



# CITY AND BOROUGH OF SITKA

*Provide public services for Sitka that support a livable community for all* CBS

## Unfunded Mandates

### **Support for maintaining the 301(h) status and Water Quality Standards**

CBS requests the State of Alaska to support maintaining the EPA's 301(h) status. Sitka is unable to meet Alaska Water Quality Standards with our current plant. CBS requests funds for the infrastructure needed to meet the requirements to alleviate the undue burden of increased utility rates to our citizens.



### **Support for the Municipal Harbor Matching Grant Program**

CBS requests the State of Alaska to fund, and inflation adjust the Municipal Harbor Facility Grant Program in the FY2024 State Capital Budget to ensure enhanced safety and economic prosperity for

coastal communities. Municipalities have committed significant match for projects of local importance.

### **Continued State reimbursement of school bond debt at 70% for existing bonds and consideration of new bonding opportunities**

Sitka's schools were renovated using State bond funds with the expectation that the State would continue to live up to its obligation as a financial partner. Without agreed upon reimbursement, Sitka's sales tax, which funds the 30% share of school bond debt, is insufficient to cover debt service. Sitka's school buildings will again need substantial repairs in the future and a pool of funding will be necessary to maintain our school infrastructure.

### **Continued support for the State's Community Assistance Program**

CBS requests the State of Alaska fully fund the Community Assistance Program to develop a long-term funding source on which municipalities can rely and to offset the costs of unfunded mandates such as State required property tax exemptions. Prolonged budget level uncertainties are causing severe difficulties for Sitka and other local governments.

### **Stable and predictable funding of school systems**

Sitka supports its school system to the maximum allowed by State law. The CBS Assembly allocates all property tax revenue plus some of the sales tax to fund the school district. As school costs increase each year, and State funding remains stagnant, the burden increasingly falls on the CBS, especially in this current period of historically high inflation.