

Introduced By: Mayor Matherly
Finance Committee Review: April 18, 2017
Introduced: April 24, 2017

ORDINANCE NO. 6046, AS AMENDED

**AN ORDINANCE AMENDING THE 2017 OPERATING
AND CAPITAL BUDGETS FOR THE FIRST TIME**

WHEREAS, this ordinance incorporates the changes outlined on the attached fiscal note to amend the 2017 operating and capital budgets; and

NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF FAIRBANKS, ALASKA, as follows:

SECTION 1. There is hereby appropriated to the 2017 General Fund and the Capital Fund budgets the following sources of revenue and expenditures in the amounts indicated to the departments named for the purpose of conducting the business of the City of Fairbanks, Alaska, for the fiscal year commencing January 1, 2017 and ending December 31, 2017 (see pages 2 and 3) [changes shown in **bold font**]. [amendments shown in **bold underlined** font; deleted text or amounts in ~~font~~]:

GENERAL FUND

<u>REVENUE</u>	<u>COUNCIL APPROPRIATED</u>	<u>REVIEW PERIOD INCREASE (DECREASE)</u>	<u>PROPOSED COUNCIL APPROPRIATION</u>
Taxes, (all sources)	\$ 20,066,409	\$ 99,828	\$ 20,166,237
Charges for Services	4,966,012	51,272	5,017,284
Intergovernmental Revenues	3,702,349	(295,000)	3,407,349
Licenses & Permits	1,609,092	-	1,609,092
Fines, Forfeitures & Penalties	595,515	-	595,515
Interest & Penalties	98,600	-	98,600
Rental & Lease Income	126,234	-	126,234
Other Revenues	221,000	-	221,000
Other Financing Sources	4,190,979	(1,796,970)	2,394,009
Total revenue appropriation	\$ 35,576,190	\$ (1,940,870)	\$ 33,635,320
<u>EXPENDITURES</u>			
Mayor and Council	\$ 600,082	\$ 11	\$ 600,093
Office of the City Attorney	183,092	36,822	219,914
Office of the City Clerk	349,125	4,010	353,135
Finance Department	997,059	28	997,087
Information Technology	1,691,738	83,042	1,774,780
General Account	6,543,575	22,033	6,565,608
Police Department	7,213,626	55,357	7,268,983
Dispatch Center	2,276,126	13,840	2,289,966
Fire Department	6,289,599	14,823	6,304,422
Public Works Department	7,645,438	561,414	8,206,852
Engineering Department	718,422	(26,855)	691,567
Building Department	684,732	11	684,743
Total expenditure appropriation	\$ 35,192,614	\$ 764,536	\$ 35,957,150
12/31/16 estimated general fund balance	\$ 8,860,989	\$ 3,184,616	\$ 12,045,605
Increase (Decrease) to fund balance	383,576	(367,375)	16,201
Nonspendable	-	(488,807)	(488,807)
Committed for snow removal	-	(250,000)	(250,000)
Prior year encumbrances	-	(588,031)	(588,031)
Transfer to other funds	-	(1,750,000)	(1,750,000)
12/31/17 Unassigned balance	\$ 9,244,565	\$ (259,597)	\$ 8,984,968

Minimum unassigned fund balance requirement is 20% of budgeted annual expenditures but not less than \$4,000,000.

