

Matanuska-Susitna Borough



December 29, 2017

RE: FY 2019 Budget

Dear Directors,

Ready, set . . . go! I am continually confident in your ability to provide a successful budget. You know the challenges. You live through them daily.

Here are the points that I am directing you to key on:

- Our 2017 General Fund Mill rate was 10.33; It is anticipated that CPI will come in at .75% and population growth at 2.27%.
- Gear your operational budget items at no increase.
- Expect the State Legislative Session be extended until after our April deadline.
- Please closely examine use of on-call and temporary staff for cost reductions, however I will entertain additional staff if they can lead to better production without an increase in cost or they solve a significant operational issue. There is an appetite on the Assembly to reduce private contracts in favor of staffing.
- Monitor overtime use. Examine level of budgeted overtime for reduction.
- Continue to reduce second party training and conferences, especially out of state travel. You all have done well this year.
- There will be big pressure on the Assembly to accommodate the School Districts desire for increased revenue, even at the expense of our operational needs.
- We are in employee salary and benefit negotiations. I anticipate an increase in personnel costs, especially with frozen cost of living the past two years. Our Favorite Finance Director will be providing her estimated numbers at a later time.
- The revenue risks are known (State impacts such as PERS increase or Bond Debt renegeing), but each takes us past any semblance of a fully functional budget. We will deal with the impact together.
- Please make January 12th on your calendar to gain insight of our Assembly's director for the 2019 budget.

Attached is our budget schedule.

Sincerely,

John M. Moosey
Borough Manager



BUDGET CALENDAR FISCAL YEAR 2019

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| December 20, 2017 | Budget system is turned on and directions are distributed with the personnel sheets. |
| January 12, 2018 | Revised salary personnel worksheets noting overtime and/or temporary wages are to be returned to the Budget Division Manager. |
| January 18, 2018 | Preliminary Tax Roll is complete. |
| January 31, 2018 | All salary and benefit information is revised and entered into budget system. |
| January 31, 2018 | Revised capital requests, including justification, submitted to the Finance Director. |
| January 31, 2018 | Request and justification for new positions (if allowed) submitted to the Manager and Finance Director. |
| Week of January 31, 2018 | Assessment notices are mailed. |
| January 30 – February 28, 2018 | Appeal period. |
| February 9, 2018 | Update tax revenues following preliminary completion of tax roll. |
| February 15, 2018 | Final divisional budgets to be reviewed and updated accordingly by department heads. Submit detailed description of requests for training, travel, professional services, other contractual, furnishings, and equipment to Budget & Revenue Division Manager. |
| February 15, 2018 | Budget system is closed for input at 5:00 p.m. |
| February 16, 2018 | Preliminary mill rates to be provided by Public Works Director & Emergency Services Director for RSAs, FSAs and SSAs. |
| February 28, 2018 | Department directors have reviewed budgets with applicable boards and commissions including E-911, Animal Care, Board of Supervisors, etc. |
| March 5 – March 7, 2018 | Assessor prepares revised tax roll following the appeal period. |
| March 13, 2018 | Joint meeting with the Assembly and the School Board. |
| March 19, 2018 | Final mill rates for RSAs, FSAs and SSAs submitted to Finance Director from Public Works Director & Emergency Services Director. |
| March 26 – April 6, 2018 | Finalization of Borough Manager's fiscal year 2019 proposed budget and completion of final modifications. |
| March 30, 2018 | School district to deliver their budget to Borough. |
| April 9 – 13, 2018 | Complete production of budget document. |