

Introduced By: Mayor Matherly
Finance Committee Meeting Review: October 16, 2018
Introduced: October 22, 2018

ORDINANCE NO. 6087, AS AMENDED

**AN ORDINANCE AMENDING THE 2018 OPERATING
AND CAPITAL BUDGETS FOR THE THIRD TIME**

WHEREAS, this ordinance incorporates the changes outlined on the attached fiscal note to amend the 2018 operating and capital budget.

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 2018 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, 2018 and ending December 31, 2018 (see pages 2 and 3) [amendments shown in **bold** font; deleted text or amounts in ~~strikethrough~~ font]:

GENERAL FUND

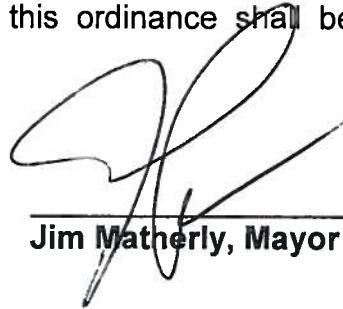
<u>REVENUE</u>	COUNCIL APPROPRIATION	REVIEW PERIOD INCREASE (DECREASE)	AMENDED APPROPRIATION
Taxes, (all sources)	\$ 21,033,982	\$ 217,000	\$ 21,250,982
Charges for Services	5,328,376	65,087	5,393,463
Intergovernmental Revenues	1,280,020	207,109	1,487,129
Licenses & Permits	1,537,190	174,667	1,711,857
Fines, Forfeitures & Penalties	510,000	-	510,000
Interest & Penalties	163,000	-	163,000
Rental & Lease Income	136,234	-	136,234
Other Revenues	221,000	101,320	322,320
Other Financing Sources	3,493,137	(1,737,986)	1,755,151
Total revenue appropriation	<u>\$ 33,702,939</u>	<u>\$ (972,803)</u>	<u>\$ 32,730,136</u>
<u>EXPENDITURES</u>			
Mayor and Council	\$ 625,791	\$ -	\$ 625,791
Office of the City Attorney	182,369	19,500	201,869
Office of the City Clerk	359,192	-	359,192
Finance Department	929,749	-	929,749
Information Technology	2,064,264	-	2,064,264
General Account	4,636,608	193,290	4,829,898
Police Department	7,032,893	-	7,032,893
Dispatch Center	2,376,286	-	2,376,286
Fire Department	6,777,308	117,786	6,895,094
Public Works Department	8,276,636	-	8,276,636
Engineering Department	573,896	152,100	725,996
Building Department	699,906	2,374	702,280
Total expenditure appropriation	<u>\$ 34,534,898</u>	<u>\$ 485,050</u>	<u>\$ 35,019,948</u>
Estimated general fund balance	\$ 11,824,730	\$ -	\$ 11,824,730
Prior year encumbrance	(351,737)	-	(351,737)
Increase (Decrease) to fund balance	523,682	292,147	815,829
Transfer to Other Funds	(1,003,904)	(1,750,000)	(2,753,904)
12/31/18 unassigned balance	<u>\$ 10,992,771</u>	<u>\$ (1,457,853)</u>	<u>\$ 9,534,918</u>
Minimum unassigned fund balance requirement is 20% of budgeted annual expenditures but not less than \$4,000,000.			<u>\$ 7,003,990</u>

CAPITAL FUND

<u>REVENUE</u>	<u>COUNCIL APPROPRIATION</u>	<u>INCREASE (DECREASE)</u>	<u>AMENDED APPROPRIATION</u>
Transfer from Permanent Fund	\$ 601,936	\$ -	\$ 601,936
Transfer from General Fund	1,000,000	1,750,000	2,750,000
Public Works Department	250,000	-	250,000
Garbage Equipment Reserve	253,480	-	253,480
Building Department	10,000	-	10,000
Engineering Department	-	-	-
Police Department	180,000	-	180,000
Dispatch Department	140,000	-	140,000
Fire Department	328,870	-	328,870
IT Department	102,000	-	102,000
Property Repair & Replacement	145,000	-	145,000
Total revenue appropriation	<u>\$ 3,011,286</u>	<u>\$ 1,750,000</u>	<u>\$ 4,761,286</u>
 <u>EXPENDITURES</u>			
Public Works Department	\$ 446,895	\$ 23,643	\$ 470,538
Garbage Equipment Reserve	680,000	-	680,000
Engineering Department	67,500	-	67,500
Building Department	70,000	-	70,000
Police Department	253,271	-	253,271
Fire Department	542,900	(400,000)	142,900
IT Department	193,245	-	193,245
Road Maintenance	847,133	(274,048)	573,085
Property Repair & Replacement	782,271	-	782,271
Total expenditure appropriation	<u>\$ 3,883,215</u>	<u>\$ (650,405)</u>	<u>\$ 3,232,810</u>
Estimated capital fund balance	\$ 7,269,745	\$ -	\$ 7,269,745
Prior year encumbrance	(668,689)	-	(668,689)
Increase (Decrease) to fund balance	(1,213,974)	650,405	(563,569)
Transfer from other funds	1,010,734	1,750,000	2,760,734
12/31/18 assigned fund balance	<u>\$ 6,397,816</u>	<u>\$ 2,400,405</u>	<u>\$ 8,798,221</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, 2018 and ending December 31, 2018.

