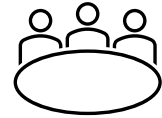




**FAIRBANKS CITY COUNCIL
REGULAR WORK SESSION AGENDA
TUESDAY, NOVEMBER 21, 2023 AT 7 A.M.**



MEETING WILL BE HELD VIA [ZOOM WEBINAR](#)
AND AT FAIRBANKS CITY COUNCIL CHAMBERS
800 CUSHMAN STREET, FAIRBANKS, ALASKA

1. Roll Call
2. 2023 Audit Preparation by Kara Moore, Alliance CPAs LLC
3. Ordinance No. 6265 – An Ordinance to Accept Board of Adjustment Duties from the Fairbanks North Star Borough to Hear and Decide Appeals of Certain Land Use Decisions for Land Located Within the City of Fairbanks. (advanced to second reading)
4. Ordinance No. 6266 – An Ordinance Establishing a Hiring Incentive Bonus Program for the Recruitment and Hiring of First-Time Law Enforcement Officers at the Fairbanks Police Department. Introduced by Mayor Pruhs. (advanced to second reading)
5. Ordinance No. 6267 – An Ordinance Amending the 2023 Operating and Capital Budgets for the Fourth Time. (not introduced)
6. Ordinance No. 6268 – An Ordinance Adopting the 2024 Operating and Capital Budgets. (not introduced)
7. Requiring All Discretionary Fund Recipients to Report Salaries and Wages Annually and to Complete an Annual Audit (discussion only)
8. Disposal of City Personal Property (discussion only)
9. 2024 City Council Meeting Calendar
10. Finance Committee Report
11. Mayor and Council Member Comments
12. Executive Session
 - a) *Roberts v. City of Fairbanks, et al.* Settlement Discussion
13. Next Regular Work Session – Tuesday, December 12, 2023
14. Adjournment

Introduced by: Mayor Pruhs and
Council Members Cleworth, Rogers,
Sprinkle, Tidwell, Marney, and Ringstad
Introduced: November 13, 2023

ORDINANCE NO. 6265

**AN ORDINANCE TO ACCEPT BOARD OF ADJUSTMENT DUTIES
FROM THE FAIRBANKS NORTH STAR BOROUGH TO HEAR AND
DECIDE APPEALS OF CERTAIN LAND USE DECISIONS FOR LAND
LOCATED WITHIN THE CITY OF FAIRBANKS**

WHEREAS, for decades the Fairbanks City Council sat as a Board of Adjustment to hear and decide appeals of land use decisions for land located within the City of Fairbanks; and

WHEREAS, in 2016, the Fairbanks North Star Borough (FNSB) passed Ordinance No. 2016-36, which revoked the City Council's authority to sit as the Board of Adjustment; and

WHEREAS, since that time, the Fairbanks City Council has urged the FNSB to reinstate the Board of Adjustment delegation to the City through the approval of multiple resolutions; and

WHEREAS, on October 26, 2023, the FNSB Assembly adopted Ordinance No. 2023-60, delegating certain Board of Adjustment duties to the City of Fairbanks on land use decisions for land lying within City boundaries; and

WHEREAS, FNSB Ordinance No. 2023-60 is not effective until the Fairbanks City Council adopts an ordinance to accept the delegation.

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

Section 1. That the City of Fairbanks accepts the delegation of Board of Adjustment duties for land use decisions for land within the boundaries of the Fairbanks city limits from the Fairbanks North Star Borough.

Section 2. That the City Clerk is directed to provide the Borough Clerk an executed copy of this ordinance for distribution to members of the Borough Assembly.

Section 3. That the effective date of this ordinance is five days after adoption.

David Pruhs, Mayor

AYES:

NAYS:

ABSENT:

APPROVED:

ATTEST:

APPROVED AS TO FORM:

D. Danyielle Snider, MMC, City Clerk

Thomas A. Chard II, City Attorney

ORDINANCE NO. 6266

AN ORDINANCE ESTABLISHING A HIRING INCENTIVE BONUS PROGRAM FOR THE RECRUITMENT AND HIRING OF FIRST TIME LAW ENFORCEMENT OFFICERS AT THE FAIRBANKS POLICE DEPARTMENT

WHEREAS, an incentive bonus program for recruitment and hiring of lateral police officers at the Fairbanks Police Department (FPD) was established by the City Council on June 19, 2017, with the adoption of Ordinance No. 6050, reestablished by Ordinance No. 6129 in 2020, and amended by Ordinance No. 6248 in June 2023; and

WHEREAS, the incentive bonus program for lateral hires has been successful, but a similar program does not exist for individuals beginning a law enforcement career; and

WHEREAS, the Fairbanks Police Department has police officer vacancies; and

WHEREAS, the City would like to encourage individuals, especially citizens of the city, to begin a career in law enforcement; and

WHEREAS, a one-time sign-on bonus of \$20,000 for first time law enforcement officers would encourage individuals to apply to become police officers with the Fairbanks Police Department.

