

I. CALL TO ORDER

The special meeting of the Matanuska-Susitna Borough Assembly was held on May 10, 2001, at the Matanuska-Susitna Borough Assembly Chambers, Palmer, Alaska. The meeting was called to order at 6 p.m. by Mayor Timothy L. Anderson. The purpose of the special meeting was to adopt the annual budget.

II. ROLL CALL

Assembly members present and establishing a quorum were:

- Mr. Larry DeVilbiss, Assembly District No. 1
- Ms. Sara Jansen, Assembly District No. 2 (Deputy Mayor)
- Mr. Talis J. Colberg, Assembly District No. 3
- Mr. Dan Kelly, Assembly District No. 4
- Ms. Jody Simpson, Assembly District No. 5
- Mr. Jim Colver, Assembly District No. 6
- Ms. Kelly Lankford Ladere, Assembly District No. 7

Staff in attendance were:

- Ms. Sandra Dillon, Borough Clerk
- Mr. John Duffy, Borough Manager
- Mr. Michael Gatti, Borough Attorney
- Ms. Elizabeth Manfred, Deputy Borough Clerk
- Mr. Jim Swing, Public Works Director
- Ms. Tammy Clayton, Finance Director
- Mr. Ron Swanson, Community Development Director
- Mr. Kevin Koechlein, Public Safety Director
- Mr. Karl Borglum, Borough Assessor

III. PLEDGE OF ALLEGIANCE

The pledge of allegiance was led by Ruth Mullen, a member of the audience.

IV. UNFINISHED BUSINESS

- A. Resolution Serial No. 01-042: SETTING THE ENHANCED 911 SURCHARGE FOR THE FISCAL YEAR 2002. IM No. 01-088 (*Postponed from May 1, 2001*)

Mr. Koechlein reported on mapping software and links necessary for dispatch efficiency.

Assemblymember Lankford Ladere reported on her recent tour of the Palmer Dispatch Center.

Discussion followed regarding the lack of surcharges for cell phones and the use of Palmer Dispatch 911 for animal care reports.

GENERAL CONSENT: The motion, to adopt Resolution Serial No. 01-042, was adopted without objection.

A. Ordinance Serial No. 01-028: AN ORDINANCE APPROPRIATING MONIES FROM THE CENTRAL TREASURY AND ESTABLISHING THE RATE OF LEVY FOR ALL BOROUGH FUNCTIONS FOR THE FISCAL YEAR BEGINNING JULY 1, 2001, AND ENDING JUNE 30, 2002. (*Motion pending from 05/08/01*) IM No. 01-103

MOTION (*pending from 05/08/01*): *Assemblymember Lankford Ladere moved to divide the question so as to consider separately item 3(a), reduce funding necessary for building repairs (page B-16) by \$25,000 for an adjusted amount of \$2,113,668, on May 10, 2001.*

GENERAL CONSENT: The motion, to adjust expenditures in the areawide fund by reducing funding necessary for building repairs (page B-16) by \$25,000 for an adjusted amount of \$2,113,668, failed unanimously.

MOTION: Assemblymember Jansen moved a primary amendment to amend the operating budget for Greater Palmer Fire Service Area, Fund 259, line item 446.400, transfers to capital projects, by striking \$8,000 and inserting \$43,000 to allow for the purchase of a new vehicle as requested by the fire chief. The vehicle is estimated to cost \$35,000.

Discussion followed concerning this expenditure not requiring a mill rate change.

GENERAL CONSENT: The primary amendment passed without objection.

MOTION: Assemblymember Simpson moved a primary amendment to reduce the mill rate for Fairview RSA No. 14 (fund 271) from 1.8 mills to 1.5 mills, with a corresponding reduction in line item 446.400 (page H-25), transfers to capital, from \$107,217 to \$70,117. This will result in a reduction in the property tax revenue of \$37,100.

Discussion followed concerning the request from the road supervisor versus the support of the community.

GENERAL CONSENT: The primary amendment passed without objection.

SUSPEND OF THE RULES: Assemblymember DeVilbiss moved to suspend the rules to address school funding (item no.10) prior to capital projects (item no.7).

VOTE: The motion, to suspend the rules, passed with Assemblymember Colver opposed.

MOTION: Assemblymember Jansen moved a primary amendment to increase the transfer to education operating (fund 100, line item 445,220) from \$27,069,592 to \$29,901,409 for an increase of \$2,831, 817 (page B16), to increase the education operating budget (fund 204, account 367.110) from \$27,069,592 to \$29,901,409 for an increase of \$2,831,817 (pageJ3) and to increase the education operating budget (fund 204, account 406.100) from \$111,429,014 to \$114,260,831 for an increase of \$2,831,817 (page J4).

MOTION: Assemblymember Colberg moved a secondary amendment to strike \$2,831,817 and insert \$1.5 million.

Discussion followed on school funding and the amount of increased funding expected from the state legislature (\$3.3 million).

VOTE: The secondary amendment failed with Assemblymembers Colberg and Lankford Ladere in support.

