\$40,200	8.99%
Aleutians East Borough	\$86,669	\$11,049	\$99,718	\$86,669	\$10,692	\$99,361	-0.36%	\$0	\$0	\$10,630	\$10,630	\$99,299	-0.42%	\$265	\$99,564	-0.15%
City of Aleknagik	\$32,889	\$7,056	\$39,945	\$32,889	\$7,288	\$40,177	0.58%	\$0	\$0	\$7,246	\$7,246	\$40,135	0.48%	\$181	\$40,316	0.93%
City of Ambler	\$40,206	\$11,450	\$51,656	\$40,206	\$11,784	\$51,990	0.65%	\$0	\$0	\$11,715	\$11,715	\$51,921	0.51%	\$292	\$52,213	1.08%
City of Anchorage	\$31,720	\$11,320	\$43,040	\$31,720	\$11,706	\$43,426	0.80%	\$0	\$0	\$11,638	\$11,638	\$43,358	0.74%	\$290	\$43,648	1.41%
Municipality of Anchorage	\$7,198,118	\$13,980,226	\$21,158,344	\$7,198,118	\$13,932,354	\$21,130,472	-0.13%	\$0	\$0	\$13,851,328	\$13,851,328	\$21,049,446	-0.51%	\$345,334	\$21,394,781	1.12%
City of Anderson	\$33,297	\$25,025	\$58,322	\$33,297	\$25,758	\$59,055	1.26%	\$0	\$0	\$25,608	\$25,608	\$59,005	1.00%	\$338	\$59,343	2.09%
City of Angoon	\$23,282	\$29,360	\$52,642	\$23,282	\$30,077	\$53,359	1.36%	\$0	\$0	\$29,902	\$29,902	\$53,184	1.03%	\$745	\$53,929	2.45%
City of Aniak	\$56,080	\$24,112	\$80,192	\$56,080	\$24,615	\$80,695	0.63%	\$0	\$0	\$24,472	\$24,472	\$80,552	0.45%	\$610	\$81,162	1.21%
City of Aniak	\$32,820	\$3,199	\$36,019	\$32,820	\$3,300	\$36,120	0.28%	\$3,880	\$3,858	\$3,281	\$7,138	\$39,958	10.94%	\$178	\$40,136	11.43%
City of Aniak	\$30,860	\$3,600	\$34,460	\$30,860	\$3,715	\$34,574	0.33%	\$5,416	\$5,385	\$3,693	\$9,078	\$39,947	15.89%	\$226	\$40,173	16.55%
City of Atkasook	\$31,720	\$26,038	\$57,758	\$31,720	\$25,133	\$56,853	-1.57%	\$0	\$0	\$24,987	\$24,987	\$56,707	-1.82%	\$623	\$57,330	-0.74%
City of Barrow	\$119,229	\$169,183	\$279,412	\$119,229	\$172,580	\$282,809	1.22%	\$0	\$0	\$171,577	\$171,577	\$281,805	0.86%	\$4,278	\$286,083	2.39%
City of Bethel	\$30,407	\$248,407	\$553,814	\$30,407	\$250,170	\$555,577	0.32%	\$0	\$0	\$248,715	\$248,715	\$554,122	0.06%	\$6,201	\$560,323	1.18%
City of Bethel	\$33,835	\$2,082	\$35,917	\$33,835	\$2,101	\$35,936	0.05%	\$4,064	\$4,040	\$2,089	\$6,129	\$39,964	11.27%	\$153	\$40,117	11.69%
City of Breig Mission	\$32,444	\$9,022	\$41,466	\$32,444	\$9,320	\$41,864	0.72%	\$0	\$0	\$9,266	\$9,266	\$41,910	0.59%	\$231	\$42,041	1.14%
Bristol Bay Borough	\$56,699	\$71,374	\$128,073	\$56,699	\$72,403	\$129,102	0.80%	\$0	\$0	\$71,982	\$71,982	\$128,681	0.47%	\$1,795	\$130,476	1.88%
City of Buckland	\$46,590	\$14,241	\$60,931	\$46,590	\$14,697	\$61,387	0.75%	\$0	\$0	\$14,611	\$14,611	\$61,301	0.81%	\$364	\$61,665	1.21%
City of Chelema	\$30,885	\$12,792	\$43,677	\$30,885	\$13,181	\$44,066	0.89%	\$0	\$0	\$13,104	\$13,104	\$43,989	0.72%	\$727	\$44,716	1.46%
City of Chevak	\$30,296	\$23,729	\$54,025	\$30,296	\$24,534	\$54,830	1.49%	\$0	\$0	\$24,391	\$24,391	\$54,687	1.23%	\$608	\$55,295	2.35%
City of Chignik	\$29,922	\$7,284	\$37,206	\$29,922	\$7,504	\$37,426	0.59%	\$2,574	\$2,559	\$7,460	\$10,019	\$39,941	7.35%	\$250	\$40,191	8.02%
City of Chitina	\$32,444	\$4,699	\$37,143	\$32,444	\$4,829	\$37,273	0.35%	\$2,727	\$2,711	\$4,601	\$7,512	\$39,956	7.57%	\$187	\$40,143	8.08%
City of Coffman Cove	\$56,863	\$8,738	\$65,601	\$56,863	\$9,032	\$65,895	0.45%	\$0	\$0	\$8,980	\$8,980	\$65,840	0.27%	\$224	\$66,064	0.71%
City of Cold Bay	\$29,916	\$8,477	\$38,393	\$29,916	\$8,343	\$38,259	-0.35%	\$1,741	\$1,731	\$8,294	\$10,025	\$39,941	4.03%	\$250	\$40,191	4.68%
City of Colusa	\$205,708	\$139,822	\$345,530	\$205,708	\$139,963	\$345,671	0.04%	\$0	\$0	\$139,149	\$139,149	\$344,857	-0.19%	\$3,469	\$348,326	0.81%
City of Craig	\$63,720	\$60,082	\$123,802	\$63,720	\$61,838	\$125,558	1.27%	\$0	\$0	\$61,280	\$61,280	\$125,000	0.98%	\$1,528	\$126,528	2.22%
City of Deering	\$52,389	\$6,257	\$58,646	\$52,389	\$6,426	\$58,815	0.29%	\$0	\$0	\$6,389	\$6,389	\$58,777	0.22%	\$159	\$58,936	0.49%
City of Delta Junction	\$28,797	\$57,180	\$85,977	\$28,797	\$58,106	\$86,903	1.25%	\$0	\$0	\$55,780	\$55,780	\$86,577	-1.63%	\$1,391	\$87,967	0.01%
Denali Borough	\$31,720	\$65,948	\$97,668	\$31,720	\$66,788	\$98,508	0.88%	\$0	\$0	\$66,400	\$66,400	\$98,120	0.46%	\$1,655	\$99,775	2.16%
City of Denham	\$112,256	\$107,292	\$219,548	\$112,256	\$108,193	\$220,449	0.41%	\$0	\$0	\$107,564	\$107,564	\$219,820	0.12%	\$2,682	\$222,502	1.35%
City of Denmead	\$31,720	\$6,207	\$37,927	\$31,720	\$6,416	\$38,136	0.55%	\$1,864	\$1,853	\$6,378	\$8,232	\$39,932	5.34%	\$205	\$40,137	5.68%
City of Eagle	\$28,815	\$6,879	\$35,694	\$28,815	\$7,032	\$35,847	0.45%	\$6,153	\$6,118	\$6,991	\$13,109	\$39,924	18.49%	\$327	\$40,251	19.46%
City of Eek	\$31,062	\$9,788	\$40,850	\$31,062	\$10,101	\$41,163	0.77%	\$0	\$0	\$10,042	\$10,042	\$41,104	0.82%	\$250	\$41,354	1.24%
City of Ekwok	\$29,468	\$3,464	\$32,932	\$29,468	\$3,578	\$33,046	0.34%	\$6,954	\$6,914	\$3,557	\$10,471	\$39,939	21.28%	\$261	\$40,200	22.07%
City of Eyma	\$33,227	\$10,921	\$44,148	\$33,227	\$11,265	\$44,492	0.78%	\$0	\$0	\$11,199	\$11,199	\$44,426	0.63%	\$279	\$44,705	1.26%
City of Emmonak	\$58,456	\$32,550	\$91,006	\$58,456	\$33,266	\$91,722	0.92%	\$0	\$0	\$33,172	\$33,172	\$91,628	0.70%	\$827	\$92,455	1.83%
City of Fairbanks	\$577,362	\$2,259,666	\$2,837,028	\$577,362	\$2,228,739	\$2,806,101	-1.09%	\$0	\$0	\$2,215,778	\$2,215,778	\$2,793,140	-1.55%	\$55,243	\$2,848,383	0.40%
Fairbanks NSB	\$1,913,414	\$2,296,109	\$4,209,523	\$1,913,414	\$2,316,967	\$4,230,381	0.50%	\$0	\$0	\$2,303,492	\$2,303,492	\$4,216,906	0.18%	\$57,430	\$4,274,336	1.54%
City of Fair Pass	\$29,468	\$3,472	\$32,940	\$29,468	\$3,573	\$33,041	0.31%	\$6,959	\$6,918	\$3,553	\$10,471	\$39,939	21.25%	\$261	\$40,200	22.04%
City of Fort Yukon	\$92,415	\$33,259	\$125,674	\$92,415	\$33,718	\$126,133	0.37%	\$0	\$0	\$33,522	\$33,522	\$125,937	0.21%	\$336	\$126,273	0.87%
City of Galena	\$49,920	\$32,763	\$82,683	\$49,920	\$33,181	\$83,101	0.51%	\$0	\$0	\$32,988	\$32,988	\$82,908	0.27%	\$822	\$83,730	1.27%
City of Gambel	\$32,895	\$22,042	\$54,937	\$32,895	\$22,663	\$55,558	1.13%	\$0	\$0	\$22,531	\$22,531	\$55,426	0.89%	\$562	\$55,988	1.91%
City of Garden	\$33,255	\$6,179	\$39,434	\$33,255	\$6,328	\$39,583	0.38%	\$417	\$415	\$6,291	\$8,706	\$39,981	1.34%	\$167	\$40,148	1.76%
City of Goodnews Bay	\$30,575	\$9,751	\$40,326	\$30,575	\$10,085	\$40,660	0.83%	\$0	\$0	\$10,027	\$10,027	\$40,602	0.88%	\$250	\$40,852	1.30%
City of Grading	\$32,745	\$7,359	\$40,104	\$32,745	\$7,574	\$40,319	0.54%	\$0	\$0	\$7,530	\$7,530	\$40,275	0.43%	\$188	\$40,462	0.89%
City of Haines	\$54,335	\$75,449	\$129,784	\$54,335	\$75,983	\$130,318	0.41%	\$0	\$0	\$75,541	\$75,541	\$129,876	0.07%	\$1,883	\$131,759	1.52%
Haines Borough	\$23,581	\$42,523	\$66,104	\$23,581	\$43,248	\$66,829	1.02%	\$0	\$0	\$42,996	\$42,996	\$66,992	0.87%	\$1,072	\$68,064	2.17%
City of Holy Cross	\$32,038	\$10,825	\$42,863	\$32,038	\$11,111	\$43,149	0.67%	\$0	\$0	\$11,047	\$11,047	\$43,085	0.52%	\$275	\$43,360	1.16%
City of Homer	\$179,642	\$220,406	\$400,048	\$179,642	\$221,806	\$401,248	0.30%	\$0	\$0	\$220,317	\$220,317	\$399,929	-0.02%	\$5,493	\$405,452	1.35%
City of Hooper	\$93,282	\$40,434	\$133,716	\$93,282	\$41,113	\$134,395	0.51%	\$0	\$0	\$40,873	\$40,873	\$134,155	0.33%	\$1,019	\$135,174	1.09%
City of Hooper Bay	\$31,547	\$35,235	\$66,782	\$31,547	\$36,210	\$67,757	1.48%	\$0	\$0	\$35,999	\$35,999	\$67,548	1.14%	\$888	\$68,436	2.49%
City of Houston	\$35,894	\$33,624	\$69,518	\$35,894	\$34,627	\$70,521	1.44%	\$0	\$0	\$34,426	\$34,426	\$70,320	1.15%	\$858	\$71,178	2.39%
City of Hughes	\$32,619	\$2,375	\$34,994	\$32,619	\$2,449	\$35,068	0.21%	\$4,932	\$4,903	\$2,435	\$7,338	\$39,957	14.18%	\$183	\$40,140	14.70%
City of Huslia	\$33,868	\$9,464	\$43,332	\$33,868	\$9,726	\$43,594	0.61%	\$0	\$0	\$9,670	\$9,670	\$43,538	0.47%	\$241	\$43,779	1.03%
City of Hyaburg	\$22,389	\$17,270	\$39,659	\$22,389	\$17,675	\$40,064	1.22%	\$0	\$0	\$17,572	\$17,572	\$39,961	0.76%	\$438	\$40,399	1.87%

EFFECTS OF CSSB20 ON FY 96 SRS/MA ENTITLEMENTS (NO BASE AMOUNT HOLD HARMLESS - \$40,000 OVERALL MINIMUM ENTITLEMENT)

Potential Interest Earnings From Early SAFE Payment

Municipality	Actual FY 96 SRS \$\$	Actual FY 96 MA \$\$	Actual FY 96 MA/SRS Total \$\$	CSSB20 FY 96 SRS \$\$	CSSB20 FY 96 SAFE \$\$ (No Hold Harmless)	CSSB20 SRS/SAFE \$\$ Pre Min Ent.	% Change From Current Programs	CSSB20 Minimum Ent. Add-On	CSSB20 Minimum Ent. Prorated	CSSB20 FY 96 SAFE \$\$ Prorated	CSSB20 SAFE \$\$ Final Payment	CSSB20 SRS/SAFE \$\$ Total Payment	% Change From Current Programs	FY 96 SAFE \$\$ at 5% Interest for 6 Months	CSSB20 SRS/SAFE \$\$ Plus Interest	% Change From Current Programs
City of Borough of Juneau	\$1,718,101	\$1,431,188	\$3,149,287	\$1,718,101	\$1,442,181	\$3,160,282	0.35%	\$0	\$0	\$1,433,794	\$1,433,794	\$3,151,695	0.08%	\$35,747	\$3,187,541	1.22%
City of Ketchikan	\$24,514	\$14,858	\$39,372	\$24,514	\$15,118	\$39,632	1.18%	\$368	\$368	\$15,030	\$15,398	\$39,910	1.89%	\$384	\$40,294	2.87%
City of Kasaan	\$53,970	\$30,058	\$84,028	\$53,970	\$30,852	\$84,822	0.94%	\$0	\$0	\$30,673	\$30,673	\$84,643	0.73%	\$765	\$85,407	1.84%
City of Kasilovik	\$31,720	\$9,314	\$41,034	\$31,720	\$9,326	\$41,246	0.52%	\$0	\$0	\$9,471	\$9,471	\$41,191	0.38%	\$238	\$41,427	0.89%
City of Kasilovik	\$33,183	\$9,140	\$42,323	\$33,183	\$9,480	\$42,643	0.76%	\$0	\$0	\$9,405	\$9,405	\$42,589	0.63%	\$234	\$42,822	1.18%
City of Kasilovik	\$23,605	\$1,669	\$25,274	\$23,605	\$1,724	\$25,329	0.22%	\$14,671	\$14,588	\$1,714	\$16,300	\$39,905	57.80%	\$408	\$40,311	59.50%
City of Kasilovik	\$229,803	\$384,049	\$623,854	\$229,803	\$392,515	\$622,320	0.25%	\$0	\$0	\$392,333	\$392,333	\$620,038	0.61%	\$8,720	\$629,757	0.95%
Kenai Peninsula Borough	\$1,808,582	\$1,284,396	\$3,102,978	\$1,808,582	\$1,303,244	\$3,111,826	0.29%	\$0	\$0	\$1,285,665	\$1,285,665	\$3,104,247	0.04%	\$32,303	\$3,136,550	1.08%
City of Ketchikan	\$401,705	\$531,032	\$932,737	\$401,705	\$527,882	\$929,587	-0.36%	\$0	\$0	\$524,613	\$524,613	\$928,318	-0.89%	\$13,079	\$939,397	0.71%
Ketchikan Gateway Borough	\$203,814	\$239,547	\$443,361	\$203,814	\$244,507	\$448,321	1.12%	\$0	\$0	\$243,285	\$243,285	\$446,699	0.80%	\$8,060	\$452,760	2.17%
City of Kiana	\$32,778	\$18,030	\$50,808	\$32,778	\$18,448	\$51,226	0.88%	\$0	\$0	\$18,352	\$18,352	\$49,130	0.66%	\$408	\$49,538	1.50%
City of King Cove	\$48,902	\$35,089	\$83,991	\$48,902	\$36,124	\$85,026	1.23%	\$0	\$0	\$35,314	\$35,314	\$84,818	0.94%	\$895	\$85,711	2.05%
City of Kivalina	\$58,099	\$13,708	\$71,807	\$58,099	\$14,189	\$72,288	0.68%	\$0	\$0	\$14,088	\$14,088	\$70,185	-0.14%	\$351	\$70,537	0.77%
City of Klawock	\$36,599	\$29,178	\$65,777	\$36,599	\$30,037	\$66,636	1.31%	\$0	\$0	\$29,863	\$29,863	\$66,462	1.04%	\$745	\$67,208	2.17%
City of Kluksu	\$33,423	\$3,568	\$36,991	\$33,423	\$3,889	\$37,312	0.33%	\$2,889	\$2,871	\$3,668	\$6,539	\$39,962	8.03%	\$163	\$40,125	8.47%
City of Kodiak	\$160,910	\$422,393	\$583,303	\$160,910	\$431,084	\$591,994	0.32%	\$0	\$0	\$428,577	\$428,577	\$582,487	-0.74%	\$10,685	\$600,172	1.08%
Kodiak Island Borough	\$490,355	\$279,787	\$770,142	\$490,355	\$287,324	\$777,749	0.93%	\$0	\$0	\$285,723	\$285,723	\$776,078	0.77%	\$7,123	\$783,201	1.70%
City of Kotzebue	\$30,885	\$20,341	\$51,226	\$30,885	\$21,559	\$52,444	1.18%	\$0	\$0	\$21,434	\$21,434	\$52,319	0.95%	\$274	\$52,593	1.08%
City of Kotzebue	\$209,197	\$143,331	\$352,528	\$209,197	\$144,783	\$353,980	0.41%	\$0	\$0	\$143,341	\$143,341	\$353,138	0.17%	\$1,589	\$354,727	1.19%
City of Koyuk	\$32,470	\$10,487	\$42,957	\$32,470	\$10,827	\$43,297	0.79%	\$0	\$0	\$10,764	\$10,764	\$43,234	0.65%	\$268	\$43,502	1.27%
City of Koyuk	\$32,167	\$5,142	\$37,309	\$32,167	\$5,276	\$37,443	0.36%	\$2,557	\$2,542	\$5,245	\$7,787	\$39,954	7.09%	\$194	\$40,149	7.61%
City of Kuparuk	\$23,629	\$874	\$24,503	\$23,629	\$905	\$24,534	0.13%	\$15,448	\$15,378	\$900	\$16,275	\$39,304	62.85%	\$408	\$40,310	64.51%
City of Kweetha	\$30,334	\$24,757	\$55,091	\$30,334	\$25,475	\$55,809	1.30%	\$0	\$0	\$25,327	\$25,327	\$55,661	1.03%	\$831	\$56,492	2.18%
Lake and Peninsula Borough	\$245,233	\$45,182	\$290,395	\$245,233	\$45,415	\$290,648	0.09%	\$0	\$0	\$45,151	\$45,151	\$290,384	0.00%	\$1,128	\$291,509	0.38%
City of Laramie Bay	\$24,514	\$5,571	\$30,085	\$24,514	\$5,766	\$30,280	0.65%	\$9,720	\$9,683	\$5,732	\$15,398	\$39,910	32.68%	\$384	\$40,294	33.93%
City of Lower Katskag	\$31,507	\$11,205	\$42,712	\$31,507	\$11,575	\$43,082	0.87%	\$0	\$0	\$11,308	\$11,308	\$43,015	0.71%	\$287	\$43,302	1.38%
City of Manokotak	\$29,851	\$15,849	\$45,700	\$29,851	\$16,184	\$46,035	1.13%	\$0	\$0	\$16,070	\$16,070	\$45,921	0.92%	\$401	\$46,321	1.81%
City of Marshall	\$30,885	\$11,558	\$42,443	\$30,885	\$11,805	\$42,790	0.82%	\$0	\$0	\$11,838	\$11,838	\$42,721	0.66%	\$295	\$43,016	1.38%
Mar. Su. Borough	\$1,778,657	\$1,586,207	\$3,364,864	\$1,778,657	\$1,632,190	\$3,410,847	1.37%	\$0	\$0	\$1,622,697	\$1,622,697	\$3,401,354	1.08%	\$40,458	\$3,441,811	2.29%
City of McGrath	\$34,559	\$22,212	\$56,771	\$34,559	\$22,438	\$57,197	0.75%	\$0	\$0	\$22,106	\$22,106	\$56,885	0.52%	\$261	\$57,146	1.51%
City of Mekoryuk	\$31,204	\$7,481	\$38,685	\$31,204	\$7,719	\$38,923	0.61%	\$1,277	\$1,271	\$7,674	\$8,745	\$39,949	3.27%	\$218	\$40,167	3.83%
City of Mountain Village	\$31,812	\$30,879	\$62,691	\$31,812	\$31,513	\$63,325	1.33%	\$0	\$0	\$31,327	\$31,327	\$62,659	-0.05%	\$218	\$62,877	2.29%
City of Napasiah	\$31,339	\$13,583	\$44,922	\$31,339	\$13,876	\$45,215	0.70%	\$0	\$0	\$13,798	\$13,798	\$45,134	0.52%	\$344	\$45,478	1.28%
City of Napasiah	\$30,885	\$13,379	\$44,264	\$30,885	\$13,845	\$44,730	1.05%	\$0	\$0	\$13,784	\$13,784	\$44,649	0.87%	\$293	\$44,942	1.85%
City of Nenana	\$53,702	\$31,033	\$84,735	\$53,702	\$32,803	\$86,505	0.27%	\$0	\$0	\$32,623	\$32,623	\$86,325	-0.48%	\$743	\$87,068	0.42%
City of New Stuyahok	\$29,468	\$15,527	\$44,995	\$29,468	\$16,030	\$45,498	1.12%	\$0	\$0	\$15,937	\$15,937	\$45,405	0.91%	\$397	\$45,802	1.78%
City of New Stuyahok	\$29,786	\$6,847	\$36,633	\$29,786	\$7,188	\$36,974	0.95%	\$3,248	\$3,248	\$7,127	\$10,174	\$39,940	8.78%	\$254	\$40,194	9.48%
City of Nightmute	\$30,575	\$6,358	\$36,933	\$30,575	\$6,577	\$37,152	0.60%	\$2,848	\$2,832	\$6,538	\$9,370	\$39,945	8.16%	\$234	\$40,179	8.78%
City of Nipuk	\$32,222	\$3,848	\$36,070	\$32,222	\$4,084	\$36,306	0.38%	\$1,894	\$1,873	\$4,060	\$7,733	\$39,955	10.47%	\$193	\$40,148	11.00%
City of Nome	\$328,929	\$205,418	\$534,347	\$328,929	\$207,036	\$535,965	0.30%	\$0	\$0	\$205,831	\$205,831	\$532,760	0.08%	\$5,132	\$537,892	1.04%
City of Nordston	\$38,627	\$8,911	\$47,538	\$38,627	\$9,103	\$47,730	0.56%	\$0	\$0	\$9,050	\$9,050	\$47,677	0.45%	\$228	\$47,905	0.92%
City of Noonik	\$51,957	\$21,170	\$73,127	\$51,957	\$21,771	\$73,728	0.81%	\$0	\$0	\$21,644	\$21,644	\$73,631	0.64%	\$340	\$73,971	1.38%
City of North Pole	\$28,671	\$11,270	\$39,941	\$28,671	\$11,484	\$40,155	0.27%	\$0	\$0	\$11,352	\$11,352	\$39,952	-0.51%	\$2,288	\$42,240	1.37%
North Slope Borough	\$381,877	\$1,283,835	\$1,665,712	\$381,877	\$1,212,532	\$1,594,409	-4.84%	\$0	\$0	\$1,229,480	\$1,229,480	\$1,587,457	-5.26%	\$30,054	\$1,617,511	-2.47%
Northwest Arctic Borough	\$254,930	\$21,809	\$276,739	\$254,930	\$23,949	\$278,879	0.05%	\$0	\$0	\$23,798	\$23,798	\$280,788	0.00%	\$643	\$281,431	1.23%
City of Nuiqsut	\$31,720	\$14,088	\$45,808	\$31,720	\$14,578	\$46,298	1.07%	\$0	\$0	\$14,481	\$14,481	\$46,211	0.88%	\$361	\$46,572	1.87%
City of Nuiqsut	\$33,288	\$14,049	\$47,337	\$33,288	\$14,473	\$47,761	0.90%	\$0	\$0	\$14,388	\$14,388	\$47,656	0.73%	\$359	\$48,015	1.48%
City of Nunapituk	\$46,705	\$18,517	\$65,222	\$46,705	\$17,882	\$64,587	0.86%	\$0	\$0	\$18,883	\$18,883	\$63,668	-0.71%	\$473	\$64,141	1.37%
City of Old Harbor	\$24,904	\$11,878	\$36,782	\$24,904	\$12,249	\$37,153	1.01%	\$3,247	\$3,228	\$12,178	\$15,058	\$39,912	9.10%	\$374	\$40,286	10.13%
City of Ouzinkie	\$24,794	\$8,378	\$33,172	\$24,794	\$8,837	\$33,631	0.78%	\$8,569	\$8,531	\$8,582	\$15,117	\$39,811	20.32%	\$277	\$40,088	21.45%
City of Palmer	\$240,889	\$189,934	\$430,823	\$240,889	\$190,907	\$431,796	0.23%	\$0	\$0	\$189,797	\$189,797	\$430,488	-0.03%	\$4,732	\$435,220	1.07%
City of Pease	\$24,833	\$11,844	\$36,677	\$24,833	\$11,747	\$36,580	0.26%	\$3,423	\$3,400	\$11,878	\$15,079	\$39,912	8.42%	\$378	\$40,290	10.45%
City of Petersburg	\$237,978	\$188,146	\$426,124	\$237,978	\$189,449	\$427,427	0.32%	\$0	\$0	\$188,483	\$188,483	\$426,441	0.08%	\$6,200	\$432,641	1.05%
City of Pilot Point	\$29,488	\$6,122	\$35,610	\$29,488	\$6,219	\$35,707	0.28%	\$8,313	\$8,278	\$6,184	\$10,477	\$39,959	18.90%	\$281	\$40,240	18.68%
City of Pilot Station	\$31,090	\$18,920	\$50,010	\$31,090	\$19,333	\$50,423	1.27%	\$0	\$0	\$19,438	\$19,438	\$50,330	1.04%	\$485	\$50,815	2.01%
City of Plaburn	\$31,758	\$2,300	\$34,058	\$31,758	\$2,327	\$34,085	0.58%	\$5,817	\$5,883	\$2,313	\$8,198	\$39,992	17.31%	\$204	\$40,196	17.81%
City of Point Hope	\$31,720	\$29,091	\$60,811	\$31,720	\$29,748	\$61,468	1.08%	\$0	\$0	\$29,573	\$29,573	\$61,293	0.78%	\$737	\$62,030	2.01%
City of Port Alexander	\$23,829	\$4,590	\$28,419	\$23,829	\$4,718	\$28,547	0.46%	\$11,872	\$11,884	\$4,682	\$18,278	\$39,809	41.41%	\$408	\$40,217	42.85%
City of Port Heiden	\$32,324	\$5,045	\$37,369	\$32,324	\$5,188	\$37,512	0.45%	\$2,182	\$2,145	\$5,168	\$7,831	\$39,955	8.97%	\$190	\$40,146	7.43%

EFFECTS OF CSSB20 ON FY 96 SRS/MA ENTITLEMENTS (NO BASE AMOUNT HOLD HARMLESS - \$40,000 OVERALL MINIMUM ENTITLEMENT)

Potential Interest Earnings From Early SAFE Payment

Municipality	Actual FY 96	Actual FY 96	Actual FY96	CSSB20	CSSB20	CSSB20	% Change	CSSB20	CSSB20	CSSB20	CSSB20	CSSB20	% Change	FY 96 SAFE \$	CSSB20	% Change	
	SRS \$	MA \$	MA/SRS	FY 96	FY 96 SAFE \$	SRS/SAFE \$		From Current	Minimum Ent.	Minimum Ent.	FY 96 SAFE \$	SAFE \$		GRS/SAFE \$	From Current		at 5% Interest
			Total \$	\$18 \$	(No Hold Harmless)	Pre Min Ent.	Programs	Add-On	Prorated	Prorated	Final Payment	Total Payment	Programs	for 6 Months	Plus Interest	Programs	
City of Bon Lions	\$24,848	\$9,948	\$34,794	\$24,848	\$10,280	\$35,108	0.90%	\$4,892	\$4,594	\$10,200	\$15,004	\$39,912	14.71%	\$378	\$40,287	15.79%	
City of Sunnyside	\$31,201	\$20,502	\$51,703	\$31,201	\$21,146	\$52,347	1.25%	\$0	\$0	\$21,024	\$21,024	\$52,225	1.01%	\$524	\$52,749	2.02%	
City of Hubby	\$32,705	\$8,268	\$40,973	\$32,705	\$8,477	\$41,182	0.51%	\$0	\$0	\$8,428	\$8,428	\$41,133	0.39%	\$210	\$41,343	0.90%	
City of Russian Mission	\$31,043	\$10,494	\$41,539	\$31,043	\$10,858	\$41,901	0.87%	\$0	\$0	\$10,795	\$10,795	\$41,838	0.72%	\$269	\$42,107	1.37%	
City of Sand Point	\$54,945	\$44,318	\$99,263	\$54,945	\$45,492	\$100,347	1.09%	\$0	\$0	\$45,138	\$45,138	\$100,083	0.80%	\$1,125	\$101,208	1.26%	
City of Skovonga	\$22,431	\$23,024	\$55,455	\$22,431	\$23,584	\$56,015	1.01%	\$0	\$0	\$23,447	\$23,447	\$55,878	0.76%	\$585	\$56,463	1.82%	
City of Egan	\$23,084	\$15,474	\$38,558	\$23,084	\$15,897	\$38,981	1.10%	\$1,039	\$1,033	\$15,805	\$16,837	\$39,001	3.54%	\$420	\$40,321	4.63%	
City of Summit Bay	\$30,813	\$14,535	\$45,148	\$30,813	\$14,985	\$45,598	1.00%	\$0	\$0	\$14,898	\$14,898	\$45,511	0.80%	\$371	\$45,882	1.63%	
City of Seward	\$78,382	\$24,357	\$102,739	\$78,382	\$25,098	\$103,480	0.72%	\$0	\$0	\$24,952	\$24,952	\$103,334	0.58%	\$622	\$103,956	1.19%	
City of Seward	\$25,749	\$18,838	\$44,385	\$25,749	\$18,845	\$44,394	0.32%	\$0	\$0	\$18,848	\$18,848	\$44,297	-0.21%	\$419	\$44,710	0.77%	
City of Seward	\$285,785	\$145,115	\$430,880	\$285,785	\$145,403	\$431,168	0.07%	\$0	\$0	\$144,557	\$144,557	\$430,322	-0.13%	\$3,604	\$433,926	0.71%	
City of Seward	\$31,720	\$8,214	\$39,934	\$31,720	\$8,413	\$38,133	0.53%	\$1,867	\$1,855	\$8,376	\$8,232	\$39,252	5.32%	\$205	\$40,157	5.86%	
City of Seward	\$32,367	\$7,209	\$39,576	\$32,367	\$7,449	\$39,816	0.61%	\$184	\$182	\$7,405	\$7,589	\$39,956	0.96%	\$189	\$40,145	1.44%	
City of Sheldon Point	\$30,575	\$5,103	\$35,678	\$30,575	\$5,269	\$35,844	0.47%	\$4,156	\$4,132	\$5,211	\$9,370	\$39,945	11.96%	\$234	\$40,179	12.61%	
City of Seward	\$32,535	\$20,378	\$52,913	\$32,535	\$20,990	\$53,525	1.18%	\$0	\$0	\$20,868	\$20,868	\$53,403	0.93%	\$520	\$53,923	1.91%	
City of Seward	\$37,697	\$9,868	\$47,565	\$37,697	\$10,081	\$47,778	0.45%	\$0	\$0	\$10,023	\$10,023	\$47,720	0.33%	\$250	\$47,970	0.86%	
City of Seward	\$438,775	\$461,271	\$899,029	\$438,775	\$463,574	\$900,351	0.28%	\$0	\$0	\$460,880	\$460,880	\$897,655	-0.34%	\$11,490	\$909,146	1.24%	
City of Seward	\$31,385	\$48,271	\$79,656	\$31,385	\$48,373	\$79,758	-0.69%	\$0	\$0	\$48,092	\$48,092	\$79,457	-1.04%	\$1,199	\$80,656	0.45%	
City of Seward	\$139,904	\$241,711	\$381,527	\$139,904	\$239,365	\$379,269	-0.62%	\$0	\$0	\$237,973	\$237,973	\$377,877	-0.98%	\$5,933	\$383,810	0.57%	
City of St. George	\$84,987	\$7,524	\$92,509	\$84,980	\$7,778	\$92,758	0.27%	\$0	\$0	\$7,733	\$7,733	\$92,713	0.22%	\$193	\$92,906	0.42%	
City of St. Mary's	\$92,205	\$18,023	\$110,228	\$92,205	\$18,589	\$110,794	0.51%	\$0	\$0	\$18,481	\$18,481	\$110,688	0.42%	\$461	\$111,149	0.82%	
City of St. Michael	\$32,526	\$16,128	\$48,654	\$32,526	\$16,332	\$48,858	0.29%	\$0	\$0	\$16,237	\$16,237	\$48,763	0.08%	\$405	\$49,167	0.91%	
City of St. Paul	\$108,592	\$23,683	\$132,255	\$108,592	\$24,139	\$132,731	0.53%	\$0	\$0	\$24,297	\$24,297	\$132,889	0.48%	\$608	\$133,497	0.94%	
City of Seward	\$33,103	\$16,812	\$49,915	\$33,103	\$17,304	\$50,407	1.11%	\$0	\$0	\$17,267	\$17,267	\$50,370	0.91%	\$430	\$50,800	1.77%	
City of Seward	\$4,832	\$15,030	\$19,862	\$4,832	\$15,320	\$19,152	-0.50%	\$0	\$0	\$15,230	\$15,230	\$19,062	-0.35%	\$380	\$19,442	1.00%	
City of Seward	\$31,990	\$9,785	\$41,775	\$31,990	\$10,110	\$42,100	0.78%	\$0	\$0	\$10,051	\$10,051	\$42,041	0.64%	\$251	\$42,292	1.24%	
City of Seward	\$23,829	\$5,035	\$28,864	\$23,829	\$5,085	\$28,914	0.11%	\$11,308	\$11,240	\$5,036	\$16,276	\$39,905	39.22%	\$466	\$40,371	40.63%	
City of Seward	\$28,996	\$24,177	\$53,173	\$28,996	\$24,304	\$53,300	1.37%	\$0	\$0	\$24,759	\$24,759	\$53,755	1.10%	\$617	\$54,372	2.26%	
City of Seward	\$30,720	\$21,429	\$52,149	\$30,720	\$22,202	\$52,922	1.25%	\$0	\$0	\$22,015	\$22,015	\$52,735	0.94%	\$798	\$53,533	2.23%	
City of Seward	\$30,885	\$20,539	\$51,415	\$30,885	\$21,154	\$52,039	1.21%	\$0	\$0	\$21,031	\$21,031	\$51,916	0.97%	\$524	\$52,440	1.93%	
City of Seward	\$33,008	\$30,681	\$63,689	\$33,008	\$31,324	\$64,332	1.21%	\$0	\$0	\$31,142	\$31,142	\$64,150	0.72%	\$778	\$64,928	1.94%	
City of Seward	\$257,801	\$164,693	\$422,494	\$257,801	\$169,879	\$427,680	1.18%	\$0	\$0	\$168,684	\$168,684	\$426,184	0.94%	\$4,206	\$430,390	1.94%	
City of Seward	\$31,597	\$7,978	\$39,575	\$31,597	\$8,124	\$39,721	0.37%	\$279	\$278	\$8,078	\$8,354	\$39,951	0.25%	\$208	\$40,159	1.48%	
City of Seward	\$230,682	\$539,833	\$770,515	\$230,682	\$520,065	\$750,747	-2.51%	\$0	\$0	\$517,040	\$517,040	\$747,722	-2.96%	\$12,891	\$760,613	-1.23%	
City of Seward	\$31,720	\$19,878	\$51,598	\$31,720	\$20,532	\$52,252	1.27%	\$0	\$0	\$20,413	\$20,413	\$52,133	1.04%	\$509	\$52,642	2.02%	
City of Seward	\$32,041	\$5,354	\$37,395	\$32,041	\$5,541	\$37,582	0.50%	\$2,418	\$2,404	\$5,509	\$7,913	\$39,954	6.84%	\$197	\$40,151	7.37%	
City of Seward	\$129,502	\$214,082	\$343,584	\$129,502	\$215,829	\$345,331	0.51%	\$0	\$0	\$214,573	\$214,573	\$344,075	0.15%	\$5,350	\$349,425	1.71%	
City of White Mountain	\$31,504	\$6,594	\$38,098	\$31,504	\$6,812	\$38,316	0.60%	\$1,684	\$1,674	\$6,772	\$8,449	\$39,951	4.89%	\$211	\$40,161	5.44%	
City of Whittier	\$27,083	\$11,502	\$38,585	\$27,083	\$11,733	\$38,816	0.60%	\$1,184	\$1,177	\$11,664	\$12,842	\$39,925	3.47%	\$320	\$40,245	4.30%	
City of Whittier	\$216,092	\$135,859	\$351,951	\$216,092	\$138,329	\$354,421	0.19%	\$0	\$0	\$135,537	\$135,537	\$351,629	-0.03%	\$3,379	\$355,008	0.92%	
City and Borough of Yakut	\$30,502	\$39,148	\$69,650	\$30,502	\$39,649	\$69,551	-0.14%	\$0	\$0	\$38,827	\$38,827	\$69,324	-0.47%	\$968	\$70,292	0.92%	
				\$172,261 move from certain communities to other communities as a result of change in MA Base Amount (i.e., base not held harmless) (this represents 29 of 1% of all SRS/MA appropriation)					\$180,950 - Minimum Entitlement Make-Up \$								
									All communities share in making up this \$180,950 (this represents 32 of 1% of all SRS/MA appropriation)								

4/24 Three communities were not included in the above table for a variety of reasons. Their estimated allocations are listed below:

	SRS	MA	Total SRS/MA	SAFE	Total SRS/SAFE	Difference	
Metlakatla	\$7,769	\$87,544	\$95,317	\$87,538	\$95,307	(\$10)	Metlakatla participates in SRS as an unincorporated community, and MA effectively as a municipality
Clark's Point	\$0	\$1,980	\$1,980	\$2,025	\$65	\$65	Clark's Point has been largely inactive as a municipality. Has not filed program applications.
Egegik	\$0	\$5,378	\$5,378	\$4,470	\$908	\$908	Newly incorporated Municipality.



TO: Senator John Torgerson  
FROM: Kevin Ritchie, Executive Director  
DATE: March 2, 1995  
SUBJECT: AMBS Program

These are the resolutions and letters received to date supporting the concept of AMBS:

Alaska Conference of Mayors  
City of Alakanuk  
City of Savoogna  
City of Buckland  
City of Unalakleet  
City of Homer  
City of Skagway  
City of Kenai  
City of Anatumuk Pass  
Lake and Peninsula Borough  
City of Palmer  
City of Ouzinkie  
City & Borough of Sitka  
City of Whittier  
City of Atka  
City of Eek  
City of Nome  
City of Marshall  
City of Hoonah

# ALASKA CONFERENCE OF MAYORS

217 Second Street, Suite 200  
Juneau, Alaska 99801  
907-586-1325  
FAX 907-463-5480

February 6, 1995

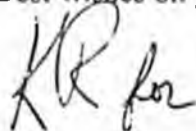
Senator John Torgerson  
Alaska State Capital  
Juneau, Ak 99811

Dear Senator Torgerson,

The Alaska Conference of Mayors met in Juneau on January 24, 1995. At the meeting, the Mayors discussed the Alaska Municipal Basic Services Program concepts and the financial impact of Senate Bill 20 on their communities. As an example, the Mayors were given figures generated by DCRA that represented estimated funding for their community based on the formula in SB20 but using the "old road" method. It was explained to the Mayors that the figures were estimates and that different changes to the formula or actual numbers could yield different results. The Mayors also discussed the transition provision of "2% decrease for the first two years and 5% thereafter" adopted at the Alaska Municipal League Annual Conference.

The Alaska Conference of Mayors voted overwhelmingly at their meeting to support the Alaska Municipal Basic Services Program with the inclusion of the transition provision. A specific formula was not a part of the motion.

Best wishes on your new career.



Alaire Stanton, President  
Alaska Conference of Mayors

# CITY OF SKAGWAY

GATEWAY TO THE GOLD RUSH OF '98"

P. O. BOX 415 SKAGWAY, ALASKA 99840

(PHONE) 907-983-2297

(FAX) 907-983-2151

RECEIVED

FEB 07 1995

ALASKA MUNICIPAL LEAGUE

February 6, 1994

Mr. Donald Long  
President  
Alaska Municipal League  
217 Second Street  
Juneau, AK 99801


Dear Mr. Long,

Members of the Skagway City Council support your efforts to preserve funding levels of state assistance to municipalities. They are concerned that as state assistance drops, funds from local sources have to be redirected or services have to be eliminated.

You have seen the amounts of state assistance to municipalities drop consistently during recent years and now the programs are in danger of being eliminated in favor of what many perceive as a greater need at the state level.

While the Municipal Basic Services Program may not serve all of its clients favorably - the need to reorganize and stop further erosion of state aid to municipalities is a recognized need. Thank you for your effort on behalf of municipalities statewide.

Sincerely,

  
James R. Filip  
City Manager

cc: Rep. Jerry Mackie  
Senator Fred Zharoff

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# KACHEMAK CITY, ALASKA

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P.O. BOX 958, (VIA) HOMER, ALASKA 99603  
TELE. (907) 235-8897

February 13, 1995

The Honorable John Torgerson  
District D  
State Capitol  
Juneau, AK 99801-1182

Dear Senator Torgerson:

RE: SB 20

The Council of the City of Kachemak has voted to support your Senate Bill 20 establishing the Alaska Municipal Basic Services Program.

Because AMBS would affect our city's Revenue Sharing and Municipal Assistance, we have examined a copy of SB 20 and sought advice on the subject.

Our conclusion is that we would receive the same or somewhat more funding, more reliably through simpler procedure. That sounds good.

Sincerely,



C. Neil McArthur  
Mayor

CNM/his

cc: Representative Gail Phillips  
. Alaska Municipal League

RESOLUTION OF THE ALASKA CONFERENCE OF MAYORS

RESOLUTION NO. 95-1

AN OPEN RESOLUTION TO THE  
ALASKA STATE LEGISLATURE

WHEREAS, the North and Northwestern area of Alaska specifically and rural Alaska in general, have conditions not experienced in any other part of the United States (such as the lack of water and sewer systems, the high costs of electrical power and the economic conditions financially comparable to third world countries); and

WHEREAS, the North and Northwest Alaska Mayors Conference, the Alaska Municipal League, the Alaska Federation of Natives, and the Alaska Conference of Mayors have long recognized the devastating social, economic and financial conditions in rural Alaska, and feel this is not being fully recognized by the powers that be in the State and Federal levels; and

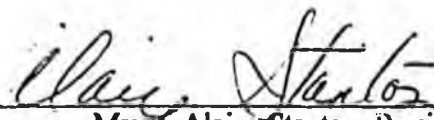
WHEREAS, while the majority of Alaska's revenues have come from rural Alaska through taxes on natural resources such as the North Slope oil, timber and commercial fishing, living conditions in rural Alaska have not improved proportionate to the improvements made elsewhere in Alaska through State spending; and

WHEREAS, there is a need to remind the State Legislature of the very basic human needs of its aboriginal and rural peoples, especially while they are considering expenditures such as billions of dollars in moving the State Capital or building multi-million dollar modern office structures:

SO THEREFORE BE IT RESOLVED that, through passage of this open resolution to the Alaska Legislature, the North and Northwest Alaska Mayors Conference, the Alaska Federation of Natives, the Alaska Municipal League and the Alaska Conference of Mayors do hereby request the following from the Alaska State Legislature:

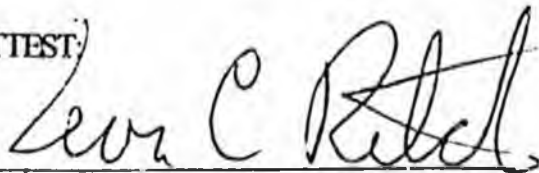
1. That the Revenue Sharing and Municipal Assistance for all Alaska communities be maintained at the current levels, or increased levels where all communities can maintain functional city offices to provide basic local services.
2. That the Power Cost Equalization program be continued at the current levels.
3. That a minimum of \$25 Million per year be continued for matching federal funds for water and sewer projects in rural Alaska.

This resolution was approved for submission to the Alaska Municipal League membership by the governing body of the Alaska Conference of Mayors on November 15, 1994.



Mayor Maire Stanton, President

ATTEST:



Kevin C. Ritchie  
AML Executive Director

BUCKLAND CITY COUNCIL  
P.O. BOX 49  
BUCKLAND, ALASKA 99727  
PH. # 494-2121  
FAX # 494-2138


MAYOR TIM GAVIN JR.  
P.O. BOX 49  
BUCKLAND, ALASKA 99727

ALASKA CONFERENCE OF MAYORS  
JUNEAU SESSION

DEAR SIRs,

I AM SORRY I CANNOT MAKE IT TO THE JANUARY 24TH-25TH ALASKA CONFERENCE OF MAYORS DUE TO MEDICAL REASONS, BUT I AND THE REST OF THE COUNCIL MEMBERS HAVE APPOINTED VICE MAYOR NATHAN HADLEY SR. AND COUNCIL MEMBER LESTER HADLEY SR. TO REPRESENT THE CITY OF BUCKLAND. I WISH YOU LUCK ON YOUR ACTIONS IN THIS SESSION.

THANK YOU  
MAYOR TIM GAVIN JR.