SECTION 3. The effective date of this ordinance shall be the 10th day of November 2018.

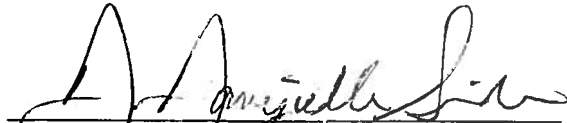


Jim Matherly, Mayor

AYES: Rogers, Ottersten, Therrien, Pruhs, Cleworth, Kun
NAYS: None
ABSENT: None
ADOPTED: November 5, 2018

ATTEST:

APPROVED AS TO FORM:



D. Danyelle Snider, CMC, City Clerk



Paul J. Ewers, City Attorney

FISCAL NOTE
ORDINANCE NO. 6087, AS AMENDED
AMENDING THE 2018 OPERATING AND CAPITAL BUDGETS
FOR THE THIRD TIME

General Fund
\$972,803 Decrease in Revenue
\$485,050 Increase in Expenditures

Revenue– \$972,803 Decrease

1. Tax Revenue

- \$220,000 increase in marijuana tax
- \$65,000 increase in bed tax
- (\$68,000) decrease in tobacco tax

2. Charges For Services

- \$6,420 increase in various miscellaneous services
- \$8,400 increase in fire protection services
- \$9,467 increase in police grant recovery
- \$12,250 increase in admin recovery for the consulting and legal work required to convert “FMATS” to an independent “FAST Planning” non-profit entity
- \$100,000 increase in engineering grant recovery
- (\$17,450) decrease in alarm billings
- (\$54,000) decrease in dispatch services

3. Intergovernmental Revenues

- \$169,178 increase in Community Assistance (Revenue Sharing)
- \$11,900 increase in SOA liquor license share
- \$2,272 increase in FNSB payment of health center PILT (Payment in Lieu of Taxes)
- \$18,809 increase in SART exam reimbursements
- \$5,800 increase in the Rest Easy PILT
- (\$850) decrease in SOA electric and phone share

4. License and Permits

- \$20,515 increase in fire code inspections
- \$72,383 increase in commercial building permits
- \$42,280 increase in electrical permits
- \$33,183 increase in residential building permits
- \$15,801 increase in mechanical permits
- \$2,400 increase in various miscellaneous license and permits
- \$2,105 increase in sign permits
- (\$6,000) decrease in commercial vehicles for hire permits
- (\$8,000) decrease in chauffeur licenses

5. Other Revenue

- \$37,000 increase in interest on demand deposits
- \$25,000 increase in abatement recovery
- \$13,105 increase in vehicle forfeitures
- \$3,800 increase in vehicle forfeiture towing and storage access
- \$36,415 increase for Polaris building donations to cover expenditures, the balance of \$47,000 is recorded as unearned revenue
- (\$14,000) decrease in City forfeitures (non-DUI)

6. Other Financing Sources

- \$12,014 increase in sale of assets related to auction proceeds
- (\$1,750,000) transfer of fund balance to the Capital Fund

Expenditures– \$485,050 Increase

1. Mayor & Council

2. City Attorney's Office

- \$8,000 increase to pay court costs associated with increased impounds and forfeitures

- \$11,500 increase to cover leave cashout and overlap of Legal Secretary position
3. City Clerk's Office
 4. Finance Department
 5. Information Technology
 6. General Account
 - \$23,500 increase in telephone land lines and long distance
 - \$25,000 increase in street lighting electricity and maintenance
 - \$36,415 increase for Polaris building expenditures
 - \$50,375 increase in contribution to agencies (offset to increased bed tax)
 - \$58,000 increase in FAST Planning start up funds
 7. Police Department
 8. Dispatch
 9. Fire Department
 - \$117,786 increase in salaries and benefits for CBA retroed back to January 1, 2018
 10. Public Works
 11. Engineering
 - \$152,100 increase in salaries and benefits due to Engineering reevaluation of projects and general non-reimbursable work performed for the City
 12. Building Department
 - \$2,374 increase the Structural Engineer/Inspector rate to match the Engineer III rate. Job requires Engineer to have an engineering stamp, similar to the Engineer III position. Cost covers October through December 2018 time period.

Capital Fund
\$1,750,000 Increase in Revenue
\$650,405 Decrease in Expenditures

REVENUE - \$1,750,000 Increase

1. Other Financing Sources
 - \$1,750,000 transfer from the General Fund

EXPENDITURES – (\$650,405) Decrease

2. Public Works
 - \$23,643 increase for the Dump Truck capital purchase
3. Engineering Department
4. Police Department
5. Fire Department
 - (\$400,000) decrease in 2018 appropriation for aerial device and commit the funds to be spent in 2019 with an additional \$245,341 capital commitment of funds
6. IT Department
7. Road Maintenance
 - \$(75,000) decrease in 2018 expenditure for Barnette & Cowles match. Due to project timeline changes, the match will be paid at a future date. Recommit the funds to pay future match.
 - (\$154,048) decrease in 2018 expenditure for Minnie Street Match. Due to project timeline changes, the match will be paid at a future date. Recommit the funds to pay the future match.
 - (\$20,000) decrease in ADA sidewalks and crosswalks slated to be included in the 5th Avenue reconstruction from Barnette St to Noble St, a FAST Planning project.
 - (\$25,000) decrease in 2018 expenditure for a citywide pavement assessment.
8. Property Repair & Replacement