

Haines Borough  
Borough Assembly Meeting #46  
June 9, 2004 – Special Meeting  
MINUTES

THIS WAS A SPECIAL MEETING HELD SOLELY FOR THE PURPOSES OF HOLDING A PUBLIC HEARING ON ORDINANCE 04-05-58, THE FY04/05 BUDGET – NO OTHER BUSINESS WAS DISCUSSED.

1. CALL TO ORDER/PLEDGE TO FLAG: Mayor Mike **CASE** called the meeting to order at 6:30 p.m. in the Assembly Chambers of the Public Safety Building and led the pledge to the flag.
2. ROLL CALL     **Present**: Mayor Mike **CASE** and Assembly Members Stephanie **SCOTT**, Lucy **HARRELL**, Norm **SMITH**, Jerry **LAPP**, Douglas **OLERUD**, and Debra **SCHNABEL**.

**Staff Present**: Keith **BETTRIDGE**/Borough Manager, Scott **HANSEN**/Administrative Assistant, and Bob **KLING**/Chief Fiscal Officer. (Hansen recorded the meeting in the Clerk's absence.)

**Visitors Present**: James **BETTRIDGE**, Randa **SZYMANSKI**, Woody **WILSON**, Cecily **STEARN**, Becky **CHAPIN**, Leslie **EVENDEN**, Heather **LENDE**, Dwight **DOWNER**, Judy **EREKSON**, Charlie **JONES**, Liz **MARANTZ-FALVEY**, Jim **HEATON**, and others.

3. APPROVAL OF AGENDA:

M/S **OLERUD/SCOTT** Motion to approve the Agenda.

The motion carried unanimously.

4. PUBLIC HEARING:

ORDINANCE 04-05-058 - (Introduction and first hearing)

An ordinance of the Haines Borough, Alaska, providing for the establishment and adoption of the budget of the Haines Borough for the period July 1, 2004 through June 30, 2005.

M/S **OLERUD/SCOTT** Motion to Introduce Ordinance 04-05-058 and send it to its first public hearing.

The motion carried unanimously. There was no discussion.

Mayor **CASE** opened the public hearing at 6:36pm.

Many spoke in favor of the assembly granting the Library its fully requested funding, including **ALBOROUGH**, **STEARN**, **CHAPIN**, and **EVENDEN**.

**DOWNER** and **SZYMANSKI** made statements of support for continued pool funding.

Others talked of the importance of providing the same amount of funding for the school district as FY04, including **WILSON**, **LENDE**, **EREKSON**, and **JONES**.

**HEATON** spoke in favor of museum funds and talked about how important it is for the assembly to really hear what the constituents are saying, especially those that have taken the time to appear at the meeting.

**MARANTZ-FALVEY** representing the Haines Amateur Skateboard League asked for clarification regarding \$10K they believed had been promised to them (money originally appropriated for the Little League).

Hearing no further comment, the mayor closed the public hearing at 7:00pm.

Mayor **CASE** addressed the audience and reminded them that the narrowly-passed tax cap is the reason for the budget cuts.

**SCHNABEL** clarified that the assembly did not make any cuts to the school educational funding; any cuts are for a supplemental activities budget. She also commented that the \$200K reserves for tourism and economic development is from dedicated sales tax, and those funds cannot be moved to the general fund.

M/S **OLERUD/HARRELL** Motion to set a second public hearing for Ordinance 04-05-058 on Tuesday, June 15, 2004.

**SCOTT** spoke to the audience and said that funding cuts are necessary because of a revenue problem due in big part to the tax cap and the loss of the tour tax. She is concerned that the borough budget is sustainable by the community and said, "We want a lot of things, but there seems to be a lack of willingness to pay for them." Additionally, she pointed out that a full 40% of the general fund is directly related to kids---the school district, Community Youth Development, Chilkat Valley Preschool, etc. **HARRELL** said that the assembly voted to eliminate benefits for themselves. **CASE** added that two positions were cut---a fulltime administration and a part-time Chilkat Center. **SCHNABEL** said that she is concerned about the high cost of police and dispatch and said that she would like to hear from the public with regard to their wishes. Also, maintenance of the Borough's assets is a concern, and she wants to hear what the public has to say about it and what their priorities are in this area. **LAPP** said that he is not in favor of the cuts but it has to be done. He said that another source of revenue needs to be found, and he realizes that people cannot be overtaxed. "I would like to see everything well-funded, but we have to start living within our means." **SCHNABEL** talked about the library facility part-time employees that have full-time benefits. She asked for a report from the Manager by the second hearing regarding any possible savings to combining the part-time library IT position and the Borough's IT contract position. **SMITH** said that nobody wants to pay anymore sales and property tax. "It is not a fun job sitting here telling people that there is not enough money to fund everything they want." The tax cap makes it very difficult.

**HARRELL** pointed out that "consolidation was not about cutting costs, it was about improving services." She spoke to the audience and said that government has been responsible and responsive. Efforts by personnel are being made to not only maintain existing services but to upgrade and make things more efficient and cost-effective. **SCOTT** said that questions could be put on the ballot in October to change how the sales tax is dedicated to tourism and economic development or to allow use of part of the permanent fund.

M/S **SCOTT/SCHNABEL** Motion to amend the budget to add \$10K expense for a skateboard park out of borough-wide fund 50.

Mayor **CASE** clarified for the public that in April 2002, the assembly had agreed to appropriate \$10K to the Little League but it turned out that it was not needed. At a later meeting, the assembly recommitted those funds for a skateboard park. **SCHNABEL** said that the funds would be from a fund balance.

The motion carried unanimously.

**SCHNABEL** brought up the idea of offering an early retirement option to longtime employees. An analysis would have to be made to see if it would significantly save borough money. Additionally, she asked about the research on outsourcing dispatch. **BETTRIDGE** said that the research is still going on. **SCHNABEL** asked him to also look at the possibility of having patrolman handle the dispatch duties.

The main motion to set the ordinance for its second public hearing on 6/15/04 carried unanimously.

**5. SET COMMITTEE MEETING DATES**

A Finance Committee meeting was set for 6/15/04 at 1:00pm.

**6. ANNOUNCEMENTS/ASSEMBLY COMMENTS**

Mayor **CASE** said that he will work very hard to put an initiative on the October ballot to repeal the tax cap even if he has to resign to do it.

**7. ADJOURNMENT** - 7:44 pm

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Mike Case, Borough mayor

ATTEST:

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Julie Cozzi, Borough Clerk