

ALASKA LEGISLATURE

2498

HOUSE and SENATE FINANCE COMMITTEE FILES, 2003-2004

AML and Alaska Conference of Mayors 2003 Fiscal Conditions Survey

The survey was faxed 2/25/03 and responses have been received from 59 cities and boroughs. The responses indicate **that most cities and boroughs are currently experiencing a deepening economic crises** and a growing need for stable state assistance to rebuild a sustainable economy. Clearly, **deep state cuts to municipal programs and increased state unfunded mandates will accelerate the economic decline and hinder the recovery of many communities.**

<u>Municipality</u>	<u>Economy</u>	<u>Municipal Budget</u>
1. Haines Borough	drastic tourism, fishing, timber loss	families leaving, lost 30% of students, costs up
2. Denali Borough	tourism down, Usibelli Mine large layoffs	loss in accommodation tax
3. Lake & Pen. Bor	raw fish tax loss escalating, population loss	state revenue sharing cuts, staff cuts, some schools closed
4. Ketchikan Bor.	Loss of Ward Cove Packing, Ketchikan Pulp, EC Phillips, Gateway Forest Products, SE Construction	
5. Kodiak Isl Bor	over 400 jobs lost due to fishing downturn ,	lost 5 local processors. Borough & Schools down \$2.2 million next FY
6. Juneau Bor	revenue growth less than inflation	projecting significant shortfall this year, serious if revenue sharing cut
7. Sitka Bor	"economy is flat" population down	school shortfall due to loss of students
8. Mat-Su Borough	economy ok	\$1.3 million school budget shortfall and cuts to revenue sharing
9. NW Arctic Bor	zinc prices down + loss of local jobs	Gcv budget cuts Borough \$1million more/villages lose \$73,000
10. Saxman	loss of community hall hurt revenues	"cut expenses to barebones & cut 2 positions... Please No more cuts"
11. Kenai	fishing downturn, loss of Kmart/other jobs	Kmart closure \$800K tax loss, tapping reserves too much
12. Seward	closure coal facility; less tourism, decline	shortfall due to insurance, fuel, declining economy, state cuts
13. Homer	loss of students in school distirct	55 teachers cut, loss of school programs
14. Kodiak	fishing downturn, over regulation	fishing tax is 60% of revenue, serious decline
15. Wasilla	loss of sales and sales tax	can't meet infrastructure needs of tremendous population growth
16. Selawik	"community has hit rock bottom"	"may have to go without police protection/other essential services."
17. Wrangell	so far, job loss 30%, population loss 22%	14% deficit in General Fund, already have highest sales tax in state.
18. Quinhagak	low fish prices	cuts in police, water, sewer
19. Cordova	fishing downturn	state revenue sharing cuts, low fish revenue, low earnings
20. Skagway	population loss	school funding loss due to declining enrollment
21. False Pass	fishing downturn & lost processor	Shortfall over \$60,000 this year.
22. Teller	construction projects	city "services at all time low"
23. Shageluk	economy ok	school shortfall
24. Nunapitchuk	fishing downturn, lack of jobs	school dist. \$4 million shortfall; minimum wage requires pay increases
25. Kotzebue	economy ok	community jail loss of \$328K, revenue sharing cuts

26. Port Lions	fishing & timber job loss, population loss	historic revenue sharing cuts, loss of "fire-police-clinics & roads"
27. Toksook Bay	fish disaster, so depend on revenue sharing	eliminate some employees and city services
28. Nuiqsut	downturn	lost 20 municipal jobs in last 3 years
29. Petersburg	local economic downturn	lower tax revenues
30. Alakanuk	fishing loss; unemployment at crises high"	"lower tax revenue, unpaid bills to city"
31. Savoonga	economy ok	
32. New Stuyahok	Bristol Bay fishery decline	budget shortfall
33. Houston	revenue sharing loss "serious impact"	budget shortfall if revenue sharing decreased
34. North Pole	need diversification	insurance and operating costs exceed revenue
35. Kasaan	Ward Cove and timber bankruptcy	population loss, loss of school
36. Kake	loss of timber and fishing jobs	federal funding loss, loss of students
37. Koyukuk	"state funding is a vital resource"	city staff paid by revenue sharing
38. Kaktovik	declining oil production	loss of school and municipal funding and jobs
39. Deering	economy ok	
40. Ouzinkie	fishing downturn	city and school cutbacks
41. Pilot Point	fishing downturn	lost fish tax revenue needed to fund budget
42. St. Mary's	dependent grants to complete budget	state reduces funding and services
43. Aleknagik	fishing downturn, 36 permit holders in city	"people unable to pay bills with the city"
44. Hoonah	fishing and timber downturn	loss of tax revenue, population - "maintenance and safety issues"
45. Angoon	fishing downturn	more state/federal unfunded mandates
46. Larson Bay	cannery closed, state asst. diminishing	budget shortfall due to lower fish tax, less PCE, higher fuel costs
47. Umanak	fishery disaster "no one seems to listen"	cut employees, unpaid utility bills up, can't cut revenue sharing
48. Nevig Mission	"caribou run off local reindeer herds"	shortfall because we are "shouldering more responsibility"
49. Delta Junction	economy ok	no shortfall
50. Ruby	losing population, costs up	revenue sharing critical, may "lose school and ...population"
51. Cold Bay	fishing downturn and higher oil prices	loss of fish taxes and state grants, need \$100K to replace water well
52. Atkasuk	"cuts jeopardize ...service and leadership"	school district budget cuts
53. Coffman Cove	timber downturn, high energy costs	50% of spending this year was reserves
54. Fort Yukon	economic downturn	teacher cuts, "rural communities cannot survive (big state) cuts"
55. Nome	"flat or nominal growth"	school district chronically underfunded
56. Unalakleet	oil costs "devastating impact," insurance up	66% this year, lower sales tax revenues
57. Huslia	costs of services keep going up	state cuts so "we the people suffer the consequences."
58. Port Alexander	"families here balance, no matter how precariously"	city operates on volunteerism, school shortfall.
59. Bethel	"at a cross-road that could go either way"	current shortfall \$467K, could go to \$700K next year w/no state cuts.

TO: HAINES

FROM: AK MUNICIPAL LEAGUE



217 Second Street, Suite 200 • Juneau, Alaska 99801

Tel (907) 586-1325 • Fax (907) 463-5480 • www.akml.org

To: Mayor and Council/Assembly
& Manager/Finance Director/Clerk

From: Kevin Ritchie, Executive Director

Date: February 24, 2003

Re: 2003 Municipal Fiscal Conditions Survey - Please return ASAP

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent Vince Hansen Title Interim Borough Manager

Name of Municipality Haines Borough

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. Drastically reduced tourism revenue due to lack of cruise ship visits this year. Reduced fisheries revenue. Downturn in resource development. Reduced to extent that jobs with family sustaining wages are no longer available and many families have left or are leaving the community.

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. Reasons as listed above. 30% reduction in students over last two years with corresponding impact on schools. Municipal sales tax revenues are down, but costs are up (insurance, fuel, etc.). Also facing dramatic reduction in fish tax and port revenues.

Please FAX TO AML at 907-463-5480 ASAP
Thank You!



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Name of Respondent Dave Talevico Title Mayor

Name of Municipality Denali Borough

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. Fall in tourism numbers -
Local employer, Usibelli Coal Mine, lost a
contract and had a large layoff

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. Fall in tourism affects our overnight
accommodation tax.

Please FAX TO AML at 907-463-5480 ASAP
Thank You!

FEB. 25. 2003 12:38PM

ALASKA MUNI LEAGUE

NO. 4645 P. 1/1

TO: LAKE & PENINSULA BOR

FROM: AK MUNICIPAL LEAGUE



217 Second Street, Suite 200 • Juneau, Alaska 99801

Tel (907) 586-1325 • Fax (907) 463-5480 • www.akml.org

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From: Kevin Ritchie, Executive Director

Date: February 24, 2003

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Name of Respondent Lake and Peninsula Borough Title JEFF CURRIER
P.O. Box 195 Borough Mgr.
Name of Municipality King Salmon, Alaska 99613

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent.

DECLINE IN RAW FISH TAX REVENUES + RE: SOCKEYE SALMON STATE FISHERIES TAXES LOSS OF APPROX 1.5 million annually for past 5 yrs

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent.

Reduced STATE FUNDING, Reduced LOCAL FUNDING STUDENT POPULATION DOWN, STAFF CUTS + SOME Schools closed due to STUDENT NUMBERS

Please FAX TO AML at 907-463-5480 ASAP Thank You!



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Mayor
Assembly
At Hall - PIN
Mgr
Clerk

To: Mayor and Council/Assembly

& Manager/Finance Director/Clerk

From: Kevin Ritchie, Executive Director

Date: February 24, 2003

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Name of Respondent Alvin E. Hall Title Finance Director

Name of Municipality Ketchikan Gateway Borough

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. Borough has lost several million
to large companies from Plant closings + Chapter
II Filings. KPC, Ward. cone packing, E.C Phillips,
Southern Construction Gateway Forest Products, Inc.

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. Borough
is unable to fund the school district at the
capex at the requested levels from the school district.
Cause major downturn in economic structure of
community + less students

Please FAX TO AML at 907-463-5480 ASAP

Thank You!

Betty Svensson

From: Pat Carlson [pcarlson@kib.co.kodiak.ak.us]
Sent: Tuesday, February 25, 2003 1:36 PM
To: betty@akml.org
Subject: RE: Rev sharing alert

Hi Betty and Kevin, this is quick and dirty so let me know if you need more. Thanks Pat Carlson

To: Mayor and Council/Assembly
& Manager/Finance Director/Clerk
From: Kevin Ritchie, Executive Director
Date: February 24, 2003

Re: 2003 Municipal Fiscal Conditions Survey - Please return ASAP

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Name of Respondent Pat Carlson Title Manager

Name of Municipality Kodiak Island Borough

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. _____

The area has lost over 400 jobs due to fishery declines, school enrollment is down
and 5 of our local processors have gone out of business just in the last two years.

For example only 60% of the salmon fleet fished this year, they

caught more fish than the prior year and yet they were paid 66% less.

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. _____

Next years borough budget is short by .6 million at this time and the preliminary KIBSD
budget is

down in excess of 1.6 million.

Please FAX TO AML at 907-463-5480 ASAP
Thank You!



CITY/BOROUGH OF JUNEAU
ALASKA'S CAPITAL CITY

To: **Mayor and Council/Assembly**
& Manager/Finance Director/Clerk
From: Kevin Ritchie, Executive Director
Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey - Please return ASAP**

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Name of Respondent: John MacKinnon

Title: Interim City Manager

Name of Municipality: City and Borough of Juneau

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent.

