

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

ASSEMBLY CHAMBERS

350 EAST DAHLIA AVENUE, PALMER

ASSEMBLY SPECIAL MEETING

6:00 PM

TUESDAY, MAY 28, 2019

Tentative Budget Deliberations and Adoption

I. CALL TO ORDER

The special meeting of the Matanuska-Susitna Borough Assembly was held on Tuesday, May 28, 2019, 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 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

The agenda was approved as presented without objection.

IV. PLEDGE OF ALLEGIANCE

The pledge of allegiance was led by Ms. Cheyenne Heindel, Finance Director.

V. AUDIENCE PARTICIPATION

The following persons spoke in opposition to any cuts to the Animal Care and Regulation Budget: Ms. Sarah Mallway; Ms. Lisa Hoxworth, Ms. Katrina Zwolinski, Ms. Susan Fugimoto, Ms. Karen Kirkpatrick, Ms. Hollie Thorson, Ms. Gretchen Holt, Ms. Kristin Reigard, Ms. Suzanne Wilson, Ms. Gabby Weiss, Ms. Wendy Hale, Ms. Robin Baumgardner, Ms. Danielle Metling, Ms. Julie Mulligan, and Ms. Saunders McNeill.

The following person reported on the status of the State Legislature's budget activities: Mr. Todd Smolden.

The following person spoke to the need to ensure a good quality of life in the Borough, the need to retain all current services, and in support of Valley Community Recycling Services: Ms. Sarah Welton.

The following person spoke in support of funding for the Sexual Assault Response Team (SART) and Youth Court: Mayor Bert Cottle, city of Wasilla.

The following person spoke to concerns with elected officials receiving payment for their duties: Mr. Eugene Carl Haberman.

VI. ITEMS OF BUSINESS

A. INTRODUCTION (For Public Hearing 06/04/19)

[OR 19-071](#) An Ordinance Amending MSB 3.04.046 Local Education Funding. Ms. Kilborn read the legislation into the record.

Assemblymember Beck moved to introduce the legislation as read into the record by the Clerk and to set the public hearing for June 4, 2019. The motion passed by the following vote:

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

B. DELIBERATIONS AND POSSIBLE ADOPTION OF THE FISCAL YEAR 2020 BUDGET

[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.

[Clerk's Note: During budget deliberations, the Assembly recessed and reconvened the meeting at the following times:

* Recessed at 7:20 p.m. and reconvened at 7:25 p.m.

* Recessed at 7:41 p.m. and reconvened at 7:50 p.m.]

Ms. Kilborn read the legislation into the record.

PENDING MOTION: Assemblymember Beck moved to adopt Ordinance Serial No. 19-019.

Assemblymember Beck moved a primary amendment to amend Ordinance Serial No. 19-019 by substitute Ordinance Serial No. 19-019(SUB).

Assemblymember Sumner moved to postpone Ordinance Serial No. 19-019(SUB), until after deliberations on Ordinance Serial No. 19-019. The motion failed by the following vote:

Yes: 3 - Assemblymember Sykes, Assemblymember Sumner, and Assemblymember Boeve

No: 4 - Assemblymember Beck, Assemblymember McKee, Assemblymember Leonard, and Assemblymember Mayfield

Assemblymember Leonard moved a secondary amendment to Ordinance Serial No. 19-019(SUB), to insert a new section 15 and renumber the remaining sections accordingly, to read: “Section 15. Debt reimbursement contingency. If, upon final adoption of the FY2020 State of Alaska Budget, the areawide levy results in projected revenue amounts exceeding those appropriated for the period of July 1, 2019, through June 30, 2020, a corresponding reduction in the effective areawide mill rate will be calculated and applied as a credit to the tax payments remaining for the fiscal year 2020, or if already paid in full, refunded to the account holder. However, in no event shall an areawide tax liability be less than zero.”

