

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

John Moosey

BOROUGH ATTORNEY

Nicholas Spiropoulos



Jim Sykes, District 1

Matthew Beck, District 2

George McKee, District 3

Ted Leonard, District 4

Dan Mayfield, District 5

Jesse Sumner, District 6

Tam Boeve, District 7

MEETING MINUTES

CURTIS D. MENARD SPORTS COMPLEX
1001 S. CLAPP STREET, WASILLA

ASSEMBLY SPECIAL MEETING

6:00 PM

MONDAY, APRIL 29, 2019

Budget Public Hearing

I. CALL TO ORDER

The special meeting of the Matanuska-Susitna Borough Assembly was held on Tuesday, April 29, 2019, at the Curtis D. Menard Sports Complex, 1001 South Clapp Road, Wasilla, Alaska. The meeting was called to order at 6 p.m. by Mayor Vern Halter.

II. ROLL CALL

Present: 7 - Assemblymember Jim Sykes, Assemblymember Matthew Beck, 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.

Assemblymember Mayfield moved to withdraw reconsideration of Resolution Serial No. 19-040. The motion passed by the following vote:

Yes: 7 - Assemblymember Sykes, Assemblymember Beck, Assemblymember McKee, Assemblymember Leonard, Assemblymember Mayfield, Assemblymember Sumner, and Assemblymember Boeve

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

The agenda was approved as amended without objection.

IV. PLEDGE OF ALLEGIANCE

The pledge of allegiance was led by Mayor Bert Cottle, city of Wasilla.

V. AUDIENCE PARTICIPATION

The following persons spoke in support of full funding for schools: Mr. Tom Lytle, Redington Jr./Sr. High School Principal; Mr. Jason Marvel, Burchell High School Principal; Ms. Renetta Haggard; Ms. Dianne K. Shibe; Mr. John Brown; Ms. Carol Boatman; Mr. Nate Backus; and Ms. Tomiko Alexander.

The following person spoke in support of Resolution Serial No. 19-040: Mr. Brian Endle.

The following persons spoke to concerns with the education received by children in the School District in relation to the funding they receive: Mr. Nick Brockett, Ms. Jess Vaudreuil, and Mr. Mike Alexander.

The following person spoke to concerns with the public process and to funding for the School District: Mr. Eugene Carl Haberman.

The following person spoke to concerns with Governor Dunleavy's budget and how it could impact the Borough's budget: Mr. Nick Bartel.

The following person thanked the Department of Emergency Services for their response to his neighbor's house fire: Mr. Steve Colligan, former Assembly member.

The following persons spoke in support of Resolution Serial No. 19-048: Mr. Mike Whidbey and Mr. Joel Fuller.

The following person spoke in support of an income tax and in opposition to Resolution Serial No. 19-048: Mr. Gene Backus.

VI. ITEMS OF BUSINESS

The meeting recessed at 6:55 p.m. and reconvened at 7:10 p.m.

A. PUBLIC HEARING (Three Minutes Per Person)

[OR 19-019](#)

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, 2019 And Ending June 30, 2020; And Setting The Surcharge Rate For The Wireline And Wireless Enhanced 911 Systems For The Period Of July 1, 2019 Through June 30, 2020.

The following person spoke to concerns with crime in the Borough: Ms. Patty Fisher.

The following person spoke to concerns with the publication of agendas and complimented the School District on their audio/video system: Mr. Eugene Carl Haberman.

The following person spoke in support of full funding for the School District: Mr. Bert Houghtaling.

The following person spoke to the need to be fiscally responsible: Mr. Steve Colligan, former Assembly member.

Mayor Halter queried if there was any objection to continuing the public hearing to April 30, 2019, at 6 p.m. in Assembly Chambers.

There was no objection noted.

B. RECONSIDERATIONS

[RS 19-040](#)

A Resolution Opposing State Funding Reductions To Education; Supporting The Governor's Proposed Constitutional Amendment To Establish A Spending Cap; And Supporting A Full Payment Of The 2019 Permanent Fund Dividend.

Sponsors: Mayfield

[Clerk's note: Reconsideration was withdrawn at approval of the agenda.]

Mayor Halter issued a veto of Resolution Serial No. 19-040.

There was no motion to override the Mayoral Veto of Resolution Serial No. 19-040. The veto stands.

C. RESOLUTIONS

[RS 19-042](#)

A Resolution Establishing The Minimum Level Of Funding For The Matanuska-Susitna Borough School District For The Fiscal Year Ending June 30, 2020.

Assemblymember Beck moved to adopt Resolution Serial No 19-042. The motion passed by the following vote:

Yes: 7 - Assemblymember Sykes, Assemblymember Beck, Assemblymember McKee, Assemblymember Leonard, Assemblymember Mayfield, Assemblymember Sumner, and Assemblymember Boeve

[RS 19-044](#)

A Resolution Amending The Fiscal Year 2020 Schedule Of Rates And Fees Effective July 1, 2019.

