

I. CALL TO ORDER

The special meeting of the Matanuska-Susitna Borough Assembly was held on May 14, 2012, at Borough Assembly Chambers, 350 E. Dahlia, Palmer, Alaska. The meeting was called to order at 6 p.m. by Mayor Larry DeVilbiss for the purpose of reconsideration of Ordinance Serial No. 12-012 (budget ordinance).

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
- Mr. Vern Halter, Assembly District No. 7 (*attended telephonically*)

Staff in attendance were:

- Ms. Lonnie R. McKechnie, Borough Clerk
- Mr. John Moosey, Borough Manager
- Mr. Don Moore, Acting Assistant Borough Manager
- Mr. Nicholas Spiropoulos, Borough Attorney
- Ms. Brenda J. Henry, Executive Assistant to the Borough Clerk
- Ms. Tammy Clayton, Finance Director
- Ms. Cheyenne Heindel, Financial Analyst
- Ms. Shaune O'Neil, Public Works Director
- Mr. Dennis Brodigan, Emergency Services Director
- Ms. Patty Sullivan, Public Affairs Director
- Mr. Eric Phillips, Community Development Director
- Mr. Don Dyer, Economic Development Director
- Mr. Alex Strawn, Permitting Services Manager

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. Doug Griffith, Palmer City Manager.

V. ITEMS OF BUSINESS

A. DELIBERATIONS AND POSSIBLE ADOPTION OF THE FISCAL YEAR 2013 BUDGET

1. Ordinance Serial No. 12-012: AN ORDINANCE APPROPRIATING MONIES FROM THE CENTRAL TREASURY FOR THE BOROUGH OPERATING FUNDS, ENTERPRISE FUNDS, EDUCATION OPERATING FUND, AND CAPITAL FUNDS AND ESTABLISHING THE RATE OF LEVY FOR ALL BOROUGH FUNCTIONS FOR THE FISCAL YEAR BEGINNING JULY 1, 2012, AND ENDING JUNE 30, 2013.

MOTION: Assemblymember Arvin moved for reconsideration of Ordinance Serial No. 12-012.

Assemblymember Arvin:

- noted that the Borough website and the Mayor have both referred to the body as having adopted a flat mill rate, which is not the case;
- stated that he would like to ensure that what is being told to the public is correct, therefore he has an amendment that would meet that goal; and
- requested support of the reconsideration.

Assemblymember Colver queried what the mill rate is on an average valued home.

Ms. Clayton responded that it is .227, which equals \$4,799 on the average home value of \$211,400.

Discussion ensued regarding:

- the mill rate and rebate from the last fiscal year;
- that it may not always be possible to have a flat mill rate;
- the difference between last year's mill rate and this year's mill rate;
- the desire to diversify the tax base;
- what types of occurrences or items that the reserve accounts have been utilized for;
- the best way to apply revenue sharing;
- limitations of the revenue cap;
- the possibility of low reserve account balances affecting the bond rating; and
- the current reserve balances.

VOTE: The motion for reconsideration passed with Assemblymembers Halter, Salmon, and Keogh opposed.

Reconciliation of Fund Balance – Reserve for Major Repairs and Renovations, Capital, and Emergency Response (Tab B, Page 1)

MOTION: Assemblymember Arvin moved a primary amendment to Ordinance Serial No. 12-012 as follows:

- Reserves for Major Repairs and Renovations, by striking \$2,068,000 and inserting in its place \$879,248 for a reduction of \$1,188,752;
- Reserve for Capital, by striking \$750,000 and inserting in its place \$500,000 for a reduction of \$250,000; and
- Reserve for Emergency Response, by striking \$750,000 and inserting in its place \$500,000 for a reduction of \$250,000.