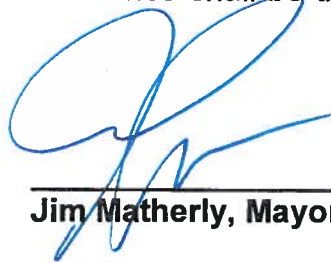
\$ 7,191,430

CAPITAL FUND

<u>REVENUE</u>	COUNCIL APPROPRIATION	REVIEW PERIOD INCREASE (DECREASE)	PROPOSED COUNCIL APPROPRIATION
Transfer from Permanent Fund	\$ 584,056	\$ (5,871)	\$ 578,185
Transfer from General Fund	427,509	1,500,000	1,927,509
Public Works	250,000	-	250,000
Building	10,000	-	10,000
Engineering	10,000	-	10,000
Police	180,000	-	180,000
Dispatch	140,000	-	140,000
Fire	313,960	-	313,960
IT	86,688	-	86,688
Property Repair & Replacement	145,000	-	145,000
Total revenue appropriation	<u>\$ 2,147,213</u>	<u>\$ 1,494,129</u>	<u>\$ 3,641,342</u>
 <u>EXPENDITURES</u>			
Public Works Department	\$ 191,000	\$ 960,966	\$ 1,151,966
Engineering Department	28,307	-	28,307
Police Department	180,000	150,525	330,525
Dispatch	-	48,253	48,253
Fire Department	55,000	238,406	293,406
IT Department	86,688	87,258	173,946
Road Maintenance	676,319	914,994	1,591,313
Property Repair & Replacement	155,000	100,000	255,000
Total expenditure appropriation	<u>\$ 1,372,314</u>	<u>\$ 2,500,402</u>	<u>\$ 3,872,716</u>
12/31/16 capital fund balance	\$ 3,760,839	\$ 2,891,200	\$ 6,652,039
Increase (Decrease) to fund balance	774,899	1,062,801	1,837,700
Prior year encumbrances		(2,069,074)	(2,069,074)
12/31/16 assigned fund balance	<u>\$ 4,535,738</u>	<u>\$ 1,884,927</u>	<u>\$ 6,420,665</u>

SECTION 2. All appropriations made by this ordinance lapse at the end of the fiscal year to the extent they have not been expended or contractually committed to the departments named for the purpose of conducting the business of said departments of the City of Fairbanks, Alaska, for the fiscal year commencing on January 1, 2017 and ending December 31, 2017.

SECTION 3. The effective date of this ordinance shall be the 13th day of May 2017.

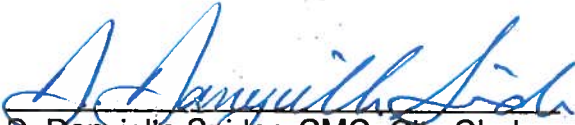


Jim Matherly, Mayor

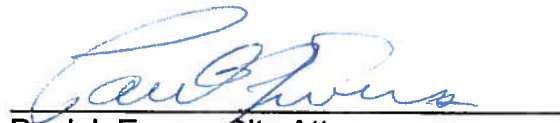
AYES: Therrien, Rogers, Norum, Huntington
NAYS: Pruhs, Cleworth
ABSENT: None
ADOPTED: May 8, 2017

ATTEST:

APPROVED AS TO FORM:



D. Danyelle Snider, CMC, City Clerk



Paul J. Ewers, City Attorney

FISCAL NOTE
ORDINANCE NO. 6046, AS AMENDED
AMENDING THE 2017 OPERATING AND CAPITAL BUDGETS
FOR THE FIRST TIME

General Fund—(\$1,940,870) Decrease in Revenue/Other Financing
\$ 764,536 Increase in Expenditures

Revenue/Other Financing Sources – \$ (1,940,870) Decrease

1. Taxes

- \$99,828 increase in marijuana tax collection (based on current collections)

2. Charges for Services

- \$45,119 increase in garbage revenue (due to increased fee)
- \$6,153 increase in garbage equipment reserve (due to increased fee)

3. Intergovernmental Revenues

- (\$295,000) decrease in community assistance (revenue sharing)

4. Licenses & Permits

5. Fines, Forfeitures & Penalties

6. Interest & Penalties

7. Rental & Lease Income

8. Other Revenues

9. Other Financing Sources & (Uses)

- **(\$1,750,000) (~~\$2,000,000~~) decrease to transfer general fund balance to the capital fund (\$1,500,000) (~~\$1,750,000~~) and permanent fund (\$250,000)**
- (\$46,970) decrease in transfer from the permanent fund