Assemblymember Mayfield moved to postpone the secondary amendment until after budget deliberations. The motion passed by the following vote:

Yes: 4 - Assemblymember Sykes, Assemblymember McKee, Assemblymember Mayfield, and Assemblymember Boeve

No: 3 - Assemblymember Beck, Assemblymember Leonard, and Assemblymember Sumner

The motion to amend by substitute ordinance failed by the following vote:

Yes: 3 - Assemblymember Beck, Assemblymember McKee, and Assemblymember Mayfield

No: 4 - Assemblymember Sykes, Assemblymember Leonard, Assemblymember Sumner, and Assemblymember Boeve

Amendment No. 1

Technical Corrections to Ordinance Serial No. 19-019

Assemblymember Beck moved a primary amendment, technical amendment, to Ordinance Serial No. 19-019, as follows:

Fund 248 - Caswell Fire Service Area/Expenditures:

- **Tab F, Page 248, Department 000, Division 000, Account 446.400 – Transfer to Fund 405/410, by inserting \$30,000;**

Fund 250 - Central Mat-Su Fire Service Area/Expenditures:

- **Tab F, Page 263, Department 000, Division 000, Account 446.400 – Transfer to Fund 405/410, by inserting \$800,000 for a new total of \$2,140,000;**
 - **Tab F, Page 263, Department 000, Division 000, Account 405/400 – Transfer to Fund 405/410, by inserting \$100,000 for a new total of \$2,240,000;**
 - **Tab F, Page 263, Department 000, Division 000, Account 405/410 – Transfer to Fund 405/410, by inserting \$120,000 for a new total of \$2,360,000;**
 - **Tab F, Page 263, Department 000, Division 000, Account 405/410 – Transfer to Fund 405/410, by inserting \$500,00 for a new total of \$2,860,000; and**
- Fund 254 – Talkeetna Fire Service Area/Expenditures:**
- **Tab F, Page 263, Department 000, Division 000, Account 405/410 – Transfer to Fund 405/410, by inserting \$10,000 for a new total of \$95,000.**

The motion passed by the following vote:

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

Amendment No. 2

Areawide Fund (Tab B, page 63)/Debt Service Funds (Tab L, page 461)/Ordinance 19-019 Section 14 (page14)

Assemblymember Leonard moved a primary amendment as follows:

- to the General Fund to decrease Transfer to Debt Service –(Schl) on page 63 (100.000.000.445.140) by \$9,200,000 to leave a balance of \$17,600,000;**
- to the Debt Service Fund Transfer from Areawide on page 461 (300.000.000.367.110) to decrease by \$9,200,000 to leave a balance of \$17,600,000;**
- Increase Transfer from Capital Projects on page 461 (300.000.000.367.400) to increase by \$9,200,000 for a balance of \$9,200,000; and**
- Replacing Section 14 of Ordinance 19-019 School Construction Debt Reimbursement Contingency with new Section 14 to read as follows: Reserve for Future Governmental Cost Shift. In the event that the State of Alaska funds the school construction debt reimbursement program, that amount is appropriated for the purpose and the corresponding amount of areawide funds, will be placed in a Reserve for Future Governmental Cost Shift.**

The motion passed by the following vote:

- Yes:** 4 - Assemblymember Leonard, Assemblymember Mayfield, Assemblymember Sumner, and Assemblymember Boeve
- No:** 3 - Assemblymember Sykes, Assemblymember Beck, and Assemblymember McKee

Amendment No. 3

Solid Waste Enterprise Fund – Valley Community for Recycling Solutions (Tab J, page 445)

Assemblymember Boeve moved a primary amendment to the Solid Waste Enterprise Fund, Other Contractual (429.900), Valley Community for Recycling Solutions, by striking \$75,000 and inserting \$150,000 in its place for an increase of \$75,000. The motion passed by the following vote:

Yes: 5 - Assemblymember Sykes, Assemblymember Beck, Assemblymember McKee, Assemblymember Mayfield, and Assemblymember Boeve

No: 2 - Assemblymember Leonard, and Assemblymember Sumner

Amendment No. 4

Educational Fund – Education Operating (Tab I, page 426)

Assemblymember Mayfield moved a primary amendment to the Education Operating Fund, 367.110 Areawide, by striking \$60,665,932 and inserting in its place \$60,269,670 for a decrease of \$396,262. The motion failed by the following vote:

Yes: 2 - Assemblymember McKee, and Assemblymember Mayfield

No: 5 - Assemblymember Sykes, Assemblymember Beck, Assemblymember Leonard, Assemblymember Sumner, and Assemblymember Boeve

CONFLICT OF INTEREST: Assemblymember Beck stated he had a conflict of interest with Amendment No. 5 as he has ownership in a veterinarian clinic that does business with the Borough.

RULING: Mayor Halter ruled that he had a conflict of interest and would be recused from voting.

Assemblymember Beck exited the meeting.

