Minutes of the Public Hearing
Denali Borough Assembly
Tri-Valley Community Center
January 8, 2014

CALL TO ORDER: The public hearing was called to order by Presiding Officer Rusty Lasell at 6:04 PM.

ROLL CALL: Assembly members present: Jill BOELSMA, Dave TALERICO, Paddy TATUM, David EVANS and Rusty LASELL. Absent: Rick WEIBEL, Jared ZIMMERMAN and Don DE BLAUW.

ORDINANCE 13-16, Version D: An ordinance to increase the Mayor's annual salary from $65,000 to $81,000

There were no comments.

ORDINANCE 13-19, Version A: An ordinance appropriating up to $63,650 from the General Fund for reimbursable expenditures related to grant 13SHSP-GR34078

There were no comments.

ADJOURNMENT: The public hearing was adjourned at 6:06 PM.

APPROVED: Rusty Lasell
Rusty Lasell, Presiding Officer

ATTEST: Gail Pieknik Date Approved: FEBRUARY 12, 2014
Gail Pieknik, Borough Clerk

Minutes of the Regular Meeting
Denali Borough Assembly
Tri-Valley Community Center
January 8, 2014

CALL TO ORDER: Presiding Officer Rusty Lasell called the regular meeting to order at 6:06 PM. Mayor Clay Walker led those present in the Pledge of Allegiance.

ROLL CALL
Assembly members present: Jill BOELSMA, Rusty LASELL Paddy TATUM, David TALERICO, David EVANS. Absent: Richard WEIBEL, Jared ZIMMERMAN and Don DEBLAUW.

David EVANS MOVED to excuse Mr. DeBlauw, Mr. Weibel, and Mr. Zimmerman. Jill BOESLMA seconded. The VOTE by show of hands was unanimous.

ASSEMBLY SEAT APPOINTMENT:
Seat B: Kimber Burrows
David TALERICO MOVED to appoint Kimber Burrows to Assembly Seat B. Jill BOELSMA seconded. The VOTE by show of hands was unanimous.

OATH OF OFFICE
Gail Pieknik, Denali Borough Clerk, administered the oath of office to Kimber Burrows, Assembly Seat B. The new member took her respective seat on the assembly.

PUBLIC COMMENTS
Brian Napier, Denali Citizens Council board member and Stampede Road resident, spoke in support of House Bill 148 regarding a proposed Stampede Recreation Area (SRA), and encouraged the assembly to support the SRA, as it has in the past. Mr. Napier noted that the Alaska Department of Natural Resources recently classified the land as best for a habitat plan, and further noted that a management plan for the area would mitigate future degradation of the area.

AGENDA
David TALERICO MOVED to approve the agenda as presented. David EVANS seconded. The VOTE by show of hands was unanimous.

MINUTES
December 11, 2013 Public Hearing and Regular Meeting

David TALERICO MOVED to approve the December 11, 2013 public hearing and regular meeting minutes as presented. Kimber BURROWS seconded. The VOTE by show of hands was unanimous.

REPORTS
November 2013 Financial Reports

David TALERICO MOVED to receive the November 2013 financial report. Jill BOELSMA seconded. The VOTE by show of hands was unanimous.

MAYOR'S REPORT

Mayor Clay Walker thanked Kimber Burrows for stepping up to Assembly Seat B. The borough's social media presence is a work in progress, with a Facebook link now available on the borough website. The Mayor's Community Service Award nominations will be accepted through the end of January, and the Award presented during Winterfest activities. Due to more stringent water quality testing requirements imposed by the Alaska Department of Environmental Conservation, there will be increased testing of the landfill monitoring wells. Mayor Walker stressed that the increased testing is not triggered by findings, but stricter regulations, and should not exceed the budgeted amount for well monitoring. Applications for non-profit funding requests are available online and at the borough office, and will be accepted through March 1, 2014. There will be a grant kick-off meeting in Healy on January 22, 2014 to provide information regarding the application and quarterly reporting requirements. The Alaska Municipal League (AML) will hold their annual Legislative Conference February 18-19, 2014. Mayor Walker encouraged assembly members to consider attending. A tri-borough gathering to include members of the assemblies of the Matanuska-Susitna, Fairbanks, and Denali Boroughs is tentatively planned for February 23, 2014. Discussion items include natural gas transportation projects, Watana Dam, and Alaska Railroad extension projects. The Cantwell School Sprinkler project is moving along, with USKH selected as the design firm, and fee negotiations in progress. Mayor Walker concluded by noting that federal funding for Payment in Lieu of Taxes is a concern for Fiscal Year (FY) 2015.