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

SECTION 1. A Fairbanks Police Department applicant without prior law enforcement certification from the Alaska Police Standards Council, or similar organization in another state, who successfully completes the basic officer academy and field training, will be paid a \$20,000 “sign-on bonus.” The City will pay the bonus to the employee in their first paycheck following completion of field training. No employee may receive a sign-on bonus more than once.

SECTION 2. To receive the hiring incentive bonus, the employee must agree to work full-time for the City. Should the employee resign, quit, or be terminated for cause prior to completing three years of employment, the employee will be required to repay a prorated amount of the hiring bonus received.

SECTION 3. The Sign-On Bonus Agreement (Attachment A) is approved.

SECTION 4. The bonus established in Sections 1, 2, and 3 of this ordinance will be funded through salary savings.

SECTION 5. This program will sunset on December 31, 2024, unless extended by resolution of the City Council.

SECTION 6. The effective date of this ordinance is five days after adoption.

David Pruhs, City Mayor

AYES:
NAYS:
ABSENT:
ADOPTED:

ATTEST:

APPROVED AS TO FORM:

D. Danyielle Snider, MMC, City Clerk

Thomas Chard II, City Attorney

CITY OF FAIRBANKS
FISCAL NOTE

I. REQUEST:

Ordinance or Resolution No: 6266

Abbreviated Title: ORDINANCE ESTABLISHING HIRING BONUS FOR FIRST TIME POLICE OFFICERS

Department(s): POLICE

Does the adoption of this ordinance or resolution authorize:

1) additional costs beyond the current adopted budget? Yes _____ No X

2) additional support or maintenance costs? Yes _____ No X

If yes, what is the estimate? see below

3) additional positions beyond the current adopted budget? Yes _____ No X

If yes, how many positions? _____

If yes, type of positions? _____ (F - Full Time, P - Part Time, T - Temporary)

II. FINANCIAL DETAIL:

EXPENDITURES:	Total
SALARY AND BENEFITS	
TOTAL	

FUNDING SOURCE:	Total
GENERAL FUND	
TOTAL	

Fairbanks Police Department recruitment incentive bonus for first time law enforcement officers in the amount of \$20,000 will be paid from salary savings.

Reviewed by Finance Department: Initial mb Date 11/2/2023

**Attachment A (Amended)
to Ordinance No. 6266**



**Fairbanks Police Department
Sign-On Bonus Contract
First-Time Police Officer**

This agreement is made between the CITY OF FAIRBANKS (“City”) and _____ (“Employee”).

WHEREAS, this contract will apply to first-time police officers employed by the Fairbanks Police Department (“Department”); and

WHEREAS, the Department wishes to offer the Employee a “Sign-on Bonus” as an incentive for the Employee to accept employment at the City and to remain satisfactorily employed in the Department for at least three full years; and

WHEREAS, no Employee may receive a sign-on bonus more than once.

THEREFORE, the City and the Employee agree to the following terms:

1. The City, acting through the Department, agrees to offer the Employee the amount of \$20,000 as a Sign-on Bonus in return for the Employee accepting the City’s offer of employment. The City will pay ~~\$10,000~~ the bonus in the Employee’s first paycheck following completion of field training **and \$10,000 after 24 months.**
2. The City will apply all required federal and state tax deductions and will report all payments made under this Agreement as required by federal and state law. Taxes shall be withheld as bonus earnings from the bonuses and reported to the Internal Revenue Services as income on the Employee’s Form W-2. The Sign-on Bonus is not considered “salary” and shall not be included for purposes of retirement benefit calculations or salary increases.
3. The Department will adhere to all relevant City and Department policies during the hiring process and in making bonus payments to employees.
4. In return for accepting the Sign-on Bonus as provided in paragraphs 1 and 2 above, the Employee agrees to work for the Department on a regular and full-time basis. Should the employee resign, quit, or be terminated for cause before three years beginning “Start Date” and ending on “3-Year Date,” the Employee shall repay a prorated amount of the Sign-on Bonus as provided in the following paragraphs.
5. The Employee’s failure to remain employed by the Department for three years will trigger the Employee’s duty to repay, pro-rata, the amount paid by the City pursuant to paragraph 1, above. This amount may be more than the Employee received due to tax or other withholdings. For example, if the Employee leaves one year prior to the end date, they will repay 12/36 of such amount. Employee agrees, represents, and warrants that they will be held to any applicable repayment of the Sign-on Bonus. To facilitate this repayment, the Employee, by signing below, expressly gives the City a lien on their salary, wages, and other sums payable to them by the City. In addition, the Employee hereby authorizes the City to withhold all amounts due from any sum payable to the Employee by the Department or the City. The Employee also agrees that any tax

consequences resulting from the repayment of the Sign-on Bonus or any portion thereof will be the sole and exclusive responsibility of the Employee.

