

City and Borough of Juneau
Minutes - Assembly Finance Committee Meeting
Virtual Meeting Only
Wednesday, May 6, 2020, 5:00 PM

I. Call to Order

The AFC meeting was called to order at 5:03 PM by Loren Jones, Chair.

II. Roll Call

Committee Members Participating Virtually: Mayor Beth Weldon; Loren Jones, Chair; Rob Edwardson, Alicia Hughes-Skandijs, Maria Gladziszewski, Wade Bryson, Greg Smith, Michelle Bonnet Hale and Carole Triem.

Committee Members Absent: None.

Staff Present Virtually: Rorie Watt, City Manager; Mila Cosgrove, Deputy City Manager; Jeff Rogers, Finance Director; Adrien Speegle, Budget Analyst; Rob Palmer, City Attorney; Bridget Weiss, Juneau School District Superintendent; Sarah Jahn, Juneau School District Administrative Services Director.

Others Present Virtually: Brian Holst, Juneau School District Board Member.

III. APPROVAL OF MINUTES

- a. The April 15, 2020 minutes were presented with corrections.
- b. The April 22, 2020 minutes were presented with corrections.

Motion: by Chair Jones to accept the minutes with corrections.

No objection, corrected minutes accepted unanimously.

IV. ITEMS FOR ACTION

- a. **School District Funding Ordinance 2020-10 - For Final Action**

Bridget Weiss, Juneau School District Superintendent, responded to committee questions regarding CARES Act money and what it could potentially be spent on. JSD believes a portion of the food service costs will be covered by the CARES Act money, however that is not currently reflected in the JSD budget request. Similarly JSD is hopeful that RALLY revenue losses will be reimbursable with the CARES Act. Operational costs in the JSD budget request are absent any COVID impacted costs.

JSD is in the process of standing up childcare for first responders utilizing current RALLY staff.

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The JSD fund balance is incredibly low which is the result of a previous decision made in order to preserve services instead of making additional cuts. If the current request for above the cap funding is not approved, additional and drastic cuts will have to be made to JSD services.

Mr. Bryson asked Dr. Weiss about potential savings from eliminating the across town busing system that allows students to choose which high school they attend.

Dr. Weiss addressed Mr. Bryson's questions, stating that eliminating this program would not result in a large cost savings.

Mayor Beth Weldon asked Dr. Weiss if the School District was seeing any cost savings from not operating their RALLY program.

Dr. Weiss responded to Mayor Beth Weldon's questions regarding RALLY, stating that the RALLY program is tuition based and with no services being offered there is presently no revenue and thus no cost savings. Additionally, the School District has not laid off any RALLY employees, instead diverting them to perform alternative work duties.

Dr. Weiss stated that the CARES Act money will be used for expenses specifically related to the COVID-19 pandemic. That is separate from the JSD operating budget that has been requested.

Prior to the below motion, Assemblymembers discussed options for revising Ordinance 2020-10 outside-the-cap amount at the May 18, 2020 Regular Assembly Meeting. As it stands, the ordinance only includes outside-the-cap funding at the FY20 balance. Mr. Palmer advised the Assembly that they may choose to amend the ordinance to increase this amount to match the funding request made by the School District for FY21, or decrease this amount as deemed appropriation prior to adoption at the May 18th meeting.

Motion: by Mayor Weldon to move JSD ordinance 2020-10 to the May 18, 2020 Assembly meeting.

No objection, motion passed unanimously.

V. ITEMS FOR DISCUSSION

a. Update on COVID-19 Response

Mila Cosgrove, Deputy City Manager, gave an update on COVID-19 cases and response in Juneau. There is a cumulative total of 27 cases locally. Currently 26 are recovered and 1 is active. Bartlett Hospital is beginning to return to offering non-emergent services and procedures. Additional cruise companies (Holland America, Princess and Sea Born) have cancelled all Alaska sailings for the 2020 summer season.

Ms. Cosgrove responded to committee questions.

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b. Ordinance for Electronic Procurement

Jeff Rogers, CBJ Finance Director, presented information regarding the potential process of Electronic Procurement. Moving the process to an online platform could expand the number of vendors bidding on CBJ solicitations, and reduce CBJ costs. CBJ code currently requires that bids and proposals be physically accepted by CBJ from vendors. Use of an online platform would reduce this contact.

Ms. Gladziszewski expressed concerns regarding CBJ's cessation of using the local newspaper to place ads for notices.

