

Memorandum



DATE: July 27, 2016
TO: Borough Assembly
FROM: John M. Moosey, Borough Manager
RE: 2017 Cost Containment Strategies

With the recent Governor's vetoes which resulted in a \$5.7 million revenue loss, I have developed a strategy. The basis of this strategy lies in the assumption that the \$5.7 million revenue loss is fixed and that any action for increased revenue will only be effective in following fiscal budgets.

Our options are limited to reduction in the 2017 capital budget and borough services. The savings strategies will be implemented to meet the basic operational needs without a severe impact to the services that our residents receive. These actions will put tremendous pressure on the 2018 budget. Our capital purchases budget was vetted, needed, and a part of our future success. The delay in these expenses will certainly impact our operation. In addition, cuts to staff operations will also mean a slower service delivery and limiting our ability to react for those unusual operational occurrences.

Reductions

Capital Expenditures	\$3,091,720
Dust Control Match	\$500,000
Previous Projects	\$170,000
Overtime	\$250,000
Hiring Freeze	\$150,000
Travel, Training, Conferences	\$300,000
Contract work	\$100,000
Other Personnel and Purchases	\$25,000
Total Anticipated	\$4,586,720

We are still \$1,113,200 away from cutting the full \$5.7 million. I am requesting that we permit the amount of \$1,113,200 to be covered through our required and budgeted cash holding of \$25,000,000. The Matanuska-Susitna Borough was given less than a 48-hour notice that the State of Alaska was renegeing on its pledge of bond reimbursement. Despite our careful planning and eye on the ball, there is no way this could have been anticipated. Without this Assembly authorization, we will have to take immediate measures to cut services and reduce hours to our constituents.

CAPITAL PROJECTS/GRANTS/PASS

FISCAL YEAR 2017

Approved Funding Source:

DESCRIPTION OF APPROPRIATIONS	Assembly Approved	Areawide	Non Areawide	Enhanced E-911	Service Areas
<u>RECURRING CAPITAL PROJECT / GRANTS / PASS THROUGH</u>					
<u>Grants/Pass Through</u>					
MSCVB	747,500	747,500	700,000		
Tourism Infrastructure:					
Winter Trail Grooming	130,000	130,000			
Recreation Facility Highway Signage	135,000	135,000			
Recreation Priorities	97,500	97,500			
Grant Match	200,000	200,000	150,000		
Human Services Community Grant Match	148,000	148,000			
City of Palmer Block Grant	40,000	40,000			
City of Wasilla Block Grant	45,000	45,000			
City of Wasilla Planning Grant	100,000	100,000			
City of Houston Block Grant	21,000	21,000			
Youth Court	100,000	100,000			
<u>Information Technology</u>					
Aerial Imagery	250,000	250,000	150,000		
Govern Upgrade Project	300,000	300,000			

CAPITAL PROJECTS/GRANTS/PASS

FISCAL YEAR 2017

Approved Funding Source:

DESCRIPTION OF APPROPRIATIONS	Assembly Approved	Areawide	Non Areawide	Enhanced E-911	Service Areas
<u>Public Works</u>					
Midway RSA	851,880				851,880
Fairview RSA	437,550				437,550
Caswell Lakes RSA	46,970				46,970
South Colony RSA	248,490				248,490
Knik RSA	980,790				980,790
Lazy Mountain RSA	15,240				15,240
Greater Willow RSA	191,890				191,890
Big Lake RSA	166,080				166,080
Bogard RSA	526,080				526,080
Greater Butte RSA	318,440				318,440
Meadow Lakes RSA	660,510				660,510
Gold Trails RSA	476,010				476,010
Trapper Creek RSA	1,450				1,450
Dust Control Program <i>match</i>	500,000				500,000

NONRECURRING CAPITAL PROJECT / GRANTS / PASS THROUGH

Administration

DSJ Phase II (roof top unit connection, fire proofing, generator)	750,000	750,000			
DSJ Parking Lot - Rehabilitation	50,000	50,000			
DSJ Freight Elevator Replacement	75,000	75,000			
Soil and Erosion Control	50,000	50,000			

Animal Care

Ford Extended Cab F250C w/ Fiberglass Animal Boxes (2)	110,000		110,000		
Night drop kennel room slab modification	9,500		9,500		
Sidewalk repair	17,000		17,000		

CAPITAL PROJECTS/GRANTS/PASS

FISCAL YEAR 2017

Approved Funding Source:

DESCRIPTION OF APPROPRIATIONS	Assembly Approved	Areawide	Non Areawide	Enhanced E-911	Service Areas
<u>Information Technology</u>					
Ford F150 Extended Cab 1/2 ton 4x4	28,000	28,000			
SharePoint Implementation	120,000	120,000			
<u>Capital Projects Department</u>					
Fireweed Building Asbestos Abatement & Improvements	100,000	100,000			
Stormwater Projects					
Vine Creek Flood Prevention & Restoration	150,000	150,000			
Cottonwood Creek Assessment	30,000	30,000			
Septage & Leachate Treatment Facility Preliminary Engineering	150,000		150,000		
Transportation Systems:					
Bradley Road Bridge over Trapper Creek Design & ROW	75,000	75,000			
Demaree Circle Bridge over Cottonwood Creek Evaluation	15,000	15,000			
ROW Short Term Maintenance of Improvements	25,000	25,000			
<u>Community Development</u>					
<u>Parks & Outdoor Recreation</u>					
Big Lake Boat Launch Design & Parking Lot Repair	90,000	90,000			
Alcantra Field Repair #2	40,000	40,000			
Ford F150 XL 4x4 Trailhead Maintenance Vehicle	30,000	30,000			
Restrooms at Various Trailheads	100,000	100,000			
Grant to Point Mac Community Council for Point Mac Park	40,000	40,000			
Lake Louise Boat Launch Design & Repair	100,000	100,000			
<u>Planning</u>					
<u>Development Services</u>					
Ford F150 XL 4x4 Right of Way Inspection Vehicle	26,860	26,860			
Ford F150 XL 4x4 Code Compliance Vehicle	26,860	26,860			