6. If the Employee fails to remain employed by the Department for three years for reasons beyond their control (e.g., injury, illness, or death), other than just cause termination, the Department may in its sole discretion waive all or part of the liability owed by the Employee. Any such waivers must be approved in writing by both the Chief of Police and the Mayor.
7. If any part of the Agreement is found to be invalid or unenforceable, the other parts shall remain valid and enforceable.

BY SIGNING BELOW, the Employee also certifies that they are eligible for this Sign-on Bonus.

IN WITNESS THEREOF:

Employee Signature

Date

Employee Printed Name

Chief of Police Signature

Date

Mayor Signature

Date

cc: Personnel File

Introduced by: Mayor Pruhs and
Councilmembers Cleworth, Marney, Ringstad,
Rogers, Sprinkle, and Tidwell
Introduced: November 13, 2023

**ORDINANCE NO. 6266, AS AMENDED
(PROPOSED SUBSTITUTE)**

**AN ORDINANCE ESTABLISHING A HIRING INCENTIVE BONUS
PROGRAM FOR THE RECRUITMENT AND HIRING OF FIRST TIME LAW
ENFORCEMENT OFFICERS AT THE FAIRBANKS POLICE DEPARTMENT**

WHEREAS, an incentive bonus program for recruitment and hiring of lateral police officers at the Fairbanks Police Department (FPD) was established by the City Council on June 19, 2017, with the adoption of Ordinance No. 6050, reestablished by Ordinance No. 6129 in 2020, and amended by Ordinance No. 6248 in June 2023; and

WHEREAS, the incentive bonus program for lateral hires has been successful, but a similar program does not exist for individuals beginning a law enforcement career; and

WHEREAS, the Fairbanks Police Department has police officer vacancies; and

WHEREAS, the City would like to encourage individuals, especially citizens of the city, to begin a career in law enforcement; and

WHEREAS, a one-time sign-on bonus of \$20,000 for first time law enforcement officers would encourage individuals to apply to become police officers with the Fairbanks Police Department.

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

SECTION 1. A Fairbanks Police Department applicant without prior law enforcement certification from the Alaska Police Standards Council, or similar organization in another state, who successfully completes the basic officer academy and field training, will be paid a \$20,000 “sign-on bonus.” The City will pay **\$10,000 of** the bonus-to the employee in their first paycheck following completion of field training **and the remaining \$10,000 after 24 months of employment as a police officer.** No employee may receive a sign-on bonus more than once.

SECTION 2. To receive the hiring incentive bonus, the employee must agree to work full-time for the City. Should the employee resign, quit, or be terminated for cause prior to completing three years of employment, the employee will be required to repay a prorated amount of the hiring bonus received.

SECTION 3. The Sign-On Bonus Agreement (Attachment A) is approved.

SECTION 4. The bonus established in Sections 1, 2, and 3 of this ordinance will be funded through salary savings.

SECTION 5. This program will sunset on December 31, 2024, unless extended by resolution of the City Council.

SECTION 6. The effective date of this ordinance is five days after adoption.

David Pruhs, City Mayor

AYES:
NAYS:
ABSENT:
ADOPTED:

ATTEST:

APPROVED AS TO FORM:

D. Danyielle Snider, MMC, City Clerk

Thomas Chard II, City Attorney

CITY OF FAIRBANKS
FISCAL NOTE

I. REQUEST:

Ordinance or Resolution No: 6266

Abbreviated Title: ORDINANCE ESTABLISHING HIRING BONUS FOR FIRST TIME POLICE OFFICERS

Department(s): POLICE

Does the adoption of this ordinance or resolution authorize:

1) additional costs beyond the current adopted budget? Yes _____ No X

2) additional support or maintenance costs? Yes _____ No X

If yes, what is the estimate? see below

3) additional positions beyond the current adopted budget? Yes _____ No X

If yes, how many positions? _____

If yes, type of positions? _____ (F - Full Time, P - Part Time, T - Temporary)

II. FINANCIAL DETAIL:

EXPENDITURES:	Total
SALARY AND BENEFITS	
TOTAL	

FUNDING SOURCE:	Total
GENERAL FUND	
TOTAL	

Fairbanks Police Department recruitment incentive bonus for first time law enforcement officers in the amount of \$20,000 will be paid from salary savings.

