

PROGRAM BUDGET SUMMARY

DEPARTMENT OF FINANCIAL SERVICES DEPARTMENT SUMMARY

Mission/Program Description

This Department's Mission Statement is: **TO PROVIDE ABSOLUTE ACCOUNTABILITY FOR LEGALLY AUTHORIZED USE OF BOROUGH FUNDS AND APPROVED REVENUES.**

The Department of Financial Services manages the centralized accounting, treasury and budget functions, and disbursement of state grants for child care financial assistance, child care information and referrals, and other health and social service agencies within the Borough.

Major Long-Term Issues and Concerns

- The Governmental Accounting Standards Board (GASB), in June 1999, issued Statement No. 34 (GASB 34), "*Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments.*" For the Borough, GASB 34 is effective for the fiscal year beginning July 1, 2002. Existing employees are staffing a special GASB 34 implementation team; other existing employees and to-be-hired term-permanent employees are filling the resulting management and staff voids. Planning, workload, and management for the monumental GASB 34 implementation have been and will continue to be an all-consuming task.
- After the GASB 34 implementation is substantially complete, the Borough should begin the process of determining if a new financial management system with Enterprise Resource Planning (ERP) functionality could benefit the Borough. A system with ERP functionality promises more and better information and greater efficiency. Such a system should be able to integrate and automate most business processes and share information enterprise-wide in real time. Data for benchmarking, or for service efforts and accomplishments reporting and other performance measures, would be more accessible. This type of data is in the process of evolving from being desirable to some day being required. While such a system could potentially provide great benefits, a tremendous effort would be required Borough-wide to analyze needs, define best practices requirements, evaluate and choose a system, re-engineer business practices, train users, implement the system, and of course, fund such a system.
- See further discussion at the divisional level.

Objectives for FY 2004

- See discussions at the divisional level.

Significant Budget Changes

- See discussions at the divisional level.

Previous Year's Accomplishments

- The Accounting Division received its 14th Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for the FY 2001 CAFR.
- The Treasury/Budget Division received its 14th Distinguished Budget Presentation Award from the Government Financial Officers Association for the FY 2003 Budget.
- Surveyed Child Care Assistance participants for quality assurance. Overall, respondents were satisfied or very satisfied (96.05%) with the level of service received from the Child Care Assistance program. The services provided by office staff and eligibility workers as defined in terms of courtesy, professionalism, understandability, patience, efficiency, helpfulness, and follow through in a timely manner showed a 95.78 percent total positive agreement level.
- Held two bond sales: 2002 Series E \$14,000,000 and 2003 Series F \$13,500,000.

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**Dept: Financial Services
Departmental Summary**

