

Introduced By: Mayor Matherly
Council Member Cleworth
Finance Committee Review: October 17, 2017
Introduced: October 23, 2017

ORDINANCE NO. 6063, AS AMENDED

**AN ORDINANCE AMENDING THE 2017 OPERATING BUDGET FOR
THE FIFTH TIME AND CAPITAL BUDGET FOR THE THIRD 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 ~~striketrough~~ font]:

GENERAL FUND

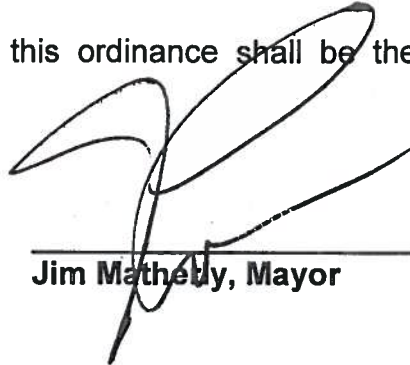
REVENUE	COUNCIL APPROPRIATED	REVIEW PERIOD INCREASE (DECREASE)	PROPOSED COUNCIL APPROPRIATION
Taxes, (all sources)	\$ 20,333,159	\$ 235,000	\$ 20,568,159
Charges for Services	5,074,464	(109,000)	4,965,464
Intergovernmental Revenues	3,772,581	(8,328)	3,764,253
Licenses & Permits	1,609,092	14,400	1,623,492
Fines, Forfeitures & Penalties	595,515	(67,196)	528,319
Interest & Penalties	106,700	42,000	148,700
Rental & Lease Income	126,234	9,000	135,234
Other Revenues	221,000	36,750	257,750
Other Financing Sources	2,394,009	40,500	2,434,509
Total revenue appropriation	\$ 34,232,754	\$ 193,126	\$ 34,425,880
EXPENDITURES			
Mayor and Council	\$ 600,093	\$ 6,498	\$ 606,591
Office of the City Attorney	219,914	2,952	222,866
Office of the City Clerk	353,135	3,724	356,859
Finance Department	997,087	8,108	1,005,195
Information Technology	1,959,460	-	1,959,460
General Account	6,565,608	144,500	6,710,108
Police Department	7,268,983	1,200	7,270,183
Dispatch Center	2,289,966	1,200	2,291,166
Fire Department	6,533,702	1,800	6,535,502
Public Works Department	8,263,560	2,400	8,265,960
Engineering Department	702,842	13,800	716,642
Building Department	684,743	14,912	699,655
Total expenditure appropriation	\$ 36,439,093	\$ 201,094	\$ 36,640,187
Estimated general fund balance	\$ 11,306,798	\$ -	\$ 11,306,798
Increase (Decrease) to fund balance	131,692	(7,968)	123,724
Prior year encumbrances	(588,031)		(588,031)
Transfer to other funds	(1,750,000)	-	(1,750,000)
12/31/17 Unassigned balance	\$ 9,100,459	\$ (7,968)	\$ 9,092,491
Minimum unassigned fund balance requirement is 20% of budgeted annual expenditures but not less than \$4,000,000.			\$ 7,328,037

CAPITAL FUND

<u>REVENUE</u>	<u>COUNCIL APPROPRIATION</u>	<u>REVIEW PERIOD INCREASE (DECREASE)</u>	<u>PROPOSED COUNCIL APPROPRIATION</u>
Transfer from Permanent Fund	\$ 578,185	\$ -	\$ 578,185
Transfer from General Fund	1,927,509	-	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	 \$ 3,641,342	 \$ -	 \$ 3,641,342
 <u>EXPENDITURES</u>			
Public Works Department	\$ 1,151,966	\$ 24,827	\$ 1,176,793
Engineering Department	28,307	70,952	99,259
Police Department	330,525	-	330,525
Dispatch Department	48,253	-	48,253
Fire Department	293,406	10,000	303,406
IT Department	173,946	-	173,946
Road Maintenance	1,638,313	-	1,638,313
Property Repair & Replacement	255,000	-	255,000
 Total expenditure appropriation	 \$ 3,919,716	 \$ 105,779	 \$ 4,025,495
 12/31/16 capital fund balance	 \$ 6,652,039	 \$ -	 \$ 6,652,039
Increase (Decrease) to fund balance	(278,374)	(105,779)	(384,153)
12/31/16 assigned fund balance	\$ 6,373,665	\$ (105,779)	\$ 6,267,886

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 11th day of November 2017.

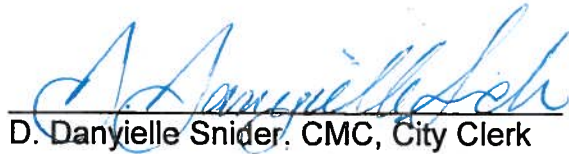


Jim Matheny, Mayor

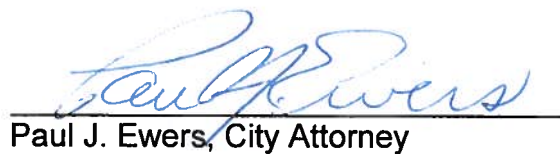
AYES: Therrien, Rogers, Pruhs, Bagwill, Huntington, Cleworth
NAYS: None
ABSENT: None
ADOPTED: November 6, 2017

ATTEST:

APPROVED AS TO FORM:



D. Danyielle Snider, CMC, City Clerk



Paul J. Ewers, City Attorney

FISCAL NOTE
ORDINANCE NO. 6063, AS AMENDED
AMENDING THE 2017 OPERATING BUDGET FOR THE FIFTH
TIME AND CAPITAL BUDGET FOR THE THIRD TIME