Reviewed by Finance Department:

Initial mb

Date 11/2/2023

**Attachment A (Amended)
to Ordinance No. 6266**



**Fairbanks Police Department
Sign-On Bonus Contract
First-Time Police Officer**

This agreement is made between the CITY OF FAIRBANKS (“City”) and _____ (“Employee”).

WHEREAS, this contract will apply to first-time police officers employed by the Fairbanks Police Department (“Department”); and

WHEREAS, the Department wishes to offer the Employee a “Sign-on Bonus” as an incentive for the Employee to accept employment at the City and to remain satisfactorily employed in the Department for at least three full years; and

WHEREAS, no Employee may receive a sign-on bonus more than once.

THEREFORE, the City and the Employee agree to the following terms:

1. The City, acting through the Department, agrees to offer the Employee the amount of \$20,000 as a Sign-on Bonus in return for the Employee accepting the City’s offer of employment. The City will pay ~~\$10,000~~ the bonus in the Employee’s first paycheck following completion of field training **and \$10,000 after 24 months.**
2. The City will apply all required federal and state tax deductions and will report all payments made under this Agreement as required by federal and state law. Taxes shall be withheld as bonus earnings from the bonuses and reported to the Internal Revenue Services as income on the Employee’s Form W-2. The Sign-on Bonus is not considered “salary” and shall not be included for purposes of retirement benefit calculations or salary increases.
3. The Department will adhere to all relevant City and Department policies during the hiring process and in making bonus payments to employees.
4. In return for accepting the Sign-on Bonus as provided in paragraphs 1 and 2 above, the Employee agrees to work for the Department on a regular and full-time basis. Should the employee resign, quit, or be terminated for cause before three years beginning “Start Date” and ending on “3-Year Date,” the Employee shall repay a prorated amount of the Sign-on Bonus as provided in the following paragraphs.
5. The Employee’s failure to remain employed by the Department for three years will trigger the Employee’s duty to repay, pro-rata, the amount paid by the City pursuant to paragraph 1, above. This amount may be more than the Employee received due to tax or other withholdings. For example, if the Employee leaves one year prior to the end date, they will repay 12/36 of such amount. Employee agrees, represents, and warrants that they will be held to any applicable repayment of the Sign-on Bonus. To facilitate this repayment, the Employee, by signing below, expressly gives the City a lien on their salary, wages, and other sums payable to them by the City. In addition, the Employee hereby authorizes the City to withhold all amounts due from any sum payable to the Employee by the Department or the City. The Employee also agrees that any tax

consequences resulting from the repayment of the Sign-on Bonus or any portion thereof will be the sole and exclusive responsibility of the Employee.

6. If the Employee fails to remain employed by the Department for three years for reasons beyond their control (e.g., injury, illness, or death), other than just cause termination, the Department may in its sole discretion waive all or part of the liability owed by the Employee. Any such waivers must be approved in writing by both the Chief of Police and the Mayor.
7. If any part of the Agreement is found to be invalid or unenforceable, the other parts shall remain valid and enforceable.

BY SIGNING BELOW, the Employee also certifies that they are eligible for this Sign-on Bonus.

IN WITNESS THEREOF:

Employee Signature

Date

Employee Printed Name

Chief of Police Signature

Date

Mayor Signature

Date

cc: Personnel File

ORDINANCE NO. 6267

**AN ORDINANCE AMENDING THE 2023 OPERATING
AND CAPITAL BUDGETS FOR THE FOURTH TIME**

WHEREAS, this ordinance incorporates the changes outlined on the attached fiscal note to amend the 2023 operating and capital budgets.

NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF FAIRBANKS, ALASKA, as follows [amendments shown in **bold** font; deleted text in ~~font~~]:

SECTION 1. There is hereby appropriated to the 2023 General Fund and 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 on January 1, 2023 and ending December 31, 2023 (see pages 2 and 3):