For the past 6 years our community has been on the edge of an economic down turn. Between 1997 and 1998 there has been a significant decline in the per capita income in our community. Between calendar 1993 and 1997 (4 years) our gross business activity expanded at nearly 8% per annum. Between calendar 1997 and 2001 (4 years) our gross business sales growth has averaged just over 1% per annum. This dramatic growth decline, to less than the inflation rate, has placed a significant economic burden on our community. The City and Borough of Juneau, working with the Juneau Economic Development Council and other local business groups, has worked diligently to try and find ways to stimulate economic development. While we have seen significant growth in some sectors such as tourism, the economic value added by this seasonal industry has not offset the economic losses in other year round areas.

It is extremely important for the continued well being our community that we not experience any additional negative economic impacts. Material reductions in year round jobs could spell the difference between economic stability and an economic recession.

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent.

This year we are projecting a fairly significant budgetary shortfall. This is due to no material growth in our property assessments and sales tax revenues combined with the increased cost of providing services. Flat economic growth combined with increases in delivering public service, have resulted in continuous pressure to reduce spending levels. This has made it difficult to maintain acceptable levels of critical public service. Each year the Assembly has been forced to make trade-off decisions between basic public service (Streets, Parks and Rec., Libraries, etc), public safety (Police and Fire) and/or educational.

This year the School District and Police Department are requesting significant increases in funding. While our departments have implemented operational efficiencies, they still need some funding increases just to maintain service levels. For example, the cost of heating fuel has risen more than 20% in just the past two months. Unless the Assembly chooses to increase the mill levy (noting we are within 1.6 mills of a 12-mill levy cap) it is likely we will need to reduce service levels. This reduction assumes that the State maintains the FY04 State Shared Revenue and Safe Communities Program at the FY03 funding levels and no cost of living increases are granted for our employees.

If the SSR and Safe Communities programs are eliminated we will be looking at very serious budgetary shortfall. Material reductions in state support will likely result in both service level declines and property tax increases. Service reductions significant enough to absorb the loss in State revenues would no doubt be considered unacceptable. To fully absorb a SSR and Safe Communities reduction it is likely we would need to take significant reductions in funding for both public safety and education.

Please FAX TO AML at 907-463-5480 ASAP
Thank You!

FEB. 25. 2003 12:42PM ALASKA MUNI LEAGUE

TO: MAT-SU BOR

NO. 4645 P. 1/1

FROM: AK MUNICIPAL LEAGUE



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

RECEIVED
FEB 25 2003
MATANUSKA SUSITNA BOROUGH
ADMINISTRATION/PERSONNEL

To: **Mayor and Council/Assembly
& Manager/Finance Director/Clerk**
From: **Kevin Ritchie, Executive Director**
Date: **February 24, 2003**

Re: **2003 Municipal Fiscal Conditions Survey - Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent John Duff Title Borough Manager

Name of Municipality Matanuska - Susitna Borough

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. _____

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. _____

\$ 1.3M due to state's cost allocation formula for schools

\$? Removal cuts to Revenue Sharing / State Communities
\$? Continued failure to adequately fund State Citizen and Veteran tax exemptions.

Please FAX TO AML at 907-463-5480 ASAP
Thank You!

TO: SITKA BOR



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

To: **Mayor and Council/Assembly
& Manager/Finance Director/Clerk**

From: Kevin Ritchie, Executive Director

Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey - Please return ASAP**

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Name of Respondent City & Borough of Sitka Title City Administrator

Name of Municipality SITKA

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. NOT EXACTLY - BUT OUR ECONOMY

IS CERTAINLY FLAT COMMERCIAL ETC USE IS
DOWN; SCHOOL POPULATION IS DOWN

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. Reduction

in student population

Please FAX TO AML at 907-463-5480 ASAP
Thank You!

FEB. 25. 2003 12:52PM

ALASKA MUNI LEAGUE

TO: NORTHWEST ARCTIC BOR

FROM: AK MUNICIPAL LEAGUE



217 Second Street, Suite 200 • Juneau, Alaska 99801

Tel (907) 586-1325 • Fax (907) 463-5480 • www.akml.org

To: Mayor and Council/Assembly
& Manager/Finance Director/Clerk

From: Kevin Ritchie, Executive Director

Date: February 24, 2003

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Name of Respondent Roswelle L. Schaeffer Title Mayor

Name of Municipality Northwest Arctic Borough

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. Our region depends heavily on

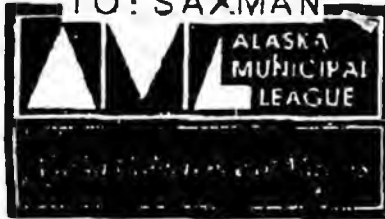
government jobs and the Red Dog Mine. Both
areas show a downturn in appropriations
and mine prices.

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. Maybe if

budget cuts by governor are supported by the
legislature we anticipate a loss of
more than \$1 million dollars for NWABSD
and \$73,000 for village.

Please FAX TO AML at 907-463-5480 ASAP
Thank You!

TO: SAXMAN



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

ALASKA MUNICIPAL LEAGUE

To: Mayor and Council/Assembly
& Manager/Finance Director/Clerk

From: Kevin Ritchie, Executive Director

Date: February 24, 2003

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Name of Respondent Noel DeWitt Title City Clerk

Name of Municipality City of Saxman

1 Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. loss of our Saxman Community Hall

Has put a severe impact on our opportunity for revenue. The project was started and needs additional funds to be completed. The required matching funds has put a tremendous strain on

2. Is your municipal government or school district anticipating a budget shortfall coming year? No Yes If yes, please discuss the cause and extent. this year expenses.

As stated above. We have had to cut expenses to bus buses and eliminate 2 positions with the city.

PLEASE No more cuts.

Please FAX TO AML at 907-463-5480 ASAP

Thank You!

C. Mayor Dan Williams

TO: KENAI



217 Second Street, Suite 200 • Juneau, Alaska 99801

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To: Mayor and Council/Assembly
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Date: February 24, 2003

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Name of Respondent LARRY SEYMEN Title Finance Dir.

Name of Municipality City of Kenai

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. Due primarily to Kmart

Closing. However sales were declining prior to this announcement. Agrum layoffs, generally poor commercial fishing, and overall uncertainty contribute.

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. _____

All of the above will have negative impact on budget. Costs of services is increasing especially due to health care, PERS & general inflation. Revenue is declining - Interest rate is lowest in 40 years. Sales tax is crashing due to Kmart.

Please FAX TO AML at 907-463-5480 ASAP

Thank You!



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Name of Respondent Linda L. Snow Title City Manager

Name of Municipality Kenai

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. K-mart closure represents \$800K

sales tax loss to the General Fund & 40+ jobs out of the community; reductions of jobs in fishing and oil industries.

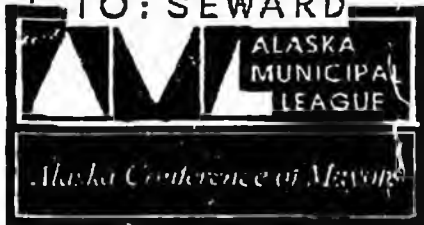
2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. see

above re. K-mart. In addition, we have seen huge reductions in interest earnings, and our Fund balance is topped more than desirable.

Please FAX TO AML at 907-463-5480 ASAP
Thank You!

FROM: AK MUNICIPAL LEAGUE

TO: SEWARD



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

RECEIVED

FEB 25 2003

OFFICE OF THE
CITY CLERK

To: **Mayor and Council/Assembly
& Manager/Finance Director/Clerk**

From: Kevin Ritchie, Executive Director

Date: February 24, 2003

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Name of Respondent KRISTIN ERCHINGER Title ACTING CITY MANAGER

Name of Municipality CITY OF SEWARD

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. _____

please see attached

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. _____

please see attached

Please FAX TO AML at 907-463-5480 ASAP
Thank You!

City of Seward - Municipal Fiscal Conditions Survey
Page Two

Is your community facing an economic downturn?

Seward has seen a decline in the economy over the past two years, especially during the winter months. A number of local businesses are closing during the winter season, which has had an adverse impact on local jobs and has resulted in reduced taxable sales and reduced sales tax revenues. The threatened closure of the coal export facility will have an impact on year-round jobs and a negative impact on the export of Alaska's natural resources. Rising fuel costs and the poor condition of portions of the Seward Highway are causing some cruise ships to consider moving their operations outside of Seward, which will have a serious impact on the summer economy of Seward, in terms of jobs, taxable sales, and spinoff business.

Is your municipal government anticipating a budget shortfall this coming year? If Yes, please discuss the cause and extent

The City of Seward has requested an increase in the local sales tax rate from 3% to 4% to address this year's budget shortfall of approximately \$1.5 million. The sales tax will generate approximately half of the \$1.5 million shortfall, with the remaining shortfall addressed through cost cutting measures. The 1% sales tax increase is being challenged by a referendum vote to be held on April 8. The budget shortfall is the result of a combination of substantial cuts to State funding, fixed cost increases which the City cannot avoid (such as fuel and insurance), and the overall condition of the economy which has resulted in a considerable decline in annual investment income, as well as a leveling off of revenue growth.

Since 1991, State reductions in revenue sharing and safe communities funding amount to a loss of 0.51% of a local sales tax, or 1.77 mills of property tax. Annual increases in insurance costs over the last 3 years alone, amount to 0.78% of a local sales tax, or 2.7 mills of property tax. The loss of interest earnings amounts to 0.27% of local sales tax or 1 mill of property tax.

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Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent Mary L. Calhoun Title City Clerk

Name of Municipality City of Homer

1. Is your community facing an economic downturn? No__ Yes__ If yes, please discuss the cause and extent. _____

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No__ Yes X If yes, please discuss the cause and extent. School district cut of 55 teachers, classroom activities, particularly spanish

Resolution 03-30 attached.

Please FAX TO AML at 907-463-5480 ASAP

Thank You!

**CITY OF HOMER
HOMER, ALASKA**

LADD

RESOLUTION 03-30

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, ENCOURAGING THE STATE OF ALASKA TO PROPERLY SUPPORT THE KENAI PENINSULA BOROUGH SCHOOL DISTRICT THROUGH CHANGING THE STATE FOUNDATION FORMULA TO MORE FAIRLY REFLECT THE PENINSULA'S UNIQUE GEOGRAPHY, CULTURAL NEEDS, AND RESULTING IN KENAI PENINSULA STUDENTS HAVING THE SAME OPPORTUNITY AS OTHER ALASKA STUDENTS TO MEET CONTENT AND PERFORMANCE STANDARDS.

