




# Municipality of Anchorage

## MEMORANDUM

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**DATE:** December 1, 2003

**TO:** Allen Tesche, Chair, Budget Committee

**FROM:** Mark Begich, Mayor 

**SUBJECT:** Status of One-Time Monies

Attached is our current status regarding the use of one-time money during 2004.

We are proceeding on our recovery plan to offset the “place holder” of \$6.6 million in the proposed 2004 budget. By investing in productivity advances using one-time funds, we are permanently reducing costs. Hopefully, once and for all, we will be able to resolve fiscal budget problems in 2004 and beyond.

The attached document summarizes our efforts to date. The initial \$6.6 million placeholder is identified, followed by improvements reducing our reliance on these funds. To achieve these permanent reductions, investment from the pool of one-time monies (\$2 million) is necessary.

Municipality of Anchorage  
***Restoring One-time Monies to fund balance***  
 October 2003

<b>Use of one-time money in initial Proposed 2004 Operating Budget</b>	<b>(\$6,630)</b>
<b><i>Recovery of one-time funds – near-term opportunity list</i></b>	
- Dispose of excess city vehicles	350
- Reduce abandoned car towing program	215
- Incentivize employees to drop duplicate healthcare programs	100
- Review maintenance agreements for risk probabilities	100
- Use calling cards / evaluate long distance carrier prices	100
- Initiate employee / citizen suggestion program	50
- Evaluate cell phone usage plan	50
- Reduce seasonal employees in summer months by one week	40
- Raise property / facility lease fees to our tenants	25
- Improve RV facilities	10
<b><i>Recovery of one-time funds – long-term solutions</i></b>	
- Implement strategic procurement initiative	4,000
o Cooperative procurement	500
o Formally planned requirements	1,500
o Utilization of functional equivalents	1,500
o Outsourced procurement	200
o Reverse auction	300
- Re-engineering efforts	2,500
- Combine healthcare plan from 5 plans to 1 plan	350
- Combine healthcare programs with other entities	350
- Institute an electronic timecard	200
- Review Municipal properties and leases	100
- Enlist support from volunteers to maintain flowers around the city	<u>100</u>
<b>Total Offsets to 2004 one-time monies</b>	<b>\$8,640</b>
<b>Non-recurring use of one-time monies to achieve permanent cost reduction</b>	<b>(2,010)</b>
<b>2004 need of one-time monies for recurring costs in budget</b>	<b>\$0</b>