CITY OF  
UNALAKLEET

BOX 28  
UNALAKLEET, ALASKA  
99684  
(907) 624-3531  
FAX (907) 624-3130

24 January 1994

RECEIVED  
JAN 30 1995  
ALASKA MUNICIPAL LEAGUE

Senator Al Adams  
Room 417  
State Capitol  
Juneau, Alaska 99801-1182

Dear Senator Adams:

The City of Unalakleet solidly supports the efforts of the Alaska Municipal League to secure legislative adoption of the proposed Alaska Municipal Basic Services Program (AMBS).

Cities within our state must be able to rely on a stabilized revenue sharing program at an adequate funding level.

Please lend your support to Senator John Torgerson's introduced SB20.  
Thank you.

Sincerely,

Henry Ivanoff, Mayor  
City of Unalakleet

cc. Representative Eileen MacLean  
Representative Richard Foster  
Alaska Municipal League  
file

*Staff*

CITY OF HOMER  
HOMER, ALASKA

RESOLUTION 95-9

A RESOLUTION OF THE HOMER CITY COUNCIL URGING  
THE GOVERNOR AND THE LEGISLATURE TO SUPPORT  
THE ALASKA MUNICIPAL BASIC SERVICES PROGRAM.

WHEREAS, many Alaskans municipalities are facing fiscal crises that may curtail some basic municipal services to citizens and encourage the dissolution of some small municipalities; and

WHEREAS, these negative impacts are due in large part to severe cutbacks in the current Municipal Assistance and the State Revenue Sharing Programs; and

WHEREAS, the two current programs comprising state aid to municipalities are administratively complex for municipalities, have outdated formulas, do not ensure that municipal basic services are provided, and have some conflicting policy provisions; and

WHEREAS, State government has an obligation to share revenue from the resources that are commonly owned by all the people of Alaska to provide basic and essential state and municipal services;

WHEREAS, due to Alaska's dispersed population, relatively small local tax bases, and large resource revenues to the state, it is critical that sufficient state revenue from commonly held resources be distributed to local governments to ensure that minimum basic municipal services are provided; and

WHEREAS, sharing of revenues from commonly held resources is especially important to small rural communities because many have virtually no tax base and state shared revenues are often their only stable revenue; and

WHEREAS, revenue sharing increases local determination rather than fostering the need for additional direct state services to communities; and

WHEREAS, every dollar cut from municipal revenue sharing or municipal assistance is a dollar of local tax increase or a cut to direct basic services to residents; and

WHEREAS, the proposed Alaska Municipal Basic Services Programs (AMBS) supports a "back to basics" approach to government, increases accountability, reduces administrative complexity, allocates revenues fairly, and provides an efficient long term vehicle to support stable and effective local government.

NOW, THEREFORE, BE IT RESOLVED that the Homer City Council requests that the Governor and Legislature support and work to adopt and implement the Alaska Municipal Basic Services Program with the following major provisions:

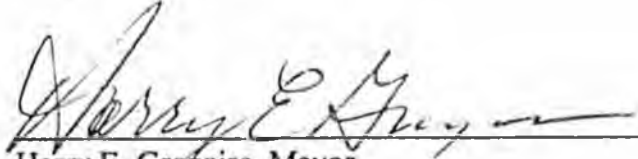
1. Funds are allocated to municipalities based on each community's actual expenditures for municipal basic services, local assessed valuation, and population (with the exception of health facilities, volunteer fire departments outside of municipalities, and unincorporated communities in the unorganized borough, which will receive allocations similar to existing formulas).
2. The existing minimum entitlement for municipalities will be increased from \$25,000 to \$50,000.

BE IT FURTHER RESOLVED that the Homer City Council requests that the Governor and Legislature support and work to adopt a restoration of funding for municipal aid at the FY 94 level to establish a realistic base to ensure stable municipalities. (This reflects an increase in funding from the FY 95 level of \$62,018,183 to the FY 94 level of \$72,030,376.) A restoration of the FY 94 funding for municipal aid will allow for a phase-in of the new AMBS program, establish a fair funding level for municipal aid consistent with national averages, and provide a stabilization of support for minimum municipal basic services.

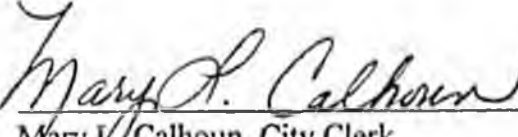
BE IT FURTHER RESOLVED that the Homer City Council supports the development and implementation of a long-range fiscal plan for the State of Alaska that provides for the stabilization of both state and municipal basic services.

PASSED AND APPROVED by the Homer City Council this 23rd day of January, 1995.

CITY OF HOMER

  
Harry E. Gregoire, Mayor

ATTEST:

  
Mary L. Calhoun, City Clerk

# CITY OF SKAGWAY

GATEWAY TO THE GOLD RUSH OF '98"

P. O. BOX 415 SKAGWAY, ALASKA 99840

(PHONE) 907-983-2297

(FAX) 907-983-2151

RECEIVED

FEB 07 1995

ALASKA MUNICIPAL LEAGUE

February 6, 1994

Mr. Donald Long  
President  
Alaska Municipal League  
217 Second Street  
Juneau, AK 99801

Dear Mr. Long,

Members of the Skagway City Council support your efforts to preserve funding levels of state assistance to municipalities. They are concerned that as state assistance drops, funds from local sources have to be redirected or services have to be eliminated.

You have seen the amounts of state assistance to municipalities drop consistently during recent years and now the programs are in danger of being eliminated in favor of what many perceive as a greater need at the state level.

While the Municipal Basic Services Program may not serve all of its clients favorably - the need to reorganize and stop further erosion of state aid to municipalities is a recognized need. Thank you for your effort on behalf of municipalities statewide.

Sincerely,

  
James R. Filip  
City Manager

cc: Rep. Jerry Mackie  
Senator Fred Zharoff





# CITY OF KENAI

*" Oil Capital of Alaska "*

210 FIDALGO AVE., SUITE 200 KENAI, ALASKA 99611-7794  
TELEPHONE 907-283-7535  
FAX 907-283-3014



January 19, 1995

RECEIVED  
JAN 20 1995  
ALASKA MUNICIPAL LEAGUE

Representative Mike Navarre  
State of Alaska  
State Capitol Building, Room 521  
Juneau, AK 99801-1182

RE: *MUNICIPAL BASIC SERVICES PROGRAM (MBBS)*  
*Senate Bill 20*


We are responding to a request from AML President Don Long and Alaska Conference of Mayors President Alaire Stanton for a brief statement noting how cuts to Municipal Assistance/Revenue Sharing have affected our community.

The City of Kenai is very grateful that our finances are such that we have not experienced the same detrimental effects from the loss of Municipal Assistance/Revenue Sharing funds as other municipalities in Alaska have. However, to alleviate concern and effects of future cuts, we strongly support the new Alaska Municipal Basic Services Program (SB20) as a new approach to government.

We believe the Alaska Municipal Basic Services Program will increase accountability; reduce administrative complexity; allocate revenues fairly; and will reflect the policy decisions necessary for the future. The increase of the minimum entitlement for municipalities (from \$25,000 to \$50,000) will keep most small municipalities functioning. Also, the program offers an effective means of assisting municipalities in the maintenance of existing community improvements and gives communities a long-term base of funding to plan for the future, solving many of their own problems without direct state involvement.

Again, the City of Kenai strongly supports the Alaska Municipal Basic Services Program (SB20).

CITY OF KENAI

  
John J. Williams  
Mayor

JJW/clf



# CITY OF KENAI

*" Oil Capital of Alaska "*

210 FIDALGO AVE., SUITE 200 KENAI, ALASKA 99611-7794  
TELEPHONE 907-283-7535  
FAX 907-283-3014



January 19, 1995

Senator Judy Salo  
State of Alaska  
State Capitol Building, Rm. 504  
Juneau, AK 99801-1182

RE: *MUNICIPAL BASIC SERVICES PROGRAM (AMBS)*  
*Senate Bill 20*


We are responding to a request from AML President Don Long and Alaska Conference of Mayors President Alaire Stanton for a brief statement noting how cuts to Municipal Assistance/Revenue Sharing have affected our community.

The City of Kenai is very grateful that our finances are such that we have not experienced the same detrimental effects from the loss of Municipal Assistance/Revenue Sharing funds as other municipalities in Alaska have. However, to alleviate concern and effects of future cuts, we strongly support the new Alaska Municipal Basic Services Program (SB20) as a new approach to government.

We believe the Alaska Municipal Basic Services Program will increase accountability; reduce administrative complexity; allocate revenues fairly; and will reflect the policy decisions necessary for the future. The increase of the minimum entitlement for municipalities (from \$25,000 to \$50,000) will keep most small municipalities functioning. Also, the program offers an effective means of assisting municipalities in the maintenance of existing community improvements and gives communities a long-term base of funding to plan for the future, solving many of their own problems without direct state involvement.

Again, the City of Kenai strongly supports the Alaska Municipal Basic Services Program (SB20).

CITY OF KENAI

  
John J. Williams  
Mayor

JJW/clf



## City of Anaktuvuk Pass

P.O. Box 21030  
Anaktuvuk Pass, Alaska 99721-0030  
Phone 907-661-3612

RECEIVED  
FEB 23 1995  
ALASKA MUNICIPAL LEAGUE

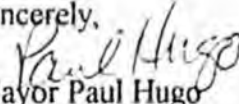
February 13, 1995

Dear Donald Long, AML President,

This letter is to support the Alaska Municipal Basic Services Program. The Rural Communities of Alaska depend on the Municipal Assistance and State Revenue Sharing to keep our Cities operating.

The City of Anaktuvuk Pass will continue to support the AMBS Program until they stabilize this program and take it off the cut list.

Sincerely,

  
Mayor Paul Hugo



# City of Anaktuvuk Pass

P.O. Box 21030  
Anaktuvuk Pass, Alaska 99721-0030  
Phone 907-661-3612

## RESOLUTION 94-22

A RESOLUTION SUPPORTING THE 'OPEN RESOLUTION FOR THE STATE OF ALASKA STATE LEGISLATURE' IN REGARDS TO REVENUE SHARING AND MUNICIPAL ASSISTANCE, POWER COST EQUALIZATION AND MATCHING FEDERAL FUNDS FOR WATER AND SEWER PROJECTS IN RURAL ALASKA

WHEREAS, the North and Northwestern area of Alaska specifically and rural Alaska in general, has conditions not experienced in any other part of the United States (such as the lack of water and sewer systems, the high costs of electrical power and the economic conditions financially comparable to third world countries) and,

WHEREAS, the North and Northwest Mayor's Conference, the Alaska Municipal League, the Alaska Federation of Natives, the Alaska Conference of Mayors and the City of Anaktuvuk Pass have long recognized the devastating social, economic and financial conditions in rural Alaska, and feel this is not being fully recognized by the powers that be in the State and Federal levels, and

WHEREAS, while the majority of Alaska's revenues have come from rural Alaska through taxes on natural resources such as the North Slope oil, timber and commercial fishing, living conditions in rural Alaska have not improved proportionate to the improvements made elsewhere in Alaska through State spending, and

WHEREAS, there is a need to remind the State Legislature of the very basic needs of its aboriginal and rural peoples, especially while they are considering expenditures such as billions of dollars in moving the State Capital or building multi-million dollar offices structures ;

SO THEREFORE BE IT RESOLVED; that through adoption and passage of this open resolution to the Alaska Legislature, we support the North & Northwest Alaska Mayors' Conference, the Alaska Conference of Mayors, the Alaska Federation of Natives and the Alaska Municipal League ; and that we the City of Anaktuvuk Pass, do hereby request the following from the Alaska State Legislature :

1. that the Revenue Sharing and Municipal Assistance for all Alaska communities be maintained at the current levels, or increased to levels where all communities can maintain functional City offices to provide basic local services.
- 2 that the Power Cost Equalization program be continued at the current levels;

Post-It® Fax Note	7671	Date	1-3-95	# of pages	2
To	Robert Foote	From	Alice Alsuok		
Co./Dept.	N. NW Mayor's Conf	Co.	City of AKP		
Phone #	624-3655	Phone #	661-3612		
Fax #	624-3130	Fax #	661-3613		



## City of Anaktuvuk Pass

P.O. Box 21030  
Anaktuvuk Pass, Alaska 99721-0030  
Phone 907-661-3612

3.that a minimum of 25 million per year be continued for matching federal funds for water and sewer projects in rural Alaska.

DULY PASSED BY A CONSTITUTED QUORUM OF THE CITY OF ANAKTUVUK  
PASS, THIS 13<sup>th</sup> DAY OF Dec., 1994

ATTEST: Alice Ahjook  
CITY CLERK

Paul Hugo  
MAYOR, ANAKTUVUK PASS

**LAKE AND PENINSULA BOROUGH**

**RESOLUTION #95-09**

RECEIVED  
FEB 21 1995  
ALASKA MUNICIPAL LEAGUE

**A RESOLUTION URGING THE GOVERNOR AND THE LEGISLATURE TO SUPPORT THE ALASKA MUNICIPAL BASIC SERVICES PROGRAM**

**WHEREAS**, many Alaskan municipalities are facing fiscal crises that may curtail basic municipal services to citizens and encourage the dissolution of many small municipalities; and,

**WHEREAS**, these negative impacts are due in large part to severe cutbacks in the current Municipal Assistance and the State Revenue Sharing Programs; and,

**WHEREAS**, the two current programs comprising state aid to municipalities are administratively complex for municipalities, have outdated formulas, do not ensure that municipal basic services are provided, and have some conflicting policy provisions. They are acceptable programs to allocate state revenues in the short term, but they do not reflect the policy decisions necessary for the future, and,

**WHEREAS**,

- Alaskans support accountability at all levels of government
- Alaskans want a "back to basics" approach to government
- Alaskans support low administrative costs and less complex programs
- Alaskans want the state's limited resources distributed most efficiently and fairly
- Alaskans are concerned about their capacity to maintain existing capital improvements
- Alaskans want stable municipal governments; and,

**WHEREAS**, State government has an obligation to share revenue from the resources that are commonly owned by all the people of Alaska to provide basic and essential state and municipal services; and,

**WHEREAS**, due to Alaska's dispersed population, relatively small local tax bases, and large resource revenues to the state, it is critical that sufficient state revenue from commonly held resources be distributed to local governments to ensure that minimum basic municipal services are provided; and

**WHEREAS**, revenue sharing increases local determination rather than fostering the need for additional direct state services to communities; and

**WHEREAS**, it is critical that the programs to share revenue from resources commonly held by all the people of Alaska be strengthened to ensure continuing maintenance of existing improvements and to provide a base for other basic and reasonable local operations and maintenance; and

**WHEREAS**, the proposed Alaska Municipal Basic Services Programs (AMBS) supports a "back to basics" approach to government, increases accountability, reduces administrative complexity, allocates revenues fairly, and provides an efficient long term vehicle to support stable and effective local government.

**NOW THEREFORE, BE IT RESOLVED** that the Lake and Peninsula Borough Assembly requests that the Governor and the Legislature support and work to adopt and implement the Alaska Municipal Basic Services Program with the following major provisions:

1. Funds are allocated to municipalities based on each communities actual expenditures for basic services, local assessed valuation, and population (with the exception of health facilities, roads and ice roads, volunteer fire departments outside of municipalities, and unincorporated communities in the unorganized borough, which will receive allocations similar to existing formulas).

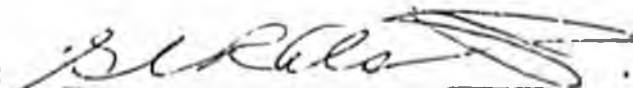
2. The existing minimum entitlement for all municipalities and communities will be increased from \$25,000.00 to \$75,000.

3. That all un-incorporated communities inside organized boroughs will be treated equally and as fairly as un-incorporated communities outside organized boroughs, including the minimum entitlement.

**NOW THEREFORE, BE IT FURTHER RESOLVED** that the Lake and Peninsula Borough Assembly requests that the Governor and Legislature support and work to adopt a restoration of funding for municipal aid at the FY 94 level to establish a realistic base to ensure stable municipalities. (This reflects an increase in funding from the FY 95 level of \$62,018,183 to the FY 94 level of \$72,030,376). A restoration of the FY 94 funding for municipal aid will allow for a phase-in of the new AMBS program, establish a fair funding level for municipal aid consistent with national averages, and provide a stabilization of support for minimum municipal basic services.

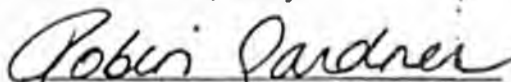
**PASSED AND APPROVED** by the Lake and Peninsula Borough Assembly this 14th. day of February, 1995.

SIGNED:



Glen Alsworth, Mayor

ATTEST:



Robin Gardner, City Clerk

H. Guinotte

CITY OF PALMER, ALASKA

RESOLUTION NO. 1040

A RESOLUTION OF THE CITY OF PALMER URGING THE GOVERNOR AND THE LEGISLATURE TO SUPPORT THE ALASKA MUNICIPAL BASIC SERVICES PROGRAM.

WHEREAS, many Alaskan municipalities are facing fiscal crises that may curtail some basic municipal services to citizens and encourage the dissolution of some small municipalities; and

WHEREAS, these negative impacts are due in large part to severe cutbacks in the current Municipal Assistance and the State Revenue Sharing Programs; and

WHEREAS, the two current programs comprising state aid to municipalities are administratively complex for municipalities, have outdated formulas, do not ensure that municipal basic services are provided, and have some conflicting policy provisions. They are acceptable programs to allocate state revenues in the short term, but they do not reflect the policy decisions necessary for the future; and

WHEREAS, the City of Palmer supports accountability at all levels of government, wants a "Back to Basics" approach to government, supports low administrative costs and less complex programs, wants the state's limited resources distributed most efficiently and fairly, is concerned about the capacity to maintain existing capital improvements, and wants stable municipal governments; and

WHEREAS, State government has an obligation to share revenue from the resources that are commonly owned by all the people of Alaska to provide basic and essential state and municipal services; and

WHEREAS, every state in the U.S.A. provides some form of revenue sharing to its municipalities; and

WHEREAS, due to Alaska's dispersed population, relatively small local tax bases, and large resource revenues to the state, it is critical that sufficient state revenue from commonly held resources be distributed to local governments to ensure that minimum basic municipal services are provided; and

WHEREAS, sharing of revenues from commonly held resources is especially important to small rural communities because

Resolution No. 1040 - Continued

many have virtually no tax base and state shared revenues are often their only stable revenue; and

WHEREAS, revenue sharing increases local determination rather than fostering the need for additional direct state services to communities; and

WHEREAS, every dollar cut from municipal revenue sharing or municipal assistance is a dollar of local tax increase or a cut to direct basic services to the City of Palmer; and

WHEREAS, Alaska's emphasis during the last decade has been on capital projects and often the cost of continuing operation and maintenance of projects was not planned adequately; and

WHEREAS, it is critical that the programs to share revenue from resources commonly held by all the people of Alaska be strengthened to ensure continuing maintenance of existing improvements and to provide a base for other basic and reasonable local operations and maintenance; and

WHEREAS, the proposed Alaska Municipal Basic Services Programs (AMBS) supports a "back to basics" approach to government, increases accountability, reduces administrative complexity, allocates revenues fairly, and provides an efficient long term vehicle to support stable and effective local government.

NOW, THEREFORE, BE IT RESOLVED that the City of Palmer requests that the Governor and the Legislature support and work to adopt and implement the Alaska Municipal Basic Services Program with the following major provisions:

1. Funds are allocated to municipalities based on each community's actual expenditures for municipal basic services, local assessed valuation, and population (with the exception of health facilities, volunteer fire departments outside of municipalities, and unincorporated communities in the unorganized borough, which will receive allocations similar to existing formulas).
2. The existing minimum entitlement for municipalities will be increased from \$25,000 to \$50,000.

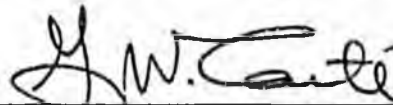
BE IT FURTHER RESOLVED that the Alaska Municipal League requests that the Governor and Legislature support and work to adopt a restoration of funding for municipal aid at the FY 94 level to establish a realistic base to ensure stable municipalities. (This reflects an increase in funding from the FY 95 level of \$62,018,183 to the FY 94 level of

Resolution No. 1040 - Continued

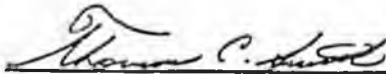
\$72,030,376). A restoration of the FY 94 funding for municipal aid will allow for a phase-in of the new AMBS program, establish a fair funding level for municipal aid consistent with national averages, and provide a stabilization of support for minimum municipal basic services.

BE IT FURTHER RESOLVED that the City of Palmer will work to support the development and implementation of a long-range fiscal plan for the State of Alaska that provides for the stabilization of both state and municipal basic services.

Passed and approved this 10<sup>th</sup> day of January,  
1995.



GEORGE W. CARTE', MAYOR



THOMAS C. SMITH, CITY CLERK

CITY OF OUZINKIE  
PO BOX 109  
OUZINKIE, ALASKA, 99644

JANUARY 20, 1995

Honorable Tony Knowles  
Governor of Alaska  
PO Box A  
Juneau, Ak. 99811

ALASKA MUNICIPAL LEAGUE  
JAN 28 1995  
RECEIVED

Dear Governor Knowles:

The City of Ouzinkie urges you to give your full support to passage of legislation which is being proposed and would change the Municipal Assistance and Revenue Sharing programs into a new Alaska Municipal Basic Services Program , as described in Senate Bill 20.

We have experienced cuts in our revenue sharing to the excess of 50% over the course of recent years. We have very little revenue that is available to the City of Ouzinkie. We do have a sales tax, (3%) on the only business in town, a small convenience store with low gross sales that only provides about a budgeted revenue to the City of \$10,000. We have no ability to tax the real estate property because about 99% of the housing is HUD housing and as such exempt from taxes.

We provide basic services such as water treatment, generation of electricity, fire protection, road and airport maintenance, and the structure of a city office with personnel and equipment to maintain the necessary administration of these services.

As you can see there is a certain basic cost to providing the above services regardless of a community's population. Alaska Municipal League has as a part of their platform supported a minimum \$50,000 be provided to communities of our size and population.

The basic strength and nature of Alaska we believe is based on the health, well being, and economic stability of the rural communities in this state. We encourage you to assist in stabilizing this resource by supporting and encouraging the legislature to pass this bill.

Sincerely,

A handwritten signature in cursive script that reads "Zack Chichenoff".

Zack Chichenoff  
Mayor of Ouzinkie

cc:

Jerome Selby, Kodiak Island Borough Mayor  
Alan Austerman, Representative  
Fred Zharoff, Senator  
Alaska Municipal League

# THE CITY OF WHITTIER

Gateway to Western Prince William Sound

TO: Alaska Conference of Mayors  
AML Board of Directors  
Municipal Aid Working Group

FROM: Chris Overbeck, Mayor  
City of Whittier

RE: Impact of cuts of Municipal Assistance/Revenue  
Sharing Revenue

DATE: January 18, 1995

The City of Whittier in the last five years has had an average reduction of our Municipal Assistance/revenue Sharing Revenue of \$12,724 or 22% each year (see Impact Worksheet I)

The effective change of the reduction of revenue from 1990 to 1994 was \$33,382 or 45% (See Impact Worksheet I).

The effect on the basic services (AMBS) for the City of Whittier was the following from 1990 to 1994:

1990 to 1994 <u>Department</u>	Total % Reduction from <u>Municipal Assistance/ Revenue Sharing Cuts</u>
POLICE	10%
LIBRARY	42%
PUBLIC WORKS ROAD MAINTENANCE	5%

The reduction of this revenue has had very damaging effect in the closing of our public library, reduction in road maintenance and police department (loss of one police officer out of four)

WORKSHEET: MUNICIPAL ASSISTANCE REVENUE SHARING

I. Municipal Assistance/Revenue Sharing

<u>YEAR</u>	<u>Municipal Assistance/ Revenue Sharing</u>	<u>Reduction From Previous Year</u>	
		<u>Amount</u>	<u>%</u>
1994	\$ 40,657	( 8,391)	(17%)
1993	\$ 49,048	( 16,883)	(26%)
1992	\$ 65,931	( 2,992)	( 5%)
1991	\$ 62,939	( 11,100)	(15%)
1990	\$ 74,039	( 24,306)	(45%)
Average:	\$ 58,522	( 12,724)	(22%)
Reduction from 1990 To 1994:	\$ -	( 33,382)	(45%)

II. Effect of Cuts - Basic Services:

<u>Dept.</u>	<u>1990 Actual</u>	<u>Municipal Assistance/ Revenue Sharing Reduction</u>	<u>Other Reduction</u>	<u>1994 Actual</u>	<u>Total % Reduction From Municipal Revenue Sharing</u>
Police	\$245,404	(\$20,693)	(\$103,530)	\$121,181	10%
Library	\$ 26,405	(\$11,008)	(\$ 15,103)	\$ 294	42%
Clinic	\$125,841	-	(\$ 9,463)	\$116,378	-
Public Works Road Maintenance	\$ 40,034	(\$ 1,681)	(\$ 2,648)	\$ 35,705	5%
<b>Total</b>	<b>\$437,684</b>	<b>(33,382)</b> =====	<b>(\$130,744)</b>	<b>\$273,558</b>	

# THE CITY OF WHITTIER

Gateway to Western Prince William Sound

## TABULATION OF MUNICIPAL ASSISTANCE/REVENUE SHARING 1988-1994

1994

Municipal Assistance	- \$16,163
Revenue Sharing	- <u>\$24,494</u>
	\$40,657

1993

Municipal Assistance	- \$17,926
Revenue Sharing	- <u>\$7,122</u>
	\$19,048

1992

Municipal Assistance	- \$21,636
Revenue Sharing	- <u>\$44,295</u>
	\$65,931

1991

Municipal Assistance	- \$23,363
Revenue Sharing	- <u>\$39,276</u>
	\$62,639

1990

Municipal Assistance	- \$25,415
Revenue Sharing	- <u>\$48,624</u>
	\$74,039

1989

Municipal Assistance	- \$28,445
Revenue Sharing	- <u>\$69,900</u>
	\$98,345

1988

Municipal Assistance	- \$31,455
Revenue Sharing	- <u>\$65,555</u>
	\$97,010

**CITY OF WHITTIER, ALASKA  
RESOLUTION 421-95  
URGING THE GOVERNOR AND THE LEGISLATURE TO SUPPORT THE  
ALASKA MUNICIPAL BASIC SERVICES PROGRAM**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WHITTIER, ALASKA URGING THE GOVERNOR AND THE LEGISLATURE TO SUPPORT THE ALASKA MUNICIPAL BASIC SERVICES PROGRAM.

WHEREAS, many Alaskan municipalities are facing fiscal crises that may curtail some basic municipal services to citizens and encourage the dissolution of some small municipalities; and

WHEREAS, these negative impacts are due in large part to severe cutbacks in the current Municipal Assistance and the State Revenue Sharing Programs; and

WHEREAS, the two current programs comprising state aid to municipalities are administratively complex for municipalities, have outdated formulas, do not ensure that municipal basic services are provided, and have some conflicting policy provisions. They are acceptable programs to allocate state revenues in the short term, but they do not reflect the policy decisions necessary for the future; and

WHEREAS,

- Alaskans support accountability at all levels of government
- Alaskans want a "back to basics" approach to government
- Alaskans support low administrative costs and less complex programs
- Alaskans want the state's limited resources distributed most efficiently and fairly
- Alaskans are concerned about their capacity to maintain existing capital improvements
- Alaskans want stable municipal governments; and

WHEREAS, State government has an obligation to share revenue from the resources that are commonly owned by all the people of Alaska to provide basic and essential state and municipal services; and

WHEREAS, every state in the U.S.A. provides some form of revenue sharing to its municipalities; and

WHEREAS, due to Alaska's dispersed population, relatively small local tax bases, and large resource revenues to the state, it is critical that sufficient state revenue from commonly held resources be distributed to local governments to ensure that minimum basic municipal services are provided; and

WHEREAS, sharing of revenues from commonly held resources is especially important to small rural communities because many have virtually no tax base and state shared revenues are often their only stable revenue; and

WHEREAS, revenue sharing increases local determination rather than fostering the need for additional direct state services to communities; and

WHEREAS, every dollar cut from municipal revenue sharing or municipal assistance is a dollar of local tax increase or a cut to direct basic services to Alaskans; and

WHEREAS, Alaska's emphasis during the last decade has been on capital projects and often the cost of continuing operation and maintenance of projects was not planned adequately; and

WHEREAS, it is critical that the programs to share revenue from resources commonly held by all the people of Alaska be strengthened to ensure continuing maintenance of existing improvement and to provide a base for other basic and reasonable local operations and maintenance; and

WHEREAS, the proposed Alaska Municipal Basic Services Programs (AMBS) supports a "back to basics" approach to government, increases accountability, reduces administrative complexity, allocates revenues fairly, and provides an efficient long term vehicle to support stable and effective local government.

NOW, THEREFORE BE IT RESOLVED that the Alaska Municipal League requests that the Governor and the Legislature support and work to adopt and implement the Alaska Municipal Basic Services Program with the following major provisions:

1. Funds are allocated to municipalities based on each community's actual expenditures for municipal basic services, local assessed valuation, and population (with the exception of health facilities, volunteer fire departments outside of municipalities, and unincorporated communities in the unorganized borough, which will receive allocations similar to existing formulas).
2. The existing minimum entitlement for municipalities will be increased from \$25,000 to \$50,000.

BE IT FURTHER RESOLVED that the Alaska Municipal League requests that the Governor and Legislature support and work to adopt a restoration of funding for municipal aid at the FY 94 level to establish a realistic base to ensure stable municipalities. (This reflects an increase in funding from the FY 95 level of \$62,018,183 to the FY 94 level of \$72,030,376). A restoration of the FY 94 funding for municipal aid will allow for a phase-in of the new AMBS program, establish a fair funding level for municipal aid consistent with national averages, and provide a stabilization of support for minimum municipal basic services; and

BE IT FURTHER RESOLVED that the Alaska Municipal League and its member communities will work to support the development and implementation of a long-range fiscal plan for the State of Alaska that provides for the stabilization of both state and municipal basic services. If the need for additional revenues is indicated, the Alaska Municipal League and its member communities will support the implementation of an income tax with a prime stated purpose of supporting state and municipal services.

PASSED AND APPROVED by a duly constituted quorum of the Whittier City Council this \_\_\_\_ day of \_\_\_\_\_, 1995

\_\_\_\_\_  
Chris Overbeck, Mayor

ATTEST:

\_\_\_\_\_  
Debra Burnham, City Clerk

AYES: \_\_\_\_\_  
NOES: \_\_\_\_\_  
ABSENT: \_\_\_\_\_  
ABSTAIN: \_\_\_\_\_



# City and Borough of Sitka

100 LINCOLN STREET, SITKA, ALASKA 99835

RECEIVED

JAN 21 1995

ALASKA MUNICIPAL LEAGUE

January 25, 1995

The Honorable Senator Robin Taylor  
Alaska State Senate  
State Capitol Bldg., Room 30  
Juneau, AK 99801-1182

Dear Robin:

I want to reiterate Sitka's support for the Alaska Municipal Basic Services Program (AMBS) as outlined in the Critical Issues section of the FY'96 Sitka Legislative Priorities. The continuing erosion of state funding for Municipal Assistance and Revenue Sharing (almost 14 percent last year alone) is particularly harmful to Sitka with Sitka's other revenues declining dramatically. We strongly support Alaska Municipal League's goal to stabilize state revenue sharing for municipalities at an adequate level of funding.

We understand SB 20 has been introduced to establish the AMBS program. Your assistance in helping to secure adoption and funding for the AMBS in the Senate would be greatly appreciated.

Best regards.

Sincerely,

Gary L. Paxton  
Administrator

cc: Alaska Municipal League

*The Funds have begun!*

*Alakanuk City Council*  
 P.O. BOX 167  
 ALAKANUK, ALASKA 99534  
 (907) 238-3313

February 6, 1995

Senator Al Adams  
 State Capitol, Senate  
 Capitol, Room 417  
 Juneau, Alaska 99801-1182

Dear Senator Adams,

The City Council of the City of Alakanuk wishes to express its support for Senate Bill 10, the Alaska Municipal Basic Services Program (AMBS).

Our city, at present, is operating upon a budget that makes it extremely difficult to provide services needed for the residents. Should funds be cut further the present services offered could be threatened. Further reduction in funding could be a catastrophic consequence for all of the small villages of Alaska. As the cash economy grows and traditional methods of sustaining life are being used less, these loss of revenues can give limited means of caring for daily services.

Please accept our support for Senate Bill 10 and we urge your help in easing the financial dilemma many villages are now experiencing.

Respectfully, City Council Members of the City of Alakanuk

*Peter G. Block*  
*John Phillip*  
*Fred Augustine*  
*Francis J. Damon*  
*Elyse Clitigak*

ATTN: Kevin Ritchie AMC/VIA  
 from: City of ALAKANUK

— We will also be sending letter to Rep Rickard Foster



**WALRUS CAPITAL OF THE WORLD  
SAVOONGA, ALASKA**



CITY OF SAVOONGA  
P.O. BOX #40  
SAVOONGA, ALASKA 99769  
PHONE 984-6614

January 27, 1995

To: Senator Al Adams and  
Representative Richard Foster

From: Jerry Wongittilin, Sr.  
Vice-Mayor

Subject: AMBS Program (SB 20)

RECEIVED  
FEB 02 1995  
ALASKA MUNICIPAL LEAGUE

Dear Senator Adams and Representative Foster:

The City Council Members of Savoonga and the City of Savoonga is in full support of SB 20, as introduced by Senator John Torgerson.

The municipalities within our communities are very much aware that in the past years, there has been cuts on our Revenue Sharing and Municipal Assistance. Every time these cuts are made, the municipalities have to make some cuts to make adjustments within our cities. The fuel cost has gone up as well and we may have to be forced to cut our hours in order to conserve our fuel cost. Thank you.

Sincerely,

Jerry Wongittilin, Sr.  
Vice-Mayor

cc: Donald Long, AML President

# City of Atka

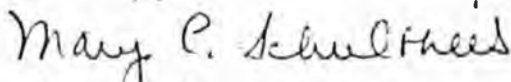
December 19, 1994

Alaska Municipal League  
217 Second Street #200  
Juneau, AK 99801

Dear Sirs:

Enclosed you will find a resolution from the Atka City Council endorsing the Alaska Municipal Basic Services Program to allocate shared State revenues. We very much support the concept of this program and will be glad to lend whatever additional support is within our capability to assure its passage.

Sincerely yours,

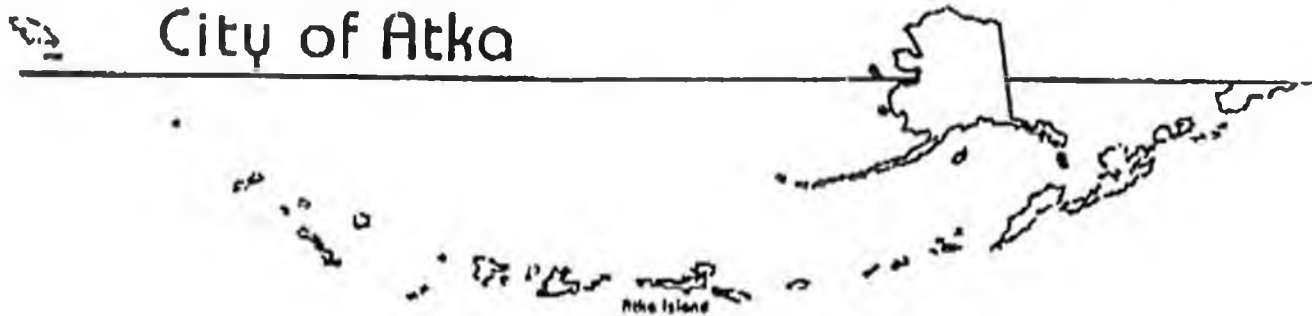


Mary C. Schultheis  
City Administrator

Attachement

RECEIVED  
DEC 22 1994  
ALASKA MUNICIPAL LEAGUE

# City of Atka



## RESOLUTION 95-205

### A RESOLUTION OF THE ATKA CITY COUNCIL ENDORSING THE ALASKA MUNICIPAL BASIC SERVICES PROGRAM TO ALLOCATE SHARED STATE REVENUES

WHEREAS, municipal government are being required to provide an increasingly board range of basic services,

WHEREAS, many of these services are mandated but unfunded,

WHEREAS, State revenue sharing municipal assistance, the primary existing State programs for distributing shared revenue, have been severly cut over the past years,

WHEREAS, current programs are based on outdated formulas.

NOW, THEREFORE, BE IT RESOLVED THAT: the Atka City Council supports the Alaska Municipal Basic Services program as a means of allocaing shared State revenues to replace the existing State revenue sharing and municipal asistance programs.

BE IT FURTHER RESOLVED THAT: the Council supports the proposed mininum entitlement of \$50,000 per municipality to help Alaska's smallest communities to remain financially viable and able to provide basic services

PASSED AND APPROVED BY A DULY CONSTITUTED QUORUM OF THE ATKA CITY COUNCIL THIS 16<sup>th</sup> DAY OF DECEMBER, 1994.

SIGNED: Michael Anigault  
Mayor

ATTEST: Katherine Woyzoff  
city clerk



CITY OF EEK  
P.O. BOX 09  
EEK, ALASKA  
99578  
(907)536-5129

DATE January 11, 1995

TO: Alaska Municipal League  
Joint Insurance Association, Inc  
217 second street, Suite 200  
Juneau, Alaska 99801

FROM: Marie C. White  
Eek City Council Mayor  
P.O. Box 09  
Eek, Alaska 99578

SUBJECT: Requesting a copy of the minutes of January 24-26, 1995

Dear Sir,

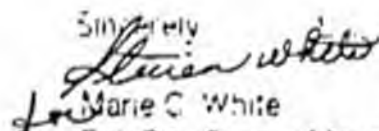
We are requesting a copy of your minutes for January 24-26, 1995, of the Alaska Conference of Mayors.

Currently, the Eek City Council cannot afford to send a representative to attend the Alaska Conference of Mayors for January 24-26, 1995, due to lack of funds.

Enclosed is a resolution 95-02 to support the passage of the new Alaska Municipal Basic Services Program to replace the State Revenue Sharing and Municipal assistance, which is very important to this community.

If you should have any questions, please do not hesitate to contact us at the above address.

Thank you for this letter.

Sincerely,  
  
Marie C. White  
Eek City Council Mayor

cc.  
office file

CITY OF EFK  
P.O. BOX 09  
EEK, ALASKA  
99578  
(907)536-5129

**RESOLUTION 95-03**

A RESOLUTION SUPPORTING THE PASSAGE OF THE NEW ALASKA MUNICIPAL SERVICES PROGRAM, REVISING THE STATE REVENUE SHARINGS AND MUNICIPAL ASSISTANCES FOR THE MEMBERS OF ALASKA MUNICIPAL LEAGUE

WHEREAS, The Eek City Council is a Local Government for the village of Eek, under the Alaska Status, Title 29, and

WHEREAS, The Eek City Council is a member of the Alaska Municipal League, by resolution 94-15, pays its annual Membership dues, and

WHEREAS, The Eek City Council receives funding from both the State Revenue Sharing and Municipal Assistances, from the Department of Community Regional Affairs, and

WHEREAS, The Eek City Council supports the passage of the new Alaska Municipal Basic Services Program to replace the State Revenue Sharing and the Municipal Assistances, and

WHEREFORE BE IT RESOLVED, that the Eek City Council cannot afford yearly reductions to both the State Revenue Sharing and the Municipal Assistances.

FURTHER RESOLVED, that the Eek City Council seeks ways to maintain the State Revenue Sharings and Municipal assistance without cuts in the future.

CITY OF EEK  
P.O. BOX 09  
EEK, ALASKA  
99578  
(907)536-5129

RESOLUTION 95-03

A RESOLUTION SUPPORTING THE PASSAGE OF THE NEW ALASKA MUNICIPAL SERVICES PROGRAM, REVISING THE STATE REVENUE SHARINGS AND MUNICIPAL ASSISTANCES FOR THE MEMBERS OF ALASKA MUNICIPAL LEAQUE

WHEREAS, The Eek City Council is a Local Government for the village of Eek, under the Alaska Statute Title 29, and

WHEREAS, The Eek City Council is a member of the Alaska Municipal League, by resolution 94-15, pays its annual Membership dues, and

WHEREAS, The Eek City Council receives funding from both the State Revenue Sharing and Municipal Assistances, from the Department of Community Regional Affairs, and

WHEREAS, The Eek City Council supports the passage of the new Alaska Municipal Basic Services Program to replace the State Revenue Sharing and the Municipal Assistances, and

NOW THEREFORE BE IT RESOLVED, that the Eek City Council cannot afford yearly expenditures to both the State Revenue Sharing and the Municipal Assistances

BE IT FURTHER RESOLVED, that the Eek City Council seeks ways to maintain the State Revenue Sharings and Municipal assistance without cuts in the future

PASS AND APPROVED ..... 10<sup>th</sup> ..... day of  
January ..... '005

*Marie C White* .....  
for Marie C White - Mayor

ATTEST *Fritz E Petluska* .....  
Fritz E Petluska - City Clerk



# CITY OF NOME

Incorporated April 9, 1901

P.O. Box 281  
Nome, Alaska 99762  
Telephone (907) 443-5242  
Fax (907) 443-5349

January 20, 1995

Mr. Kevin Ritchie  
Executive Director  
Alaska Municipal League  
217 Second Street, Suite 200  
Juneau, Alaska 99801

Re: Alaska Municipal Basic Services (AMBS) Program

Dear Kevin: *Kevin* —

Attached is a copy of Resolution R-95-1-1, "A resolution in support of the Alaska Municipal Basic Services Program" which was unanimously adopted by the Nome City Council on January 11, 1995.

We will also forward a copy of this same Resolution to Ms. Wendy Mulder who will be representing the City of Nome during the 1995 legislative session, and instruct her to speak favorably on behalf of the AMBS program at every appropriate opportunity.

If we can offer further assistance, please let me know.

Sincerely,

*Paul*  
Paul R. Day  
City Manager

cc: Wendy Mulder

Presented By:  
City Manager  
Action Taken:  
Yes 6 No 0

CITY OF NOME, ALASKA

RESOLUTION NO. R-95-1-1

A RESOLUTION IN SUPPORT OF THE  
ALASKA MUNICIPAL BASIC SERVICES PROGRAM

WHEREAS, the City of Nome is an active member of the Alaska Municipal League (AML); and,

WHEREAS, the AML's special Municipal Aid Working Group authorized by the AML membership has been working on a solution to the ongoing problem of decreased state shared funding to municipalities (the state has reduced state shared revenues to municipalities far beyond reductions to other programs in the operating budget - over 55% in the last 10 years and 13.9% in FY95 alone); and,

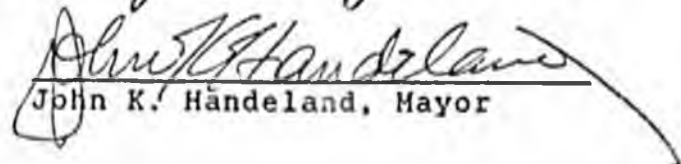
WHEREAS, a solution has been developed that allocates stated shared revenues fairly, encourages a "back to basics" approach to municipal services and very gradually adjusts municipal allocations; and,

WHEREAS, the Alaska Municipal Basic Services (AMBS) Program proposes that the Legislature appropriate funding based on nine municipal basic service categories in proportion to each municipality's local effort in each category, its overall ability to pay and population; and,

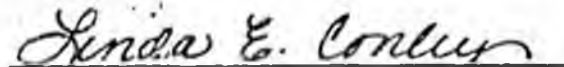
WHEREAS, municipal aid programs are critical to the provision of basic services to the residents of Nome,

NOW, THEREFORE, BE IT RESOLVED that the Nome Common Council of Nome, Alaska supports and endorses the AML's proposed Alaska Municipal Basic Services Program and urges the Legislature to consider funding the program as proposed.

APPROVED and SIGNED this 11<sup>th</sup> day of January, 1995.

  
John K. Handeland, Mayor

ATTEST:

  
Linda E., Conley, City Clerk



## City of Marshall

P.O. BOX 09 • MARSHALL, ALASKA 99585 • (907) 679-6215/6415

### IMPACT STATEMENT

#### MUNICIPAL ASSISTANCE/REVENUE SHARING CUTS

THE STATE REVENUE SHARING ENTITLEMENT FOR THE CITY OF MARSHALL FOR FY 93 WAS \$32,236.00, FOR FY 94 WAS \$31,966.00 AND AT THE PRESENT TIME FOR FY 95 IS \$30,954.00. ALTHOUGH THERE WAS A SLIGHT INCREASE IN THE MUNICIPAL ASSISTANCE PROGRAM FROM \$16,465.00 IN FY 93 TO \$17,082.00 IN FY 94 THIS DID NOT REFLECT ON OUR BUDGET AS A SIGNIFICANT INCREASE. FIGURES FOR FY 95 ARE UNKNOWN AT THIS TIME. AFTER ALLOCATING SO MUCH PERCENTAGE FOR OUR ROAD MAINTENANCE, HEALTH FACILITY, ETC. EVERY YEAR WE HAVE TO TIGHTEN OUR BELT A LITTLE TIGHTER. PERMANENT-PART TIME POSITIONS' HOURS ARE REDUCED, VILLAGE POLICE OFFICER'S MONTHLY WAGE IS PUT ON FREEZE (PRESENTLY NO ONE HOLDS THIS POSITION BECAUSE OF A LOW PAY SCALE), AND MAINTENANCE FOR CITY BUILDINGS ARE PERFORMED ONLY WHEN NECESSARILY NEEDED. ROAD MAINTENANCE THIS WINTER HAS BEEN HIGHER THAN PREVIOUS WINTERS BECAUSE OF THE EXCESSIVE SNOWFALL WHICH HAS REALLY AFFECTED OUR BUDGET. THE HIGH COST OF GOODS AND SERVICES DELIVERED TO MARSHALL HAS A TREMENDOUS IMPACT ON OUR BUDGET. WINTER TRAIL MARKING IS NOT INCLUDED IN OUR BUDGET AND THIS IS A VERY NECESSARY PART OF LIFE IN THE BUSH. DONATIONS FOR WINTER TRAIL MARKING IS VERY MINIMAL. ANY FUTURE REDUCTIONS IN FUNDING WILL DRASTICALLY AFFECT CITY OPERATIONS.

