



The Alaska Conference of Mayors (ACoM) met during the Alaska Municipal League's (AML) 2019 Annual Legislative Conference and produced the following in response to the Governor's proposed FY20 budget.

Alaska's mayors define the challenges facing the State of Alaska as comprised of both decreased revenues and traditional/decreased spending over the last four years. We recognize the Governor's commitment to streamline the budget, and we believe the administration's responsibility is to address both revenues and expenditures. As currently proposed, it is a policy position that ignores the need to increase revenues. Alaska's mayors believe that the budget as proposed will result in very real negative impacts to Alaska's residents and to the state's economy.

In our review of the proposed FY20 budget, and with the caveat that local leaders have had less than a week to evaluate municipal impact, we can ascertain that the proposed budget is less about State budget cuts and more about cost-shifting to lower levels of government. The impacts to municipalities are diverse, and range from:

- Increased and added taxation
- Costs absorbed by current savings in near term
- Decreased or eliminated public services
- Dissolution of local government

Local government officials are ultimately answerable to taxpayers, and residents demand both good stewardship of local revenues and the provision of public services.

ACoM is firm in its resolve to remain united in support of one another. Alaska's local leaders have a unity of purpose, in the face of a proposed budget that has the potential to pit community against community, and program against program. Alaska's future is not a zero-sum game. A collective response is critical and through the Alaska Conference of Mayors we will amplify the voices of individual mayors who must respond in the public interest.

ACoM will advance solutions that mitigate the negative impacts of the proposed budget at the community level. These solutions will protect and support citizens, quality of life and economic prosperity. To begin with, mayors insist on rationality in implementation – impacts must be scaled over a reasonable time horizon.

ACoM insists that the coordination between the State and local government result in effective outcomes. This means that solutions we propose will increase the capacity of municipalities to adapt. We will support a combination of revenue measures that produce sustainable funding for the State. We expect to be included in the State's efforts to find the right approach to education funding, continuation of the Alaska Marine Highway System, and so many other programs that enhance Alaskans' quality of life.

In the next few months, mayors have committed to developing impact statements that describe community-level trade-offs. The results of these will inform mayor-led conversations with community residents, and the legislative process, even as we contribute to the Governor's request to hear from Alaskans. Alaska's mayors are available to testify and be part of this process and will meet again in Juneau to ensure that local governments are included in the negotiation process and deliver on resident and taxpayer priorities.