SCHOOL REPORT

Dr. Jim Elliott, Denali Borough School District (DBSD) Superintendent, reported historical and recent data regarding student performance on state assessments. Assessments are done each spring. In 2004 DBSD was rated seventh in the state, followed by a drop in performance through 2012. In 2013, student performance was again ranked seventh.

ASSEMBLY COMMENT

David TALERICO and Jill BOELSMA had no comment.

David EVANS expressed an interest in travelling to Juneau for the AML Legislative Conference.

Kimber BURROWS thanked the assembly for the opportunity to serve, and noted that she will not be able to attend the February meeting.

Paddy TATUM welcomed Kimber Burrows to the assembly, and thanked her for stepping up to serve.

Rusty LASELL invited assembly members to volunteer for the finance committee. Mr. Lasell also commented that the State may have found a way to avoid requiring the borough to change to a different 911 dispatch center.

COMMUNICATION AND APPEARANCES:

Garry Hutchison, CPA, Kohler, Schmitt & Hutchison, to review the Denali Borough Fiscal Year 2013 audit.

Garry Hutchison, CPA with Kohler, Schmitt & Hutchison, presented the audit results of the FY 2013 Financial Statement. Mr. Hutchison noted that the audit financial statement represents

information contained in the borough's accounting system and includes a State single audit. A separate document, the auditor's communication with those charged with governance, reports that there were no findings of significance, that several uncorrected adjustments were immaterial in nature, and that there were a few items the auditor suggests the borough consider regarding collateralization of accounts, reporting grant required matches, and placement of funds in the supplementary information section.

Mr. Hutchison drew attention to the management discussion and analysis, noting that this provides a narrative for the numbers included in the financial statement. The Statement of Net Position shows the borough to have a positive net position. The Statement of Activities shows a slight deficit in overall total change in net position, which is affected by depreciation of assets. Mr. Hutchison identified the most important number in the financial statements to be $1,191,276, the General Fund unassigned balance amount shown on the Balance Sheet. The Balance Sheet also shows that the Permanent Investment Fund has a value of $2,970,706, with $77,208 of that available to the General Fund in FY2014.

The Borough Landfill and Land Management funds each show an operating loss in FY 2013. These funds are supplemented by the General Fund. Detail of the inter-fund transfers are discussed in the notes to the financial statements.

Mr. Hutchison concluded by reporting that borough finances are in good shape, that the borough has a good accounting, and that the forward funding system works.

Gail Pieknik, Denali Borough Clerk, distributed a written communication from Hannah Ragland, Panguingue Subdivision resident, regarding SRA. Ms. Ragland wrote in support of HB 148, and encouraged the assembly to pass a resolution in support of the Recreation Area.

DRAFT ORDINANCES:

ORDINANCE 14-01: An ordinance amending the Denali Borough Code of Ordinances, Chapter 2.40.060 titled Conflicts of Interest

David EVANS MOVED to introduce Ordinance 14-01. David TALERICO seconded. Mayor Clay Walker noted that the intent of the ordinance is to align Denali Borough Code with Alaska State Statute. The roll call VOTE was unanimous.

David EVANS MOVED to postpone Ordinance 14-01 to the next meeting. Kimber BURROWS seconded. The VOTE by show of hands was unanimous.

PENDING ORDINANCES:

ORDINANCE 13-16, Version D: An ordinance to increase the Mayor's annual salary from $65,000 to $81,000

David EVANS MOVED to adopt Ordinance 13-16, Version D. Kimber BURROWS seconded.

Presiding Officer Rusty Lasell vacated the chair to Jill Boelsma at 6:54 pm.

Points of discussion that followed include inaction on Mayor's annual salary since November 2005, the use of consumer price index as a tool, and the effective date of the ordinance.

David EVANS WITHDREW the motion to adopt Ordinance 13-16, Version D. Kimber BURROWS withdrew the second.