PREPARED BY:  
RAYMOND D. ALSTROM-MAYOR, CITY OF MARSHALL  
19 JANUARY 1995



## CITY OF HOONAH

P.O. Box 360 • Hoonah, Alaska 99829 • (907) 945-3663 • FAX (907) 945-3445

January 12, 1995

TO: Albert W. Dick, Mayor

FROM: Robert G. Pinard  
Ass't. Admn./Treasurer

SUBJECT: Shared Revenue and Municipal Ass't

As requested I have identified monies received by the City of Hoonah during the period FY 1992 - FY 1995 for Shared Revenue and Municipal Assistance.

	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>
Shared Revenue	\$58,780	\$123,420	\$110,259	\$96,894
Municipal Ass't.	66,811	53,430	48,300	43,470

Calculation of State Revenue Sharing has gone from (Hoonah) a population of 894, Full & True Property Value of \$21,953,900 and locally generated revenues of \$638,130 in 1992 to a population of 968, Full & True Property Value of \$23,127,700 and locally generated revenues of \$551,650 for FY 95. Municipal Ass't. which used to be based on Gross Business License tax of which communities 60% was repealed and is now paid by legislation appropriation which must be equal to or greater than 30% of General and petroleum corporate income tax. This amount is pro-rated state wide based on a community's population.

Effective with FY 1993 Shared Revenues we were approved for additional extra territorial roads increasing our road miles from 14 to 75 thus increasing our shared revenues by 110% yet decreasing total shared Revenue for the period FY 1992 - FY 1995 by 10 - 12%. Municipal Ass't. has declined by 35% for that same period. Our main source of revenue for General Operations other than Paw Fish Tax Receipts is 4% Sales Tax collected by the City of which 1% is dedicated to the operation of the Swimming Pool.

January 12, 1995

Page 2

We have been operating on a break even budget maintaining a staff of 14 employees, down from 19 prior to 1992, yet providing the same level of services. We have been trying to upgrade our public works equipment for several years, but have been only able to replace a few of them. The others we have repaired and maintained them enough so that they at least function. Public Safety vehicles have been purchased from other city surplus or been given to us by the Federal Government as a few of our Public Works vehicles. Fire Department and ambulance vehicles are old and need replacing especially the two ambulances. The Police Dept. would like to hire another officer and dispatcher so that we can at least provide minimum 24 hour daily coverage. As it is right now a majority of calls received are taken by the Police or VPSO officer while on duty or on call.

Frankly, if we had not been approved for extra territorial miles thus increasing Shared Revenue Distribution and freeing up other General Revenue Funds we would have to make additional employee cuts, reduce services and try to identify other revenue sources. Just about all Grant money sources require at least a 50% match of which they are now requiring a portion of it be Cash making it even more difficult to apply for these Grant monies as we do not have available funds for the match portion. Lastly, finding other revenue sources in predominantly native communities is never popular. As you know we have recently tried on two occasions to increase our sales tax to 4% on the first occasion and 5% on the second. Both measures were soundly defeated.



Dennis Egan, Mayor  
City & Borough of Juneau  
155 S. Second Street  
Juneau, Alaska 99801

---

SEMPER —

THANKS FOR ALL THE WORK  
YOU DID ON SB-20 — YOU  
DESERVE A 20-0 VOTE!!

Dennis



# Kodiak Island Borough

710 MILL BAY ROAD  
KODIAK, ALASKA 99615-6398

(907) 486-9300

April 10, 1996

Senator John Torgerson  
Alaska State Legislature  
State Capital Mailstop 3100  
Juneau, AK 99801-1182

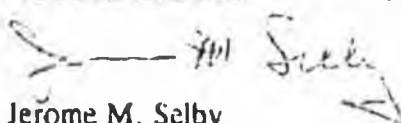
Dear Senator <sup>Torgerson</sup> Torgerson:

Congratulations on the successful passage of Senate Bill 20 by the Senate. All of your hard work obviously paid off with a unanimous vote of support for the work that you have done. Now it's on to the house and we hope it will cross the governor's desk before mid-year. If there is anything else that we can do to assist in this process, just let me know.

Additionally, I want to respond to your request for comments on HB 386 concerning the cruelty to animals changes. We have reviewed the changes and think that they would be good changes for you to proceed with. If I can give you any additional information, let me know.

Sincerely,

**KODIAK ISLAND BOROUGH**

  
Jerome M. Selby  
Borough Mayor

# Alaska State Legislature

ALASKA STATE CAPITOL  
JUNEAU, ALASKA 99801-1182  
(907) 465-4927  
(800) 821-4925  
(907) 465-3517 FAX

PO BOX 795  
CRAIG, ALASKA 99921  
(907) 826-1078 OFFICE  
(907) 826-2930 HOME

REPRESENTATIVE  
**JERRY MACKIE**



## House of Representatives

April 9, 1996

Keith Heller, Pelican City Administrator  
Box 737  
Pelican, Alaska 99832

*Re: SB 20 - "An Act relating to certain programs of state aid to municipalities and recipients in the unorganized borough; and providing for an effective date."*

Dear Keith:

I appreciate your contacting me regarding your support for the spirit and intent of SB 20. I serve on the House Community and Regional Affairs Committee and this legislation is scheduled for a hearing this Thursday, April 11th. It is important that I base my decisions on the opinions from the communities in my district and therefore, your letter was extremely important to me and timely as well. I share your opinions of the importance of basic services during budget reductions and the necessity for "safe community" legislation in Alaska at this time.

I have developed a strong respect for the spirit and dedication your community has displayed to the rest of the state during these critical times. Best wishes and I look forward to hearing from you again on this and other issues of importance to your community.

Sincerely,

Representative Jerry Mackie  
Democrat Leader of the House

cc: ✓ Senator John Torgerson, Chair, Senate Community and Regional Affairs Committee  
Representative Alan Austerman, Co-Chair, House Community and Regional Affairs Committee  
Representative Ivan Ivan, Co-Chair, House Community and Regional Affairs Committee

HOUSE DISTRICTS • ANCHORAGE • CAPE POLE • CHITINA • COFFMAN COVE • CRAIG • DOLOMITZ BAY • EDNA BAY • ELFIN COVE • EXCURSION INLET  
HUNTER BAY • GUSTAVUS • HAINES • HOBART BAY • KILLIS • KUNAH • KODIAK • KODIAK BAY • KODIAK COVE • KODIAK POINT • KODIAK TOWN • KODIAK VILLAGE  
METLAKATLA • NAUKATI • PELICAN • POINT BAKER • POLKINLET • PORT ALEXANDER • PORT ALICE • PORT PROTECTION • SKAGWAY  
TENAKEE STRINGS • THORNE BAY • VIEW COVE • WATERFALL • WHALE PASS • YAKUTAI



217 Second Street, Suite 200 • Juneau, Alaska 99801 • Tel (907) 586-1325, Fax (907) 463-5480

April 2, 1996

The Honorable John Torgerson  
Alaska State Senate  
Room 427 State Capitol  
Juneau, Alaska 998011182

Dear Senator Torgerson:

On behalf of the Mayor Rick Mystrom, President of the Alaska Conference of Mayors, and Joe Murdy, President of the Alaska Municipal League, I want to thank you for your yes vote on SB 20, Programs of State Aid to Municipalities. Your support of the municipalities and local taxpayers in Alaska is very much appreciated.

We believe the changes to the current Municipal Assistance and Revenue Sharing programs will benefit both large and small communities and will go a long way to stabilizing funding for these critical programs.

Again, thank you for your continued interest in the cities and boroughs of Alaska.

Sincerely,

A handwritten signature in cursive that reads "Kevin C. Ritchie".

Kevin C. Ritchie  
Executive Director

c:\jk\st20\thankyou.doc

# ALEUTIANS EAST BOROUGH

SERVING THE COMMUNITIES OF

■ KING COVE ■ SAND POINT ■ AKUTAN ■ COLD BAY ■ FALSE PASS ■ NELSON LAGOON

February 16, 1998

Sen. John Torgerson  
Room 427  
State Capitol  
Juneau, AK 99801-1182

RE: SB 20 - "Safe Communities" Bill

Dear Sen. Torgerson:

The Aleutians East Borough Assembly is pleased to offer our support of your endeavors on behalf of SB 20 and we thank you for your energetic support of this important legislation.

The term "Municipal Assistance" tends to be confused with a "giveaway program" rather than our communities' share of Alaska's resources, and the Aleutians East Borough agrees with changing the program title to "Safe Communities". This term implies support of important and needed services in our communities. We strongly support the direct public safety expenditures that this bill will provide under its new title.

Distribution of the funding under this bill should occur near the beginning of the State fiscal year (July 31) when it is appropriated, rather than the following February. We understand funding will not be significantly reduced for any community, and will in fact, make allocations more equitable among municipalities.

For the above reasons, we hereby offer our comments in support of SB 20, the "Safe Communities" Legislation. If we can be of further assistance, please let us know.

Sincerely,



Robert S. Juttner  
Borough Administrator

CLERK/PLANNER  
PO BOX 349  
SAND POINT, ALASKA 99081  
(907) 363-2899  
(907) 363-3495 FAX

BOROUGH ADMINISTRATOR  
1600 A STREET, SUITE 103  
ANCHORAGE, ALASKA 99501-3146  
(907) 274-7355  
(907) 276-7669 FAX

FINANCE DIRECTOR  
PO. BOX 49  
KING COVE, ALASKA 99612  
(907) 497-2588  
(907) 497-2386 FAX

*Pictured is the original  
Eagle City Hall,  
still currently in use.*



*Eagle is the oldest  
incorporated city in  
Interior Alaska.  
(January 8, 1901)*



CITY OF EAGLE - BOX 1901 - EAGLE, ALASKA 99738



February 19, 1996

TO: Senator Torgerson

FAX 465-4779

FROM: Elva Scott, Mayor  
Eagle City

*Elva Scott*

FAX 547-2232

SUBJECT: SB 20

We have just received the information regarding SB 20, the revised "Safe Communities" bill. I understand you are interested in learning the reaction of the smaller incorporated communities to this bill.

We would support SB 20. We have a property tax, but with only 146 residents, it is a real struggle just to provide fire protection and a source of safe water plus meeting unfunded mandates and federal mandates. Any assistance would be welcomed.

We like the name change from "Municipal Assistance" to "Safe Communities".



**HAINES BOROUGH** Box 1209, Haines, Alaska 99827 (907) 766-2711 FAX 766-2716

February 20, 1996

Senator John Torgerson  
Alaska State Legislature  
State Capitol, Room  
Juneau, AK 99801-1182

Re: Letter of Support for SB 20 - "Safe Communities" Bill

Dear Senator Torgerson:

I am writing this letter in support of SB 20 - the revised "Safe Communities" Bill. It is my opinion that the passage of this bill will provide for the stabilizing and strengthening of our community along with many other communities in the state.

The Haines Borough does not want a reduction in funding for road maintenance, health care facilities, etc., so we strongly support Senate Bill 20, because it does not reduce this funding. We are pleased to know that this bill will not significantly reduce any community's funding, but make allocations more equitable among municipalities.

This bill directly ties state aid to public safety services which is one of the priorities of the citizens in our borough.

Thank you for your efforts on our behalf.

Sincerely,

Jerry L. Lapp, Mayor  
Haines Borough

JLL./jm

cc: Senator Zharoff  
Representative Mackie





# Kodiak Island Borough

710 MILL BAY ROAD  
KODIAK, ALASKA 99615-6398

(907)486-9300

February 20, 1996

Senator John Torgerson, Chair  
Community & Regional Affairs Committee  
Room 427 State Capital  
Juneau AK 99801-1182

VIA FAX: 465-4779

Dear Senator Torgerson:

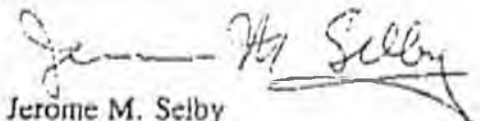
The Kodiak Island Borough heartily endorses the revised version of Senate Bill 20 for "Safe Communities" in Alaska. The changes made to SB 20 in the Revenue Sharing and Municipal Assistance Programs are critical to the continued viability of the municipalities throughout the state. In particular, the \$40,000 minimum funding will be a make-it or break-it level for the very small communities in rural Alaska, which have no other real funding source other than Municipal Assistance and Revenue Sharing. The concept of "Safe Communities" in maintaining viable rural communities is very important to Alaska. The fact that a number of these communities have dissolved in the past year, with several more dissolutions pending, and reports of 30 to 90 more considering dissolution, is a real warning bell for all of us.

Another strong feature of the bill is the accountability feature where the municipalities must inform the public what the money is used for, as well as requiring that the money be used for high priority public safety and safe community projects. Additionally, the feature allowing the distribution of the funding at the beginning of the fiscal year will enable communities to plan around the actual amount of funding, as opposed to guessing for part of the year, only to discover that the estimated figures fall short of planned expenditures which creates major obstacles to sound planning and budgeting for the municipalities.

I want to commend you for the outstanding work that you have done on SB 20 to bring us to this point and urge you and your colleagues to pass this bill into law this session so that we can bring some stability to the communities throughout the State of Alaska. Stable communities are critical to successfully plan for the fiscal changes that will be necessary to close the fiscal gap and bring Alaska into a strong healthy position going into the twenty-first century. If I can provide you with any additional information, please don't hesitate to give me a call.

Sincerely,

**KODIAK ISLAND BOROUGH**

  
Jerome M. Selby  
Borough Mayor



**CITY CLERK**

POST OFFICE BOX 1397, KODIAK, ALASKA 99615

TELEPHONE (907) 486-8636

FAX (907) 486-8600

February 20, 1996

Honorable John Torgerson  
Alaska State Senate  
State Capitol (MS 3100)  
Juneau, AK 99801-1182

Via FAX 907-465-4779

RE: CS for Sponsor Substitute for Senate Bill 20 (CRA)

Dear Senator Torgerson:

Mayor Floyd and the City Council support the referenced bill relating to certain programs of state aid to municipalities. Please convey Kodiak's position to the Senate Finance Committee.

Thank you.

Sincerely,

CITY OF KODIAK

MARCELLA H. DALKE, CMC/AAE  
City Clerk

MHD/ms

cc: Senator Fred Zharoff  
Representative Alan Austerman



PO Box 46  
Kotzebue, Alaska 99752

City Hall  
442-3401

Police Dept  
442-3151

Fire Dept.  
112-3404

Public Works  
442-3401

February 20, 1996

Senator John Torgerson  
Room 427  
State Capitol  
Juneau, Alaska  
99801-1182

Dear Senator:

We are happy to support the revised version of SB20: The "Safe Communities" Bill. The City of Kotzebue will support this bill because of the following:

- The bill changes the program title from Municipal Assistance to "Safe Communities" to let the public know that important services are supported by the funds. "Municipal Assistance" is often confused with welfare or a giveaway. Revenue sharing is really your communities' share of Alaska's resources.
- "Safe Communities" does not reduce current funding for road maintenance, hospitals, etc., but requires that revenue sharing (that is not otherwise allocated in statute) be used for high priority local public safety services. The public strongly supports directs public safety expenditures and requires accountability.
- The bill provides a minimum funding level of \$40,000 without significantly impacting funding for larger cities. This provision has been agreed upon by all of Alaska's large communities to help turn around the incentives for small municipalities to dissolve.
- The bill requires distribution of all of the funds near the beginning of the states fiscal year instead of the following February. The state should not withhold money for municipalities, especially after the funding has been cut over 60% over the past ten years.
- Funding will not be significantly reduced for any community.
- The bill makes allocations more equitable among municipalities.

Thank you for your efforts in this matter.

Sincerely,

Michael J. Scott  
City Manager

Copy: Files

North and Northwest Mayor's

Sen. Al Adams

Rep. Don Long

HSB Mayor: George Ahnaogak

Lon Sorsalla

Enoch Oktollik

Herman Kignak

Michael Neakok, Sr.

Paul Hugo

NW Mayor's: Miles Cleveland, Sr

Willie Thomas

Gilbert S. Barr

Oscar Sage, Sr.

Frank Greene

Lee Ballot, Sr.

Ben Atoruk

Minnie Mayer

Tommy Ballot, Sr.

Leyl Cleveland

Bob Foot

IPA.

Frank Adams, Sr.

Joe Murdy, President, AML

Senator John Torgerson



## City of Point Hope

P.O. Box 169

Point Hope, Alaska 99766

358-2537

February 15, 1996

Honorable, Governor Tony Knowles

Governor: Tony Knowles  
P.O. Box 110001  
Juneau, AK 99811-0001

Dear Governor Knowles,

During your last live Alaskan talk show on ARCS, I asked you a question about the State's Revenue and Municipal Assistance program. I understand that you support an 8% cut on both state and municipal revenues for 96-97 and that there have been talk of even higher cuts to these programs in the legislature. I don't believe that cities can sustain even these cuts at this time.

As you know the City governments are having serious problems adapting to the state cuts in the past few years. We are also experiencing cuts on the federal level and locally through the boroughs. The result is substantially less revenues to operate city services.

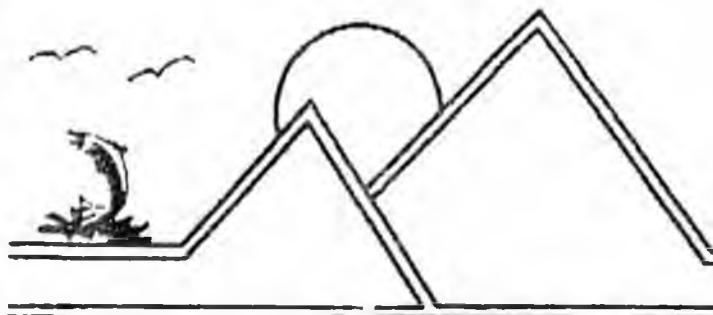
During the past year, five city governments have dissolved. I am really concerned that the continuing cuts are threatening the existence of city governments and city services in many villages throughout Alaska.

One of the most commonly used private sector economic terms of the past few years has been downsizing. Corporations have found ways to squeeze profits out of their services by cutting the number of employees. Termination and release has become a much more common experience in recent years for middle management and production employees. This is a dangerous trend but the levels are minimal compared to the levels of unemployment that villages have continuously experienced.

Therefore, I cannot support a planned 8% cut in the Municipal Assistance and Revenue Sharing plans. I must demand that the state attempt to hold the line without further cuts to the municipal governments at this time. To do otherwise means completely disproportionate impacts from the cuts in rural villages.

Sincerely,

Mr. Ray Koonuk, Sr. Mayor  
c.c. Alaskan mayors



# City of Port Lions

Administrative Offices

P.O. Box 110

Port Lions, AK 99550-0110

(907) 454-2332 (Fax) 454-2420

February 16, 1996

Mr. Joe Murdy, President  
Alaska Municipal League  
217 Second Street, Suite 200  
Juneau, Alaska 99801

RE: Letter of support for SB 20

Dear Mr. Murdy,

The City of Port Lions strongly supports Senator John Torgerson's efforts in passing SB 20.

Throughout the past few years our communities Municipal Assistance has been reduced drastically. By changing the name of Municipal Assistance to Safe Communities we feel the funding will not be confused with welfare or a type of "give away funding", but in fact make it more clear to those that do not understand that it is our communities share of Alaska's resources that ALL communities are entitled to receive.

With the funding being cut by 60% over the past ten years, the City of Port Lions supports the assured minimum funding level of \$40,000 that this bill provides. It cannot continue to be cut year after year by even another small percentage and be able, nor expected to continue providing safe programs that significantly impacts each and every one of our community members.

We also support the idea of receiving our municipalities funding near the beginning of the States fiscal year instead of the following February. This is not only the practical thing to do but is the most sensible as our fiscal year also begins in July.

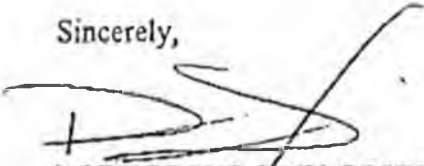
We cannot stress enough the importance in the passing of SB 20. The impact will tremendously help not only Port Lions, but all the small communities throughout the great State of Alaska.

We appreciate anything you can do to help pass this much needed Senate Bill.

If you need further information on why we would like to see the passage of this Bill, please feel free to give me a call at your convenience.

Thank you for your assistance on this important issue.

Sincerely,



**PORT LIONS CITY COUNCIL**  
Robert Himes, Mayor

cc: Governor Knowles  
Senator Zharoff  
Rep. Austerman  
Kodiak Island Borough Mayor Selby

# City of Sand Point



February 16, 1996

Senator John Torgerson  
Chairman, Community and Regional Affairs  
State of Alaska  
State capitol  
Room 427  
Juneau, Alaska 99801-1182

RE: SB 20 Safe Communities

Dear Senator Torgerson,

As a past local elected official and past president of the Alaska Municipal League, you personally are very aware of the continuing problems local governments faced every fiscal year.

Over the past several years, Municipal Assistance and Revenue Sharing have been reduced by over 60% which has placed an enormous burden on local government to pick up the slack. Very few communities have been able to bear the full burden without reducing the level of services they provide irregardless of how basic.

The City of Sand Point, being a one industry town, fishing, is in the same plight as many other communities whereby the level of services has been greatly reduced. Further reduction in state shared revenues will necessitate the elimination of jobs and reduction of the level of service to minimal at the most.

CS for CSSB 20 is a bill which we support because of the early funding and the requirement that it be used for essential services such as public safety. Being a full service community as well as a community whose livelihood is predicated upon the fishing industry, we feel this bill will assist in our needs of a timely cash flow during our peak periods.

The City of Sand Point supports CS for CSSB 20 and particularly your efforts as well as the Community and Regional Affairs Committee to hear

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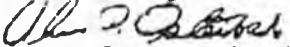
City Office:  
P.O. Box 249  
Sand Point, Alaska 99861  
(907) 383-2898  
(907) 383-2898 FAX

Administrator:  
1600 A Street, Suite 109  
Anchorage, Alaska 99501-5146  
(907) 274-7555 Phone  
(907) 276-7569 FAX

the voices from the wilderness on such an important matter to all the municipalities in the State.

Should you have any questions, please feel free to contact me.

Yours truly,

  
Alvin D. Osterback  
Mayor

02-16-1996 12:29PM  
POSTNET FAX NO 1612

No of Pages: 1  
Today's Date: \_\_\_\_\_  
Time: \_\_\_\_\_  
From: JERRY WONGITTILIN SR.  
Company: CITY OF SAVOONGA  
Location: \_\_\_\_\_  
Dist. Charge: \_\_\_\_\_  
Fax #: 907-984-6411 Telephone: 984-6614  
Original Document:  Correct  Repair  Call to phone

To: JOE MURDY  
Comment: AML  
Location: \_\_\_\_\_  
Fax #: \_\_\_\_\_

Here is the Support  
Letter for Sen. Torgerson.  
Thank you



**WALRUS CAPITAL OF THE WORLD  
SAVOONGA, ALASKA**



CITY OF SAVOONGA  
P O BOX 87  
SAVOONGA ALASKA 99769  
PHONE 984-6614

FEB. 16, 1996

SENATOR JOHN TORGERSON  
STATE CAPITOL  
JUNEAU, AK. 99811

DEAR SENATOR TORGERSON,

ON BEHALF OF THE CITY OF SAVOONGA, I AM WRITING TO SUPPORT SB 20,  
THE NEW SAFE COMMUNITIES BILL. WE BELIEVE THIS LEGISLATION WILL GO  
A LONG WAY TO LET PEOPLE KNOW HOW IMPORTANT THIS MONEY IS TO  
SMALL CITIES.

WE ESPECIALLY SUPPORT THE PROVISION TO RAISE THE MINIMUM TO  
\$40,000.00. IT TAKES EVEN MORE THAN THAT TO KEEP OUR DOORS OPEN,  
BUT THIS WILL CERTAINLY HELP.

THANK YOU FOR SPONSORING THIS BILL AND FOR HELPING TO SAVE SMALL  
CITIES IN THE RURAL ALASKA.

SINCERELY,  
  
JERRY WONGITTILIN SR.  
MAYOR

TO: Senator John Torgerson  
Fax 907 465-4779  
RE: SB 20

FROM: Joe Lawton  
Fax 907 746-2699  
Phone 907 746-7152 DID

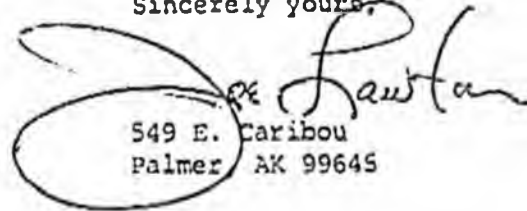
Dear Senator Torgerson:

Count me as one Alaskan who heavily supports the passage of SB20, the Safe Communities Bill.

Long have we struggled to find equity and value in the distribution of State revenues to local governments. At last you have forged a compromise which is supported by nearly every community in the State. The Legislature would be remiss not to pass this bill. Alaskans everywhere want to see fewer decisions made in Juneau and more made locally.

Thank you for your efforts to bring this bill to the floor. It is a landmark bill, and I desperately hope your colleagues see it as that. It and a long-range fiscal plan solution in this legislature would insure your place in history.

Sincerely yours,



549 E. Caribou  
Palmer AK 99645



## City of Old Harbor

P.O. Box 109  
Old Harbor, Alaska 99643

CITY OF THE THREE SAINTS

(907) 286-2203 OR 286-2204

FAX: 286-2278



FEBRUARY 21, 1996

SENATOR JOHN TORGERSON  
STATE CAPITOL  
JUNEAU, AK 99801-1182

RE: THE "SAFE COMMUNITY " BILL

DEAR SENATOR TORGERSON,

The City of Old Harbor is writing in support of SB 20, the "Safe Community" Bill. The City supports this bill for several important reasons:

- \* THE AMOUNT OF STATE SHARED REVENUES THE CITY RECIEVES HAS DECLINED DRASTICALLY / OVER THE PAST 10 YEARS. THIS BILL WILL RAISE THE AMOUNT RECIEVED BY OLD HARBOR AND SET A FUNDING LEVEL WE CAN COUNT ON FOR YEARS TO COME; and
- \* THIS BILL WILL GIVE THE CITY THE STATE SHARED REVENUES SOON AFTER THE FISCAL YEAR WHEN THE CITY OPERATIONS IS IN MOST NEED OF FUNDS.

The City urges you and your fellow Legislators to pass this Bill. Thank you for your efforts to help Rural municipalities.

SINCERELY,

A handwritten signature in cursive that reads 'James A. Nestic'.

JAMES NESTIC, Vice Mayor  
Old Harbor, Ak

# City of Lower Kalskag

Lower Kalskag, AK 99828  
(907) 471-2228

February 21, 1996

Dear Senator Torgerson;

We the City of Lower Kalskag are supporting SB20 the Safe Communities bill. Our community is a member of the Alaska Municipal League, and we are united on this issue. We believe this is a good bill, we therefore support "Safe communities" Legislation- SB20.

Yago Evans  
Mayor

City of Ouzinkie  
P.O. Box 109  
Ouzinkie, AK 99644  
Ph# (907) 680-2209  
Fax (907) 680-2223

February 21, 1996

Senator John Torgerson  
State Capitol  
Juneau, AK 99811

Dear Senator Torgerson:

The City of Ouzinkie supports SB20 the Safe Communities Bill. Like many Alaskan Villages, or small cities with populations less than 1,000.00 and no revenue base, this bill if passed could save us from dissolving.

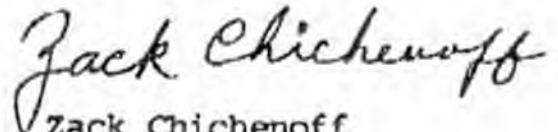
To many times Municipal Assistance is interpreted wrong or confused with welfare, which it is not, it is the communities share of Alaska's resources.

These monies are generally used for the Health and Safety of the people of the communities, without revenues from the State, the Public Safety Department does not have operating funds.

The amount of revenues allocated in SB20 will make a considerable difference for smaller communities to operate without impacting the larger cities.

As I said, before, we definitely support SB20 and ask the legislature to pass it, the bill makes allocation more equitable among municipalities.

Sincerely,



Zack Chichenoff  
Mayor



# CITY OF HOMER

**CITY HALL**

481 EAST PIONEER AVENUE

HOMER, AK 99603-7645

TELEPHONE (907) 806-0181  
TELECOPIER (907) 235-3140

21 February 1996

FAX 465-4779

Senator John Torgerson  
State Capital, Room 427  
Juneau, AK 99801-1182

RE: SB 20 - "SAFE COMMUNITIES"

Dear Senator Torgerson:

I support SB 20 - the "Safe Communities" bill. The concept of stable and predictable municipal revenue sharing is essential to long range community planning in Alaska.

Thank you for your support.

Sincerely,

CITY OF HOMER

Hugh R. Bevan  
Acting City Manager

HB/th

# Municipality of Anchorage



P.O. Box 196650  
Anchorage, Alaska 99519-6650  
Telephone: (907) 343-4431  
Fax: (907) 343-4499

*Rick Mystrom, Mayor*

February 14, 1996

OFFICE OF THE MAYOR

FAX: 465-2779

Senator John Torgerson  
State Capitol  
Room 427  
Juneau, AK 99801-1182

Dear Senator Torgerson:

I have reviewed, and strongly support, the latest work draft of Senate Bill 20. Your efforts have produced a bill which will benefit all Alaskan communities.

For too long, Alaska's municipalities have had to bear the brunt of state budget cuts. From 1986 to 1996, the Municipality of Anchorage has seen a 62% drop in state assistance. During this same ten-year period, the state operating budget has actually increased by about 4%. Other Alaska communities have faced similar reductions. As these state revenues decreased, the taxes paid by local residents have increased.

SB 20 emphasizes a Safe Communities approach, and will prioritize state revenues be spent on critical municipal Safe Communities services. It will redefine the state shared revenues formula so citizens will better understand its goals and the role state dollars play in creating and maintaining Safe Communities. I believe this approach will make these critical local basic services more visible.

Thank you for your continued assistance in initiating and supporting this important legislation. Your efforts help make our communities safer and better places in which to live, work, and raise our families.

Sincerely,

A handwritten signature in black ink, appearing to read "Rick Mystrom". The signature is fluid and cursive, written over a light-colored background.

Rick Mystrom  
Mayor

## ALASKA CONFERENCE OF MAYORS

217 Second Street, Suite 200  
Juneau, Alaska 99801  
907-586-1325  
FAX 463-5480

January 25, 1996

Senator John Torgerson  
Alaska State Senate  
Capitol Building  
Juneau, AK 99811

Dear Senator Torgerson:

We, the undersigned, on behalf of the Alaska Conference of Mayors and the Alaska Municipal League Board of Directors, want to express our sincere appreciation for your years of hard work in service to local governments in the State of Alaska. We want to especially thank you for your recent efforts on SB 20, to combine the State Revenue Sharing and Municipal Assistance programs into one program and identifies the basic services that are provided by municipalities.

After careful consideration and discussion of the difficulties that arose last year in completely revising the two formulas, we would like to respectfully request that you consider making some amendments to SB 20 that will simplify the way the funds are distributed while still tying them to the important services.

You have received a copy of the draft "Safe Communities Revenue Sharing" proposal as endorsed by ACoM and AML. The draft includes what we consider important points: state shared revenue must go to basic services, including public safety, fire and emergency services, water and sewer, health, etc., and a \$40,000 minimum to the smaller communities. The draft does not create winners and losers, which is the divisive issue in SB 20. We think these proposed changes will increase the chances of getting the legislation passed this year.

While we understand this proposal will not fix everything, we believe it is a good start on providing stability to municipalities and will help protect state funding in the future by identifying for the legislature and the public where this money goes and how important it is to the taxpayers.

Again, thank you for your continued support. We want to continue to work with you to arrive at a workable solution to a problem that has been going on for the last ten years. We believe, that with your help and by working together, we can stop the continued cuts to cities and boroughs in Alaska.

Sincerely,

  
SUPPORT

Jack Chickhoff  
Name

Waukegan  
Municipality

Jim R. Smith  
Name

CUZINKIE  
Municipality

Steve ...  
Name

WEST ...  
Municipality

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Jim Burton  
Name

Northwestern Gateway Branch  
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North West ...  
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CITY OF ...  
Municipality

Paul Stein  
Name

Wasilla  
Municipality

Joseph P. Smith  
Name

Palmer  
Municipality

William E. ...  
Name

Palmer  
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Edward M. Anderson  
Name

Postal Bay Borough  
Municipality

James C. Hoyer  
Name

City of Fairbanks  
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Kodiak Island Borough  
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Municipality of Anchorage  
Municipality

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Municipality



217 Second Street, Suite 200 • Juneau, Alaska 99801 • Tel (907) 586-1325. Fax (907) 463-5480

To: Senator Torgerson

From: Kevin Ritchie, Executive Director

Date: February 21, 1996

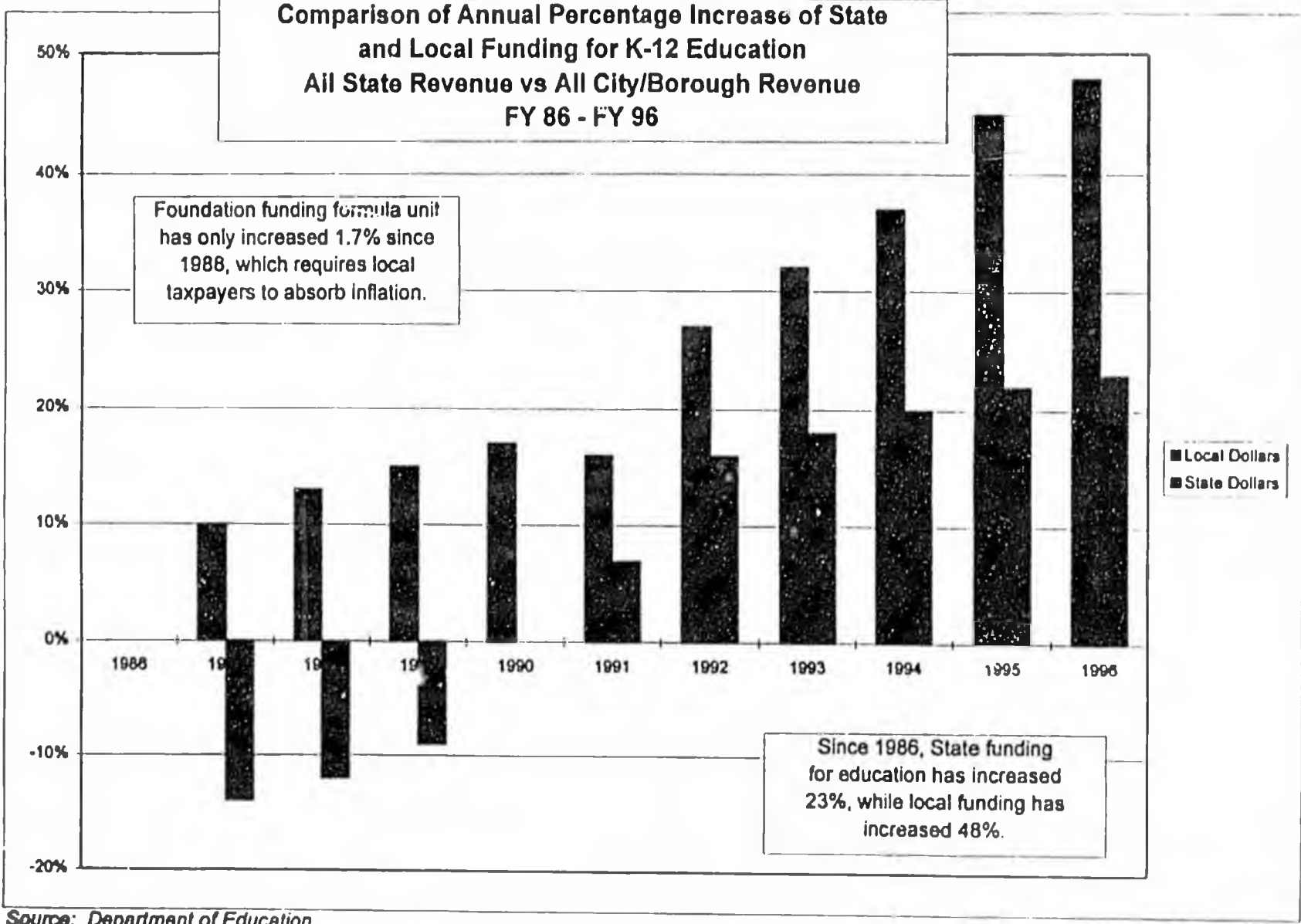
Re: Question on school funding history

In response to your committee's question on school funding you received a letter from Mayor Egan which highlighted Juneau's situation.

On a statewide basis, it is correct that state funding for schools has increased annually, in response to increases in enrollment. However, the foundation formula has been increased only 1.7% over the past ten years for inflation. Inflation during that time has been estimated at 30% or more. The result is that over the past ten years, municipal contributions have increased state wide by 48%, compared to a 23% state funding increase.

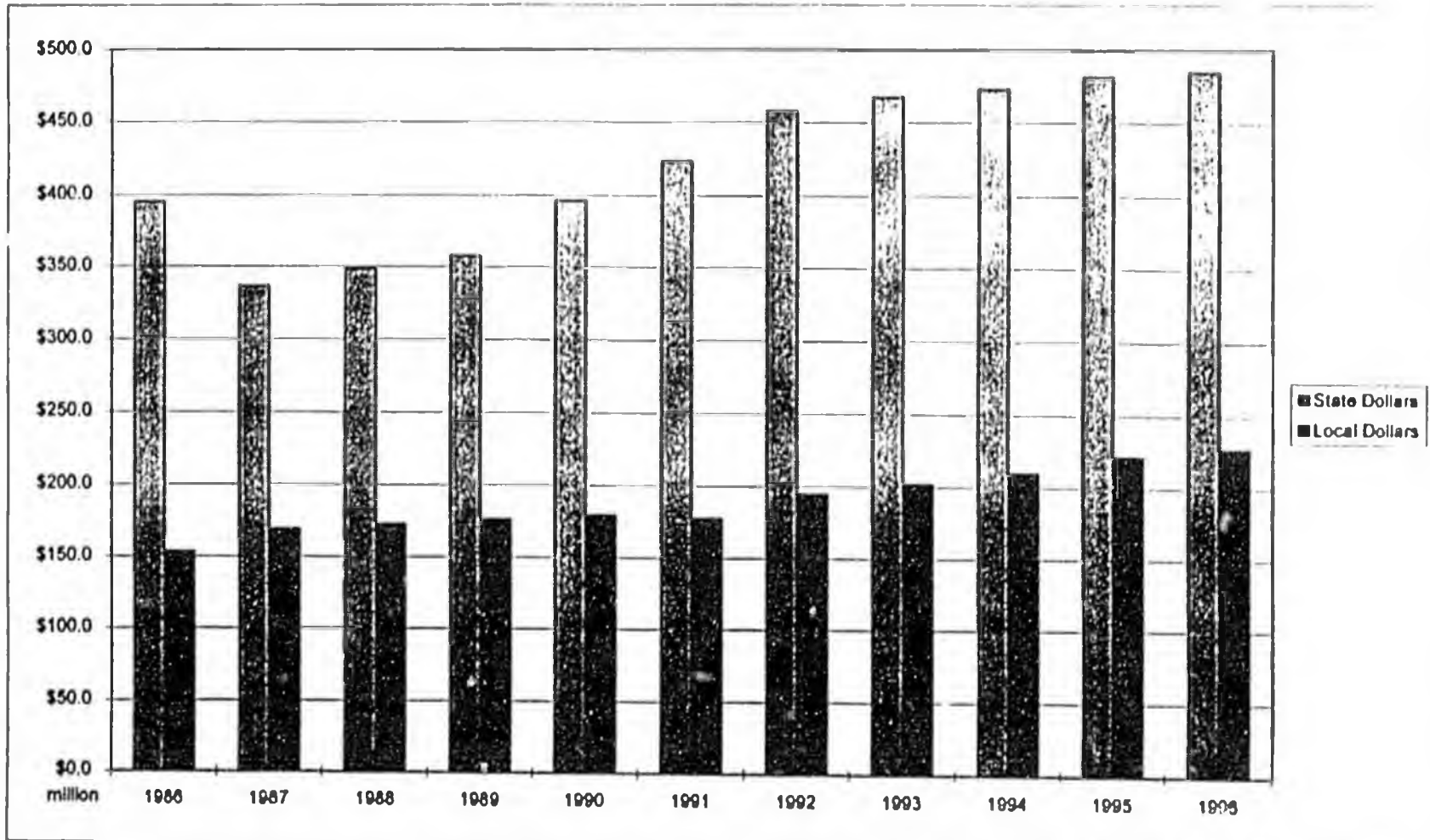
Even though school districts have generally made significant cuts and reorganizations, no organization can simply absorb ten years of inflation. The result is local tax increases to fund a higher local contribution.

**Comparison of Annual Percentage Increase of State  
and Local Funding for K-12 Education  
All State Revenue vs All City/Borough Revenue  
FY 86 - FY 96**



Source: Department of Education

**K-12 Education Funding  
All State Revenue vs All City/Borough Revenue  
FY 86 - FY 96**



Source: Alaska Department of Education



## **ANALYSIS OF STATE AND LOCAL FUNDING OF SCHOOLS**

### **Is state funding for schools a state or local responsibility?**

The Alaska Constitution states in Article VII Health, Education, and Welfare, "The legislature shall by general law establish and maintain a system of public schools open to all children of the State,...."

### **Is school funding municipal aid?**

No, only 34 of over 150 municipal governments receive funding for schools. Also, education funding from the state may not be used as general revenue for municipal government. On the other hand, local taxes must be used to supplement insufficient state appropriations for education.

### **How do state vs. local expenditures for schools compare?**

Since 1986, local funding for schools has increased at over twice the rate of state funding. State funding for education increased 23% compared to local funding from cities and boroughs which increased 48%. (SEE ATTACHED CHART).

The Governor's proposed budget for schools for FY 97 would accelerate the pressure to force local communities to substitute local tax dollars for state funding or further cut services.

According to the Department of Education, since the foundation program's inception in 1988 there has only been one 1.7% increase in the funding formula. Local communities have absorbed inflation by tax increases, and cuts to programs and maintenance of facilities.

### **Do school districts have full discretion over the financial and operational management of schools?**

No, management options are significantly limited by state statutes and regulations for schools. Some statutory changes are now being considered by the legislature.

C:\finplan\_296sch5.doc



TO: Deb DAVIDSON  
Office of the Mayor

February 16, 1996

The Honorable Tim Kelly  
Senator  
Alaska State Legislature  
Room 101, State Capitol  
Juneau, AK 99811-1182

SUBJECT: State Funding Changes Between FY86 and FY96

Dear Senator Kelly:

First of all, thank you for the opportunity to testify on SB 20. During our discussion, you indicated that cuts to Municipal Assistance and Revenue Sharing were offset by increased funding to education. I would like to take this opportunity to present the following facts:

#### *Overview*

You asked the question of real dollar changes in state funding over the past ten years. The actual amount of change can be portrayed or compared in a number of different ways. However it is safe to say that no matter what method you choose, total state funding to the City and Borough of Juneau has declined. In addition, to these declines the Federal Government also chose to eliminate the Federal Revenue Sharing program in FY87. The cumulative impacts of these declines have placed an enormous burden on funding our community's basic services.

#### *Comparison of State Funding, Adjusted for Student Population Changes*

In FY86 the City and Borough of Juneau received a total of \$26.1 million in Foundation Funding, State Shared Revenue and Municipal Assistance. The amount we project to receive in FY96 is \$24.9 million or 95% of the FY86 funding level. If we factor into this amount the change in population, we obtain a better community wide dollar impact of the funding reductions. Using student counts seems to provide the best comparison as the largest funding source, Foundation Funding, uses this indirectly as a distribution basis. In FY85, we received a total for all three programs of \$5,650 dollars per student. In FY96 we are projecting \$4,500 per student or approximately 80% of the FY86 funding level. Note this number does not take inflation into consideration.

#### *State Funding Adjusted for Student Population and Inflation*

If we take the logic of this comparison one step further by adding in an inflation factor, we obtain a reasonably true picture of the community wide state support purchasing power changes during this period. The cost of living index, we use a composite rate of the Anchorage and Seattle CPIs, increased by approximately 37% between FY86 and FY95. So if we were to take the total of Foundation Funding, State Shared Revenue and Municipal Assistance per student and adjust it for inflation, we see that true FY96 inflationary adjusted state funding falls in around \$3,260 or 57% of the FY86 level, far short of the required funding necessary to pay for basic educational needs.

Senator Kelly/State Funding Changes  
2/16/96

Page Two

***FY86 Inflationary Adjusted State Funding Compared to FY96 Current Levels***

If we were to take an opposite approach and look just at the FY86 level and inflate it to FY96, we can also obtain a reasonably good picture of state funding impacts. Real purchasing power support from the state declined from FY86 to FY96 by more than 31% while at the same time school district student counts grew by 19%.

<u>Fiscal Year</u>	<u>FY86</u>	<u>FY96</u>	<u>FY96</u>	<u>Funding Ch</u>
	<u>Actual</u>	<u>Actual</u>	<u>Inflat Adj</u>	
Foundation Funding	\$17.7	\$22.1	\$24.4	-\$2.3
State Shared Revenue	4.2	1.4	5.8	- 4.4
Municipal Assistance	<u>4.2</u>	<u>1.4</u>	<u>5.8</u>	<u>- 4.4</u>
Change FY87 to FY96	<u>\$25.8</u>	<u>24.9</u>		
CPI Adj. Comparison		<u>\$24.9</u>	<u>\$36.0</u>	<u>-\$11.1 or -31.0%</u>
Student Enrollment	<u>4,619</u>	<u>5,515</u>		+19.4%

\*Dollars shown in millions.

***The bottom line on education and basic services***

If we consider the cost of education as a state constitutional mandate, the issue of funding shortfalls becomes even more evident. In FY96 it was determined by the City and Borough of Juneau School Board and the Assembly that our K-12 educational program would need \$36+ million to fully fund operations. It is estimated that the State will contribute \$22.1 million of the funding necessary and local government will contribute an additional \$13.5 million. If we take into consideration the projected \$2.8 million in SSR and MA assistance in FY96, we can see that local taxpayers are picking up at minimum \$10.7 million or 30% of the total cost of basic education. If we assumed total state support for Juneau was applied to education first, then not only would we fall short of funding education by \$10.7 million, we would also not receive any state funding whatsoever for other basic community services such as police, fire, and/or streets. The City and Borough of Juneau has managed to fund the increasing cost of providing these basic services through a combination of property tax increases, sales taxes, belt tightening and the elimination of some services.

