





2024 TRANSITION REPORT

BRONSON ADMINISTRATION

Presented by Mayor Dave Bronson
June 28, 2024





Selected Themes

- Staffing/Vacancies
- Aging Assets
- Financial Management
- Central Services
- Ongoing investigations
- Missed Opportunities
- Legal Support



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- **Staffing/Vacancies**
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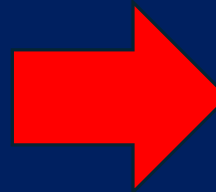


“The pay schedule across the MOA is ‘upside down’ and is materially below the Anchorage market rate.”

“Staffing challenges – pay rate and telework. Have had some positions vacant since September of 2023, actively recruiting with no preferred candidates.”

“Challenges in filling vacant positions and retention . . . The work, responsibility, and nature of the complexity continues to grow. The most common reoccurring reasons for departures have been: (1) lack of remote work; (2) ability to make more money elsewhere; and (3) paying for parking..”

“Wage disparities (internal to MOA departments, private sector competition), lack of schedule and remote work flexibility and disparities for all levels of the MOA workforce (internal to MOA departments, private sector competition), no defined benefit for retirement (MOA Tier 1-4 are all vastly different and causes recruitment and retention issues), loss of “flex” positions.”



Employees want telework flexibility and we don't offer it

Salary scales are out of date and too low

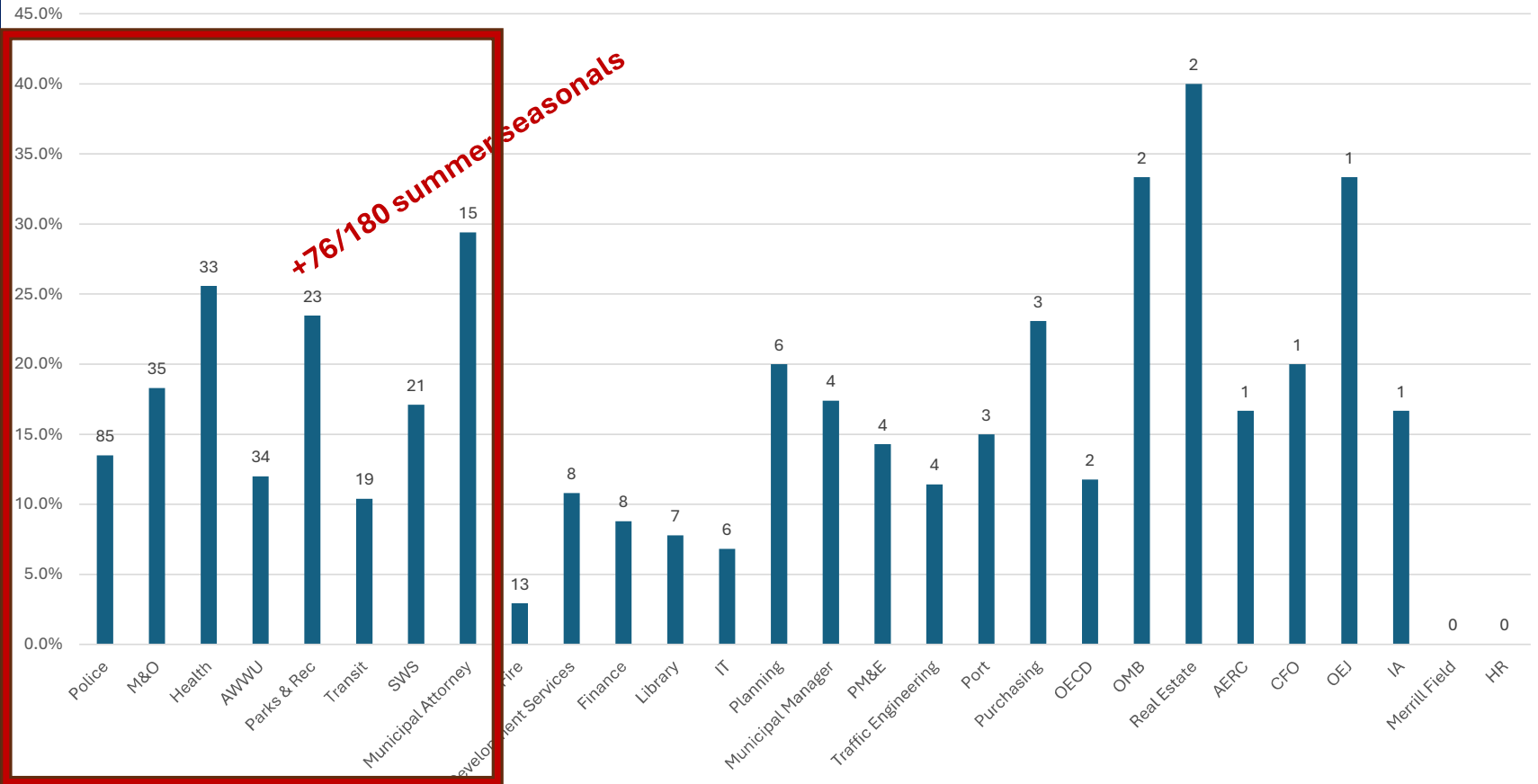
Pay scales between different employee classifications are misaligned

Leadership positions are often undesirable because they require a pay cut

Lack of Tier II/III retirement benefit makes Municipal Employment undesirable



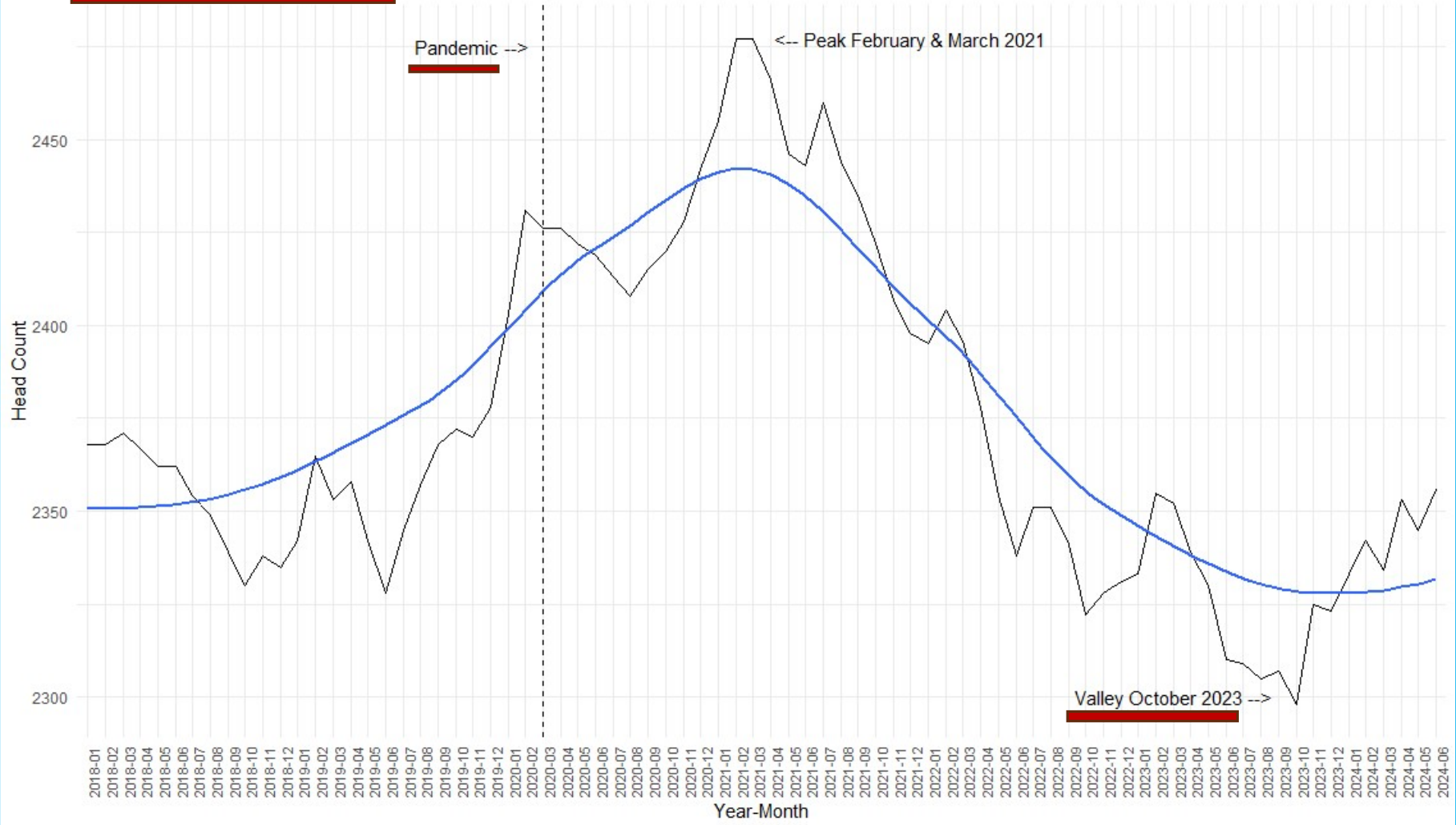
Vacancy Rate (~approx. July 1, 2024) (Funded Vacancies/Funded Positions)