Presiding Officer Rusty Lasell resumed the chair at 7:02 pm.

David EVANS MOVED to postpone Ordinance 13-16, Version D to the next meeting. Kimber BURROWS seconded. The VOTE by show of hands was unanimous.

ORDINANCE 13-19: An ordinance appropriating up to $63,650 from the General Fund for reimbursable expenditures related to grant 13SHSP-GR34078

David TALERICO MOVED to adopt Ordinance 13-19, Version A. Jill BOELSMA seconded. The roll call VOTE was unanimous.

Presiding Officer Rusty Lasell called a meeting recess at 7:06 pm. The meeting resumed at 7:15 pm.

RESOLUTIONS

RESOLUTION 14-01: A resolution expressing strong support for Governor Parnell's proposal to appropriate $3 Billion from the Constitutional Budget Reserve into the Alaska Retirement Trust Funds in 2015

Jill BOELSMA MOVED to approve Resolution 14-01. Kimber BURROWS seconded. David Talerico disclosed that he is part of the Public Employees Retirement System (PERS). Mayor Clay Walker determined that Mr. Talerico did not stand to have a direct financial gain from the vote. David Evans disclosed that he is part of PERS. Mayor Clay Walker determined that Mr. Evans did not stand to have a direct financial gain from the vote. The roll call VOTE on the motion to approve Resolution 14-01 was unanimous.

OTHER BUSINESS

Liquor License Renewal Applications:

Clear Sky Lodge
Denali Grizzly Bear
Cantwell Lodge and Longhorn Saloon
Prey Bar & Eatery
Denali Backcountry Lodge
Black Bear Coffee House

David EVANS MOVED to approve the liquor license renewal applications as listed on the agenda. David TALERICO seconded. It was noted that there have not been complaints against any of the businesses on the list. The VOTE by show of hands was unanimous.

Denali Borough Winterfest 2014
Mayor Clay Walker reported that he has been working with the National Park Service, the Denali Chamber of Commerce, and the Tri-Valley Booster Club to coordinate Winterfest activities.

Tri-Borough Meeting to be held on Sunday, February 23, 2014 at 9:00AM
Mayor Clay Walker reported that a tri-borough gathering to include members of the assemblies of the Matanuska-Susitna, Fairbanks, and Denali Boroughs is tentatively planned for February 23, 2014. Discussion items include natural gas transportation projects, Watana Dam, and Alaska Railroad extension projects, with the agenda still being developed.

PUBLIC COMMENTS
Melanie Roed, McKinley Village resident, asked if any action had been taken on the Anderson Fire Department pumper truck request from the December meeting. Presiding Officer Rusty Lasell responded that the fire department had been notified of a possible source for a vehicle.

ASSEMBLY COMMENTS
Paddy TATUM commented that she will not be able to attend the February meeting, and asked to be excused.

Jill BOELSMA welcomed Kimber Burrows to the assembly, and expressed interest in serving on the finance committee.

David EVANS thanked Kimber Burrows for her willingness to serve on the assembly, and expressed interest in serving on the finance committee. Mr. Evans also commented that Healy Hockey players will be playing games in Fairbanks.

David TALERICO commented that there will be a basketball tournament at Tri-Valley School January 10–11. Mr. Talerico also commented that important topics are discussed at the tri-borough meeting, congratulated Mayor Walker and staff on a clean audit, and thanked Dr. Jim Elliott for his presentation regarding student performance, stating that school curriculum should focus on the needs of the students. Mr. Talerico thanked Kimber Burrows for stepping up to fill a vacant assembly seat.

Rusty LASELL thanked those in the audience for attending the meeting, spoke in support of the Stampede Recreation Area, and thanked Kimber Burrows for filling a vacant assembly seat.

Kimber BURROWS had no comment.

NEXT ASSEMBLY MEETING
The next regular meeting will be held at the McKinley Community Center, Denali, Alaska on Wednesday, February 12, 2014: Public Hearing 6:00 PM and the Regular meeting to follow.

ADJOURN: The meeting was adjourned at 7:37 pm.

ATTEST: _____ Date Approved: FEBRUARY 12, 2014
Gail Pieknik, Borough Clerk

APPROVED: _____
Rusty Lasell, Presiding Officer