

# 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
<b>Total Anticipated</b>	<b>\$4,586,720</b>

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 reneging 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 RECURRING CAPITAL PROJECT / GRANTS / PASS THROUGH	Approved Funding Source:				
	Assembly Approved	Areawide	Non Areawide	Enhanced E-911	Service Areas
<u>Grants/Pass Through</u>					
MSCVB	747,500				
Tourism Infrastructure:					
Winter Trail Grooming	130,000				
Recreation Facility Highway Signage	<del>135,000</del>				
Recreation Priorities	<del>97,500</del>				
Grant Match	<del>200,000</del>		150,000		
Human Services Community Grant Match	148,000				
City of Palmer Block Grant	<del>40,000</del>				
City of Wasilla Block Grant	<del>45,000</del>				
City of Wasilla Planning Grant	<del>100,000</del>				
City of Houston Block Grant	<del>21,000</del>				
Youth Court	100,000				

Information Technology

Aerial Imagery	250,000		150,000		
Govern Upgrade Project	<del>300,000</del>				

**CAPITAL PROJECTS/GRANTS/PASS**

**FISCAL YEAR 2017**

Approved Funding Source:

DESCRIPTION OF APPROPRIATIONS	Approved Funding Source:				
	Assembly Approved	Areawide	Non Areawide	Enhanced E-911	Service Areas
<b><u>Public Works</u></b>					
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	<del>500,000</del>				<del>500,000</del>

match

**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	<del>50,000</del>	<del>50,000</del>		
DSJ Freight Elevator Replacement	<del>75,000</del>	<del>75,000</del>		
Soil and Erosion Control	<del>50,000</del>	<del>50,000</del>		
<b><u>Animal Care</u></b>				
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	<del>17,000</del>		<del>17,000</del>	

**CAPITAL PROJECTS/GRANTS/PASS**

**FISCAL YEAR 2017**

Approved Funding Source:

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

CAPITAL PROJECTS/GRANTS/PASS

**FISCAL YEAR 2017**

Approved Funding Source:

DESCRIPTION OF APPROPRIATIONS	Approved Funding Source:			Service Areas
	Assembly Approved	Areawide	Non Areawide	
<b><u>Public Works</u></b>				
<u>O&amp;M Maintenance Shop</u>				
Winter Flood Response Vehicle Facility Phase I	500,000	<del>500,000</del>		
Outside Lighting Upgrade	<del>25,000</del>	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	<del>28,000</del>	28,000		
Pick-up 4x4	28,000	<del>28,000</del>		
Pick-up 4x4	<del>28,000</del>	28,000		
<u>Operations &amp; Maintenance Equipment</u>				
Boiler for WACO	20,000		20,000	
Genie Lift	<del>20,000</del>	20,000		
<b><u>Solid Waste Enterprise Fund</u></b>				
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:

DESCRIPTION OF APPROPRIATIONS	Approved Funding Source:				Service Areas
	Assembly Approved	Areawide	Non Areawide	Enhanced E-911	
<u>Emergency Services</u>					
<u>Administration</u>					
Incident Management Team Retro-Fitting for EM Vehicles	<del>32,000</del>	<del>32,000</del>			
Community Response Connex	50,000	<del>50,000</del>			
Emergency Management Command Vehicle	<del>75,000</del>	<del>75,000</del>			
<u>Ambulance Divisions</u>					
Ambulance Remount & Refurbishment	540,000	540,000			
Support Vehicle Purchase/Replacement	<del>63,000</del>	<del>63,000</del>			
Zoll X Series Cardiac Monitors/Defibrillator	65,000	<del>65,000</del>			
Remote Capabilities for Controls (DDC) 50%	<del>25,000</del>	<del>25,000</del>			
Point of Care Ultrasound Units (3)	125,000	<del>125,000</del>			
<u>Back Country &amp; Technical Rescue</u>					
ATV/side by side response units, trailer & slide in patient transport	40,000	<del>40,000</del>		1,000,000	
<u>Enhanced 911</u>					
Enhanced 911 Equipment	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:

DESCRIPTION OF APPROPRIATIONS	Approved Funding Source:			Service Areas
	Assembly Approved	Non Areawide	Enhanced E-911	
<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 Construction, FF&E Station 6-2	1,300,000			1,300,000
Training Complex Construction Complete Water System Atmospheric Monitors	3,300,000			3,300,000
Purchase SCBA, spare bottles	800,000			800,000
Personal Protective Equipment & Clothing	75,000			75,000
Communications Equipment (pagers, radios, chargers & accessories)	75,000			75,000
Training Tower Upgrades/Repairs Live Fire Burn Rooms	120,000			120,000
	100,000			100,000
	130,000			130,000
<u>Butte Fire Service Area</u>				
Exterior Lighting Replacement	20,000			20,000
Final Phase Heating System Demo & Replacement Furniture & Fixtures	20,000			20,000
	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:

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

*\$2,808,000*