



MEMBERSHIP RESOLUTION FY17-01

A RESOLUTION BY THE SOUTHWEST ALASKA MUNICIPAL CONFERENCE (SWAMC) MEMBERSHIP URGING THE ALASKA LEGISLATURE TO ADOPT A SUSTAINABLE BUDGET PLAN FOR FY18 AND INTO THE FUTURE THAT BALANCES A COMBINATION OF INCREASED REVENUES AND SPENDING REDUCTIONS AND THAT DOES NOT DISPROPORTIONATELY DAMAGE THE DELIVERY OF VITAL SERVICES IN RURAL COMMUNITIES

WHEREAS, due to reduced oil related revenue coming into the State treasury, the State of Alaska continues to find itself in a huge budget deficit situation for FY18; and

WHEREAS, the Legislature has acted over the last two fiscal years to reduce State spending by primarily cutting the capital budget and dramatically reducing operating budget funding of programs and services; and

WHEREAS, cutting across the board alone will not solve our fiscal challenge and will only serve to push the State further into an economic recession; and

WHEREAS, there is not an adequate balance in the Constitutional Budget Reserve to cover next years' projected budget deficit, which will for the first time, likely require the use of Permanent Fund Earnings Reserve to help fund state government operations; and

WHEREAS, Municipal Revenue Sharing has been reduced by 50%; an additional \$2.5 billion in PERS liability costs have been shifted to municipalities; school debt reimbursement has been significantly reduced; and airport funding community jails, road maintenance, the capital budget, and infrastructure support has been reduced or eliminated; and it appears that other cost shifts are likely in the future; and

WHEREAS, the Alaska Municipal League has adopted a Sustainability Plan which recommends building a sustainable budget for FY18 and beyond with a balanced approach consisting of reorganization of the Permanent Fund to provide revenue for support of State services, adoption of a broad based tax to fund state programs and services, and less reliance on further operating and capital budget reductions; and

WHEREAS, despite State's fiscal challenges SWAMC communities must continue to provide basic and essential services and need a sustainable commitment from the State in order to remain viable; and

WHEREAS, the SWAMC Membership believes that the leaders of our State should adopt during the First Session of the 30th Legislature changes to address the need for a sustainable budget; and

WHEREAS, further cuts to Municipal Revenue Sharing, shifting PERS liability to municipalities, further reductions in school funding and school debt reimbursement, and further reduced road and airport spending only serves to place more burdens on municipalities and tribal governments that often have limited tax bases; and

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WHEREAS, the SWAMC Membership believes that the leaders of our state should adopt changes in 2017 to use Permanent Fund earnings and modest broad based taxes to fund a sustainable budget while continuing to watch for situations of obvious government waste and redundancy.

NOW BE IT RESOLVED that the SWAMC Membership urges the Alaska Legislature to adopt a sustainable budget plan for FY18 and beyond; to carefully concentrate on increased revenues through modest broad based taxes and use of Permanent Fund earnings rather than continued cuts to the operating and capital budgets. The Alaska Municipal League Sustainability Plan provides guidance on developing a long term sustainable budget and SWAMC endorses and supports using this Plan to pass a sustainable budget for FY18 and into the future.

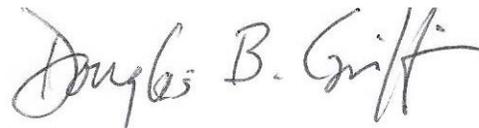
PASSED AND ADOPTED by the Southwest Alaska Municipal Conference Membership this 3rd day of March, 2017.

IN WITNESS THERETO:

ATTEST:



Rebecca Skinner, SWAMC President



Doug Griffin, SWAMC Executive Director