WHEREAS, the State of Alaska has adopted content and performance standards that represent what Alaskans want students to know and be able to do as a result of their public schooling, and

WHEREAS, standards adopted in December, 1995 have shifted educational emphasis from what goes into our education system to what comes out of it, and

WHEREAS, the opportunity for a student to successfully achieve an Alaska educational standard is dependent upon his or her time and energy dedicated toward learning as well as support from family, educators, community, the Kenai Peninsula Borough, and the State of Alaska, and

WHEREAS, students within the Kenai Peninsula Borough School District, including all public students in the Homer area are placed at a distinct disadvantage due to an unfair State of Alaska foundation formula used to calculate the distribution of funds to schools throughout the Kenai Peninsula, and

WHEREAS, Peninsula schools are costly to operate, staff, and maintain due to the Kenai Peninsula Borough's unique geography encompassing remote locations and schools accessible only by water or air, and

WHEREAS, the cost differential within the State of Alaska educational foundation formula only slightly recognizes this difference from Anchorage at a ratio of 1.004, and

WHEREAS, projected revenue based upon the 1.004 ratio provides about 39.8 million from the State and limits the Borough's local share to about 31.1 million, and

Page Two
Resolution 03-30
City of Homer

WHEREAS, the Kenai Peninsula Borough School District has a FY 04 budget shortfall of 2.9 million after laying off 52 teachers across the district, raising the teacher/pupil ration by three in every grade over third grade, and staffing reductions will negatively impact curriculum offerings such as the reduction of Spanish at Homer High School, and

WHEREAS, the loss of the Spanish program at Homer High School is in direct conflict with the State of Alaska content standard stating that, "a student should be able to communicated in two or more languages, one of which is English," and

WHEREAS, "a student should possess the language skills and cultural knowledge necessary to participate successfully in multilingual communities and the international market place," and

NOW, THEREFORE, THE CITY OF HOMER RESOLVES THAT:

1. The City of Homer supports recent legislative fact finding in the American Institutes for Research report advancing the position that the educational foundation formula cost ratio for the Kenai Peninsula Borough School District be changed from 1.004 to 1.03, and
2. This resolution in support of a changed educational foundation formula as identified by the American Institutes for Research be adopted to provide relief to public education and approximately a 14 million dollar increase to the KPBSD's state portion and about a \$300,000 increase to the local effort portion, and
3. The City of Homer initiate dialog with Homer High School/ Kenai Peninsula Borough School District, UAA – Kachemak Bay Branch, Kachemak City, Anchor Point, and local nonprofit organizations to explore other alternatives to maintaining curriculum at Homer High School should this legislature not take the necessary and basic measures necessary to insure equal funding for education on the Kenai Peninsula, and
4. The City of Homer encourages other Kenai Peninsula Borough communities to enact similar resolutions of support of education and to submit approved resolutions to the Legislature for consideration.

PASSED AND ADOPTED BY THE HOMER CITY COUNCIL this 24th day of February, 2003.

CITY OF HOMER

Jack Cushing

Jack Cushing, Mayor

ATTEST:

Mary L. Calhoun

Mary L. Calhoun, City Clerk
Fiscal Impact: Not identified.



To: **Mayor and Council/Assembly
& Manager/Finance Director/Clerk**

From: Kevin Ritchie, Executive Director

Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey - Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent LINDA FLEED Title CITY MANAGER

Name of Municipality CITY OF KODIAK

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. _____

THE CAUSE IS THE CRISIS IN THE FISHING INDUSTRY!

INCLUDING: LACK OF ACCESS TO THE RESOURCE (REGULATORY- ENVIRONMENTAL LIMITATIONS); LACK OF MARKETS + LOW PRICES (PREDOMINANTLY SALMON); CHANGING NATURE OF THE INDUSTRY.

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. _____

DUE TO DIFFICULTIES IN THE FISHING INDUSTRY

OUR SALES TAX REVENUES ARE DOWN. THESE

REVENUES MAKE UP APPROX. 60% OF OUR LOCAL FUND REVENUES.

Please FAX TO AML at 907-463-5480 ASAP

Thank You!

NO. 4645 1 '1
FROM: AK MUNICIPAL LEAGUE



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

To: **Mayor and Council/Assembly
& Manager/Finance Director/Clerk**

From: Kevin Ritchie, Executive Director

Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey – Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent _____ Title _____

Name of Municipality Wasilla

1. Is your community facing an economic downturn? No ___ Yes If yes, please discuss the cause and extent. _____

(see attached)

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No ___ Yes If yes, please discuss the cause and extent. _____

(see attached)

Please FAX TO AML at 907-463-5480 ASAP

Thank You!



CITY OF WASILLA

290 East Herning Avenue • Wasilla • Alaska • 99654-7091
• Telephone 907-373-9070 • Fax 907-373-9085

1. Is your community facing an economic downturn. YES
Explanation: The downturn in collections of sales tax in Fiscal Year 2003 indicates that economic downturn that is affecting the lower 48 and Alaska is affecting the City of Wasilla's economy.
2. Is your municipal government or School district anticipating a budget shortfall this coming year? YES
Explanations: The City of Wasilla has experience tremendous population growth over the past two years (15%). This growth has placed substantial demands on the City of Wasilla in the areas of public safety, utilities and infrastructure demands. The growth in sales tax has nearly flatten out this year so that the City of Wasilla's revenue will not allow the City of Wasilla to meet the demands placed on it by the population growth. The budget shortfall will great affect the ability of the City of Wasilla to invest in infrastructure needed (road, water and sewer) and its ability to meet the public safety concerns of its citizens.

TO: SELAWIK



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

To: **Mayor and Council/Assembly
& Manager/Finance Director/Clerk**

From: Kevin Ritchie, Executive Director

Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey - Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent Roger Clark Title Administrator

Name of Municipality City of Selawik

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent Our ^{city} community has hit rock bottom and there

seems to be no relief in the horizon. The cuts that the Governor is proposing will have a critical impact on the very basic services we are meagerly providing. We may have to go without Police Protection, and other essential services.

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. _____

Our municipal government & school district are expecting to receive cuts in funding and lower the effectiveness of the services we provide. The Governor's cuts will have a very negative impact in the lives of the people living in rural areas.

Please FAX TO AML at 907-463-5480 ASAP

Thank You!

To: **Mayor and Council/Assembly**

City Manager/Finance Director/Clerk

From: Kevin Ritchie, Executive Director

Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey – Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent Robert S. Prunella Title City Manager

Name of Municipality Wrangell

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. See Attached

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. _____

See Attached

Please FAX TO AML at 907-463-5480 ASAP

Thank You!

2003 Municipal Fiscal Conditions Survey

1. Wrangell's economy has been in a downward spiral since 1994 when Alaska Pulp Corp. closed its doors. At that time, the community lost, not only its latest direct employer -- 250 jobs, but also all associated support service jobs. The communities' payroll earnings have dropped over 30% which translates to 10-12 million dollars. Our population, since 1995, has declined approximately 22%. The community is continuing to see business closures, lost revenues, and family departures. The loss of the timber industry, Silver Bays' bankruptcy, and the uncertainties of the seafood industry will have further negative implications for Wrangell.

2. A. FY04 School budget begins with a \$736,000 deficit and does not take into account these certified/tenured staff are being paid from grant funds (Title I, Title V, Quality Schools, Comprehensive School Reform). This deficit is due to a decline in student enrollment (below 425) resulting in decreasing from a 3-school to 2-school site and anticipated increased insurance costs.

To meet this deficit, the district will be reducing programs and staff by nine (9) certified teaching positions plus one middle school principal/teacher from the FY03 certified staff of 34. That is a reduction of 26.4% of the certified staff. There are also reductions in classified staff, travel, student supplies, and equipment.

B. In the City of Wrangell's draft 2003-2004 budget we show a deficit budget of \$548,000 in the General Fund, which represents 14% of the total General Fund Budget. This is equivalent to 5.65 mills. We have had big increases to costs for Insurance (110%), Group Health (14%), our PERS rate (71%), and fuel prices. At the same time our sawmill is filing a Chapter 11 bankruptcy owing the city over \$165,000 and may not open for some time. In addition, our second largest non-government employer, Wrangell Seafood's is trying to reorganize so they can continue to operate. Wrangell has a 10 mill property tax rate and the largest sales tax rate in the state at 7%. Any additional reductions in State funding will drastically add to the dilemma of maintaining existing services without tax increases. Our utilities (Water, Sewer, Sanitation, and Electricity) are also struggling. Wrangell recently has constructed both a Water Treatment Plant and a Wastewater Treatment Plant to comply with current regulations. Unfortunately, our population is declining because of lack of jobs and that fixed cost is now spread over fewer people, which drives up the cost per person. We also have the problem of people without jobs that can not pay their utility bills.

TO: QUINHAGAK



217 Second Street, Suite 200 • Juneau, Alaska 99801

Tel (907) 586-1325 • Fax (907) 463-5480 • www.akml.org

To: **Mayor and Council/Assembly
& Manager/Finance Director/Clerk**

From: Kevin Ritchie, Executive Director

Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey – Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent Grace L. Hill Title Mayor

Name of Municipality City of Quinhagak

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. Fish prices are low. Village jobs are scarce especially in the winter.

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. _____

Water and Sewer, and police are short of funds every year.

Please FAX TO AML at 907-463-5480 ASAP

Thank You!

we got this fax today

FEB 27, 2003

It was in my Box

FEB. 25. 2003 1:30PM

ALASKA MUNI LEAGUE

NO. 4645 P. 1/1

FROM: AK MUNICIPAL LEAGUE

TO: CORDOVA



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

To: **Mayor and Council/Assembly**

& Manager/Finance Director/Clerk

From: Kevin Ritchie, Executive Director

Date: February 24, 2003

Re: 2003 Municipal Fiscal Conditions Survey - Please return ASAP

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent Scott A. Hehn Title City Manager

Name of Municipality City of Cordova

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. Justing operations, state revenue sharing, lower interest payments on bonds

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. See above! Estimate maybe 3% shortfall

Please FAX TO AML at 907-463-5480 ASAP
Thank You!

FEB. 25. 2003 4:55PM

ALASKA MUNI LEAGUE

NO. 4645 P. 1/1
FROM: AK MUNICIPAL LEAGUE

TO: SKAGWAY



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

To: **Mayor and Council/Assembly
& Manager/Finance Director/Clerk**
From: Kevin Ritchie, Executive Director
Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey - Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent BOB WARD Title CITY MANAGER

Name of Municipality SKAGWAY

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. OUR COMMUNITY IS BECOMING INCREASINGLY

SEASONAL - YEAR ROUND EMPLOYMENT AND POPULATION
ARE DECREASING

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. THE SCHOOL

IS FACING DECLINING ENROLLMENT. THE RESULTING DECREASE
IN STATE FUNDING RESULTS IN A BUDGET GAP THAT MUST
BE MET THROUGH MUNICIPAL FUNDING SOURCES. ADDITIONALLY,
THE NEW COST DIFFERENTIAL STUDY MAY IMPACT STATE FUNDING AS WELL.