Sincerely,



Dennis Egan  
Mayor

# **"SAFE COMMUNITIES" FOR ALASKA**

A Presentation to the Senate CRA Committee

## **Part I - INTRODUCTIONS and INITIAL COMMENTS**

Senator Torgerson, thank you very much for inviting us to appear before the Senate Community and Regional Affairs Committee today to discuss Safe Communities for Alaska.

First, I would like to introduce myself, I am Joe Murdy, Assemblyperson from the Municipality of Anchorage and President this year of the Alaska Municipal League. Also in attendance is Mayor Tom Greene who is Vice President of the Alaska Conference of Mayors. Mayor Mystrom, President of the Alaska Conference of Mayors has been traveling and was not able to arrange his schedule to be here on short notice, but he sends his greetings to you and urges you to support the bill we are here to discuss today.

The other members assisting in the presentation today are:

Dennis Egan, Mayor of the City and Borough of Juneau, a member of the AML Board of Directors, and a member of the Alaska Conference of Mayors Committee that developed the concepts for "Safe Communities"

George Wuerch, Assemblymember of the Municipality of Anchorage and a Co-Chair of the AML Legislative Committee.

Drew Scalzi, President of the Assembly of the Kenai Peninsula Borough

Kevin Ritchie, Executive Director of the Alaska Municipal League

and, Tom Greene, Mayor of Nondalton and Vice President of the Alaska Conference of Mayors

Other municipal officials are on line to offer comments and support as well as in the audience today

Between the Alaska Municipal League and the Alaska Conference of Mayors we represent over 135 municipalities, all of the larger communities in Alaska, and well over 95% of Alaska's population. The issue and the bill we are here to discuss today is fully supported by the members of the Alaska Municipal League and the Alaska Conference of Mayors.

Most of the concepts in the bill before you were proposed by a committee of the Alaska Conference of Mayors chaired by Mayor Alaire Stanton, last year's president of ACoM. The other members were Mayors Greene from Nondalton, Selby from the Kodiak Island Borough, Gonzales from the Denali Borough, Long from the city of Barrow, Mystrom from the Municipality of Anchorage, Sampson from the Fairbanks North Star Borough, Egan from City and Borough of Juneau, Lacher from the Mat-Su Borough, and Gilman from the Kenai Peninsula Borough.

The concepts of the bill were presented to the AML Legislative Committee and the Board of Directors of AML and then were presented to the full membership of the AML and ACoM at the 44th Local Government Conference in Valdez where they received unanimous support from both organizations.

Now, I'll turn this over to Mayor Dennis Egan, who will give you some background.

**Part II - BACKGROUND FOR "SAFE COMMUNITIES" AND WHY IT IS A CRITICAL ISSUE - Mayor Dennis Egan**

I would now like to give you some important background that will show you why we were able to achieve such strong support on such a complex and sometimes frustrating issue.

"Safe Communities" is not only the working name of the bill before you today, but also a very important and critical goal of both state and local governments.

The "Safe Communities" bill is one of the first steps in what will be a long process to create stability in taxation and services for our citizens.

I would now like to show you some charts that give an overview of the partnership of the state and municipal governments in providing services to the people of Alaska:

THE FIRST CHART, which was developed from state figures, shows that municipal budgets together are approximately the same size as the state's operating budget. The main overlap is the provision of education services which is a constitutionally mandated responsibility of state government, but is largely administered locally.

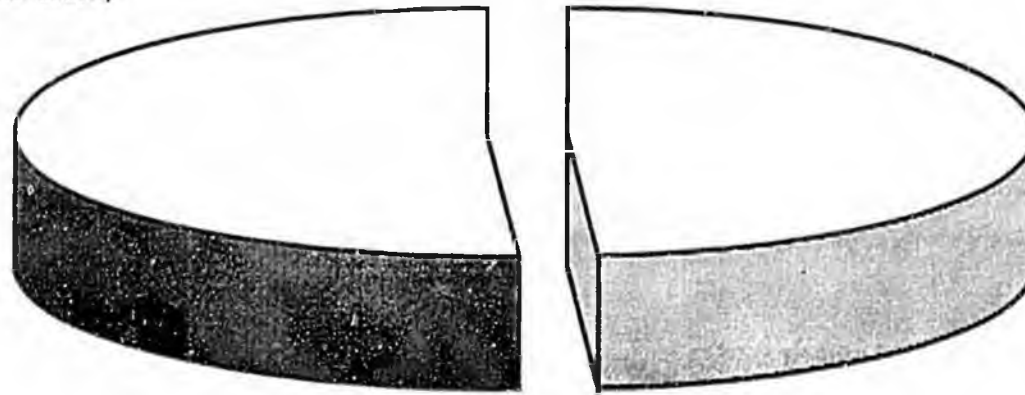
THE SECOND and THIRD CHARTS show an overview of state and local government services. Note that a large number of the state services overlap with the services of local governments. For example: public safety; transportation; health and social services; and education. The charts show that there is no clear distinction or line drawn between state and local responsibilities. It is more accurate, legally and practically, to conceptualize state and local government as one entity with a number of branches. The allocation of responsibilities between state and local governments should have more to do with resource and efficiency issues rather than, as it has in the past, a haphazard approach.

THE FOURTH CHART shows how we pay for state and local government in Alaska. People who say that Alaska has very few or no personal taxes are clearly wrong. Alaska funds over 40% of its services from personal taxes and fees, and the vast majority of those are collected by local governments. Alaska's "fiscal crises" is the wedge of the pie chart marked "State Reserves 10%". Although Alaska's municipalities are proud of their role in supporting Alaska's budget, we really have been given little choice in the matter. Since the beginning of the oil revenue crises in 1986 the state has been gradually withdrawing the municipal share of Alaska's oil wealth by cutting Municipal Assistance and Revenue Sharing over 60% while the state has generated few if any new revenues nor significantly decreased the overall dollar amount of its budget.

### Comparison of Alaska's Public Services by State Government vs. Local Governments

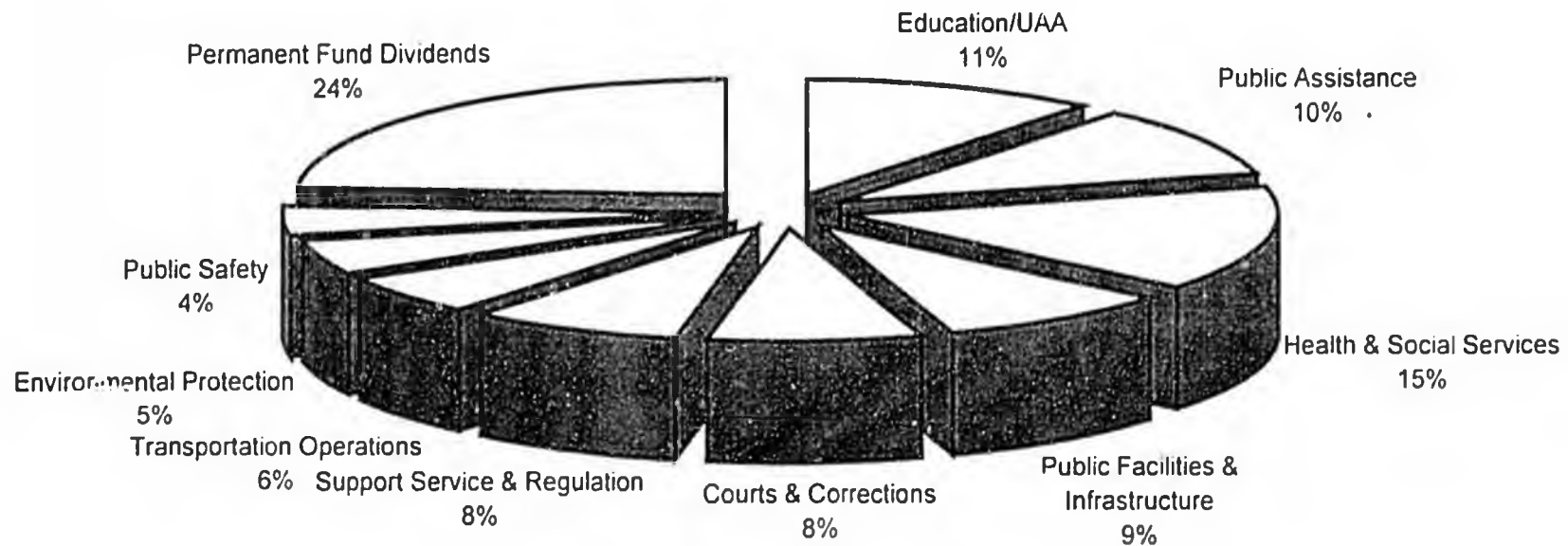
Local Gov't Public Services  
(\$2.4 billion)

State Gov't Public Services  
(\$2.3 billion)

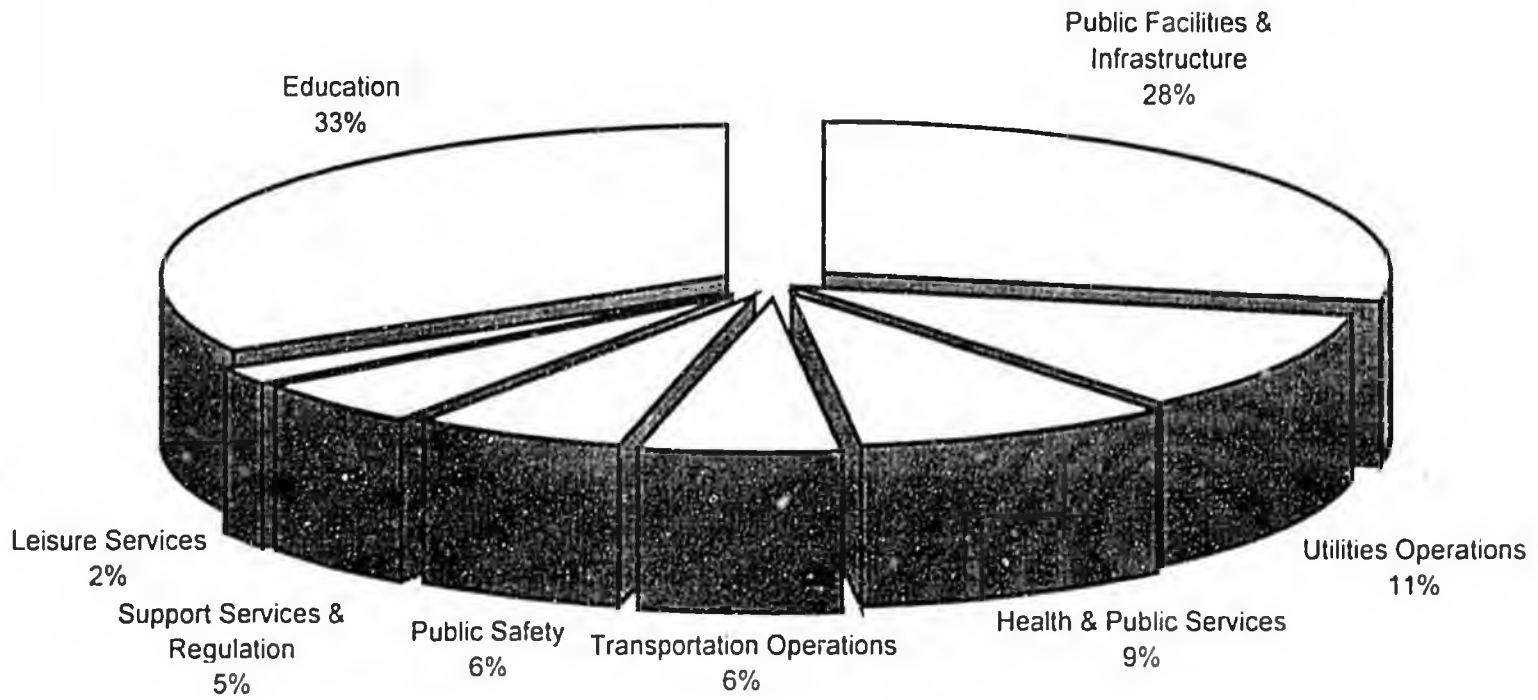


Source: Dept. of Community & Regional Affairs FY 93 Municipal Fiscal Database; OMB Long Range Fiscal Planning Commission "base case" budget analysis; Department of Education.

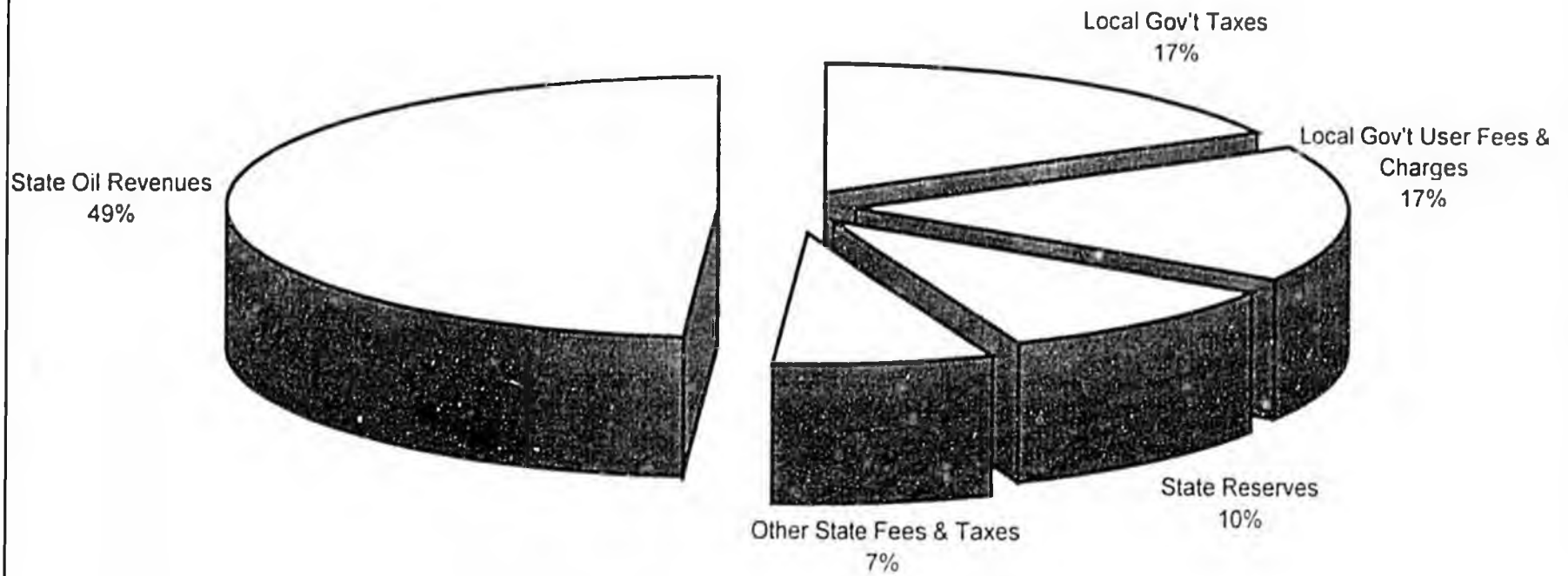
**Services Provided by State Government in Alaska  
(total \$2.3 billion)**



**Services Provided by Municipal Governments in Alaska  
(total \$2.4 billion)**



### Funding of Public Services in Alaska (excluding Federal)



Given this overview, we hope you have a balanced view of the state and municipal government through our eyes and those of our citizens. When I say "our citizens" I want to emphasize that the State of Alaska and the Cities and Boroughs of Alaska both share exactly the same citizens and taxpayers. For example:

- it doesn't matter to citizens whether they are driving on a state or a municipal road when they have to depend on having safe roads to go to work,
- it doesn't matter whether a municipal police officer or a state trooper responds to their emergency,
- it doesn't matter whether the state or local governments have the biggest role in who provides a quality education for their children,
- and, (THIS IS VERY IMPORTANT), it simply doesn't matter whether a tax or fee is a local tax or fee or a state tax or fee, the cost is still the same to our citizens. However, how those taxes and fees are structured may be of critical importance to all of our taxpayers in terms of equity and affordability. If the state of Alaska continues to ignore the impact of its actions on local services and local taxes, our ability to offer safe communities to our citizens will be threatened.

Unfortunately, over the years when Alaska's financial resources were overabundant, we should have insisted on maintaining the close relationship between the state and municipal governments. When oil money flowed freely, there was no need to worry about taxes, and the issues of efficiency and equity in delivering services were not critical. Now that oil money is waning, and the state is looking for ways to balance its budget, re-building the relationship between the state and its local governments is absolutely critical.

The framers of Alaska's Constitution felt so strongly about the future relationship between local governments and the state that it specified that there must be a "local government agency" established in the Executive

Branch. In fact, this is the only executive branch agency specified in Alaska's Constitution.

Municipalities have been silent too long. We apologize to the people of the state of Alaska for not bringing this issue to the forefront much earlier. In the past ten years, since the initial oil revenue crises in 1986, ALL MUNICIPAL SALES TAX AND PROPERTY TAX REVENUE INCREASES TOGETHER, ARE LESS THAN the estimated costs passed on to municipalities by the state through:

- CUTS TO MUNICIPAL ASSISTANCE AND REVENUE SHARING,
- CUTS TO OTHER MUNICIPAL PROGRAMS,
- UNFUNDED MANDATES ON MUNICIPALITIES,
- AND TRANSFERS OF STATE SERVICE RESPONSIBILITIES TO MUNICIPALITIES.

In 1994 municipalities were paying \$188 million more in local property and sales taxes, and essentially ALL of the increases were handed over to the state to balance the state budget. IN A VERY REAL SENSE, MUNICIPAL TAXPAYERS HAVE BEEN PAYING EVERY INCREASE IN LOCAL PROPERTY AND SALES TAX SINCE 1986 TO THE STATE. To give you a reference, \$188 million is far more than any "new" tax recommended by the Long Range Financial Planning Commission for implementation during this century to solve Alaska's fiscal crises.

The most important point to remember when you make decisions regarding the state budget is that CUTTING REVENUE SHARING IS NOT CUTTING THE STATE BUDGET, IT IS A NEW SALES OR PROPERTY TAX INCREASE TO ALASKA'S TAXPAYERS and should be represented to the public as such. The state is essentially already tapping local sales and property taxes in the amount of \$188 million to balance the FY 97 state budget.

Assemblyman George Wuerch will provide you some specifics on the Governor's proposed FY 97 budget and how it relates to municipalities.

**Part III - THE IMPACT OF THE PROPOSED FY 97 BUDGET ON MUNICIPALITIES - George Wuerch**

As the state becomes increasingly concerned with finding the easiest ways to balance its own budget, shifting more budget problems to local taxpayers becomes increasingly attractive.

This year the Governor's proposed budget includes direct cuts and transfers estimated to be over \$21 million. In addition to the 8% cuts to municipal assistance and revenue sharing, there are direct cuts to school transportation, a complete elimination of funding for the state's senior citizen tax exemption, cuts to many other state programs for municipalities like community schools and health and social service grants, and increases to permit and fees paid by municipalities like DEC landfill permit work.

**COMPLETE INFORMATION IF THERE ARE QUESTIONS:**

- **Direct cuts and transfers to municipalities of over \$21 million, as follows:**

- Municipal Assistance	-\$ 2,556,700 (-8.0%)
- Revenue Sharing	-\$ 2,101,700 (-8.0%)
- Senior Exemption Mandate	-\$ 1,163,800 (-100.0%)
- Municipal Capital Project	
Matching Grants	-\$ 5,000,000 (- 25%)

- **Additional cuts/transfers to municipalities:**

- Transfer pupil transportation	-\$ 2,627,400 (- 8%)
- Municipal Lands Trust Program	-\$ 91,000
- Coastal Management Grants	-\$ 100,000
- Community Schools	-\$ 100,000
- Health/Social Service Grants	-\$ 834,900
- Municipal Libraries-SLED grants	-\$ 75,000
- Fire Training fees	-\$ 180,200
- DEC landfill Permit increases	-\$ 400,000(est.)
Subtotal	-\$ 10,230,900

**TOTAL CUTS/TRANSFERS-\$** <sup>15,000,000 +</sup> **21,053,100**

Unfortunately for Alaska's taxpayers, little or no consideration has been given by the state to the escalating effects of these cuts on local taxes and local public services. However, the impacts of past state actions are already threatening even the ability of some smaller communities to survive, while they have fueled taxpayer revolts and forced significant service cuts in larger municipalities. The prospect of being quietly passed an even disproportionately larger share of the state's budget crises without an adequate impact analysis cannot be accepted.

Now, Drew Scalzi will talk about the specific history and trends of Municipal Assistance and Revenue Sharing and why stabilizing this program is so critical to the people of Alaska.

**Part IV - WHY the "SAFE COMMUNITIES" BILL (SENATE BILL 20) MAKES SENSE FOR ALASKA - Drew Scalzi**

Finally, we come to what the "Safe Communities" bill is all about and why it is a good thing for our citizens.

We, that is, both the state and its municipal governments, must get our revenues and expenditures stabilized in order to have safe and prosperous communities. Neither the state nor local governments can do it alone.

The state government holds the purse strings for local government generally, but very specifically holds the purse strings for Municipal Assistance and Revenue Sharing funds. MA/RS is unique. It is the only block grant type method of transferring a fair share of the oil wealth that belongs to all Alaskans to support basic local public services. Unlike a grant program, there are very low administrative fees for either the state or the recipient municipality, so almost every penny is used to serve the public.

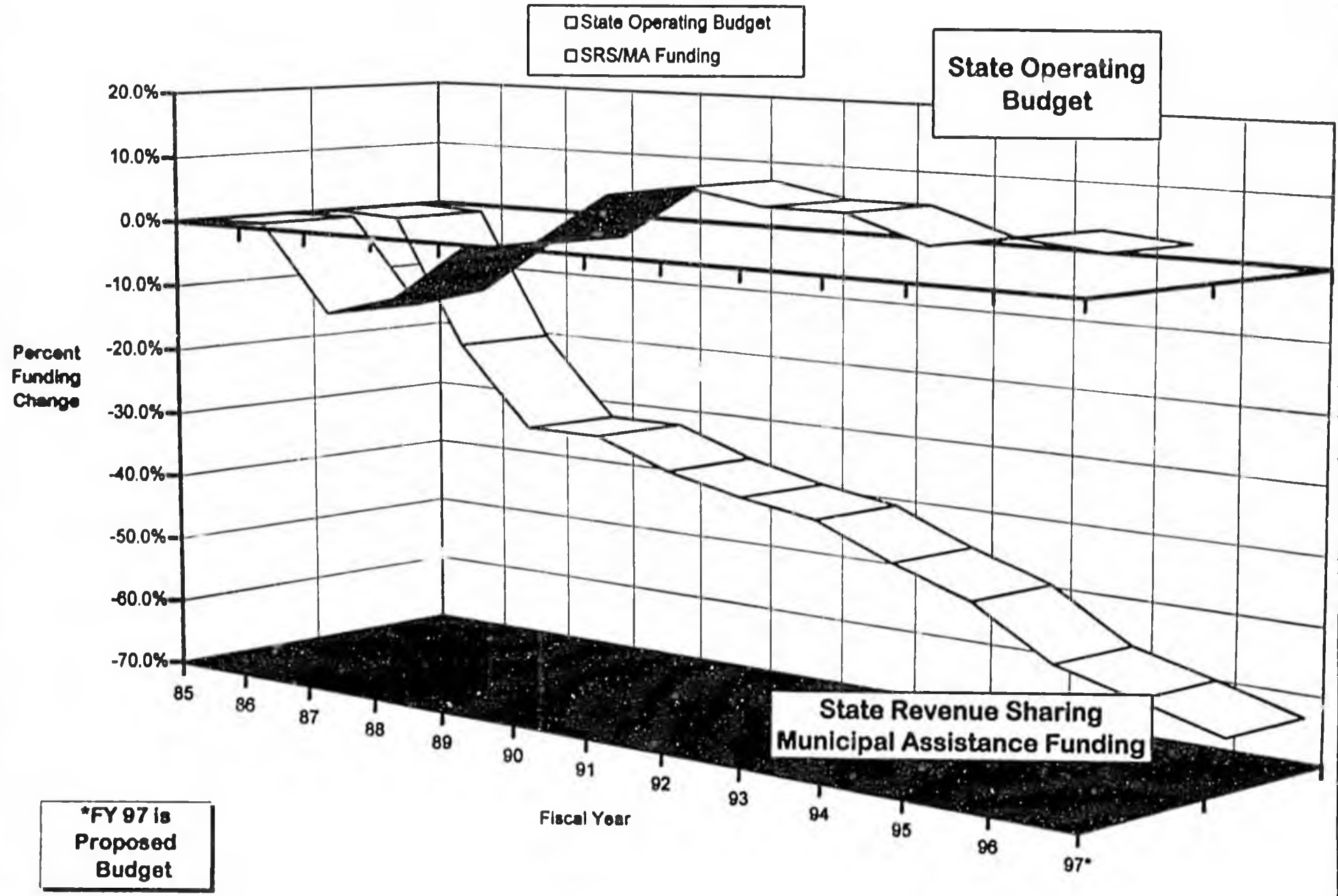
To summarize the recent history of MA/RS I would like to show you last three charts:

THE FIRST CHART illustrates how MA/RS have fared in comparison to the state operating budget. The comparison is dramatic. MA/RS has literally been slashed while the public perception is that the state budget has not really been cut yet.

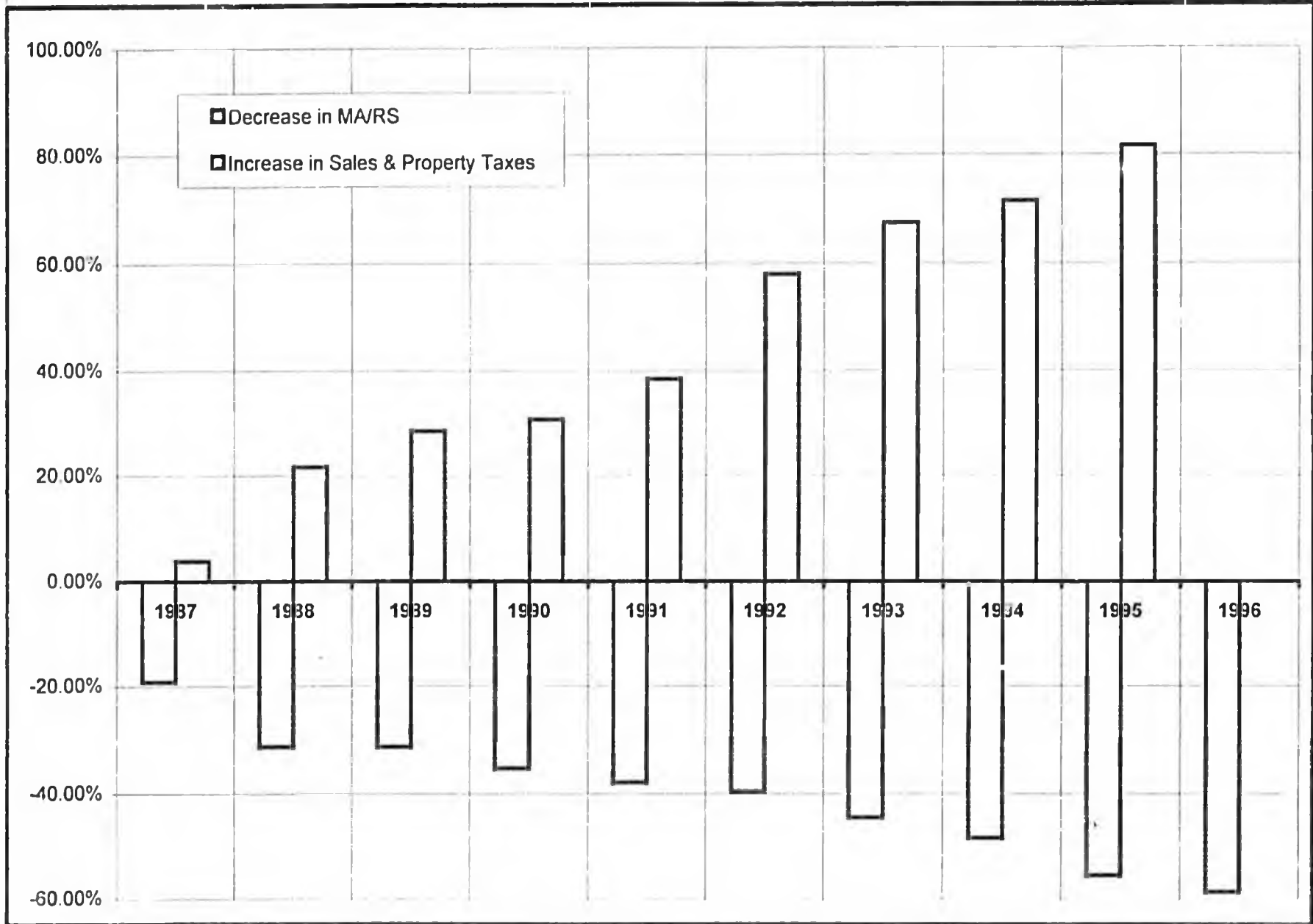
THE SECOND CHART gives graphic proof of the relationship between local sales and property tax increases and cuts in MA/RS. Remember that cuts in MA/RS are only about half of the problem. Unfunded mandates, cuts in other municipal programs, and service transfers have been accelerating since the late 1980's.

THE THIRD CHART illustrates the history of funding for the MA/RS programs. As you can see, the level of MA/RS is now a smaller part of the state budget than it was in the early 1970's. Therefore, the concept of

**Comparison of State Operating Budget vs.  
State Revenue Sharing/Municipal Assistance Funding  
FY 85 - FY 97\***



**Comparison of Decreases in Municipal Assistance/Revenue Sharing vs  
Increases in Municipal Sales & Property Taxes**

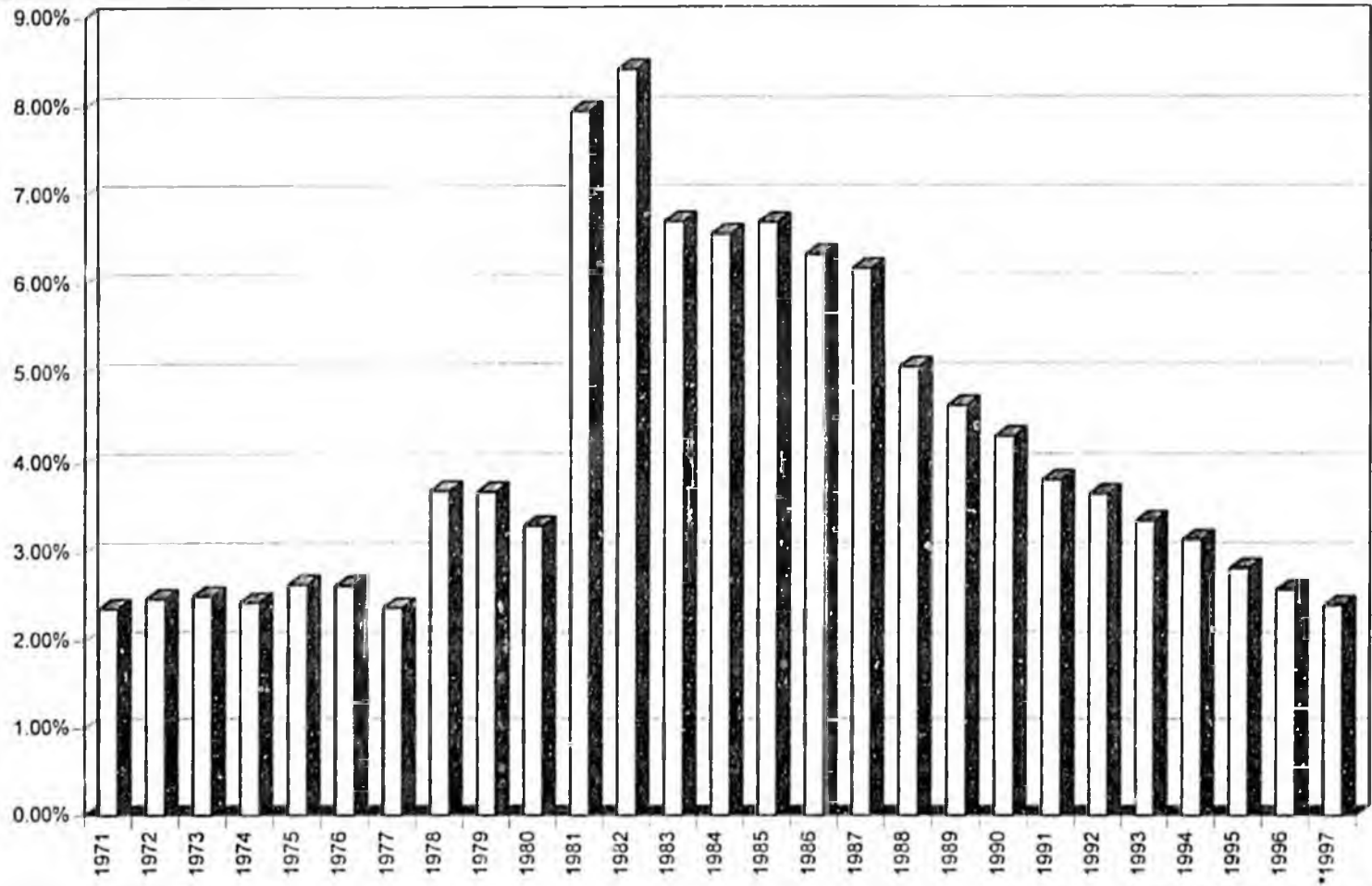


**Year**      **Percent**

1971	2.37%
1972	2.48%
1973	2.51%
1974	2.44%
1975	2.64%
1976	2.63%
1977	2.38%
1978	3.69%
1979	3.68%
1980	3.30%
1981	7.95%
1982	8.42%
1983	6.70%
1984	6.56%
1985	6.69%
1986	6.33%
1987	6.17%
1988	5.07%
1989	4.64%
1990	4.30%
1991	3.82%
1992	3.66%
1993	3.36%
1994	3.15%
1995	2.83%
1996	2.59%
*1997	2.41%

\*proposed

**Municipal Assistance and State Revenue Sharing as  
a Percentage of the State Operating Budget**



Proposed FY 97 Municipal Assistance/  
State Revenue Sharing is lower than in 1972.

sharing revenues with municipalities is clearly not an oil boom excess. In fact, sharing revenues with municipalities is done in all 50 states and Alaska is behind the average in the western states even if one considers education funding as part of revenue sharing. Also, it is necessary to think back to the living conditions in many of our state's municipalities in the early 1970's to understand what reverting to the 1970's level of revenue sharing means. In the early 1970's many municipalities had extremely limited health and public safety services. We have come a long way in providing sanitation and public safety services in the past 25 years. Cuts in MA/RS and other cost shifting to municipalities may already be heralding a regression in municipal services.

The nature of MA/RS as a block grant has advantages and disadvantages. The major advantage is that it gives municipalities their share of Alaska's oil wealth without strings and high administrative costs like other most state and federal programs. However, that same flexibility is a large factor in determining why it has been cut so much

Kevin Ritchie will now go over the specific changes to SB 20 that make up the Safe Communities concept.

#### **Part V - COMMENTS ON THE SPECIFIC PROVISIONS OF THE BILL - Kevin Ritchie**

I would now like to speak specifically to the proposed changes to MA/RS made by the "Safe Communities" Program:

First, the name "Municipal Assistance" is often confused with "Public Assistance" or giveaway entitlement programs. It is necessary to make sure that the title of a program or service truly describe what the program does. The names "Safe Communities" and "Priority Revenue Sharing for Municipal Services" truly describe what the funds are used for in our municipalities.

Second, the Committee Substitute ties funding more directly to services by requiring that the "SAFE COMMUNITIES" (formerly Municipal Assistance") money be used for priority public safety services to the extent those services are provided by the municipality.

- 1. Police protection and related public safety services**
- 2. fire protection and emergency medical services**
- 3. water and sewer services not offset by user fees**
- 4. solid waste management**
- 5. other services determined by the governing body to have the highest priority**

Due to the complexity of municipal governments and the services they provide, a priority list was developed that allows municipalities who, for example, do not have police service powers, to spend the funds on fire protection, and so on.

Note that in addition to these services, funds for road maintenance, hospitals, unincorporated communities and volunteer fire departments will continue to be provided under "Priority Revenue Sharing for Municipal Services".

Third, the minimum entitlement for incorporated municipalities for the total of both "Safe Communities" and "Priority Revenue Sharing for Municipal Services" is set at \$40,000. While this amounts to only 00.38% of the total program funding, it will be important in turning around the financial incentives for small municipalities to dissolve and turn service responsibilities back to the state. However, the \$40,000 can be prorated if overall funding is decreased.

Fourth, the "Safe Communities" program (formerly Municipal Assistance), retains the former two allocation formulas, but makes the program more fair by allowing equitable proration. In the past, only part of the Municipal Assistance funding was subject to proration which caused municipalities to be impacted inequitably by reductions in funding.

Fifth, funding for "Safe Communities" and "Priority Revenue Sharing for Municipal Services" will be distributed close to the beginning of the state fiscal year (on July 31) to: provide municipalities with more flexibility, and; end the practice of the state holding part of the funds until mid fiscal year.

Last, there are essentially no "loser" communities in this bill. According to a comparison of estimated FY97 allocations under the current statutes and SS for SSSB 20, prepared by DCRA, only six municipalities would receive slightly less funding, the rest would receive the same, or slightly more dollars:

City of Fairbanks	-00.14%	-\$3,660
Aleutians East Borough	-00.27%	-\$248
City of Delta Junction	-00.32%	-\$269
City of Atkasak	-01.18%	-\$661
City of Valdez	-02.09%	-\$15,038
North Slope Borough	-04.46%	-\$72,786

The major factor in the slight reductions is equitably prorating the funding reduction proposed by the Governor, instead of current inequitable process that reduces some communities by a greater percentage than others.

Although there are further improvements that probably can be made in how revenue sharing money is allocated, it is difficult, if not unfair, to undertake these changes until funding for the program is stabilizes. During a period of funding cuts, major reallocations cause double negative impacts on communities.

While the recommended changes are not earth shaking, they represent substantial improvements in equity, especially for the future. We view the bill as a good first step in building a revenue sharing program that will continue to evolve and improve.

Closing Comments will be made by Mayor Tom Greene.

## **Part VI - CLOSING REMARKS AND COMMENTS FROM AROUND ALASKA - Tom Greene**

As you can see, not all of our members are here today. They are back in their communities around the state carrying on the business of running their communities' and providing the highest priority services efficiently and effectively.

Around the nation, municipal governments have always been the leaders in finding creative ways to meet community needs. There is nothing special about the individuals who are our local elected officials, but they have a greater ability than the federal or state government to try new ideas. First, because they are much closer to the people they serve. And second, because municipal governments outnumber state governments by a factor of well over 100 to 1, we are simply bound to come up with a few really brilliant ideas.

In preparation for this meeting, the AML and ACoM sent out a quick survey to its members. In a few days we have already heard from more than a quarter of the municipalities in Alaska.

All but two communities reported significant service cuts and/or tax increases. The two communities that did not report significant impacts had recently had accelerated economic growth. Examples of the comments include:

Mayor Greene of the Northwest Arctic Borough listed cuts to date as "60% reduction in road maintenance, 96% reduction in health clinic operations, and a 15% cut in school funding". However, his community recently implemented a new private business "permanent fund" program to contribute to fighting fires in villages, and has developed a new export business in Buckland. Mayor Greene notes, "Municipal government is an important segment of many local networks, including Search and Rescue, economic development, etc...to reduce the municipalities any further will destroy or severely cripple these networks."

Mayor Gilman of the Kenai Peninsula Borough indicated that a new tax has been implemented to offset state cuts in funds used for road maintenance. He also reported new efficiency improvements that have reduced landfill costs and improved environmental quality. He comments, "Redistribution of the resource wealth of the state is a good idea. A reasonable level of that wealth should go to municipal governments to help provide basic services. The state should settle on some policy other than reduction of funds every year so communities can plan...."

Mayor Kay McMaster of Thorne Bay states, "Reductions in municipal assistance and PCE programs do not reduce .... the public's cost for those services.... In some cases, these cuts result in local government inability to provide essential services at all, especially in small, rural communities where revenue generating ability is limited and these program funds help support high per capita costs associated with maintenance and operation of water, sewer, and refuse services. When communities can no longer pay for maintenance of these facilities, they fail. System failures cost many more dollars than any saving the legislature perceives to occur through reduction in these programs... "

Mayor Lancaster and Finance Director Joel Wilkins of Soldotna write, "The municipalities have risen to the challenge of leaner times, but we are reaching the end of our capacity. Our residents are also residents the State of Alaska and deserve the state's support and loyalty"

Mayor Selby of the Kodiak Island Borough writes, "Municipal government is the heart of Alaska and should be the first place the state invests for the future"

Mayor Stein of Wasilla states, "As municipal support wanes, the state Administration and Legislature should deliver the message that local taxpayers are expected to pick-up the burden (for the state)" while Manager Juettner of the Aleutians East Borough simply writes, "Stand up and tell the public the truth: it is the Legislature which is responsible for increased local taxes and decreased local services".

Mayor Thomas of Buckland writes, "I believe that the state and municipalities should be on a partnership basis, and that the state can learn how to better support municipalities across the state".

To give you some examples of how municipalities are working to improve our communities at the grassroots level I would like to give you a few examples of new ideas recently implemented by municipalities:

a new \$8 million port dock in Ketchikan built mainly with private resources (Mayor Stanton also noted that a lot of creativity is displayed in "just surviving");

volunteer recreation programs developed in Petersburg;

a new water treatment was just put on line in Elim;

construction of a the first regional solid waste site on Prince of Wales Island;

a project to the rebuild of the Port Lions Causeway, a local historical landmark, initiated by the school student council;

a fundraising partnership with the local Rotary Club in Soldotna for habitat protection on the Kenai river, and contracting with a community organization to manage the rodeo grounds;

development of a new safe floatplane facility and a successful economic development project in Kodiak;

a cooperative venture in Unalakleet with the IRA, the native corporation, and the Norton Sound EDC to secure funding for a new fish plant;

an erosion control project that saved the city of Eagle;

a new locally funded street paving program in Wasilla;

a \$2.3 million dock in Nelson Lagoon with only \$75,000 in state grants;

the organization of a volunteer search and rescue team in Manokotak;

a new community rec center in False Pass;

preparation of the historic Matanuska Maid complex for sale and redevelopment in Palmer;

privatization of garbage collection in Sand Point;

and a new power generating plant in Ekwok. The list goes on and on.

To close, we thank you for your time and attention. You will play a key role in bringing Alaska into the next century stronger and better despite its current fiscal challenge.

Passing this bill will cost the state almost nothing, but it will be an important step in improving the process and ensuring the accountability for the funds. Municipal officials have learned a lot about taxation and services over the years. One key principle is that citizens demand to know exactly where their money is going. This bill does that.

However, if you chose to restore the cuts recommended by the Governor, we believe your choice will be supported by the public. A recent Dittman poll reports that **only one in twenty Alaskans** suggest cutting municipal revenue sharing. The AML and ACoM are beginning a media campaign to get more facts on the impacts of cuts to revenue sharing out to the public, so this number is likely to go down.

By encouraging a renewed partnership with municipalities, we can help. Thank you.

C:\kevin\acom\296stads.doc



217 Second Street, Suite 200 • Juneau, Alaska 99801 • Tel (907) 586-1325, Fax (907) 443-5480

To: Pat Pourchoi, Legislative Liaison  
From: Kevin Ritchie, Executive Director  
Date: Wednesday, February 28, 1996  
Re: CS for SB 20 "Safe Communities"

The AML and the Alaska Conference of Mayors have worked for two years to develop the current bill. The bill is a good one for Alaskan communities and the state.

The provisions are carefully balanced. The Administration's opposition to the payment date provision and large fiscal note will **unbalance the bill and kill it.**

The Governor has put families and jobs high on his list of priorities. Strong communities are a basic prerequisite to achieve his priorities. Unfortunately, OMB has admitted to doing absolutely no analysis of the impacts of cuts to revenue sharing and other municipal programs. The evidence indicates the Administration's present initiatives may put small Alaskan local government "in the museum" instead of honey buckets. We urge you to read the comments on the attached resolutions, letters, and survey responses from over sixty large and small Alaska Municipalities.

CS for SB 20 basically provides some additional assistance to the smallest communities because they are in the greatest danger of having to close their doors. Another great inequity resolved by the CS for SB 20 is making the Governor's 8% cut more equitable. Under the current legislation, the 8% cut proposed by the Governor is really a **2.3% to 16.8% cut to individual municipalities** according to DCRA. It is a great step to have larger municipalities willing to help smaller ones, and one that deserves support.