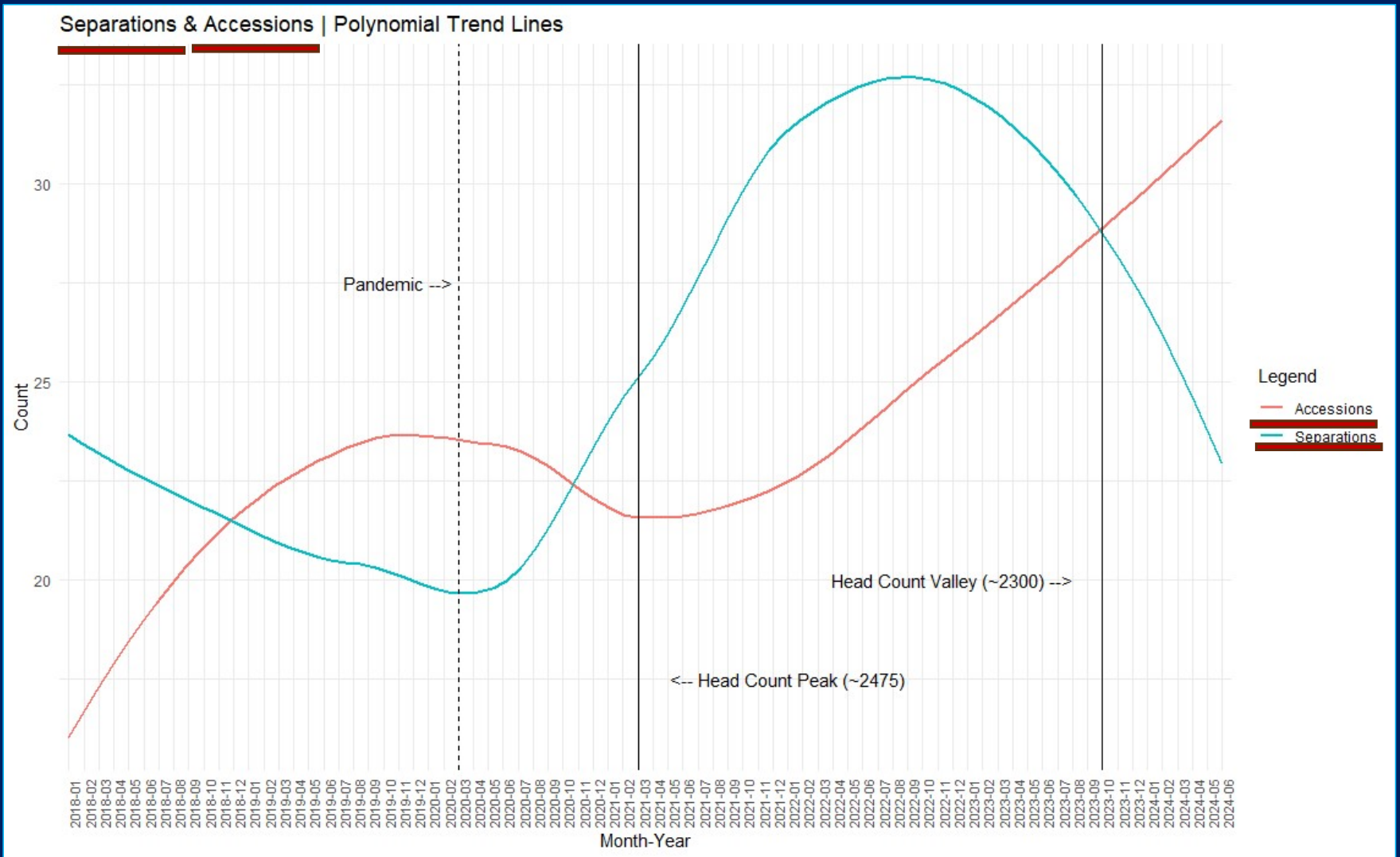


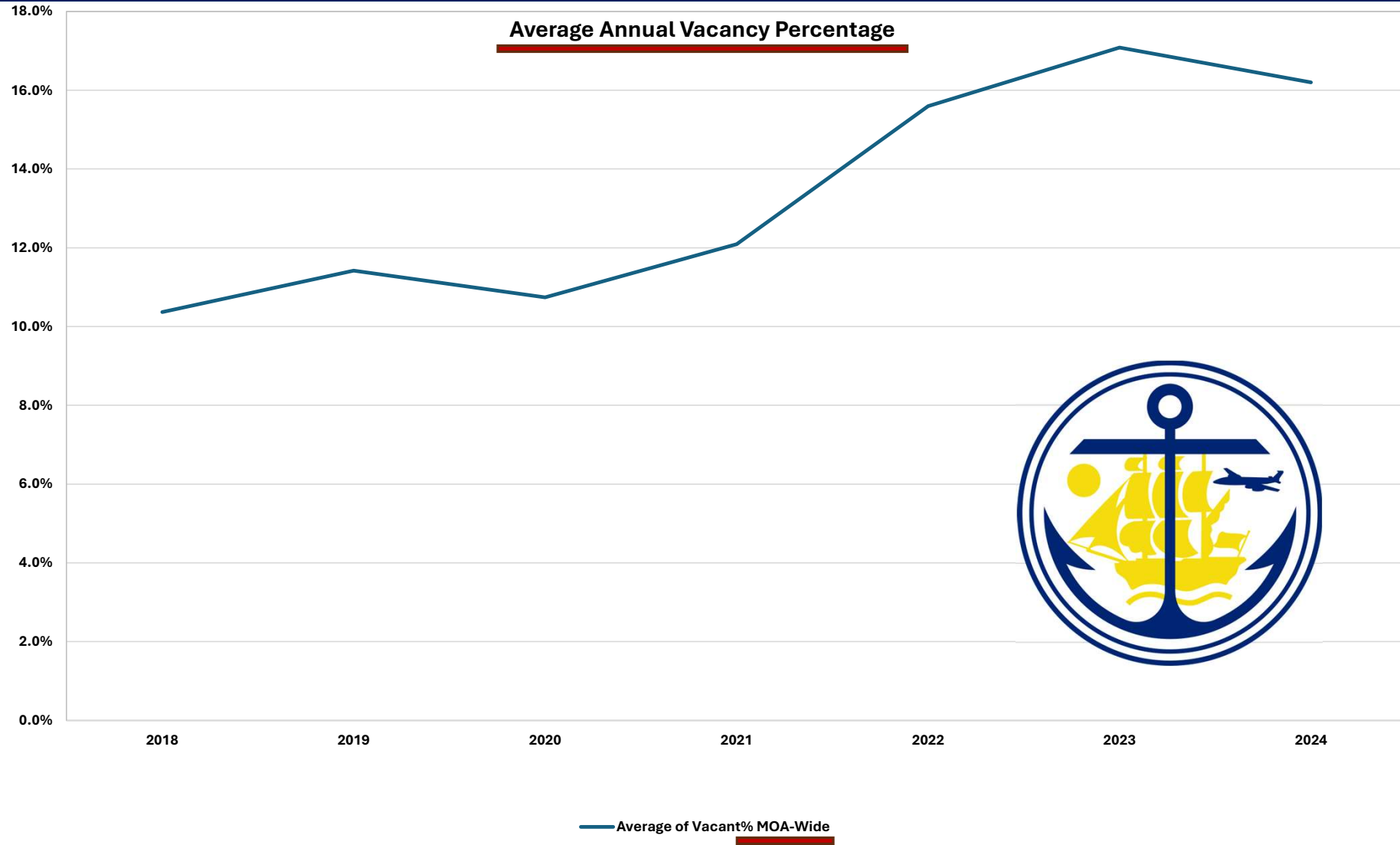


MOA Head Count - Regular Positions | Polynomial Smoothing Trend Line

ML&P and Elected Officials excluded

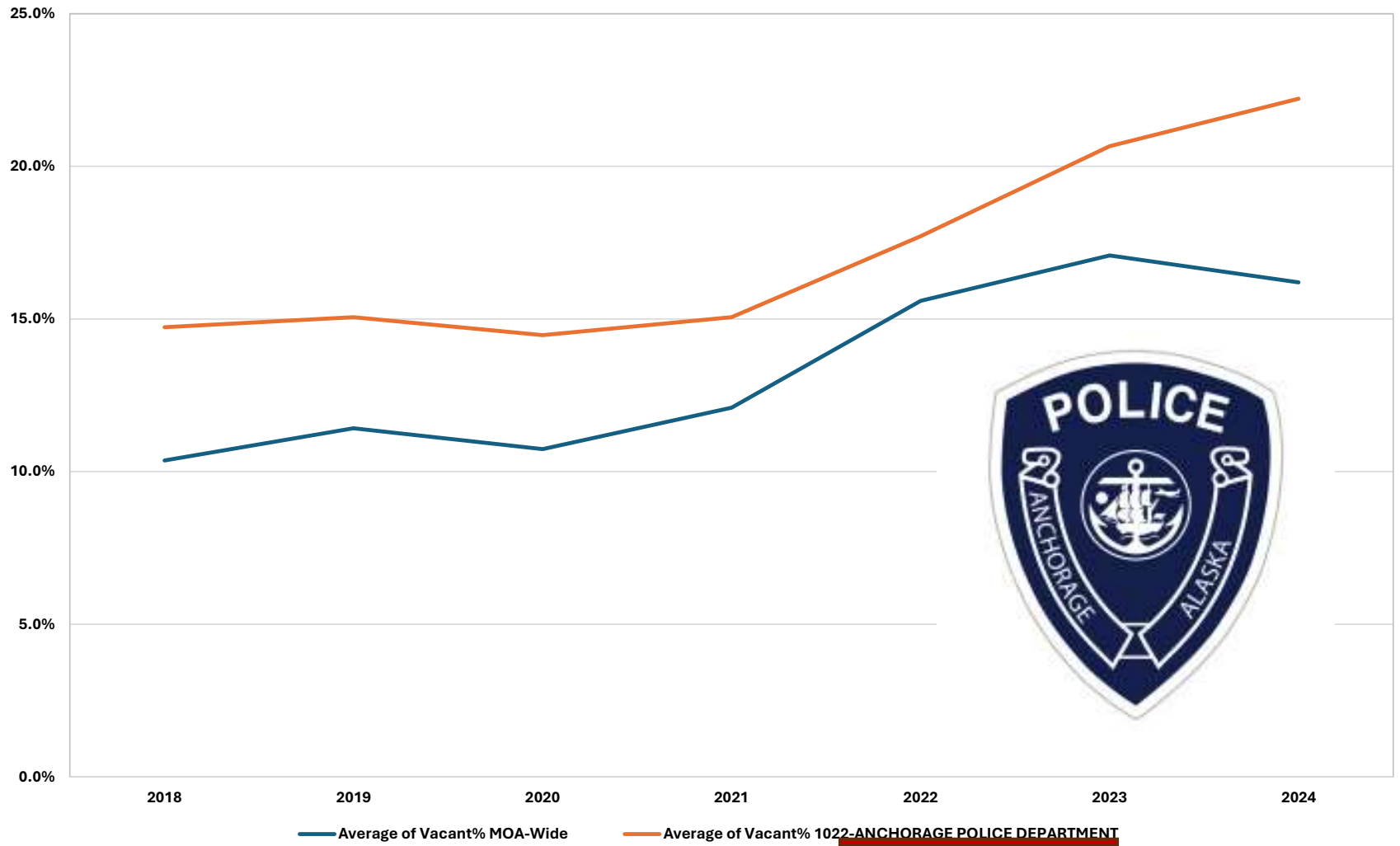






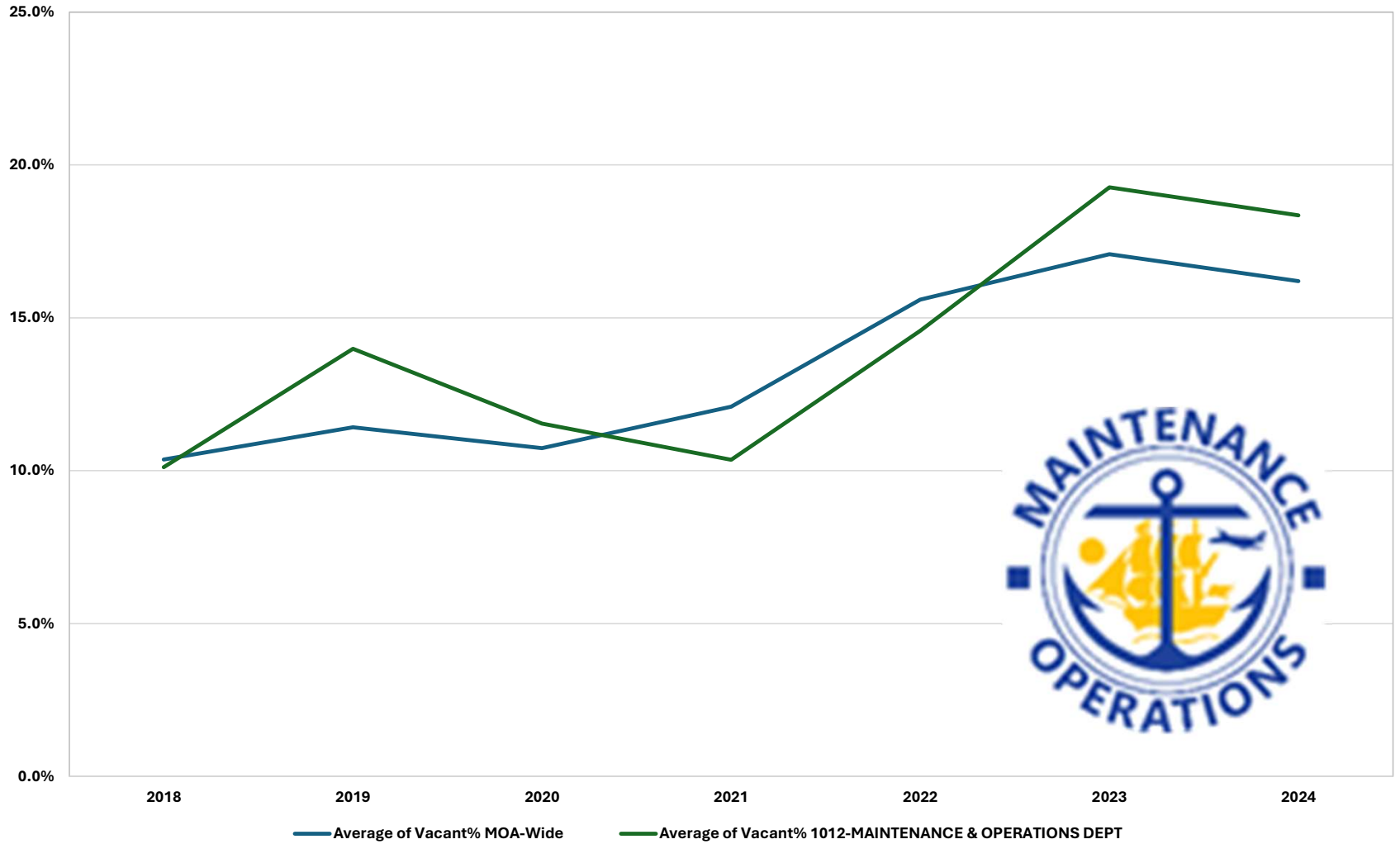


Average Annual Vacancy Percentage



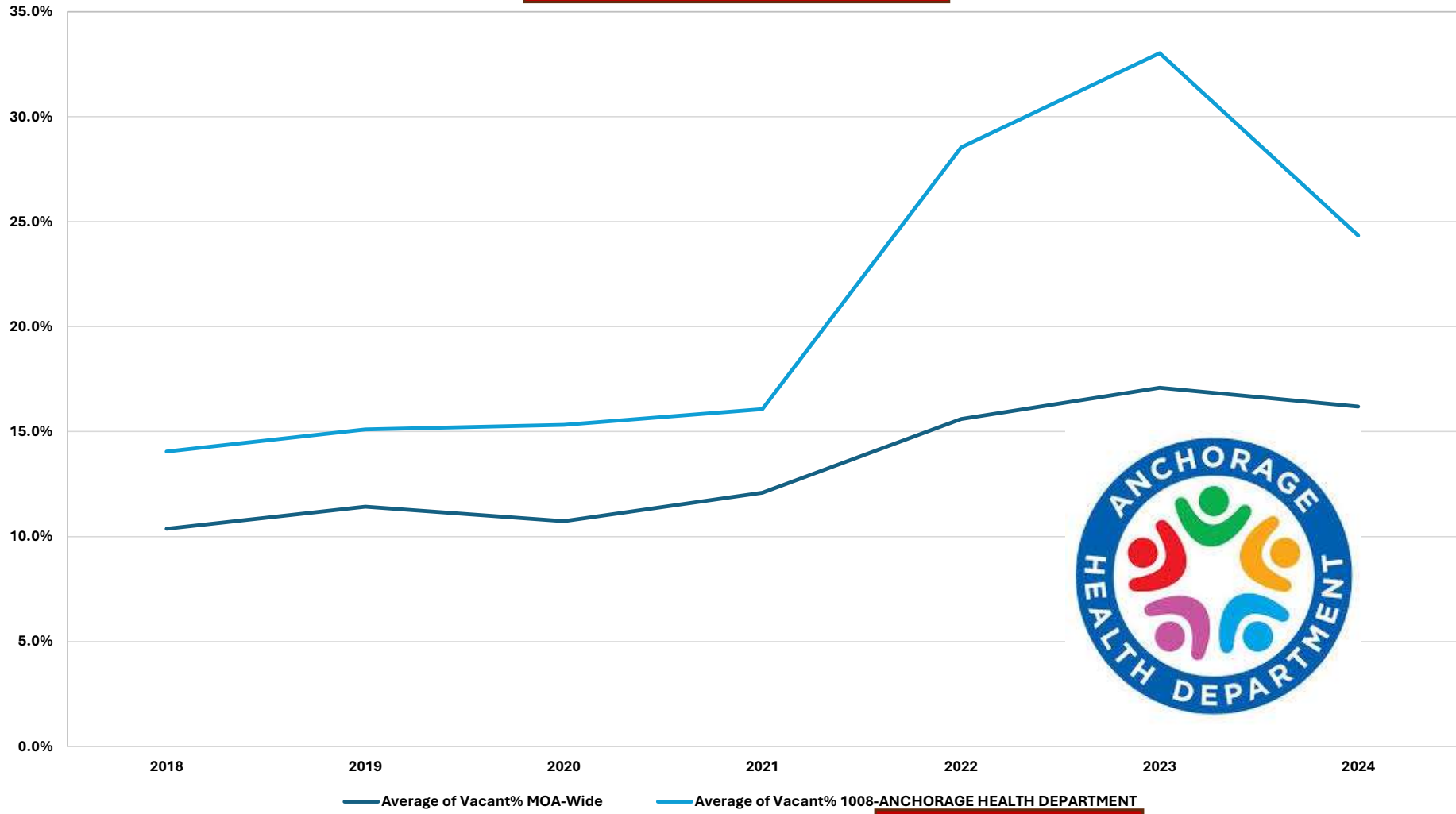


Average Annual Vacancy Percentage





Average Annual Vacancy Percentage



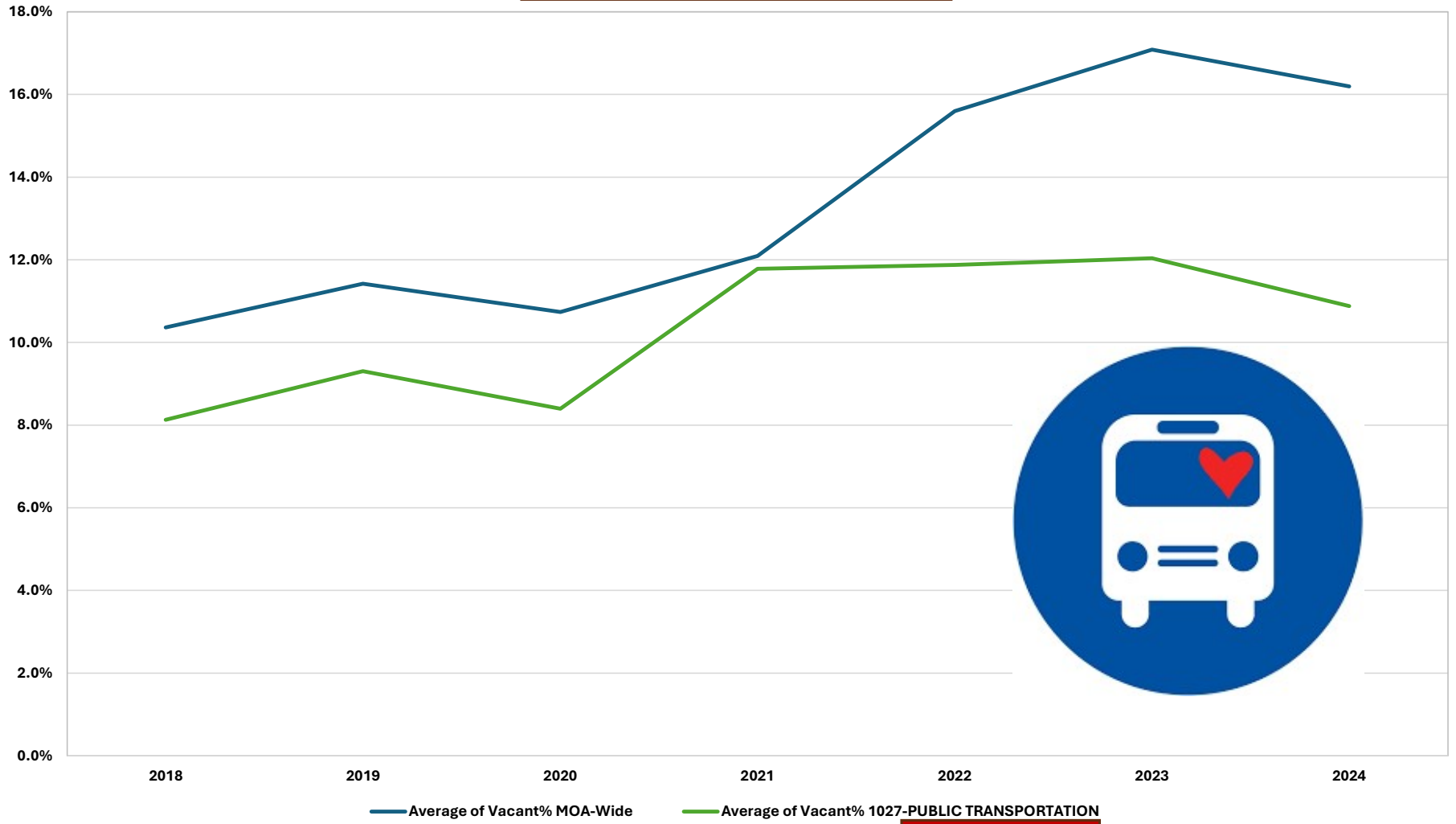


Average Annual Vacancy Percentage



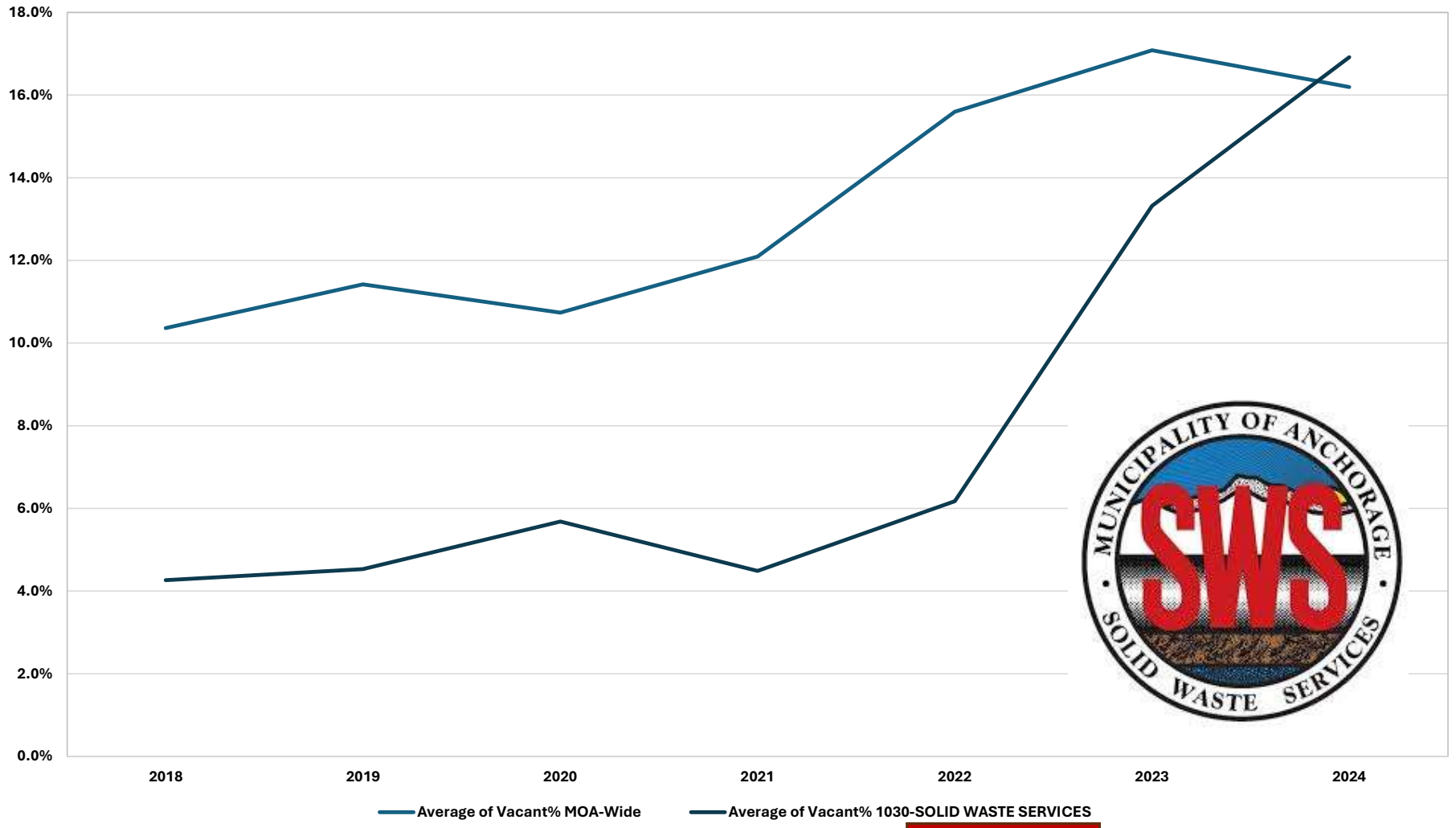


Average Annual Vacancy Percentage







Average Annual Vacancy Percentage





| | | |
|--|---|----------------------------|
|  MUNICIPALITY OF ANCHORAGE POLICY / PROCEDURE | P&P No. 40-40 | Page 1 of 7 |
| | Effective Date: 10/07/2021 | |
| Subject: <u>TELECOMMUTING POLICY</u> | Supersedes No. 40-40 | Dated: 3/13/2020 |