Assemblymember Beck moved to adopt Resolution Serial No. 19-044. The motion passed by the following vote:

Yes: 7 - Assemblymember Sykes, Assemblymember Beck, Assemblymember McKee, Assemblymember Leonard, Assemblymember Mayfield, Assemblymember Sumner, and Assemblymember Boeve

[RS 19-048](#)

A Resolution Supporting A Full Payment Of The 2019 Permanent Fund Dividend And Supporting A Constitutional Amendment To Ensure Full Payment Of Future Permanent Fund Dividends.

Sponsors: McKee, Leonard and Sumner

Assemblymember Leonard moved to adopt Resolution Serial No. 19-048.

Assemblymember Sykes moved a primary amendment to Resolution Serial No. 19-048, 14th whereas clause, by inserting the following language at the end of the whereas clause "along with a balanced budget, even if revenue needs to be raised" to read: "Whereas, as the State of Alaska continues to shift prior commitments and unfunded mandates to the local governments and its citizens, the State should not shy away from its responsibility to deliver to the people their fair share of the State's common resource wealth along with a balanced budget, even if revenue needs to be raised."

Assemblymember Sumner moved a secondary amendment by inserting after the word "raised" the following language "and/or spending cuts need to be made" to read: "Whereas, as the State of Alaska continues to shift prior commitments and unfunded mandates to the local governments and its citizens, the State should not shy away from its responsibility to deliver to the people their fair share of the State's common resource wealth along with a balanced budget, even if revenue needs to be raised and/or spending cuts need to be made."

The secondary amendment passed by the following vote:

Yes: 5 - Assemblymember Sykes, Assemblymember Beck, Assemblymember McKee, Assemblymember Leonard, and Assemblymember Sumner

No: 2 - Assemblymember Mayfield, and Assemblymember Boeve

The primary amendment passed by the following vote:

Yes: 5 - Assemblymember Sykes, Assemblymember Beck,
Assemblymember McKee, Assemblymember Leonard, and
Assemblymember Sumner

No: 2 - Assemblymember Mayfield, and Assemblymember Boeve

The main motion passed as amended by the following vote:

Yes: 5 - Assemblymember Sykes, Assemblymember Beck,
Assemblymember McKee, Assemblymember Leonard, and
Assemblymember Sumner

No: 2 - Assemblymember Mayfield, and Assemblymember Boeve

VII. MAYOR, ASSEMBLY, AND STAFF COMMENT

Ms. McKechnie advised that she had researched the cost of portable equipment to live stream Assembly meetings when they are held outside of Assembly Chambers. Noted that the Assembly typically has three offsite meetings per year. Noted that the cost for that type of equipment would be nearly \$25,000. Related that she did not intend to spend that amount of funds at this time, when there are other more important things that are needed during this budget crisis. Noted that if that is something the Assembly would like her to pursue that she would do so with their direction.

Mayor Halter stated that he would like to schedule one last budget meeting for June 3, 2019, at 6 p.m. in case it is needed. Queried if there was any objection.

There was no objection noted.

Assemblymember McKee noted that budget meetings are productive. Opined that when someone suggests full funding for a project, that they should make a suggestion as to what is cut or how it can be funded.

Assemblymember Leonard thanked the public for attending and providing comment. Spoke to concerns that with the current Manager's proposed budget, that the mill rate will have to go up. Related that his constituents are saying they cannot afford an increase in their property taxes. Spoke in support of increasing Code Compliance enforcement.

Assemblymember Sykes spoke to concerns with what services could possibly be eliminated. Spoke to how the disabled veterans and senior citizen tax exemption functions and what portion of it is state mandated. Stated that the Borough does not have an obligation to fund emergency services. Noted that education has always been a priority to the Assembly. Noted that the Assembly adopted an ordinance that gave the School District their lapsed funds. Spoke to a recent meeting he had about diversifying the Borough's tax base. Commented that property tax owners bear the brunt of paying the cost of services needed in the Borough. Spoke to all the taxes that have been discussed. Spoke in support of a sales tax.

Assemblymember Beck stated that he admired Assemblymembers Mayfield and Boeve having the courage to stand their ground. Stated that the best comment he heard was to take concerns with education to the School Board as it is not the Assembly's job to micromanage the School District. Opined that parents are children's primary educator and should work in partnership with the School District to make that happen. Opined that it is not fair to point fingers at the School District when parents play a part in their

children's education. Commented that the Manager has proposed a budget that he assumes will be reality. Opined that as proposed, it reflects that the Borough is attempting to be living within our means.

Mayor Halter stated that this is his eleventh budget season and that it has also been the most difficult. Noted the difficulty in crafting a budget when it is not known what will come out of Juneau. Noted that the Assembly has no intent to shift school bond debt reimbursement to the School District. Spoke against getting into a constitutional debate about the permanent fund dividend (PFD). Spoke in opposition of larger class sizes. Noted that the Assembly has always fully funded the School District. Summarized impacts that could occur to meet new challenges and cuts to services. Stated that operations and services can only be reduced so far before Borough employee moral plummets. Noted that it is the State's responsibility to fund schools. Reiterated that the Assembly always makes sure the School District receives the funds they need. Opined that the PFD debate is unnecessary. Related that he does not want to close out the budget cycle until we know what Juneau is doing and that is why he requested the extra meeting.

VIII. ADJOURNMENT

The meeting recessed at 8:15 p.m.