	2000/01 Actual	2001/02 Actual	2002/03 Approved	2002/03 Revised	2003/04 Recommended	2003/04 Approved
PERSONNEL SERVICES						
Permanent Salaries	1,769,365	1,500,032	1,587,960	1,587,960	1,602,310	1,620,990
Overtime Wages	9,729	14,022	18,490	18,490	18,720	18,720
Temporary Salaries	37,576	34,740	45,710	45,710	46,410	46,410
Benefits	727,535	635,507	651,750	651,750	722,570	730,850
Subtotal:	2,544,205	2,184,301	2,303,910	2,303,910	2,390,010	2,416,970
COMMODITIES						
Office Supplies	23,593	20,059	25,340	23,518	23,890	24,140
Computer Supplies	5,194	1,008	2,100	2,100	2,100	2,100
Operating Supplies	5,299	864	3,000	3,000	3,000	3,000
Books and Periodicals	8,191	6,032	6,980	6,980	6,980	6,980
Repair and Maint. Supplies	297	100	-	-	-	-
Clothing Supplies	-	-	-	-	-	-
Motor Fuels and Lubricants	638	-	-	-	-	-
Equipment Parts	-	-	-	-	-	-
Subtotal:	43,212	28,063	37,420	35,598	35,970	36,220
CONTRACTUAL SERVICES						
Professional Services	106,053	11,910	28,150	27,978	26,800	26,800
Communications	2,318	1,649	2,120	2,120	2,870	3,170
Travel	4,001	3,351	4,850	4,850	4,850	4,850
Professional Dues/Meetings	3,940	3,362	3,420	3,592	3,370	3,720
Training	29,636	27,929	30,890	30,890	31,140	31,140
Advertising, Printing & Binding	21,917	21,096	25,910	27,110	28,680	29,130
Insurance and Bonding	733,475	-	-	-	-	-
Repairs & Maint. -Bldg. & Grounds	7,059	7,050	6,550	6,550	6,550	6,550
Repairs & Maint. -Office Equipment	1,848	3,685	4,310	4,640	4,310	4,310
Repairs & Maint. -Other Equipment	2,000	-	-	-	-	-
Rent	-	-	-	-	-	-
Utilities	4,985	4,826	6,050	6,050	6,050	6,050
Equipment Leases	3,220	-	-	-	-	-
Other Contractual Services	2,649,016	2,808,999	2,869,200	2,846,262	2,459,850	2,771,930
Subtotal:	3,569,468	2,893,857	2,981,450	2,960,042	2,574,470	2,887,650
Grants Local Match & Indirect Costs	179,627	184,290	203,950	199,151	50,000	133,750
CAPITAL OUTLAY						
Controlled Assets	-	-	-	-	-	-
Buildings & Structures	-	-	-	-	-	-
Office Furniture	-	18	-	-	-	-
Office Equipment	11,097	885	-	292	-	-
Rolling Equipment	-	-	-	-	-	-
Machinery & Equipment	766	-	-	-	-	-
Land & Land Improvements	-	-	-	-	-	-
Library Materials	-	-	-	-	-	-
Leasehold Improvements	-	-	-	-	-	-
Other Capital Items	-	-	-	-	-	-
Subtotal:	11,863	903	-	292	-	-
GRAND TOTAL:	6,348,375	5,291,414	5,526,730	5,498,993	5,050,450	5,474,590
FUNDING SOURCES:						
General Fund Revenues						
State Grants for Child Care/HSS						3,259,870

Beginning in FY 2002 Risk Management is budgeted in the Human Resources Department

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**FY 2003–2004 Budget
Fairbanks North Star Borough**

PROGRAM BUDGET SUMMARY

FINANCIAL SERVICES – ADMINISTRATIVE DIVISION

Mission/Program Description

Serve as an advisor to the Mayor and to the Assembly regarding fiscal management of the general operational budget and projects having a financial impact to the Borough. Coordinate the Treasury/Budget, Accounting, and Child Care divisions to implement special projects and oversee normal operational procedures. Ensure that Borough financial practices are in compliance with Borough policies and state and federal law.

Major Long-Term Issues and Concerns

- The Governmental Accounting Standards Board (GASB), in June 1999, issued Statement No. 34 (GASB 34) which established broad new financial reporting requirements for state and local governments throughout the United States. The requirements of GASB 34 are effective for the Borough for FY 2003, beginning July 1, 2002. The requirements and resources implementing GASB 34 have so far been considerable. The GASB 34 implementation project has required the full-time use of a senior staff member from this division as well as senior managerial staff from the Accounting Division. This has ultimately resulted in dwindled available resources for research and other special projects and reports.
- After the completion of the GASB 34 implementation, the Borough needs a fully integrated financial management system and related business process re-engineering in order to meet ever-increasing reporting and efficiency requirements. This undertaking, like the GASB 34 implementation, will require a tremendous effort Borough-wide.

Objectives for FY 2004

- Continue to provide support for the GASB 34 implementation project.
- Prepare for FY 2004 Series G General Obligation bond sale.
- Continue efforts toward achieving better information dissemination to the public, including developing more “popular” reports and expanding and improving the Financial Services webpage.

Significant Budget Changes

The FY 2004 budget reflects a net increase in personnel costs due to cost of living adjustments and normal union and management longevity.