| | Approved by:  | |

1. PURPOSE

The purpose of this policy and procedure is to provide direction and guidance to establish telecommuting arrangements for employees of the Municipality of Anchorage.

2. POLICY

Municipality policy permits telecommuting on a case-by-case basis, as deemed appropriate by department directors and the Human Resources Department, so long as employee performance and delivery of services are not compromised or otherwise impaired. Telecommuting is an arrangement established first and foremost to facilitate the accomplishment of work. It is a privilege, not a right.



Selected Themes

- Staffing/Vacancies
- Aging Assets
- Financial Management
- Central Services
- Ongoing investigations
- Missed Opportunities
- Legal Support



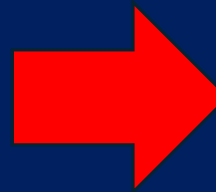
“Imminent collapse of the ability of the Municipality to provide basic government services (APD, Street Maintenance) due to aged state of fleet without additional funding replacement.”

“[Funding needed] for electrical upgrades at the 825 L Street location, which will require a Capital Improvement Project and funding, as well as a funding request for carpet replacement including asbestos remediation”

“Vehicle operability and maintenance issues of an aging fleet (including time they are in the shop waiting to be serviced) negatively impact ability to successfully complete work responsibilities.”

“[Need to develop] a funding timeline that will serve the end-of-life trajectory for aging and failing equipment and systems.”

“Budget constraints threaten consistent improvement and our aging fleet requires more vehicle maintenance, money and keeps officers and vehicles out of service.”