Assemblymember Arvin:

- spoke to his concerns when the budget was adopted that there were comments regarding impending financial problems;
- noted that the revenue cap that the body is working under was put in place by the Assembly and can be removed by the Assembly, should the need arise;
- stated that the Assembly did raise the threshold for the reserve accounts;
- opined that the budget should be built around the notion that there will not be any revenue sharing provided by the State; and
- requested support of the amendment.

Mr. Moosey:

- noted that his budget did not include the revenue from business inventory tax or business licenses; and
- spoke to concerns that lowering the reserves would limit Administration’s ability to quickly respond to problems of constituents.

Discussion ensued regarding:

- what the major renovations and repairs reserve fund has been utilized for;
- that funds have come out of the reserves for the new building annex; and
- possible other amendments to the budget.

MOTION: Assemblymember Keogh moved to postpone the primary amendment to a time certain of immediately preceding adoption of the budget.

VOTE: The motion to postpone to a time certain failed with Assemblymember Keogh in support.

VOTE: The primary amendment passed with Assemblymembers Salmon, Keogh and Woods opposed.

MOTION: Assemblymember Arvin moved a primary amendment to Ordinance Serial No. 12-012, to set the areawide mill rate at 9.691.

VOTE: The primary amendment passed with Assemblymember Keogh opposed.
Assemblymember Halter requested to stop debate.

Assemblymember Keogh noted that he had two amendments he was prepared to make.

Assemblymember Colver noted that Assemblymember Halter's intent was to stop debate.

Mayor DeVilbiss asked if there was any objection to stopping debate.

There was no objection noted.

VOTE: The main motion passed as amended with Assemblymember Keogh opposed.

VI. AUDIENCE PARTICIPATION

The following persons spoke to overall concerns with the budget: Ms. Patty Rosnel and Ms. Michelle Church.

The following person spoke to concerns with using revenue sharing to reduce the mill rate: Mr. Jim Sykes.

VII. VETO

A. MOTION TO OVERRIDE ANY POSSIBLE MAYORAL VETO
ON FISCAL YEAR 2013 BUDGET ITEMS (ORDINANCE SERIAL
NO. 12-012)

(There were no vetoes presented.)

VIII. MAYOR, ASSEMBLY, AND STAFF COMMENTS

Assemblymember Keogh:

- opined that there is a fundamental inequity in how the budget is distributed across Assembly districts;
- spoke to a previous amendment concerning emergency services that he proposed but that failed;
- further spoke to other amendments that were made to the budget; and
- noted that the majority rules around the horseshoe and that he supports the budget.

Assemblymember Colver:

- spoke to prior support of emergency services in District 1;
- noted that the body represents the Borough as a whole and not just by district; and
- opined that it is in the best interest of the body to work cohesively.

Assemblymember Colligan:

- spoke to the funding for Youth Court within the budget;
- noted that Youth Court impacts all district's within the Borough;
- stated that emergency dispatch is a huge issue that needs to be addressed; and
- related that emergency dispatch is a duplication of services.

Assemblymember Arvin:

- stated that he is glad that his concerns with the budget have been addressed;
- stated that the body needs to do what is advertised, which is to present a flat budget;
- spoke to concerns with using the revenue sharing from the State; and
- stated that he is glad that it was not given in the form of a rebate.

Mr. Moosey stated that he would like to schedule a planning session for June 16.

Discussion ensued regarding scheduling a planning session.

(The Assembly requested to bring back the subject of scheduling a planning session at a later date.)

Mr. Moosey advised that he will issue a memorandum with the goals of the Assembly and then bring up the subject of a planning session at a future date.

Mayor DeVilbiss:

- advised that he will issue any vetoes that he may have by tomorrow; and
- stated that Governor Parnell signed off on the budget and the Borough lost no funding in the veto process.

IX. ADJOURNMENT

The meeting adjourned at 7:02 p.m.


LARRY DEVILBISS, Borough Mayor

ATTEST:


LONNIE R. McKECHNIE, CMC, Borough Clerk

Minutes Approved: 06/05/12