Expenditures - \$764,536 Increase

1. Mayor & Council

- \$11 increase for encumbrance carryforward

2. City Attorney's Office

- \$29,685 increase for encumbrance carryforward
- \$7,137 increase to cover firefighter arbitrator fees

3. City Clerk's Office
 - \$4,010 increase for encumbrance carryforward
4. Finance Department
 - \$28 increase for encumbrance carryforward
5. Information Technology
 - \$83,042 increase for encumbrance carryforward
 - ~~\$48,253 increase for an additional Voice Processing Module to Motorola radio system~~
6. General Account
 - \$53,533 increase for encumbrance carryforward
 - (\$40,000) decrease for professional services
 - \$8,500 increase due to steam rate increase
7. Police Department
 - \$44,961 increase for encumbrance carryforward
 - \$10,396 increase to add a second Deputy Chief (reduce Lieutenant position)
 - ~~\$81,000 increase in OT due to staffing shortage~~
 - ~~(\$200,000) decrease due to salaries and benefit savings~~
8. Dispatch
 - \$13,840 increase for encumbrance carryforward
 - ~~\$8,000 increase in OT due to staffing shortage~~
 - ~~(\$40,000) decrease due to salaries and benefit savings~~
9. Fire Department
 - \$10,723 increase for encumbrance carryforward
 - \$4,100 increase for fuel (transferred from public works budget)
10. Public Works
 - \$347,514 increase for encumbrance carryforward
 - \$128,000 increase for excess temporary wages & benefits for snow removal

- \$65,000 ~~\$40,000~~ increase for temporary wages & benefits to cover spring & summer patching crews
- \$25,000 increase for OT wages & benefits to cover spring & summer patching crews
- (\$4,100) decrease for fuel (transferred to fire department)

11. Engineering

- \$673 increase for encumbrance carryforward
- \$5,000 ~~\$15,000~~ increase for a City-wide traffic signal timing review
- (\$32,528) decrease for wages & benefits to replace a part-time Intern and Surveyor Engineer Technician with an Engineer I and Temporary Laborer

12. Building Department

- \$11 increase for encumbrance carryforward

**Capital Fund - \$1,494,129 Increase in Other Financing Sources
\$2,500,402 Increase in Expenditures**

REVENUES

OTHER FINANCING SOURCES (USES)

1. \$154,812 increase due to general fund transfer to capital fund for future purchases
2. \$100,000 increase due to general fund transfer to capital fund for the Mayor's 2017 Contingency
3. \$745,188 increase due to a general fund transfer to the capital fund for Road Maintenance to provide committed grant matches
4. **\$500,000 ~~\$750,000~~ increase due to a general fund transfer to the capital fund for Road Maintenance for other projects and match requirements**
5. (\$5,871) decrease in transfer from the permanent fund

EXPENDITURES

1. Public Works
 - \$939,618 increase for encumbrance carryforward
 - \$21,348 increase for installation of safety feature on the overhead crane in the main shop
2. Police Department
 - \$88,175 increase for encumbrance carryforward
 - \$62,350 to complete the radio purchase under the 2015 SHSP grant (\$136,166 grant allocation)
3. Dispatch
 - **\$48,253 increase for an additional Voice Processing Module to Motorola radio system**
4. Fire Department
 - \$219,029 increase for encumbrance carryforward

- \$10,000 increase for radio grant match*
- \$9,377 increase for ambulance purchase*

* These funds were approved in 2016 but unencumbered at year end. Approval adds them back into the budget.

5. IT Department

- \$87,258 increase for encumbrance carryforward

6. Road Maintenance

- \$734,994 increase for encumbrance carryforward
- \$100,000 increase to complete the Rickert project*
- \$50,000 increase to complete the Gateway project*
- ~~\$30,000~~ ~~\$50,000~~ increase to the Downtown Core Third St. Parking project*

* These funds were approved in 2016 but unencumbered at year end. Approval adds them back into the budget.

7. Property Repair & Replacement

- \$100,000 increase for Mayor's 2017 Contingency