

Denali Borough, Alaska
ORDINANCE NO. 16-05

INTRODUCED BY: Mayor Clay Walker

AN ORDINANCE FOR THE DENALI BOROUGH TO AMEND THE BUDGET FOR FISCAL YEAR 2016.

BE IT ENACTED BY THE ASSEMBLY OF THE DENALI BOROUGH:

Section 1. Classification.

This is a non-code ordinance.

Section 2. General Provisions.

The budget lists the authorized revenues and expenditures for the period July 1, 2015 through June 30, 2016 and is made a matter of public record.

GENERAL FUND - The general fund is the general operating fund of the Borough. This fund accounts for all transactions not recorded in other funds and receives financial support from such sources as overnight accommodation and severance taxes, and intergovernmental revenues.

Estimated Revenue	AMENDED FY 2016	BUDGETED FY 2016	ACTUAL FY 2015
Taxes:			
3110 Overnight Accommodation Tax	3,200,000	2,900,000	3,318,321
3120 Severance Tax	75,000	90,000	96,086
Intergovernmental, Federal:			
3210 PILT Act	320,755	304,000	323,293
Intergovernmental, State:			
3310 Revenue Sharing	477,824	436,670	499,537
3320 PERS Paid by State	16,000	70,000	66,745
3330 Electricity/Telephone Co-op Tax	50,000	50,000	49,117
Other:			
3410 Interest Income	26,000	22,000	28,839
3910 Miscellaneous Income	4,500	2,500	2,420
TOTAL REVENUE	\$4,170,079	\$3,875,170	\$4,384,358

Denali Borough Code of Ordinances 3.05.020(c) "Forward Funding Requirement. AMENDED expenditures shall not exceed the total available reserves and the revenues collected but not expended or allocated at the time the AMENDED budget is adopted." Maximum General Fund expenditures for FY2016 is \$5,893,926 as of June 10, 2015.

Assembly Expenses	AMENDED FY 2016	BUDGETED FY 2016	ACTUAL FY 2015
4001 Nonstaff Stipends	22,800	22,800	21,450
4006 Staff Salaries	162,000	158,661	122,725
4011 Staff Benefits	207,000	258,629	186,214
4012 Nonstaff Benefits	5,500	5,500	4,549
4014 Workers Compensation	1,000	1,000	669
4021 Nonstaff Travel	6,000	8,000	5,258
4022 Staff Travel	7,000	7,000	3,567
4025 Staff Training	4,000	4,000	275
4026 Nonstaff Training	1,000	3,000	1,475
4030 Rent	30,000	30,000	26,376
4031 Utilities	5,000	6,000	3,700
4038 Janitorial Services	3,000	2,400	2,286
4040 Elections	8,000	13,000	6,330
4041 Codification of Municipal Code	1,500	3,000	1,370
4050 Equipment	10,000	16,500	9,820
4052 Repairs and Maintenance	16,000	16,000	15,491

		AMENDED	BUDGETED	ACTUAL
		FY 2016	FY 2016	FY 2015
Assembly Expenses				
4055	Equipment Rental	2,000	2,000	1,152
4060	Supplies	6,000	6,000	5,775
4061	Dues/Subscriptions/Advertising	12,000	9,000	8,640
4062	Postage	2,000	2,000	1,035
4070	Vehicle Insurance	800	800	0
4082	Audit Fees	30,000	30,000	21,167
4083	Overnight Accommodations Audit Fees	10,000	10,000	4,802
4300	Budgetary Reserve	0	948,147	0
4310	Contingency	4,000	4,000	374
ASSEMBLY TOTAL EXPENSES		\$556,600	\$1,567,437	\$454,499