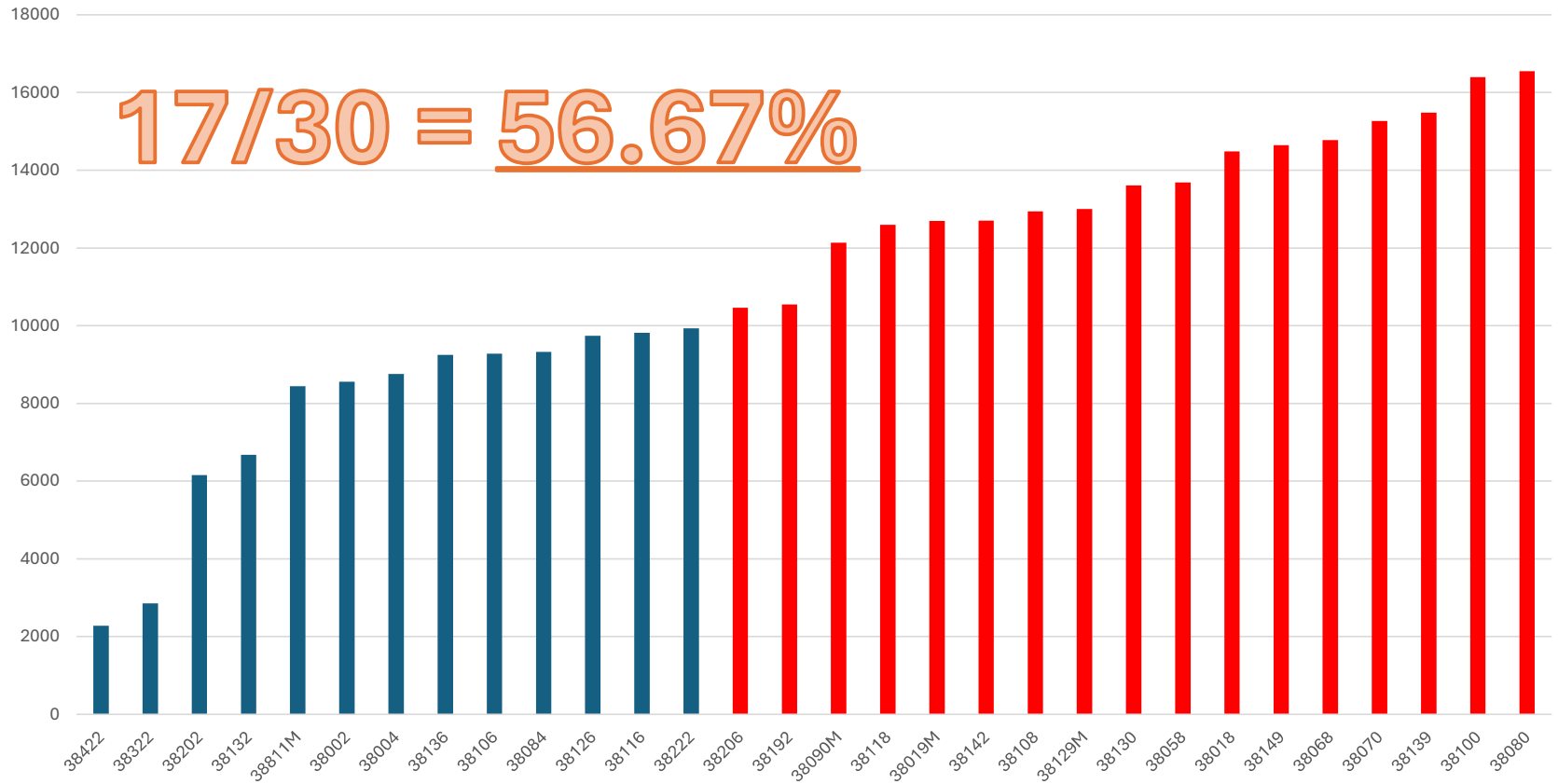
Deferred investment in fleet assets threatens the ability of the Municipality to provide basic services across multiple departments

Multiple municipal facilities suffer from age and maintenance-related issues: the Health Department, the PAC, Boeke Arena, Dempsey Arena, Loussac Library, and need new investment

Leases for key municipal facilities (City Hall, Permit Center) expire soon and may require a new vision for core office properties



Engine Hours on MOA's 30 Graders

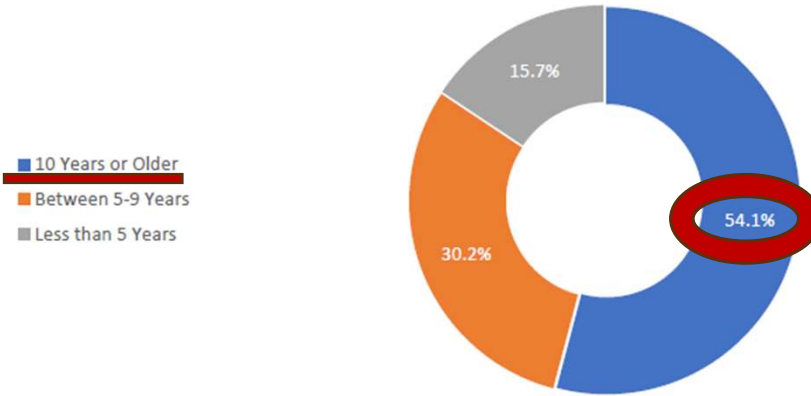




Strategic Plan
2024-2026



APPENDIX B: APD VEHICLE INVENTORY AGE



Source: APD Fleet Master Data, September 2023

| Vehicle Age | Work Groups ⁶ | Total | Percent Total |
|--------------------|-------------------------------------|-------------------------|---------------|
| 10 Years or Older | Uniformed Services ⁷ | 241 | 38.9% |
| | Sworn Admin/Detectives ⁸ | 60 | 9.7% |
| | Other ⁹ | 34 | 5.5% |
| | Total | 335 | 54.1% |
| Between 5-9 Years | Uniformed Services | 155 | 25.0% |
| | Sworn Admin/Detectives | 29 | 4.7% |
| | Other | 3 | 0.5% |
| | Total | 187 | 30.2% |
| Less than 5 Years | Uniformed Services | 81 | 13.1% |
| | Sworn Admin/Detectives | 15 | 2.4% |
| | Other | 1 | 0.2% |
| | Total | 97 | 15.7% |
| Grand Total | | 619¹⁰ | 100.0% |

⁶ Work group assignments as of September 2023.

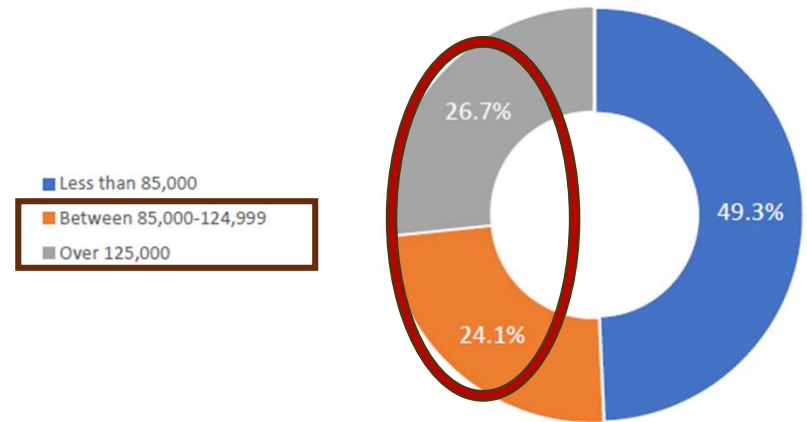
⁷ Uniformed Services includes Patrol, K9, SWAT, Traffic, IDEU, Warrants, Training, and Backgrounds.

⁸ Sworn Admin/Detectives includes Sworn Command staff and all Detective units.

⁹ Other includes all non-sworn and specialty vehicles.

¹⁰ Data set includes all APD vehicles not assigned to Fleet or EVOC training as of September 2023.

APPENDIX C: APD VEHICLE INVENTORY MILEAGE



Source: APD Fleet Master Data, September 2023

| Vehicle Mileage | Work Groups ¹¹ | Total | Percent Total |
|------------------------|--------------------------------------|-------------------------|---------------|
| Less than 85,000 | Uniformed Services ¹² | 223 | 36.0% |
| | Sworn Admin/Detectives ¹³ | 64 | 10.3% |
| | Other ¹⁴ | 18 | 2.9% |
| | Total | 305 | 49.3% |
| Between 85,000-124,999 | Uniformed Services | 110 | 17.8% |
| | Sworn Admin/Detectives | 26 | 4.2% |
| | Other | 13 | 2.1% |
| | Total | 149 | 24.1% |
| Over 125,000 | Uniformed Services | 144 | 23.3% |
| | Other | 14 | 2.3% |
| | Sworn Admin/Detectives | 7 | 1.1% |
| | Total | 165 | 26.7% |
| Grand Total | | 619¹⁵ | 100.0% |

APPENDIX D: VEHICLE COSTS

¹¹ Work group assignments as of September 2023.

¹² Uniformed Services includes Patrol, K9, SWAT, Traffic, IDEU, Warrants, Training, and Backgrounds.

¹³ Sworn Admin/Detectives includes Sworn Command staff and all Detective units.

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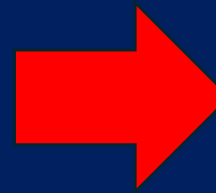
“Delayed 2022 ACFR has resulted in missed opportunities such as TANS issuance in 2024 and the ability to enter into financing agreements for the new Master Lease Program.”

“Due to late filing of 2022 ACFR, Self-insurance, bond rating, investment rates at risk.”

“Extended time frames for audited MOA financial reports (ACFR) have rendered it impossible to comply with reporting deadlines established in State regulation. Continued ACR delays may jeopardize future [] reimbursements, approximately \$23M annually.”

“Municipality continues to fail to meet its fund balance policy.”

“Failure to meet our fund balance policy due to COVID-19 and the 2018 Earthquake caus[ed] a downgrade in MOA’s rating.”