Please FAX TO AML at 907-463-5480 ASAP
Thank You!

FEB. 25. 2003 1:46PM ALASKA MUNI LEAGUE

NO. 4645 P. 1/1

TO: FALSE PASS

FROM: AK MUNICIPAL LEAGUE



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

To: **Mayor and Council/Assembly**
& Manager/Finance Director/Clerk
From: Kevin Ritchie, Executive Director
Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey - Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent John Nickels Title Mayor/City Administrator

Name of Municipality City of False Pass

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. Our community historically relied ~~on~~

the salmon industry for jobs + community tax base. Since the value of salmon has dropped, people are having a hard time earning a living, and the City has far less revenue to operate.

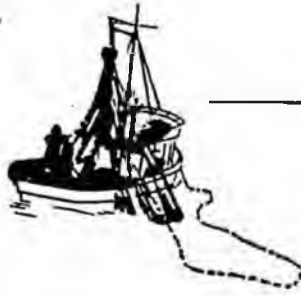
2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. As the value

of Salmon declined, a small processor started up that helped generate revenue to the City. They have closed, so those revenues are gone now as well. Impact in 2003 is more than \$103,000 lost revenue. Budget shortfall expected to exceed \$60,000 at end of Fiscal year.

Please FAX TO AML at 907-463-5480 ASAP

Thank You!

See attached 2 pg. memo



City of False Pass

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

Date: February 12, 2003

To: Bering Pacific Seafood Board of Directors

From: John Nickels, Mayor

Subject: Impacts of BPS closure to False Pass

The closure of Bering Pacific Seafood has had a very significant impact on the community of False Pass, particularly in revenues received by the City. The following figures represent annual losses of revenue that until recently have come to the City from BPS activities. To put this loss of revenue into perspective, the City expects to finish this fiscal year with expenditures totaling approximately \$519,500 and income totaling \$456,400, resulting in a \$63,000 deficit, which will be covered with reserves. This is after significant cuts have already been made to our budget, and next fiscal year will probably require reduction in the services and benefits provided, and perhaps an increase in some rates to avoid a similar deficit.

Electric Utility. Sales of electric power have averaged \$5,218 per month, or approximately \$62,000 per year. Approximately \$23,000 of this revenue would pay for fuel, leaving a \$39,000 loss of revenue to the City. \$39,000

Water Utility. The commercial rate for water is \$400 per month, or \$4,800 per year. This is adjusted using the residential rate now being paid by BPS 4,632

Landfill. The commercial rate for use of the landfill is \$400 per month while operating, and \$100 per month when temporarily closed. Eight months operating and four months closed would total \$3,900. This is adjusted using the residential rate now being paid. 3,840

Wharfage. Revenue from BPS freight and product crossing the City dock over the last year. 20,047

Moorage. Assuming the Dipper is in False Pass only four months in 2003, eight months of the 2003 fee will not be realized. 8,517

Fish Tax (local). For the last four quarters, BPS paid \$18,760 collected from fishermen selling raw fish to the processor. 18,760

State Fish Tax. Estimated using above sales volume. Does not include State Shared Fisheries Tax that would result from these fish sales. 7,035

Sales Tax. Based on the estimated reduction in local store sales and fuel purchased by BPS. 1,680

Total **\$103,511**

There are numerous other impacts to our community resulting from the closure of BPS. The Tribal Council will no longer receive rent from their warehouse, and will have to find other uses, or renters for the building. At least two individuals will have to find other renters for their houses. One has been shut down and winterized for lack of a tenant, and the other is rented, but at a reduced rate. One local family that depended on BPS for employment has left the community because of the closure. The nearest market for cod fishermen is now King Cove. The availability of marine freight and air transportation service that increased because of BPS has returned to former levels. The expertise of BPS engineering staff to help residents troubleshoot problems with boat engines, generators, refrigeration and other equipment will no longer be available.

It is understandable that as BPS reconfigures to a shore based operation that the business will be far different than what it has been. Revenues received by the City from a "new" BPS may well not look like the above list, but clearly there will be economic benefit that our community desperately needs. The point I would like to impress on BPS board members is that the City of False Pass has lost a large portion of its normal operating revenues as the value of wild salmon has declined. Bering Pacific Seafood has been filling that gap, but no longer is. It is imperative that economic development takes place soon to avoid problems maintaining the viability of our community. While it is important to plan future BPS development carefully, for our community time is critical.

FEB. 25, 2003 3:44PM

ALASKA MUNI LEAGUE

NO. 4615 P. 1/1
FROM: AK MUNICIPAL LEAGUE

TO: TELLER



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

To: **Mayor and Council/Assembly
& Manager/Finance Director/Clerk**
From: Kevin Ritchie, Executive Director
Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey - Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent Ken Hughes Title Mayor

Name of Municipality Teller

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent.

We have a new school, clinic, and head start
to build this summer.

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent.

Unlike some others, we plan to spend only
what we have. Services provided by the city
however are at an all time low.

Please FAX TO AML at 907-463-5480 ASAP
Thank You!

TO: SHAGELUK

FROM: AK MUNICIPAL LEAGUE



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

To: **Mayor and Council/Assembly
& Manager/Finance Director/Clerk**

From: Kevin Ritchie, Executive Director

Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey - Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AMI would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent Maranda Burkett Title City Clerk

Name of Municipality Shageluk

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent.

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. School
District - Iditarood Area School District.
They spend too much money when they
don't need to. Don't know specifics -
call 524-3599.

Please FAX TO AML at 907-463-5480 ASAP
Thank You!

12/16/2001 00:04 19075275127

ROBERTNICK

PAGE 01

FEB. 25. 2003 2:56PM ALASKA MUNI LEAGUE

NO. 4645 P. 1/1

TO: NUNAPITCHUK

FROM: AK MUNICIPAL LEAGUE



217 Second Street, Suite 200 • Juneau, Alaska 99801

Tel (907) 586-1325 • Fax (907) 463-5480 • www.akml.org

To: Mayor and Council/Assembly
& Manager/Finance Director/Clerk

From: Kevin Ritchie, Executive Director

Date: February 24, 2003

Re: 2003 Municipal Fiscal Conditions Survey - Please return ASAP

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent Robert Nick Title Mayor

Name of Municipality Nunapitchuk

1. Is your community facing an economic downturn? No Yes ✓ If yes, please discuss the cause and extent. 1) lack of commercial fisheries, - lack of disaster assistance for fuel and electricity and sanitation. 2) rising cost of goods and services, 3) reduction in revenue sharing and municipal assistance, 4) no tax base 5) lack of jobs, except for school, stores & local projects, 6) locally 2 major projects nearing completion.

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes ✓ If yes, please discuss the cause and extent. Municipal -> 1) maintenance and upgrade needs of city equipment & facilities, 2) need to raise salaries due to increase in minimum wage, 3) cost-sharing with tribal government -> tribal funds will see major reduction in coming FY.

School district -> about a 4 million deficit will be shared by local school. Potential reduction in para-professional staff due
Please FAX TO AML at 907-463-5480 ASAP due new Education Laws
Thank You!

FEB. 25. 2003 2:23PM ALASKA MUNT LEAGUE

NO. 4645 P. 1/1
FROM: AK MUNICIPAL LEAGUE

TO: KOTZEBUE



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

To: **Mayor and Council/Assembly**

& Manager/Finance Director/Clerk

From: Kevin Ritchie, Executive Director

Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey – Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent Herman T. Reich, Sr. Title City Manager

Name of Municipality City of Kotzebue

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. _____

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. Our Regional Jail is actually a facility supported by the residents of Kotzebue with our

contract with the State Corrections of \$589,506.00 per year and expenses projected at \$918,169.00 will have a loss of (\$328,663.00). With the talk of eliminating the revenue sharing and the non-support of the Borough, the impact falls on the tax paying residents of Kotzebue.

Please FAX TO AML at 907-463-5480 ASAP

Thank You!

FEB. 25. 2003 3:12PM

ALASKA MUNI LEAGUE

NO. 4645 P. 1/1

TO: PORT LIONS

FROM: AK MUNICIPAL LEAGUE



217 Second Street, Suite 200 • Juneau, Alaska 99801

Tel (907) 586-1326 • Fax (907) 463-5480 • www.akml.org

To: **Mayor and Council/Assembly**
& Manager/Finance Director/Clerk

From: Kevin Ritchie, Executive Director

Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey - Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent Evelyn Mellow Title Mayor

Name of Municipality City of Port Lions

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. The majority of our citizens worked

as fishermen and for the timber industry on Afogak Island.

Both fishing and timber are on the down side, therefore

our economic base is low. People have been moving out of the community to find work in the larger municipalities.

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. Our Budget

will be cut this year due to fewer land sales, they were

helping to make up the shortfall of our past cuts

is Revenue Sharing and Info Communities Funding.

Without state assistance our Fire - Police - Clinic + Public Departments will suffer tremendously.

Please FAX TO AML at 907-463-5480 ASAP

Thank You!

TO: TOKSOOK BAY



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

To: **Mayor and Council/Assembly
& Manager/Finance Director/Clerk**
From: Kevin Ritchie, Executive Director
Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey - Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent Fela Lincoln Title Mayor

Name of Municipality City of Toksook Bay

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. When commercial fishing turned disaster

our municipality has to depend on revenue sharing and other programs to support our city service such as water & sewer, animal control, landfill, refuse collectors and etc... if there are cuts or elimination on state programs it will ~~could~~ cripple our community.

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. _____

We are seriously considering about eliminating some employees and reducing or eliminating some city services.

**Please FAX TO AML at 907-463-5480 ASAP
Thank You!**

TO: NUIQSUT



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

To: **Mayor and Council/Assembly
& Manager/Finance Director/Clerk**

From: Kevin Ritchie, Executive Director

Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey – Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent Rosemary Ahtuangerwah Title Mayor

Name of Municipality City of Nuiqsut

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. The community has municipal jobs

as the mainstay of employment. We have lost 20 jobs in the last 2-3 yrs. This downturn is related to the decreased funding through oil dev. and the loss of revenues.

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. The NSB

has cuts of \$2-3 million over this yr which equates to loss of jobs for the village. The village has essentially no other economic revenue source the corp which is in its infancy to oil dev on corp lands & the huge task that involves.

Please FAX TO AML at 907-463-5480 ASAP

Thank You!

TO: PETERSBURG

FROM: AK MUNICIPAL LEAGUE



217 Second Street, Suite 200 • Juneau, Alaska 99801

Tel (907) 586-1325 • Fax (907) 463-5480 • www.akml.org

To: **Mayor and Council/Assembly
& Manager/Finance Director/Clerk**

From: Kevin Ritchie, Executive Director

Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey - Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent JEAN MACK Title FINANCE DIRECTOR

Name of Municipality CITY OF PETERSBURG

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. At the present we are experience a slight decrease in sales tax collections, transient room tax, and property tax.