		AMENDED	BUDGETED	ACTUAL
		FY 2016	FY 2016	FY 2015
Mayor Expenses				
4005	Mayor Salary	74,520	74,520	69,814
4006	Staff Salaries	70,000	79,491	65,273
4009	Staff Leave Replacement	3,000	3,000	0
4010	Mayor Benefits	71,000	90,000	102,159
4011	Staff Benefits	104,000	128,426	112,120
4014	Workers Compensation	1,025	1,025	935
4022	Staff Travel	3,500	3,500	2,077
4023	Mayor Travel	8,000	8,000	7,008
4025	Staff Training	2,000	2,000	175
4031	Utilities	4,800	4,800	1,268
4050	Equipment	4,000	4,000	2,155
4061	Dues/Subscriptions/Advertising	3,000	1,500	0
4064	Bank Fees	8,000	8,000	4,413
4070	Vehicle Insurance	0	0	716
4071	Property Insurance	375	375	147
4073	Bonding & Insurance	12,500	12,500	10,594
4080	Consultant Fees	22,000	22,000	12,015
4081	Attorney Fees	18,000	18,000	7,200
4310	Contingency	4,000	4,000	3,128
4330	Emergency Fuel Reserve	0	0	0
5100	Public Safety Contributions	0	0	285,522
5110	Public Safety Per Capita Funding	37,314	37,314	44,794
5200	Nonprofit Contributions	374,157	374,157	63,366
5300	Revenue Sharing Distribution	38,600	0	40,400
5310	Municipal Assistance	42,500	42,500	0
5400	Community Events	17,250	5,000	3,077
MAYOR TOTAL EXPENSES		\$923,541	\$924,108	\$838,356

		AMENDED	BUDGETED	ACTUAL
		FY 2016	FY 2016	FY 2015
Estimated School District Expenses				
Denali Borough School District:				
School Operating Fund				
7010	Mandatory Contribution	659,242	659,242	660,233
7020	Additional Allowable Contribution	1,647,654	1,647,654	1,548,567
SCHOOL DISTRICT TOTAL EXPENSES		\$2,306,896	\$2,306,896	\$2,208,800

		AMENDED	BUDGETED	ACTUAL
		FY 2016	FY 2016	FY 2015
Deposits to Borough Fund Accounts:				
1046	Disaster Contingency Reserve Fund	1,000	1,000	1,000
9120	To Special Revenue (EMPG)	12,000	12,000	8,533
9130	To Capital Projects Fund (Capital Improvements)	105,302	80,000	136,074
9150	To Major School Maintenance Reserve Fund	80,000	60,000	111,074
9160	To Land Enterprise Fund (Land Management Fund)	170,000	170,000	100,000
9170	To Solid Waste (Landfill Closure Fund)	2,000	2,000	5,000
9170	To Solid Waste (Solid Waste Equipment Reserve Fund)	60,000	60,000	135,000
9170	To Solid Waste (Solid Waste Enterprise Fund)	0	20,000	0
BOROUGH FUND ACCOUNTS TOTAL DEPOSITS		\$430,302	\$405,000	\$496,681

	AMENDED FY 2016	BUDGETED FY 2016	ACTUAL FY 2015
Matching Grant Expenses:			
	19,288	19,288	45,709
MATCHING GRANTS TOTAL EXPENSES	\$19,288	\$19,288	\$45,709
GENERAL FUND TOTAL EXPENSES	\$4,236,627	\$5,222,729	\$4,044,046

ENTERPRISE FUNDS - The Borough has two enterprise funds that are used to account for revenues earned, expenses incurred, and net income of enterprise activities. These funds are financed and operated in a manner similar to a private business enterprise - where the intent of the Borough is that costs of providing goods or services to the general public be financed or recovered primarily through user charges or where the Assembly has decided that the calculation of annual net income is necessary for management accountability. Expenditures are controlled by means of the annual budget appropriation. The Borough's enterprise funds are Land Management and Solid Waste.

LAND MANAGEMENT FUND	AMENDED FY 2016	BUDGETED FY 2016	ACTUAL FY 2015
Estimated Revenue			
3320 PERS Paid by State	4,000	18,000	20,555
3410 Interest Income	100	150	29
TOTAL REVENUE	4,100	18,150	20,585

Land Management Expenses	AMENDED FY 2016	BUDGETED FY 2016	ACTUAL FY 2015
4001 Nonstaff Stipends	11,400	11,400	9,700
4006 Staff Salaries	39,162	38,581	49,295
4011 Staff Benefits	35,720	42,572	57,323
4012 Nonstaff Benefits	872	872	757
4014 Workers Compensation	375	375	348
4021 Nonstaff Travel	5,000	5,000	4,565
4022 Staff Travel	5,000	5,000	1,526
4025 Staff Training	4,000	4,000	650
4026 Nonstaff Training	4,000	4,000	1,295
4030 Rent	7,500	7,500	6,028
4031 Utilities	2,000	2,000	849
4038 Janitorial Services	1,800	1,800	864
4050 Equipment	5,000	5,000	545
4052 Repairs and Maintenance	2,000	2,000	1,066
4060 Supplies	2,500	2,500	331
4061 Dues/Subscriptions/Advertising	2,500	2,500	895
4062 Postage	500	1,500	500
4081 Attorney Fees	2,000	2,000	90
4202 Land Administration	76,000	70,000	5,177
4310 Contingency	3,000	3,000	0
LAND MANAGEMENT TOTAL EXPENSES	\$ 210,329	\$ 211,600	\$ 141,805