We urge you to share this information with the Governor.

cc: Communities submitting documents: **Boroughs:** Aleutians East, Anchorage, Denali, Haines, Juneau, Kenai, Kodiak Island, Northwest Arctic, Sitka. **Cities:** Akutan, Alakanuk, Aleknagik, Anaktuvuk Pass, Arpa, Bethel, Buckland, Chuathbaluk, Dillingham, Eagle, Eek, Ekwok, Erim, False Pass, Haines, Homer, Kachemak, Kenai, Ketchikan, Kodiak, Kotlik, Kotzebue, Marshall, Manokotak, McGrath, Metlakatla, Mountain Village, Nome, Nondalton, Old Harbor, Ouzinkie, Palmer, Point Hope, Port Lions, St. Mary's Sand Point, Scagway, Scammon Bay, Savoonga, Soldotna, Teller, Thorne Bay, Unalakleet, Valdez, Wasilla, Whittier

## 1995 AML MUNICIPAL MEMBERS

- |   |  |   |
|---|--|---|
| <input checked="" type="checkbox"/> Aleutians East Borough    | City of Egegik   | City of Nuiqsut   |
| <input checked="" type="checkbox"/> Municipality of Anchorage | <input checked="" type="checkbox"/> City of Elim       | City of Nulato  |
| Bristol Bay Borough   | City of Emmonak  | <input checked="" type="checkbox"/> City of Old Harbor  |
| <input checked="" type="checkbox"/> Denali Borough            | <input checked="" type="checkbox"/> City of False Pass | <input checked="" type="checkbox"/> City of Ouzinkie    |
| <input checked="" type="checkbox"/> Haines Borough            | City of Fort Yukon                                     | <input checked="" type="checkbox"/> City of Palmer      |
| <input checked="" type="checkbox"/> City & Borough of Juneau  | City of Gambell  | City of Pelican   |
| <input checked="" type="checkbox"/> Kenai Peninsula Borough   | City of Golovin  | <input checked="" type="checkbox"/> City of Petersburg  |
| <input checked="" type="checkbox"/> Kodiak Island Borough     | City of Goodnews Bay                                   | City of Pilot Point                                     |
| <input checked="" type="checkbox"/> Lake & Peninsula Borough  | City of Grayling                                       | City of Pilot Station                                   |
| North Slope Borough   | <input checked="" type="checkbox"/> City of Haines     | City of Platinum  |
| <input checked="" type="checkbox"/> Northwest Arctic Borough  | <input checked="" type="checkbox"/> City of Homer      | <input checked="" type="checkbox"/> City of Point Hope  |
| <input checked="" type="checkbox"/> City & Borough of Sitka   | <input checked="" type="checkbox"/> City of Hoonah     | <input checked="" type="checkbox"/> City of Port Lions  |
| City & Borough of Yakutat                                     | City of Hooper Bay                                     | City of Quinhagak                                       |
| City of Akhiok  | City of Houston  | City of Russian   |
| <input checked="" type="checkbox"/> City of Akutan            | <input checked="" type="checkbox"/> City of Huslia     | Mission   |
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| <input checked="" type="checkbox"/> City of Aleknagik         | City of Kaltag   | <input checked="" type="checkbox"/> City of St. Mary's  |
| City of Ambler  | City of Kasaan   | City of St. Paul  |
| <input checked="" type="checkbox"/> City of Anaktuvuk Pass    | <input checked="" type="checkbox"/> City of Kenai      | <input checked="" type="checkbox"/> City of Sand Point  |
| City of Anderson  | <input checked="" type="checkbox"/> City of Ketchikan  | City of Savoonga  |
| City of Aniak   | City of Kiana  | <input checked="" type="checkbox"/> City of Saxman      |
| City of Anvik   | City of King Cove                                      | <input checked="" type="checkbox"/> City of Scammon Bay |
| <input checked="" type="checkbox"/> City of Atka              | City of Klawock  | City of Selawik   |
| City of Atkasuk   | City of Kobuk  | City of Seldovia  |
| City of Barrow  | <input checked="" type="checkbox"/> City of Kodiak     | City of Seward  |
| <input checked="" type="checkbox"/> City of Bethel            | <input checked="" type="checkbox"/> City of Kotlik     | City of Shaktoolik                                      |
| City of Bettles   | <input checked="" type="checkbox"/> City of Kotzebue   | City of Shishmaref                                      |
| City of Brevig Mission  | City of Larsen Bay                                     | <input checked="" type="checkbox"/> City of Skagway     |
| <input checked="" type="checkbox"/> City of Buckland          | City of Lower Kalska                                   | <input checked="" type="checkbox"/> City of Soldotna    |
| City of Chefornak   | <input checked="" type="checkbox"/> City of Marshall   | City of Tanana  |
| City of Chevak  | <input checked="" type="checkbox"/> City of McGrath    | <input checked="" type="checkbox"/> City of Teiler      |
| City of Chignik   | <input checked="" type="checkbox"/> Metlakatla Indian  | City of Tenakee Springs                                 |
| <input checked="" type="checkbox"/> City of Chuathbaluk       | Community  | <input checked="" type="checkbox"/> City of Thorne Bay  |
| City of Coffman Cove  | <input checked="" type="checkbox"/> City of Mountain   | City of Togiak  |
| City of Cold Bay  | Village  | <input checked="" type="checkbox"/> City of Unalakleet  |
| City of Cordova   | City of Napakiak                                       | <input checked="" type="checkbox"/> City of Unalaska    |
| City of Craig   | City of Nenana   | <input checked="" type="checkbox"/> City of Valdez      |
| City of Deering   | City of Newhalen                                       | City of Wainwright                                      |
| <input checked="" type="checkbox"/> City of Dillingham        | City of Nikolai  | <input checked="" type="checkbox"/> City of Wasilla     |
| City of Diomedes  | <input checked="" type="checkbox"/> City of Nome       | City of White Mountain                                  |
| <input checked="" type="checkbox"/> City of Eagle             | <input checked="" type="checkbox"/> City of Nondalton  | <input checked="" type="checkbox"/> City of Whittier    |
| <input checked="" type="checkbox"/> City of Eek               | City of Noorvik  | City of Wrangell  |
| <input checked="" type="checkbox"/> City of ERWOK             |  |   |

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Submitted by: Assemblymembers Murdy, Wuerch and Abney

Prepared by: Assembly Policy & Budget Office

For reading: February 27, 1996

CLERK'S OFFICE

APPROVED

Date: 2-27-96

ANCHORAGE, ALASKA

AR 96- 41

**A RESOLUTION OF THE ANCHORAGE MUNICIPAL ASSEMBLY REQUESTING THAT THE GOVERNOR AND STATE LEGISLATURE CEASE MAKING DISPROPORTIONATE CUTS TO EXISTING MUNICIPAL REVENUES AND PROGRAMS THAT FORCE HIGHER LOCAL TAXES OR CUTS TO BASIC LOCAL PUBLIC SERVICES**

---

WHEREAS, oil revenues are collected by the State government, but do not belong to the State Government. Oil revenues belong to all of the people of the State to ensure a basic level of public services in all communities, whether provided by State or Municipal government; and

WHEREAS, State revenue sharing with municipalities is not unique to Alaska and is not an oil boom program. According to a federal research agency, every state in the United States provides some form of revenue sharing. Alaska is now below the average among the western states for sharing state revenue with its municipalities; and

WHEREAS, the percentage of the State budget appropriated for municipal revenue sharing has now been cut to the same level as in 1972, well before the oil boom, when many municipalities lacked the finances to construct and support basic services such water, sewer, adequate public safety services, and health services; and

WHEREAS, since 1986 the State has shifted an estimated \$200 million of costs to local taxpayers through cuts to municipal revenue sharing, transfers of State service responsibilities, and unfunded State mandates on municipalities. Since 1986, all sales and property tax increases among municipal governments total only \$188 million per year. Therefore, all or most sales and property tax increases paid by Alaska citizens since 1986 went to balance the State's budget; and

WHEREAS, since 1986, the State has cut the Municipal Assistance/Revenue Sharing by \$83 million, which is approximately twice the amount of any "new tax" proposed by the Long Range Financial Planning Commission for implementation during this century; and

WHEREAS, the impact of the State's cuts in revenue sharing, cuts in other municipal programs, and new unfunded mandates on municipalities since 1986 is roughly equal to taking away the value of one Permanent Fund Dividend check from every family that pays property tax; and

WHEREAS, approximately half (or \$10 million) of the actual reductions in the State's proposed budget for next year simply "passes the buck" to local taxpayers; and

WHEREAS, the proposed State budget for next year would cut the State operations less than 1% while the proposed cut to direct municipal revenue sharing is 8%; and

1 WHEREAS, cuts in municipal revenue sharing and the resulting fiscal pressures have  
2 been a major factor in municipal dissolutions. Many smaller communities are considering  
3 unincorporating and giving the responsibility for providing local services back to the State  
4 government. The cost to the State to provide services will be much higher than the cost of  
5 municipal revenue sharing; and  
6

7 WHEREAS, in the explanation of the proposed State budget, it states that the "Overall  
8 reduction in State aid to local governments/school districts is 1.2%". Schools are not a  
9 municipal aid program. The Alaska Constitution states, "The legislature shall by general law  
10 establish and maintain a system of public schools...". It is clearly a State responsibility to  
11 provide for education. The actual proposed overall reduction in State aid to local governments  
12 is actually 8-10%; and  
13

14 WHEREAS, all municipal governments balance their budgets and that many municipal  
15 governments use long range fiscal planning tools; and  
16

17 WHEREAS, the Alaska Municipal League and the Alaska Conference of Mayors have  
18 adopted resolutions supporting the development of a Long Range Financial Plan for Alaska,  
19 and have offered to work in partnership with the State to develop the plan (see attached AML  
20 Resolution 96-3).  
21

22 NOW, THEREFORE, The Anchorage Municipal Assembly resolves:  
23

24 That the Governor and State Legislature are requested to:  
25

- 26 1. Carefully study the impact of State budget actions and avoid passing a  
27 disproportionate share of cuts, transfers, and unfunded mandates on local  
28 taxpayers.
- 29 2. Support the implementation of the "Revenue Sharing for Safe Communities"  
30 program developed by the Alaska Municipal League (AML) and the Alaska  
31 Conference of Mayors (ACoM) to improve and stabilize the current Municipal  
32 Assistance and Revenue Sharing Programs (see attached background  
33 information).
- 34 3. Work in formal partnership with municipalities as proposed by the AML and  
35 ACoM to develop a State/Municipal Long Range Financial and Services Plan for  
36 Alaska in recognition of the fact that the State and Municipal governments jointly  
37 provide Alaska's public services and that both serve the same citizens/taxpayers.  
38  
39

40  
41 PASSED AND APPROVED by the Anchorage Assembly this \_\_\_\_\_ day of  
42 \_\_\_\_\_, 1996.  
43

44 \_\_\_\_\_  
45 Chair

46 ATTEST:  
47

48 \_\_\_\_\_  
49  
50 Municipal Clerk  
51

City of Ouzinkie  
P.O. Box 109  
Ouzinkie, AK 99644  
Ph# (907) 680-2209  
Fax (907) 680-2223

February 21, 1996

Senator John Torgerson  
State Capitol  
Juneau, AK 99811

Dear Senator Torgerson:

The City of Ouzinkie supports SB20 the Safe Communities Bill. Like many Alaskan Villages, or small cities with populations less than 1,000.00 and no revenue base, this bill if passed could save us from dissolving.

To many times Municipal Assistance is interpreted wrong or confused with welfare, which it is not, it is the communities share of Alaska's resources.

These monies are generally used for the Health and Safety of the people of the communities, without revenues from the State, the Public Safety Department does not have operating funds.

The amount of revenues allocated in SB20 will make a considerable difference for smaller communities to operate without impacting the larger cities.

As I said, before, we definitely support SB20 and ask the legislature to pass it, the bill makes allocation more equitable among municipalities.

Sincerely,

*Zack Chichenoff*  
Zack Chichenoff  
Mayor

City of Ouzinkie  
P.O. Box 109  
Ouzinkie, AK 99644  
Ph# (907) 680-2209  
Fax (907) 680-2223

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Senator John Torgerson  
State Capitcl  
Juneau, AK 99811

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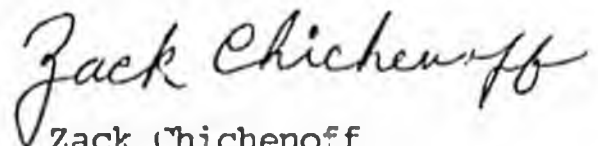
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The amount of revenues allocated in SB20 will make a considerable difference for smaller communities to operate without impacting the larger cities.

As I said, before, we definitely support SB20 and ask the legislature to pass it, the bill makes allocation more equitable among municipalities.

Sincerely,



Zack Chichenoff  
Mayor



CITY OF  
UNALAKLEET

BOX 28  
UNALAKLEET, ALASKA  
99684  
(907) 624-3531  
FAX (907) 824-3130

February 27, 1996

Senator John Torgerson  
State Capitol, Rm 421  
Juneau Alaska 99801-1182

Dear Senator Torgerson:

Post-It™ brand fax transmittal memo 7671 # of pages > 2

To	AML EYT	From	City of Unalakleet
Co.		Co.	
Dept		Phone #	
Fax #		Fax #	

The City of Unalakleet strongly urges the passage of Senate Bill 20-- "Safe Communities". It has become increasingly difficult over recent years for our community to make cuts in keeping with the cuts sustained to Municipal Assistance and Revenue Sharing. We are not alone in this situation because as I talk to members of other communities I find that they are also hurting and in many cases are on the brink of dissolving local government entirely.

We are constantly working to improve our tax base. Here in Unalakleet we are working in conjunction with the local Native Corporation, the local IRA and other groups to replace our old fish plant with emphasis not only on market-ready fresh fish but with value-added products as well. We are supporting the tourism efforts of the Unalakleet Native Corporation with their Unalakleet River Lodge. We are working to expand our community across a narrow slough which is the only place to expand, as we sit on a spit of land currently with water on three sides and the airport on the other. In short, we are working very diligently and in harmony with all the various community groups to make our community a thriving place to live. We need the "Safe Communities" support to sustain us in our efforts.

Public Safety is something that, in our second class city, is not sustained by any particular revenue source other than the current Municipal Assistance and Revenue Sharing and the minimal amount of protective custody fees. So the City runs a Bingo/Pulltab game of which 100% of all revenues derived go directly to support the police department. However, that amounts to \$25,000-\$30,000/yr. With a Chief, two officers and support dispatchers/jailers, our current Public Safety budget is \$179,318. The City collects a 5% Sales Tax, 2% of which is dedicated to support our new solid waste baler facility. The Sales Tax revenue that was not dedicated to the baler operation in FY95 was \$139,138. The City does not receive revenues from fish taxes as do many coastal communities in Southeast Alaska or Bristol Bay. So as you can see, with the cuts in MARS, our general fund revenues continue to shrink while demand for services continues. Staffing turnover is high because of the workload, job stress and low pay. It is difficult to build a credible workforce when salaries remain static.

Page 2  
February 27, 1996

The above scenario is not unique to Unalaska only. It is happening statewide, but the most immediate impacts are on small communities with limited revenue-generating capacity. We simply must have the assistance in order to survive.

Thank you for the opportunity to provide input on SD20. I urge you not to delay in its passage.

Sincerely,

A handwritten signature in dark ink, appearing to read "Henry Ivanoff, Sr.", written over a dashed horizontal line.

Henry Ivanoff, Sr  
Mayor

cc: City Council  
file



# CITY OF BETHEL

P.O. Box 388 Bethel, Alaska 99559

907-543-2297

FAX # 543-4171

February 21, 1996

Mr. Kevin C. Ritchie  
Executive Director  
Alaska Municipal League  
217 Second Street, Suite 200  
Juneau, AK 99801

Dear Kevin:

The City Council of Bethel, at their February 13, 1996 regular meeting, adopted a Resolution in support of the "Safe Communities" legislation. This resolution was drafted and adopted before the Fax Alert from AML regarding Senate Bill 20, so it simply refers to "the AML's Revenue Sharing for Safe Communities Program." I have faxed the resolution to Senator Torgerson.

The vote in favor of this Resolution was unanimous, and a copy is enclosed for your records.

Sincerely,

L.J. Tanner  
City Clerk

February 21, 1996

Mr. Kevin C. Ritchie  
Executive Director  
Alaska Municipal League  
217 Second Street, Suite 200  
Juneau, AK 99801

Dear Kevin:

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The vote in favor of this Resolution was unanimous, and a copy is enclosed for your records.

Sincerely,

L J Tanner  
City Clerk



# CITY OF BETHEL

P.O. Box 388 Bethel, Alaska 99559

907-543-2297

FAX # 543-4171

Introduced by: Council Member Miller

Date: February 13, 1996

Action: Passed

Vote: 6-Yes, 0-No

## RESOLUTION #96-6

### **A RESOLUTION PROTESTING DECREASES IN THE STATE'S MUNICIPAL ASSISTANCE AND REVENUE SHARING, AFFIRMING SUPPORT FOR THE AML'S "REVENUE SHARING FOR SAFE COMMUNITIES" PROGRAM, AND URGING ITS ADOPTION.**

WHEREAS, municipal governments provide well over half of all direct government services to the citizens of Alaska; and

WHEREAS, the state has steadily raised local municipal taxes over the past ten years by disproportionately reducing municipal government's share of Alaska's oil wealth and indirectly mandating state service responsibilities to municipal governments; and

WHEREAS, the Local Boundary Commission found that cities and boroughs are "penalized" by the state for incorporating because the state has withdrawn revenues and services promised at the time of incorporation; and

WHEREAS, in rural municipalities, revenue sharing is critical to maintaining the most basic public safety and health services; and

WHEREAS, according to the Advisory Commission on Intergovernmental Relations, in 1992 the average state government contribution to local government revenues was 34.2% in the entire U.S., and 42.1 % in the Far West States, including Alaska. The average state support to municipal governments in Alaska is 36.9% despite Alaska's extremely wide variation in local wealth and taxable resources; and

WHEREAS, the SAFE COMMUNITIES program is a rational method of implementing the state's Long Range Financial Plan, and

WHEREAS, the major goals of the SAFE COMMUNITIES program are to:

1. **Stabilize the revenue sharing money to our communities.** Under the proposed program, the state revenue sharing appropriation would never be less than 3% of the state operating budget. This compromise will show that municipalities, are willing to help balance the state budget, but not shoulder a disproportionate share. (In the past ten years, MA/RS has been cut by over 55% while the state operating budget has stayed about the same.) Stability for funding revenue sharing is the primary goal of the AML/ACoM.
2. **Consolidate and simplify the Municipal Assistance and Revenue Sharing statutes.**
3. **Prove that all the money is spent for critical municipal basic public services.**
4. **Ensure that our communities get a fair share now and in the future.** (The proposed changes eliminate "winner and loser" communities)

City of Bethel  
Ordinance #96-6  
Page 1 of 2 Pages

Introduced by: Council Member Miller

Date: February 13, 1996

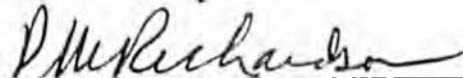
Action: Passed

Vote: 6-Yes, 0-No

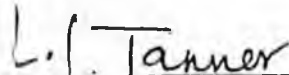
5. Set a \$40,000 minimum funding level for incorporated communities.

NOW, THEREFORE, BE IT RESOLVED THAT THE BETHEL CITY COUNCIL URGES THE LEGISLATURE TO ADOPT THE "REVENUE SHARING FOR SAFE COMMUNITIES" PROGRAM.

PASSED AND APPROVED THIS 13TH DAY OF FEBRUARY, 1996.

  
Ruth M. Richardson, Mayor

ATTEST:

  
L.L. Tanner, City Clerk

# DENALI BOROUGH

P. O. Box 480 • Healy, Alaska 99743  
Phone (907) 683-1330 • FAX (907) 683-1340



*John C. Gonzales, Mayor*  
P.O. Box 3137  
Anderson, AK 99744  
(907) 582-2346

February 20, 1996

Senator John Torgerson  
Alaska Municipal League  
217 Second St., STE#200  
Juneau, AK 99801

RE: Supporting SB 20 - the "Safe Communities" Bill.

Dear John,

Please consider this letter as support of SB 20, - the Safe Communities Bill. I find that this bill is far better than the bill that was presented last year.

By trying to keep municipalities all equal, no losers, I feel it would make all municipalities agreeable to the contents of the bill. The distributions of all of the funds near the beginning of the State fiscal year is very appealing.

I know you will probably get support of this bill from most of the municipalities, and will probably hear the same issues over and over again, I will make my support short. If I may be of any help to you please contact me at my office at any time.

Yours in better government,

John C. Gonzales  
Mayor

# DENALI BOROUGH

P. O. Box 480 • Healy, Alaska 99743  
Phone (907) 883-1330 • FAX (907) 883-1340



*John C. Gonzales, Mayor*  
P.O. Box 3137  
Anderson, AK 99744  
(907) 582-2346

February 20, 1996

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Alaska Municipal League  
217 Second St., STE#200  
Juneau, AK 99801

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Yours in better government,

John C. Gonzales  
Mayor

U.S. 14 30 FEB 14 1996 FAX 307 343 4499 MAYORS OFFICE 2001

# Municipality of Anchorage



P.O. Box 196650  
Anchorage, Alaska 99519-6650  
Telephone: (907) 343-4431  
Fax: (907) 343-4499

*Rick Mystrom, Mayor*

February 14, 1996

OFFICE OF THE MAYOR

**FAX: 465-2779**

Senator John Torgerson  
State Capitol  
Room 427  
Juneau, AK 99801-1182

Dear Senator Torgerson:

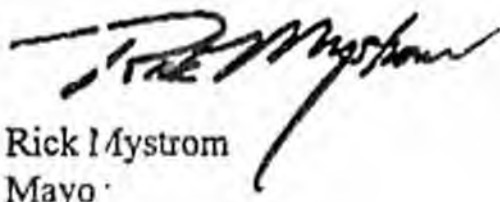
I have reviewed, and strongly support, the latest work draft of Senate Bill 20. Your efforts have produced a bill which will benefit all Alaskan communities.

For too long, Alaska's municipalities have had to bear the brunt of state budget cuts. From 1986 to 1996, the Municipality of Anchorage has seen a 62% drop in state assistance. During this same ten-year period, the state operating budget has actually increased by about 4%. Other Alaska communities have faced similar reductions. As these state revenues decreased, the taxes paid by local residents have increased.

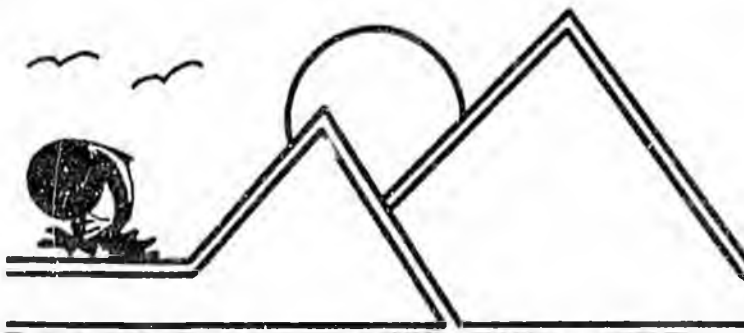
SB 20 emphasizes a Safe Communities approach, and will prioritize state revenues be spent on critical municipal Safe Communities services. It will redefine the state shared revenues formula so citizens will better understand its goals and the role state dollars play in creating and maintaining Safe Communities. I believe this approach will make these critical local basic services more visible.

Thank you for your continued assistance in initiating and supporting this important legislation. Your efforts help make our communities safer and better places in which to live, work, and raise our families.

Sincerely,



Rick Mystrom  
Mayor



# City of Port Lions

Administrative Offices

P.O. Box 110

Port Lions, AK 99550-0110

(907) 454-2332 (Fax) 454-2420

February 16, 1996

Mr. Joe Murdy, President  
Alaska Municipal League  
217 Second Street, Suite 200  
Juneau, Alaska 99801

RE: Letter of support for SB 20

RECEIVED  
FEB 20 1996  
ALASKA MUNICIPAL LEAGUE

Dear Mr. Murdy,

The City of Port Lions strongly supports Senator John Torgerson's efforts in passing SB 20.

Throughout the past few years our communities Municipal Assistance has been reduced drastically. By changing the name of Municipal Assistance to Safe Communities we feel the funding will not be confused with welfare or a type of "give away funding", but in fact make it more clear to those that do not understand that it is our communities share of Alaska's resources that ALL communities are entitled to receive.

With the funding being cut by 60% over the past ten years, the City of Port Lions supports the assured minimum funding level of \$40,000 that this bill provides. It cannot continue to be cut year after year by even another small percentage and be able, nor expected to continue providing safe programs that significantly impacts each and every one of our community members.

We also support the idea of receiving our municipalities funding near the beginning of the States fiscal year instead of the following February. This is not only the practical thing to do but is the most sensible as our fiscal year also begins in July.

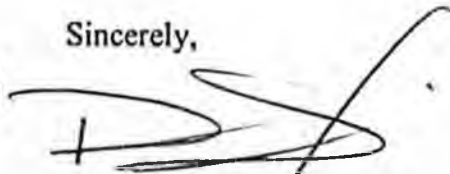
We cannot stress enough the importance in the passing of SB 20. The impact will tremendously help not only Port Lions, but all the small communities throughout the great State of Alaska.

We appreciate anything you can do to help pass this much needed Senate Bill.

If you need further information on why we would like to see the passage of this Bill, please feel free to give me a call at your convenience.

Thank you for your assistance on this important issue.

Sincerely,



**PORT LIONS CITY COUNCIL**  
Robert Himes, Mayor

cc: Governor Knowles  
Senator Zharoff  
Rep. Austerman  
Kodiak Island Borough Mayor Selby

# City of Sand Point



February 16, 1996

Senator John Torgerson  
Chairman, Community and Regional Affairs  
State of Alaska  
State capitol  
Room 427  
Juneau, Alaska 99801-1182

RE: SB 20 Safe Communities

Dear Senator Torgerson,

As a past local elected official and past president of the Alaska Municipal League, you personally are very aware of the continuing problems local governments faced every fiscal year.

Over the past several years, Municipal Assistance and Revenue Sharing have been reduced by over 60% which has placed an enormous burden on local government to pick up the slack. Very few communities have been able to bear the full burden without reducing the level of services they provide irregardless of how basic.

The City of Sand Point, being a one industry town, fishing, is in the same plight as many other communities whereby the level of services has been greatly reduced. Further reduction in state shared revenues will necessitate the elimination of jobs and reduction of the level of service to minimal at the most.

CS for CSSB 20 is a bill which we support because of the early funding and the requirement that it be used for essential services such as public safety. Being a full service community as well as a community whose livelihood is predicated upon the fishing industry, we feel this bill will assist in our needs of a timely cash flow during our peak periods.

The City of Sand Point supports CS for CSSB 20 and particularly your efforts as well as the Community and Regional Affairs Committee to hear

City Office:  
P.O. Box 249  
Sand Point, Alaska 99661  
(907) 383-2686

Administrator:  
1600 A Street, Suite 103  
Anchorage, Alaska 99501-5146  
(907) 274-7555 Phone  
(907) 274-7550 FAX

the voices from the wilderness on such an important matter to all the municipalities in the State.

Should you have any questions, please feel free to contact me.

Yours truly,

*Alvin D. Osterback*  
Alvin D. Osterback  
Mayor



# City and Borough of Sitka

100 LINCOLN STREET • SITKA, ALASKA 99835

February 20, 1996

Senator John Torgerson, Chair  
Community and Regional Affairs Committee  
Alaska State Senate  
FAX 465-4779

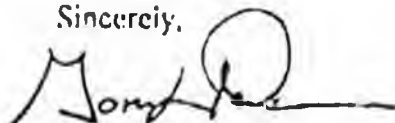
Dear Senator Torgerson and Community and Regional Affairs Committee:

The City and Borough of Sitka supports Senate Bill 20, the revised "Safe Communities" bill. This bill provides for greater equity and better use of Municipal Assistance funds. Sitka strongly supports distribution of all funds to municipalities early in the fiscal year. This bill is a "win-win" that will strengthen municipalities.

Your support for passing this bill out of Committee will be greatly appreciated. We especially appreciate Senator Torgerson's past support on this bill.

Thank you for the opportunity to comment.

Sincerely,



Gary L. Paxton  
Administrator

cc: Alaska Municipal League  
Senator Taylor  
Representative Grussendorf



# City of False Pass

P.O. Box 50 • False Pass, Alaska 99583-0050  
Telephone (907) 548-2319 • Fax (907) 548-2214

February 16, 1996

Senator John Torgerson  
State Capitol, Room 427  
Juneau, Alaska 99801-1182

Post-It™ brand fax transmittal memo 7671		# of pages 1
To	Joe Mundy, AML	From Elizabeth MANFRED
Co.		Co. For your information
Dept.		Phone #
Fax #		Fax #

Dear Honorable Torgerson:

The City of False Pass would like to express its support for SB 29-the "Safe Communities" Bill. This bill addresses methods to make the former Municipal Assistance program more equitable to municipalities by allowing equitable proration. This bill also helps curb the impetus for smaller municipalities to dissolve as continued funding cuts have rendered them unable to provide public services.

The City of False Pass relies on the Municipal Assistance payment to fund the Volunteer Fire Department and the Emergency Medical Response Team which are the only such services available locally. The Safe Communities payment would also be used to supplement water and landfill services which are not supported with user fees. Local revenue source is derived from sales tax which fluctuates annually according to fishing income. Local revenue has declined steadily in relation to new fishing regulations. Local revenue cannot continue to support basic public services without additional "safe Communities" assistance.

We appreciate your continued support of SB 20. The proposed changes allow the City of False Pass to remain a second class city providing basic public services and to provide a healthy and safe environment to all its residents.

Sincerely,

Borge Larsen  
Mayor

Nancy E. Cannington  
P. O. Box 28  
Unalakleet, Alaska 99684

741

February 26, 1996

Senator John Torgerson  
State Capitol, Rm. 427  
Juneau, Alaska 99801-1182

Dear Senator Torgerson:

Senate Bill 20, the "Safe Communities" Bill, is most urgently needed in order for small Alaskan villages to survive. As a member of the Local Boundary Commission I am very concerned that we are seeing so many requests for information on dissolution. As these small communities are allowed to dissolve, certain obligations and liabilities are still going to be the responsibility of the State. If these communities can continue to operate as small cities with the assistance of "Safe Communities" funds, then why do we face such opposition from the legislature? Common sense dictates that old adage that "You can pay now, or you can pay later". I urge you not to let it be later.

One other distressing comment that I heard during the first hearing on SB20 on Wednesday, February 14, was Sen. Kelly's statement that he always considered the education funding as Municipal Assistance and Revenue Sharing toward the total community contribution. In areas of the State outside organized boroughs, the local communities never see the education funding because it is handled through the REAA for each area. Our municipal funds received through MA/RS are used to provide the safety for our communities.

In Unalakleet, our police department receives no other funding other than what little is collected for protective custodies, yet it is necessary to run a full-time police department! How would you like to live in a community without police protection? In the seven years that I have been manager here, our police department has been cut from 6 full-time officers to three with utilization of a VPSO to cover for the fourth position. They work four 10-hour days on, four off. That is one officer, working alone. There are four hours of each 24 hour period that we have *no* officer on duty because we just cannot afford it. We utilize special officers (those with limited or only on-the-job training) because burnout creates turnover before we can send them to the trooper academy for training.

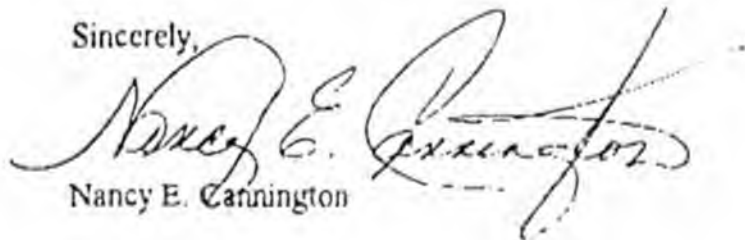
The legislature continue to cut, cut, cut, and pass it on to the municipalities. The end result is that the smaller communities are looking at dissolving, (*or just quit operating*), cities in organized boroughs are looking to detach, and organized boroughs are having an increasingly hard time justifying the taxes vs. services they are able to provide. Yet the

legislature continues to assume that they are doing an excellent job as long as they can balance the State's budget on the backs of local governments through cuts.

With the State facing continuing declining revenues, I feel it is time for the legislature to approach utilizing the interest earnings on the Permanent Fund to balance the budget. Just how rainy does it have to get before we reap some benefits from this "Rainy Day Account"? I am certainly not advocating a raid on the principal, but it would never have to be touched. When we talk to people from other states about our budget woes they laugh at us because we have this roughly 19 billion dollar fund!

I do hope the legislature will act responsibly and pass SB20 to show some support for the grassroots governments that provide the services to the legislators' constituents. Thank you, Sen. Torgerson, for having the foresight to sponsor this Bill.

Sincerely,

A handwritten signature in cursive script, appearing to read "Nancy E. Cannington". The signature is written in dark ink and is positioned above the printed name.

Nancy E. Cannington

Joe Murdy, President  
Alaska Municipal League,  
217 Second Street  
Suite 200  
Juneau, Alaska 99801

RECEIVED

FEB 23 1996

Alaska Municipal League

February 22, 1996

Dear Joe,

I am writing to support Senator Torgerson in SB 20 bill - the "Safe Communities" bill. Which would change the program title from Municipal Assistance to "Safe Communities". This would let the public know how important services are supported by the funds. Also the public strongly supports direct public safety expenditures and requires accountability. And the "Safe Communities" program, retains the former two allocation formulas, but makes the program more equitable by allowing equitable proration. And funding for "Safe Communities" and "Priority Revenue Sharing for Municipal Services" will be distributed close to the beginning of the state fiscal year (on July 31) to: provide municipalities with more flexibility, and; end the practice of the state holding part of the funds until mid fiscal year. I would like to emphasize that the city of Diomed strongly supports the SB 20 bill.

*Helen Iyapana*  
Helen Iyapana, Treasurer

### ACOM and AML MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASAP by FAX to 463-5480)

Municipality Kotlik Completed by Rose Cheemuk - City Manager

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

a. tax or fee increases?  No  Yes, if yes, please give examples.

b. service cutbacks:  No  Yes, if yes, please give examples:  
The City office cut back on the hours that the office usually opens,  
also the maintenance man's hours were cut.

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years?

The City office may have to lessen all the employees hours if there is more cuts.

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services?  No  Yes, the most significant are:

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

Since the cut backs other organizations have assisted alot and the organizations are working together.

5. In a sentence, summarize the message you would like to give the state regarding municipal government Further cut backs on the municipal assistance and state revenue sharing will cause hardship for the local government and the community. The cuts will affect the police force also in the villages. The public depends alot on the local government.

**THANK YOU**, from the Alaska Conference of Mayors and Alaska Municipal League  
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# ACoM and AML MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASAP by FAX to 463-5480)

Municipality City of Bethel Completed by Mayor Ruth Richardson

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

- a. tax or fee increases?  No  Yes, if yes, please give examples:
- b. service cutbacks?  No  Yes, if yes, please give examples:

It is very difficult to keep up with the services needed by our growing population, i.e.,  
water, sewer, police, fire, roads

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years:

Increases in the Sales Tax  
Degradation of Roads and Public Services  
Severe impact on the Bethel Bank Stabilization Project, which may result in further  
loss of riverbank, homes, and roads

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services?  No  Yes, the most significant are:

Fuel through-put Tax on all fuel crossing the seawall

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

The City privatized the operations of the Laundromat

5. In a sentence, summarize the message you would like to give the state regarding municipal government.

Seriously look at other areas of the State Government for cutbacks before cutting  
Municipal Assistance and Revenue Sharing

*THANK YOU, from the Alaska Conference of Mayors and Alaska Municipal League*

Ketchikan - Elaine Stanton

---

\$8 million port dock

done in a year

cooperate with NW Cruise Assoc / State / City

bond. partnership - benefit all  
no issue taxes.

---

"A lot of what we do is just  
survive"

### ACoM and AML MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASAP by FAX to 463-5480)

Municipality Ketchikan Completed by Robert E. Newell, Jr. Finance Director

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

- a. tax or fee increases?  No  Yes, if yes, please give examples:
- b. service cutbacks.  No  Yes, if yes, please give examples:

Capital improvement program has been scaled back significantly

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years:

Property and/or sales tax increases

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services?  No  Yes, the most significant are:

Solid waste disposal fees and harbor user fees

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

Expanded the Port of Ketchikan in 1994 to further promote growth in our tourism industry

5. In a sentence, summarize the message you would like to give the state regarding municipal government.

State government's efforts to contain its operating costs and balance its budget should not be done at the expense of local municipalities.

**THANK YOU,** from the Alaska Conference of Mayors and Alaska Municipal League

## ACoM and AML MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASAP by FAX to 463-5480 )

Municipality Hoonah Completed by Robert Pinard, Ass't. Admn./Treasurer

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

a. tax or fee increases?  No  Yes, if yes, please give examples:

b. service cutbacks.  No  Yes, if yes, please give examples:

The City of Hoonah has reduced Public Works, Police and General Operation Personnel to the extent that it has reduced the quality of service and protection we are able to provide.

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years: Continued reduction of service and protection. Like most predominantly native communities they do not feel they should support government service through increased taxes.

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services?  No  Yes, the most significant are: We have attempted on two occasions to raise sales taxes. Because of the problem with restricted deeds and HUD Housing a property tax is not equitable in this community.

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

Basically, to do more with less and still be able to operate the City in the Black.

5. In a sentence, summarize the message you would like to give the state regarding municipal government. Please do not pass the State problems on to communities that are predominantly native. As stated above they feel government owes them not them owing government.

**THANK YOU**, from the Alaska Conference of Mayors and Alaska Municipal League

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## ACoM and AML MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASAP by FAX to 463-5480)

Municipality Old Harbor Completed by Jonetta Crutty - City Clerk

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

a. tax or fee increases?  No  Yes, if yes, please give examples:

b. service cutbacks.  No  Yes, if yes, please give examples:

Sales Tax 3%

Cut back with City Employee's

Eliminated Garbage Pick-up

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years:

The City of Old Harbor is operating with the bare minimum budget. A reduction would be devastating.

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services?  No  Yes, the most significant are:

Water / Sewer fees

Boat Harbor fees

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

For Beaumont Construction of the new Fire Hall Building.

5. In a sentence, summarize the message you would like to give the state regarding municipal government. It's essential to the economic growth & development of the community.

THANK YOU, from the Alaska Conference of Mayors and Alaska Municipal League

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### ACoM and AML MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASAP by FAX to 463-5480)

Municipality Mountain Village Completed by Carol P. Myre

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

a. tax or fee increases?  No  Yes, if yes, please give examples:

b. service cutbacks.  No  Yes, if yes, please give examples:

Police Dept cut in wages and hours have to depend on dispatchers at a lower wage.

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years: Water/Sewer

Services will become harder to maintain. Pressure will be on the residence and local businesses.

Police Dept will be almost impossible to finance.

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services?  No  Yes, the most significant are:

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

We have begun to acquire Insurance through ADIA JIA. I feel this is a big accomplishment for Mountain Village.

5. In a sentence, summarize the message you would like to give the state regarding municipal government Any more cutbacks will be hard on our community. Hard to be self sufficient when there is no money coming in. Whether it is state assist or state cost to the individuals.

THANK YOU, from the Alaska Conference of Mayors and Alaska Municipal League

## ACoM and AML MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASAP by FAX to 463-5480)

Municipality Nome Completed by Junda Penley - City Clerk & Jane Wardle - City Commissioner

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates and underfunding state programs (such as schools), been a major factor in local:

a. tax or fee increases? No  Yes, if yes, please give examples:

b. service cutbacks. No  Yes, if yes, please give examples:

Both decreased state money, property taxes have been increased. City of Nome initiated 47% bid tax. We enforce tax on pull tabs sales. Our Museum was closed and only open for a 10 month period.

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years: We will be required

to increase taxes as much as 20% for school, police, fire, public works, etc. We are also being required to provide ambulance service, for although the service is staffed by volunteers, the paper work has increased.

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services? No  Yes, the most significant are:

47% Bid Tax initiated  
Sales tax increased from 37% to 47%, which machine/ATV license raised from \$55 to \$95

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

Completing the Child Care building (over 1,000 sq. ft. in local tax money expanded and now in use for benefit of the children in the community)

5. In a sentence, summarize the message you would like to give the state regarding municipal government. Stop passing regulations that mandate

additional time, material, money, frustration etc. to municipalities unless you fund the compliance expense.

THANK YOU, from the Alaska Conference of Mayors and Alaska Municipal League

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**ACOM and AML MUNIC**

**(Please take a few minutes to complete and return)**

**Municipality \_\_\_\_\_ Completed by \_\_\_\_\_**

**1. Since 1985, have state cuts in Municipal Assistance municipal aid programs, transfers of state service and underfunding state programs (such as schools**

- a. tax or fee increases?  No**
- b. service cutbacks.  No**

No, not yet

**2. If the state continues the trends described in question 1, what do you feel the impact on your community will be over the next several years? \_\_\_\_\_**

If they aren't going to fund local governments then they need to let local governments have more authority to conduct fund raising on their own such as raising the prize payout limits for municipal run gaming activities. Let communities decide on their own how much gaming is too much for their community. We only allow bingo evenings if there is no school the next day.

**3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services?  No  Yes, the most significant are: \_\_\_\_\_**

The City of Teller has been involved in gaming a couple of different times since 1985. Lately we started again in 1994. In 1995 we were able to raise about \$160,000 through this method, which we have used to pay off past debts and support other basic city services.

**4. Describe something your municipality accomplished that you are especially proud of especially over the past year or so. For example, a new program to promote economic growth, or a way to do more with less.**

When I became Mayor in December of 1993 the City was on the brink of collapse due to poor management. We instituted the DCRA model accounting system, started operating our own bingo/bullfaps permit to benefit city operations and began a PR campaign emphasizing collection of the accounts receivable in order to keep our city clean. Everyone that has traveled bush Alaska much comments on how clean it is in Teller. We rescheduled our debt payments, survived a couple of IRS liens and took over the funding for the annual Christmas Holiday events. Stability at the top has attracted some competent office staff, we have a water & sewer feasibility study going on, funding for phase 1 is in the current capital budget, a reindeer slaughterhouse should be built this summer with a CDBG grant.

**5. In a sentence, summarize the message you would like to give the state regarding municipal governments: \_\_\_\_\_**

Most of us have a greater concern about our environment than any agency could possibly regulate. There are some regulations that don't make sense in our rural settings that cost a great deal to meet. Don't make us have to meet them unless the state is willing to pick up the tab for it. One of the biggest problems is finding competent personnel. Funding for schools in rural areas is woefully inadequate. Where is the next generation of leaders going to come from? I hope that this fiscal year we will be able to develop a pay scale for our employees that is comparable to the private sector in order to keep attracting quality workers. But we need the

## ACoM and AML MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASAP by FAX to 463-5480)

Municipality CHUATHBALUK Completed by Steve Bennis - Mayor

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

a. tax or fee increases?   No   Yes, if yes, please give examples:

b. service cutbacks.   No XX   Yes, if yes, please give examples:

Municipal Asst./Rev. Sharing cuts have resulted in less hours budgeted for our City Clerk and Maintenance Man. As a result of cuts we've also eliminated the City's sales of home heating fuel, gasoline and propane. Also the City has had to stop hauling honeybucket service and leave it up to residents.

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years: #1) Job loss for a City Clerk and hours cut on Maintenance Man. #2) Loss of the ability for our City to function properly as a 2nd class city and exist in name only. #3) Our community will seriously look at withdrawing it's membership in AML and existing as an IRA council and propose existing with its own council and judicial system.

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services?   No XX   Yes, the most significant are: Increase cost of city provided services in all areas for community residents such as laundromat fee's, equipment rentals and to cease sanitation service of honeybucket hauling and leave it up to the residents.

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

Our Municipality funding has been cut so drastically that our services are now in "bare-bones" existence. Frankly, there isn't any accomplishment recently we can look upon with pride and in fact there is an over-riding feeling of resentment and reconsideration of seeking alternative forms of community government.

5. In a sentence, summarize the message you would like to give the state regarding municipal government. Rural communities and cities in Alaska have been slowly strangled by regular assistance and Revenue Sharing cutbacks resulting in continuous functional decreases and name only existence. There is a real danger of cities looking at alternateve forms of government.

**THANK YOU**, from the Alaska Conference of Mayors and Alaska Municipal League

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**ACoM and AML MUNICIPAL SURVEY**

(Please take a few minutes to complete and return ASAP by FAX to 463-5480 )

Municipality CITY OF PALMER Completed by HENERY P. GUINOTTE

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

a. tax or fee increases?    No   x   Yes, if yes, please give examples:

b. service cutbacks.    No   x   Yes, if yes, please give examples:

The city sales tax was increased from 2% to 3%. We have increased fees for water hookups, building inspections, airport leases, airport tie downs, utility services. WE have cut five employecs, public works 2, library 2, accounting 1. We have delayed street repairs. We have cut library hours.

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years:

We will need to increase local taxes. We can't cut much more and be a viable city. We feel we are down to minimums. Population is increasing with the demand for more services. Federal mandates have taken money from other local projects. The senior tax exemption decreases funding

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services?    No   x   Yes, the most significant are: Fees as listed above

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

We continue to support the office of Palmer Economic development. WE have used private money to add to safr hall fields. Business have landscaped and added other things to summer beautification. The Lions Club purchasned costly holiday lights for the city and repaired existng ones.

5. In a sentence, summarize the message you would like to give the state regarding municipal government. PLEASE DON'T BALANCE THE STATE BUDGET IN A WAY THAT WILL INCREASE THE LOCAL TAXES. We will start a public information series to alert the voters to the reason for the increase in taxes and the reduced city services.

**THANK YOU**, from the Alaska Conference of Mayors and Alaska Municipal League

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**ACoM and AML MUNICIPAL SURVEY****(Please take a few minutes to complete and return ASAP by FAX to 463-5480 )**Municipality KENAI Completed by John P. Sweeney, Finance Director

1. Since 1985, have state cuts in Municipal Assistance / Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

a. tax or fee increases?  No  Yes, if yes, please give examples:

b. service cutbacks.  No  Yes, if yes, please give examples:

- Property tax raised 0.8 mills, from 2.7 to 3.5 mills, in FY 1993.  
This made the total effective property tax 12.05 mills in FY 1993.
- Property tax raised 0.8 mills, from 1.9 to 2.7 mills, in FY 1987.
- Imposed 5% Hotel/Motel Room Tax in FY 1993.
- Imposed ambulance fees in FY 1996.

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years: Kenai is reaching a point where projected revenues will no longer sustain the current level of municipal services, much less fund growth. Kenai may soon be faced with the prospects of either raising taxes or reducing service levels.

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services?  No  Yes, the most significant are:

- Imposed 5% Hotel/Motel Room Tax in FY 1993.
- Imposed ambulance fees in FY 1996.

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

- Becoming an All American City in 1992.
- Constructing a congregate housing (unassisted living) complex for senior citizens. We feel our senior citizens program is the best in the state.

5. In a sentence, summarize the message you would like to give the state regarding municipal government. A major role of state government is to assist local government, either with direct capital funding or indirectly, through professional services/assistance. The State of Alaska must not forget this role!

**THANK YOU,** from the Alaska Conference of Mayors and Alaska Municipal League

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Since fiscal year 1986, total State of Alaska Municipal Assistance and Revenue Sharing provided to the City of Kenai has declined by 64.3% from a high of \$1,591,692 in FY86 to a projected low of \$567,708 in FY97, for a total decline of \$1,023,984.

### ACoM and AML MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASAP by FAX to 463-5480)

Municipality Haines Borough Completed by George Lopez

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

- a. tax or fee increases?  No  Yes, if yes, please give examples:
- b. service cutbacks.  No  Yes, if yes, please give examples:

PUT BACKS TO FIRE DEPARTMENTS

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years:

IMPACTS  
Could lead to less fire service for our area. ALSO could lead to less area wide development

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services?  No  Yes, the most significant are:

\_\_\_\_\_

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

New Dock Fee [redacted] Tour Ships

5. In a sentence, summarize the message you would like to give the state regarding municipal government.

The state has been putting more and more responsibilities on local governments. They are taking away the revenues to support these extra responsibilities.