This will effect the revenue projects for the coming year

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. _____

As a result of the above there will be a decrease in the funds available for budgeting.

Please FAX TO AML at 907-463-5480 ASAP

Thank You!



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

To: **Mayor and Council/Assembly
& Manager/Finance Director/Clerk**

From: Kevin Ritchie, Executive Director

Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey - Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent Gwen Emel Title City Administrator

Name of Municipality City of Alakanuk

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. Lack of commercial fishing has been devastating for our community. The City government relies on taxes, water/sewer income and building and equipment rentals. With no income coming into the community everyone suffers.

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. With unemployment at a crises high residents cannot afford to buy locally, therefore lower tax revenues, & unpaid bills to the city government.

Please FAX TO AML at 907-463-5480 ASAP
Thank You!

Member of the National League of Cities and the National Association of Counties

TO: SAVOONGA



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

To: **Mayor and Council/Assembly
& Manager/Finance Director/Clerk**

From: Kevin Ritchie, Executive Director

Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey - Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent Lana Kaula Title Clerk

Name of Municipality City of Savoonga

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. _____

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. _____

Please FAX TO AML at 907-463-5480 ASAP
Thank You!

FEB. 25. 2003 1:46PM ALASKA MUNI LEAGUE
TO: NEW STUYAHOK

NO. 4645 P. 1/1
FROM: AK MUNICIPAL LEAGUE



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

To: **Mayor and Council/Assembly
& Manager/Finance Director/Clerk**
From: Kevin Ritchie, Executive Director
Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey – Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent Chuck Peterson Title Mayor

Name of Municipality City of New Stuyahok

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. Due to the Bristol Bay Fisheries

Declining Local economy is needed here in
New Stuyahok to create jobs for local fishermen
+ residents

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. The City of

New Stuyahok is in need of heavy equipment to
maintain roadways. Funds to keep up with doing
repair on heavy equipment ~~items~~ - equipment to
old.

Please FAX TO AML at 907-463-5480 ASAP
Thank You!

FEB 25 2003 2:01PM

ALASKA MUNI LEAGUE

NO. 4645 P. 1

FROM: AK MUNICIPAL LEAGUE



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

To: **Mayor and Council/Assembly
& Manager/Finance Director/Clerk**
From: Kevin Ritchie, Executive Director
Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey - Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economics on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent DALE ADAMS Title MAYOR

Name of Municipality CITY OF HOUSTON

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. _____

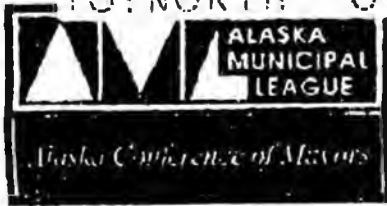
We are a very small city with limited revenue. If the state were to decrease or eliminate our revenue sharing it would have a serious financial impact on our city as we just barely make it with what we receive.

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. _____

Yes, if our portion of revenue sharing is decreased or eliminated

**Please FAX TO AML at 907-463-5480 ASAP
Thank You!**

TO: NORTH POLE



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

To: **Mayor and Council/Assembly**
& **Manager/Finance Director/Clerk**

From: Kevin Ritchie, Executive Director

Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey - Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent Jeff Jacobson Title Mayor

Name of Municipality City of North Pole

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent _____

Possibly - Economic tax base needs to be diversified.

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent _____

Insurance costs and operational expenses are exceeding projected revenues. Employees may have to be laid off if services curtailed if revenues are not increased somehow. Property taxes were raised 2 years ago to close fiscal gap.

Please FAX TO AML at 907-463-5480 ASAP
Thank You!



217 Second Street, Suite 200 • Juneau, Alaska 99801
Tel (907) 588-1325 • Fax (907) 463-5480 • www.akml.org

To: **Mayor and Council/Assembly
& Manager/Finance Director/Clerk**
From: **Kevin Ritchie, Executive Director**
Date: **February 24, 2003**
Re: **2003 Municipal Fiscal Conditions Survey - Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent Michael S. Queen Title Administrator

Name of Municipality City of Kasaan

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. WARD WIFE HAS SHUT DOWN AND THE LARGEST

TIMBER CONCERN ON THE ISLAND HAS FILED FOR BANKRUPTCY. OUTMIGRATION

DUUE TO JOBS LOSS CATASTROPHICALLY AFFECTS OUR COMMUNITY AND

ALL OF PEOPLE OF WALES ISLAND.

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. _____

DUUE TO OUTMIGRATION, THE KASAWAN SCHOOL FALLS BELOW THE

HIGHER PUPIL CENSUS REQUIREMENTS AND OUR SCHOOLCHILDREN

WILL HAVE TO BE BUSSED 25 MILES ONE WAY DAILY OVER A ONE LANE

IMPROVED LOGGING ROAD TO SCHOOL IN THORNE BAY.

Please FAX TO AML at 907-463-5480 ASAP
Thank You!

TO: KAKE

FROM: AK MUNICIPAL LEAGUE



217 Second Street, Suite 200 • Juneau, Alaska 99801
Tel (907) 586-1325 • Fax (907) 463-5400 • www.akml.org

To: **Mayor and Council/Assembly**
& **Manager/Finance Director/Clerk**
From: Kevin Ritchie, Executive Director
Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey - Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent DELBERT KADAKE Title CITY ADMINISTRATOR

Name of Municipality CITY OF KAKE

1. Is your community facing an economic downturn? No __ Yes If yes, please discuss the cause and extent. DUE TO LIMITED LOGGING, BAD PRICING OF FISH, LIMITED AMOUNT OF GRANTS FOR STATE AND FEDERAL FUNDING TO PROVIDE JOBS, HIGH COST OF LIVING EXPENSES.

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No __ Yes If yes, please discuss the cause and extent. _____

Forest Receipts are expected to be approximately \$20,000 less than FY'03 due to a drop in enrollment. At this time, we have heard rumors of a further enrollment drop in FY'04, but we won't know until October 2003.

Please FAX TO AML at 907-463-5480 ASAP

Thank You!

FEB. 25. 2003 2:26PM

ALASKA MUNI LEAGUE

NO. 4645 P. 1/1

FROM: AK MUNICIPAL LEAGUE

TO: KOYUKUK



217 Second Street, Suite 200 • Juneau, Alaska 99801

Tel (907) 586-1325 • Fax (907) 463-6480 • www.akml.org

To: **Mayor and Council/Assembly
& Manager/Finance Director/Clerk**

From: Kevin Ritchie, Executive Director

Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey - Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent Vera C. Hestenkof Title City Administrator

Name of Municipality City of Koyukuk

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. State funding is a

vital resource for the City of Koyukuk.
It provides funding for Employer wages, grants
and the PCE program.

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. IF the

State makes cuts for Revenue Sharing program,
the City Staff wages are covered by
the State Revenue Sharing program. Please do
not jeopardize our jobs.

Please FAX TO AML at 907-463-5480 ASAP
Thank You!

NO. 4645 P. 1/1
FROM: AK MUNICIPAL LEAGUE



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

To: **Mayor and Council/Assembly**
& Manager/Finance Director/Clerk

From: Kevin Ritchie, Executive Director

Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey - Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent LON SONSALLA Title MAYOR

Name of Municipality CITY OF KAKTOVIK

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent.

Tax Dollars from Prudhoe are declining
and the North Slope Borough's budget is
in decline which affects all North Slope communities.

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent.

The North Slope Borough has been and will
continue to cut 5 to 6 million from its budget
for the next 5 to 6 years. The school district
is cutting approximately 1 million per year during
that time.

Please FAX TO AML at 907-463-5480 ASAP
Thank You!



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

To: **Mayor and Council/Assembly
& Manager/Finance Director/Clerk**
From: Kevin Ritchie, Executive Director
Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey - Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent Ben Moto Title Clerk

Name of Municipality City of Deering

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. _____

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. _____

Please FAX TO AML at 907-463-5480 ASAP
Thank You!

TO: OUZINKIE

FROM: AK MUNICIPAL LEAGUE



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

To: **Mayor and Council/Assembly
& Manager/Finance Director/Clerk**

From: Kevin Kitchie, Executive Director

Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey - Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent Dave Campfield Title Vice-Mayor

Name of Municipality City of Ouzinkie

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. _____

The Major Cause for a Downturn
is the fishing industry problems.
Ouzinkie is a fishing village.

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. _____

Both the city and the School are
facing cut backs. Each year the City has
to use reserves.

Please FAX TO AML at 907-463-5480 ASAP

Thank You!

TO: PILOT POINT



217 Second Street, Suite 200 • Juneau, Alaska 99801

Tel (907) 586-1325 • Fax (907) 463-5480 • www.akml.org

To: **Mayor and Council/Assembly
& Manager/Finance Director/Clerk**

From: Kevin Ritchie, Executive Director

Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey - Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent City of Pilot Point / Dennis Griechen Title Mayor

Name of Municipality City of Pilot Point

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. Do to the decline in the Commercial Fishing

pricing as well as the returning stocks, the City has seen a steady decline in revenue

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. As mentioned

above, the City's budget was comprised off of a 3% sales tax off of the fish catch in our bay. Without the fish tax monies, we need other revenues to help complete our budgets.

Please FAX TO AML at 907-463-5480 ASAP

Thank You!

TO: SAINT MARY S



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

To: Mayor and Council/Assembly
& Manager/Finance Director/Clerk
From: Kevin Ritchie, Executive Director
Date: February 24, 2003

Re: 2003 Municipal Fiscal Conditions Survey - Please return ASAP

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent WATSON Smith Title CITY MANAGER
Name of Municipality ST. MARYS

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. We are dependent upon grant funding - both directly to us as well as for neighboring villages who buy gravel from us. I must supplement our general fund activities with \$50,000 per year to maintain minimal services.

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. I am always facing a shortfall. As the state reduces funding and services I have to provide more services locally with less money.

Please FAX TO AML at 907-463-5480 ASAP
Thank You!

TO: ALEKNAGIK

FROM: AK MUNICIPAL LEAGUE



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

To: **Mayor and Council/Assembly
& Manager/Finance Director/Clerk**

From: Kevin Ritchie, Executive Director

Date: February 24, 2003

Re: **2003 Municipal Fiscal Condition Survey - Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent Patricia Heyano Title City Administrator

Name of Municipality City of Aleknagik

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. _____

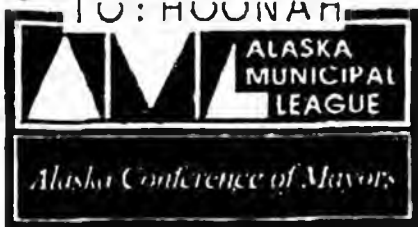
The commercial fishing industry has been hit hard by poor salmon returns and reduced demand for salmon due to farmed fish. Bristol Bay has had 5 disaster years out of the past 6. Approximately 36 permit holders in Aleknagik.

