

## H-2 COMMENTS 6/11/04

----- Original Message -----

From: "Steve Schweppe" <[STEVES@city.ketchikan.ak.us](mailto:STEVES@city.ketchikan.ak.us)>

To: <[charter@kpunet.net](mailto:charter@kpunet.net)>

Sent: Thursday, June 10, 2004 11:31 AM

Subject: Re: Additional Informational Item for 6/11/04 Agenda

I quickly reviewed Charter changes attached to the most recent draft of the consolidation petition. While I did not have time to analyze deletions and other changes which were not highlighted, I noticed two areas of concern:

1. Article 6 Initiative, Referendum and Recall. You should note Alaska Statutes 29.10.030 which requires all charters to "provide procedures" for initiative and referendum. That is why the 2000 draft contained a detailed article on these topics. I think that the current draft violates the statute by not providing the procedure but instead delegating it to the Assembly. The same statute also states that a charter may not permit initiative and referendum for purposes prohibited by Art XI of the Constitution. That prohibition should be in the Charter.
2. Section 10.07 Property Tax Limit. The language of any property tax limit must be carefully written. For example, does the proposed 14 and 30 mil limit apply only to the general government levy or to the sum of both the general government levy and service area levies? Could the 30 mil limit be exceeded in order to meet the municipality's bonded indebtedness? Why is the ability to exceed the limitation allowed only for bonded indebtedness and not other indebtedness? When we wrote the 2000 draft charter we ran the bonding and finance sections past bond counsel and I suggest that you do the same with any changes and in particular with any tax caps. This is one part of the charter where a mistake will not be a mere inconvenience but will be costly.

On another topic I am not aware of any pending litigation that needs to be addressed by your transition budget. I assume that your financial plan will include reserves similar to those budgeted by the City so that any such litigation would be paid for from reserves either in the proposed budget or in the general fund reserves.

>>> "Ketchikan Charter Commission 06/10 7:03 AM >>>

Attached is an additional information item for Friday's agenda.

Thank you

Debby Otte, Secretary

Ketchikan Charter Commission