Previous Year’s Accomplishments

- Made major progress in the choosing, installation of a capital assets software package. (This is part of the GASB 34 implementation plan) In addition, worked with other departments and the Accounting Division to completely inventory all Borough capital assets.
- The Tax Exempt Vehicle/Equipment Master Lease Financing Agreement ended at the end of 2001 and a request for proposals for another 2-year period was put out in January 2002. The contract was given Key Municipal Finance.
- Assisted the Accounting Division with oversight of audit preparation, communications with the external auditors, and CAFR preparation.
- Received the GFOA Distinguished Budget Presentation Award for the fiscal year beginning July 1, 2002. Coordinated yearly budget preparation that included assisting Assemblymembers, the Mayor’s Office and Borough Department Directors.
- Held two bond sales: 2002 Series E \$14,000,000 and 2003 Series F \$13,500,000.
- Continued to keep the public informed through the use of the Financial Services Webpage and the distribution of recommended and approved budget information through pamphlets and presentations.
- Surveyed Child Care Assistance participants for quality assurance. Overall, respondents were satisfied or very satisfied (96.05%) with the level of service received from the Child Care Assistance program. The services provided by office staff and eligibility workers as defined in terms of courtesy, professionalism, understandability, patience, efficiency, helpfulness, and follow through in a timely manner showed a 95.78 percent total positive agreement level.

**Dept: Financial Services
Div: Administration
Statistical Accomplishments**

	1999/00 Actual	2000/01 Actual	2001/02 Actual	2002/03* Budget	2003/04* Budget
Completed the Comprehensive Annual Financial Report (CAFR) per Government Deadline?	Yes	Yes	Yes	Yes	Yes
Earned Certificate of Achievement for Excellence in Financial Reporting	Yes	Yes	Yes	Yes	Yes
Completed Yearly Fiscal Year Budget per Government Deadline	Yes	Yes	Yes	Yes	Yes
Earned Distinguished Budget Presentation Award from the Government Finance Officers Association (GFOA)	Yes	Yes	Yes	Yes	Yes
Health of Bond Ratings Reaffirmed	Yes	Yes	Yes	Yes	Yes
Number of Vendor Payment Complaints to the Mayor's Office	0	0	0	0	0
Number of Assembly Requests	22	15	32	33	40
Number of Ordinances Reviewed and Processed	32	31	43	29	40
Number of Resolutions Reviewed and Processed	8	11	5	6	10
Number of Tax Collection Appeals Processed	13	18	18	22	30
Number of Tax Appeals to the Assembly	1	1	1	0	0
Number of Bed Tax Hearing Chaired	0	2	0	1	1
Number of Bond Sales (including anticipated)	0	2	0	2	1
Amount of Bonds Sold	\$0	\$18,050,000	\$0	\$27,500,000	\$14,000,000
Number of Lease Schedules Processed	27	28	12	25	25
Risk Payment Checks signed on Behalf of the Mayor	13	18	37	20	25
Number of Presentations Given on Issues/Events	13	5	6	5	5
Number of Questions Received by the Financial Services Webpage	Not available	Not Available	5	6	10