MOTION: Assemblymember Kelly moved a secondary amendment to increase the \$2,831,817 to the maximum allowable by statute (approximately \$3,081,817).

VOTE: The secondary amendment passed with Assemblymember Colberg opposed.

VOTE: The primary amendment, as amended, passed with Assemblymember Colberg opposed.

MOTION: Assemblymember Jansen moved for immediate reconsideration of the primary amendment.

VOTE: The reconsideration failed unanimously.

The special meeting recessed at 7:15 p.m. and reconvened at 7:25 p.m.

MOTION: Assemblymember Jansen moved to transfer \$202,757 back to the areawide fund from various capital projects. This represents the balances remaining from completed areawide capital projects.

GENERAL CONSENT. The primary amendment passed without objection.

MOTION: Assemblymember DeVilbiss moved a primary amendment to reduce line item 200-000-000-446-700, transfers to capital (page D-12), to zero for a reduction of \$110,000 to eliminate funding for the crematory.

Mr. Duffy:

- stated that the \$110,000 would be paid off in three years;

- noted that no mill levy increase is required to purchase the crematory; and
- shared that DEC does not want animal remains placed in the landfill.

Mr. Koechlein estimated an average of 30 to 45 animals per week are euthanized.

VOTE: The primary amendment failed with Assemblymembers Colver, Colberg, and DeVilbiss in support.

MOTION: Assemblymember DeVilbiss moved a primary amendment to transfer 10 percent of the city block grant funds to the assembly reserves.

Assemblymember DeVilbiss spoke to his amendment and discussed lack of filtering on the Internet services provided at the borough libraries.

VOTE: The primary amendment failed with Assemblymember DeVilbiss in support.

MOTION: Assemblymember Colberg moved a primary amendment to strike \$35,000 from the capital projects which represents the request for public safety staff vehicle and equipment.

Mr. Koechlein stated the vehicle was scheduled to replace the fire trainer's vehicle.

VOTE: The primary amendment passed without objection.

MOTION: Assemblymember Colver moved a primary amendment to strike \$60,000 from capital funds, public works, fleet vehicle purchase.

MOTION: Assemblymember Jansen moved a secondary amendment to strike \$60,000 and insert \$40,000.

VOTE: The secondary amendment failed with Assemblymembers Jansen and Kelly in support.

VOTE: The primary amendment passed without objection.

MOTION: Assemblymember DeVilbiss moved a primary amendment to insert \$5,117.25 to Information Technology for filtering and software for the libraries' future need.

VOTE: The primary amendment failed with Assemblymember DeVilbiss in favor.

The special meeting recessed at 8:02 p.m. and reconvened at 8:13 p.m.

MOTION: Assemblymember Kelly moved a primary amendment to increase the areawide transfers for youth programs, line item 449.210 (page B-17) for an increase of \$40,000 to provide funding for the Mat-Su Youth Court.

Assemblymember Colberg discussed assembly obligations to fund required services versus community driven requests.

VOTE: The primary amendment failed unanimously.

MOTION: Assemblymember DeVilbiss moved a primary amendment to reduce the areawide funds by:

Clerk	70 percent computers	3,440
Law	70 percent computers	1,750
Information Tech	70 percent computers	8,750
Finance Admin	70 percent computers	1,750
Accounting	70 percent computers	8,750
Purchasing	70 percent computers	1,750
Assessment	70 percent computers	5,250
Planning Admin	70 percent computers	12,250
Project Mgmt	70 percent computers	3,500
Operations	70 percent computers	1,750
Public Safety Admin	70 percent computers	10,780
Assembly	Computers	19,600
Assembly	Reserve	60,000
Borough Clerk	Codification	30,000
Elections	Special Election	30,000
Administration	Printing	5,000
Law	Labor Services	6,000
Port Development	Other contractual	20,099
Information Tech	Equipment	20,000
Mayor	Travel	1,000
Accounting	Maint and labor	10,500
TOTAL		\$261,919

MOTION:: Assemblymember Lankford Ladere moved a secondary amendment to strike \$30,000, borough clerk, codification, from the primary amendment.

VOTE: The secondary amendment failed with Assemblymembers Lankford Ladere and Simpson in support.

MOTION: Assemblymember Lankford Ladere moved a secondary amendment to strike \$30,000, elections, special election, from the primary amendment.

VOTE: The secondary amendment failed with Assemblymembers Simpson, Kelly, and Lankford Ladere in support.

MOTION: Assemblymember Lankford Ladere moved a secondary amendment to strike \$20,099, port development, other contractual, from the primary amendment.

VOTE: The secondary amendment failed with Assemblymembers Simpson, Kelly, and Lankford Ladere in support.

VOTE; The primary amendment passed with Assemblymembers Lankford Ladere and Kelly opposed.

MOTION: Assemblymember Colberg moved a primary amendment to reduce the Information Technology Budget (100-100-121) from \$1,098,071 to \$1,052,071 for a reduction of 46,000 and allow the manager to reduce the appropriate line items accordingly.

VOTE: The primary amendment failed with Assemblymembers DeVilbiss and Colberg in support.