Ms. Hale seconded concern regarding the cessation of utilizing the local newspaper and the impact of a reduction of CBJ business on the local newspaper.

Mr. Rogers responded to committee questions.

Mr. Palmer responded to committee questions.

Mr. Palmer suggested changing the phrase "may include" to "shall include" in regards to language surrounding public notice utilization of local newspaper.

Motion: by Ms. Gladziszewski that the City Attorney craft a definition of public notice to require advertising in the local newspaper if the option exists.

Amendment: by Mayor Weldon to move ordinance 2020-23 to the Assembly for public hearing once the abovementioned change has been made.

No objection, motion passed unanimously.

c. Collection of Past Due Accounts

Mr. Rogers presented information regarding current collections activity. Currently past due notices have been extended or delayed for certain past due accounts, including: water, wastewater, utility shut-offs, and sales tax remittances. Unless CBJ staff is otherwise instructed by the committee, past due notices will continue to follow CBJ code for collection of past due accounts including: sales tax, property tax, and miscellaneous billings.

Mr. Rogers responded to committee questions.

Rorie Watt, City Manager, responded to committee questions.

Ms. Hale requested that staff make proposals on how to address different types of past due accounts.

The meeting recessed at 6:42 PM.

The meeting reconvened at approximately 6:50 PM.

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d. **Ordinances for Bond Refundings**

Mr. Rogers presented information regarding ordinance 2020-19 and 2020-21 for bond refundings. Mr. Rogers stated that a potentially more accurate term would be bond “refinancing”.

Mr. Rogers responded to committee questions.

Motion: by Mayor Weldon that ordinance 2020-19 be introduced in separate public hearing at the next regularly scheduled assembly meeting.

No objection, motion passed unanimously.

Motion: by Mayor Weldon that ordinance 2020-21 be introduced in separate public hearing at the next regularly scheduled assembly meeting.

No objection, motion passed unanimously.

VI. INFORMATION ITEMS

a. **Update on Assessment Appeals**

Mr. Rogers gave an update on assessment appeals.
Mr. Rogers responded to committee questions.

b. **Update on FY2020 Q3 Sales Tax Returns**

Mr. Rogers gave an update on quarter 3 sales tax returns.
Mr. Rogers responded to committee questions.

c. **Update on CARES Act Funding**

Mr. Watt gave an update on CARES Act funding.
Mr. Watt responded to committee questions.

d. **Revised Macro Budget Tool**

Mr. Rogers gave an update on the revised Macro Budget Tool.
Mr. Rogers responded to committee questions.

Mr. Watt responded to committee questions.

Ms. Gladziszewski requested that CBJ staff present a budget proposal that would not increase the property tax mil rate.

e. **FY2021 Budget Pending List**

Mr. Rogers presented information regarding the budget pending list.

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Motion: by Mayor Weldon to accept the requested budgets for Docks, Harbors, and the Juneau International Airport as none of these departments are requesting additional general funds.

Objection: by Ms. Hale in order to review Docks and Harbors budget request specifics.

Objection: by Ms. Triem in order to review Marine Passenger Fees in the Docks and Harbors budget request.

Roll call votes:

Ayes: Weldon, Bryson, Hughes-Skandijs, Jones.

Nays: Edwarson, Gladziszewski Hale, Smith, Triem.

Absent: None

Motion fails 4/5. Items will remain on the pending list.

f. AFC Meeting Schedule

VII. SUPPLEMENTAL MATERIALS

a. EOC COVID-19 Update

Ms. Cosgrove gave an update on information that came from the State of Alaska Governor's Office regarding economic re-opening.

Ms. Cosgrove responded to committee questions.

Ms. Hale requested that CBJ attempt to formally request from the Governor's Office more timely information regarding re-opening mandates.

Ms. Cosgrove indicated that she has made similar requests but has not received any additional information.

b. COVID-19 City Cost Savings

c. Senator Sullivan – Coronavirus Relief Fund Flexibility Act

d. Coronavirus Relief Fund FAQ

e. Wednesday, April 15, 2020 Minute Corrections – Ms. Hale

f. Wednesday, April 22, 2020 Minute Corrections – Ms. Hale

VIII. NEXT MEETING DATE

a. Wednesday, May 13, 2020 5:00 PM.

IX. ADJOURNMENT

The meeting adjourned at 8:20 PM.