THANK YOU, from the Alaska Conference of Mayors and Alaska Municipal League  
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### ACoM and AML MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASAP by FAX to 463-5480)

Municipality DENALI BOROUGH Completed by BOROUGH CLERK AND MAYOR GONZALES

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

a. tax or fee increases?  No  Yes, if yes, please give examples:

b. service cutbacks.  No  Yes, if yes, please give examples:

SERVICES HAVE BEEN CUT IN THE FOLLOWING AREAS: EMS/FIRE DEPARTMENT,  
LOCAL LIBRARIES, AND MENTAL HEALTH.

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years: THESE SERVICES WILL

CONTINUE TO DECREASE AND OTHER TAXES WILL HAVE TO BE IMPLIMENTED.

THIS WILL FORCE OUR LOCAL GOVERNMENT TO TAX THE PEOPLE AND SUPPOSEDLY  
KEEP THE STATE OUT OF TAXATION.

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services?  No  Yes, the most significant

are: THE DENALI BOROUGH HAS ONLY BEEN IN INCORPORATION FOR FIVE  
YEARS AND THIS DOES NOT APPLY NOW, BUT WILL IN THE FUTURE.

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

WE HAVE DONE EXTENSIVE RESEARCH FOR A NEW MUNICIPAL LANDFILL THAT  
WILL CREATE A SAFE ATMOSPHERE, JOBS AND LOWER TIPPING FEES FOR  
OUR RESIDENTS.

5. In a sentence, summarize the message you would like to give the state regarding municipal government. WHILE THE STATE GOVERNMENT IS CLAIMING THAT  
THERE WILL BE NO TAXES IMPOSED IN ITS RESIDENTS, THEY ARE IN FACT

TAXING THE PEOPLE THROUGH THEIR LOCAL GOVERNMENT BY REDUCING  
REVENUE SHARING AND MUNICIPAL ASSISTANCE!

**THANK YOU**, from the Alaska Conference of Mayors and Alaska Municipal League

## ACoM and AML MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASAP by FAX to 463-5480 )

Municipality Petersburg Completed by Jodell Jones

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

a. tax or fee increases? No  Yes, if yes, please give examples:

b. service cutbacks. No  Yes, if yes, please give examples:

Sales tax rate increase from 5% to 6% in August of 1989; Police Dept. personnel cut., Library budget and fire Dept. budget. Cuts have severely restricted dollars available for capital improvement projects to city infrastructure. Dollars must go to operation and maintenance instead.

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years: City of Petersburg has property tax cap of 10 mills; unless the voters agree to revoke the cap, an increase to sales tax or decrease of services is only recourse.

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services? No  Yes, the most significant are: Parks & Rec fees increased to help support services. Building permit fees, ambulance fees, miscellaneous administrative fees and enterprise fund charges have all been increased.

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

Co-opted with US Forest Service and non-profits to provide funding for several Parks & Rec projects

5. In a sentence, summarize the message you would like to give the state regarding municipal government. Unfunded state mandates should be eliminated; they impair the city's ability to cope with revenue sharing and municipal assistance cuts. Lack of funding for Sr. Citizen property tax exemption creates an undue burden.

**THANK YOU**, from the Alaska Conference of Mayors and Alaska Municipal League

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## ACoM and AML MUNICIPAL SURVEY

Municipality Northwest Arctic Borough Completed By Chuck Greene, Mayor

1. Since 1985, have State cuts in Municipal Assistance/Revenue Sharing and other Municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs been a major factor in local:

- a. Tax or Fee Increases?  No  Yes  
 b. Service Cutbacks?  No  Yes

Road maintenance activities reduced more than 60%. Clinic Operations and maintenance reduced more than 96%. School Budget reduced 15% or more. Schools maintenance deferred. Replacement Schools delayed.

2. If the State continues the trends described in question 1, what do you feel will be the impacts on your community over the next several years:

Reduced ability of communities in jurisdiction to meet reporting requirements to handle own affairs-- Increased emphasis on Borough to provide these functions with resulting losses in maintenance of effort on economic development, zoning enforcement, pollution prevention, educational funding, etc. Sweeping changes in the school system organization at a pace so rapid as to threaten or injure the quality of education now available.

3. Since 1985, in addition to sales and property taxes, has your community had to implement other taxes and fees to maintain services  No  Yes. The most significant are:

A graduated scale of fees in lieu of taxes with the Cominco/Red Dog mine has kept this Borough afloat. Savings realized over the first few years of the agreement are now being depleted. There is no tax base for a reasonable alternative method of fund raising in this jurisdiction.

4. Describe something your community accomplished over the past year or two that you are especially proud of. For example, a new program to promote community economic growth, or a way to do more with less:

Village fires are deadly threats. The Kiana Volunteer Fire Department developed a system for dealing with them that was efficient and cost-effective. With Borough assistance, they can now market the system statewide. Each village developed the concept of putting together a "permanent fund" to assist with the cost of services, and new business starts who receive grant assistance through community eligibility must pledge 1% of gross profit to the community permanent fund. A new business start is happening in Buckland as an indirect result of Borough Planning which is an EXPORT INDUSTRY with renewable resources. Once again, 1% of the gross profit goes to a community permanent fund.

5. In a sentence, summarize the message you would like to give the state regarding municipal government:

Municipal government is an important segment of many local networks, including Search & Rescue, economic development, volunteer tax assistance, and maintaining the quality of life; to reduce the municipalities any further will destroy or severely cripple these networks.

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**ACoM and AML MUNICIPAL SURVEY**

(Please take a few minutes to complete and return ASAP by FAX to 463-5480)

Municipality Elim Completed by Mayor Darlene Katchatag

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

- a. tax or fee increases?  No  Yes, if yes, please give examples:
- b. service cutbacks.  No  Yes, if yes, please give examples:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years: 1) removal of state income tax 2) less services to ~~state~~ constituents. 3) increased dependence on state welfare programs because of rise of unemployment.

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services?  No  Yes, the most significant are: raise sewer & water rates.

\_\_\_\_\_  
 \_\_\_\_\_

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

A new water treatment plant was just put on line last month.

\_\_\_\_\_

5. In a sentence, summarize the message you would like to give the state regarding municipal government. The people of rural Alaska are not given their fair share of revenues that come from rural Alaska.

**THANK YOU**, from the Alaska Conference of Mayors and Alaska Municipal League  
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02/01/96

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AK MUNI LEAGUE

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**ACoM and AML MUNICIPAL SURVEY**

(Please take a few minutes to complete and return ASAP by FAX to 463-5480)

Municipality Elim Completed by LUTHER NAGARUK

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

- a. tax or fee increases? No  Yes, if yes, please give examples:
- b. service cutbacks. No  Yes, if yes, please give examples:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years:

(1) Reduced Services - (2) Maintenance Breakdowns (3) Increased Taxes (4) Reduced Communication (5) Economic Plan Reductions (6) Trained Employees Leaving City Post (7) Increased Welfare (8) Increased Unemployment (9)

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services? No  Yes, the most significant are:

Local Service - Increased Taxes, Increased User Fees (Wastewater)

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

THE MUNICIPAL GOVERNMENT OF ELIM CONTINUES TO STRAP UP FUNDS FOR SMALL PROJECTS TO KEEP OUR LOCAL PEOPLE WORKING.

5. In a sentence, summarize the message you would like to give the state regarding municipal government. "RURAL MUNICIPAL GOVERNMENTS WILL CONTINUE TO LOOSE UNLESS STATE LAWS ARE CHANGED"

ALL RURAL NATURAL RESOURCES CONTINUE TO BUILD URBAN ALASKA.

THANK YOU, from the Alaska Conference of Mayors and Alaska Municipal League

### ACoM and AML MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASAP by FAX to 463-5480)

Municipality KOTIKOULU Completed by NATHAN KOTCH

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

a. tax or fee increases?  No  Yes, if yes, please give examples:

b. service cutbacks.  No  Yes, if yes, please give examples:

SALES TAX INCREASED FROM 4% TO 6%  
CLOSED OUR RECREATION CENTER / CUT BACK ON PUBLIC WORKS STAFF

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years:

WILL BE FORCED TO AGAIN RAISE SALES TAXES TO COVER HEALTH AND SAFETY SERVICE NEEDS

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services?  No  Yes, the most significant are:

SALES TAX TO NON-PROFIT GAMING ORGANIZATIONS  
BED-TAX ON HOTEL LODGING

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

N/A

5. In a sentence, summarize the message you would like to give the state regarding municipal government.

ALASKA IS A LARGE STATE WITH A SCATTERED POPULATION - THE BEST COMMUNITIES SUFFERING FROM ECONOMIC DISTRESS - MUST SURVIVE WITHOUT MUNICIPAL ASSISTANCE & REVENUE SHARING

THANK YOU, from the Alaska Conference of Mayors and Alaska Municipal League

## ACoM and AML MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASAP by FAX to 463-5480 )

Municipality City of Thorne Bay Completed by Kay McMaster, Mayor

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

a. tax or fee increases? No  Yes, if yes, please give examples:

b. service cutbacks. No  Yes, if yes, please give examples:

- Utility, clinic, and harbor user fee increases; sales tax increase to make up for reduced funding for clinic and emergency services operations.  
 Reductions in parks and recreation maintenance and operations; reduced road maintenance, reduced clinic hours of operation, reduced funding for emergency services.

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years:

Continued increases in fees and taxes and/or further reductions in essential services (fire, emergency medical, law enforcement, pollution control, etc.)

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services? No  Yes, the most significant are: increased utility rates for water, sewer, refuse, and electric services; initiating animal licensing fees and increased fines; initiating fees for administrative services, ie copying, faxing, notarizing, etc.

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

Constructed with state and federal assistance, the first regional solid waste treatment and disposal facility on Prince of Wales Island; funded DNR so that survey, appraisal, and sale of 11 additional industrial lots to the general public may proceed; constructed the first park the community has ever had.

5. In a sentence, summarize the message you would like to give the state regarding municipal government. Reductions in municipal assistance, revenue sharing and ACE programs do not reduce government's costs for services nor does it reduce the public costs for those services - it merely passes down more and more of the burden to local government. In some cases, these cuts result in local government inability to provide essential services at all especially in small, rural

**THANK YOU,** from the Alaska Conference of Mayors and Alaska Municipal League  
 Kevin Sam:196prn.doc communities where revenue generating ability is limited and the program funds helped support high per capita costs associated with maintenance and operation of water, sewer, and refuse services. When communities can no longer pay for operation and maintenance of these facilities they fail. System failure

cost many more dollars than any savings the legislature perceives to occur through reduction in these program fundings to communities.

ACoM and AML MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASAP by FAX to 463-5480)

Municipality Valdez Completed by Phil Hubbard, City Manager *PH Hubbard 2-7-96*

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

a. tax or fee increases?  No  Yes, if yes, please give examples:

b. service cutbacks.  No  Yes, if yes, please give examples:

The key point here is these cuts have not been a "major" factor in local tax or fee increases or in service cutbacks. In Valdez, the "major" factor has been the loss in value of oil property. Oil property assessed value has been declining about 9% every year.

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years: \_\_\_\_\_

Reduction in "quality of life" services.

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services?  No  Yes, the most significant are: Our City Council has chosen to reduce expenditures instead.

Operating expenditures have been cut 37% and 8% respectively in the last two years. The City Administration expects to recommend user fee increases in its FY97 budget.

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

N/A

5. In a sentence, summarize the message you would like to give the state regarding municipal government. All wisdom does not flow from the State. Municipalities should be involved in public policy issues and solutions - e.g. State Mandated Senior Citizens' Property Tax Exemption Program has significant local impact and the financial consequences (Q77) occur to

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City governments, not to the State.

### ACOM and AML MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASAP by FAX to 463-5480)

Municipality PORT LIONS Completed by Robert Himes

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

a. tax or fee increases? \_\_\_ No  Yes, if yes, please give examples:

b. service cutbacks. \_\_\_ No  Yes, if yes, please give examples:

Increase in Water/Sewer/Garbage Fees  
Decreased Harbor Maintenance, Decreased Road Maint.  
Decreased Equip. Maint. causing lack of Road Maint.

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years:

Harbor Facility will have to be turned over to the State, we will longer be able to operate or maintain water/sewer/Garbage Facilities

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services? \_\_\_ No  Yes, the most significant are:

Increased Water/Sewer/Garbage Fees.

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

The Port Lions School Student Council Secured Funds From the Legislature to rebuild the Port Lions Causeway which is a local historical landmark and also the longest wood bridge in Alaska

5. In a sentence, summarize the message you would like to give the state regarding municipal government. Reduced Municipal Assistance/Revenue Sharing will kill Rural Alaska.

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To	LEVIN/TALIE	From	Dennis
Co./Dept		Co.	
Phone #		Phone #	
Fax #	463-5480	Fax #	

Notes on ACoM/AML Survey

Municipality - City & Borough of Juneau  
 Completed by - Dennis Egan & Craig Duncan

1a. We have seen a 70% drop in MA/SSR. Since FY86 we have seen a \$7 million drop in MA/SSR even though our population has increased from 20,000 in 1985 to 30,000 in 1996. In FY86 we received \$10 million MA/SSR. In FY96 we are predicting funding just short of \$3 million.

1b. State Senior and Veterans tax exempt programs. The state is currently funding only 6% of this program. Seniors will apply for over \$1.3 million in exemptions and the state will pay only \$75,000. This equates to over a \$1.2 million shortfall.

If we combine these two programs we are looking at an \$8.5 million funding shortfall from the state. This alone equals a mill levy of just over 5 mills.

The mill rate in FY86 (1985) was around 9.25 or 3.81 mills less than the FY96 (1995) rate of 13.06.

2. Services and programs will have to be eliminated or curtailed further. User fees will have to be instituted or where they now exist will have to be increased substantially. Water, sewer and waste water discharge regulations will force us to increase rates substantially and to rethink how these services are provided.

3. We have increased tobacco (6%) and liquor (3%) taxes to offset decreases in funding to Health and Social Services. We have instituted a \$2.80 per month hazardous waste disposal charge to all utility customers. Enterprise fund fees, building permit fees, parks & recreation fees, etc. have all been increased. All fees were reviewed and increased where warranted.

4. Juneau has managed to absorb state mandates and program funding reductions that were far greater than the financial impacts passed on to our residents. We have become much more efficient and cost effective in providing services to our residents over the past 10 years.

5. Taxpayer irritation should not be focused at local government but to the declining support of state and federal services and municipal funding. It is not the federal or state government, but the local government that provides the majority of direct taxpayer services in Juneau.

We do this for a cost of around \$1,400 per resident (property and sales tax). The state budget is \$2.5 billion. That works out to \$4,500 per resident. Even if the state stopped paying for education, that would only add another \$800 per resident locally. So, who is getting the best bang for the buck?

ACoM and AML MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASAP by FAX to 463-5480)

Municipality Lewis Burd Completed by Don Selman

- 1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:
  - a. tax or fee increases? No  Yes, if yes, please give examples:
  - b. service cutbacks.  No Yes, if yes, please give examples:

Tax has been implemented to offset Road maintenance fund reduction in Revenue Sharing - Increase Tax about \$11,000,000/yr.

- 2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years:

Increase of tax for Road SVCS - SVCS won't be cut once Rd maintenance starts it will continue

- 3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services?  No Yes, the most significant are:

We did not have to increase fees - we did - special waste fees for large customers such as demolition by contractors - Asbestos, etc

- 4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

Improved Solid Waste Management - went to larger containers - reduced hauling costs and improved environmental quality

- 5. In a sentence, summarize the message you would like to give the state regarding municipal government. Municipal Assistance was boosted in the early 1980's as a way to reduce local tax burden. Most communities did reduce property or sales tax. However most communities increased expenditures (Programs)

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now the program needs outweigh the municipal assistance and tax rates have had to increase accordingly. Municipal <sup>assistance</sup> started out to replace a business license fee and in FY 1980 was only \$11,000,000. It grew in FY 1982 to almost \$80,000,000 without any real analysis. It was put in to get the "burden municipalities" off our back (over)

So we can deal with the real needs of the state."

Redistribution of the resource wealth of the state is a good idea. a reasonable level of that wealth should go to municipal govts to <sup>help</sup> provide basic services to the communities. The state should settle on some policy other than reduction of funds every year so communities can plan. after establishing some base then any other mandate, transfer of state service, etc should have adequate funding above the base amount.

Don Selman

## ACoM and AML MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASAP by FAX to 463-5480)

Municipality Aleknagik Completed by Helen M. Chythlook, Administrator

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

a. tax or fee increases?  No  Yes, if yes, please give examples:

b. service cutbacks.  No  Yes, if yes, please give examples:

Cut out Refuse Collection. Full-Time employment cut  
down to permanent part-time for other City employment  
positions.

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years: We will have general

operation & maintenance expense problems if cuts continue.  
We already have a limited Municipal Assistance & Revenue  
Sharing monies, because our population is less than 400,  
and most rural communities needs are not considered top  
priorities in the State legislative Capital Project budget appropriation

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services?  No  Yes, the most significant

are: We charge heavy equipment rental rates so that  
helps. Some when seasonal construction companies  
wish to rent city equipment for their projects. No other  
fees, as of now.

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

We are in the process of getting the completed South  
Shore Aleknagik Health Clinic, and possibly a  
permanent Community Health Aide position for the  
South side. Negotiations between JHS is still being done.

5. In a sentence, summarize the message you would like to give the state regarding municipal government. Do not cut any more State Revenue

sharings and/or municipal assistance monies. Most rural  
local government offices rely on these monies to  
maintain and operate, even part-time positions to provide

**THANK YOU,** from the Alaska Conference of Mayors and Alaska Municipal League Some much

### ACoM and AML MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASAP by FAX to 463-3480)

Municipality Soldotna Completed by Ken Lancaster - Mayor

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

a. tax or fee increases?  No \_\_\_ Yes, if yes, please give examples:

b. service cutbacks.  No \_\_\_ Yes, if yes, please give examples:

Used Cities fund Balance and Equipment fund To Balance Budget.

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years:

Re Allocation of Our Sales Tax upon Approval of Tax Payers.

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services?  No \_\_\_ Yes, the most significant are:

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

Partner with Rotary for Habitat Protection, & Kenai River Classic to Raise funds for Habitat Protection.

5. In a sentence, summarize the message you would like to give the state regarding municipal government. Recognize The Work That Cities & Chambers of Commerce Do To Promote Alaska & Economic Development and do The Same.

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Reinvest Permanent fund Monies In The State of Alaska

### ACoM and AML MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASAP by FAX to 463-5480)

Municipality City of Ekwok completed by Jeff Romie

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

a. tax or fee increases?  No \_\_\_ Yes, if yes, please give examples:

b. service cutbacks.  No \_\_\_ Yes, if yes, please give examples:

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years: We will not survive if it wasn't for the state revenue sharing & municipal debt Ekwok would not make it. The major source of revenue comes from the Electric Company.

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services?  No \_\_\_ Yes, the most significant are: \_\_\_\_\_

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

We are generating our own power to the city year around for the first time, before we were purchasing power from the school district. Thanks to a good Administration and new Council.

5. In a sentence, summarize the message you would like to give the state regarding municipal government.

No more cuts in Municipal Assst. and State Revenue sharing. We are a community with 126 residents and basically no way to generate revenue.

THANK YOU, from the Alaska Conference of Mayors and Alaska Municipal League

### ACoM and AML MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASAP by FAX to 463-5480)

Municipality Sum. Point Completed by David Johnson

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

a. tax or fee increases?  No  Yes, if yes, please give examples:

b. service cutbacks.  No  Yes, if yes, please give examples:

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years: Reduction in level

of services, continuing services

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services?  No  Yes, the most significant are:

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

Privatization of Janitorial Services

Contracting Garbage Collection Service

5. In a sentence, summarize the message you would like to give the state regarding municipal government. Enough is enough

THANK YOU, from the Alaska Conference of Mayors and Alaska Municipal League

### ACoM and AML MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASAP by FAX to 463-5480)

Municipality Akutan Completed by Erika Tritremmel

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

- a. tax or fee increases?  No  Yes, if yes, please give examples:
- b. service cutbacks.  No  Yes, if yes, please give examples:

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2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years: Increased fees for services, cutback of services that are not essential (such as Daycare)

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3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services?  No  Yes, the most significant are:

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4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

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5. In a sentence, summarize the message you would like to give the state regarding municipal government. The most difficult is to deal with mandates that are not really necessary, in a small community yet we are required to follow through with them. It lingers me that at the same time as the

**THANK YOU,** from the Alaska Conference of Mayors and Alaska Municipal League  
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State is witting funds to small communities they are establishing regulatory fees for State services that increase our financial burden (i.e. drinking water permits, landfill permits, Tidelands leases in the past, etc.)

### ACoM and AML MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASAP by FAX to 463-5480)

Municipality SITKA Completed by Gary Patton

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:
- a. tax or fee increases? No  Yes, if yes, please give examples:
  - b. service cutbacks. No  Yes, if yes, please give examples:

OUR SCHOOL DISTRICT HAS A 50% FALL BETWEEN 600,000 to 1M \$

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years:

Major degradation in school program or a 1% sales tax increase

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services? No  Yes, the most significant are:

1) Trying to institute a five year budget plan which includes school fund and major funding requirement for school building renovation and health service Bldg.

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

~~4986 - 3 miles~~ 0 - 4 miles

1987 increase 1 mile & 1990 2 miles

NET = 3 miles

5. In a sentence, summarize the message you would like to give the state regarding municipal government.

Stop violating your budget problems on the basis of municipalities.

THANK YOU, from the Alaska Conference of Mayors and Alaska Municipal League  
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## ACoM and AML MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASAP by FAX to 463-5480)

Municipality CITY OF  
McGRATH Completed by COLEN HANWAY, MAYOR

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

- a. tax or fee increases?    No    Yes, if yes, please give examples:  
b. service cutbacks.    No X Yes, if yes, please give examples:

HEALTH CLINIC - TRANSFERRED TO TANANA CLINICS  
DAY CARE CENTER - CLOSED  
STREETLIGHTS -- CUT BACK FROM 61 → 18 NOW ON

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years: OUR OPERATING BUDGET  
HAS GONE FROM \$450,000/YR TO \$175,000  
AT PRESENT. IF THE TREND CONTINUES, THERE  
WILL BE NO STAFF EXCEPT THE CITY CLERK  
TO DO WATER, SEWER, & LANDFILL BILLINGS

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services?    No X Yes, the most significant are: LANDFILL FEE -- \$12 PER MONTH. SALES  
TAX HAS FAILED TWICE SINCE 1988. A BED  
TAX FAILED IN 1991.

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

ELIMINATED THE CITY ADMINISTRATOR'S  
POSITION. NOW, THE MAYOR HAS TAKEN  
OVER THE ADMINISTRATOR'S POS'N ON A  
PART-TIME BASIS TO SAVE MONEY.

5. In a sentence, summarize the message you would like to give the state regarding municipal government. THE CITY OF McGRATH HAS  
CUT ABOUT AS MUCH AS IT CAN, AND STILL  
MAINTAIN BASIC SERVICES: WATER, SEWER,  
STREETLIGHTS, ROAD MAINTENANCE, DUMP MAINTENANCE  
THANK YOU, from the Alaska Conference of Mayors and Alaska Municipal League

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→ ANY MORE CUTS WILL EFFECT BASIC  
SERVICES.

### ACoM and AML MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASAP by FAX to 463-5480)

Municipality Palmer Completed by Joe Lawton

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

a. tax or fee increases? No  Yes, if yes, please give examples:

b. service cutbacks. No  Yes, if yes, please give examples:

Property taxes increased in early 90's. Sales tax increased for 1996. (70 32)

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years: Higher taxes, wider

taxes, service fees on exempt properties, decreased services

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services? No  Yes, the most significant are: airport fees, building fees, and utility rates have all risen

dramatically

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

Refinance of golf course through GO bonds. Preparation of historical

Matanuska Maid complex for sale and development.

5. In a sentence, summarize the message you would like to give the state regarding municipal government. From Juneau, constituents are "Alaskans" at best, but more likely they are "democrats", "republicans", or statisticians. In Palmer, constituents are neighbors and co-workers. We can do a better job of determining the best use of much of the state's resources locally.

THANK YOU, from the Alaska Conference of Mayors and Alaska Municipal League

**ACoM and AML MUNICIPAL SURVEY**

(Please take a few minutes to complete and return ASAP by FAX to 463-5430 )

Municipality Metlakatla Completed by Jack Booth Sr.

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

- a. tax or fee increases?  No  Yes, if yes, please give examples:
- b. service cutbacks.  No  Yes, if yes, please give examples:

A cut in revenue sharing has caused us to transfer our private profit to help in the shortage in state shortfalls. This effects water, sewer, garbage and essential services. We see shortages on the MDCDC project list which funds; ems ambulance, power services, senior citizens, schools, roads, and law enforcement.

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years:

Due to the shortage of timber & federal impacts on SBA sales, we will cut and discontinue services all together.

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services?  No  Yes, the most significant are: Water & sewer maintenance and hookup fees.

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

No Comment

5. In a sentence, summarize the message you would like to give the state regarding municipal government. We believe in local control & would like to see the downsizing (administrative) of State & Federal Govt. Pass the saving on to the municipal Govts. If you want to see some top heavy sections in the State look at Daycare or the State Library Grant System.

**THANK YOU**, from the Alaska Conference of Mayors and Alaska Municipal League  
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## ACoM and AML MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASAP by FAX to 463-5480)

Municipality FALSE PASS Completed by BORGE LARSEN

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

a. tax or fee increases?  No  Yes, if yes, please give examples:

b. service cutbacks.  No  Yes, if yes, please give examples:

Not yet but we have not been able to expand services  
either. unfunded mandates concerning water testing causes  
us to operate a water treatment plant at a loss yearly.  
This year we will see rate increases for water & landfill services

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years: AS rates increase

to cover basic public services, people will move  
to the city

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services?  No  Yes, the most significant are:

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

Build a community Rec Centre - opens nightly for  
youth and adults - has a library - no library prior to this

5. In a sentence, summarize the message you would like to give the state regarding municipal government. Municipal Government provides basic services  
to insure health and welfare of residents - with city services,  
state would be required to pay more law enforcement, welfare,  
airport maintenance etc... ~~Help~~ HELP US HELP YOU!

THANK YOU, from the Alaska Conference of Mayors and Alaska Municipal League

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### ACoM and AMI MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASA<sup>2</sup> by FAX to 463-5480)

Municipality Buckland Completed by Willie P. Thomas/Mayor

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state services responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

a. tax or fee increases?  No  Yes, if yes, please give examples:

b. service cutbacks.  No  Yes, if yes, please give examples:

Due to RS/MA cut backs our Police and Health Clinic services have suffered (Priority) have been reduced to bare minimum and is due to further reduction.

2. If the state continues the trends described in question 1, what do you feel the impacts ~~will~~ will ~~be~~ be ~~on~~ on ~~your~~ your ~~municipality.~~ municipality.

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services?  No  Yes, the most significant are: This community is too small to have a tax structure other than sales tax.

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less. With the continued cuts and unfunded mandates a municipality of this size is vertially impossible to create a viable economic base.

5. In a sentence, summarize the message you would like to give the state regarding municipal government. I believe that the state and Municipalities should be on a partnership basis, and that the state can learn how to better support municipalities across the state.

THANK YOU, from the Alaska Conference of Mayors and Alaska Municipal League  
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### ACoM and AML MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASAP by FAX to 463-5480)

Municipality Dillingham Completed by Chris Hladick City Manager

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

- a. tax or fee increases?  No  Yes, if yes, please give examples:
- b. service cutbacks.  No  Yes, if yes, please give examples:

The City of Dillingham cut four departments last fiscal year. There is no longer a Parks & Rec dept, no Planning dept, no full time librarian, and positions were cut in Public Works. The mill rate increased for this fiscal year from 6 to 8 mills.

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years:

More increases to real + personal property taxes, and reduction of services.

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services?  No  Yes, the most significant are:

Yes - attempts have been made to implement new taxes with little success. The public sentiment is that citizens are paying too much now.

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

Our general fund was at (135,000) on July 1, 1994 - by July 1, 1995 our General Fund was + 175,000. Every dept has learned to do more with less.

5. In a sentence, summarize the message you would like to give the state regarding municipal government.

Rural Alaska Administrators are doing their best to live within our means. We are prepared for more cuts. We expect any decreases to revenues to be equitable in that both Rural and Urban areas are cut equally.

THANK YOU, from the Alaska Conference of Mayors and Alaska Municipal League

### ACoM and AML MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASAP by FAX to 463-5480)

Municipality Scammon Bay Completed by Frank E. Aguchak

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

a. tax or fee increases?  No  Yes, if yes, please give examples:

b. service cutbacks.  No  Yes, if yes, please give examples:

Aides who normally worked for six hours are now working three hours a day

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years: There will be

cuts definitly to Public Safety, Public works & Administration.

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services?  No  Yes, the most significant are:

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

utilizing the Matching Grant Programs past two years.

5. In a sentence, summarize the message you would like to give the state regarding municipal government. Consider Annual/AML proposals especially

the program to replace St. Paul Sharing/Municipal Assst

**THANK YOU**, from the Alaska Conference of Mayors and Alaska Municipal League

### ACoM and AML MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASAP by FAX to 463-5480)

Municipality Manokotak Completed by Melvin Taylor Sr

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

- a. tax or fee increases?  No  Yes, if yes, please give examples:
- b. service cutbacks.  No  Yes, if yes, please give examples:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years: We will suffer because of lack of funding.

\_\_\_\_\_  
\_\_\_\_\_

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services?  No  Yes, the most significant are:

\_\_\_\_\_  
\_\_\_\_\_

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

We have a search + Rescue Team  
\_\_\_\_\_  
\_\_\_\_\_

5. In a sentence, summarize the message you would like to give the state regarding municipal government. Hope we can get more funds for small communities

\_\_\_\_\_  
\_\_\_\_\_

**THANK YOU**, from the Alaska Conference of Mayors and Alaska Municipal League  
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### ACoM and AML MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASAP by FAX to 463-5480)

Municipality City of Homer Completed by Del Kuebeckin

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

a. tax or fee increases? No  Yes, if yes, please give examples:

b. service cutbacks. No  Yes, if yes, please give examples:

a. Sales Tax increased from 2% to 3 1/2%  
b. Decreased personnel thru. positions, one Police Dept, Two Public Works.

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years: Reduce police force,

reduce services provided by public works ie street sweeping, & snow plowing, less street maintenance.

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services? No  Yes, the most significant are:

Tire case recycling permit fees, water & sewer rates, port & moorage fees, ambulance fees.

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

5. In a sentence, summarize the message you would like to give the state regarding municipal government. Funds apportioned by the state

to the municipal governments provides greater benefit by allowing local control of how these reserves can be used

THANK YOU, from the Alaska Conference of Mayors and Alaska Municipal League

### ACoM and AML MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASAP by FAX to 463-5480)

Municipality ST. MARYS Completed by WALTON SMITH

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

- a. tax or fee increases?  No  Yes, if yes, please give examples:
- b. service cutbacks.  No  Yes, if yes, please give examples:

INCREASED DUMP Fees Equip. RENTAL  
- decreased garbage pickups -  
borrowed money from reserves

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years: Reduced LABOR FORCE - then Reduced services

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services?  No  Yes, the most significant are:

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

5. In a sentence, summarize the message you would like to give the state regarding municipal government.

When the state cuts services or funding, these cuts have a devastating impact on small town villages

THANK YOU, from the Alaska Conference of Mayors and Alaska Municipal League

FAYID 7/2 & 2/5

### ACoM and AML MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASAP by FAX to 463-5480)

Municipality Aleutians East Borough Completed by Bob Juettner

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

a. tax or fee increases?  No \_\_\_ Yes, if yes, please give examples:

b. service cutbacks.  No \_\_\_ Yes, if yes, please give examples:

~~The only reason I have answered no to both questions is because southwest Alaska experienced a fish boom as a result of the Americanization of the Bering Sea fisheries. With fish price in decline, and the resulting loss of tax revenues, southwest Alaska is now in the same position as the rest of the state and its dependence upon state revenues.~~

2. If the state continues the trends described in question 1. what do you feel the impacts on your community will be over the next several years: We will have to reduce our support for education and social service programs in addition to the elimination of the local capital improvement program.

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services?  No \_\_\_ Yes, the most significant are:

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

~~In FY 95, we completed the remodel and addition of the Akutan school utilizing a lease purchase agreement. In FY96, we completed the Nelson Lagoon dock with only \$75,000 of state funding. The remaining \$2.2M was comprised of AEB funds, \$1.1M, federal funds, \$600K and \$600K from the Aleutian Pribof Islands Community Development Assc.~~

5. In a sentence, summarize the message you would like to give the state regarding municipal government. Stand up and tell the public the truth: it is the Legislature which is responsible for increased local taxes and decreased local services.

THANK YOU, from the Alaska Conference of Mayors and Alaska Municipal League

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## ACoM and AML MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASAP by FAX to 463-5480)

Municipality Wasilla Completed by John Stein

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

a. tax or fee increases? No  Yes, if yes, please give examples:

b. service outbacks.  No Yes, if yes, please give examples:

1985-1993 Property tax increased about 1.0 mill  
to compensate for drop in MARS and roads grants

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years: Wasilla gets about  
500,000/yr now. If cuts continue and MARS disappears  
other sales tax will raise 1/4% or Property tax will increase  
by 2.0 mills. Wasilla is growing even with static  
level of service, population increase will drive costs up for basic  
services.

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services? No  Yes, the most significant are: sewer utility rates increased 30% in FY 95. Little  
grant support is available for "non-rural" utility  
construction in past 2 years.

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

Established new police department, initiated road and  
street paving and construction program with  
proceeds from 2% sales tax established Jan'93.

5. In a sentence, summarize the message you would like to give the state regarding municipal government. As municipal support wanes the state  
admin and legislature should deliver the message  
that local taxpayers are expected to pick-up burden.

THANK YOU, from the Alaska Conference of Mayors and Alaska Municipal League  
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### ACoM and AML MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASAP by FAX to 463-5480)

Municipality Eagle AK Completed by Steve R. Scott, Mayor

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

a. tax or fee increases?  No  Yes, if yes, please give examples:

b. service cutbacks.  No  Yes, if yes, please give examples:

- 1 less hours for personnel
- 2 less recreation programs & equipment
- 3 less historic bldg restoration
- 4 ~~miss~~ matching grants

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years:

Would cut into road maintenance, personnel  
time, etc. - Charge for water now furnished free  
from well house, etc

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services?  No  Yes, the most significant are:

Our community does not support increased taxes

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

Saved our Community - Waterfront restoration  
2 million dollars from Soil Conservation with  
City matching  
Success in tourism

5. In a sentence, summarize the message you would like to give the state regarding municipal government.

The municipalities carry the load of  
the services to residents - Support the municipal  
governments before funding more state programs. No more  
cuts, please

THANK YOU, from the Alaska Conference of Mayors and Alaska Municipal League

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## ACoM and AML MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASAP by FAX to 463-5480)

Municipality Unalakleet Completed by Nancy E. Cannington

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfer of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

- a. tax or fee increases?    No XX Yes, if yes, please give examples:  
 b. service cutbacks.    No XX Yes, if yes, please give examples:

- a. increase in 2% sales tax and dock fees  
 b. Police Department manpower (officers & dispatchers and Road Maintenance

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years: Continued cuts to RS/MA programs - the community cannot generate additional local revenues to cover the decreases, therefore staffing and services will be eliminated on a priority basis.

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services?    No XX Yes, the most significant are: Dock Fees, Herring Boat Hauls

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

We are currently working with the IRA, Unalakleet Native Corp. and Norton Sound Economic Development Corp. to secure funding for a new fish plant to promote value added processing.

The City has received transfer of excess airport lands from DOT, a portion of which will be earmarked to promote economic

5. In a sentence, summarize the message you would like to give the state regarding municipal government Local governments are the first line of service to constituents, and we ask that the State support rather than jeopardize our ability to provide those services.

THANK YOU, from the Alaska Conference of Mayors and Alaska Municipal League

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Cont. 4. development in the community.

### ACoM and AML MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASAP by FAX to 463-5480)

Municipality Kodiak Island Borough Completed by Jessie Selby

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

- a. tax or fee increases?  No  Yes, if yes, please give examples:
- b. service cutbacks.  No  Yes, if yes, please give examples:

mill rate has almost doubled  
garbage water and sewer rates have significantly increased  
building permits increased  
virtually all fees have had to increase & new fees added

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years:

increased taxes & service cutbacks  
 \_\_\_\_\_  
 \_\_\_\_\_

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services?  No  Yes, the most significant are:

a Severance tax on all mineral resources  
 \_\_\_\_\_  
 \_\_\_\_\_

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

1. The community managed to complete a hospital addition/renovate  
2. The city entered into the City of Kodiak and the Anchorage Chamber of Commerce  
to do a 10 year economic development pact which has  
attracted new funding and new businesses and jobs to Kodiak

5. In a sentence, summarize the message you would like to give the state regarding municipal government.

Municipal government is the heart  
of Kodiak and should be the first place the  
state invests for the future.

THANK YOU, from the Alaska Conference of Mayors and Alaska Municipal League

### ACoM and AML MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASAP by FAX to 463-5480)

Municipality City of Kodiak Completed by 02/06/96

1. Since 1985, have state cuts in Municipal Assistance/Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

- a. tax or fee increases?  No  Yes, if yes, please give examples:
- b. service cutbacks.  No  Yes, if yes, please give examples:

Effective July 1, 1993, the City sales tax was raised from 5% to 6.5%

Effective July 1, 1993, discontinued reimbursements of personal property tax

Reduced Fire Department personnel by 13% (15 - 13 employees).

Reduced Police Department personnel by 3% (34 - 33 employees).

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years:

Undoubtedly, increase property tax levy, enact a personal property tax, and reduce expenditures, i.e., reduce number of personnel, postpone capital acquisitions, and defer maintenance, etc.

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services?  No  Yes, the most significant are:

Insufficient fee income in Parks and Recreation and other minor revenue sources.

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

City beautification program to enhance central downtown area and developing a float plane facility because of present unsafe conditions mixing planes and boats.

5. In a sentence, summarize the message you would like to give the state regarding municipal government.

Further reduction of revenue sharing and municipal assistance will jeopardize the existence of communities and may create a greater financial burden for municipalities.

THANK YOU, from the Alaska Conference of Mayors and Alaska Municipal League

## ACoM and AML MUNICIPAL SURVEY

(Please take a few minutes to complete and return ASAP by FAX to 463-5480 )

Municipality Soldotna Completed by Joel L. Wilkins

1. Since 1985, have state cuts in Municipal Assistance/ Revenue Sharing and other municipal aid programs, transfers of state service responsibilities, unfunded mandates, and underfunding state programs (such as schools), been a major factor in local:

a. tax or fee increases?  No \_\_\_ Yes, if yes, please give examples:

b. service cutbacks. \_\_\_ No  Yes, if yes, please give examples:

Fund balance has dwindled alarmingly. We can no longer fund scholarships and safety incentives & other items. We have reduced personnel and benefits.

2. If the state continues the trends described in question 1, what do you feel the impacts on your community will be over the next several years: We will either see a raise in property taxes and/or stop funding all Health & Welfare Programs such as Community Schools, cut back of "quality of life" things like parks, landscaping and street sweeping.

3. Since 1985, in addition to sales and property taxes, has your municipality had to implement other taxes or fees to maintain services? \_\_\_ No  Yes, the most significant are: We have increased water and sewer rates, building permit fees, park fees, and Sports Center charges.

4. Describe something your municipality accomplished that you are especially proud of, especially over the past year or so. For example, a new program to promote community economic growth, or a way to do more with less.

Traded park maintenance of one park for rent, enlisted volunteers for park upgrades and street corners. Contracted with a community association to manage our rodeo grounds, re-organized our Public Works Department, created a community group called "Mainstreet Alaska" to help us promote community pride and highway safety.

5. In a sentence, summarize the message you would like to give the state regarding municipal government. The municipalities have "risen to the challenge" of leaner times, but we are reaching the end of our capacity. Our residents are also residents of the State of Alaska and deserve the State's support and loyalty.

**THANK YOU**, from the Alaska Conference of Mayors and Alaska Municipal League

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02/22/95 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1150  
13:18:42 PARTICIPANT LIST (ALL PARTICIPANTS) BY:AN  
TCN:50201 SCHEDULED FOR:02/22/95 13:30 TO 15:00 FOR:ANC  
PUBLIC HEARING SENATE COMMUNITY & REGIONAL AFFAIRS  
LOCATION: ANCHORAGE  
SB 20 GENE DUSEK MUNI OF ANCH TESTIFY

02/22/95 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1150  
13:20:50 PARTICIPANT LIST (ALL PARTICIPANTS) BY:BAR  
TCN:50201 SCHEDULED FOR:02/22/95 13:30 TO 15:00 FOR:BAR  
PUBLIC HEARING SENATE COMMUNITY & REGIONAL AFFAIRS  
LOCATION: BARROW  
SB 20 MR DONALD LONG AML & CITYOFBARRTESTIFY

02/22/95 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1150  
13:32:44 PARTICIPANT LIST (ALL PARTICIPANTS) BY:VAL  
TCN:50201 SCHEDULED FOR:02/22/95 13:30 TO 15:00 FOR:VAL  
PUBLIC HEARING SENATE COMMUNITY & REGIONAL AFFAIRS  
LOCATION: VALDEZ  
SB 20 MR. DOUG GRIFFIN TESTIFY

02/22/95 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1150  
13:32:11 PARTICIPANT LIST (ALL PARTICIPANTS) BY:NOM  
TCN:50201 SCHEDULED FOR:02/22/95 13:30 TO 15:00 FOR:NOM  
PUBLIC HEARING SENATE COMMUNITY & REGIONAL AFFAIRS  
LOCATION: NOME  
SB 20 MR. LEO RASMUSSEN AML TESTIFY

02/22/95 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1150  
13:32:51 PARTICIPANT LIST (TESTIFIERS ONLY) BY:MAT  
TCN:50201 SCHEDULED FOR:02/22/95 13:30 TO 15:00 FOR:MAT  
PUBLIC HEARING SENATE COMMUNITY & REGIONAL AFFAIRS  
LOCATION: MATSU  
SB 20 MR DON MOORE MAT-SU BOROUGH TESTIFY

02/22/95 13:25:56 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1120  
MESSAGE FROM: LIOCJEN IN ANCHORAGE JNU

RE TCN: 50201 SCHEDULED FOR:02/22/95 13:30 TO 15:00  
SPONSOR: SENATE COMMUNITY & REGIONAL AFFAIRS PURPOSE: PUBLIC HEARING

MESSAGE TEXT: OFNET 2, DCRA IN ANCHORAGE IS ~~ON~~ ON.

THEY MAY WISH TO TESTIFY

02/22/95 13:25:40 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1120  
MESSAGE FROM: LIOCJEN IN ANCHORAGE JNU

RE TCN: 50201 SCHEDULED FOR:02/22/95 13:30 TO 15:00  
SPONSOR: SENATE COMMUNITY & REGIONAL AFFAIRS PURPOSE: PUBLIC HEARING

MESSAGE TEXT: HOONAH HAS JOINED THE CONFERENCE  
PARTICIPANTS MAY WISH TO TESTIFY

02/22/95 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1150  
13:42:33 PARTICIPANT LIST (ALL PARTICIPANTS) BY:HOM  
TCN:50201 SCHEDULED FOR:02/22/95 13:30 TO 15:00 FOR:HOM  
PUBLIC HEARING SENATE COMMUNITY & REGIONAL AFFAIRS  
LOCATION:HOMER  
SB 20 MS. LOIS R. IRVIN TESTIFY

02/22/95 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1150  
13:42:34 PARTICIPANT LIST (TESTIFIERS ONLY) BY:JNU  
TCN:50201 SCHEDULED FOR:02/22/95 13:30 TO 15:00 FOR:KOT  
PUBLIC HEARING SENATE COMMUNITY & REGIONAL AFFAIRS  
LOCATION:KOTzebue  
A.L. ITEMS MR FRED ARMSTRONG NORTHWEST ARCTIC TESTIFY

02/22/95 LEGISLATIVE TELECONFERENCE NETWORK SYSTEM LTN1150  
13:42:35 PARTICIPANT LIST (ALL PARTICIPANTS) BY:KOT  
TCN:50201 SCHEDULED FOR:02/22/95 13:30 TO 15:00 FOR:KOT  
PUBLIC HEARING SENATE COMMUNITY & REGIONAL AFFAIRS  
LOCATION:KEN/SOL  
SB 20 MRS BETTY BLANK KPBOROUGH ASSLT TESTIFY  
SB 20 MR. TOM BOEDEKER KPBOROUGH TESTIFY

02/22/95 13:37:18 LEGISLATIVE TELECONFERENCE NETW  
MESSAGE FROM: LIOCJEN IN ANCHORAGE

RE TCN: 50201 SCHEDULED FOR: 02/22/95 13:30 TO  
SPONSOR: SENATE COMMUNITY & REGIONAL AFFAIRS PU

MESSAGE TEXT: OUZINKIE MAYOR ZACK CHICHENOFF PLUS  
IS ON LINE

OUZINKIE IS AN  
OFFNET - I CAN'T  
REMIND THEM OF  
TIME LIMIT



Overview by Section  
Sponsor Substitute for Senate Bill 20  
Alaska Municipal Basic Services Program

- Section 1 Housekeeping- name change
- Section 2 Housekeeping- name change
- Section 3 Housekeeping- name change
- Section 4 THIS SECTION LAYS OUT AMBS ALLOCATION FORMULA (See attached formula description)
- Section 5 Housekeeping- statute citation change
- Section 6 Removes obsolete language regarding how "locally generated revenues" are determined under the old revenue sharing formula.
- Section 7 Makes minor administrative change in DCRA process to determine average assessed valuation in second class cities that do not levy property tax. It restricts average only to other second class cities.
- Section 8 Brings DCRA reporting requirement into conformance with AMBS
- Section 9 Brings DCRA regulatory responsibility into conformance with AMBS
- Section 10 Housekeeping- statute citation change
- Section 11 Allows road/ ice road entitlements to be prorated according to available funding.
- Section 12 Housekeeping- requested by DCRA to improve administration
- Section 13 Allows hospital/ health facility entitlements to be prorated according to available funding.
- Section 14 Establishes a flat \$5.00 per capita for volunteer fire departments in unorganized areas. (FY 95 per capita prorated to \$3.30)
- Section 15 Establishes a flat \$7500 entitlement for unincorporated communities. (FY 95 prorated allocation is \$8333)
- Section 16 Establishes a flat \$40,000 entitlement for incorporated communities providing at least 2 of 9 municipal basic services.
- Section 17 Clarifies the \$40,000 minimum entitlement for incorporated communities.
- Section 18 Recognizes federal Indian reserves for entitlements under AMBS. (only Metlakatla qualifies as an Indian reserve)
- Section 19 Makes July 1 the payment date for entitlements.
- Section 20 Clarifies areas and population used in AMBS calculations when a specific municipal basic service is not provided areawide.
- Section 21 Housekeeping- name and statute citation change.
- Section 22 Housekeeping change related to Indian reserves
- Section 23 Repeals obsolete statutes relating to the Municipal Assistance and Revenue Sharing Programs.
- Section 24 Provides for a gradual transition to the new formula by reducing entitlements no more than 2% in FY 96 and FY 97, and no more than 5% thereafter, relative to the FY 95 amounts, until the transition is complete for that community.