GENERAL FUND

<u>REVENUE</u>	APPROVED COUNCIL APPROPRIATION	INCREASE (DECREASE)	PROPOSED COUNCIL APPROPRIATION
Taxes (all sources)	\$ 26,725,210	\$ 500,000	\$ 27,225,210
Charges for Services	6,175,618	300,000	6,475,618
Intergovernmental Revenues	3,254,080	(215,700)	3,038,380
Licenses and Permits	2,206,050	161,500	2,367,550
Fines and Forfeitures	526,000	(100,000)	426,000
Interest and Penalties	1,765,000	-	1,765,000
Rental and Lease Income	151,818	-	151,818
Other Revenues	220,000	17,000	237,000
Other Financing Sources	1,606,467	185,500	1,791,967
Total revenue appropriation	<u>\$ 42,630,243</u>	<u>\$ 848,300</u>	<u>\$ 43,478,543</u>
 <u>EXPENDITURES</u>			
Mayor Department	\$ 773,020	\$ -	\$ 773,020
Legal Department	243,300	-	243,300
Office of the City Clerk	477,255	-	477,255
Finance Department	979,990	-	979,990
Information Technology	2,683,612	-	2,683,612
General Account	6,944,525	487,500	7,432,025
Police Department	8,323,156	90,000	8,413,156
Communications Center	3,410,296	-	3,410,296
Fire Department	8,770,404	-	8,770,404
Public Works Department	10,644,403	(150,000)	10,494,403
Engineering Department	1,044,350	-	1,044,350
Building Department	725,620	-	725,620
Total expenditure appropriation	<u>\$ 45,019,931</u>	<u>\$ 427,500</u>	<u>\$ 45,447,431</u>
2022 unassigned fund balance	\$ 17,521,835	\$ -	\$ 17,521,835
Prior year encumbrances	(229,747)	-	(229,747)
Transfers to other funds	(3,500,000)	-	(3,500,000)
Other changes to the budget	1,340,059	420,800	1,760,859
2023 estimated unassigned balance	<u>\$ 15,132,147</u>	<u>\$ 420,800</u>	<u>\$ 15,552,947</u>

Minimum unassigned fund balance requirement is 20% of budgeted annual expenditures but not less than \$10,000,000.

\$ 9,089,486

CAPITAL FUND

<u>REVENUE</u>	APPROVED COUNCIL APPROPRIATION	INCREASE (DECREASE)	PROPOSED COUNCIL APPROPRIATION
Transfer from Permanent Fund	\$ 685,683	\$ -	\$ 685,683
Transfer from General Fund	3,250,000	-	3,250,000
Property Repair & Replacement	145,000	-	145,000
Public Works	250,000	-	250,000
Garbage Equipment Reserve	279,000	-	279,000
IT	65,000	-	65,000
Police	210,000	90,000	300,000
Communications Center	140,000	-	140,000
Fire	290,000	-	290,000
Building	10,000	-	10,000
Total revenue appropriation	<u>\$ 5,324,683</u>	<u>\$ 90,000</u>	<u>\$ 5,414,683</u>
 <u>EXPENDITURES</u>			
Property Repair & Replacement	\$ 5,510,721	\$ 250,000	\$ 5,760,721
Public Works Department	1,705,099	-	1,705,099
Garbage Equipment Reserve	593,659	-	593,659
IT Department	226,920	-	226,920
Police Department	584,844	90,000	674,844
Fire Department	1,124,611	200,000	1,324,611
Road Maintenance	1,455,169	-	1,455,169
Total expenditure appropriation	<u>\$ 11,201,023</u>	<u>\$ 540,000</u>	<u>\$ 11,741,023</u>
Estimated capital fund unassigned balance	\$ 6,795,343	\$ (450,000)	\$ 6,345,343
Estimated capital fund assigned balance	4,081,080	-	4,081,080
2023 estimated fund balance	<u>\$ 10,876,423</u>	<u>\$ (450,000)</u>	<u>\$ 10,426,423</u>

SECTION 2. This ordinance also appropriates the use of emergency snow removal funds in the amount of \$250,000 as designated by the Mayor.

SECTION 3. 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, 2023 and ending December 31, 2023.

SECTION 4. The effective date of this ordinance shall be the 11th day of December 2023.

David Pruhs, Mayor

AYES:
NAYS:
ABSENT:
ADOPTED:

ATTEST:

APPROVED AS TO FORM:

D. Danyielle Snider, MMC, City Clerk

Thomas A. Chard II, City Attorney

FISCAL NOTE
ORDINANCE NO. 6267
AMENDING THE 2023 OPERATING AND CAPITAL BUDGETS
FOR THE FOURTH TIME

GENERAL FUND
\$848,300 Increase in Revenue
\$427,500 Increase in Expenditures

Revenue

1. Tax Revenue
 - \$500,000 increase to room rental taxes
2. Charges for Services
 - \$200,000 increase to ambulance services
 - \$100,000 increase to engineering recovery grants
3. Intergovernmental Revenues
 - (\$25,500) decrease to municipal assistance program
 - (\$25,200) decrease to electric and phone
 - (\$200,000) decrease to PERS on behalf payment
 - \$35,000 increase to SART exam reimbursement
4. License and Permits
 - \$26,500 increase to business license
 - \$62,000 increase to engineering right of way permit
 - \$20,000 increase to commercial permits
 - \$30,000 increase to mechanical permits
 - \$23,000 increase to electrical permits
5. Fines and Forfeitures
 - (\$100,000) decrease to vehicle forfeitures
6. Interest and Penalties
7. Rental and Lease Income
8. Other Revenues
 - \$17,000 increase to miscellaneous revenue

