

SUBJECT: AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY ACCEPTING, APPROPRIATING, AND APPROVING THE SCOPE OF WORK AND BUDGET FOR \$33,300 IN ANTICIPATED PROJECT INCOME DURING FISCAL YEAR 2023 FOR THE RAIL EXTENSION PROJECT FROM PORT MacKENZIE TO THE MAINLINE PROJECT.

AGENDA OF: July 19, 2022

ASSEMBLY ACTION:

*Adopted without objection
8-2-22 (BSC)*

MANAGER RECOMMENDATION: Introduce and set for public hearing.

APPROVED *for* **BY MICHAEL BROWN, BOROUGH MANAGER:** *George Brown*

Route To:	Department/Individual	Initials	Remarks
	Originator - Brad Sworts	<i>BSC</i>	
✓	Public Works Director	<i>BSC</i>	
	Finance Director	<i>YW</i>	<i>For CM</i>
	Borough Attorney	<i>B</i>	
	Borough Clerk	<i>BSC for JRM</i>	

ATTACHMENT (S): Fiscal Note: YES X NO _____
 Ordinance Serial No. 22-087 (2 pp)
 Resolution Serial No. 22-066 (2 pp)

SUMMARY STATEMENT: The Matanuska-Susitna Borough (Borough) acquired land for right-of-way for the Port MacKenzie Rail Extension project. Several of the properties are large agricultural properties which the Borough expects to lease/rent and/or sell between 2022 and 2025. Income generated from the lease/rental and/or sale of these properties is considered project income.

The Borough must plan and account for any anticipated project income. Staff anticipated the sale of one property during Fiscal Year (FY) 2019 (IM No. 19-004) but the property did not sell. The actual rental income for the project during FY19 totaled \$6,900.

Staff anticipated the sale of one property during FY20 (IM 19-129) but the property did not sell. The actual rental income for the project during FY20 totaled \$21,900.

Staff anticipated the sale of one property during FY21 (IM 20-145) but the property did not sell. The actual rental income for the project during FY21 totaled \$39,700.

Staff sold one property during FY22 (IM 21-139) for \$560,600. The actual rental income for the project during FY22 totaled \$35,952. We are not anticipating the sale of any property during FY23.

Staff estimates lease/rental income of \$33,300 in FY23. Going out three years, staff anticipates lease/rental income of \$33,300 in FY23; \$33,300 in FY24; and \$33,300 in FY25. Current and future rental income and income balances will continue to be credited to the project even after grant expiration.

This legislation will accept, appropriate, and outline a scope of work for the anticipated income during FY23. New legislation will be drafted and sent forward at the beginning of each fiscal year for the additional anticipated income.

RECOMMENDATION OF ADMINISTRATION: Approve this legislation.

MATANUSKA-SUSITNA BOROUGH
FISCAL NOTE

Agenda Date: July 19, 2022

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ORIGINATOR: Brad Sworts

FISCAL ACTION (TO BE COMPLETED BY FINANCE)	FISCAL IMPACT <u>YES</u> NO
AMOUNT REQUESTED <u>\$33,300</u>	FUNDING SOURCE <u>Project income</u>
FROM ACCOUNT #	PROJECT
TO ACCOUNT: <u>490.00000 3XX.XXX</u>	PROJECT # <u>75001</u>
VERIFIED BY: <u>[Signature]</u>	CERTIFIED BY:
DATE: <u>7/10/22</u>	DATE:

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
Personnel Services						
Travel						
Contractual						
Supplies						
Equipment						
Land/Structures						
Grants, Claims						
Miscellaneous						
TOTAL OPERATING						

CAPITAL			<u>33.3</u>			
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REVENUE						
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FUNDING:

(Thousands of Dollars)

General Fund						
State/Federal Funds						
Other			<u>33.3</u>			
TOTAL			<u>33.3</u>			

POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

PREPARED BY: _____ PHONE: _____

DEPARTMENT: _____ DATE: _____

APPROVED BY: [Signature] DATE: 7-6-22