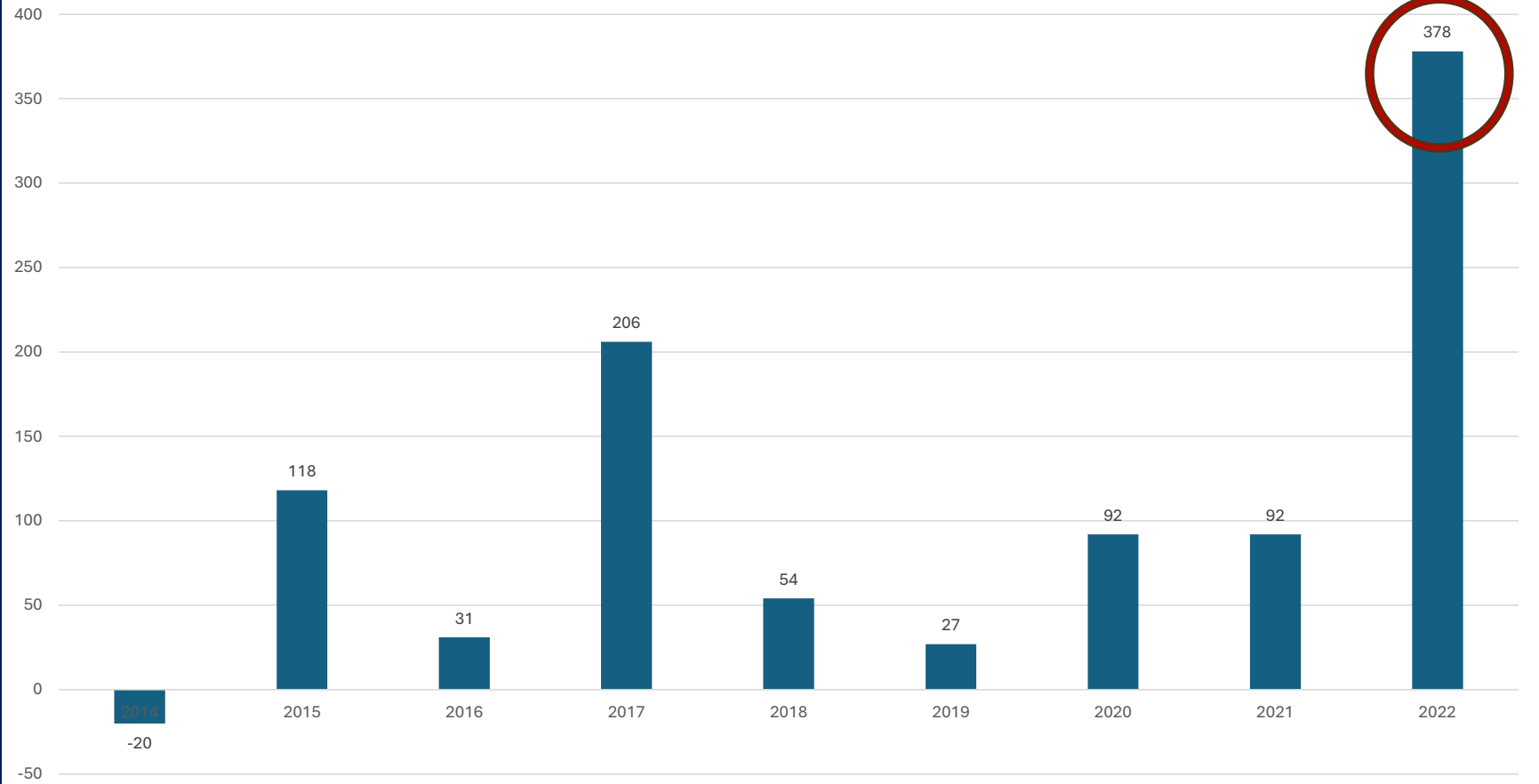
Delay in issuing ACFR has had broad-based impacts across a number of different departments

Fund balance challenges have similarly impacted multiple departments

Other financial issues (correct treatment and use of ML&P transaction proceeds) remain and open question requiring further investigation



Days After Optimum June 30 Date
ACFR Was Actually Delivered





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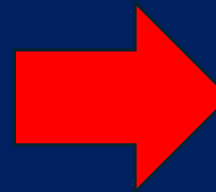
“The ability to contract services and materials . . . in a timely fashion is threatening our ability to meet our essential community service levels and eroding staff morale and leading to burnout.”

“MOA Central Services support and processes [are a challenge].”

“Continuous Municipality staff shortages/inexperience in [central services] directly impact the timeliness of Port activity execution.”

“[Need to] hire an MOA Grant writer to seek out and apply for state and federal grant opportunities.”

“[Need to] find and secure funding from state and federal grant programs to support development.”



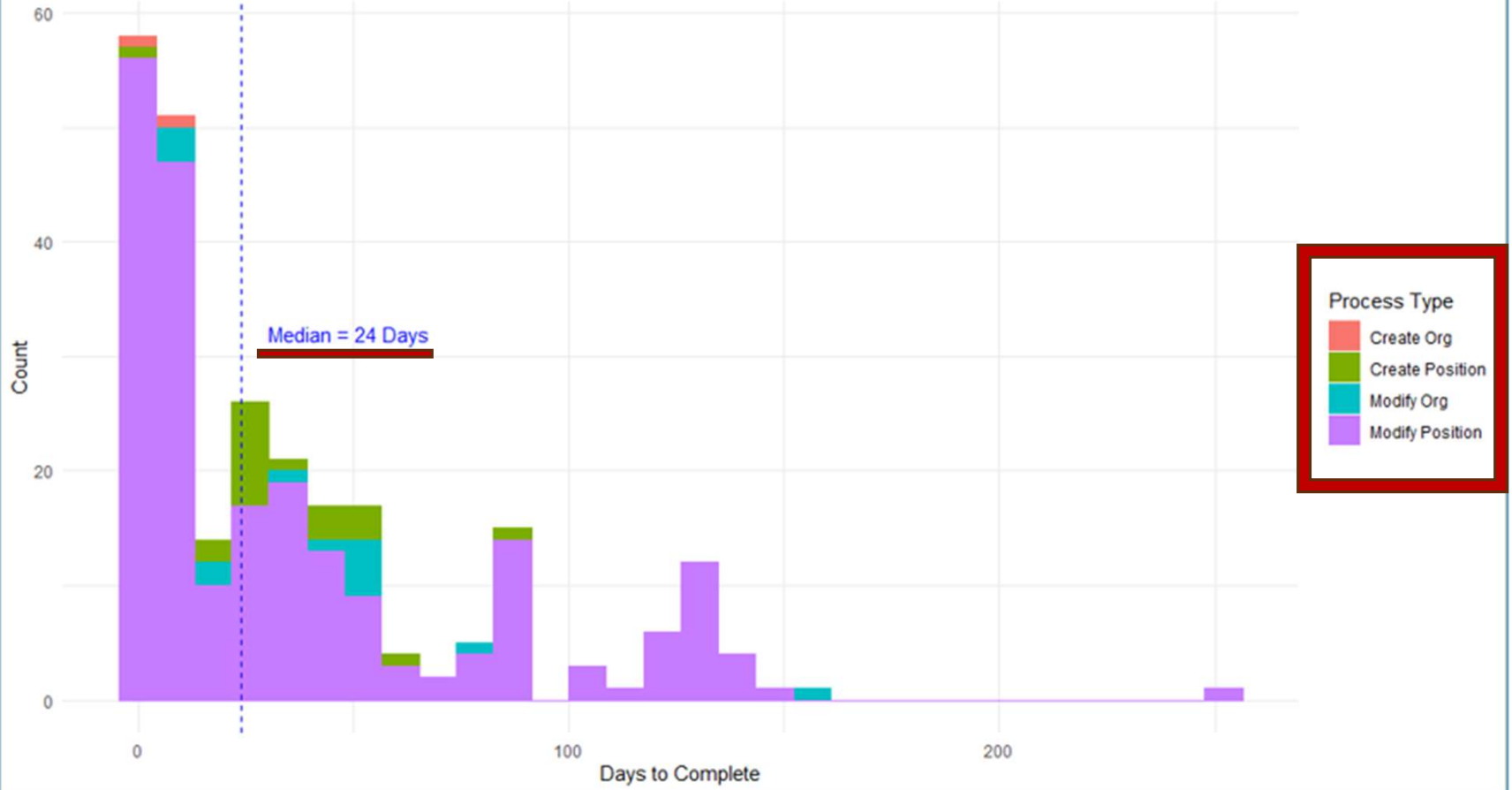
Efficiency in delivery central services is an area of opportunity which could both improve externally-facing services and internal employee morale

Some critical new services are needed (specifically, grant-writing services supporting all Municipal departments)



259 Workflow Processes Completed Since 1/1/2024

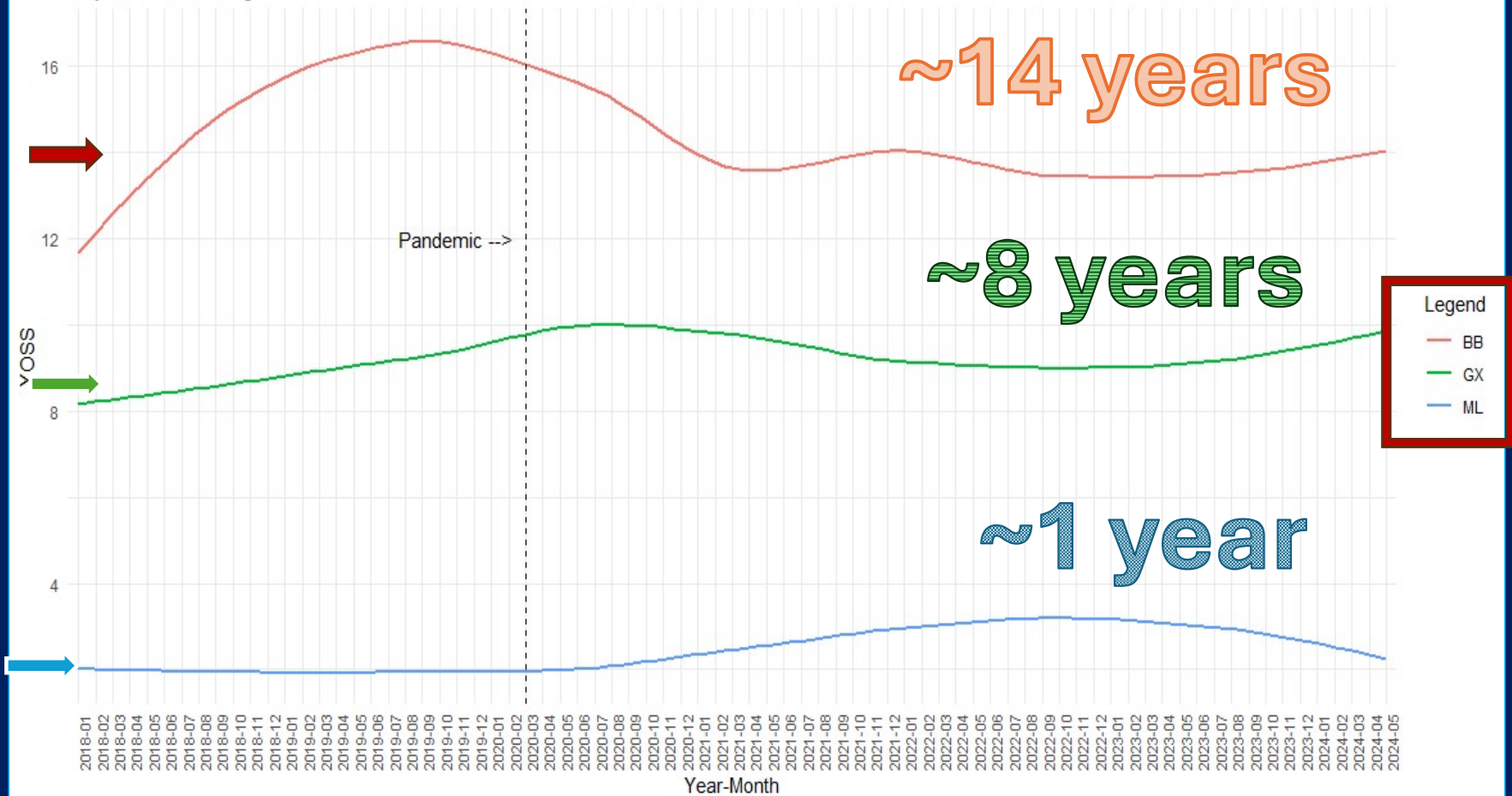
Data as of 6/24/2024 | Histogram by Process Type





