

**I. CALL TO ORDER**

The special meeting of the Matanuska-Susitna Borough Assembly was held on April 9, 2013, at the Borough School District Administration Building, 501 N. Gulkana Street, Palmer, Alaska. The meeting was called to order at 6 p.m. by Mayor 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. Ronald Arvin, Assembly District No. 3 (*Deputy Mayor*)  
Mr. Steve Colligan, Assembly District No. 4  
Mr. Darcie K. Salmon, Assembly District No. 5  
Mr. Jim Colver, Assembly District No. 6 (*attended telephonically*) (*arrived at 6:07 p.m.*)  
Mr. Vern Halter, Assembly District No. 7

School Board members present and establishing a quorum were:

Ms. Deborah Retherford, Seat A  
Ms. Sarah Welton, Seat B  
Ms. Susan Pougher, Seat C (*President*)  
Mr. Ole Larson, Seat D  
Mr. Erick Cordero Giorgana, Seat E (*Vice-President*) (*attended telephonically*)  
Mr. Neal Lacy, Seat F  
Mr. David Cheezem, Seat G

Staff in attendance were:

Ms. Lonnie R. McKechnie, Borough Clerk  
Mr. John Moosey, Borough Manager  
Mr. George Hays, Assistant Borough Manager  
Mr. Nicholas Spiropoulos, Borough Attorney  
Ms. Jamie Newman, Deputy Borough Clerk  
Ms. Tammy Clayton, Finance Director

**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. Jake Lessard, a member of the audience.

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

*(There was no one present who wished to speak.)*

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

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

Mayor DeVilbiss noted that since both items of business were requested by the School District, he would be relinquishing the gavel to President Pougher.

President Pougher:

- noted that today's budget presentation is a preliminary review of the School District's fiscal year 2014 budget;
- added that a comprehensive budget presentation will be made to the Assembly on April 23; and
- invited Dr. Paramo to come forward to lead the presentation.

Dr. Deena Paramo, Superintendent:

- spoke to the School District's fiscal year 2014 preliminary budget;
- noted that all budget documents are available online at the School District's website;
- encouraged the Assembly to contact staff with any questions about the budget;
- spoke to how the budget was developed;
- added that in order to develop the budget, assumptions on revenue sources and student enrollment numbers had to be made;
- noted that the School Board is requesting \$51 million in funding from the Borough;
- spoke to contributing factors in the budget shortfall, which include the cost of health insurance premiums and student transportation;
- noted that the School District has more bus miles when compared to other school districts across Alaska; and
- added that the School District has the highest ratio of students to administrators when compared to other school districts across Alaska.

Mayor DeVilbiss asked about assumptions made on student enrollment numbers.

Dr. Paramo noted that the School District averaged 402 new students over the last ten years; however, last year that number declined to 180.

Assemblymember Salmon queried if bills that have been introduced in the Legislature related to the use of public funds for private education will adversely affect student enrollment numbers in the Borough.

Dr. Paramo opined the use of public funds for private education will not significantly impact the School District.

*(The meeting recessed at 7:02 p.m. and reconvened at 7:13 p.m.)*

Discussion ensued regarding:

- the primary sources of funding for the School District;
- the increasing cost of personnel services;
- the cost of special education;
- the history of local contribution revenue versus other sources of revenue; and
- the base student allocation formula.

B. Legislative Update (Requested by School District Administration)

School Board Cordero:

- spoke to education bills under consideration by the Legislation that could potentially affect the Borough; and
- noted that the education bills appear to be taking somewhat of a back seat to oil tax legislation and the Knik Arm Bridge and Toll Authority.

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

School Board Member Cheezem:

- expressed appreciation for the opportunity to meet with the Assembly; and
- thanked Dr. Paramo for the budget presentation.

School Board Member Cordero:

- expressed appreciation to staff for the outstanding budget presentation; and
- noted that he is looking forward to returning to the Valley upon adjournment of the Legislative Session.

School Board Member Larson:

- expressed appreciation to Dr. Paramo for the outstanding budget presentation;
- spoke favorably about the availability of the budget documents online; and
- thanked the Assembly for the opportunity to meet.

School Board Member Welton:

- expressed appreciation for the opportunity to meet with the Assembly;
- thanked the Assembly for the good questions they asked; and
- thanked Dr. Paramo and her staff for their work.

School Board President Pougher:

- thanked the Assembly for meeting with the School Board; and
- reiterated that School District staff is available to answer specific questions about the proposed budget.

Assemblymember Salmon:

- noted that the School District is fortunate to have Dr. Paramo serving as Superintendent;
- thanked Dr. Paramo for her presentation and ability to answer questions about the budget; and
- expressed his support of education.

Assemblymember Halter:

- commended Dr. Paramo on her presentation; and
- expressed the budget presentation was well done and easy to understand.

Assemblymember Colver:

- noted his appreciation of Charter Schools and the financial contributions that were made last fiscal year; and
- added he is looking forward to the comprehensive budget presentation on April 23.

Assemblymember Colligan:

- thanked the School Board for meeting with the Assembly;
- spoke in support of both bodies working together to solve financial issues;
- spoke to the excellent reputation of the Borough and School District; and
- commented on the need to diversify the local economy and develop other revenue streams.

Assemblymember Woods:

- thanked the School Board for meeting with the Assembly; and
- commended staff on the informative budget presentation.

Assemblymember Arvin:


- spoke to measurable successes of the School District in delivering education;
- spoke favorably about revenue sources that are forecasted to be funded for the School District; and
- expressed his desire to deliver the local contribution requested by the School Board without having to raise property taxes.

Mayor DeVilbiss:

- thanked the School Board for meeting with the Assembly;
- noted his appreciation in working in good faith with the School Board;
- opined that both bodies appear to be moving in the same direction;
- noted he will be traveling to Juneau this week; and
- encouraged the Assembly to contact School District staff with questions on the budget.

**VIII. ADJOURNMENT**

The meeting adjourned at 7:32 p.m.

  
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LARRY DeVILBISS, Borough Mayor

ATTEST:

  
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LONNIE R. McKECHNIE, CMC, Borough Clerk

Minutes Approved: 05/07/13