## SPONSOR SUBSTITUTE FOR SB 20 ALASKA MUNICIPAL BASIC SERVICES (AMBS) PROGRAM

The concept of the AMBS program is that revenue should be shared with municipalities in proportion to the extent that they provide municipal basic services. There are two basic steps in the allocation process:

### STEP ONE

Allocation of the annual legislative appropriation among nine municipal basic service categories based on a statutory formula.

#### *MUNICIPAL BASIC SERVICES*

1.	PUBLIC SCHOOLS K-12 (local contribution)	20%
2.	POLICE	17%
3.	TAXATION/ASSESSMENT, FINANCE, LAND USE PLANNING	19%
4.	ROADS and ICE ROADS OPERATION and MAINTENANCE	12%
5.	FIRE and EMERGENCY MEDICAL SERVICES	11%
6.	WATER and SEWER OPERATION and MAINTENANCE	8%
7.	WASTE MANAGEMENT OPERATION and MAINTENANCE	5%
7.	HEALTH FACILITIES OPERATION and MAINTENANCE	4%
9.	COMMUNITY SERVICES (parks, recreation, social/health services, libraries and culture)	4%
		100%

#### *FORMULA*

The annual funding for each MUNICIPAL BASIC SERVICE category is determined annually as shown in the following example:

<i>TOTAL APPROPRIATION</i>	<i>X (times)</i>	<i>CATEGORY %</i>	<i>equals</i>	<i>CATEGORY FUNDING</i>
<i>by LEGISLATURE</i>				

<i>\$100,000,000</i>	<i>X</i>	<i>POLICE 17%</i>	<i>=</i>	<i>\$17,000,000</i>
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## STEP TWO

### ALLOCATION OF AMBS FUNDS TO MUNICIPALITIES

Each municipality is entitled to receive an amount of revenue sharing funds from one or all municipal basic service categories in proportion to that municipality's local effort in each category (actual prior year expenditures), its overall ability to pay (represented by the full and true assessed value), and its population.

The following formula determines the amount from each category that is distributed to each municipality. It incorporates the concepts of accountability, local effort, local ability to pay, per capita distribution, and low administrative costs.

$$\frac{\text{LOCAL EFFORT in each CATEGORY* X(times) POPULATION}}{\text{LOCAL ABILITY TO PAY**}} = \text{ALLOCATION FACTOR}$$

- \* Actual prior year expenditures as reported to the Department of Community and Regional Affairs (DCRA)
- \*\* .1% of full and true local assessed value as determined by DCRA

#### **NOTE #1**

The ALLOCATION FACTORS from each community are totaled and converted to a percentage to determine each municipality's share of revenue for each category. The data needed to make the above calculations are already provided to the Department of Community and Regional Affairs by municipalities for purposes of the current programs.

#### **SUMMARY**

*The total annual allocation to each municipality is the TOTAL OF THAT MUNICIPALITY'S SHARE OF EACH OF THE NINE (9) CATEGORIES OF MUNICIPAL BASIC SERVICES.*

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## SB 20 (AMBS) ADDITIONAL PROVISIONS

### *TRANSITION SCHEDULE*

As with any changes in an existing formula program, most municipalities will not receive the same amount of funding that they would have under the current formula. In the case of the municipalities that receive less, there will be transition language that states no municipality will lose more than 2% for the first year (relative to FY 95 funding), 2% the second year, and 5% each year thereafter until they reach the proper level. Funding for the transition will come from the municipalities that show increases.

### *MINIMUM ENTITLEMENTS*

The minimum entitlement will be increased from \$25,000 (plus geographic differential) TO \$40,000 flat.

### *HEALTH FACILITIES AND HOSPITALS*

HEALTH SERVICES are often passed through a municipality to another provider, such as a nonprofit hospital board, and are not reported as municipal expenditures. The present funding formula is based on the number of beds and/or the size of the facility. Therefore, SB 20 proposes that the present allocation formula for health facilities and hospitals be retained.

### *ROADS/ICE ROADS*

Roads and ice roads are currently an entitlement program with a set amount of money per road mile. SB 20 proposes to keep the present allocation formula for roads and ice roads the same.

### *VOLUNTEER FIRE DEPARTMENTS OUTSIDE OF MUNICIPALITIES*

It is proposed that a per capita allocation formula for volunteer fire departments outside of a municipality be **RETAINED** approximating current funding levels for these organizations. (actual FY 95 per capita is \$3.30, proposed AMBS is \$5.00 per capita)

### *UNINCORPORATED COMMUNITIES IN THE UNORGANIZED BOROUGH*

It is proposed that an allocation formula to communities in the unorganized borough be \$7,500 each.

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Alaska Municipal Basic Services Program - Sponsor Substitute for SB 20

2/15/95 - 1:57 PM

Municipality	FY 95 Allocation Actual	AMBS Without Transition Provisions			AMBS with 2% Transition Provision (based on FY 95 actual allocation)		
		Final			Final		
		Allocation	\$ Change	% Change	Allocation	\$ Change	% Change
Akhiok	\$28,456	\$40,000	\$11,544	40.6%	\$40,000	\$11,544	40.6%
Akiak	\$43,672	\$40,000	(\$3,672)	-8.4%	\$42,799	(\$873)	-2.0%
Akutan	\$70,340	\$134,854	\$64,514	91.7%	\$84,401	\$14,061	20.0%
Alakanuk	\$66,294	\$63,499	(\$2,795)	-4.2%	\$64,968	(\$1,326)	-2.0%
Aleknagik	\$37,961	\$40,000	\$2,039	5.4%	\$40,000	\$2,039	5.4%
Aleutians East Borough	\$142,979	\$234,020	\$91,041	63.7%	\$162,153	\$19,174	13.4%
Allakaket	\$40,890	\$40,000	(\$890)	-2.2%	\$40,072	(\$818)	-2.0%
Ambler	\$56,024	\$83,779	\$26,855	47.2%	\$62,354	\$5,430	9.5%
Anaktuvuk Pass	\$42,203	\$40,000	(\$2,203)	-5.2%	\$41,359	(\$844)	-2.0%
Anchorage	\$22,622,308	\$21,298,659	(\$1,323,649)	-5.9%	\$22,169,862	(\$452,446)	-2.0%
Anderson	\$61,464	\$52,572	(\$8,892)	-14.5%	\$60,235	(\$1,229)	-2.0%
Angoon	\$56,294	\$46,229	(\$10,065)	-17.9%	\$55,168	(\$1,126)	-2.0%
Aniak	\$76,460	\$93,960	\$17,500	22.9%	\$79,396	\$2,936	3.8%
Anvik	\$37,295	\$40,000	\$2,705	7.3%	\$40,000	\$2,705	7.3%
Atka	\$34,483	\$40,000	\$5,517	16.0%	\$40,000	\$5,517	16.0%
Atkasuk	\$58,082	\$41,751	(\$16,332)	-28.1%	\$56,921	(\$1,162)	-2.0%
Barrow	\$263,113	\$328,120	\$65,007	24.7%	\$274,339	\$11,226	4.3%
Bethel	\$603,783	\$771,251	\$167,468	27.7%	\$633,836	\$30,053	5.0%
Bettles	\$36,264	\$40,000	\$3,736	10.3%	\$40,000	\$3,736	10.3%
Brevig Mission	\$41,905	\$40,000	(\$1,905)	-4.5%	\$41,067	(\$838)	-2.0%
Bristol Bay Borough	\$136,283	\$183,013	\$46,730	34.3%	\$145,162	\$8,879	6.5%
Buckland	\$60,962	\$95,621	\$34,659	56.9%	\$68,161	\$7,199	11.8%
Chefornak	\$45,578	\$40,000	(\$5,578)	-12.2%	\$44,666	(\$912)	-2.0%
Chevak	\$56,404	\$40,000	(\$16,404)	-29.1%	\$55,276	(\$1,128)	-2.0%
Chignik	\$37,310	\$40,000	\$2,690	7.2%	\$40,000	\$2,690	7.2%
Chuathbaluk	\$36,968	\$40,000	\$3,032	8.2%	\$40,000	\$3,032	8.2%
Coffman Cove	\$80,596	\$107,991	\$27,395	34.0%	\$85,790	\$5,194	6.4%
Cold Bay	\$39,726	\$40,000	\$274	0.7%	\$40,000	\$274	0.7%
Cordova	\$433,143	\$353,467	(\$79,676)	-18.4%	\$424,480	(\$8,663)	-2.0%
Craig	\$133,822	\$241,438	\$107,616	80.4%	\$157,025	\$23,203	17.3%
Deering	\$63,370	\$90,507	\$27,137	42.8%	\$68,767	\$5,397	8.5%

Alaska Municipal Basic Services Program - Sponsor Substitute for SB 20

2/15/95 - 4:57 PM

Municipality	AMBS Without Transition Provisions				AMBS with 2% Transition Provision		
	FY 95 Allocation	Final			(based on FY 95 actual allocation)		
	Actual	Allocation	\$ Change	% Change	Final Allocation	\$ Change	% Change
Delta Junction	\$89,343	\$88,605	(\$738)	-0.8%	\$87,802	(\$1,541)	-1.7%
Denali Borough	\$104,389	\$40,000	(\$64,389)	-61.7%	\$102,301	(\$2,088)	-2.0%
Dillingham	\$209,178	\$278,450	\$69,272	33.1%	\$222,230	\$13,052	6.2%
Diomede	\$39,272	\$40,000	\$728	1.9%	\$40,000	\$728	1.9%
Eagle	\$34,537	\$40,000	\$5,463	15.8%	\$40,000	\$5,463	15.8%
Eek	\$42,640	\$40,000	(\$2,640)	-6.2%	\$41,787	(\$853)	-2.0%
Ekwok	\$34,252	\$40,000	\$5,748	16.8%	\$40,000	\$5,748	16.8%
Elim	\$45,610	\$42,432	(\$3,178)	-7.0%	\$44,698	(\$912)	-2.0%
Emmonak	\$86,916	\$91,876	\$4,960	5.7%	\$86,749	(\$167)	-0.2%
Fairbanks	\$3,101,443	\$2,744,500	(\$356,913)	-11.5%	\$3,039,414	(\$62,029)	-2.0%
Fairbanks North Star Borough	\$4,380,105	\$4,782,278	\$402,173	9.2%	\$4,407,426	\$27,321	0.6%
False Pass	\$33,177	\$56,153	\$22,976	69.3%	\$43,790	\$10,613	32.0%
Fort Yukon	\$122,867	\$121,224	(\$1,643)	-1.3%	\$120,601	(\$2,266)	-1.8%
Galena	\$98,241	\$113,850	\$15,609	15.9%	\$100,400	\$2,159	2.2%
Gambell	\$57,677	\$40,000	(\$17,677)	-30.6%	\$56,523	(\$1,154)	-2.0%
Golovin	\$40,005	\$40,000	(\$5)	0.0%	\$40,000	(\$5)	0.0%
Goodnews Bay	\$40,974	\$40,000	(\$974)	-2.4%	\$40,155	(\$819)	-2.0%
Grayling	\$41,789	\$40,000	(\$1,789)	-4.3%	\$40,953	(\$836)	-2.0%
Haines	\$130,372	\$132,329	\$1,957	1.5%	\$128,836	(\$1,536)	-1.2%
Haines Borough	\$75,736	\$110,173	\$34,437	45.5%	\$82,657	\$6,921	9.1%
Holy Cross	\$45,960	\$40,000	(\$5,960)	-13.0%	\$45,041	(\$919)	-2.0%
Homer	\$420,003	\$508,676	\$88,673	21.1%	\$434,381	\$14,378	3.4%
Hoonah	\$144,021	\$265,134	\$121,113	84.1%	\$170,235	\$26,214	18.2%
Hooper Bay	\$69,867	\$54,572	(\$15,295)	-21.9%	\$68,470	(\$1,397)	-2.0%
Houston	\$76,162	\$69,859	(\$6,303)	-8.3%	\$74,639	(\$1,523)	-2.0%
Hughes	\$35,382	\$40,000	\$4,618	13.1%	\$40,000	\$4,618	13.1%
Huslia	\$44,588	\$47,840	\$3,252	7.3%	\$44,669	\$81	0.2%
Hydaburg	\$41,477	\$75,376	\$33,899	81.7%	\$48,796	\$7,319	17.6%
Juneau	\$3,597,911	\$3,185,099	(\$412,812)	-11.5%	\$3,525,953	(\$71,958)	-2.0%
Kachemak	\$40,297	\$40,000	(\$297)	-0.7%	\$40,000	(\$297)	-0.7%
Kenai	\$61,790	\$133,784	\$71,994	116.5%	\$77,737	\$15,947	25.8%

**Alaska Municipal Basic Services Program - Sponsor Substitute for SB 20**  
2/15/95 - 4:57 PM

Municipality	AMBS Without Transition Provisions				AMBS with 2% Transition Provision (based on FY 95 actual allocation)		
	FY 95 Allocation	Final			Final		
	Actual	Allocation	\$ Change	% Change	Allocation	\$ Change	% Change
Kaktovik	\$41,786	\$40,000	(\$1,786)	-4.3%	\$40,950	(\$836)	-2.0%
Kaltag	\$43,848	\$40,000	(\$3,848)	-8.8%	\$42,971	(\$877)	-2.0%
Kasaan	\$25,638	\$40,000	\$14,362	56.0%	\$40,000	\$14,362	56.0%
Kenai	\$659,511	\$587,416	(\$72,095)	-10.9%	\$646,321	(\$13,190)	-2.0%
Kenai Borough	\$3,420,595	\$3,028,013	(\$392,582)	-11.5%	\$3,352,183	(\$68,412)	-2.0%
Ketchikan	\$978,775	\$1,005,774	\$26,999	2.8%	\$970,128	(\$8,647)	-0.9%
Ketchikan Borough	\$486,272	\$559,013	\$72,741	15.0%	\$495,897	\$9,625	2.0%
Kiana	\$57,906	\$66,703	\$8,797	15.2%	\$59,084	\$1,178	2.0%
King Cove	\$91,223	\$147,371	\$56,148	61.6%	\$103,002	\$11,779	12.9%
Kivalina	\$108,084	\$49,829	(\$58,255)	-53.9%	\$105,922	(\$2,162)	-2.0%
Klawock	\$76,388	\$187,902	\$111,514	146.0%	\$101,385	\$24,997	32.7%
Kobuk	\$37,558	\$41,651	\$4,093	10.9%	\$40,388	\$2,830	7.5%
Kodiak	\$659,228	\$472,616	(\$186,612)	-28.3%	\$646,043	(\$13,185)	-2.0%
Kodiak Borough	\$815,018	\$942,897	\$127,879	15.7%	\$832,548	\$17,530	2.2%
Kotlik	\$53,168	\$40,000	(\$13,168)	-24.8%	\$52,105	(\$1,063)	-2.0%
Kotzebue	\$377,029	\$632,211	\$255,182	67.7%	\$431,135	\$54,106	14.4%
Koyuk	\$44,355	\$40,000	(\$4,355)	-9.8%	\$43,468	(\$887)	-2.0%
Koyukuk	\$38,224	\$40,000	\$1,776	4.6%	\$40,000	\$1,776	4.6%
Kupreanof	\$24,666	\$40,000	\$15,334	62.2%	\$40,000	\$15,334	62.2%
Kwethluk	\$57,175	\$40,000	(\$17,175)	-30.0%	\$56,032	(\$1,144)	-2.0%
Lake & Peninsula Borough	\$358,577	\$429,563	\$70,986	19.8%	\$369,745	\$11,168	3.1%
Larsen Bay	\$30,482	\$40,000	\$9,518	31.2%	\$40,000	\$9,518	31.2%
Lower Kalskag	\$46,165	\$49,941	\$3,776	8.2%	\$46,344	\$179	0.4%
Manokotak	\$47,371	\$40,000	(\$7,371)	-15.6%	\$46,424	(\$947)	-2.0%
Marshall	\$44,544	\$40,000	(\$4,544)	-10.2%	\$43,653	(\$891)	-2.0%
Mat-Su Borough	\$3,632,600	\$4,189,873	\$557,273	15.3%	\$3,707,756	\$75,156	2.1%
McGrath	\$60,801	\$61,903	\$1,102	1.8%	\$60,129	(\$672)	-1.1%
Mekoryuk	\$39,985	\$40,000	\$15	0.0%	\$40,000	\$15	0.0%
Mountain Village	\$66,961	\$57,521	(\$9,440)	-14.1%	\$65,622	(\$1,339)	-2.0%
Napakiak	\$47,412	\$40,000	(\$7,412)	-15.6%	\$46,464	(\$948)	-2.0%
Napaskiak	\$46,665	\$40,000	(\$6,665)	-14.3%	\$45,732	(\$933)	-2.0%

Alaska Municipal Basic Services Program - Sponsor Substitute for SB 20

2/15/95 - 4:57 PM

Municipality	AMBS Without Transition Provisions				AMBS with 2% Transition Provision		
	FY 95 Allocation	Final			(based on FY 95 actual allocation)		
	Actual	Allocation	\$ Change	% Change	Final Allocation	\$ Change	% Change
Nenana	\$94,166	\$118,214	\$24,048	25.5%	\$98,367	\$4,201	4.5%
New Stuyahok	\$46,905	\$40,000	(\$6,905)	-14.7%	\$45,967	(\$938)	-2.0%
Newhalen	\$37,648	\$40,000	\$2,352	6.2%	\$40,000	\$2,352	6.2%
Nightmute	\$37,971	\$40,000	\$2,029	5.3%	\$40,000	\$2,029	5.3%
Nikolai	\$36,756	\$40,000	\$3,244	8.8%	\$40,000	\$3,244	8.8%
Nome	\$593,952	\$564,802	(\$29,150)	-4.9%	\$582,073	(\$11,879)	-2.0%
Nondalton	\$44,882	\$73,007	\$28,125	62.7%	\$50,794	\$5,912	13.2%
Noorvik	\$79,745	\$118,184	\$38,439	48.2%	\$87,544	\$7,799	9.8%
North Pole	\$132,981	\$99,837	(\$33,144)	-24.9%	\$130,321	(\$2,660)	-2.0%
North Slope Borough	\$1,735,903	\$1,836,195	\$100,292	5.8%	\$1,732,864	(\$3,039)	-0.2%
NW Arctic Borough	\$378,695	\$693,908	\$315,213	83.2%	\$446,861	\$68,166	18.0%
Nuiqsut	\$47,961	\$53,504	\$5,543	11.6%	\$48,527	\$566	1.2%
Nulato	\$49,555	\$44,521	(\$5,034)	-10.2%	\$48,564	(\$991)	-2.0%
Nunapitchuk	\$69,742	\$83,101	\$13,359	19.2%	\$71,809	\$2,067	3.0%
Old Harbor	\$37,930	\$49,027	\$11,097	29.3%	\$42,118	\$4,188	11.0%
Ouzinkie	\$33,811	\$40,809	\$6,998	20.7%	\$40,190	\$6,379	18.9%
Palmer	\$435,963	\$553,793	\$117,830	27.0%	\$436,938	\$20,975	4.8%
Pelican	\$37,180	\$40,000	\$2,820	7.6%	\$40,000	\$2,820	7.6%
Petersburg	\$457,703	\$366,782	(\$90,921)	-19.9%	\$448,549	(\$9,154)	-2.0%
Pilot Point	\$42,457	\$40,000	(\$2,457)	-5.8%	\$41,608	(\$849)	-2.0%
Pilot Station	\$52,183	\$40,000	(\$12,183)	-23.3%	\$51,139	(\$1,044)	-2.0%
Platinum	\$34,959	\$40,000	\$5,041	14.4%	\$40,000	\$5,041	14.4%
Point Hope	\$63,381	\$57,821	(\$5,560)	-8.8%	\$52,113	(\$1,268)	-2.0%
Port Alexander	\$28,409	\$40,000	\$11,591	40.8%	\$40,000	\$11,591	40.8%
Port Heiden	\$38,962	\$53,955	\$14,993	38.5%	\$43,275	\$4,313	11.1%
Port Lions	\$35,881	\$40,000	\$4,119	11.5%	\$40,000	\$4,119	11.5%
Quinhagak	\$53,460	\$40,000	(\$13,460)	-25.2%	\$52,391	(\$1,069)	-2.0%
Ruby	\$42,070	\$40,000	(\$2,070)	-4.9%	\$41,229	(\$841)	-2.0%
Russian Mission	\$42,874	\$40,000	(\$2,874)	-6.7%	\$42,017	(\$857)	-2.0%
Sand Point	\$117,465	\$108,996	(\$8,469)	-7.2%	\$115,116	(\$2,349)	-2.0%
Savoonga	\$57,081	\$40,000	(\$17,081)	-29.9%	\$55,939	(\$1,142)	-2.0%

Alaska Municipal Basic Services Program - Sponsor Substitute for SB 20

2/15/95 - 4:57 PM

Municipality	FY 95 Allocation Actual	AMBS Without Transition Provisions			AMBS with 2% Transition Provision (based on FY 95 actual allocation)		
		Final			Final		
		Allocation	\$ Change	% Change	Allocation	\$ Change	% Change
Saxman	\$40,129	\$46,092	\$5,963	14.9%	\$41,429	\$1,300	3.2%
Scammon Bay	\$47,252	\$40,000	(\$7,252)	-15.3%	\$46,307	(\$945)	-2.0%
Selawik	\$104,244	\$109,663	\$5,419	5.2%	\$103,920	(\$324)	-0.3%
Seldovia	\$43,286	\$40,556	(\$2,730)	-6.3%	\$42,420	(\$866)	-2.0%
Seward	\$460,730	\$466,193	\$5,463	1.2%	\$454,959	(\$5,771)	-1.3%
Shageluk	\$38,532	\$40,000	\$1,468	3.8%	\$40,000	\$1,468	3.8%
Shaktolik	\$41,296	\$40,000	(\$1,296)	-3.1%	\$40,470	(\$826)	-2.0%
Sheldon Point	\$36,012	\$40,000	\$3,988	11.1%	\$40,000	\$3,988	11.1%
Shishmaref	\$55,159	\$40,000	(\$15,159)	-27.5%	\$54,056	(\$1,103)	-2.0%
Shungnak	\$58,032	\$79,489	\$21,457	37.0%	\$62,179	\$4,147	7.1%
Sitka	\$953,174	\$823,043	(\$130,131)	-13.7%	\$934,111	(\$19,063)	-2.0%
Skagway	\$82,974	\$69,219	(\$13,755)	-16.6%	\$81,315	(\$1,659)	-2.0%
Soldotna	\$414,740	\$293,396	(\$121,344)	-29.3%	\$406,445	(\$8,295)	-2.0%
St. George	\$67,350	\$219,323	\$151,973	225.6%	\$101,979	\$34,629	51.4%
St. Mary's	\$74,253	\$137,992	\$63,739	85.8%	\$88,072	\$13,819	18.6%
St. Michael	\$50,360	\$40,000	(\$10,360)	-20.6%	\$49,353	(\$1,007)	-2.0%
St. Paul	\$135,301	\$223,302	\$88,001	65.0%	\$153,879	\$18,578	13.7%
Stebbins	\$51,806	\$44,752	(\$7,054)	-13.6%	\$50,770	(\$1,036)	-2.0%
Tanana	\$62,333	\$108,491	\$46,158	74.1%	\$72,210	\$9,877	15.8%
Teller	\$41,891	\$40,000	(\$1,891)	-4.5%	\$41,053	(\$838)	-2.0%
Tenakee Springs	\$29,428	\$40,000	\$10,572	35.9%	\$40,000	\$10,572	35.9%
Thorne Bay	\$54,668	\$81,092	\$26,424	48.3%	\$60,031	\$5,363	9.8%
Togiak	\$65,873	\$57,606	(\$8,267)	-12.6%	\$64,556	(\$1,317)	-2.0%
Toksook Bay	\$52,811	\$40,000	(\$12,811)	-24.3%	\$51,755	(\$1,056)	-2.0%
Unalakleet	\$68,264	\$74,929	\$6,665	9.8%	\$68,783	\$519	0.8%
Unalaska	\$505,118	\$572,432	\$67,314	13.3%	\$513,181	\$8,063	1.6%
Upper Kalskag	\$40,955	\$40,000	(\$955)	-2.3%	\$40,136	(\$819)	-2.0%
Valdez	\$790,335	\$346,980	(\$443,355)	-56.1%	\$774,528	(\$15,807)	-2.0%
Wainwright	\$54,202	\$40,000	(\$14,202)	-26.2%	\$53,118	(\$1,084)	-2.0%
Wales	\$38,076	\$40,000	\$1,924	5.1%	\$40,000	\$1,924	5.1%
Wasilla	\$350,983	\$295,619	(\$55,364)	-15.8%	\$343,963	(\$7,020)	-2.0%

Alaska Municipal Basic Services Program - Sponsor Substitute for SB 20  
2/15/95 - 4:57 PM

Municipality	FY 95 Allocation Actual	AMBS Without Transition Provisions			AMBS with 2% Transition Provision (based on FY 95 actual allocation)		
		Final	\$ Change	% Change	Final	\$ Change	% Change
		Allocation			Allocation		
White Mountain	\$39,923	\$40,000	\$75	0.2%	\$40,000	\$75	0.2%
Whittier	\$38,436	\$49,186	\$10,750	28.0%	\$42,155	\$3,719	9.7%
Wrangell	\$380,057	\$335,684	(\$44,373)	-11.7%	\$372,456	(\$7,601)	-2.0%
Yakutat Borough	\$68,001	\$180,530	\$112,529	165.5%	\$93,364	\$25,363	37.3%
	\$61,883,941	\$61,885,194	\$1,253		\$61,885,194	\$1,253	

Alaska Municipal League Position on SB 20- testimony of Donald Long,  
AML president

The Alaska Municipal League strongly supports the concept embodied in this bill. It has not yet taken a position on the new changes in the sponsor substitute.

The goal of the Alaska Municipal Basic Services program is to educate the administration and the legislature on the critical importance of state revenue sharing with municipalities.

Each of the fifty states provide some form of revenue sharing with municipalities because political subdivisions carry out a large number of state mandates which would otherwise be totally unfunded state mandates.

In Alaska, revenue sharing with municipalities is even more important because, in addition to many state mandates on municipalities, the current wealth of the state is primarily concentrated in a small area to the north. Without a redistribution of these resources to other areas of the state, current state services would virtually be impossible to sustain at any reasonable level. Likewise, without a reasonable level of revenue sharing with municipalities, the quality of life and essential services in many municipalities simply cannot be sustained.

The January 25, 1995 Local Boundary Commission report to the legislature notes that five municipalities are being recommended for dissolution. However, many more municipalities and areas of boroughs are seriously considering dissolution or detachment. Page 50 of the LBC report, which discusses the detachment of part of the Mat-Su Borough, states that the borough has been financially "...penalized because of incorporation. Anticipated continued reductions in state aid to local governments will only exacerbate the problem".

The financial cost to the state to provide services to additional unincorporated areas will be far greater than the cost of stabilization of revenue sharing at an adequate level.

In the past nine years, the state has cut revenue sharing over 55% while the state operating budget has experienced moderate growth on the whole. It has been easy for the state to cut revenue sharing because the state is insulated from the decisions necessitated by the cuts. In fact, the cuts to revenue sharing have gone far beyond forcing political subdivisions to operate at maximum efficiency. The cuts have meant much higher local taxes, taking police off the streets, taking teachers out of the schools, closing libraries, reducing emergency medical services, decreasing road repair and maintenance, terminating local programs to fight drug and alcohol abuse, and cutting other basic services that are critical to the quality of life in municipalities. How many Alaskans have died needlessly because no police officer was on duty, or a road was not maintained at an adequate level? What will the impact be on our communities if revenue sharing to municipalities is not stabilized once and for all?

The primary purpose for the creation of the concept of the Alaska Municipal Basic Services program by the municipalities of our state is to gain your good faith support for the stabilization of state revenue sharing with municipalities this year and in the future.

The Alaska Municipal Basic Services program is a very difficult and fragile product of consensus between municipalities to help save the concept of revenue sharing. Simple extrapolation of the funding trend for the current programs indicates that they will be incrementally cut out of existence in the next several unless the state renews its partnership with its political subdivisions. The Alaska Municipal Basic Services program provides one way of doing this, as long as its adoption signals the stabilization of state revenue sharing for municipalities at an adequate level. It may already be too late for some municipalities that are now incorporated unless some portion of the funding taken away is restored.

I ask for three things today, your support of the AMBS concept, your willingness to continue to work with us on hammering out the allocation issues of the bill, and support for a relatively small restoration of funding, \$3 million of the \$75 million that has been cut over the past nine years.

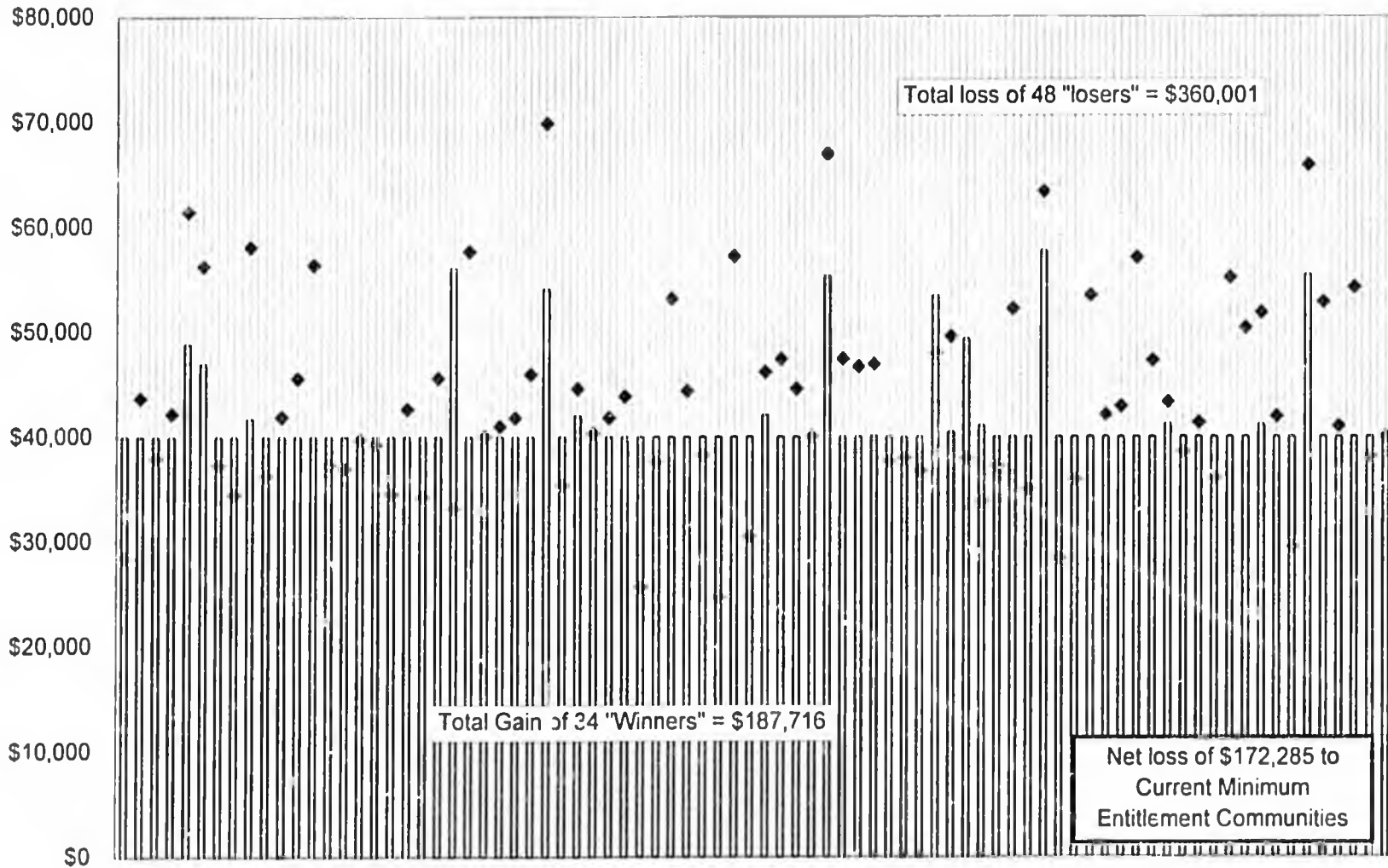
This relatively small restoration will show the state's good faith to its renewed relationship with municipalities and will truly be one of the most

efficient expenditures that the state will make this year to put police back on the streets, put teachers back in schools, and put communities back on their feet.

Thank you. I look forward to many discussions on this bill.

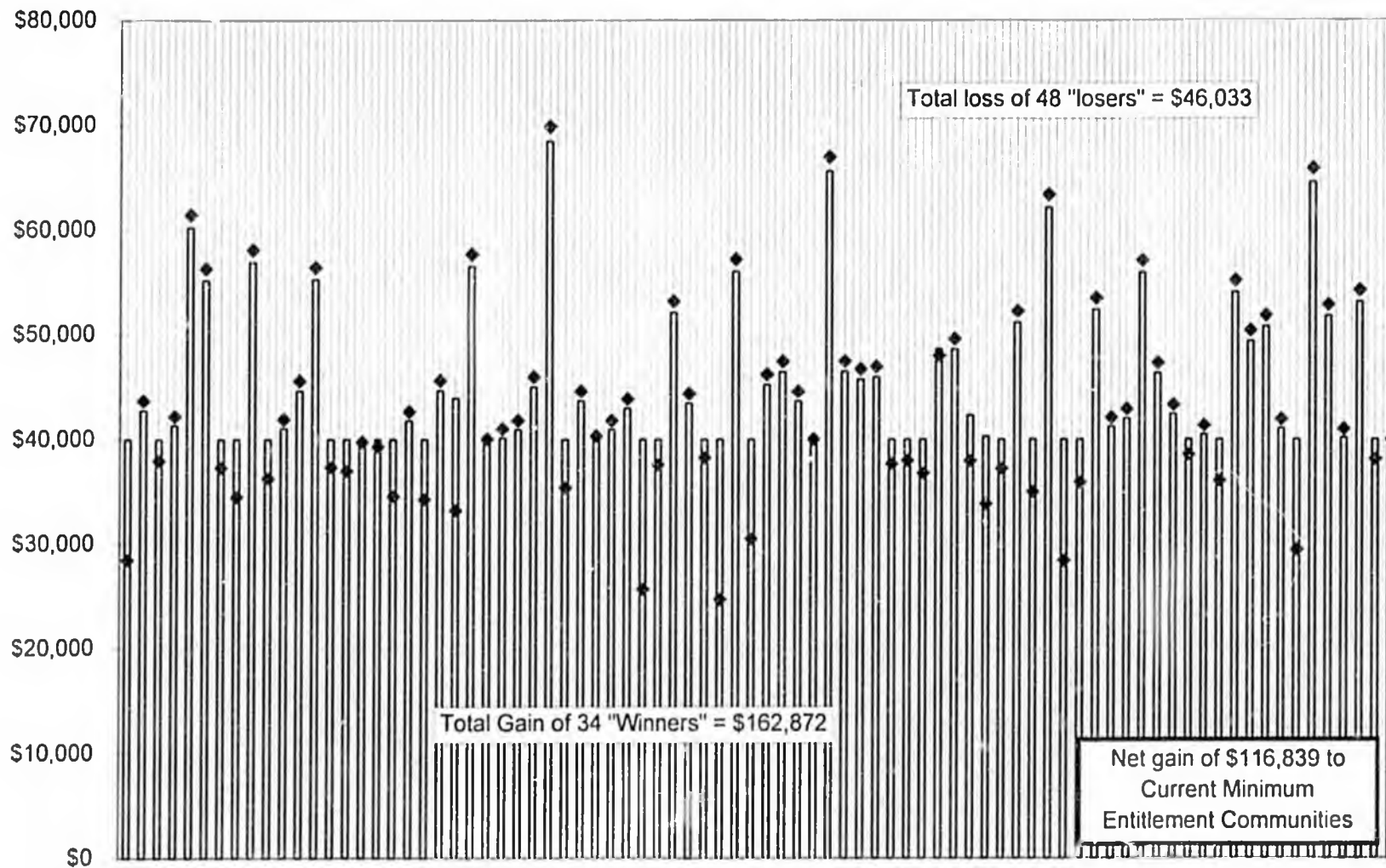
**FY 95 Current Programs - Minimum Entitlement Municipalities:  
Change from FY 95 SRS/MA Funding to AMBS Minimum Entitlement (\$40,000) - per municipality  
(without transition provision)**

□ AMBS \$    ◆ FY 95 \$



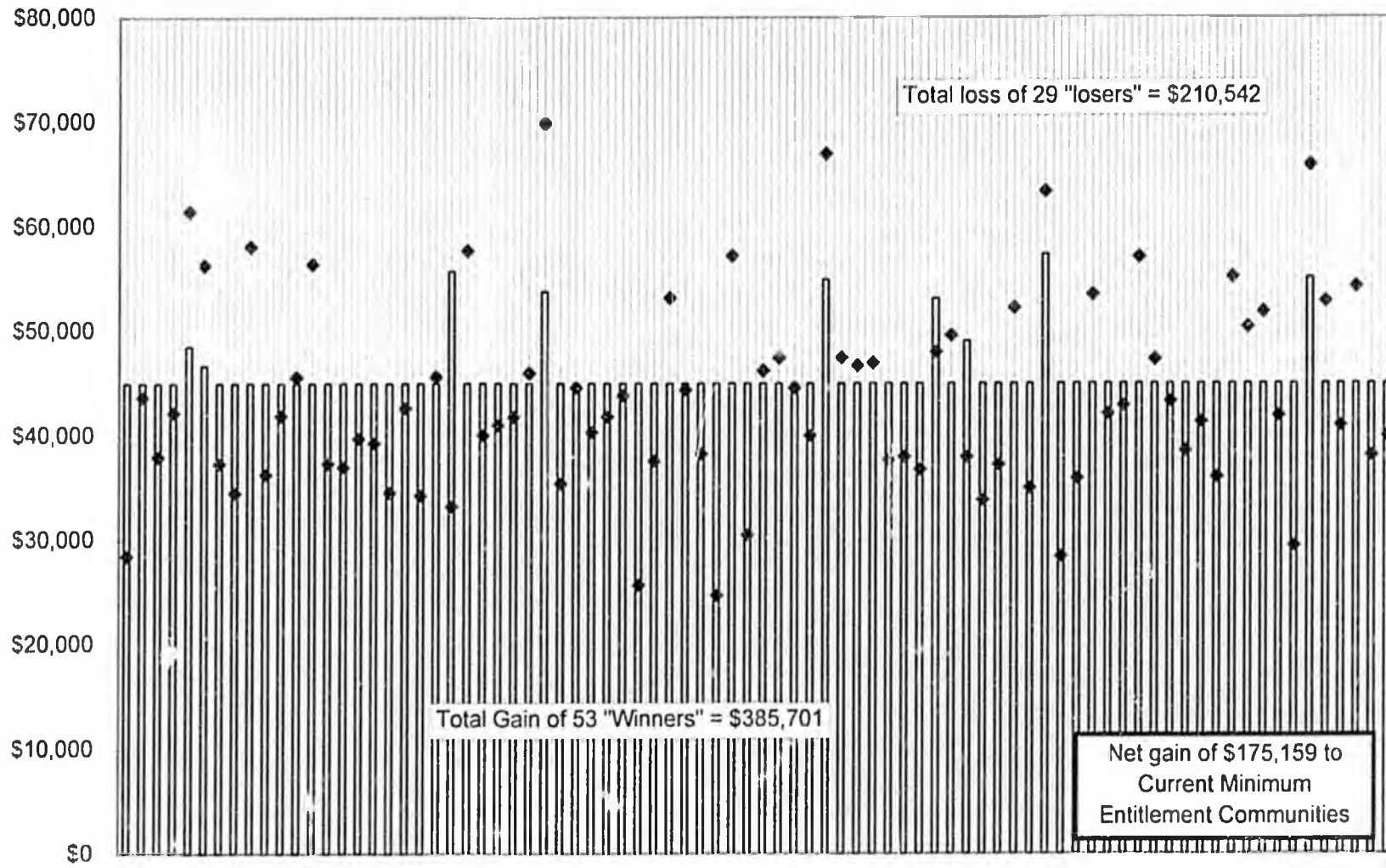
FY 95 Current Programs - Minimum Entitlement Municipalities:  
Change from FY 95 SRS/MA Funding to AMBS Minimum Entitlement (\$40,000) - per municipality  
(with transition provision)

□ AMBS \$    ◆ FY 95 \$



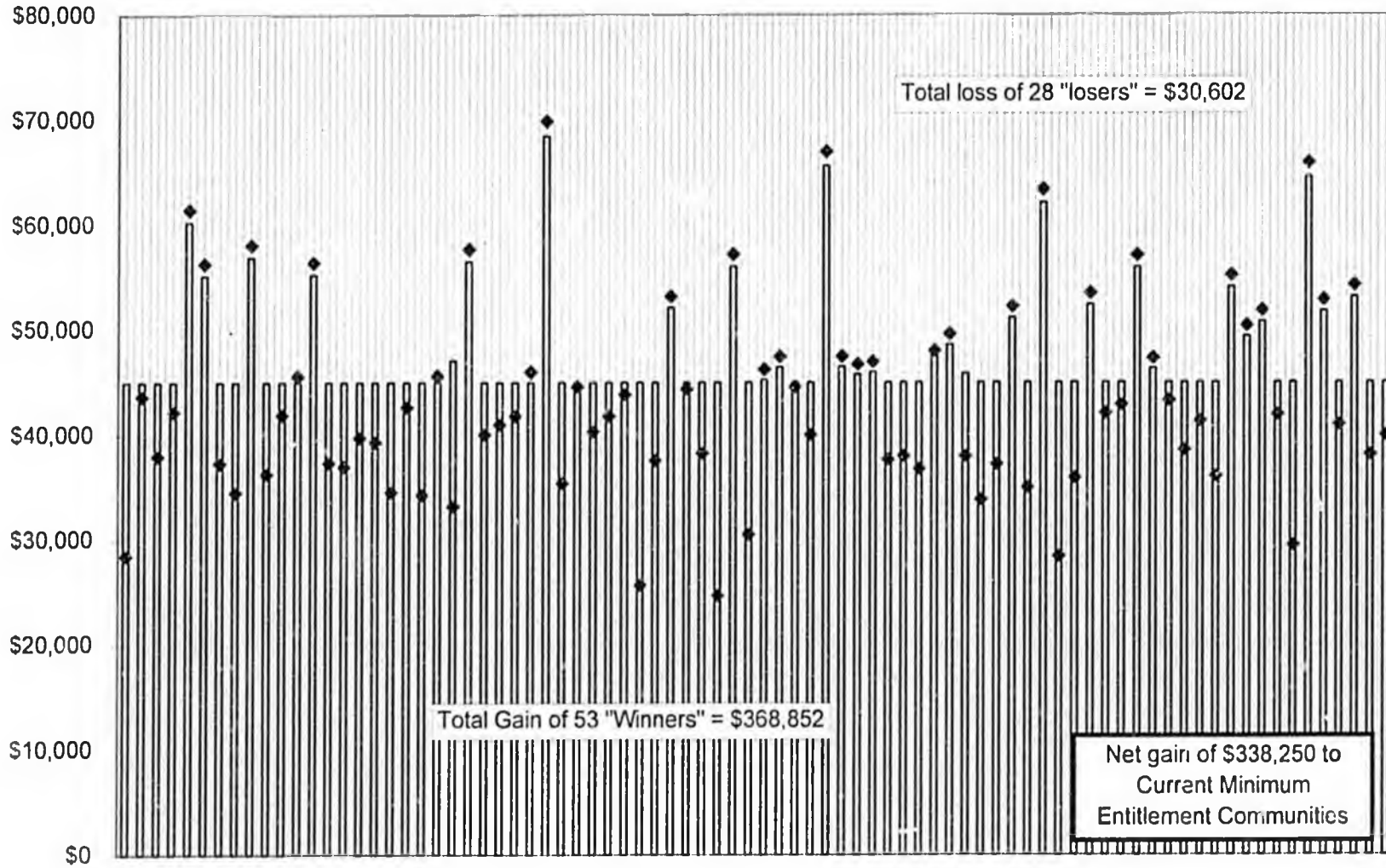
FY 95 Current Programs - Minimum Entitlement Municipalities:  
Change from FY 95 SRS/MA Funding to AMBS Minimum Entitlement (\$45,000) - per municipality  
(without transition provision)

□ AMBS \$   ♦ FY 95 \$



FY 95 Current Programs - Minimum Entitlement Municipalities:  
Change from FY 95 SRS/MA Funding to AMBS Minimum Entitlement (\$45,000) - per municipality  
(with transition provision)

□ AMBS \$   ♦ FY 95 \$



Alaska Municipal Basic Services Program - Sponsor Substitute for SB 20 (COLA corrected)

