

**I. CALL TO ORDER**

The special meeting of the Matanuska-Susitna Borough Assembly was held on March 20, 2012, at the Borough Assembly Chambers, 350 E. Dahlia Avenue, Palmer, Alaska. The special meeting was called to order at 4 p.m. by Mayor Larry DeVilbiss for the purpose of holding a joint Assembly/School Board meeting.

**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. Steven Colligan, Assembly District No. 4  
Mr. Darcie K. Salmon, Assembly District No. 5 (*arrived at 4:05 p.m.*)  
Mr. Jim Colver, Assembly District No. 6  
Mr. Vern Halter, Assembly District No. 7

Assembly members absent and excused were:

Mr. Ronald Arvin, Assembly District No. 3 (*Deputy Mayor*)

School Board members present and establishing a quorum were:

Mr. Mike Dunleavy, Seat A (*School Board President*)  
Ms. Sarah Welton, Seat B  
Ms. Susan Pougher, Seat C  
Mr. Ole Larson, Seat D  
Mr. Erick Cordero, Seat E (*arrived at 4:20 p.m.*)  
Mr. Neal Lacy, Seat F  
Ms. Lynn Gattis, Seat G (*attended telephonically*)

Staff in attendance were:

Ms. Lonnie McKechnie, CMC, Borough Clerk  
Mr. John Moosey, Borough Manager  
Mr. Nick Spiropoulos, Borough Attorney  
Mr. Don Moore, Acting Borough Manager  
Ms. Jamie Newman, CMC, Deputy Borough Clerk  
Ms. Patty Sullivan, Public Affairs Director  
Ms. Tammy Clayton, Finance Director  
Mr. Don Dyer, Economic Development Director

**III. PLEDGE OF ALLEGIANCE**

The Pledge of Allegiance was led by Mr. Mike Chmielewski, of Radio Free Palmer.

#### **IV. APPROVAL OF AGENDA**

Mayor DeVilbiss:

- advised that it has been requested that item B under new business be removed; and
- queried if there was any objection.

There was no objection noted.

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

#### **V. AUDIENCE PARTICIPATION**

Mr. Moosey introduced Mr. Don Dyer as the Borough's new Economic Development Director.

The follow person spoke to concerns with budget cuts that will reduce the number of teachers as class sizes continue to increase: Mr. Tim Walters.

#### **VI. JOINT ITEMS OF BUSINESS**

##### **A. Annual Budget and Bonding for Schools (MSB 2.12.075)**

Dr. Paramo:

- spoke to how the School District budget is developed;
- noted that while the budget is balanced, it does not represent optimal funding of education programs;
- added that the budget includes a significant reduction in staff which means increased class size;
- further added that the cost of labor is the largest part of the budget; and
- reported that although the School Board has reviewed the budget, the document continues to change as revenue sources are not fully identified.

Mayor DeVilbiss asked what happened to the revenue received by the School District last year, as enrollment numbers came in under projection.

Mr. Forrest:

- reported that the funds were used to hire additional staff in early fall; and
- provided a presentation on the School District's fiscal year 2012 preliminary budget.

Discussion ensued regarding:

- the continual rise of employee benefit costs;
- education bills under consideration by the State Legislature;
- the State's foundation formula base student allocation;
- enrollment history and forecast;
- transportation costs related to busing students; and
- the mill rate increase as a result of the school bond package passed by the voters.

*(The meeting recessed at 5:20 p.m. and reconvened at 5:37 p.m.)*

~~B. Site Selection for Charter Schools~~ *(requested by School Board Member Larson)*

C. Separating Buildings/Long Term Maintenance from the Educational Program *(requested by School Board President Dunleavy)*

School Board President Dunleavy:

- stated that that School District is responsible for educational programs and the Borough is responsible for capital projects;
- noted that the District is responsible for minor maintenance and custodial services in its facilities;
- added that he would like the Assembly and School Board to consider the idea of the Borough taking over the entire operation of facilities from capital improvement projects, to maintenance, to custodial services, so the District can focus on its main mission, which is instructional achievement, student performance, and student success; and
- advised that he plans to discuss this issue at an upcoming School Board meeting.

Assemblymember Colligan:

- noted the challenge in determining growth in the cost of education versus the cost of the growth in capital costs; and
- suggested that financial opportunities may be realized by the Borough and School District through the consolidation of services such as purchasing and telecommunications.

School Board Member Cordero expressed concern with the lack of a long-term maintenance plan for public facilities owned by the School District.

Discussion ensued regarding:

- the increase in operational costs associated with school construction;
- the consolidation of services; and
- the advantage of clearly delineating jurisdictional overlap.

D. Offsite Improvements to School Site – Road and Utilities *(requested by Assemblymember Colver)*

Dr. Paramo presented a staff report.

## **VII. SCHOOL BOARD, MAYOR, ASSEMBLY, AND STAFF COMMENTS**

School Board Member Larson thanked the Assembly for the opportunity to meet.

School Board Member Pougher thanked the Assembly for the opportunity to meet.

Assemblymember Colver:

- thanked staff for the informative budget presentation; and
- spoke to the impact of school bonds to taxpayers.

Assemblymember Colligan:

- thanked staff for the budget presentation; and
- spoke favorability about the Borough and District working together, particularly in Juneau.

Assemblymember Salmon:

- spoke to his support of education; and
- spoke to economic development projects that are underway.

School Board Member Lacey:

- opined that the School District Administration is spending funds wisely; and
- spoke to the Borough funding the District at a six percent increase.

Assemblymember Keogh thanked staff for the budget presentation.

Assemblymember Halter thanked staff for the budget presentation.

School Board Member Welton thanked the Assembly for meeting with the School Board.

Assemblymember Woods thanked staff for the budget presentation.

Mr. Moosey thanked staff for the thorough budget presentation.

School Board President Dunleavy:

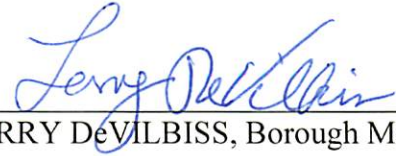
- spoke about future school construction; and
- encouraged the Borough to keep local contractors in mind for school construction projects.

Mayor DeVilbiss:

- thanked staff for the detailed budget presentation;
- spoke to his support for education and roads; and
- offered to assist the School District with their efforts when he travels to Juneau.

**VIII. ADJOURNMENT**

The joint meeting adjourned at 5:59 p.m.



LARRY DeVILBISS, Borough Mayor

ATTEST:



LONNIE R. McKECHNIE, CMC, Borough Clerk

Minutes Approved: 04/03/12