9. Other Financing Sources

- \$185,500 increase to sale of assets

Expenditures

1. Mayor's Office

2. City Attorney's Office

3. City Clerk's Office

4. Finance Department

5. Information Technology

6. General Account

- \$50,000 increase to professional service for the Polaris building historical project
- \$250,000 increase to heating fuel
- \$387,500 increase to room rental distribution
- (\$200,000) decrease to PERS on behalf payment

7. Police Department

- \$90,000 increase to equipment replacement

8. Communications Center

9. Fire Department

10. Public Works

- (\$250,000) decrease to fuel, oil, and grease
- \$100,000 increase to garbage collection

11. Engineering

12. Building Department

CAPITAL FUND
\$90,000 Increase in Revenue
\$540,000 Increase in Expenditures

Revenue

1. Other Financing Sources
 - \$90,000 transfer from general fund to police

Expenditures

1. Property Repair & Replacement
 - \$250,000 increase for city hall security project
2. Public Works
3. Garbage Equipment Reserve
4. IT Department
5. Police Department
 - \$90,000 increase for police vehicles
6. Communications Center
7. Fire Department
 - \$200,000 increase for platform upgrades
8. Road Maintenance

ORDINANCE NO. 6268

**AN ORDINANCE ADOPTING THE 2024 OPERATING
AND CAPITAL BUDGETS**

WHEREAS, pursuant to City Charter Section 5.2, on October 27, 2023, Mayor Pruhs presented a recommended annual operating and capital budget estimate for 2024; and

WHEREAS, the proposed budget was reviewed by the City Council with Department Directors, and the City Council's suggested changes to the Mayor's recommended budget are disclosed in the increase (decrease) columns.

NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF FAIRBANKS, ALASKA, as follows [amendments shown in **bold** font; deleted text in ~~font~~]:

SECTION 1. There is hereby appropriated to the 2024 General Fund and 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 on January 1, 2024 and ending December 31, 2024 (see pages 2 and 3).

GENERAL FUND

<u>REVENUE</u>	MAYOR PROPOSED BUDGET	REVIEW PERIOD INCREASE (DECREASE)	PROPOSED COUNCIL APPROPRIATION
Taxes (all sources)	\$ 27,555,026	\$ 200,000	\$ 27,755,026
Charges for Services	6,669,500	140,000	6,809,500
Intergovernmental Revenues	2,920,580	-	2,920,580
Licenses and Permits	2,202,760	-	2,202,760
Fines and Forfeitures	551,000	-	551,000
Interest and Penalties	1,665,000	-	1,665,000
Rental and Lease Income	138,559	-	138,559
Other Revenues	225,000	-	225,000
Other Financing Sources	5,281,938	(16,800)	5,265,138
Total revenue appropriation	<u>\$ 47,209,363</u>	<u>\$ 323,200</u>	<u>\$ 47,532,563</u>
 <u>EXPENDITURES</u>			
Mayor Department	\$ 777,300	\$ 2,730	\$ 780,030
Legal Department	262,480	(15,130)	247,350
Office of the City Clerk	613,905	-	613,905
Finance Department	1,042,900	(1,000)	1,041,900
Information Technology	2,615,117	-	2,615,117
General Account	6,676,000	84,000	6,760,000
Police Department	8,515,530	-	8,515,530
Communications Center	3,674,420	-	3,674,420
Fire Department	9,844,320	191,900	10,036,220
Public Works Department	10,039,325	125,000	10,164,325
Engineering Department	1,145,170	(15,000)	1,130,170
Building Department	791,590	-	791,590
Total expenditure appropriation	<u>\$ 45,998,057</u>	<u>\$ 372,500</u>	<u>\$ 46,370,557</u>
Estimated general fund balance	\$ 15,552,947	\$ -	\$ 15,552,947
Increase (Decrease) to fund balance	1,211,306	(49,300)	1,162,006
2023 estimated unassigned balance	<u>\$ 16,764,253</u>	<u>\$ (49,300)</u>	<u>\$ 16,714,953</u>

Minimum unassigned fund balance requirement is 20% of budgeted annual expenditures but not less than \$10,000,000.