* Anticipated

Dept: Financial Services
Div: Administration

	2000/01 Actual	2001/02 Actual	2002/03 Approved	2002/03 Revised	2003/04 Recommended	2003/04 Approved
PERSONNEL SERVICES						
Permanent Salaries	189,406	197,034	207,250	207,250	214,030	214,030
Overtime Wages	-	-	2,040	2,040	2,040	2,040
Temporary Salaries	2,808	1,047	2,000	2,000	2,000	2,000
Benefits	77,907	83,770	84,530	84,530	95,910	95,910
Subtotal:	270,121	281,851	295,820	295,820	313,980	313,980
COMMODITIES						
Office Supplies	2,517	711	2,000	2,000	2,000	2,000
Computer Supplies	1,025	17	400	400	400	400
Operating Supplies	-	-	-	-	-	-
Books and Periodicals	541	445	700	700	700	700
Repair and Maint. Supplies	-	-	-	-	-	-
Clothing Supplies	-	-	-	-	-	-
Motor Fuels and Lubricants	-	-	-	-	-	-
Equipment Parts	-	-	-	-	-	-
Subtotal:	4,083	1,173	3,100	3,100	3,100	3,100
CONTRACTUAL SERVICES						
Professional Services	1,000	2,700	3,200	3,200	3,200	3,200
Communications	139	109	300	300	300	300
Travel	-	102	1,630	1,630	1,630	1,630
Professional Dues/Meetings	689	799	730	730	730	730
Training	6,997	7,970	8,500	8,500	8,500	8,500
Advertising, Printing & Binding	-	724	250	250	250	250
Insurance and Bonding	-	-	-	-	-	-
Repairs & Maint. -Bldg. & Grounds	-	-	-	-	-	-
Repairs & Maint. -Office Equipment	-	-	-	-	-	-
Repairs & Maint. -Other Equipment	-	-	-	-	-	-
Rent	-	-	-	-	-	-
Utilities	-	-	-	-	-	-
Equipment Leases	-	-	-	-	-	-
Other Contractual Services	-	-	-	-	-	-
Subtotal:	8,825	12,404	14,610	14,610	14,610	14,610
Grants Local Match & Indirect Costs	-	-	-	-	-	-
CAPITAL OUTLAY						
Controlled Assets	-	-	-	-	-	-
Buildings & Structures	-	-	-	-	-	-
Office Furniture	-	-	-	-	-	-
Office Equipment	-	-	-	-	-	-
Rolling Equipment	-	-	-	-	-	-
Machinery & Equipment	-	-	-	-	-	-
Land & Land Improvements	-	-	-	-	-	-
Library Materials	-	-	-	-	-	-
Leasehold Improvements	-	-	-	-	-	-
Other Capital Items	-	-	-	-	-	-
Subtotal:	-	-	-	-	-	-
GRAND TOTAL:	283,029	295,428	313,530	313,530	331,690	331,690
FUNDING SOURCE:						
General Fund Revenues						

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PROGRAM BUDGET SUMMARY

DEPARTMENT OF FINANCIAL SERVICES – ACCOUNTING DIVISION

Mission/Program Description

The Accounting Division's purpose is to plan, organize, coordinate, and administer the Borough's accounting function (including general ledger, accounts payable, grants, and cash reconciliation) on a timely and accurate basis, in accordance with generally accepted accounting principles, contracts, regulatory, and grantor requirements and maintain a "clean" opinion on the Borough's financial statements, continue conforming with the Government Finance Officers Association's (GFOA) Certificate of Achievement requirements, and keep single audit findings and questioned costs to a minimum.

The Division maintains complete and accurate accounting records; balances and reconciles general ledger accounts with subledgers and source documents, including bank statements; reviews and complies with federal, state, and local laws, statutes, and regulations of a financial nature; oversees the annual and single audits of the Borough's financial and grant records; prepares the Comprehensive Annual Financial Report (CAFR) and Single Audit Reports; tests and implements the ongoing, periodic updates to the financial management system (Bi-Tech's IFAS); advises the Chief Financial Officer on accounting and related financial matters; supports the Treasury/Budget and Administration divisions with the Borough's annual operating budget; responds to accounting- and finance-related inquiries and requests from Borough departments, Assembly members, outside agencies, Service Area Commissioners, and individual citizens; attends and conducts workshops and training sessions to ensure staff are competent to maintain accurate financial records, to improve efficiency, and to stay current with all legislative and financial actions affecting the Borough.

Major Long-Term Issues and Concerns

- The proliferation of new mandates and constant changes to compliance requirements, along with the receipt of complex federal grants requiring compliance with volumes of regulations, continues to stretch available personnel and fiscal resources of the Accounting Division.

Objectives for FY 2004

- Continue implementation of GASB 34 for the Borough's FY 2003 financial statements. Implement the GASB 34 provision effective for the second year, the Borough's FY 2004 financial statements.
- If the updates are relatively "bug-free" and database structure changes are minimal, get current on Bi-Tech's IFAS during spring 2004.

Significant Budget Changes

One position is eliminated in the FY 2004 budget, exacerbating the issues and concerns described above. Payroll check functions will be transferred to Human Resources and other functions will be evaluated for restructuring, transfer, or elimination. This budget also reflects a net increase in the remaining personnel costs due to cost of living adjustments and normal union and management longevity.