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. _____

The City offers services, such as heavy equipment services, boat hauling, barge service, septic pumping services, and snow removal. People are unable to pay their bills with the City. Approximately \$36,000 outstanding in Accounts Receivable at the City.

Please FAX TO AML at 907-463-5480 ASAP

Thank You!



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

To: **Mayor and Council/Assembly
& Manager/Finance Director/Clerk**

From: Kevin Ritchie, Executive Director

Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey - Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent Alf R. (Windy) Skaflestad Title Mayor

Name of Municipality City of Hoonah, Alaska

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. _____

SEE ATTACHMENT

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. _____

SEE ATTACHMENT

Please FAX TO AML at 907-463-5480 ASAP
Thank You!

1. Hoonah is small Tlingit Village which has primarily relied on the seasonal industries of timber and fishing. As you are aware, both of these industries have taken a severe downturn. We are struggling to obtain what benefits are available from them, plus searching for other economic possibilities. Commercial businesses are required to pay approximately 37 cent per kilowatt hour, a big detriment to encourage more and new business to broaden our economic base.

2. With the closure of Glacier Bay, the reduction in timber and fishing the City has experienced losses in both fish tax and sales tax. The decrease of timber and fishing also causes a drop in student enrollment which lowers funds. Additional, what funds the City has managed to set aside to assist us through this difficult period has been severely effected, by a low return on those investments, particularly after the September 11th crisis. During all this the cost of living continues to increase, affecting the City's expense budget as we continue with operation maintenance and safety issues.

CITY OF ANGOON

PO. BOX 189 • ANGOON, ALASKA 99820 • (907) 788-3653 • FAX (907) 788-3821

To: Kevin Ritchie, Executive Director

From: Walter Jack, Mayor *WJ*
City of Angoon

Date: February 25, 2003

Re: 2003 Municipal Fiscal Conditions Survey

Name of Respondent: Walter Jack

Title: Mayor

1. Is your community facing an economic downturn? No__ Yes_x_ If yes, please discuss the cause and extent. Angoon lacks an economic base, therefore, cannot offer any job opportunities to community members. Although fishing has been the historic economic base for years, that area is experiencing a decline due to the low prices and lack of market. A domestic market could be a part of the solution, with community-based sales in all local stores through-out Alaska.

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No__ Yes_x_ If yes, please discuss the cause and extent. We seem to be getting more unfunded mandates on facilities owned and operated by municipalities, ie., water and sewer plants with a more stringent regulation, which means more monitoring. Homeland security, more hours for departments with-out the necessary funding. Whether a police department or VPSO program, I recommended to establish an endowment fund.

FROM: AK MUNICIPAL LEAGUE

TO: LARSEN BAY



217 Second Street, Suite 200 • Juneau, Alaska 99801

Tel (907) 586-1325 • Fax (907) 463-5480 • www.akml.org

To: **Mayor and Council/Assembly
& Manager/Finance Director/Clerk**

From: Kevin Ritchie, Executive Director

Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey – Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are “on the table” for cuts now in the Governor’s budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent Allen Pauamaroff Sr. Title Mayor

Name of Municipality City of Larsen Bay

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. Municipal funds from state diminishing,

Cannery not operating, Higher price for fuel and groceries. All these play a major role in how the Municipality conducts services to the community.

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. Lack of Raw

Fish Tax to the community, Cut down on PGE, Higher price on fuel and other commodities

Please FAX TO AML at 907-463-5480 ASAP

Thank You!



To: **Mayor and Council/Assembly**
& **Manager/Finance Director/Clerk**
From: Kevin Ritchie, Executive Director
Date: February 24, 2003

Date 2-28-2003

Rc: **2003 Municipal Fiscal Conditions Survey - Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent MARTIN B MOORE Title MANAGER

Name of Municipality City of Emmonak

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent.

If I explain Fishery disaster to one in the State Govt seems to Listen - I know community municipalities are impacted Lacking Commercial Fishing

Disasters 1999-2000-2001 and 2002 9 million Less dollars For each year For individuals Plus the unaccounted fish

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent.

The City is revisiting it's budget and Plans of Employment Reduction is at hand. Community Rejected Sale Tax increases 3 to 5% unpaid w/s bills: \$65,000 Cable TV* 21,000

Please FAX TO AML at 907-463-5480 ASAP - It is not Feasible
Thank You! For the State to Eliminate revenue sharing it will cost The State more at the end.

Member of the National League of Cities and the National Association of Counties

Martin B Moore
In-behalf the Community Council Members -

TO: BREVIG MISSION



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

To: **Mayor and Council/Assembly
& Manager/Finance Director/Clerk**
From: Kevin Ritchie, Executive Director
Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey - Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent Brian Crowlitt Title Mayor - City of Brevig Mission
Name of Municipality City of Brevig Mission

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. The caribou have run out with major portions of the local reindeer herds. The water & sewer project is almost done. We are already taxing at a 3% sales tax rate.

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. We are expecting a short fall because we are shouldering more responsibilities, and we also are trying to compete with local entities for qualified personnel.

Please FAX TO AML at 907-463-5480 ASAP
Thank You!



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

To: **Mayor and Council/Assembly
& Manager/Finance Director/Clerk**

From: Kevin Ritchie, Executive Director

Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey - Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts new in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent Patricia White Title City Clerk

Name of Municipality City of Delta Junction

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. _____

2. Is your municipal government ~~anticipating~~ anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. _____

Please FAX TO AML at 907-463-5480 ASAP
Thank You!

FEB. 25. 2003 3:14PM ALASKA MUNI LEAGUE

NO. 4645 P. 1/1

TO: RUBY

FROM: AK MUNICIPAL LEAGUE



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

To: **Mayor and Council/Assembly
& Manager/Finance Director/Clerk**
From: Kevin Ritchie, Executive Director
Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey – Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent Lucy Williamson Title City Clerk/Treas

Name of Municipality City of Ruby

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. There is no revenue generation that would support a city. State assistance is critical to providing basic municipal services at a minimal level.

School losing population, all basic services are increasing in costs (insurance, fuel, etc).

See below.

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. Increases

in basic insurance for the City, increased fuel costs,

increased transportation costs, etc all lend to larger expenditures,

less revenue. School (YKSD) has serious financial challenges, and

as student population decreases (students going to charter school, etc) Ruby faces the possibility of losing its school and ultimately its population.

Please FAX TO AML at 907-463-5480 ASAP

Thank You!

FEB. 25 2003 1:29PM

ALASKA MUNI LEAGUE

NO. 4645 P. 1/1

FROM: AK MUNICIPAL LEAGUE



217 Second Street, Suite 200 - Juneau, Alaska 99801

Tel (907) 585-1325 • Fax (907) 483-5480 • www.akmil.org

To: **Mayor and Council/Assembly
& Manager/Finance Director/Clerk**

From: Kevin Ritchie, Executive Director

Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey - Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent John T. Maxwell Title Mayor

Name of Municipality Cold Bay

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. FUEL PRICES KEEP INCREASING,

this RAISES THE CITIES UTILITIES, CURRENTLY \$80,000⁰⁰

A YEAR. Reduction is Fish TAXES AND STATE grants puts
higher cost on our RESIDENTS, WATER + SEWER IS OUR
MAIN LOCAL INCOME.

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. Potential

\$ 100,000⁰⁰ replacement water well.

Please FAX TO AML at 907-463-5480 ASAP
Thank You!

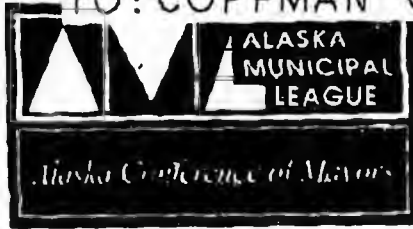
FROM : RIGGIN SHACK

FEB. 25. 2003 1:28PM

ALASKA MUNICIPAL LEAGUE PHONE NO. : 907 329 2260

Mar. 03 2003 04:06PM P1
FROM: AK MUNICIPAL LEAGUE

TO: COFFMAN COVE



217 Second Street, Suite 200 • Juneau, Alaska 99801

Tel (907) 586-1325 • Fax (907) 463-5480 • www.akml.org

To: **Mayor and Council/Assembly
& Manager/Finance Director/Clerk**

From: Kevin Ritchie, Executive Director

Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey - Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent Judy Willis Title Treasurer

Name of Municipality Coffman Cove

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. Lack of year round / decent wage jobs due to timber industry decline. Difficult to attract new industry/business to area due to high cost of development & operating cost - ie. electricity / ^{phone} internet / freight

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. INCREASES IN OPERATING EXPENSES - insurance, utilities, employee related cost. Difficult to keep projects moving forward & within budget due to slow, cumbersome & over regulated permitting process - / extent - we've been tapping our land sales reserve not to meet operating expenses

Please FAX TO AML at 907-463-5480 ASAP earlier each year - Thank You!
Last FY was March - this FY was late Jan.



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

To: **Mayor and Council/Assembly
& Manager/Finance Director/Clerk**

From: Kevin Ritchie, Executive Director
Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey - Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent Fannie Carroll Title City Manager

Name of Municipality Fort Yukon, City of

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent.

Our community is rural, we are in the later phases of a water/sewer system... this must not be cut at this stage as we would not be able to complete this program without assistance. Also, for further building concerning transportation here is detrimental to our cost of living.

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent.

It appears that our local, Regional - Yukon Flats School District is facing cuts of 543,469, which means 3 teachers will not be returning, classes are going to have to be combined with multiple levels. Our cost of fuel is x2 of urban areas, to keep up high standards, rural communities can not

Please FAX TO AML at 907-463-5480 ASAP

Thank You!

survive with such cuts.

Member of the National League of Cities and the National Association of Counties

To: **Mayor and Council/Assembly
& Manager/Finance Director/Clerk**
 From: Kevin Ritchie, Executive Director
 Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey - Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent: ~~City~~ RL ROMENESKO Title CITY MGR.

Name of Municipality CITY OF NOME

1. Is your community facing an economic downturn? No Yes -If yes, please discuss the cause and extent. NOME HAS EXPERIENCED FLAT OR NOMINAL GROWTH OVER PAST 5 YRS. WE EXPECT THIS ZERO GROWTH TO CONTINUE.

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. _____

SCHOOL DISTRICT IS CHRONICALLY UNDERFUNDED & WILL BE SERIOUSLY IMPACTED (NEGATIVELY) IF "DISTRICT COST FACTOR STUDY" IMPLEMENTED.

Please FAX TO AML at 907-463-5480 ASAP

Thank-You!



