



MUNICIPALITY OF ANCHORAGE

M E M O R A N D U M

November 1, 2010

TO: Anchorage Assembly Members

FROM: Cheryl Frasca, Director
Office of Management and Budget

SUBJECT: October 22, 2010 Work Session—Answers to Questions Asked

The following is in response to the questions asked at the October 22nd work session regarding the Proposed 2011 General Government Operating Budget.

Assemblymember Starr

Question #1 (Finance): Provide a cash flow analysis of Fund 181 including the impact of the proposed fee changes on the fund's balance going forward.

Analysis underway; will be provided upon completion.

Question #2 (IT/Community Development): Provide details regarding the timing of internal and external spend on the Hansen project and how this timing will fit into the IT deployment study?

The CFO followed up with Mr. Starr; no further information at this time.

Question #3 (Public Works) Are there GPS on snow plows? Can residents track where they are on the web?

GPS units are on the 11 Cat graders but none are on the Volvos. The department currently is developing its mobile asset tracking system in conjunction with the GBA/GIS project. It plans to outfit some of the sweepers in 2011 with GPS units and track their progress through the GIS/GBA. It is talking with Caterpillar about the GPS units on those units and it will explore the tracking of the graders in 2011 and 2012. It also is meeting with Transit to evaluate its vehicle tracking system.

Question #4 (Community Development): What will be the impact of graduated fee amounts on (ice melting equipment?)?

Answer forthcoming

Question #5 (Finance): What is the number of payroll specialists?

Percent of a Position's Time Spent on Payroll Functions

Department	FTE
Anchorage Parks & Recreation	1.72
Clerk, Assembly, Budget & Legislative Services	0.20
Controller Division	3.89
Department of Health & Human Services	1.45
Department of Neighborhoods	0.34
Development Services	0.40
Employee Relations	0.11
Equal Rights Commission	0.16
Finance-Administration	0.19
Finance-Treasury	0.54
Fire Department	2.76
Heritage Land Bank, Real Estate Services	0.15
Information Technology	0.70
Internal Audit	0.03
Legal, Civil/Criminal	0.49
Library	1.05
Maintenance & Operations	2.19
Mayor	0.02
Merrill Field (Airport)	0.30
Municipal Manager, Office of Emergency Management	0.05
Municipal Manager, Transportation Inspection	0.06
Municipal Ombudsman	0.00
Office of Community Planning & Development	0.02
Office of Management & Budget	0.04
Parks & Recreation-Eagle River	0.33
Planning Department	0.32
Police & Fire Retirement	0.10
Police Department	2.15
Port	0.11
Project Management & Engineering	0.25
Property Appraisal	0.45
Public Transportation	0.60
Purchasing	0.08
Risk Management	0.03
Solid Waste Services	1.69
Traffic	0.68
Grand Total	23.6

Question #6 (Purchasing): How many P-cards are currently issued and how does that compare to recent years?

The following chart identifies the number of P-Cards issued to various employees within the Municipality. Note that during the time CSA was active, P-cards (accounts set up under the P-card system) were issued primarily for specific vendors that held estimated quantity (requirements type) contracts for payment purposes only.

Number of P-Card Holders in 2010

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Avg Total
2010	509	511	506	505	503	500	489	493	489				501
2009	1006*	592	605	612	611	602	594	569	569	529	529	518	575**
2008	962	967	967	967	975	982	985	989	998	1004	1003	1002	983
2007	933	941	957	958	959	969	971	969	965	940	971	962	958
2006	864	859	871	878	893	913	911	928	940	946	951	954	909
2005	793	772	772	791	500	546	791	500	546	538	544	544	636
2004	783	812	815	812	799	816	778	778	817	808	793	799	801
2003	800	800	808	808		774	774	780	780	780	769	783	787
2002												800	800
	*CSA Cancelled January 2009								**W/O CSA				

Assemblymember Ossiander

Question #7 (IT): What are the statistics for the on-line notification site?

Monthly usage statistics have been tracked regularly since launch of the on-line notification system in March 2010 launch. These reports will be provided to the Assembly as they are compiled during the first week of each month for the prior month. Attached also are Public Notice usage statistics for March and September 2010.



march2010.pdf (20 KB)



September2010.pdf (47 KB)

Question #8 (DHHS): What will be the impact of the increase in inspection fees for child care facilities?

No change in the inspection fee amount is proposed.

Question #9 (Treasury/Fire): What is the process to handle hardship requests for ambulance ratepayers and how will it change under the proposed AO re: external commissions?

The hardship process for ambulance cases is administered by the Anchorage Fire Department as described below. Treasury does not refer hardship approved accounts to its third party collection agencies.

AFD's hardship process applied to ambulance cases:

The EMS Hardship Adjustment is handled prior to delinquent accounts being sent to third party collections. The proposed change in payment of third party fees will not impact the department's hardship application process.