Amendment No. 5

Non-Areawide - Animal Care and Regulation (Tab C, page 189-191)

Assemblymember Sumner moved a primary amendment to the Non-Areawide Fund, Animal Care and Regulation Division (200.100.606) to decrease the overall budget by \$1,574,385 to leave a balance of \$1,000,000. The motion failed by the following vote:

Yes: 1 - Assemblymember Sumner

No: 5 - Assemblymember Sykes, Assemblymember McKee, Assemblymember Leonard, Assemblymember Mayfield, and Assemblymember Boeve

Recused: 1 - Assemblymember Beck

Assemblymember Beck re-entered the meeting.

Amendment No. 6

Areawide Fund – Revenue Sharing

Assemblymember Loenard moved a primary amendment to the Areawide Fund by adding \$1,780,000 to State Revenue Sharing and reducing the mill rate (property tax revenue) by the corresponding amount. The motion passed by the following vote:

Yes: 6 - Assemblymember Beck, Assemblymember McKee, Assemblymember Leonard, Assemblymember Mayfield, Assemblymember Sumner, and Assemblymember Boeve

No: 1 - Assemblymember Sykes

Amendment No. 7

Areawide Fund – Community Development - Community Enrichment (Tab B, page 161)

Assemblymember Sykes moved a primary amendment to the Areawide Fund, Community Development, Other Contractual, by striking \$0 and inserting \$27,500 in its place for the Community Enrichment Program. The motion passed by the following vote:

Yes: 5 - Assemblymember Sykes, Assemblymember Beck, Assemblymember Leonard, Assemblymember Mayfield, and Assemblymember Boeve

No: 2 - Assemblymember McKee, and Assemblymember Sumner

Amendment No. 8

Areawide Fund, Capital Projects Department (Tab B, pages 168- 175) (Tab M, page 499)

Assemblymember Sumner moved a primary amendment as follows:

- strike the Capital Projects Department budget (Tab B, pages 168-175) in its entirety in the total amount of \$2,855,170 and insert that amount into the Public Works Department budget;**
- Tab M, page 1, strike the Capital Projects Department capital projects in the amount of \$650,000 and insert those projects under the Public Works Department; and**
- strike the Capital Projects Department Director position in the total amount of \$210,211 in wages and benefits.**

Assemblymember Leonard moved a secondary amendment to strike the third bullet, Capital Projects Department Director position in the total amount of \$210,211 in wages and benefits.

The motion failed by the following vote:

Yes: 3 - Assemblymember McKee, Assemblymember Leonard, and Assemblymember Sumner

No: 4 - Assemblymember Sykes, Assemblymember Beck, Assemblymember Mayfield, and Assemblymember Boeve

The primary amendment failed by the following vote:

Yes: 2 - Assemblymember McKee, and Assemblymember Sumner

No: 5 - Assemblymember Sykes, Assemblymember Beck, Assemblymember Leonard, Assemblymember Mayfield, and Assemblymember Boeve

Amendment No. 9

Areawide Fund, Assembly – Permanent Wages (Tab B, page 64)

Assemblymember Sumner moved a primary amendment to the Areawide fund, Assembly, Permanent Wages as follows:

- Deputy Mayor, strike \$15,100 and insert in its place \$7,600 for a reduction of \$7,500;**
- Assembly Members, strike \$13,300 per Assembly Member and insert in its place \$6,600 for a reduction of \$6,700 per member.**

The motion failed by the following vote:

Yes: 2 - Assemblymember Leonard, and Assemblymember Sumner

No: 5 - Assemblymember Sykes, Assemblymember Beck, Assemblymember McKee, Assemblymember Mayfield, and Assemblymember Boeve

Assemblymember Beck moved to continue Ordinance Serial No. 19-019, to a time certain of May 29, 2019, at 6 p.m. in Assembly Chambers. 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 19-066](#) A Resolution Establishing The Rate Of Levy For The Fiscal Year Beginning July 1, 2019 And Ending June 30, 2020, Establishing Dates When Taxes Are Payable And Delinquent, And Setting The Surcharge Rate For The Wireline And Wireless Enhanced 911 Systems For The Period Of July 1, 2019 Through June 30, 2020.

Sponsors: Leonard

[Clerk's Note: no action was taken on Resolution Serial No. 19-066, on 05/28/19.]

VII. VETO

A. Motion To Override Any Possible Mayoral Veto On Fiscal Year 2020 Budget Items (Ordinance Serial No. 19-019)

There were no vetoes presented.

VIII. MAYOR, ASSEMBLY, AND STAFF COMMENT

There were no comments provided.

IX. ADJOURNMENT

The meeting recessed at 9:48 p.m. to be reconvened on May 29, 2019, at 6 p.m.