



MATANUSKA-SUSITNA BOROUGH

Office of the Borough Manager

350 East Dahlia Avenue • Palmer, AK 99645

Phone (907) 861-8689 • Fax (907) 861-8669

Mike.Brown@matsugov.us

MEMORANDUM

DATE: December 18, 2024
 TO: Mayor and Assembly
 FROM: Michael Brown, Borough Manager
 RE: Manager's Weekly Post

Today's Weekly Post is long, but we will not send one out for the next two weeks.

2024 Fall Competitive Land Sale Final Results: The recent online land sale yielded improved outcomes for the number of bids and sale prices. This sale follows the recent tax foreclosure sale. Staff believe we have a good mechanism moving forward and appreciate the Assembly's direction and support for moving to an online sales platform.

Parcel #	Tax Account ID	Acres +/-	Minimum Bid Amount	Sold / Final Price	Buyer's Premium *	Number of Bids	Number of Bidders	Number of Auction Views **
24-07	19N05W25C004	20	\$70,200.00	\$162,200.00	\$8,110.00	61	3	1356
24-08	19N05W11D006	40	\$72,000.00	\$290,100.00	\$14,505.00	74	5	1353
24-09	25N05W01D001	17	\$30,600.00	\$235,100.00	\$11,755.00	63	7	1900
24-10	6670B01L003	0.79	\$45,355.00	\$107,100.00	\$5,355.00	58	3	1540
Total		77.79		\$794,500.00	\$39,725.00			

4 Parcels Offered / 4 Parcels Sold - Properties were sold online using Public Surplus Website

Cash Proceeds Received \$794,500.00
 Deposited to Land Management Fund

Buyer's Premium amt to Public Surplus \$39,725.00

* Winning bidder paid this fee, fee is not included in the Sold/Final Price.

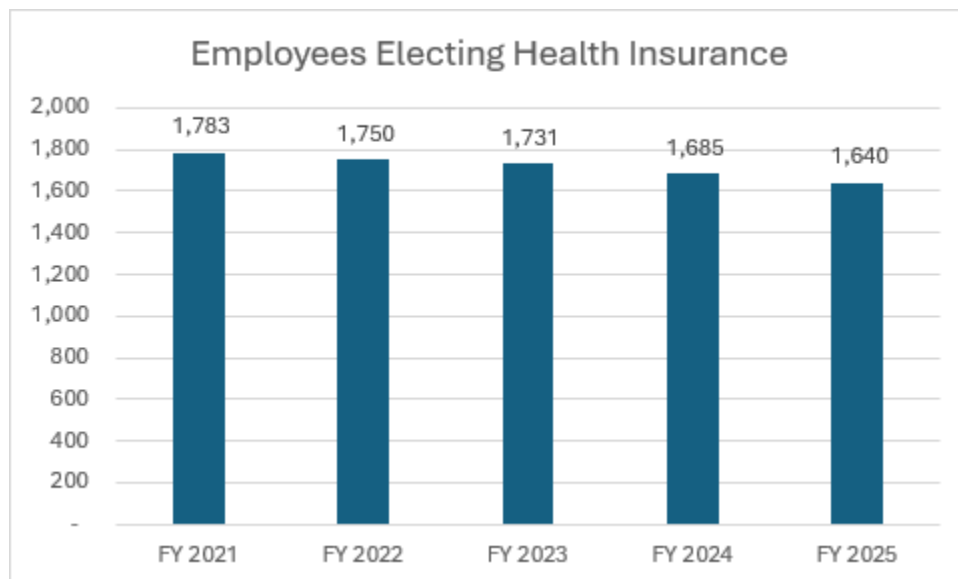
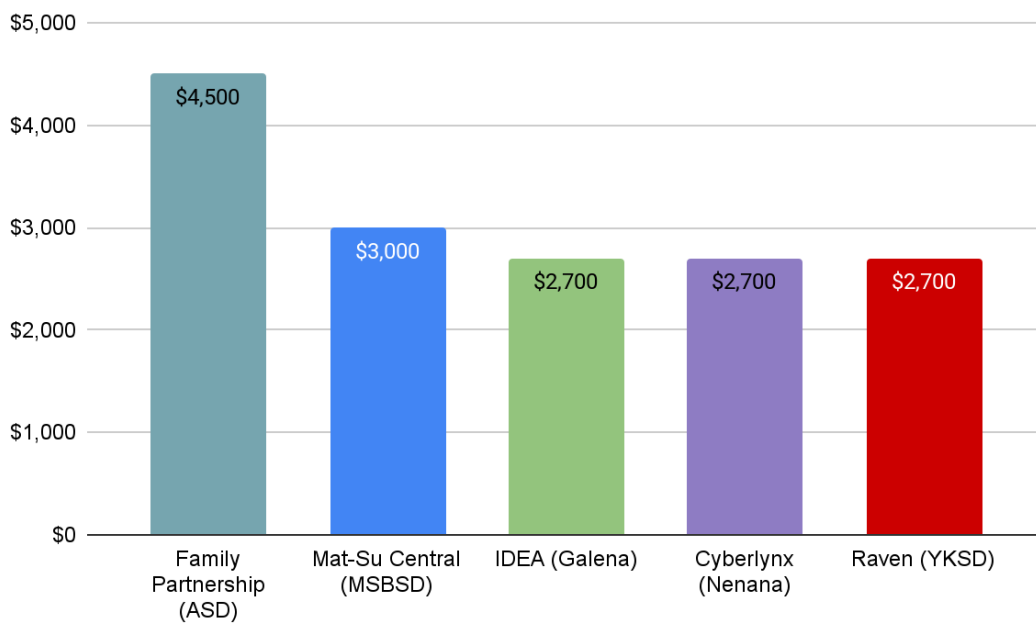
**Auction views count every person once. Some websites will count every time someone views the auction but Public Surplus count once.