Baby Boom, Generation X, Millennials Years of Service Upon Separation (YOSS)

Polynomial Smoothing





Turnover -> Loss of Institutional Knowledge

| | 1002- OFFICE OF CHIEF FISCAL OFFICER | 1004- HUMAN RESOURCES | 1006- FINANCE | 1008- ANCHORAGE HEALTH DEPARTMENT | 1011- ANCHORAGE LIBRARY DEPARTMENT | 1012- MAINTENANCE & OPERATIONS DEPT | 1014- MUNICIPAL ATTORNEY | 1028- PURCHASING |
|-------|--|-----------------------------|------------------|--|---|---|--------------------------------|---------------------|
| 2021 | 65.5% | 13.9% | 27.0% | 29.2% | 14.3% | 7.6% | 17.7% | 30.2% |
| 2022 | 36.4% | 10.4% | 23.5% | 38.7% | 19.6% | 16.2% | 35.3% | 65.1% |
| 2023 | 33.3% | 24.3% | 11.5% | 42.3% | 18.6% | 20.5% | 60.7% | 16.2% |
| 2024* | 0.0% | 2.5% | 3.7% | 15.2% | 11.0% | 8.2% | 18.6% | 8.8% |



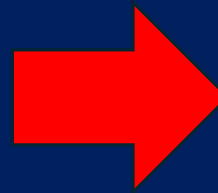
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“AWWU’s association with the MOA, which is on OSHA’s severe violators list, limits our ability to join programs like SHARP, despite AWWU having a strong safety record.”

“The U.S. Department of Justice gave notice in May, 2024 of an investigation into the AFD’s recruiting and hiring practices as they related to certain underrepresented demographics.”



MOA OSHA challenges will have a cross-cutting impact on multiple departments

Ongoing legal challenges arising in the previous administration will require resources to resolve



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26.10.016 - Utility status of stormwater services.



The Anchorage Stormwater Utility shall be regarded as a municipal utility for purposes of this Code. The assembly shall not adopt or approve a resolution or ordinance regarding plans or proposals for establishment, formation, or commencement of stormwater utility services or functions until it has been first reviewed by the stormwater utility commission established by section [4.70.070](#). Said plans or proposals include, but are not limited to, an application for a certificate of public convenience and necessity, master plans, capital improvement plans, long term fiscal plans, service level and rate structure proposals, tariffs, service area proposals, organizational and governance structure, transitional plans, and inventory and assessment practices.

(AO No. [2019-88](#), § 2, 8-6-19; AO No. [2019-113\(S\)](#), § 3, 9-24-19)

6. Anchorage Hydropower Utility. The Anchorage Hydropower Utility is responsible for supplying wholesale electric service to utilities in southcentral Alaska.
 - a. The municipal manager shall have operational oversight of the utility; and
 - b. The mayor shall be responsible for operational policy decisions of the utility, subject to the limitations of subsection c.
 - c. Pursuant to section [26.30.025](#), the assembly shall be responsible for all other policy decisions, including those related to the municipality's performance under the 1991 Fish and Wildlife agreement regarding the Eklutna hydroelectric project.



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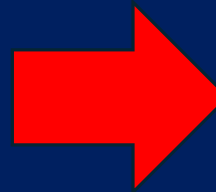
“The Department would benefit from the hiring of attorneys and support staff in key areas in order to increase self-sufficiency, build institutional knowledge and expertise on the Municipality’s legal team, and rely less on outside counsel.”

“Experienced attorneys with specialized expertise have retired or left employment with the Municipality for other reasons.”

“Misdemeanor crimes are unlikely to be prosecuted due to low attorney staffing.”

“Continuous Municipality Department staff shortages/inexperience in Legal... directly impact the timeliness of . . . activity execution.”

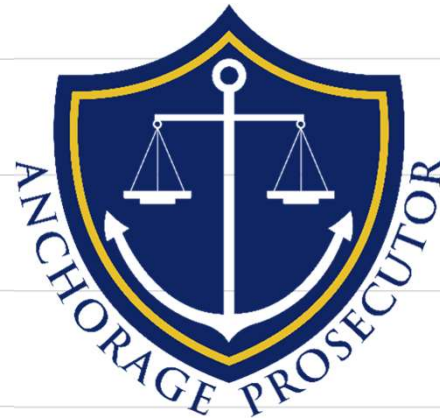
“Recruitment in this competitive hiring market continues to be a challenge.”



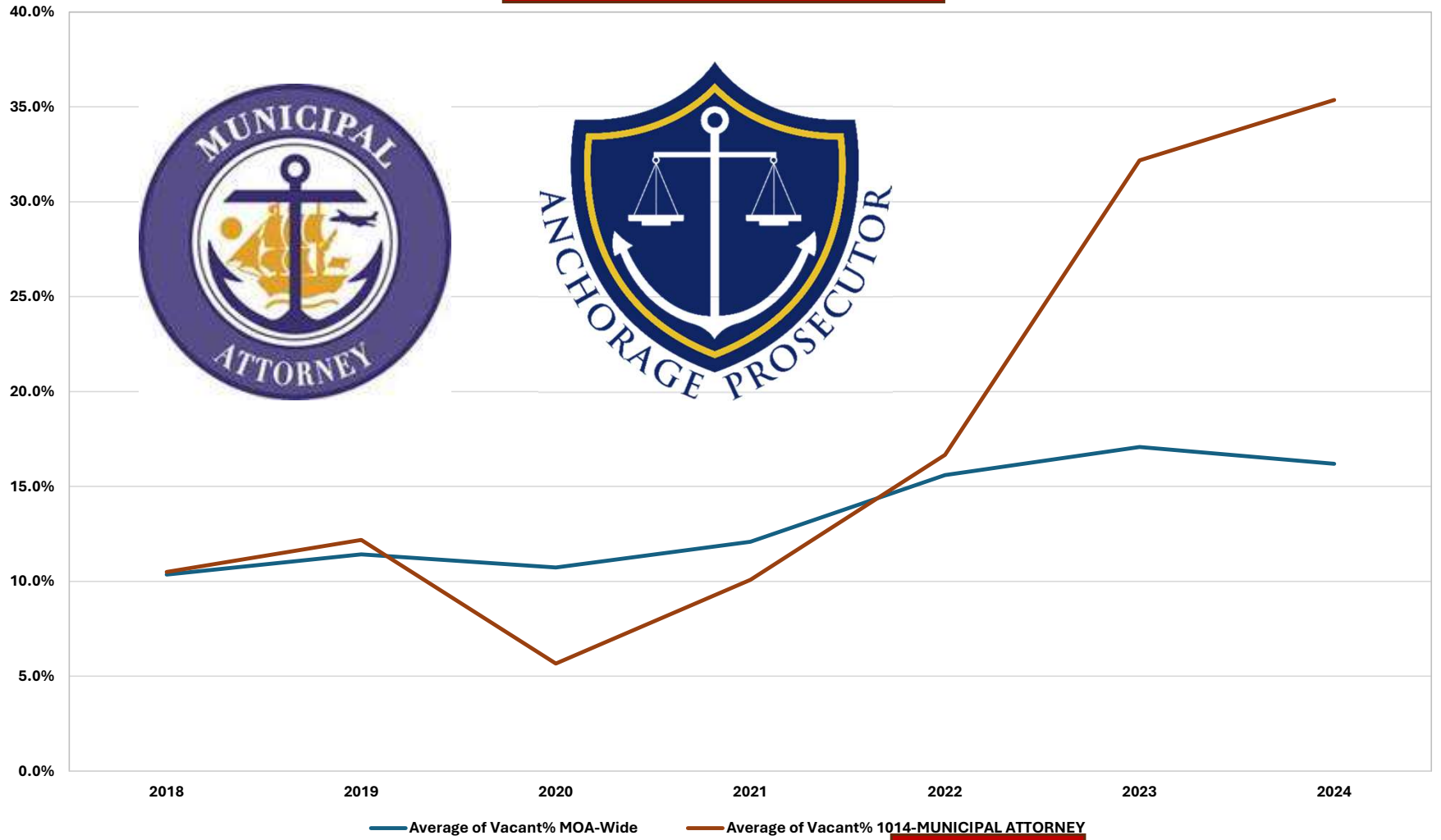
The Department needs to strengthen its legal team and find ways to restore expertise and institutional knowledge.

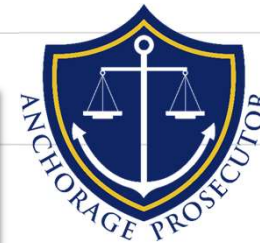
Employment terms and workplace environment need to be assessed to identify and remove obstacles to recruitment and retention.

Getting the Department back to full strength and efficiency will benefit all other departments.

