



**Borough Manager's Report
Assembly Meeting 4 April 2016**

- ❖ The Alaska Senate is currently considering four bills that would have financial and quality of life impact on the Community. They include the elimination of the Alaska Performance Scholarship Program, the elimination of the Senior Citizens Property Tax Exemption, reductions in the Community Revenue Sharing Program, and increases in the local contribution for the Teachers Retirement System and the Public Employees Retirement System. The Borough has already taken into account in the 2016-17 Budget, the reductions in the Revenue Sharing Program.
- ❖ In reference to the Senate's actions on these bills, staff has not yet planned to further decrease the budget. This will occur if the bills pass and are signed by the Governor. Until we know the full extent of the costs to the Community, it will be premature to cut programs or services. This may involve the Assembly, School and/or Hospital having to do supplemental budgets after the State passes a final budget. We are anticipating the Legislature will need a special session to deal with their issues.
- ❖ The preparations for the remodel of the Municipal Building are continuing. The Borough has purchased two 20 foot containers, and they should be on the way to Petersburg. These will be used to store furniture and equipment that will not fit in the rented space at PIA, but will possibly be used in the remodeled facility. Once the project is completed it is expected the Borough will resell these containers if not needed elsewhere.
- ❖ The Police and Fire Departments will be planning a full test of the E911 backup center to make sure everything works as expected and in preparation for when we move this function to their new space in the remodeled building.
- ❖ From a recognition standpoint, I want to again thank the Department Heads and employees for their dedication to the Borough. After a very small salary increase for this year, this upcoming year's budget contains no increase for the Department Heads. As we all know, the cost of living for everyone continues to rise, so limited or no salary increases are almost the same as a salary reduction. This is also true for our employees. Through the collective bargaining association agreements, the Borough has been very frugal with our employment agreements, despite the continued needs for our employees to work harder, and more efficiently. Both bargaining groups have understood the situation here in the State and the Borough. Thank You.
- ❖ The Borough received a proposal from MRV to perform added inspections associated with the Municipal Remodel Project. Unfortunately the proposal's cost is beyond what I consider possible for our project. I will be working with Corey to redefine what we can do within the scope of the project budget. Once I have something I am a little more comfortable with, I will get it in front of the Assembly. This may mean that I will have to approve a few extra trips by Corey in the interim once construction starts and prior to getting formal Assembly approval. Anything we spend in this area will be accounted for against the project contingency.