SOLID WASTE FUND	AMENDED FY 2016	BUDGETED FY 2016	ACTUAL FY 2015
Estimated Revenue			
Projected Operating Revenue			
3320 PERS Paid by State	8,000	30,000	51,624
3410 Interest Income	8,500	3,500	5,465
3710 Tipping Fees	350,000	340,000	463,620
3720 Cover	1,000	5,000	3,913
SOLID WASTE TOTAL REVENUE	367,500	378,500	524,623

Solid Waste Expenses			
4006 Staff Salaries	150,731	148,936	138,273
4011 Staff Benefits	112,590	138,400	142,809
4014 Workers Compensation	10,000	10,000	8,843
4022 Staff Travel	2,500	3,000	1,169
4025 Staff Training	1,000	2,000	1,360
4030 Rent	3,620	3,620	3,014
4031 Utilities	9,000	12,000	8,284
4033 Heating Fuel	8,000	10,000	2,906
4050 Equipment	18,000	25,000	26,160

Solid Waste Expenses		AMENDED FY 2016	BUDGETED FY 2016	ACTUAL FY 2015
4051	Safety Equipment	3,000	3,000	1,641
4052	Repairs and Maintenance	80,000	55,000	49,299
4053	Equipment Fuel (Diesel)	30,000	33,000	28,892
4054	Equipment Fuel (Gas)	1,500	1,500	1,179
4056	Snow Plowing	4,000	4,000	3,135
4057	Tools	2,500	3,000	1,055
4060	Supplies	6,000	8,000	5,295
4061	Dues/Subscriptions/Advertising	2,500	1,500	1,596
4062	Postage	500	500	250
4063	Freight	1,500	1,000	778
4064	Bank Fees	1,500	1,500	601
4070	Vehicle Insurance	2,000	2,500	2,168
4071	Property Insurance	1,300	1,300	818
4072	Equipment Insurance	3,000	3,000	2,470
4080	Consultant Fees	7,000	8,000	3,019
4100	Survey Fees	17,000	8,000	4,500
4101	CTS Hauling Fees	20,000	30,000	15,884
4102	Cover and Cell Maintenance	2,500	5,000	0
4103	Well Monitoring	35,000	25,000	15,878
4105	HHW Disposal	1,000	10,000	6,971
4107	DEC Inspections and Permits	6,000	6,500	3,171
4310	Contingency	3,000	3,000	206
SOLID WASTE TOTAL EXPENSES		\$546,241	\$567,256	\$481,624

Section 3. Authorization and Appropriation.

The appropriations are adopted and authorized for the period July 1, 2015 through June 30, 2016.

Section 4. Budget Narrative.

The following is a line item breakdown narrative of the Fiscal Year 2016 budget.

GENERAL FUND

General Fund Expenses

Assembly:

- 4011 **Staff Benefits** - PERS and SBS employer contribution rates, contribution to a retirement account, Medicare, Social Security and health insurance costs for staff members. Includes potential liability for earned sick leave and vacation pay, as well as unemployment claims for former employees. Amendment reflects a one time, four month, "premium holiday" from health insurance premiums.
- 4061 **Dues/Subscriptions/Advertising** - Association membership dues, newspaper subscriptions, software subscriptions, website hosting, data storage and postings in local papers. (To include AMLdues, National Association of Counties (NACo) dues, AAMC and AGFOA dues.) Amendment increases line item by \$3,000 to reflect one-time cost for website redesign.

