

Amended: 01/19/21

Adopted: 01/19/21

**MATANUSKA-SUSITNA BOROUGH
RESOLUTION SERIAL NO. 21-010**

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY SUPPORTING SCHOOL BOND DEBT REIMBURSEMENT AND PERMANENT FUND DIVIDEND PAYMENTS AS DETAILED IN THE GOVERNOR'S MOST RECENT BUDGET PROPOSALS FOR FISCAL YEAR 2022.

WHEREAS, the Matanuska-Susitna Borough has previously issued bonds to finance construction of schools in the Matanuska-Susitna Borough; and

WHEREAS, in issuing the bonds, the Matanuska-Susitna Borough relied on the provisions of AS 14.11.100 providing for reimbursement of bond debt; and

WHEREAS, in fiscal year 2021, the Matanuska-Susitna Borough did not receive any funds for bond debt reimbursement under AS 14.11.100; and

WHEREAS, failure to receive any amounts of bond debt reimbursement requires the local government consider raising revenues, cutting capital projects, and/or cutting services to free up funds to make the bond payments; and

WHEREAS, on December 11, 2020, Governor Dunleavy released budget proposals for the upcoming fiscal year 2022, which is to begin on July 1, 2021; and

WHEREAS, beginning on line 26 of page 66 of the proposed operating budget, Section 20(m) contains an appropriation for the

sum of \$41,771,980 for state aid for costs of school construction under AS 14.11.100; and

WHEREAS, this sum represents 50 percent of the amount necessary to fund the program under AS 14.11.100; and

WHEREAS, if the program were fully funded, the Matanuska-Susitna Borough would receive approximately \$16,888,635 in debt reimbursement in fiscal year 2022; and

WHEREAS, at a funding of 50 percent, the Matanuska-Susitna Borough would receive approximately \$8,444,318 in debt reimbursement in fiscal year 2022; and

WHEREAS, that Matanuska-Susitna Borough received nearly \$38 million in Federal COVID relief funds in fiscal year 2021 that gives the Borough the ability to absorb this additional cost on a one-time basis; and

WHEREAS, while a 50 percent funding level still puts financial strain on the local governments, the strain is lessened; and

WHEREAS, also on December 11, 2020, Governor Dunleavy issued a press release and fact sheet with his budget proposals for the upcoming fiscal year 2022; and

WHEREAS, the Governor has proposed funding the remainder of the 2020 Permanent Fund Dividend payment according to law; and

WHEREAS; according to the fact sheet, that amount would be an additional \$1,916 per eligible Alaskan; and

WHEREAS, the Governor has also proposed funding a full Permanent Fund Dividend for fiscal year 2022 according to state law; and

WHEREAS, these payments to Alaskans as their share of the commonly held natural resources would help all Alaskans' financial situation; and

WHEREAS, this is particularly true at this time because of the economic, social, and medical effects of the COVID-19 global pandemic.

NOW, THEREFORE, BE IT RESOLVED, the Matanuska-Susitna Borough Assembly supports School Bond Debt reimbursement and Permanent Fund Dividend payments as detailed in the Governor's most recent budget proposals for fiscal year 2022 and full funding for school bond debt reimbursement in future years.

ADOPTED by the Matanuska-Susitna Borough Assembly this 19 day of January, 2021.


VERN HALTER, Borough Mayor

ATTEST:


LONNIE R. McKECHNIE, CMC, Borough Clerk

(SEAL)

YES: Hale, Nowers, McKee, Yundt, Tew, and Sumner

NO: Boeve