

ORDINANCE NO. 6190

**AN ORDINANCE AMENDING FGC SEC. 2-651 TO CHANGE THE
MINIMUM UNASSIGNED GENERAL FUND BALANCE**

WHEREAS, the Government Finance Officers Association (GFOA) recommends establishing a formal policy on the level of unrestricted fund balance that should be maintained in the general fund for generally accepted accounting principles (GAAP) and budgetary purposes; and

WHEREAS, the City Finance Committee reviewed the general fund revenues and expenditures to determine an appropriate minimum unassigned general fund balance.

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

SECTION 1. FGC Sec. 2-651 is hereby amended as follows [new text in **bold/underline** font; deleted text in ~~strikethrough~~ font]:

Sec. 2-651. Preparation and presentation to city council.

(a) Pursuant to the Charter, the mayor shall prepare and submit to the city council a balanced annual budget estimate and budget message. The annual budget shall be balanced in a manner wherein current costs will be funded by current revenues expected to be received by the city in the calendar budget year. Revenues expected to be received cannot include taxes, fees or other sources that do not already exist in the Code.

(b) After initial presentation of the mayor's proposed budget estimate, the city council may by ordinance elect to adopt or amend the budget to expend general funds accumulated in prior years; however, in no case shall unassigned general fund balances be less than the greater of either 20 percent of budgeted operational expenditures or ~~\$4,000,000.00~~ **\$10,000,000.00**.

(c) The annual budget and accounting year shall begin on January 1 and shall end on December 31 of each calendar year.

(d) The ~~director of finance~~ **Chief Financial Officer** shall compile the budget estimate, based upon detailed departmental estimates and work programs and ~~control the budget estimate~~ under the direction of the mayor. The budget estimate shall cover and appropriate for all expenditures of money, including

contracts and other commitments, except appropriations for expenditures from bond construction and debt service funds and special assessment construction funds. When the city council is considering the budget estimate, department heads and such other officials as may be interested shall appear and be free to criticize the budget or any of its items.

SECTION 2. That the effective date of this ordinance will be the 22nd day of January 2022.



JIM MATHERLY, Mayor


AYES: Clark, Gibson, Rogers, Therrien, Marney, Cleworth
NAYS: None
ABSENT: None
ADOPTED: January 17, 2022

ATTEST:

APPROVED AS TO FORM:



D. Danyielle Snider, MMC, City Clerk



Paul Ewers, City Attorney
Deputy City Attorney