

AN ORDINANCE OF THE HAINES BOROUGH, PROVIDING FOR THE ADDITION OR AMENDMENT OF SPECIFIC LINE ITEMS TO THE FY17 BUDGET.

BE IT ENACTED BY THE HAINES BOROUGH ASSEMBLY:

Section 1. Classification. This ordinance is a non-code ordinance.

Section 2. Effective Date. This ordinance shall become effective immediately upon adoption.

Section 3. Appropriation. This appropriation is hereby authorized as part of the budget for the fiscal year July 1, 2016 through June 30, 2017.

Section 4. Purpose. To provide for the addition or amendment of specific line items to the FY17 budget as follows:

(1) To remove an appropriation of \$237,000 of State Revenue and to appropriate an additional \$30,000 from the Capital Improvement Project Fund (Fund 50) and an additional \$394,000 from the fund balance of the sewer enterprise fund (Fund 91) for the Wastewater Treatment Plant Upgrade Project in order to fully fund additive alternates 1 and 2 as approved on January 10, 2017 with resolution 16-12-700 without drawing down on loan funds from the State of Alaska. Loan funds will be used, instead, for phase III and IV of the project. Additive alternates 1 and 2 will provide for installation of a new influent screening/grit removal system and replacing siding and roofing on a 20' x 42' building.

		Current FY17 Budget	Proposed FY17 Budget	Fund Balance Increase / (Decrease)*
91-50-00-4341	State Revenue	\$1,297,000	\$1,060,000	\$(237,000)
50-98-00-8257	Transfer OUT from CIP	200,000	230,000	(30,000)
91-98-00-8257	Transfer in to Sewer from CIP	200,000	230,000	30,000
91-50-00-7392	Project Expenditures	1,827,000	2,014,000	(187,000)
Additional appropriation for WWTP Upgrade (\$30K CIP + \$394K Sewer Fund)				\$ (424,000)

(2) To budget for a \$250,000 grant award from the U.S. Forest Service for system design for the installation of woody biomass boilers in borough buildings. (Grant #16-DG-11100106-816)

		Current FY17 Budget	Proposed FY17 Budget	Fund Balance Increase / (Decrease)*
42-01-00-4589	Federal Revenue	\$0	\$250,000	\$250,000
42-01-00-7392	Project Expenditures	\$0	\$250,000	(\$250,000)
Total				\$0

(3) To budget for a \$92,136 grant award from the USDA for purchase of an industrial wood chipper and log splitter to be leased to a tribal owned business. (Case no. 60-011-010294074)

		Current FY17 Budget	Proposed FY17 Budget	Fund Balance Increase / (Decrease)*
42-01-00-4589	Federal Revenue	\$0	\$92,136	\$92,136
42-01-00-7392	Project Expenditures	\$0	\$92,136	(\$92,136)
Total				\$0

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(4) To appropriate additional Townsite Service Area Funds for FY17 Police department payroll.				
		Current FY17 Budget	Proposed FY17 Budget	Fund Balance Increase / (Decrease)*
02-02-00-6110	Salary & Wages – Police	286,049	336,000.	(49,951)
02-02-00-6115	Employee Burden – Police	95,280	108,329	(13,049)
Total increase to FY17 payroll expenditures				(\$63,000)

(5) To remove budgeted income for the proceeds from the sale of a public works 2003 Case wheeled loader. The manager recommends keeping the equipment in the public works fleet.				
		Current FY17 Budget	Proposed FY17 Budget	Fund Balance Increase / (Decrease)*
01-01-09-4640	Sale of Fixed Asset	\$25,000	\$0	(\$25,000)

(6) To increase the FY17 budget appropriation for professional & contractual services in the administration department. This amendment is requested due to higher than usual expenditures incurred during the first half of the fiscal year including: \$43,381 for borough attorney, \$10,000 deductible for legal fees for an ongoing suit, and \$5,350 for an organizational assessment survey.				
		Current FY17 Budget	Proposed FY17 Budget	Fund Balance Increase / (Decrease)*
01-01-10-7312	Professional & Contractual	\$88,806	\$103,806	(\$15,000)