General Fund Expenses

Mayor:

- 4011 **Staff Benefits** - PERS and SBS employer contribution rates, contribution to a retirement account, Medicare, Social Security and health insurance costs for staff members. Includes potential liability for earned sick leave and vacation pay, as well as unemployment claims for former employees. Amendment reflects a one time, four month, "premium holiday" from health insurance premiums.
- 4061 **Dues/Subscriptions/Advertising** - Association membership dues, newspaper subscriptions, software subscriptions, website hosting, data storage and postings in local papers. (To include AMLdues, National Association of Counties (NACo) dues, AAMC and AGFOA dues.) Amendment increases line item by \$1,500 to reflect one-time cost for website redesign.

- 5300 **Revenue Sharing Distribution** - Proportional payments of Community Revenue Sharing received from the State of Alaska on behalf of certified unincorporated communities. Funding is as follows:

Cantwell Volunteer Fire Department	\$19,300
Tri-Valley Volunteer Fire Department	\$19,300
	\$38,600

- 5400 **Community Events** - Borough-wide public outreach events including Winterfest. Amendment increases line item by \$12,250 for expenses related to a borough 25th anniversary celebration.
- 9130 **To Capital Projects Fund (Capital Improvements Fund)** - A reserve fund for capital improvement projects per DBC 3.20.070. Amendment increases deposit by \$25,302, one-half the revenue earned by the Permanent Investment Fund in FY2015 (\$50,604) per Denali Borough Charter 9.17.
- 9150 **To Major School Maintenance Reserve Fund** - Funds in this reserve account may only be used to maintain a satisfactory and safe condition of preexisting facilities per DBC 3.20.060(F). Amendment increases deposit by \$20,000.

Land Management Expenses

- 4011 **Staff Benefits** - PERS and SBS employer contribution rates, contribution to a retirement account, Medicare, Social Security and health insurance costs for staff members. Includes potential liability for earned sick leave and vacation pay, as well as unemployment claims for former employees. Amendment reflects a one time, four month, "premium holiday" from health insurance premiums.

Solid Waste Enterprise Expenses

- 4011 **Staff Benefits** - PERS and SBS employer contribution rates, contribution to a retirement account, Medicare, Social Security and health insurance costs for staff members. Includes potential liability for earned sick leave and vacation pay, as well as unemployment claims for former employees. Amendment reflects a one time, four month, "premium holiday" from health insurance premiums.
- 4052 **Repairs and Maintenance** - Maintenance agreements, parts, materials, fluids and contracted labor related to repair and maintenance of tangible property including equipment and facilities. Amendment increases line item \$25,000 due to larger than anticipated equipment repair costs, including a new transmission for a D8 Waste Handler.
- 4061 **Dues/Subscriptions/Advertising** - Association membership dues, newspaper subscriptions, software subscriptions, website hosting, data storage and postings in local papers. (To include AMLdues, National Association of Counties (NACo) dues, AAMC and AGFOA dues.) Amendment increases line item by \$1,000 to reflect one-time cost for website redesign.
- 4063 **Freight** - Shipping costs for tools, parts, and equipment. Amendment increases line item \$500 due to higher than anticipated freight costs.
- 4100 **Survey Fees** - Annual as-built survey and other survey fees as needed. Amendment increases line item \$9,000 due to increased Alaska Department of Environmental Conservation survey requirements and the potential for an additional as-built survey.
- 4103 **Well Monitoring** - Well monitoring at the Landfill. Amendment increases line item \$10,000 due to increased monitoring costs due to Alaska Department of Environmental Conservation requirements.

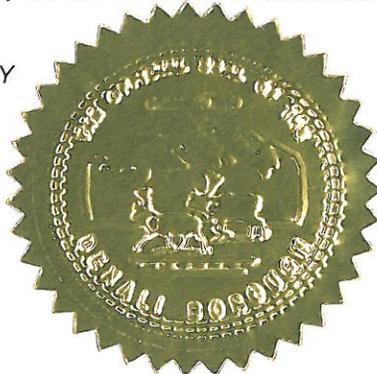
Section 5. Effective Date.

This ordinance becomes effective upon its adoption by the Denali Borough Assembly and signature of the Denali Borough Mayor.

DATE INTRODUCED:	<u>March 9, 2016</u>
FIRST READING:	<u>April 13, 2016</u>
PUBLIC HEARING:	<u>April 13, 2016</u>

PASSED and APPROVED by the DENALI BOROUGH ASSEMBLY this 13th day of April, 2016.

PASSED UNANIMOUSLY



Clay Walker
Borough Mayor

Aimee Piironik
Borough Clerk