CITY OF UNALAKLEET

BOX 28
UNALAKLEET, ALASKA
99694
(907) 624-3631
FAX (907) 624-3130

March 4, 2003

The Honorable Donald C. Olson
Alaska State Senate
State Capitol
Room 510
Juneau, Alaska 99801-1182

RE: Revenue Sharing/Safe Communities Funding

Dear Senator Olson,

As the time nears for Governor Murkowski to unveil his proposed FY04 operating budget, stories of reduced funding to municipalities have begun to circulate naturally causing concern to the communities within the State and in your region including Unalakleet.

With the spot market of oil prices just out of sight, our community and all who are so dependent upon bulk fuel shipments, this item alone will have a devastating impact upon our FY04 Budget. In fact, Yukon Fuel is hesitant in providing the City of Unalakleet with a quote so we can submit our annual bulk fuel revolving loan fund application. Just this single item will have a major impact upon the City from reduced heating consumption which in turn results in lower sales tax revenues which in turn results in less operating revenue for police, streets, library and building maintenance.

Last year our insurance costs went up 66% and premiums are scheduled for another 10% to 20% increase again this year. The cost of providing insurance other than Workers Compensation is making communities to think twice of carrying any coverage at all. In fact, the philosophy is that if the water plant or electric plant is destroyed by fire, an emergency exists and the State will build a new one for us. The same holds true in differing maintenance until it is inoperable and an emergency exists.

We struggle to provide our citizens with the basics within the limited resources available. The continued erosion of State Shared Revenues has caused the City Council to reflect upon hard choices of what is important in maintaining the quality of life in our community within a limited income. We have been diligent in collecting utility payments with over 60% paying in full every month. Collection of sales tax, alcohol tax and bed tax is current with all the vendors. Yet we live hand to mouth.

With the large increase in operating costs looming in our FY04 Budget, we can ill afford any reduction in State Shared revenues. Current State mandated requirements such as having two (2) certified water plant operators for wages and fringe benefits alone results in nearly 10% of the total operating budget. Without the operators, we are in non-compliance.

When the issue of reducing or eliminating State Shared Revenues is discussed or even voted upon, consideration of the long-term impact upon the local communities should be paramount in the deliberations. Municipalities have taken more than their fair share of reduced revenues in the past ten to fifteen years and we continue to be the "fall guy" when it comes to reducing State spending.

The City of Unalakleet asks that you seriously look upon the impact of reduced State Shared revenues to the communities within your election district, but the entire State as well.

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

Yours truly,



Henry Ivanoff, Sr.
Mayor

TO: HUSLIA

FROM: AK MUNICIPAL LEAGUE



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

To: **Mayor and Council/Assembly
& Manager/Finance Director/Clerk**
From: Kevin Ritchie, Executive Director
Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey - Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent Elsie Vent Title City Administrator
Name of Municipality Huslia

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. _____

with costs of services going up it is tough to keep up with the state cutting back on revenues.

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. _____

Every year there is a cut back from the state ^{in revenues} so we the people suffer the consequences.

Please FAX TO AML at 907-463-5480 ASAP
Thank You!

TO: PORT ALEXANDER



217 Second Street, Suite 200 • Juneau, Alaska 99801
Tel (907) 598-1325 • Fax (907) 463-5480 • www.akml.org

To: **Mayor and Council/Assembly
& Manager/Finance Director/Clerk**
From: Kevin Ritchie, Executive Director
Date: February 24, 2003

Re: **2003 Municipal Fiscal Conditions Survey – Please return ASAP**

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent DAVID WALLIN Title MAYOR

Name of Municipality PORT ALEXANDER

1. Is your community facing an economic downturn? No Yes If yes, please discuss the cause and extent. _____

FAIRLY NORMAL - NOT A LOT OF SURPLUS
BUT FAMILIES HERE BALANCE / NO
MATTER HOW PRECARIOUSLY.

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes If yes, please discuss the cause and extent. _____

THE MUNICIPALITY WILL BE OK NO MATTER
HOW TIGHT THE BELT. WE OPERATE ON A LOT
OF VOLUNTEERISM. THE SCHOOL WILL PROBABLY
BE SHORT BUT THERE ARE ALWAYS BAKE SALES.

Please FAX TO AML at 907-463-5480 ASAP
Thank You!



CITY OF BETHEL

P.O. Box 388 Bethel, Alaska 99559

907-543-2207

FAX # 543-4171

Alaska Municipal League
Kevin Ritchie
217 Second Street, Suite 200
Juneau, AK. 99801

Dear Mr. Ritchie,

In response to your 2003 Municipal Fiscal Condition Survey, please see below. Our community fiscal picture is moving from gray to black due to the unknowns (war with Iraq, state/federal funding, oil prices, etc.). It will be a wild ride and until the community gets around some corners, we will not know the direction Bethel's community is heading. However, a silver lining (jobs) is coming over the horizon which will help develop the community within eighteen months to two years with the building of the Yuut Elitnaurviat-People's Learning Center, Inc. The City of Bethel has already been hammered with deficit spending (need City water/sewer rate increases, developing new City revenue streams, etc.).

1. Bethel's community is at a cross-road that could go either way. On one hand, the community will incur growth and development due to the recently approved City Ordinance #02-33 authorizing the disposal of a donated 10.3 acre parcel to build the Yuut Elitnaurviat-People's Learning Center, Inc. Some major businesses have donated money and time as well. This will create jobs within eighteen months to two years. On the other hand, if war with Iraq comes about, this could hurt our community. Approximately fifty percent of jobs are state and federal funded. Possible cut backs from the state and federal government could have a major impact with people losing their jobs.
2. City budget shortfall of \$467,000 has already happened as of February 2003 (fiscal year end is June 2003). This trend could increase up to ~\$700,000. The City requires additional revenue for the Water, Sewer and Sanitation fund. Over the past five years revenue has slowly declined. The latest rate increase was in April 2001 for an adjustment of 20 percent. The rate increase had no effect in slowing the losses. An additional rate analysis will be reviewed this year. Also, the City is reviewing additional revenue streams, such as, a City owned liquor store, increase in sales tax or establishment of a property tax.

Sincerely yours,

A handwritten signature in black ink, appearing to read "R. Strahan", with a long horizontal stroke extending to the right.

Robert B. Strahan

FEB. 25. 2003 1:16PM

ALASKA MUNI LEAGUE

NO. 4645 P. 1/1

FROM: AK MUNICIPAL LEAGUE

TO: BETHEL



217 Second Street, Suite 200 • Juneau, Alaska 99801

Tel (907) 586-1325 • Fax (907) 463-5480 • www.akml.org

To: Mayor and Council/Assembly & Manager/Finance Director/Clerk
From: Kevin Ritchie, Executive Director
Date: February 24, 2003

Re: 2003 Municipal Fiscal Conditions Survey - Please return ASAP

Municipal revenue sharing and other programs to support municipalities are "on the table" for cuts now in the Governor's budget. Cuts could rise to the level of elimination that would have serious financial impacts on every community in the state. Such cuts could be especially devastating to local governments and economies on top of the fiscal crises already facing many communities. Therefore, AML would like to present the Governor with information on the fiscal conditions of municipalities. Please take a few minutes to fill out this survey.

Name of Respondent Robert B. Strahan Title Finance Director

Name of Municipality City of Bethel

1. Is your community facing an economic downturn? No Yes [checked] If yes, please discuss the cause and extent.

See letter

2. Is your municipal government or school district anticipating a budget shortfall this coming year? No Yes [checked] If yes, please discuss the cause and extent.

See letter

Please FAX TO AML at 907-463-5480 ASAP
Thank You!

To House Finance Committee 4/3/03
Rep. Williams Rm 515
Testimony to Senate State Affairs Committee March 26, 2003

Chairman and Committee Members --

My name is Marie Darlin. I am Coordinator of the AARP Captial City Task Force. You have received a letter from the AAPP State Office regading our concern about SB 117, which repeals the Longevity Bonus for Seniors. I wish to add a few additional facts to your deliberations.

The Longevity Bonus is important to many seniors and is phasing itself out. The cost has dropped 13 million in the last four years and will continue to decrease even more each year. Research shows that 12,000 or 2/3 of the 18,000 seniors on the Longevity Bonus are over age 75 that receive the \$250. They are our most elderly, so we know the yearly cost will be declining more rapidly each year. If you don't believe me, read the obituaries in your local papers. In 1999 over 2,000 of the state's seniors were over age 85.

One of the main reasons for the Longevity Bonus was to keep our seniors in Alaska, so they wouldn't have to leave upon retirement. And statistics show they are staying. The Bonus helps them do that. There are reasons you should want them to stay in Alaska.

Governor Murkowski talks a lot about Alaska resources and business. The Alaska SENIORS ARE BOTH. Although they are usually overlooked or ignored when either is mentioned. I want to refer you to the December 2001 study entitled "Issues Affecting the Economic Well-Being of Alaska Seniors" prepared by the McDowell Group for the Alaska Commission on Aging, and also to the Dept of Labor Trends issue of December 2001, *and April 2003.*

SENIORS ARE A BASIC INDUSTRY. They bring revenue into the state- i.e. retirement pension income, investments and assets, medicare and medical

payments, veterans benefits, Social Security payments, etc.-- that came to a total of 1 billion, 217 million in 1999. Most of it was spent here. If you apply the multiplier of two to this income, this is a 2.4 billion impact on our economy, generating more income than most of the state's leading industries. Thus the 47 million the Governor saves by eliminating the bonus takes 94 million of the Alaska's economy.

The seniors are also an important RESOURCE that gets overlooked most of the time. The McDowell report shows 20,000 seniors over age 60 provide 400,000 hours a month of volunteer time to our communities. This is the equivalent of 2400 full time jobs worth approximately 60 million per year. Many non-profit organizations could not exist without this help. Our municipalities also benefit greatly from these volunteer services. Then we have the senior caregivers who provide an average of 20 days per month of unpaid care to someone. An equivalent of 6300 full time jobs.

In 1999 there were 6,000 Alaska seniors living on less than \$1,000 per month, the poverty level, and the bonus is important to them. It provides about 10% of the income for single seniors. The seniors are an important part of our communities, and critical to many of our families, and they hope to spend the rest of their lives here.

These statistics show how our seniors contribute to our state and I ask you to consider them in your deliberations. I want to thank the Commission on Aging for the McDowell Study, which had been needed for a long time. I urge all legislators to review it.

Thank you for your time.


Marie Darlin

- The City of Petersburg has traditionally funded its social service and public safety programs well above levels provided from the state and the city will try its very best to continue to do so. However, the city currently faces a projected shortfall of \$250,000. in its upcoming FY 04 budget just to maintain existing service levels. Any further decrease in revenues will create an even greater gap.