MOTION: Assemblymember Colberg moved a primary amendment to reduce administration operating budget (100-100-110) from \$58,800 to \$38,800 for a reduction of \$20,000, and allow the manager to reduce the appropriate line items accordingly.

VOTE: The primary amendment failed with Assemblymembers Lankford Ladere, Colberg, and DeVilbiss in support.

MOTION: Assemblymember Kelly moved a primary amendment to increase the Parks and Recreation budget, department 170, division 142, line item 429.900 (page B-17) from \$20,000 to \$29,000 for an increase of \$9,000 to provide funding for Wasilla Parks and Recreation.

Mr. Swanson gave a staff report.

Discussion followed regarding the city of Wasilla assuming parks powers and parks funding responsibilities.

VOTE: The primary amendment failed with Assemblymember Kelly in support.

MOTION: Assemblymember Jansen moved a primary amendment to add a new Planner/Grant position by increasing the planning department budget (department 130, division 130 (page B-69) by \$55,269 with the division budget line item increases as follows:

411.100	Salary	41,543
412.100	Insurance	7,170
412,300	Medicare	603
412,400	Retirement	3,261
412,600	Workers Comp	145
412,700	SBS	2,547

TOTAL \$ 55,269

Discussion followed on duties and responsibilities of a borough-wide grant writer.

VOTE: The primary amendment passed with Assemblymember DeVilbiss and Colberg opposed.

The special meeting recessed at 9:17 p.m. and reconvened at 9:30 p.m.

MOTION: Assemblymember Lankford Ladere moved to increase the ambulance operating budget, department 160, division 341, to \$85,000.

Mr. Koechlein explained that the funds would allow emergency responder compensation.

Assemblymember Colver spoke to combining fire and emergency medical services and requested an assembly work session on this issue in the near future.

MOTION: Assemblymember DeVilbiss moved a secondary amendment to strike \$85,000 and insert \$30,000 to the public safety budget for non-employee compensation.

Assemblymember DeVilbiss spoke to his amendment.

GENERAL CONSENT: The secondary amendment passed without objection.

GENERAL CONSENT: The primary amendment, as amended, passed without objection.

MOTION: Assemblymember DeVilbiss moved a primary amendment to reduce line item 100-170-129-429-900, other contractual, (page B-121) to zero for a reduction of \$39,240 to eliminate the funding for community schools.

VOTE: The motion failed with Assemblymembers DeVilbiss and Simpson in support.

MOTION: Assemblymember Jansen moved a primary amendment to strike \$415,000 from the capital budget.

VOTE: The motion failed with Assemblymember Colver in support.

MOTION: Assemblymember DeVilbiss moved a primary amendment to reduce the unreserved fund balance by \$3,769,501 (page B-1) and reduce the mill rate by 1.3.

Mr. Duffy stated that this action would result in a reduction of bond ratings.

Ms. Clayton explained working capital and undesignated fund balances.

Discussion followed on how funds accrue in the undesignated fund balance.

VOTE: The primary amendment failed with Assemblymember DeVilbiss in support.

MOTION: Assemblymember Jansen moved to set the mill rate at 13.133 areawide, .35 non-areawide, to accept the service area mill rates as presented/amended, and to adopt Ordinance Serial No. 01-028 as amended.

VOTE: The motion passed with Assemblymembers Lankford Ladere and DeVilbiss opposed.

MOTION: Assemblymember Jansen moved for immediate reconsideration.

VOTE: The motion, to reconsider, failed with Assemblymembers DeVilbiss and Colver opposed.

VI. MAYOR AND ASSEMBLY COMMENTS

Assemblymember DeVilbiss:

- spoke to the issue of the borough's fund balance.

Assemblymember Lankford Ladere:

- thanked the staff for support and direction with the budget presentation.

Assemblymember Simpson:

- thanked the staff for assistance with the budget.

Assemblymember Colberg:

- appreciated the assistance of the clerk and manager in the preparation of proposed amendments.

Assemblymember Kelly:

- stated that administration and the assembly will seek methods to reduce the mil rate; and
- encouraged the borough to continue support for economic development.

Assemblymember Colver:

- complimented the assembly for the support to education funding; and
- requested the assembly research methods to diversify the revenue base.

Assemblymember Jansen:

- appreciated that the assembly extended each member the courtesy of expressing their views during budget deliberations.

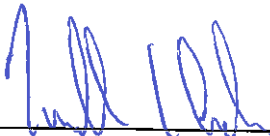
Mayor Anderson:

- thanked the assembly for dealing with the budget in a professional manner;
- voiced pride in increased funding for education;
- stated that continued economic development will increase the tax base;

- encouraged the assembly to introduce tax reforms, particularly, a sales tax with an associated property tax cap; and
- thanked the audience for their support and attendance.

VII. ADJOURNMENT

The special meeting adjourned at 10:40 p.m.



TIMOTHY L. ANDERSON, Borough Mayor

ATTEST:



SANDRA A. DILLON, Borough Clerk

Minutes approved: June 5, 2001