

Introduced by: Martin, Popp, Sprague
Date: 03/12/02
Action: Adopted as Amended
Vote: 6 Yes, 2 No, 1 Absent

**KENAI PENINSULA BOROUGH
RESOLUTION 2002-030**

**A RESOLUTION SUPPORTING A LONG-RANGE FISCAL PLAN
THIS YEAR THAT ENSURES A STABLE FUTURE FOR ALL ALASKANS**

WHEREAS, one dollar out of three spent this year in the State General Fund budget (\$865 million out of \$2.4 billion) is projected to come from Alaska's savings; and

WHEREAS, according to the Alaska Department of Revenue, by mid-year 2004, the "fiscal gap" is projected to be over \$1 billion and Alaska's savings account (Constitutional Budget Reserve) will be fully depleted if action is not taken this year; and

WHEREAS, the state should continue to implement efficiencies and reasonable service reductions, but also recognize that reductions alone cannot solve the magnitude of the projected fiscal gap. In addition, certain services, such as deferred maintenance of state facilities, including schools and roads, will require additional funding; and

WHEREAS, a long-range fiscal plan should have the following guiding principles:

1. The plan provides financial stability.
2. The plan is sustainable.
3. The plan advances financial investment policies that maximize returns of the state assets.
4. The plan is fair.

WHEREAS, if action is taken this year, Alaska can avoid depleting the Constitutional Budget Reserve, and use this last saving account to act as a cushion for Alaska to avoid harsher cuts, higher taxes, and/or greater use of Permanent Fund earnings to solve the fiscal gap.

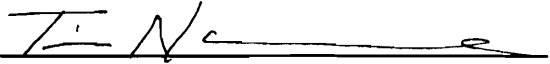
NOW, THEREFORE BE IT RESOLVED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

SECTION 1. That the Governor and legislators are urged to take action this legislative session to adopt a fiscal plan that avoids a fiscal crisis in 2004.

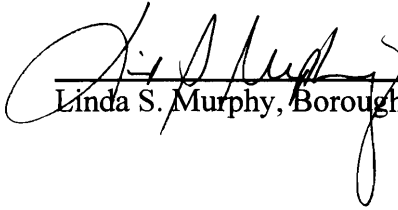
SECTION 2. That a copy of this resolution shall be provided to Senator Alan Austerman, Senator John Torgerson, Senator Jerry Ward, Senator Georgianna Lincoln, Representative Mike Chenault, Representative Ken Lancaster, Representative Drew Scalzi, Representative Carl Morgan, House Speaker Brian Porter, Senate President Rick Halford and Governor Tony Knowles.

SECTION 2. That this resolution shall take effect immediately upon its enactment.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 12TH DAY OF MARCH, 2002.


Timothy Navarre, Assembly President

ATTEST:


Linda S. Murphy, Borough Clerk