How the hardship application process works:

Low income patients are offered and may submit the Hardship Application during the billing stage with AFD's billing contractor in Palmer. The Hardship Application requires submission of documentation of patient/family income (i.e. tax forms for the prior year, unemployment compensation information, pay check stubs, Medicaid denial letter, letters from welfare agencies, a letter explaining their living situation, etc.) to demonstrate their financial situation. In accordance with the Hardship Adjustment Policy, our billing contractor reviews submitted information, recommends the write-off amount if applicable, and forwards the packets to AFD for approval. Once the process is concluded, the billing agency notifies the patient of the determination.

Hardship write off calculations/amounts are updated annually based on federal poverty guidelines (FPG). Graduated benefits start at 25% write-off for people or families earning 200% of the FPG, to 100% write-off for $\leq 150\%$ of FPG.

The EMS Billing Contractor is also required to offer and manage patient payment plans for up to six months. A longer payment period may be established upon AFD's approval where multiple transport fees are owed.

MOA residents transported by Chugiak Volunteer Fire Department ambulances are eligible for write-off of transport charges exceeding their insurance coverage amounts once they provide their insurance benefit information for claim filing.

Question #10 (Treasury): What are the various types of receivables sent to the collection agencies?

Account Type	Average Annual # of Accounts	Average Annual \$ of Accounts	Average % of Yearly Referrals
Animal Control	652	\$ 120,369	1.8%
AFD - EMS	2,187	\$ 1,075,439	16.2%
AWWU - Sewer	838	\$ 72,872	1.1%
AWWU - Water	809	\$ 86,732	1.3%
AWWU - Contractor	15	\$ 956	0.0%
Cemetery	1	\$ 250	0.0%
Code Enforcement	1,690	\$ 105,000	1.6%
Criminal Fines	3,204	\$ 1,695,600	25.5%
Defense Fees/Cost of Imprisonment	3,997	\$ 1,354,100	20.4%
Development Services	23	\$ 26,529	0.4%
Finance Department	2	\$ 220	0.0%
Fire Department	268	\$ 38,542	0.6%
Library	2,242	\$ 197,014	3.0%
ML&P	932	\$ 117,972	1.8%
ML&P - Contractor	117	\$ 11,431	0.2%
Other Miscellaneous	32	\$ 15,350	0.2%
Parks & Recreation	15	\$ 3,393	0.1%
Project Mgmt. & Engineering	122	\$ 83,343	1.3%
Personal Property Tax	753	\$ 256,316	3.9%
Police Department	77	\$ 21,691	0.3%
Public Transportation	1	\$ 33	0.0%
Risk Management	58	\$ 128,642	1.9%
Solid Waste - Disposal	9	\$ 7,428	0.1%
Solid Waste - Refuse	402	\$ 87,868	1.3%
Traffic / Minor Offense	11,478	\$ 1,146,900	17.2%
TOTAL	29,924	\$ 6,653,990	100.0%

Source: Exhibit D to RFP 29-P002 for 3rd Party Collection Services dated February 10, 2009.

Assemblymember Honeman

Question #11 (Finance) What is the average number of days to process accounts payable

The number of days outstanding on accounts payable from invoice date to payment date is 28.2.

Question #12 (IT): Is IT the “right size”?

This question is part of the IT Deployment study currently underway in which APD, AFD, HHS, SWS, and Enterprise IT groups staffing levels will be evaluated. The study will identify if there are areas of understaffing or overstaffing. The expected outcome of the study is a recommendation for an organizational structure that provides the right staffing levels to adequately maintain the IT operations of all General Government, which will include APD, AFD, HHS and SWS.

Question #13 (DHHS) What is the ratio of inspectors to restaurants?

The average number of facilities per inspector is 359 - thus the ratio of inspectors to restaurants is 1:359 (ranges from low of 328 to high of 393; includes Pools & Spas, Quasi-Institutional Facilities, and Day Care, School and Assisted Living Kitchens.

Question #14 (Library): What would be the “right size” for libraries?

This is addressed in the Library Community Plan available at:

<http://anchoragelibraryfoundation.org/downloads/Community%20Plan/APL%20Community%20Plan.pdf>

Question #15 (Public Works/Community Development): Provide a list of the movement of positions in the department as a result of the reorg. The attached memo which describes all positions that were changed based upon the re-organization.



Sept 2 Reorg memo
v4.doc (413 ...)

In addition, the following 2011 Budget Book pages describe the budget transfers and other actions taken associated with the reorganization:

Community Development budget: Pages 6-3 through 6-7

Public Works: Pages 22-3 through 22-8

Assemblymember Gray-Jackson**Question #16 (Purchasing): How can MOA get airline miles for use of the P-Card?**

The contract with First USA/Paymentech for use of the JPMorgan Chase Master Card was issued as a result of a Request for Proposals back in 2001. The contract was awarded for a period of three years and renews automatically every two years unless terminated by either party with 90 days notice. Airline miles were not a part of the final negotiations for this contract.