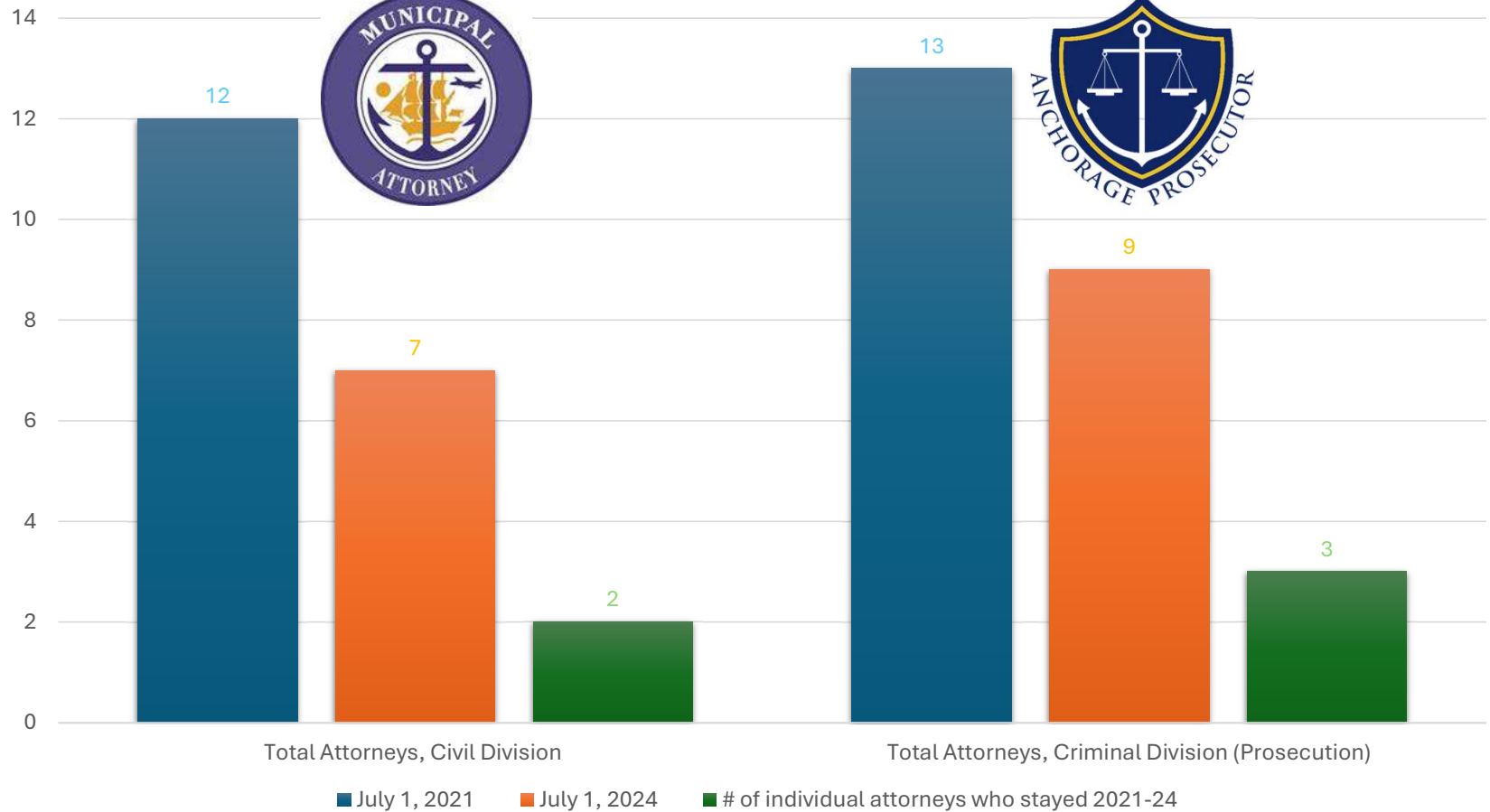


Average Annual Vacancy Percentage





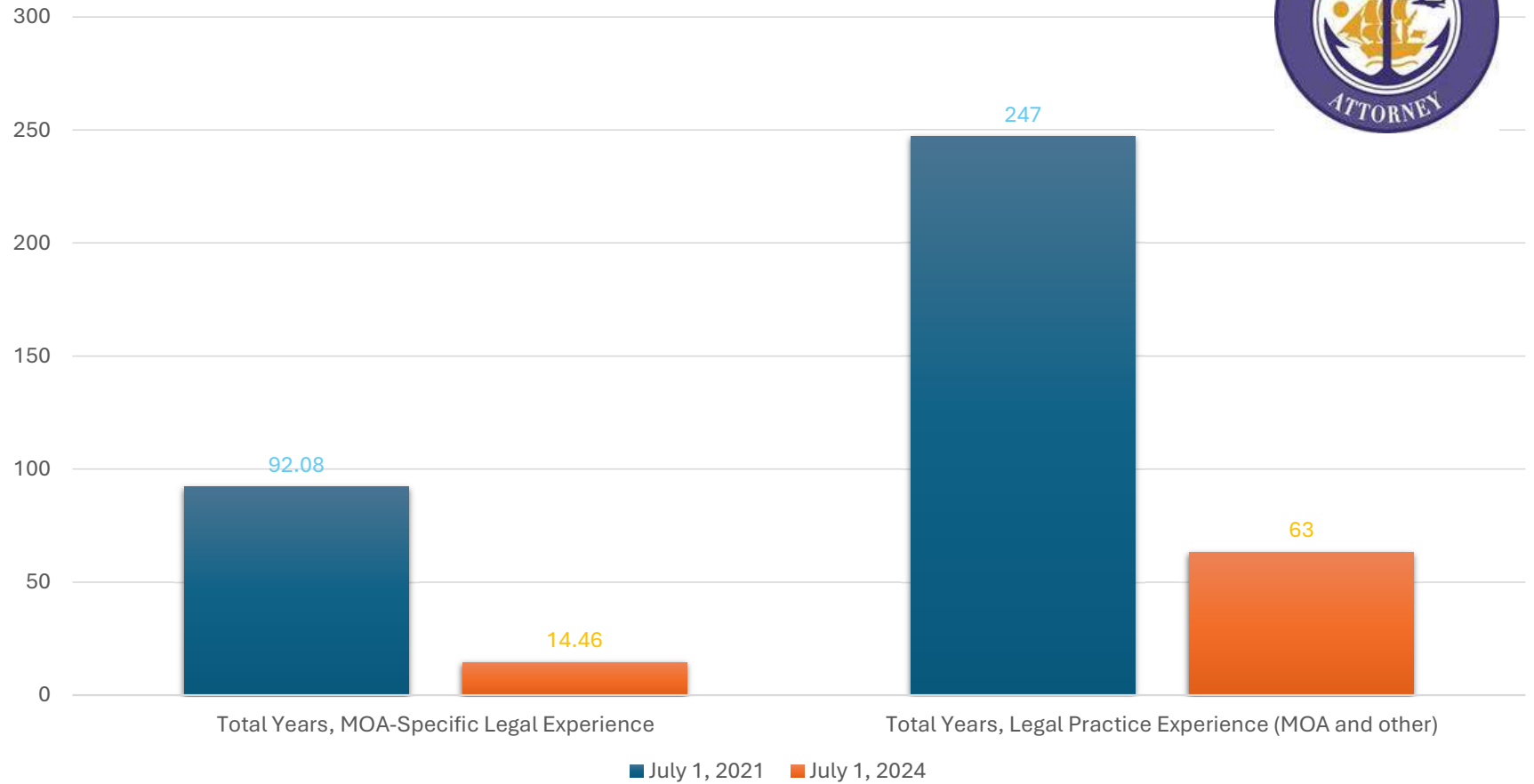
Loss of Attorneys 2021-2024



Data excludes Municipal Attorney



Loss of Years of Experience, Civil Division 2021-2024



Data excludes Municipal Attorney

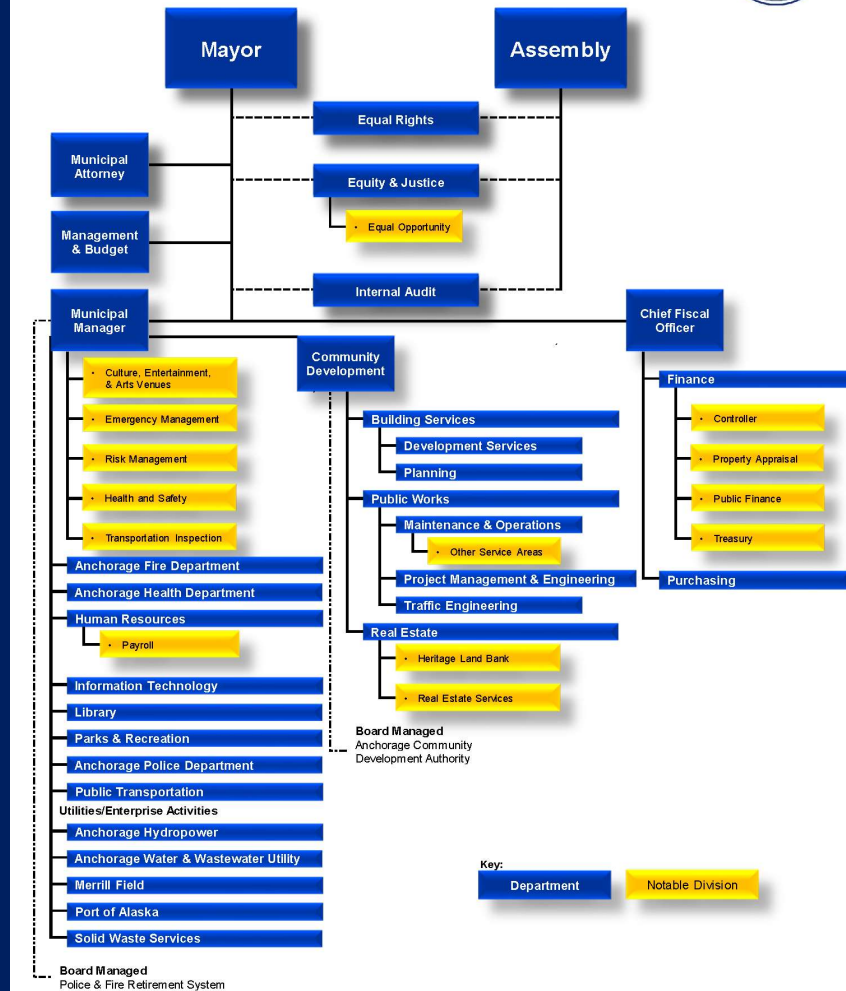


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- Legal Support
- Strengths



Municipality of Anchorage







What's Next?