- **State Revenue Sharing Received**

Revenue Sharing funds received from the State are restricted for use in the following categories. This fiscal year we received revenue sharing funds for:

	<u>Rec'd for FY 03</u>	<u>If cut 25%</u>
Road Maintenance	\$ 8,122.00	\$ 6,091.00
Hospital	\$37,672.00	\$ 28,254.00
Health Facilities	\$ 3,615.00	\$ 2,711.00
Non-restricted	<u>\$56,518.00</u>	<u>\$ 42,389.00</u>
Total	\$105,927.00	\$ 79,444.00

- **Safe Communities Program receipts:**

	<u>For FY 03</u>	<u>If cut 25%</u>
Total	\$81,308.00	\$ \$60,981.00

These funds are required to be used for police protection, fire protection and emergency medical services, water and sewer services not offset by user fees, or solid waste management. Petersburg has traditionally used these funds only for its police, fire and EMS services.

Ted Smith

TED SMITH, Mayor
PO BOX 84!
PETERSBURG, AK

MR CHAIRPERSONS MEMBERS
OF THE COMMITTEE

REVENUE SHARING CUT EFFECTS

THIS IS

- ~~It is~~ the wrong time for the State to cut line items within its budget that affect municipalities. Coastal communities in western and southeast Alaska are facing a severe economic downturn due to declining fish markets and loss of the timber industry. At the same time, the price of oil is up, so the State's financial position should be looking relatively good, especially compared to municipalities that are exhausting their means of acquiring operating revenue. Many cities are at, or near, their tax limits and can not locally raise sufficient revenues to continue to provide adequate, essential services to their residents.

HISTORICALLY

- Oil revenue is the people's money and in these times of economic downturn the State should be ^{HOLDING STEADY OR} increasing revenue sharing instead of continuing the vicious cycle we are in. Our local economy is taking a tail spin. We are losing population, yet our debt obligations remain. Schools and communities have continued fixed costs, no matter how many ^{ALL DOLLAR FROM 759} pupils or citizens served. We must provide the same level of police and fire protection, no matter if our population is 3,400 people, or 2,500 people.

- Revenue Sharing and Safe Community Program receipts provide needed funds for the most basic social services. Any funding decrease, let alone a 25% reduction, hurts the social well being of a community.

- Now is the time to be funding social service and public safety programs to the max. Programs such as drug and alcohol counseling, mental health services, public health nurse, fire and police protection are very necessary services, and more so when people are out of work, that must be provided in each and every community.



Alaska State Legislature

Please enter into the record my testimony to the House Finance committee name

Committee on HB 75 Approp: Operating Budget, dated April 3, 2003
bill # / subject public hearing date

I am an 8th grade student at NIKISKI Middle/Sr. High. I am very concerned about the proposed budget cuts to education. Everyone at my school is against it. I have't talked to one person who is for it. ~~Because of the cuts~~ Because of the cuts which are happening in education my school will lose the honors classes I need for college, ~~and~~ ~~the~~ ~~welding~~ ~~and~~ ~~metals~~ ~~program~~ ~~will~~ be eliminated, and the fine arts program is being cut. I plan on attending college. In order to do so, I must be well prepared academically. Please don't take away my opportunity for success

Signed: JA. RIBBENS [Signature]
Testifier

(JOEL RIBBENS)
Representing (optional)

49038 Daniels LK RD
Address

776-3431
Phone number



Alaska State Legislature

Please enter into the record my testimony to the

House Finance

committee name

Committee on HB 75 Approp: Operating Budget, dated
bill # / subject

April 3, 2003

public hearing date

Education must be funded adequately.
Present cuts are having a direct impact
on core education opportunities. Kenai Peninsula
Borough School District has consistently
been shortchanged due to the inequities
in the cost differential. One example -
High Schools cutting a foreign language
entirely.

Signed:

Virginia Espenhad
Testifier

Self

Representing (optional)

PO Box 1752 Homer, AK 99603

Address

235-1823

Phone number



Alaska State Legislature

Please enter into the record my testimony to the House Finance
committee name

Committee on HB 75 Approp: Operating Budget, dated April 3, 2003
bill # / subject public hearing date

I am personally in opposition to ^{all} the proposed education cuts.
 Specifically, as a professional I am hoping funds will be available for COMMUNITY SCHOOLS. Community education is an important component of life-long learning across the state.
 Our Soldotna Community School program provides educational, cultural & recreational activities for citizens of all ages.
Please do not cut these funds! ☺
 Thank you!

Signed: Rose Mary Reeder (Rose Mary Reeder)
Testifier

Soldotna Community Schools
Representing (optional)

426 W. Redoubt Ave., Soldotna, Ak. 99669
Address

262-6768 W 262-2908h.
Phone number



Alaska State Legislature

Please enter into the record my testimony to the

House Finance
committee name

Committee on HB 76 Approp: Mental Health Budget, dated
bill # / subject

April 3, 2003
public hearing date

Issue: Education Funding

Let's get real gentlemen. The cost of doing the business of educating the students in the state of Alaska has gone up. The dollars provided by the foundation funding formula have not kept up with inflation. Please provide 4,500, - so the job gets funded adequately. Feel free to take my permanent fund! Feel free to tax my income..... Let's get real!

Signed:

JOHN WENSLEY
Testifier

(MY CHILDREN)

Representing (optional)

580 RANCE COURT KENAI, ALASKA 99611
Address

283-6091
Phone number



Alaska State Legislature

Please enter into the record my testimony to the

House Finance
committee name

Committee on HB 75 Approp: Operating Budget, dated
bill # / subject

April 3, 2003
public hearing date

I am opposed to the Governor's proposal to cut the Education budget. As the principal of Skwiew High School, I am concerned about the lack of funding for education, and its impact on our district and my school. Lack of funding is prompting Skwiew to completely cut our photo program, our foreign languages, our home economics program, and reducing our industrial arts program and library. In a time of increased accountability with Standards and the HSGAE, I find it appalling that the governor wants to cut education.

As a principal, and the father of a child entering kindergarten next year, I am extremely concerned at the loss of programs, and loss of opportunities for our children. We should be increasing our foundation formula to a minimum of \$4,500, certainly not cutting it! Our children are our state's greatest resource, and that is where our focus should be!

Impose an income tax, or take my PFD, or both - whatever it takes, our children's education needs to be our top priority!

Signed:

JOHN POTHAST

Testifier

KPBSD - Skwiew High School

Representing (optional)

46188 Sterling Hwy - Soldotna

Address

262-7675

Phone number



Alaska State Legislature

Please enter into the record my testimony to the House Finance
committee name

Committee on HB 75 Operating Budget, dated April 3, 2003
bill # / subject public hearing date

See attached two pages

Signed: Jeff Moore
Testifier

Self / Teacher
Representing (optional)

291 W Rockwell Ave Soldotna, AK 99669
Address

(907) 262-8484
Phone number

April 2, 2003

Dear Esteemed Representatives,

My name is Jeff Moore and I am writing to you regarding HB 19, 29, and 33- all of which involve education and funding. I would like to tell you my story and implore you to consider that what is happening in my life is a common situation among Alaskan college graduates and among our teachers.

My wife and I are from Soldotna and both went through the Kenai Peninsula Borough School District. While in the public education system we both excelled in academics, sports, and music programs. We were excited about Alaska, our community, and education.

We took Alaska student loans through ACPE to become educators. We left the state to find great educational opportunities and experience the Lower 48. Upon graduating from college with high marks and exemplary recommendations, we both returned to the state to work and live. We found it remarkably difficult to find a community where we could both be gainfully employed and so bobbled from community to community struggling to find employment for three years. Our student loans were still due and we both wanted to remain responsible with our financial obligations, so we were forced to leave Alaska to find adequate employment.

Fortunately, we found a community in Oregon that would be able to provide work for us. I was teaching middle and high school music, my wife was teaching middle school science. While we enjoyed being productive and contributing members of society, we yearned to return to Alaska to do it. Our golden opportunity to return home after three long years finally occurred in the spring of 2002. My mentor teacher in Soldotna would be retiring and I would have the opportunity to interview for his position.

Ultimately, I was selected to fill this vacant position for the following school year. So, my wife and I gave our notice to the school district in Oregon that the time had come for us to return home to Alaska. My wife and I, with the addition of our new daughter, packed our home, closed up our classrooms, said our good-byes to our friends and headed back to our hometown and families. Once back in Alaska last summer, it was clear that there were no science positions for my wife and so we elected to have her stay home with our daughter. I had the job of my dreams, we bought a home and got settled, we were still making our student loan payments, and we were happy. But all good things must come to an end so it seems.

I am now among sixty teachers within the district to be pink slipped for next school year. Neither my wife or I can afford to incur more educational debt to retrain us for another profession. We will both be out of work, be facing defaulting on our student loans and house payments, and lose our insurance benefits. It seems that Alaska might be a good place to retire these days, but not a great place to live. So, we are

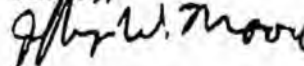
faced with having to sell our home, find employers down in the states again, pack and open another credit card to afford to move to -Lord knows where- to break even. This is not the Alaska that either of us have known and loved. Chances are that these times aren't what you had hoped for either. I realize that you make very tough decisions doing the jobs you love to do, but every decision you make regarding education affects my small family and our future.

This brings us to the house bills before you. Our Alaskan communities don't have jobs for our college grads to return home to. Our public school systems can't afford to hire or keep its well-trained teachers. Our children are getting crammed into larger classes with fewer educational materials and fewer professionals to teach and care for them. There was once a time when the state could afford to forgive student loans to college graduates who returned to work and live in the state. It all comes down to money, and money is the one thing none of us seems to have enough of.

We don't want to have to leave again. I want to teach here for another 25 years. My wife wants a job of her own so that she can help support our family. We want our daughter to be able to attend the public education system and know for ourselves that there is no better educational opportunity that we could offer her. We want to live here and be the Alaskans we were raised to be. We want to raise our own little Alaskans. We want to be productive and contributing members of society and want to be able to make good on our promise to repay to the state the money we borrowed for our training.

I implore you to find money and dedicate it to education. The kids deserve it, the college grads deserve it, the teachers deserve it- Alaskans deserve it. There are hundreds of us all in the same boat, and it seems it's about to capsiz. I can't spend the one life I have groveling to return to this state. My family can't afford it. My wife and I need to have jobs and our daughter needs an honest education. We need stability to build a future and a life together. Please help us not to be forced to move down to the states again. We are here and want to stay here. If we moved down there again, it would take all of the money we have. We wouldn't be able to return. Please give us a means to remain here and a positive reason to stay. I thank you for your time.

Sincerely,



Jeffrey W. Moore

(Soldotna High valedictorian 1990, BA music performance from EOSC 1994, Masters in music education from U of MT 1997, pink-slipped music teacher of Soldotna Middle School 2003.)