

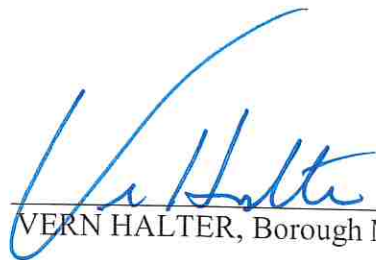


Mayoral Signature and Clerk Attestment

For

May 26, 2020, Assembly Budget Public Hearing Minutes

(8 pages)

  
VERN HALTER, Borough Mayor

ATTEST:

  
LONNIE R. McKECHNIE, CMC, Borough Clerk

Minutes Approved: 07/14/20

# MATANUSKA-SUSITNA BOROUGH

350 East Dahlia Avenue, Palmer, Alaska 99645 - 907-861-8683

BOROUGH MAYOR  
Vern Halter

BOROUGH CLERK  
Lonnie R. McKechnie, CMC

BOROUGH MANAGER  
George Hays, Acting

BOROUGH ATTORNEY  
Nicholas Spiropoulos



Tim Hale, District 1  
Stephanie Nowers, District 2  
George McKee, District 3  
Ted Leonard, District 4  
Dan Mayfield, District 5  
Jesse Sumner, District 6  
Tam Boeve, District 7

## MEETING MINUTES

ASSEMBLY CHAMBERS  
350 EAST DAHLIA AVENUE, PALMER

ASSEMBLY SPECIAL MEETING

6:00 PM

TUESDAY, MAY 26, 2020

---

### **Budget Deliberations and Possible Adoption**

#### **I. CALL TO ORDER**

The special meeting of the Matanuska-Susitna Borough Assembly was held on Tuesday, May 26, 2020, at the Borough Assembly Chambers, 350 E. Dahlia Avenue, Palmer, Alaska. The meeting was called to order at 6 p.m. by Mayor Vern Halter.

#### **II. ROLL CALL**

**Present:** 7 - Assemblymember Tim Hale, Assemblymember Stephanie Nowers, Assemblymember George McKee, Assemblymember Ted Leonard, Assemblymember Dan Mayfield, Assemblymember Jesse Sumner, and Assemblymember Tam Boeve

#### **III. APPROVAL OF AGENDA**

Mayor Halter queried if there were any changes to the agenda.

The agenda was approved as presented without objection.

#### **IV. PLEDGE OF ALLEGIANCE**

The pledge of allegiance was led by Ms. Bonnie Quill, Mat-Su Convention and Visitor's Bureau Executive Director.

## **V. AUDIENCE PARTICIPATION**

The following person spoke to concerns with the public process and concerns that not everyone is wearing a mask: Mr. Eugene Carl Haberman.

The following person spoke to the status of the School Board meetings being opened to the public and how the district intends to open for the next school year: Dr. Monica Goyette, School District Superintendent.

## **VI. ITEMS OF BUSINESS**

### **A. DELIBERATIONS AND POSSIBLE ADOPTION OF THE FISCAL YEAR 2021 BUDGET**

OR 20-020

An Ordinance Appropriating Monies From The Central Treasury For The Borough Operating Funds, Enterprise Funds, Education Operating Fund And Capital Funds, Establishing The Rate Of Levy For All Borough Functions For The Fiscal Year Beginning July 1, 2020 And Ending June 30, 2021; And Setting The Surcharge Rate For The Wireline And Wireless Enhanced 911 Systems For The Period Of July 1, 2020 Through June 30, 2021.

Ms. McKechnie read the legislation into the record.

**MOTION PENDING: Assemblymember Mayfield moved to adopt Ordinance Serial No. 20-020.**

**Technical Corrections to Ordinance Serial No. 20-020**

**Assemblymember Mayfield moved a primary amendment to Ordinance Serial No. 20-020, as follows:**

- **Reserve for Governmental Shift: Tab B, Page 51, \$14,300,000, by striking “(\$8,535,886)” for a new total of “\$5,764,114;”**
- **Estimated Unassigned Fund Balance: Tab B, Page 51, \$559,526, by striking “(\$540,000)” for a new total of “\$19,526;”**
- **Debt Service Reimbursement: Tab B, Page 60, \$16,004,386, by striking “(\$16,004,386)” for a new total of “\$0;”**
- **Transfer to - Fund 4415/425/430 – Mat-Su Convention and Visitor’s Bureau: Tab B, Page 65, \$11,648,020, by striking “(\$747,500)” for a new total of “\$10,900,520;” and**
- **Transfer to – Fund 4415/425/430 – Manager’s Sheet: \$10,900,520, by striking “(\$6,181,000)” for a new total of “\$4,719,520.”**