All winning bidders are Alaska residents.

Mat-Su Borough School District Follow-Up: Deputy Superintendent Katherine Gardner provided the following information in response to questions during the December 10 Assembly meeting:

Average Spending Per Student Nationally: National spending statistics show that the average spending across all states, inclusive of state, local, and federal sources was \$15,633 for the 2021-2022 school year. Alaska was reported to have average spending of \$22,000 per pupil during that same time period. MSBSD spending for the FY 2021-2022 from all sources and across all funds was \$16,812. (source: <https://educationdata.org/public-education-spending-statistics>)

Correspondence School Allotments: The below table shows the student allotments that are provided in the largest correspondence schools in Alaska that provide an allotment.



Total Health Insurance Enrollment: The district reported a decrease in the total cost of health insurance from FY 2021 to FY 2025. The number of employees who have elected health insurance has also declined over that same time period. This decline has been steady since FY 2021 and not a sharp drop due to the change to Premera. Additionally, during this time the District stopped offering a no-cost plan option, which accounts for some of the decline over this period. Please see the below table for the enrollment over this period.

LEED Certification: The District has four schools that are LEED certified: Machetanz Elementary, Su Valley Jr/Sr High School, Valley Pathways School, and Joe Redington Sr Jr/Sr High School. Additionally, the following schools were built to LEED standards but are not LEED-certified: Mat-Su Day School, Career and Technical High School, and Iditarod Elementary. The following recently built school facilities were not built to LEED standards, nor are they LEED certified: Houston High School, Mat-Su Central School, Fronteras Charter School, and Dena’ina Elementary School. We are still evaluating the energy usage at these facilities and will share that once the analysis is completed. In the interim, we wanted to provide you with some of the schools that will be central to that review.

Long-term Population Projections: Alaska Department of Labor released population projections in the recent edition of Alaska Economic Trends, <https://live.laborstats.alaska.gov/trends-magazine/2024/December/population-projections-through-2050>. Detailed information projections can be found at <https://live.laborstats.alaska.gov/article/alaska-population-projections>. The Anchorage / Mat-Su Region is expected to grow by 1% over the next few decades. As has been the case since 2016, though, only Mat-Su will grow. Separately, Anchorage is projected to decrease in population by 10%, and Mat-Su is projected to increase by 28%. Statewide, the senior population peaks in 2036, and a long-term decline in the working-age population between now and 2030 is projected.

New Senior / Disabled Vet Optional Exemption: The optional exemption will be adjusted by 7.49%, or \$9,039, for the tax year 2025. The total exemption is as follows:

State Mandated Exemption	\$150,000
New optional MSB Exemption	<u>\$129,720</u>
Total Exemption	\$279,720
The current tax year exemption is	\$270,681

2024 Timber Update: The Borough has continued to make timber sales a priority. Since the Assembly amended Borough Code in 2021, allowing for salvage timber harvest, local timber operators have contracted to harvest about 1,200 acres of Borough forestland. While that might sound like a lot, there are about 80,000 acres of forestland owned by the Borough suitable for timber harvest. Wrapping up 2024 with the Assembly’s approval of a 1,000-acre salvage timber sale is cause to celebrate, however, there is still much work to be done.

Why is our forestland being offered for salvage?

Most of the Borough's timber is old with evidence of decay and disease, meaning most of the wood in the forest is only firewood. About one or two birch trees out of ten are high-quality timber suitable for sawmills, not just for table tops but also for paneling, trim, and cabinetry. The same factor applies to the beetle-killed spruce. Although the spruce trees have been dead long enough now to be unpredictable; some spruce on the ground still have a solid piece or two while other standing trees are not even good enough for firewood. The bark beetle has nearly wiped out all mature spruce in the Borough.

Birch comprises over 2/3 of the total forestland. Birch found in "old growth" stands suffer from a variety of fungi and disease decay as evidenced by visible rot, conks, cankers, and broken tops. During windy conditions, birch are commonly heard falling to the ground. In general, birch trees eight inches in diameter and larger show increasing occurrence of advanced decay.

2024 Timber harvest in Point MacKenzie – birch with heart rot and beetle-kill spruce with orange rot



The primary factor limiting timber harvest in Southcentral Alaska is transportation. A limited road network, a vast area of forestland, a small market for timber products, rivers and wetlands, and a high volume - low value product limit how far the private sector can reach into Borough forestland to harvest timber. The length of roads and bridges necessary to reach the forestland and the relatively low volume of wood per acre (compared to Southeast or Interior) will continue to restrict local timber harvest.

The Borough can support the local timber industry by continuing to focus its efforts on timber salvage and supporting the State of Alaska's efforts to expand roads into resource areas.

Public Affairs Media Flyover:

Fisheries

- Combating elodea protect Alaska's salmon habitats
Bureau of Land Management

Education

- Upcoming changes to remote learning days
Alaska News Source
- Mat-Su schools challenge lower revenues rising costs and now a drop in enrollment
Frontiersman

Renewables

- Glass recycling coming to the Mat-Su next year
Headtopics.com

Food Supply

- Federal Court in Oregon blocks grocery merger affecting Alaska food outlets
Frontiersman
- Albertsons sues Kroger after Oregon Washington judges block 24.6 billion merger
Alaskan Beacon

Future Events:

- Thurs., Jan. 30, 2025 from 3pm-7pm, Mat-Su Transportation Fair, Raven Hall, 12878 E. Rebarchek Avenue, Palmer