2/17/95 - 2:32 PM

Municipality	FY 95 Allocation Actual	AMBS Without Transition Provisions			AMBS with 2% Transition Provision (based on FY 95 actual allocation)		
		Final	\$ Change	% Change	Final	\$ Change	% Change
		Allocation			Allocation		
Akhiok	\$28,456	\$40,000	\$11,544	40.6%	\$40,000	\$11,544	40.6%
Akiak	\$43,672	\$40,000	(\$3,672)	-8.4%	\$42,799	(\$873)	-2.0%
Akutan	\$70,340	\$134,372	\$64,032	91.0%	\$84,964	\$14,624	20.8%
Alakanuk	\$66,294	\$58,946	(\$7,348)	-11.1%	\$64,968	(\$1,326)	-2.0%
Aleknagik	\$37,961	\$40,000	\$2,039	5.4%	\$40,000	\$2,039	5.4%
Aleutians East Borough	\$142,979	\$233,102	\$90,123	63.0%	\$162,897	\$19,918	13.9%
Allakaket	\$40,890	\$40,000	(\$890)	-2.2%	\$40,072	(\$818)	-2.0%
Ambler	\$56,924	\$75,498	\$18,574	32.6%	\$60,615	\$3,691	6.5%
Anaktuvuk Pass	\$42,203	\$40,000	(\$2,203)	-5.2%	\$41,359	(\$844)	-2.0%
Anchorage	\$22,622,308	\$21,470,100	(\$1,152,208)	-5.1%	\$22,169,862	(\$452,446)	-2.0%
Anderson	\$61,464	\$48,831	(\$12,633)	-20.6%	\$60,235	(\$1,229)	-2.0%
Angoon	\$56,294	\$46,941	(\$9,353)	-16.6%	\$55,168	(\$1,126)	-2.0%
Aniak	\$76,460	\$80,867	\$4,407	5.8%	\$76,385	(\$75)	-0.1%
Anvik	\$37,295	\$40,000	\$2,705	7.3%	\$40,000	\$2,705	7.3%
Atka	\$34,483	\$40,000	\$5,517	16.0%	\$40,000	\$5,517	16.0%
Atkasuk	\$58,083	\$41,698	(\$16,385)	-28.2%	\$56,921	(\$1,162)	-2.0%
Barrow	\$263,113	\$327,698	\$64,585	24.5%	\$274,961	\$11,848	4.5%
Bethel	\$603,783	\$745,409	\$141,626	23.5%	\$629,360	\$25,577	4.2%
Bettles	\$36,264	\$40,000	\$3,736	10.3%	\$40,000	\$3,736	10.3%
Brevig Mission	\$41,905	\$40,000	(\$1,905)	-4.5%	\$41,067	(\$838)	-2.0%
Bristol Bay Borough	\$136,283	\$177,882	\$41,599	30.5%	\$144,416	\$8,133	6.0%
Buckland	\$60,962	\$86,497	\$25,535	41.9%	\$66,297	\$5,335	8.8%
Chefornak	\$45,578	\$40,000	(\$5,578)	-12.2%	\$44,666	(\$912)	-2.0%
Chevak	\$56,404	\$40,000	(\$16,404)	-29.1%	\$55,276	(\$1,128)	-2.0%
Chignik	\$37,310	\$40,000	\$2,690	7.2%	\$40,000	\$2,690	7.2%
Chuathbaluk	\$36,968	\$40,000	\$3,032	8.2%	\$40,000	\$3,032	8.2%
Coffman Cove	\$80,596	\$121,782	\$41,186	51.1%	\$89,468	\$8,872	11.0%
Cold Bay	\$39,726	\$40,000	\$274	0.7%	\$40,000	\$274	0.7%
Cordova	\$433,143	\$350,196	(\$82,947)	-19.2%	\$424,480	(\$8,663)	-2.0%
Craig	\$133,822	\$244,742	\$110,920	82.9%	\$158,973	\$25,151	18.8%
Deering	\$63,370	\$79,230	\$15,860	25.0%	\$66,298	\$2,928	4.6%

**Alaska Municipal Basic Services Program - Sponsor Substitute for SB 20 (COLA corrected)**

2/17/95 - 2:32 PM

Municipality	FY 95 Allocation Actual	AMBS Without Transition Provisions			AMBS with 2% Transition Provision (based on FY 95 actual allocation)		
		Final Allocation	\$ Change	% Change	Final Allocation	\$ Change	% Change
Delta Junction	\$89,343	\$87,947	(\$1,396)	-1.6%	\$87,652	(\$1,691)	-1.9%
Denali Borough	\$104,389	\$40,000	(\$64,389)	-61.7%	\$102,301	(\$2,088)	-2.0%
Dillingham	\$209,178	\$274,574	\$65,396	31.3%	\$222,039	\$12,861	6.1%
Diomedea	\$39,272	\$40,000	\$728	1.9%	\$40,000	\$728	1.9%
Eagle	\$34,537	\$40,000	\$5,463	15.8%	\$40,000	\$5,463	15.8%
Eek	\$42,640	\$40,000	(\$2,640)	-6.2%	\$41,787	(\$853)	-2.0%
Ekwok	\$34,252	\$40,000	\$5,748	16.8%	\$40,000	\$5,748	16.8%
Elim	\$45,610	\$40,000	(\$5,610)	-12.3%	\$44,698	(\$912)	-2.0%
Emmonak	\$86,916	\$88,363	\$1,447	1.7%	\$85,958	(\$958)	-1.1%
Fairbanks	\$3,101,443	\$2,731,833	(\$369,610)	-11.9%	\$3,039,414	(\$62,029)	-2.0%
Fairbanks North Star Borough	\$4,380,105	\$4,768,707	\$388,602	8.9%	\$4,409,159	\$29,054	0.7%
False Pass	\$33,177	\$56,081	\$22,904	69.0%	\$43,939	\$10,762	32.4%
Fort Yukon	\$122,867	\$111,482	(\$11,385)	-9.3%	\$120,410	(\$2,457)	-2.0%
Galena	\$98,241	\$109,716	\$11,475	11.7%	\$99,569	\$1,328	1.4%
Gambell	\$57,677	\$40,000	(\$17,677)	-30.6%	\$56,523	(\$1,154)	-2.0%
Golovin	\$40,005	\$40,000	(\$5)	0.0%	\$40,000	(\$5)	0.0%
Goodnews Bay	\$40,974	\$40,000	(\$974)	-2.4%	\$40,155	(\$819)	-2.0%
Grayling	\$41,789	\$40,000	(\$1,789)	-4.3%	\$40,953	(\$836)	-2.0%
Haines	\$130,372	\$133,162	\$2,790	2.1%	\$129,087	(\$1,285)	-1.0%
Haines Borough	\$75,736	\$110,820	\$35,084	46.3%	\$83,187	\$7,451	9.8%
Holy Cross	\$45,960	\$40,000	(\$5,960)	-13.0%	\$45,041	(\$919)	-2.0%
Homer	\$420,003	\$510,387	\$90,384	21.5%	\$435,802	\$15,799	3.8%
Hoonah	\$144,021	\$270,682	\$126,661	87.9%	\$172,874	\$28,853	20.0%
Hooper Bay	\$69,867	\$54,096	(\$15,771)	-22.6%	\$68,470	(\$1,397)	-2.0%
Houston	\$76,162	\$74,792	(\$1,370)	-1.8%	\$74,676	(\$1,486)	-2.0%
Hughes	\$35,382	\$40,000	\$4,618	13.1%	\$40,000	\$4,618	13.1%
Huslia	\$44,588	\$41,993	(\$2,595)	-5.8%	\$43,696	(\$892)	-2.0%
Hydaburg	\$41,477	\$76,424	\$34,947	84.3%	\$49,412	\$7,935	19.1%
Juneau	\$3,597,911	\$3,216,804	(\$381,107)	-10.6%	\$3,525,953	(\$71,958)	-2.0%
Kachemak	\$40,297	\$40,000	(\$297)	-0.7%	\$40,000	(\$297)	-0.7%
Kake	\$61,790	\$135,344	\$73,554	119.0%	\$78,876	\$17,086	27.7%

Alaska Municipal Basic Services Program - Sponsor Substitute for SB 20 (COLA corrected)

2/17/95 - 2:32 PM

Municipality	AMBS Without Transition Provisions				AMBS with 2% Transition Provision (based on FY 95 actual allocation)		
	FY 95 Allocation	Final			Final		
	Actual	Allocation	\$ Change	% Change	Allocation	\$ Change	% Change
Kaktovik	\$41,786	\$40,000	(\$1,786)	-4.3%	\$40,950	(\$836)	-2.0%
Kaltag	\$43,848	\$40,000	(\$3,848)	-8.8%	\$42,971	(\$877)	-2.0%
Kasaan	\$25,638	\$40,000	\$14,362	56.0%	\$40,000	\$14,362	56.0%
Kenai	\$659,511	\$592,647	(\$66,864)	-10.1%	\$646,321	(\$13,190)	-2.0%
Kenai Borough	\$3,420,595	\$3,075,250	(\$345,345)	-10.1%	\$3,352,183	(\$68,412)	-2.0%
Ketchikan	\$978,775	\$1,017,706	\$38,931	4.0%	\$973,532	(\$5,243)	-0.5%
Ketchikan Borough	\$486,272	\$558,844	\$72,572	14.9%	\$496,707	\$10,435	2.1%
Kiana	\$57,906	\$60,353	\$2,447	4.2%	\$57,631	(\$275)	-0.5%
King Cove	\$91,223	\$145,878	\$54,655	59.9%	\$103,234	\$12,011	13.2%
Kivalina	\$108,084	\$46,868	(\$61,216)	-56.6%	\$105,922	(\$2,162)	-2.0%
Klawock	\$76,388	\$189,477	\$113,089	148.0%	\$102,938	\$26,550	34.8%
Kobuk	\$37,558	\$40,000	\$2,442	6.5%	\$40,000	\$2,442	6.5%
Kodiak	\$659,228	\$473,583	(\$185,645)	-28.2%	\$646,043	(\$13,185)	-2.0%
Kodiak Borough	\$815,018	\$947,415	\$132,397	16.2%	\$835,144	\$20,126	2.5%
Kotlik	\$53,168	\$40,000	(\$13,168)	-24.8%	\$52,105	(\$1,063)	-2.0%
Kotzebue	\$377,029	\$609,018	\$231,989	61.5%	\$428,166	\$51,137	13.6%
Koyuk	\$44,355	\$40,000	(\$4,355)	-9.8%	\$43,468	(\$887)	-2.0%
Koyukuk	\$38,224	\$40,000	\$1,776	4.6%	\$40,000	\$1,776	4.6%
Kupreanof	\$24,666	\$40,000	\$15,334	62.2%	\$40,000	\$15,334	62.2%
Kwethluk	\$57,175	\$40,000	(\$17,175)	-30.0%	\$56,032	(\$1,144)	-2.0%
Lake & Peninsula Borough	\$358,577	\$397,370	\$38,793	10.8%	\$362,665	\$4,088	1.1%
Larsen Bay	\$30,482	\$40,000	\$9,518	31.2%	\$40,000	\$9,518	31.2%
Lower Kalskag	\$46,165	\$42,081	(\$4,084)	-8.8%	\$45,242	(\$923)	-2.0%
Manokotak	\$47,371	\$40,000	(\$7,371)	-15.6%	\$46,424	(\$947)	-2.0%
Marshall	\$44,544	\$40,000	(\$4,544)	-10.2%	\$43,653	(\$891)	-2.0%
Mat-Su Borough	\$3,632,600	\$4,312,123	\$679,523	18.7%	\$3,744,208	\$111,608	3.1%
McGrath	\$60,801	\$54,488	(\$6,313)	-10.4%	\$59,585	(\$1,216)	-2.0%
Mekoryuk	\$39,985	\$40,000	\$15	0.0%	\$40,000	\$15	0.0%
Mountain Village	\$66,961	\$55,306	(\$11,655)	-17.4%	\$65,622	(\$1,339)	-2.0%
Napakiak	\$47,412	\$40,000	(\$7,412)	-15.6%	\$46,464	(\$948)	-2.0%
Napaskiak	\$46,665	\$40,000	(\$6,665)	-14.3%	\$45,732	(\$933)	-2.0%

Alaska Municipal Basic Services Program - Sponsor Substitute for SB 20 (COLA corrected)

2/17/95 - 2:32 PM

Municipality	FY 95 Allocation Actual	AMBS Without Transition Provisions			AMBS with 2% Transition Provision (based on FY 95 actual allocation)		
		Final			Final		
		Allocation	\$ Change	% Change	Allocation	\$ Change	% Change
Nenana	\$94,166	\$110,732	\$16,566	17.6%	\$96,802	\$2,636	2.8%
New Stuyahok	\$46,905	\$40,000	(\$6,905)	-14.7%	\$45,967	(\$938)	-2.0%
Newhalen	\$37,648	\$40,000	\$2,352	6.2%	\$40,000	\$2,352	6.2%
Nightmute	\$37,971	\$40,000	\$2,029	5.3%	\$40,000	\$2,029	5.3%
Nikolai	\$36,756	\$40,000	\$3,244	8.8%	\$40,000	\$3,244	8.8%
Nome	\$593,952	\$536,412	(\$57,540)	-9.7%	\$582,073	(\$11,879)	-2.0%
Nondalton	\$44,882	\$68,036	\$23,154	51.6%	\$49,876	\$4,994	11.1%
Noorvik	\$79,745	\$108,448	\$28,703	36.0%	\$85,572	\$5,827	7.3%
North Pole	\$132,981	\$99,427	(\$33,554)	-25.2%	\$130,321	(\$2,660)	-2.0%
North Slope Borough	\$1,735,905	\$1,786,910	\$51,007	2.9%	\$1,722,185	(\$13,718)	-0.8%
NW Arctic Borough	\$378,695	\$630,817	\$252,122	66.6%	\$434,739	\$56,044	14.8%
Nuiqsut	\$47,961	\$53,435	\$5,474	11.4%	\$48,578	\$617	1.3%
Nulato	\$49,555	\$40,421	(\$9,134)	-18.4%	\$48,564	(\$991)	-2.0%
Nunapitchuk	\$69,742	\$73,125	\$3,383	4.9%	\$69,518	(\$224)	-0.3%
Old Harbor	\$37,930	\$49,353	\$11,423	30.1%	\$42,291	\$4,361	11.5%
Ouzinkie	\$33,811	\$41,037	\$7,226	21.4%	\$40,254	\$6,443	19.1%
Palmer	\$435,963	\$561,877	\$125,914	28.9%	\$460,225	\$24,262	5.6%
Pelican	\$37,180	\$40,000	\$2,820	7.6%	\$40,000	\$2,820	7.6%
Petersburg	\$457,703	\$372,399	(\$85,304)	-18.6%	\$448,549	(\$9,154)	-2.0%
Pilot Point	\$42,457	\$40,000	(\$2,457)	-5.8%	\$41,608	(\$849)	-2.0%
Pilot Station	\$52,183	\$40,000	(\$12,183)	-23.3%	\$51,139	(\$1,044)	-2.0%
Platinum	\$34,959	\$40,000	\$5,041	14.4%	\$40,000	\$5,041	14.4%
Point Hope	\$63,381	\$57,747	(\$5,634)	-8.9%	\$62,113	(\$1,268)	-2.0%
Port Alexander	\$28,409	\$40,000	\$11,591	40.8%	\$40,000	\$11,591	40.8%
Port Heiden	\$38,962	\$48,745	\$9,783	25.1%	\$42,142	\$3,180	8.2%
Port Lions	\$35,881	\$40,000	\$4,119	11.5%	\$40,000	\$4,119	11.5%
Quinhagak	\$53,460	\$40,000	(\$13,460)	-25.2%	\$52,391	(\$1,069)	-2.0%
Ruby	\$42,070	\$40,000	(\$2,070)	-4.9%	\$41,229	(\$841)	-2.0%
Russian Mission	\$42,874	\$40,000	(\$2,874)	-6.7%	\$42,017	(\$857)	-2.0%
Sand Point	\$117,465	\$106,518	(\$10,947)	-9.3%	\$115,116	(\$2,349)	-2.0%
Savoonga	\$57,081	\$40,000	(\$17,081)	-29.9%	\$55,939	(\$1,142)	-2.0%

**Alaska Municipal Basic Services Program - Sponsor Substitute for SB 20 (COLA corrected)**  
**2/17/95 - 2:32 PM**

Municipality	FY 95 Allocation Actual	AMBS Without Transition Provisions			AMBS with 2% Transition Provision (based on FY 95 actual allocation)		
		Final			Final		
		Allocation	\$ Change	% Change	Allocation	\$ Change	% Change
Saxman	\$40,129	\$46,704	\$6,575	16.4%	\$41,642	\$1,513	3.8%
Scammon Bay	\$47,252	\$40,000	(\$7,252)	-15.3%	\$46,307	(\$945)	-2.0%
Selawik	\$104,244	\$98,711	(\$5,533)	-5.3%	\$102,159	(\$2,085)	-2.0%
Seldovia	\$43,286	\$41,192	(\$2,094)	-4.8%	\$42,420	(\$866)	-2.0%
Seward	\$460,730	\$471,246	\$10,516	2.3%	\$456,349	(\$4,381)	-1.0%
Shageluk	\$38,532	\$40,000	\$1,468	3.8%	\$40,000	\$1,468	3.8%
Shaktolik	\$41,296	\$40,000	(\$1,296)	-3.1%	\$40,470	(\$826)	-2.0%
Sheldon Point	\$36,012	\$40,000	\$3,988	11.1%	\$40,000	\$3,988	11.1%
Shishmaref	\$55,159	\$40,000	(\$15,159)	-27.5%	\$54,056	(\$1,103)	-2.0%
Shungnak	\$58,032	\$72,194	\$14,162	24.4%	\$60,625	\$2,593	4.5%
Sitka	\$953,174	\$830,462	(\$122,712)	-12.9%	\$934,111	(\$19,063)	-2.0%
Skagway	\$82,974	\$70,133	(\$12,841)	-15.5%	\$81,315	(\$1,659)	-2.0%
Soldotna	\$414,740	\$296,713	(\$118,027)	-28.5%	\$406,445	(\$8,295)	-2.0%
St. George	\$67,350	\$215,862	\$148,512	220.5%	\$102,714	\$35,364	52.5%
St. Mary's	\$74,253	\$135,400	\$61,147	82.3%	\$88,111	\$13,858	18.7%
St. Michael	\$50,360	\$40,000	(\$10,360)	-20.6%	\$49,353	(\$1,007)	-2.0%
St. Paul	\$135,301	\$215,754	\$80,453	59.5%	\$152,966	\$17,665	13.1%
Stebbins	\$51,806	\$41,130	(\$10,676)	-20.6%	\$50,770	(\$1,036)	-2.0%
Tanana	\$62,333	\$99,262	\$36,929	59.2%	\$70,438	\$8,105	13.0%
Teller	\$41,891	\$40,000	(\$1,891)	-4.5%	\$41,053	(\$838)	-2.0%
Tenakee Springs	\$29,428	\$40,000	\$10,572	35.9%	\$40,000	\$10,572	35.9%
Thorne Bay	\$54,668	\$85,139	\$30,471	55.7%	\$61,307	\$6,639	12.1%
Togiak	\$65,873	\$55,423	(\$10,450)	-15.9%	\$64,556	(\$1,317)	-2.0%
Toksook Bay	\$52,811	\$40,000	(\$12,811)	-24.3%	\$51,755	(\$1,056)	-2.0%
Unalakleet	\$68,264	\$71,546	\$3,282	4.8%	\$68,037	(\$227)	-0.3%
Unalaska	\$505,118	\$563,994	\$58,876	11.7%	\$511,913	\$6,795	1.3%
Upper Kalskag	\$40,955	\$40,000	(\$955)	-2.3%	\$40,136	(\$819)	-2.0%
Valdez	\$790,335	\$339,698	(\$450,637)	-57.0%	\$774,528	(\$15,807)	-2.0%
Wainwright	\$54,202	\$40,000	(\$14,202)	-26.2%	\$53,118	(\$1,084)	-2.0%
Wales	\$38,076	\$40,000	\$1,924	5.1%	\$40,000	\$1,924	5.1%
Wasilla	\$350,983	\$302,913	(\$48,070)	-13.7%	\$343,963	(\$7,020)	-2.0%

**Alaska Municipal Basic Services Program - Sponsor Substitute for SB 20 (COLA corrected)**

2/17/95 - 2:32 PM

Municipality	AMBS Without Transition Provisions				AMBS with 2% Transition Provision		
	FY 95 Allocation	Final			(based on FY 95 actual allocation)		
	Actual	Allocation	\$ Change	% Change	Final Allocation	\$ Change	% Change
White Mountain	\$39,925	\$40,000	\$75	0.2%	\$40,000	\$75	0.2%
Whittier	\$38,436	\$48,882	\$10,446	27.2%	\$42,176	\$3,740	9.7%
Wrangell	\$380,057	\$340,983	(\$39,074)	-10.3%	\$372,456	(\$7,601)	-2.0%
Yakutat Borough	\$68,001	\$181,012	\$113,011	166.2%	\$94,659	\$26,658	39.2%
	\$61,883,941	\$61,885,194	\$1,253		\$61,885,194	\$1,253	

## SB 20 Testimony List

Senate CRA - February 22, 1995 at 1:30 p.m.

- ② 1. Doug Griffin, City Manager, Valdez (853-4313)
- ① 2. Don Long, Mayor, Barrow, President AML (Barrow LIO)
- ③ 3. Rick Mystrom/Tim Rodgers, Mayor, Municipality of Anchorage
- \* 4. Alaire Stanton, Mayor, City of Ketchikan & ACoM President (here)
- \* 5. Tom Greene, Mayor, City of Nondalton, AML Board, MAWG Member (here)
- ✓ 6. Betty Glick, Assembly, Kenai Peninsula Borough, AML Board (283-7644)
- ✓ 7. *Fred Armstrong - NW Arctic Boro*  
Leo Rasmussen, Council, City of Nome, AML Board (443-2798) ?
- ✓ 8. Tom Boedeker, AML Leg. Committee Chairman, Kenai Peninsula Borough, MAWG Member
- \* 9. Michael Cushing, DCRA
- \* 10. Bill Rolfzen, DCRA

A G E N D A

SENATE COMMUNITY & REGIONAL AFFAIRS COMMITTEE  
WEDNESDAY, FEBRUARY 22, 1995  
1:30 P.M.

<STATEWIDE TELECONFERENCE>

SPONSOR SUBSTITUTE FOR SENATE BILL 20  
(ESTABLISHING THE ALASKA MUNICIPAL BASIC SERVICES PROGRAM)

TELECONFERENCE CENTERS HOOKED UP FOR HEARING:

ANCHORAGE	CORDOVA	SEWARD	HOMER	KENAI/SOLDOTNA
WASILLA	BARROW	KOTZEBUE	NOME	VALDEZ
FAIRBANKS	SITKA-HOONAH			

REQUESTING TO PARTICIPATE "OFF NET":

MAYOR ZACK CHICHENOFF, OUZINKIE 680-2257

DEPARTMENT OF COMMUNITY & REGIONAL AFFAIRS, ANCHORAGE 269-4560

**Overview of Current State Revenue Sharing/Municipal Assistance vs.  
New Alaska Municipal Basic Services Program**

***CURRENT PROGRAMS***

<b>Municipal Assistance</b>		<b>State Revenue Sharing</b>	
1978 Business Tax as a base	Per capita distribution of the balance	$\frac{\text{All local revenue}}{\text{Community tax base}} \times \text{Population}$ (\$25,000 minimum)	<u>Separate Entitlements</u> Roads Hospitals/health facilities Unincorporated cities (not in boroughs) Vol. fire departments (not in boroughs)

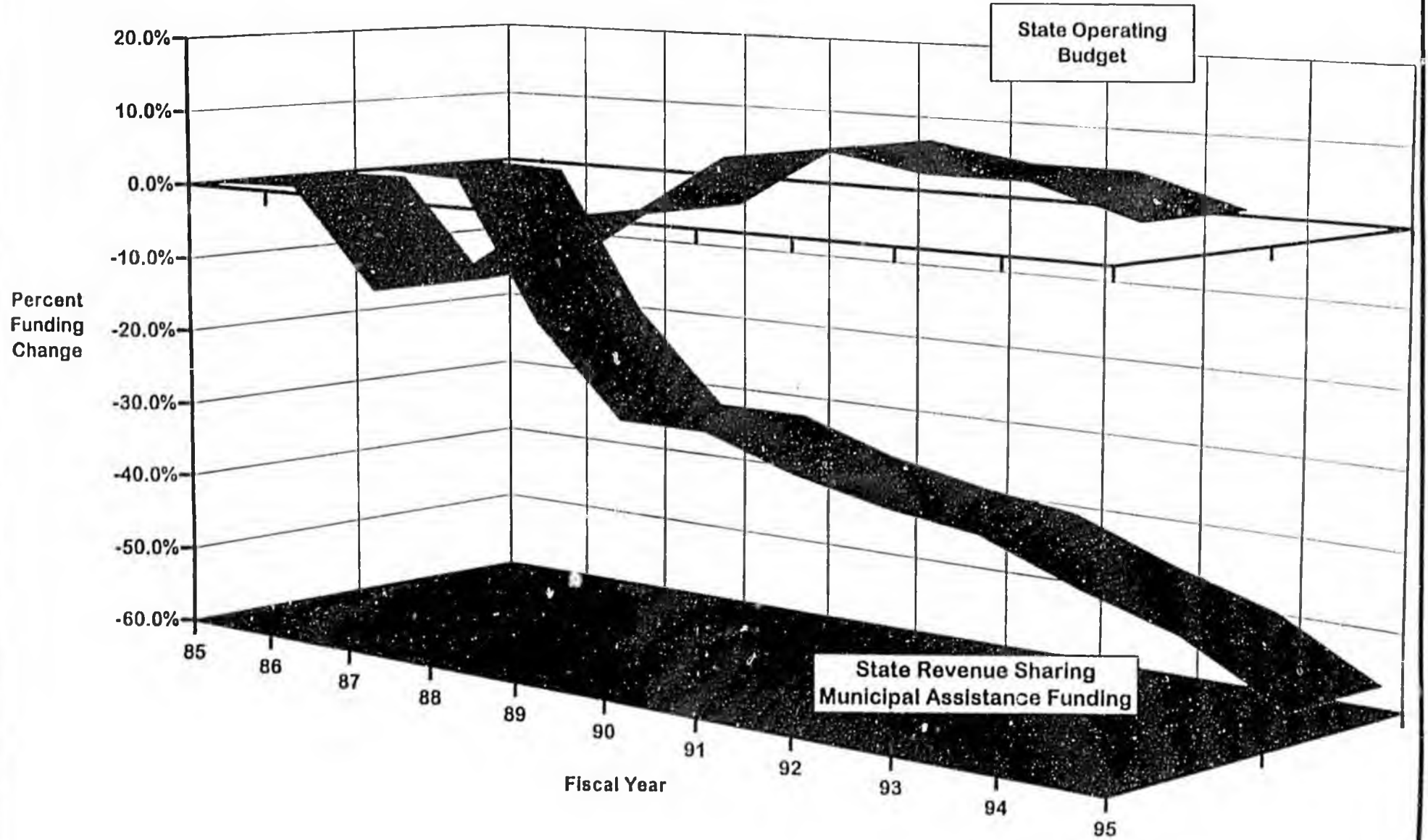
***NEW PROPOSAL - SB 20***

<b>Alaska Municipal Basic Services (AMBS) Program</b>	
$\frac{\text{Basic Service Expenditure}}{\text{Community Tax Base}} \times \text{Population}$ (\$40,000 minimum)	<u>Separate Entitlements</u> Unincorporated cities (not in boroughs) Vol. fire departments (not in boroughs)

- Municipal Basic Services**
- Police
  - Water & Sewer
  - \*Roads
  - \*Hospital/Health Facilities
  - Solid Waste Management
  - Fire & Emergency Medical
  - Taxation/Assessment, Finance, Land Use
  - Public Schools (local contribution) K-12
  - Community Services
- \*funds allocated the same as current formula*

Comparison of State Operating Budget vs.  
State Revenue Sharing/Municipal Assistance Funding  
FY 85 - FY 95

■ State Operating Budget  
■ SRS/MA Funding





# ALASKA STATE LEGISLATURE

## Senate Community & Regional Affairs Committee

State Capitol

Juneau, AK 99801-1182

(907) 465-4989

### MEMORANDUM

To: All Members of the Legislature

From: Senator John Torgerson, Chairman  
Senate Community & Regional Affairs Committee

Subject: Senate Bill 20 (establishing the Alaska Municipal  
Basic Services program)

Date: February 16, 1995

It has been brought to my attention that a number of legislators have received inquiries as to the status of the above referenced legislation.

Yesterday, I introduced a Sponsor Substitute to Senate Bill 20. In response to a recent meeting of the Conference of Mayors, the Sponsor Substitute reflects some of their recommendations including a transitional period as indicated in Section 25.

I am attaching a copy of the new bill, along with a spread sheet indicating what monetary effect it will have on the communities in each of your districts.

Next Wednesday (February 22), the Senate Community & Regional Affairs Committee will conduct a statewide teleconference on the bill. The teleconference will be held from 1:30 p.m. until 3 p.m. If you should have any questions about this meeting or need other information on the legislation, please feel free to call my office.

Attachments

JT/sgn

F A X T R A N S M I S S I O N  
to follow

From: Senator John Torgerson, Alaska State Legislature  
Phone: (907) 465-2828 Fax: (907) 465-4779

To: CITY OF SEEDONA FAX#: 234-7430

Attn: TIM VOLSTAD, MAYOR

Date: 2-16-95 Pages, including this cover sheet: 22

Memoranda: SENATE INTRODUCED SPONSOR SUBSTITUTE TO  
SENATE BILL 20 (MUNICIPAL BASIC SERVICES PROGRAM)  
YESTERDAY

WE'RE FAXING YOU A COPY WITH THE SPREAD  
SHEET THAT CORRESPONDS TO THE SUBSTITUTE.

REMINDER

SENATE COMMUNITY & REGIONAL AFFAIRS COMMITTEE  
WILL HAVE STATE WIDE TELECONFERENCE ON  
SB 20 WEDNESDAY, FEBRUARY 22 130P - 3P

LET US KNOW IF YOU WANT TO PARTICIPATE  
"OFF NET" HOMER LIO WILL BE ON LINE.

Telephone Contact: 465-4989 SANDY

F A X T R A N S M I S S I O N  
to follow

From: Senator John Torgerson, Alaska State Legislature  
Phone: (907) 465-2828 Fax: (907) 465-4779

To: CITY OF SEEDONA FAX#: 262-1245

Attn: KEALLANCASTER, MAYOR

Date: 2-16-95 Pages, including this cover sheet: 22

Memoranda: SENATOR INTRODUCED SPONSOR SUBSTITUTE TO  
SENATE BILL 20 (MUNICIPAL BASIC SERVICES PROGRAM)  
YESTERDAY.

WE'RE FAXING YOU A COPY WITH THE SPREAD SHEET  
THAT CORRESPONDS TO THE SUBSTITUTE.

REMINDER:

SENATE COMMUNITY & REGIONAL AFFAIRS COMMITTEE  
WILL HAVE STATEWIDE TELECONFERENCE ON  
SB 20 WEDNESDAY FEBRUARY 22 1300 - 3P  
KENAI / SEEDONA LIO WILL BE ON LINE

Telephone Contact: 465-4989 STACY

F A X T R A N S M I S S I O N  
to follow

From: Senator John Torgerson, Alaska State Legislature  
Phone: (907) 465-2828 Fax: (907) 465-4779

To: KENAI PENINSULA FAX#: 262-8615  
Board

Attn: GAYE VAUGHN BERGQUIST Clerk

Date: 2-16-95 Pages, including this cover sheet: 22

Memoranda: SENATOR INTRODUCED SPONSOR SUBSTITUTE TO SENATE BILL 20  
YESTERDAY.

WE'RE FAXING A COPY WITH THE SPREAD SHEET THAT  
CORRESPONDS TO THE SUBSTITUTE.

PLEASE DISTRIBUTE TO THOSE WHO HAVE A PARTICULAR  
INTEREST.

REMINDER: SENATE COMMUNITY & REGIONAL AFFAIRS COMM.  
WILL HAVE STATEWIDE TELECONFERENCE ON SB 20  
WEDNESDAY, FEBRUARY 22 1.30 P - 3 P  
KENAI/SELOUTNA LID WILL BE ON LINE

Telephone Contact: 465-4989 SANDY

None

F A X T R A N S M I S S I O N  
to follow

From: Senator John Torgerson, Alaska State Legislature  
Phone: (907) 465-2828 Fax: (907) 465-4779

To: KACHEMACK CITY FAX#: 235-8854

Attn: MICHAEL D'LINK, MAYOR

Date: 2-16-95 Pages, including this cover sheet: 22

Memoranda: SENATOR INTRODUCED SPONSOR SUBSTITUTE TO  
SENATE BILL 20 (MUNICIPAL BASIC SERVICES PROGRAM)  
YESTERDAY.

WE'RE FAXING YOU A COPY WITH THE SPREAD SHEET  
THAT CORRESPONDS TO THE SUBSTITUTE.

REMINDER:  
SENATE COMMUNITY & REGIONAL AFFAIRS COMMITTEE  
WILL HAVE STATEWIDE TELECONFERENCE ON  
5/20 WEDNESDAY, FEBRUARY 22 130P-3P  
HOMER LIO WILL BE ON LINE

Telephone Contact: 465-4984 SANDY

None

F A X T R A N S M I S S I O N  
to follow

From: Senator John Torgerson, Alaska State Legislature  
Phone: (907) 465-2828 Fax: (907) 465-4779

To: CITY OF SEWARD FAX#: 224-3248

Attn: DAVE CRANE, MAYOR

Date: 2-16-95 Pages, including this cover sheet: 22

Memoranda: SENATOR INTRODUCED SPONSOR SUBSTITUTE TO  
SENATE BILL 20 (MUNICIPAL BASIC SERVICES PROGRAM)  
YESTERDAY.

WE'RE FAXING YOU A COPY WITH THE SPREAD  
SHEET THAT CORRESPONDS TO THE SUBSTITUTE.

REMINDER:

SENATE COMMUNITY & REGIONAL AFFAIRS COMMITTEE  
WILL HAVE STATEWIDE TELECONFERENCE ON  
SB 20 WEDNESDAY, FEBRUARY 22 130P-3P  
SEWARD LIO WILL BE ON LINE.

Telephone Contact: 465-4989 SANDOZ

6572

F A X T R A N S M I S S I O N  
to follow

From: Senator John Torgerson, Alaska State Legislature  
Phone: (907) 465-2828 Fax: (907) 465-4779

To: City of Homer FAX#: 235-3140

Attn: HARRY GAYGOICE, MAYOR

Date: 2-16-95 Pages, including this cover sheet: 22

Memoranda: SENATOR INTRODUCED SPONSOR SUBSTITUTE TO  
SENATE BILL 20 (MUNICIPAL BASIC SERVICES PROGRAM)  
YESTERDAY

WE'RE FAXING YOU A COPY WITH THE SPREAD SHEET  
THAT CORRESPONDS TO THE SUBSTITUTE.

REMINDER.

SENATE COMMUNITY & REGIONAL AFFAIRS COMMITTEE  
WILL HAVE STATEWIDE TELECONFERENCE ON  
SB 20 WEDNESDAY, FEBRUARY 22 130P - 3P  
HOMER HD WILL BE ON LINE

Telephone Contact: 465-4944 SANDY

F A X T R A N S M I S S I O N  
to follow

From: Senator John Torgerson, Alaska State Legislature  
Phone: (907) 465-2828 Fax: (907) 465-4779

To: CITY OF KENAI FAX#: 283-3014

Attn: JOHN WILLIAMS, MAYOR

Date: 2-16-95 Pages, including this cover sheet: 22

Memoranda: SENATOR INTRODUCED SPONSOR SUBSTITUTE TO  
SENATE BILL 20 (MUNICIPAL BASIC SERVICES PROGRAM)  
YESTERDAY.

WE'RE FAXING YOU A COPY WITH THE SPREAD SHEET  
THAT CORRESPONDS TO THE SUBSTITUTE.

REMINDER:

SENATE COMMUNITY & REGIONAL AFFAIRS COMMITTEE  
WILL HAVE STATEWIDE TELECONFERENCE ON  
SB 20 WEDNESDAY, FEBRUARY 22 130P-3P  
KENAI/SOLDOTNA LIO WILL BE ON LINE

Telephone Contact: 465-4989 SANDY

SB 20

# City of Hoonah

RECEIVED

APR 18 1995

Ans'd.....

P.O. Box 360  
Hoonah, Alaska 99829  
945-3663  
Fax: 945-3445

## FAX TRANSMISSION COVER SHEET

**Date:** April 13, 1995  
**To:** SENATOR JOHN TORGERSON  
**Fax:** 907-465-4779  
**Re:** BUDGET CUTS  
**Sender:** ALBERT W. DICK, MAYOR

YOU SHOULD RECEIVE 3 PAGE(S), INCLUDING THIS COVER SHEET. IF YOU DO NOT RECEIVE ALL THE PAGES, PLEASE CALL 945-3663.

**CITY OF HOONAH**

P.O. Box 360 • Hoonah, Alaska 99829 • (907) 945-3663 • FAX (907) 945-3445

April 13, 1995

SENATOR JOHN TORGERSON  
COMMUNITY & REGIONAL AFFAIRS CHAIR  
ROOM 427, STATE CAPITOL  
JUNEAU, ALASKA 99801-1182

SENT VIA FACSIMILE

Dear SENATOR TORGERSON:

The City of Hoonah cannot afford any more cuts in our Municipal Assistance and State Revenue Sharing as proposed by the House of Representatives. I am at a loss as why you as Legislators do not believe the City Governments when they inform you how important these funds are to them. Small communities use these funds to provide essential services to their communities and without these funds they will be required to start cutting services or even completely dissolving their governments.

Over the past nine years we have had more than 50% cuts in our Municipal Assistance and State Revenue Sharing which has a serious impact on our budget. As the Mayor of Hoonah it has been hard taking these cuts. The City of Hoonah is right now down to one person in each department that has to provide the basic services to our community. The only place I can cut will be the Police Department. If we are forced to cut in our Public Safety Department, we will see a down turn in enforcement. The child abuse cases will not be called in, and the drug and alcohol problems will definitely increase. In the end the State will be paying more money out, because they will have to fly officers out to the small towns who can no longer afford a Police Department.

I am requesting for you as Senator's to please reconsider any cuts in Municipal Assistance and State Revenue Sharing.

Sincerely,

Albert W. Dick  
Mayor of Hoonah

Alaska Native Brotherhood  
Camp No. 12  
P.O. Box 352  
Hoonah, AK 99829



April 12, 1995

HONORABLE FRED ZHAROFF  
ALASKA SENATOR  
ROOM 121 STATE CAPITOL  
JUNEAU AK 99801-1182

Dear Senator Fred Zharoff:

The Hoonah ANB Camp 12, supports the City of Hoonah in their stand against the proposed budget cuts by the State Legislature. Camp 12 further agrees that the City of Hoonah needs to maintain the same amount of funding to provide the basic services to our people.

Education is most important for our community and our children. We understand the issue to provide school funding for the next two years, but we support the \$61,000 per child. We feel as the Legislature you should be targeting all spending when dealing with proposed cuts. As it stands right now, the proposed cuts are at the expense of the Rural Communities of Alaska.

Thank you for your time in this matter.

Sincerely,

Jack Lee, President  
ANB Camp 12

cc: Finance Committee

ANB



# NORTHWEST ARCTIC BOROUGH

P.O. BOX 1110  
KOTZEBUE, AK 99752  
(907) 442-2500 / FAX 442-2930

March 16, 1995

Senator John Torgenson  
State Capitol  
Juneau, Alaska 99801-1182

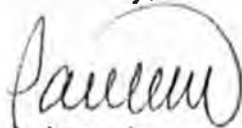
Dear Senator Torgenson:

At the Last Northwest Arctic Borough Assembly meeting held February 24, 1994 the Assembly unanimously passed Resolution 95-006. This resolution is in support of the Alaska Municipal League Resolution 95-3 urging Governor Tony Knowles and the Alaska State Legislature to support and adopt the Alaska Municipal Basic Services Program (AMBS).

The Assembly has directed me to forward this resolution to you requesting your support.

Taikuu.

Sincerely,



Anigayuk  
Paulette Lambert  
Borough Clerk

dms/PL

ENCLOSURES: Resolution 95-006

cc: reading file 3/16/95

NORTHWEST ARCTIC BOROUGH

RESOLUTION 95-006

A RESOLUTION OF THE NORTHWEST ARCTIC BOROUGH ASSEMBLY SUPPORTING THE ALASKA MUNICIPAL LEAGUE RESOLUTION 95-3 URGING THE GOVERNOR AND THE LEGISLATURE TO SUPPORT AND ADOPT THE ALASKA MUNICIPAL BASIC SERVICE PROGRAM (AMBS).

WHEREAS, the Assembly is the governing body of the Northwest Arctic Borough; and

WHEREAS, the Northwest Arctic Borough supports the Alaska Municipal League in their continuation effort to provide assistance to all Municipalities of Alaska; and

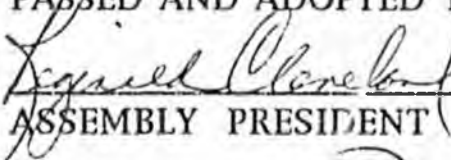
WHEREAS, the current State Revenue Sharing and Municipal Assistance programs are too complex, are perceived as giveaways, have existing conflicting policy provisions and are based on formulas that do not allow for equitable or efficient allocation of funds.

WHEREAS, the Alaska Municipal Basic service Program can be implemented easily by municipalities with limited funding by providing the State with improved accountability, reporting requirements, and establishes stable municipal governments; and

WHEREAS, the State Government has an obligation to share revenue from the resources that are commonly owned by all the people of Alaska to provide basic and essential state and municipal services.

NOW THEREFORE BE IT RESOLVED, that the Northwest Arctic Borough Assembly hereby supports the concept of the Alaska Municipal Basic Services Program and urge the Governor and the Legislature to support and adopt it.

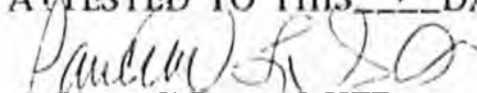
PASSED AND ADOPTED THIS 24<sup>th</sup> DAY OF February, 1995.

  
ASSEMBLY PRESIDENT

SIGNED AND APPROVED THIS 24<sup>th</sup> DAY OF February, 1995.

  
MAYOR

ATTESTED TO THIS 24<sup>th</sup> DAY OF February, 1995.

  
BOROUGH CLERK

ATTEST:



# CITY OF MC GRATH

P. O. BOX 30 McGRATH, ALASKA 99627  
PHONE (907) 524-3825  
FAX (907) 524-3536

March 1, 1995

The Honorable John Torgerson: Chair  
Senate Community & Regional Affairs Committee  
State Capitol, Mail Stop 3101  
Juneau, Alaska 99801-1182  
Phone: 465-2828

Dear Senator Torgerson:

A copy of the City of McGrath Resolution 95-8 supporting the concepts embodied in your Senate Bill 20 is attached. Your AML efforts over the past two years will be long remembered and truly appreciated by our council, staff, myself and others that feel that passage of the Alaska Municipal Basic Services (AMBS) Program is in the best interests of all Municipalities in Alaska. McGrath's City Council and Staff are acutely aware of the longer term funding downgrade of the Municipal Assistance and Revenue Sharing Programs. As you know, any large number in the State's Budget is an easy target when it comes to the Alaskan Legislative funding process. It is even more imperative to redo the funding mechanism legislation in view of the long term goal to cut the Budget as represented by both Houses of your Legislature. It is a goal that we strongly support but it is also crucial that Local Governments are capable of standing on their own. AMBS would help sustain that ability.

The discussion at the Municipal Manager's Meeting in November centered on this particular item and the common thread around the table was unified in this approach. The only reason that the AMMA did not pass a resolution to that effect was concern by several members that they could not speak for their Councils on policy issues. The merits of the case are very clear and my Council has resolved to advocate this positive approach before the Nineteenth legislature.

Please feel free to contact me or My Council further as this issue progresses.

Sincerely yours,

Roger Jenkins, McGrath City Administrator

SB 20 Sen Torgerson  
Senate CRA



# CITY OF MC GRATH

P. O. BOX 30 McGRATH, ALASKA 99627  
PHONE (907) 524-3825  
FAX (907) 524-3536  
CITY OF MCGRATH, ALASKA

RECEIVED

FEB 28 1995

Ans'd.....

## RESOLUTION 95-8

A RESOLUTION SUPPORTING THE CONCEPT OF COMBINING THE PRESENT STATE OF ALASKA REVENUE SHARING AND MUNICIPAL ASSISTANCE PROGRAMS INTO THE PROPOSED ALASKA MUNICIPAL BASIC SERVICES (AMBS) PROGRAM AND COMMITMENT OF THE CITY OF MCGRATH TO LOBBY FOR THE PROPOSED LEGISLATION.

WHEREAS, The City of McGrath is an Incorporated Second Class City organized under Title 29 of the Alaska State Statutes and is thus empowered to receive State of Alaska Revenue Sharing and Municipal Assistance funding, and;

WHEREAS, State Appropriations for the Revenue Sharing and Municipal Assistance Programs to Local Governments represent large numbers in the State Operating Budget, are easily adjustable and have declined from over 150 Million in FY 84 to 62 Million in FY 95, and;

WHEREAS, Without a stable minimal amount of outside support, Organized Local Governments will continue to drop services and Personnel until they slowly cease to function. Without fiscally sound Local Governments the State of Alaska's burden will increase which if not met will hasten the Governmental breakdown in Rural Alaska, and;

WHEREAS, The Alaska Municipal Basic Services proposal seeks to meld the Revenue Sharing and Municipal Assistance Programs into a system that will enhance the long-term fiscal Revenue Streams to Local Governments awarding a prorated share of funds to each entity based upon the basic services that they provide;

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of McGrath endorses the Alaska Municipal Basic Services proposal and hereby further Resolves to participate in lobbying efforts on behalf of the proposed Legislation:

PASSED AND APPROVED THIS 17<sup>th</sup> DAY OF January, 1995 BY A VOTE OF 4 AYES AND 0 NAYES OF THE MCGRATH CITY COUNCIL.

ATTEST: Kathy Snow  
City Clerk

Edgar A. Lewis  
Mayor

cc: Alaska Municipal League  
Alaska Municipal Managers Association  
Senate President Drue Pearce  
Senator John Torgerson  
Senator Randy Phillips  
Senator Tim Kelly  
Senator Lyman Hoffman  
Senator Fred Zharoff  
Senator Georgianna Lincoln  
Senator Steve Frank  
Senator Steve Rieger  
Senator Rick Halford  
Senator Jim Duncan  
Representative Al Vezey  
Representative Jerry Mackie  
Representative Pete Kott  
Representative Irene Nicholia  
Representative Kim Elton  
Representative Gail Phillips  
Representative Mark Hanley  
Representative Al Austerman  
Representative Ivan Ivan  
Representative Norman Rokeberg

RECEIVED

FEB 14 1995

Ans'd.....

Senator John Torgerson  
Capitol Building  
Juneau, Ak 99811

Dear Senator Torgerson,

Scammon Bay is in full support of the passage of the Alaska Municipal Basic Services Program as a means to stabilize funding for state aid to municipalities. Over the years, cuts in funding from the legislature have had a serious impact on the quality of life in our community. The legislature must realize the importance of state aid to municipalities and the effect of the cuts on the welfare of Alaskans. For example, our public safety staff has been cut from three full-time staff to one full time equivalent.

Sincerely,



Frank Aguchak, City Manager  
Scammon Bay