**Assemblymember Hale moved a secondary amendment, as follows:**

- **Reserve for Governmental Shift: Tab B, Page 51, by striking “\$5,764,114” and inserting “\$0” in it's place, and**
- **Transfer to – Fund 4415/425/430 – Manager’s Sheet: \$10,900,520, by striking “(\$6,181,000)” and “\$4,719,520” and inserting “(\$416,886)” and “\$10,483,634” in their places, respectively.**

**Assemblymember Mayfield moved to postpone the technical amendment to the end of the budget deliberations. The motion passed by the following vote:**

**Yes: 4 - Assemblymember Nowers, Assemblymember McKee, Assemblymember Mayfield, and Assemblymember Boeve**

**No:** 3 - Assemblymember Hale, Assemblymember Leonard, and  
Assemblymember Sumner

**Amendment No. 1**

**Areawide – Port Enterprise Budget (Tab K, Pages 468-473)(Tab  
B, Page 65)**

**Assemblymember Sumner moved a primary amendment to the  
Port Enterprise Fund by striking the entirety of the budget as  
follows:**

- **striking revenue in the amount of \$32,000;**
- **striking expenses in the amount of \$2,480,230.**
- **striking the debt service in the amount of \$712,363;**
- **reduce 520.000.000.367.110 (Areawide) by \$849,200;**
- **reduce 100.000.000.445.300 by \$849,200 (Transfer to Port  
Enterprise fund);**
- **increase 100.000.000.445.xxx by \$712,363 (transfer to Port  
Debt Service).**

**Assemblymember Sumner moved a secondary amendment to  
insert a new bullet, to read: “\$24,500 increase to the Operations  
and Maintenance budget for building upkeep.”**

**Assemblymember Leonard called for the question (to stop  
debate).**

**There was no objection noted.**

**Secondary amendment failed by the following vote:**

**Yes:** 2 - Assemblymember McKee, and Assemblymember Sumner

**No:** 5 - Assemblymember Hale, Assemblymember Nowers,  
Assemblymember Leonard, Assemblymember Mayfield, and  
Assemblymember Boeve

**Assemblymember McKee called for the question (to stop  
debate).**

**There was no objection noted.**

**The primary amendment failed by the following vote:**

**Yes:** 2 - Assemblymember McKee, and Assemblymember Sumner

**No: 5** - Assemblymember Hale, Assemblymember Nowers, Assemblymember Leonard, Assemblymember Mayfield, and Assemblymember Boeve

**Amendment No. 2**

**Areawide/General Fund (Tab B, page 65) – Capital Project Fund (Tab M, pages 517-518)**

**Assemblymember Sumner moved a primary amendment to the Areawide / Capital Projects by striking the following projects in the total amount of \$1,164,400:**

- **Network Infrastructure Refresh in the amount of \$370,000;**
- **Sapphire Intravenous Pumps in the amount of \$50,000;**
- **Zoll X Series Cardiac Monitor in the amount of \$65,000;**
- **High Fidelity Trauma Manikins in the amount of \$105,000;**
- **High Fidelity Simulation Birthing Manikins in the amount of \$70,000; and**
- **Ambulance Replacement/Refurbish (3) in the amount of \$504,400**

**Assemblymember Mayfield moved a secondary amendment to ambulance replacement and refurbish (3), by striking “(3)” and inserting “(2)” in its place for a new amount of \$339,400.**

**The secondary amendment passed by the following vote:**

**Yes: 7** - Assemblymember Hale, Assemblymember Nowers, Assemblymember McKee, Assemblymember Leonard, Assemblymember Mayfield, Assemblymember Sumner, and Assemblymember Boeve

**Assemblymember Nowers moved to postpone the primary amendment a time certain of May 28, 2020. The motion passed by the following vote:**

**Yes: 5** - Assemblymember Hale, Assemblymember Nowers, Assemblymember Leonard, Assemblymember Mayfield, and Assemblymember Boeve

**No: 2** - Assemblymember McKee, and Assemblymember Sumner  
The meeting recessed at 7:50 p.m. and reconvened at 8:01 p.m.

