

I. CALL TO ORDER

The special meeting of the Matanuska-Susitna Borough Assembly was held on March 19, 2013, at the Borough School District Administration Building, 501 N. Gulkana Street, Palmer, Alaska. The meeting was called to order at 4 p.m. by Mayor Larry DeVilbiss for the purpose of a demographics and economics in the Matanuska-Susitna Borough presentation and budget preparation.

II. ROLL CALL

Assembly members present and establishing a quorum were:

Mr. Warren Keogh, Assembly District No. 1
Mr. Noel Woods, Assembly District No. 2
Mr. Ronald Arvin, Assembly District No. 3 (*Deputy Mayor*)(*entered telephonically at 4:14 p.m.*)
Mr. Steve Colligan, Assembly District No. 4
Mr. Darcie K. Salmon, Assembly District No. 5
Mr. Jim Colver, Assembly District No. 6
Mr. Vern Halter, Assembly District No. 7

Staff in attendance were:

Ms. Lonnie R. McKechnie, Borough Clerk
Mr. John Moosey, Borough Manager
Mr. Nicholas Spiropoulos, Borough Attorney
Ms. Brenda J. Henry, Assistant Clerk
Ms. Tammy Clayton, Finance Director
Ms. Sharon Huckins, Administrative Secretary
Ms. Patty Sullivan, Public Affairs Director
Mr. Stefan Hinman, Media Design Specialist

III. APPROVAL OF AGENDA

Mayor DeVilbiss inquired if there were any changes to the agenda.

GENERAL CONSENT: The agenda was approved as presented without objection.

IV. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mr. Neal Fried, Alaska State Department of Labor and Workforce Development Research Analyst.

V. ITEMS OF BUSINESS

A. PRESENTATION OF DEMOGRAPHICS AND ECONOMICS IN THE MATANUSKA-SUSITNA BOROUGH – Mr. Neal Fried

Mr. Neal Fried, Alaska State Department of Labor and Workforce Development Research Analyst, provided a presentation regarding demographics and economics in the Matanuska-Susitna Borough.

Mayor DeVilbiss stated that he was under the impression that unemployment was worse in the Borough than the rest of Alaska.

Mr. Fried:

- stated that it is not worse than the rest of Alaska;
- noted that the Borough is affected seasonally, which pushes the rate up; and
- opined that unemployment rates are not very good economic indicators.

B. BUDGET PREPARATION

Mr. Moosey:

- spoke to the revenue trends for the next budget cycle;
- related that departments have all submitted their budgets for review; and
- stated that he would like to have direction from the Assembly on their goals for the fiscal year 2014 budget.

Assemblymember Halter queried what the mill rate has been for the last two years.

Ms. Clayton:

- stated that the areawide mill rate for fiscal year 2013 was 9.961;
- related that in fiscal year 2012 it was 10.051, which had a rebate that brought it down to 9.681;
- advised that the 3 mill increase was for debt in fiscal year 2013.

Assemblymember Halter queried the mill rate from 2009, 2010, and 2011.

Ms. Clayton stated that in 2009 the mill rate was 10.326, in 2010 the mill rate was 9.80, and in 2011 the mill rate was 9.956.

Discussion ensued regarding:

- that there is an expected significant reduction in federal and state revenue;
- that the federal “payment in lieu of taxes” is going away for the fiscal year 2014 budget;
- that Administration is anticipating \$1.7 million less from State revenue sharing;
- that \$263,000 is being completely wiped away regarding federal forest receipts;
- that the loss will be approximately \$8,500,000 in State revenues and \$4,000,000 in federal revenues;

- the loss of revenue in way of fees;
- the plan to stair step increase the solid waste enterprise fund;
- that personnel cost are the majority of departmental budgets;
- the projected revenue from all sources and the actual revenue for all sources, for 2009 through 2013;
- the increase in utilities rates;
- how the loss of revenue impacts the areawide fund and mill rate;
- the total value of assessed properties within the Borough;
- the operating budget for the last five years;
- what services the Assembly considers a priority;
- the desire to keep the mill rate flat;
- that the School District funding has increased exponentially over the last few years;
- concerns in not being able to fund the School District's budget increase request;
- current bond debt;
- the property tax delinquency rate;
- concerns with funding for the Seward-Meridian Road project;
- overall concerns with revenue projection; and
- the possibility of increasing the bed tax.

VI. AUDIENCE PARTICIPATION

The following person opined that the budget could be balanced by rescinding the senior tax exemption: Mr. William Bruu.

VII. MAYOR, ASSEMBLY, AND STAFF COMMENTS

(There were no comments provided.)

VIII. ADJOURNMENT

The special meeting adjourned at 5:18 p.m.


 LARRY DeVILBISS, Borough Mayor

ATTEST:


 LONNIE R. McKECHNIE, CMC, Borough Clerk

Minutes Approved: 04/02/13