\$ 9,274,111

CAPITAL FUND

<u>REVENUE</u>	MAYOR PROPOSED BUDGET	REVIEW PERIOD INCREASE (DECREASE)	PROPOSED COUNCIL APPROPRIATION
Transfer from Permanent Fund	\$ 709,992	\$ -	\$ 709,992
Transfer from General Fund	-	-	-
Property Repair & Replacement	145,000	-	145,000
Public Works	250,000	-	250,000
Garbage Equipment Reserve	288,000	16,800	304,800
IT	25,000	-	25,000
Police	210,000	-	210,000
Communications Center	140,000	-	140,000
Fire	700,000	-	700,000
Building	10,000	-	10,000
Total revenue appropriation	<u>\$ 2,477,992</u>	<u>\$ 16,800</u>	<u>\$ 2,494,792</u>
 <u>EXPENDITURES</u>			
Property Repair & Replacement	\$ 1,060,000	\$ -	\$ 1,060,000
Public Works Department	1,266,000	3,000	1,269,000
Garbage Equipment Reserve	848,000	-	848,000
IT Department	100,000	-	100,000
Police Department	210,000	-	210,000
Communications Center	1,316,960	-	1,316,960
Fire Department	900,000	-	900,000
Road Maintenance	1,189,100	-	1,189,100
Total expenditure appropriation	<u>\$ 6,890,060</u>	<u>\$ 3,000</u>	<u>\$ 6,893,060</u>
Estimated capital fund unassigned balance	\$ 3,435,235	\$ (3,000)	\$ 3,432,235
Estimated capital fund assigned balance	2,579,120	16,800	2,595,920
2023 estimated fund balance	<u>\$ 6,014,355</u>	<u>\$ 13,800</u>	<u>\$ 6,028,155</u>

SECTION 2. This ordinance also appropriates the use of emergency snow removal funds in the amount of \$250,000 as designated by the Mayor.

SECTION 3. This ordinance increases the Council stipend from \$500.00 to \$650.00 per month, effective January 1, 2025.

SECTION 4. 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, 2024 and ending December 31, 2024.

SECTION 5. The effective date of this ordinance is five days after adoption.

David Pruhs, Mayor

AYES:
NAYS:
ABSENT:
ADOPTED:

ATTEST:

APPROVED AS TO FORM:

D. Danyielle Snider, MMC, City Clerk

Thomas A. Chard II, City Attorney

Sec. 74-117. Room rental tax purpose and limitation.

- (a) The tax on the daily rental of rooms levied by this article is for the primary purpose of funding services for the promotion of the tourist industry and other economic development, and for the funding of services for the general public.
- (b) Subject to annual appropriation, revenues collected under this article will be allocated as follows:
 - (1) The City of Fairbanks will retain 23 percent for fund collection, administration, and tourism impact.
 - (2) Additionally, the City of Fairbanks will retain 7 percent to help offset its expenses for providing security and safety for special events as well as for other services in support of the intent of this section.
 - (3) \$600,000.00 will be distributed annually as follows:
 - Fairbanks Economic Development Corporation \$150,000.00
 - Golden Heart Plaza and Barnette Landing Maintenance \$50,000.00
 - Discretionary Grants \$400,000.00
 - (4) Up to \$2.2 million will be distributed to the Fairbanks Convention and Visitors Bureau dba Explore Fairbanks (hereinafter "Explore Fairbanks").
 - (5) Any room rental tax revenues remaining after these allocations are made will be distributed equally between the City of Fairbanks and Explore Fairbanks.
- (c) Revenue collected under this article will be made available to Explore Fairbanks, the Fairbanks Economic Development Corporation, and Golden Heart Plaza and Barnette Landing Maintenance no later than the last day of the month directly following the month in which the revenues are collected by the city.
- (d) Any organization, public or private, or any person may submit a discretionary grant application and proposal to the city no later than October 31st for distribution in the next calendar year. The city council will establish standards and criteria for selection and publish them for a reasonable period before the applications are to be submitted. The mayor will appoint a committee, with city council concurrence, to review the proposals and make recommendations to the city council no later than the first regular meeting in January.
- (e) Any recipient of funding under this article must execute a contract with the city setting forth terms and conditions deemed necessary to enable the city to assure compliance with the purposes and limitations under this section. In addition, Explore Fairbanks and the Fairbanks Economic Development Corporation board of directors and/or director must remit complete and fully detailed budget documents and a plan outlining projected goals and objectives directly to the city council before November 1st of each year for presentation and review as a condition of funding. At the same time each of these agencies must submit a complete and detailed report of current year's progress and accomplishments.
- (f) Discretionary grant recipients will be required to report to the CFO that funds were used exclusively for the purposes stated in the grant application. Ten percent of these appropriations will be withheld until the complete report is filed with the CFO. Prior to receiving any funding under this section, applicants must agree to reimburse the city the full amount of any grant funds not used for the purposes stated on the application. Certification that funds were used as approved is due by October 31 of the year of grant funding; funds not spent or encumbered for approved purposes must be returned by that date. An organization that fails to comply with the October 31 deadline is ineligible to seek funding for the following year, but if complete reporting and repayment is made by October 31 of the following year, the organization may reapply for future funding. An organization that does not comply within one year of the deadline is ineligible to receive funding for three additional years.
- (g) The city council establishes the following criteria and process for discretionary grants.