(7) To reduce budgeted revenue for raw fish tax which came in lower than expected in FY17.				
		Current FY17 Budget	Proposed FY17 Budget	Fund Balance Increase / (Decrease)*
01-01-09-4363	State Revenue - Raw Fish Tax	\$191,700	\$121,208	(\$70,492)

(8) To increase budgeted revenue for federal payment in lieu of taxes (P.I.L.T) which came in higher than expected in FY17.				
		Current FY17 Budget	Proposed FY17 Budget	Fund Balance Increase / (Decrease)*
01-01-09-4532	Federal Revenue - P.I.L.T.	\$309,900	\$348,013	\$38,113

(9) To transfer \$22,546 from the Equipment Sinking Fund to purchase a used sander from the State of Alaska. The cost of the sander is estimated to be \$25,000. The additional \$2,454 will come from other CIP appropriations which came in under budget (see #10 below).				
		Current FY17 Budget	Proposed FY17 Budget	Fund Balance Increase / (Decrease)*
61-98-00-8258	Operating Transfer – OUT fr Sinking	\$0	\$22,546	(\$22,546)
50-98-00-8258	Operating Transfer – IN to CIP	\$0	\$22,546	\$22,546
50-01-00-7392	Project Expenditure – Used Sander	\$0	\$22,546	(\$22,546)
Total				(\$22,546)

(10) To reduce appropriations for two projects which were completed under budget and to appropriate the remaining \$2,454 for purchase of a used sander from the State of Alaska.

<u>Source</u>	<u>Project</u>	<u>Current Budget</u>	<u>Expended</u>	<u>Remaining</u>	<u>Proposed Budget</u>	<u>Increase / (Decrease) Budgeted Expense</u>
FY15CIP	Public Works Extended Boom Forklift	45,000	44,347	653	44,347	(653)
FY16CIP	Public Works 2016 F250 Pickup Truck	38,500	36,699	1,801	36,699	(1,801)
Proposed	Purchase Used Sander from AK State	-	-	-	2,454	2,454
Total						\$0

(11) During the 2016 legislative session, House Bill 256 passed providing "on-behalf" funding for Public Employees Retirement System (PERS) employers for the FY17 fiscal year. Through on-behalf funding the State of Alaska provides funding which reduces the PERS rate paid by employers from the actuarially determined rate of 26.14% of gross wages (in FY17) to the "effective rate" of 22%. This Haines Borough budget amendment reflects the anticipated revenue received from the State of Alaska in the form of reduced PERS payments.

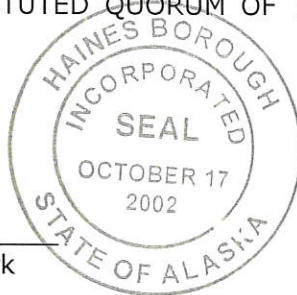
		<u>Current FY17 Budget</u>	<u>Proposed FY17 Budget</u>	<u>Fund Balance Increase / (Decrease)*</u>
01-01-09-4341	State Revenue – Other	\$0	\$125,000	\$125,000
01-01-10-6116	PERS on-behalf – Pd by State	\$0	(\$125,000)	(\$125,000)
Total				\$0

* A positive amount in this column is favorable. A negative amount is unfavorable.

ADOPTED BY A DULY CONSTITUTED QUORUM OF THE HAINES BOROUGH ASSEMBLY THIS 14TH DAY OF MARCH, 2017.

ATTEST:


Julie Cozzi, MMC, Borough Clerk




Janice Hill, Mayor

Date Introduced: 02/14/17
Date of First Public Hearing: 02/28/17
Date of Second Public Hearing: 03/14/17