CAPITAL PROJECTS/GRANTS/PASS

FISCAL YEAR 2017

Approved Funding Source:

<u>DESCRIPTION OF APPROPRIATIONS</u>	Assembly Approved	Areawide	Non Areawide	Enhanced E-911	Service Areas
<u>Public Works</u>					
<u>O&M Maintenance Shop</u>					
Winter Flood Response Vehicle Facility Phase I	500,000	500,000			
Outside Lighting Upgrade	25,000	25,000			
 <u>Road Service Areas</u>					
Dump Bed for Truck #1	30,000				30,000
RSA Road Crew Replacement Vehicle	35,000				35,000
RSA Road Crew Replacement Vehicle	51,000				51,000
RSA Superintendent Truck	32,800				32,800
RSA Superintendent Truck	32,800				32,800
 <u>Fleet Vehicles</u>					
Pick-up 4x4	28,000	28,000			
Pick-up 4x4	28,000	28,000			
Pick-up 4x4	28,000	28,000			
 <u>Operations & Maintenance Equipment</u>					
Boiler for WACO	20,000	20,000			
Genie Lift	20,000	20,000			
 <u>Solid Waste Enterprise Fund</u>					
Business Assessment & Roadmap	150,000				
Waste Container Replacement or Refurbishment	200,000				
Skid Steer, Tracked	50,000				
Shop Roof Extension & Repair	25,000				
Gas & Water Monitoring Program Database	50,000				
Transfer Site & Central Landfill Dirtwork Projects	50,000				
Transfer Site Upgrades	350,000				

CAPITAL PROJECTS/GRANTS/PASS

FISCAL YEAR 2017

Approved Funding Source:

<u>DESCRIPTION OF APPROPRIATIONS</u>	Assembly Approved	Areawide	Non Areawide	Enhanced E-911	Service Areas
<u>Emergency Services</u>					
<u>Administration</u>					
Incident Management Team Retro-Fitting for EM Vehicles	32,000	32,000			
Community Response Connex	50,000	50,000			
Emergency Management Command Vehicle	75,000	75,000			
 <u>Ambulance Divisions</u>					
Ambulance Remount & Refurbishment	540,000	540,000			
Support Vehicle Purchase/Replacement	63,000	63,000			
Zoll X Series Cardiac Monitors/Defibrillator	65,000	65,000			
Remote Capabilities for Controls (DDC) 50%	25,000	25,000			
Point of Care Ultrasound Units (3)	125,000	125,000			
 <u>Back Country & Technical Rescue</u>					
ATV/side by side response units, trailer & slide in patient transport	40,000	40,000			
 <u>Enhanced 911</u>					
Enhanced 911 Equipment	1,000,000			1,000,000	
 <u>Caswell Fire Service Area</u>					
Self Contained Breathing Apparatus	50,000				50,000
Communications Equipment Radios & Pagers	30,000				30,000
 <u>West Lakes Fire Service Area</u>					
Electronic Reader Boards for Stations 8-1 & 7-1	70,000				70,000
New Crew Cab & Associated Equipment	51,000				51,000
SCBA Bottles Replacements	25,000				25,000
Personal Protective Equipment & Clothing	50,000				50,000
Vehicle Apparatus Repair	50,000				50,000
Pagers & Radios	50,000				50,000

CAPITAL PROJECTS/GRANTS/PASS**FISCAL YEAR 2017**

Approved Funding Source:

<u>DESCRIPTION OF APPROPRIATIONS</u>	Assembly Approved	Areawide	Non Areawide	Enhanced E-911	Service Areas
<u>Central Mat-Su Fire Service Area</u>					
Land Purchase & Civil Work/Prep Station 5-2	500,000				500,000
Apparatus & Equipment Purchase- Aerial Apparatus	1,300,000				1,300,000
Construction, FF&E Station 6-2	3,300,000				3,300,000
Training Complex Construction Complete Water System	800,000				800,000
Atmospheric Monitors	75,000				75,000
Purchase SCBA, spare bottles	75,000				75,000
Personal Protective Equipment & Clothing	120,000				120,000
Communications Equipment (pagers, radios, chargers & accessories)	100,000				100,000
Training Tower Upgrades/Repairs Live Fire Burn Rooms	130,000				130,000
<u>Butte Fire Service Area</u>					
Exterior Lighting Replacement	20,000				20,000
Final Phase Heating System Demo & Replacement	20,000				20,000
Furniture & Fixtures	20,000				20,000
<u>Talkeetna Fire Service Area</u>					
Water Tank Access Road Station 11-3	50,000				50,000
<u>Willow Fire Service Area</u>					
Self Contained Breathing Apparatus	50,000				50,000
Communications Equipment Radios & Pagers	30,000				30,000
<u>Greater Palmer Fire Service Area</u>					
Replace Interior Lighting at all Stations	15,500				15,500
Refurbish Water Tanker Truck	250,000				250,000
Expansion & Parking Area Station 3-2	500,000				500,000

CAPITAL PROJECTS/GRANTS/PASS

FISCAL YEAR 2017

Approved Funding Source:

<u>DESCRIPTION OF APPROPRIATIONS</u>	Assembly		Non	Enhanced	Service
	Approved	Areawide	Areawide	E-911	Areas
TOTALS:	21,395,700	5,899,720	286,500	1,000,000	13,334,480

\$2,808,000