

Introduced By: Council Member Therrien
Council Member Norum
Finance Committee Review: April 18, 2017
Introduced: April 24, 2017

ORDINANCE NO. 6047

**AN ORDINANCE AMENDING THE 2017 OPERATING BUDGET
TO FUND THE FAIRBANKS FIREFIGHTERS UNION
ARBITRATION AWARD**

WHEREAS, the City and the Fairbanks Firefighters Union, IAFF Local 1324, were unable to reach an agreement on a replacement collective bargaining agreement (CBA) through negotiations and mediation; and

WHEREAS, the dispute over a replacement CBA was submitted to arbitration as required by the Public Employment Relations Act; and

WHEREAS, an arbitration hearing was conducted by Arbitrator Sharon K. Imes on December 14, 15, and 16, 2016, and a decision was issued on March 30, 2017; and

WHEREAS, the arbitrator awarded the employees covered by this CBA an increase to the amount the City pays toward the employees' healthcare premium, an increase to wages, and increases to certain payoffs; and

WHEREAS, the monetary terms of the arbitrator's award are not effective until funds are appropriated by the Council; and

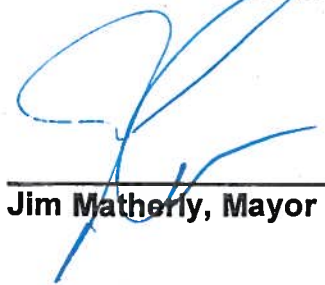
WHEREAS, this ordinance amends the 2017 operating budget to fund the monetary terms of the arbitrator's decision.

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

SECTION 1. The 2017 operating budget is hereby amended to provide funding for the monetary terms of the Arbitrator Imes' March 30, 2017, arbitration decision as set out in the attached fiscal note.

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, Huntington, Norum, Rogers
NAYS: Pruhs, Cleworth
ABSENT: None
ADOPTED: May 9, 2017

ATTEST:

APPROVED AS TO FORM:



D. Danyielle Snider, CMC, City Clerk



Paul J. Ewers, City Attorney

FISCAL NOTE

ORDINANCE NO. 6047 AN ORDINANCE AMENDING THE 2017 OPERATING BUDGET TO FUND THE FAIRBANKS FIREFIGHTERS UNION ARBITRATION AWARD

FIREFIGHTERS ARBITRATION AWARD ESTIMATED COST APRIL 18, 2017

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>TOTAL</u>
CITY PAY 80% HEALTH (BASED ON CNEW PREMIUM)	\$ 97,655.04	\$ 146,482.56	\$ 146,482.56	\$ 390,620.16
FFA HEALTH PREMIUM ESTIMATED 5% INCREASE		33,532.13	33,532.13	67,064.26
FFA HEALTH PREMIUM ESTIMATED 5% INCREASE			35,208.83	35,208.83
INCREASE 2017 WAGES & PROPAYS 2.6%	111,426.35	111,426.35	111,426.35	334,279.05
INCREASE 2018 WAGES & PROPAYS 1%		45,570.35	45,570.35	91,140.70
INCREASE 2019 WAGES & PROPAYS 1%			39,801.00	39,801.00
M-1 PROPAY	15,199.02	15,350.96	15,504.36	46,054.34
INCREMENTAL COST INCREASE	<u>\$ 224,280.41</u>	<u>\$ 352,362.35</u>	<u>\$ 427,525.58</u>	<u>\$ 1,004,168.34</u>

GENERAL FUND

REVENUE	ORDINANCE 6046 PROPOSED COUNCIL APPROPRIATION	REVIEW PERIOD INCREASE (DECREASE)	ORDINANCE 6047 PROPOSED COUNCIL APPROPRIATION
Taxes, (all sources)	\$ 20,166,237	\$ -	\$ 20,166,237
Charges for Services	5,017,284	-	5,017,284
Intergovernmental Revenues	3,407,349	-	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	2,394,009	-	2,394,009
Total revenue appropriation	\$ 33,635,320	\$ -	\$ 33,635,320
EXPENDITURES			
Mayor and Council	\$ 600,093	\$ -	\$ 600,093
Office of the City Attorney	219,914	-	219,914
Office of the City Clerk	353,135	-	353,135
Finance Department	997,087	-	997,087
Information Technology	1,774,780	-	1,774,780
General Account	6,565,608	-	6,565,608
Police Department	7,268,983	-	7,268,983
Dispatch Center	2,289,966	-	2,289,966
Fire Department	6,304,422	224,280	6,528,702
Public Works Department	8,206,852	-	8,206,852
Engineering Department	691,567	-	691,567
Building Department	684,743	-	684,743
Total expenditure appropriation	\$ 35,957,150	\$ 224,280	\$ 36,181,430
12/31/16 estimated general fund balance	\$ 12,045,605	\$ -	\$ 12,045,605
Increase (Decrease) to fund balance	16,201	(224,280)	(208,079)
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	\$ 8,984,968	\$ (224,280)	\$ 8,760,688

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

\$ 7,236,286