**Assemblymember Mayfield moved to continue Ordinance Serial No. 20-020, to a time certain of May 28, 2020, at 6 p.m. The motion passed by the following vote:**

**Yes:** 7 - Assemblymember Hale, Assemblymember Nowers, Assemblymember McKee, Assemblymember Leonard, Assemblymember Mayfield, Assemblymember Sumner, and Assemblymember Boeve

**B. RECRUITMENT OF A NEW BOROUGH MANAGER**

There was no report provided.

**VII. VETO**

**A. MOTION TO OVERRIDE ANY POSSIBLE MAYORAL VETO ON FISCAL YEAR 2021 BUDGET ITEMS (Ordinance Serial No. 20-020)**

There were no vetoes presented.

**VIII. EXECUTIVE SESSION (For Matters Which By Law, Municipal Charter, Or Ordinance Are Required To Be Kept Confidential; And To Discuss Matters Involving Consideration Of Borough Records That By Law Are Not Subject To Public Disclosure; And Discussion Of Matters Subject To The Attorney/Client Privilege.)**

**A. Potential Involvement In Forrer Vs. State Or Similar Litigation**

Assemblymember Mayfield moved to enter into executive session for matters which by law, municipal charter, or ordinance are required to be kept confidential; and to discuss matters involving consideration of borough records that by law are not subject to public disclosure; and discussion of matters subject to the attorney/client privilege. In particular to discuss potential involvement in Forrer vs. State or similar litigation. Those present in the executive session will be the Mayor, the Assembly, the Deputy Manager, the Attorney, the Clerk, and the Finance Director.

There was no objection noted and the Assembly entered into executive session at 8:15 p.m.

Assemblymember Mayfield moved to exit executive session. There was no objection noted and the Assembly exited executive session at 8: 51 p.m.

## **IX. MAYOR, ASSEMBLY, AND STAFF COMMENT**

Ms. McKechnie requested that should the Assembly have any more budget amendments, to please get them to her as soon as possible.

Assemblymember Hale spoke in support of keeping as many capital projects in the budget as possible. Spoke to the need to spend the CARES Act Funds responsibly. Advised that he would like to provide residents with a tax rebate or tax relief check.

Assemblymember Leonard noted his agreement with Assemblymember Hale. Noted his support of the Department of Emergency Services. Stated that he is opposed to any mill rate increase. Opined that any CARES Act funds need to be distributed to residents as soon as possible.

Assemblymember Mayfield stated that he would like to see the school bond debt reimbursement covered by the CARES Act funds. Spoke to the need to assist residents financially as much as possible. Stated that he prefers to retain as many capital projects as possible. Noted that this is an unusual budget cycle. Stated that he is looking forward to working together to find workable solutions.

Assemblymember Nowers opined that the Assembly needs to apply CARES Act funds in the most effective way as possible and where there is the biggest need. Spoke to types of assistance that have gone out thus far. Noted that small business will have a hard time trying to recoup those losses that are due to Covid-19.

Assemblymember Sumner noted the need to be mindful of how CARES Act funds are distributed as there is the potential to send money back to the Federal government in the form of taxes. Opined that a direct reduction would be better instead of providing funds that would be taxed. Spoke to putting Port MacKenzie into use as soon as possible. Stated that the Borough should not be wasting tax payer money on a port that is not utilized. Related that he did not realize there would be so much discussion or concern regarding the technical amendment. Opined that the body has made the budget amendment process confusing now. Spoke in opposition of any property tax increase.

Mayor Halter noted that there is a limited amount of CARES Act funds. Spoke to his desire to retain some of those funds. Noted the confusion is on how the funds may be spent. Spoke to concerns that the Borough will have funds with way too many restrictions on how it may be used. Spoke to the need to look at the obligation for school bond debt reimbursement and the impact it will have on next year's budget. Spoke to concerns that the



Borough will not be able to operate financially. Stated that he is continually frustrated by the lack of the school bond debt reimbursement being taken up by the State as was approved by the voters. Stated that he would like to know what Anchorage is going to do with their CARES Act funds. Noted that he likes a phased approach to spending the funds. Reiterated his idea that the Borough should keep \$18 million for as long as possible so that the Assembly will be ready for next year's budget.

## **X. ADJOURNMENT**

The meeting adjourned at 9:08 p.m.