The evaluation and vendor selection was made on both qualitative (experience, services to be performed, etc.) and monetary evaluations. The monetary consideration is we receive a cash rebate annually amounting to 1.15% of spend based upon our total spend (suppose to be greater than \$20 million) and how quick we make payment (must be less than 20 days). The vendor has continued to provide the 1.15% rebate even after CSA was dissolved though our spend is less than \$20 million annually.

The Municipality does earn airline miles on Alaska Airlines when we book through Easy Biz, the Alaska Airlines/Horizon Air corporate Online Booking system. The Municipality earns Alaska Airlines Mileage plan mileage for every dollar spent on the base fare (excluding airport/government taxes & fees). The individual also receives airline miles on their own individual airline mileage account for mileage flown if they book through Easy Biz. The Municipal Policy and Procedure No. 68-1 does require Municipal employees to attempt to travel by the most economical method possible, which at times would not permit booking via Easy Biz.

Assemblymember Birch

Question #17 (Finance): What percent of AP are paid electronically? (Birch)

The chart below illustrates recent activity. Only recently did Finance start pushing use of ACH payments and it expects to see an increase as time goes on. As of August 1, 2010 the percent of ACH to payables was 1.75%.

Accounts Payable ACH Payments		
Year/Month	Quantity	Amount
2010/01	1	\$ 22.00
2010/02	0	\$ -
2010/03	0	\$ -
2010/04	0	\$ -
2010/05	1	\$ 216.50
2010/06	0	\$ -
2010/07	0	\$ -
2010/08	12	\$939,115.30
2010/09	28	\$397,131.01
2010/10	12	\$45,096.88

Assemblymember Gutierrez

Question #18 (DHHS): Are we annually inspecting all restaurants in need of an inspection?

In 2009, we inspected approximately 87% of all restaurants at least once. Of those we did not inspect, the majority (65%) are classified as low risk.

Assemblymember Flynn

Question #19 (DHHS): What would it take to do mold counts during the winter?

The cost of pollen and mold sampling during the current five month (May through September) season is approximately \$23,000. Nearly all of this cost is for the labor involved in sample collection and counting. Extending operations to year-round would therefore result in a proportionate increase in costs.

Cost of May – September counting program	\$23,000
Cost of year-round counting program	\$55,200

Rather than immediately investing in a year-round program, we recommend a limited winter counting program that would explore whether, in fact, Anchorage experiences any appreciable pollen or outdoor mold in the winter. The cost of collecting a half-dozen extra winter samples is estimated to be approximately \$3,000. If this approach is taken, the FY 2011 pollen and mold count program could be accomplished for \$26,000.

Question #20 (DHHS): By mid-2011, provide a plan on how MOA will transition to a new air quality program.

Information will follow at that time.

Question #21 (Public Works): Re: heated sidewalks, will MOA have to manually clear sidewalks that are adjacent to MOA property and if so, what will be the additional cost?

Three areas would require Municipal snow removal service: A section of sidewalk adjacent E Street on the east side of the Town Square Park, The entry plaza to the ACPA on the south side of the building, and the sidewalks associated with the new Transit bus stop at the Museum. See attached map.



sidewalk snowmelt
map.pdf (182...

Costs for providing this service are estimated at \$8,000 annually depending on weather conditions. A contract is in place that can furnish these services.

Code Enforcement has confirmed that Municipal code requires property owners/operators to provide snow removal on sidewalks adjacent to their property in the downtown area. Property owners/operators affected by the decision to turn off the heated sidewalks would have to be notified of the requirement to once again provide snow removal services on sidewalks adjacent to their properties.

The Downtown Partnership maintenance supervisor has been alerted of what may possibly develop.

Assemblymember Traini

Question #22 (Public Works): Regarding the new snow site, what mitigation steps will be taken to reduce the impact from melting snow? What is the policy re: clearing off a snow dump once it melts?

The site at 64th and Spruce was designed based on latest design criteria manual to retain water on site as long as possible for treatment purposes and then discharge in a controlled manner to the storm sewer.

The site is designed with a series of V swales which channel the water to the north end adjacent to Dowling Rd. The water then enters a settling pond area which has a structure controlling the release into the wetlands. At this particular site (64th & Spruce) the water is discharge into wetlands not a storm sewer to the north of Dowling Rd. The topography of the area naturally flows toward Campbell Creek. The discharge of melt water into the wetlands is actually

encouraged by the Corps as a means of rehydration. We have done extensive hydrological studies of the area and there will be no effect on ground water levels on the homes to the west and south of the site. That information can be provided by the designer (DOWL). During and after the melt season trash is collected and taken to the landfill transfer station, and during the summer the surface is prepped for the next snow season. We pick the litter by hand every year. All of our dumps are litter free before the first snow fall.

cc: Mayor Dan Sullivan
Department Directors