-
- (1) The primary purpose of discretionary grants is the promotion of the tourism industry and other economic development in the City of Fairbanks. Discretionary grants cannot support the following:
 - a. Loans, deficits, or debt reduction.
 - b. Endowments.
 - c. Scholarships.
 - d. Health and social services activities.
 - (2) A discretionary fund committee will be composed of five community members and a council person, who will function as the chair, all appointed by the mayor. The members of the committee will serve three-year terms with a limit of two consecutive full terms. Unless appointed to fill a vacancy, terms begin July 1 and expire June 30.
 - (3) Grant guidelines:
 - a. The applicant must complete the application in its entirety and may submit financial information in their format including:
 1. Balance sheet for the last fiscal year.
 2. Income and expense statement for the last fiscal year.
 3. Applicant's projected budget for the upcoming year.
 4. Wage and salary information for employees for current and upcoming year.
 - b. If an applicant has the disbursement responsibility for other organizations, they must list all organizations that they represent.
 - c. The applicant must explain how use of the funds will contribute significantly to the growth and promotion of Fairbanks.
 - d. The applicant must explain how the funds will be used to supplement a successful ongoing program of activities or a new program that will need initial support to accomplish its stated goals.
 - e. The applicant must answer questions in the order provided but need not have the questions and answers appear on specific pages.
 - (4) Grant applications approved by the discretionary fund committee will be available from the office of the city clerk and must be submitted or postmarked no later than October 31 of each year.
 - (5) Procedures for scoring proposals from applicants will be decided by the committee during its first organizational meeting. Members at this meeting will be made aware of procedures in place in case of conflicts of interest.
 - (6) A distribution meeting will be held for members to present their award for each eligible grant application. Prior to the distribution meeting, committee members must submit their award amounts to the CFO. Members will disclose their award amounts by reading them into the record during the distribution meeting. An award will be made for each eligible grant applicant by averaging the award amounts. Awards are subject to city council approval.
 - (7) Successful applicants are required to report to the CFO as stated in section 74-117(f). Ten percent of these appropriations will be withheld until a report is filed with the CFO.

From Fairbanks General Code:

Sec. 54-37. - Duties of purchasing agent.

Except as otherwise specifically provided, the purchasing agent shall:

- (2) Sell, trade, transfer between departments, or otherwise dispose of surplus, obsolete or scrap supplies, equipment or material, and make proper adjustments in the accounts of such departments.

Sec. 54-39. - Contract award authority.

- (a) The purchasing agent may award contracts funded with identifiable appropriations made by the city council when the amount is \$50,000.00 or less provided that the purchasing agent notifies the city council in a timely manner of awards which exceed \$25,000.00 and provided that when competitive bidding is not deemed to be possible the purchasing agent shall notify the city council and recite the reasons and findings. The purchasing agent may award the sale, trade or disposal of all personal property which has become surplus, obsolete or unusable.

Sec. 54-50. - Purchasing rules and policies.

- (a) The mayor shall establish all rules and policies necessary to the implementation of this chapter.
- (b) Rules and policies pertain but are not limited to:
 - (8) Transfer, sale or other disposal of supplies, equipment, and material.
 - (11) Conducting price analysis.

From Policy 2013-04 – Impound Vehicles, City Surplus Equipment & Property Sale & Disposal (effective 6/14/13. No record of repeal or replacement)

“All city surplus equipment and property must be sold at auction, disposed of by destruction or delivered to the landfill, unless otherwise approved by the Mayor, and in adherence with Fairbanks General Code”



CALENDAR 2024

2024 CITY COUNCIL MEETINGS and CITY-OBSERVED HOLIDAYS

JANUARY	08 22	JULY	08 22
FEBRUARY	12 26	AUGUST	12 26
MARCH	11 25	SEPTEMBER	09 23
APRIL	08 22	OCTOBER	14 28
MAY	13 <u>20</u>	NOVEMBER	<u>04</u> 25
JUNE	10 24	DECEMBER	09 23

NOTE: Underlined dates indicate a deviation from FGC Sec. 2-113(a) due to City-observed holidays, City Council-approved amendments, or AML Conference conflicts.

2024 CITY-OBSERVED HOLIDAYS (City Offices Closed)

New Year's Day	Monday	January 1, 2024
Presidents Day	Monday	February 19, 2024
Memorial Day	Monday	May 27, 2024
Independence Day	Thursday	July 4, 2024
Labor Day	Monday	September 2, 2024
Veterans Day	Monday	November 11, 2024
Thanksgiving Day	Thursday	November 28, 2024
Christmas Day	Wednesday	December 25, 2024

Meeting Schedule was approved by the City Council on November 13, 2023.