General Fund– \$ 193,126 Increase in Revenue
\$ 201,094 Increase in Expenditures

Revenue– \$193,126 Increase

1. Taxes- \$235,000 Increase
 - \$100,000 increase in Hotel/Motel Tax
 - \$135,000 increase in Marijuana Tax
2. Charges for Services- (\$109,000) Decrease
 - (\$100,000) decrease in Ambulance Services
 - (\$9,000) decrease in Fire Recovery from Grants
3. Intergovernmental Revenues – (\$8,328) Decrease
 - (\$9,800) decrease in State of Alaska Liquor License payments
 - \$1,472 increase in Rest Easy Pilt
4. Licenses & Permits- \$14,400 Increase
 - (\$8,000) decrease in Fire Code Inspections
 - (\$8,500) decrease in Mechanical Permits
 - (\$20,000) decrease in Plumbing Permits
 - (\$37,000) decrease in Electrical Permits
 - \$46,000 increase in Commercial Building Permits
 - \$33,000 increase in Residential Building Permits
 - \$4,100 increase in Right Of Way Permits
 - \$4,800 increase in Private Detective License
5. Fines, Forfeitures & Penalties- (\$67,196) Decrease
 - (\$73,000) decrease in Moving Traffic Violations
 - (\$12,000) decrease in City Forfeitures
 - \$2,312 increase in Correctional Facility Surcharge
 - \$7,000 increase in Vehicle Towing Storage Access

- \$8,492 increase in Traffic Collection Fee
6. Interest & Penalties- \$42,000 Increase
 - \$30,000 increase in Interest on Demand Deposits
 - \$12,000 increase in Property Tax Interest & Penalties
 7. Rental & Lease Income- \$9,000 Increase
 - \$9,000 increase in Fire Training Center Rental
 8. Other Revenues- \$36,750 Increase
 - \$20,000 increase in Abatement Recovery
 - \$16,750 increase in Miscellaneous Revenue
 9. Other Financing Sources & (Uses)- \$40,500 Increase
 - \$40,500 increase in Sale of Assets (auction proceeds)

Expenditures— \$201,094 Increase

1. Mayor & Council- **\$6,498 Increase**
 - **\$6,000 increase to reimburse health insurance cost**
 - **\$ 498 increase to non-bargaining wages; 1.4% for one month**
2. City Attorney's Office- **\$2,952 Increase**
 - **\$2,800 increase to reimburse health insurance cost**
 - **\$ 152 increase to non-bargaining wages; 1.4% for one month (excludes Deputy Attorney)**
3. City Clerk's Office- **\$3,724 Increase**
 - **\$3,600 increase to reimburse health insurance cost**
 - **\$ 124 increase to non-bargaining wages; 1.4% for one month**
4. Finance Department- **\$8,108 Increase**
 - ~~Reduce 1 payroll position and allocate responsibilities across three remaining accounting specialists and the controller. In return all accounting specialists and controller wages will increase. Overall estimated net savings of \$11,185 (estimated savings \$14,650 less \$3,465 estimated wage increases).~~
 - **\$8,000 increase to reimburse health insurance cost**

- **\$ 108 increase to non-bargaining (Purchasing Agent) wage; 1.4% for one month**
5. Information Technology
 6. General Account- **\$144,500 Increase**
 - **\$77,500 increase in contributions to outside agencies (Explore Fairbanks) due to the projected increase in hotel/motel taxes**
 - **\$54,000 increase due to higher facility electrical costs**
 - **\$8,000 increase in Street Lighting electricity**
 - **\$5,000 increase in Traffic Signals electricity**
 7. Police Department- **\$1,200 Increase**
 - **\$1,200 increase to reimburse health insurance cost**
 8. Dispatch- **\$1,200 Increase**
 - **\$1,200 increase to reimburse health insurance cost**
 9. Fire Department- **\$1,800 Increase**
 - **\$1,800 increase to reimburse health insurance cost**
 10. Public Works- **\$2,400 Increase**
 - **Transfer (\$38,500) from Repair & Construction and (\$19,670) from Outside Contracts to increase Temporary Wages & Benefits \$58,170**
 - **Transfer (\$15,000) from Repair & Construction to Overtime \$15,000**
 - **\$2,400 increase to reimburse health insurance cost**
 11. Engineering- **\$13,800 Increase**
 - **\$13,800 increase to reimburse health insurance cost**
 12. Building Department- **\$14,912 Increase**
 - **\$7,712 increase to provide a temporary administrative employee while the permanent employee is on extended leave.**
 - **\$7,200 increase to reimburse health insurance cost**

**Capital Fund - No change in Revenue/Other Financing Sources (Uses)
\$105,779 increase in Expenditures**

REVENUES

OTHER FINANCING SOURCES (USES)

EXPENDITURES- \$105,779 INCREASE

1. Public Works
2. Police Department
3. Fire Department- \$10,000 Increase
 - \$10,000 increase to replace the Fit Tester
4. IT Department
5. Road Maintenance
6. Property Repair & Replacement –**\$24,827 Increase**
 - Reallocate \$27,867.35 savings resulting from 2017 budgeted equipment costs being realized at lower prices. This savings will be used to purchase a tractor to pull the turf rake used for cleaning city snow storage sites. A \$13,600 summer rental credit has been applied to the purchase price by the vendor. Approval of this purchase indicates sole source allowance by the City Council
 - **\$24,827 increase for status control systems (PXC36 & PXC24) for the new boiler and warm storage building at Public Works**
7. Engineering - \$70,952 Increase
 - **\$70,952 increase for a new GPS Base Station used for surveying**