Previous Year's Accomplishments

- Earned the Borough's fourteenth "Certificate of Achievement for Excellence in Financial Reporting" from GFOA for the FY 2000-01 CAFR.
- Maintained timely and accurate accounting records.
- Complied with all laws, regulations, and contracts of a financial nature; filed all reports and returns to the IRS, State of Alaska, grantors, APOC, vendors, other third parties, and the Borough Mayor's Office and Assembly.
- For the implementation of GASB 34: hired and trained backfill positions; evaluated, selected, and implemented a new capital assets system; with other departments, completed identification and valuation of almost all the Borough's capital assets; converted all data to the new system; began modification to the financial management system for the new financial reporting requirements.
- Along with other departments, tested and implemented upgrades to the financial management system from Bi-Tech and tested and moved the system to new computer hardware.

Dept: Financial Services
Div: Accounting
Statistical Accomplishments

	1999/00 Actual	2000/01 Actual	2001/02 Actual	2002/03 Actual	2003/04 Budget
Annual Financial Audit, Annual State and Federal					
Single (Grant) Audits					
Unqualified ("clean") audit opinion	√	√	√	√	
No material weaknesses	√	√	√	√	
No reportable conditions	√	√	√	√	
No disallowed costs	√	√	√	√	
No findings or questioned costs	√	√	√	√	
GFOA's Certificate of Achievement for Excellence in Financial Reporting	√	√	√	√	
Total revenues and additions	\$90.6 M	\$105.0 M	\$98.2 M	\$101.8 M	
State grant expenditures	N/A	\$15.7 M	\$13.3 M	\$13.3 M	
Federal grant expenditures	N/A	\$12.8 M	\$4.4 M	\$5.9 M	
Audit tasks performed & schedules prepared	200+	200+	200+	200+	
Report pages	244	249	265	267	
Financial statements, footnotes, RSI prepared	78	84	88	87	
Additional info schedules, statistical tables, and transmittal letter pages prepared	40	40	45	43	
General Ledger Section					
Funds maintained	N/A	32	32	33	
Active (annual) operating cost centers	N/A	256	261	278	
Active (inception-to-date) projects	N/A	516	526	574	
Line-item accounts maintained	N/A	604	623	636	
Purchase orders reviewed (including TAs)	N/A	2,763	2,844	2,825	
Budget transactions reviewed & processed	N/A	587	526	546	
Fixed assets tracked	N/A	4,329	5,406	5,552	
Ordinances / fiscal notes reviewed & booked	N/A	32	31	43	
Journal entries	N/A	684	717	702	
Bank accounts / reconciliations	N/A	17/ 204	16/ 192	16/ 192	
Fund balance estimates for general fund	22	17	20	20	
Accounts Payable (AP)					
Invoiced purchases processed for payment	N/A	24,826	24,953	23,593	
Vendor statements reconciled	N/A	1,800	1,584	1,404	
IRS Forms 1099 issued	N/A	445	433	342	
Support Staff Functions					
AP check runs per year	N/A	83	77	77	
Payroll check runs per year	N/A	156	140	182	
Vendor & payroll checks/ EFTs distributed	N/A	21,773	21,946	22,405	
Grants Monitoring, Compliance, and Reporting					
Grant project cost centers	N/A	425	450	500	
Amount of grant project cost centers	N/A	\$182 M	\$185 M	\$195 M	
Reports / invoices filed and billed	N/A	1,008	1,080	1,000	
Subgrantee & pass-thru agreements written & POs prepared	N/A	20	20	23	
Subgrantee & pass-thru reports reviewed	N/A	80	80	80	
Financial reviews of HHS applications	N/A	20	15	20	
Other Compliance Reporting					
Quarterly reports to APOC	N/A	4	4	8	
IRS Forms 8038, bonds and leases	N/A	12	9	5	
IRS Form 8849, refund of fuel excise tax	N/A	1	1	1	
Unclaimed property report to State of Alaska	N/A	1	1	1	
Annual arbitrage calculations for the IRS	N/A	5	5	7	
Lapsing grants summary	N/A	1	1	1	
Financial assurances for the landfill & USTs	N/A	4	4	4	
Status reports for State-reimbursed capital projects for schools (bond- & cash-funded)	N/A	12	18	17	
Anticipated school construction expenditures	1	1	1	1	
Amount of revenue lost if not filed timely	\$7.9 M	\$9.4 M	\$9.5 M	\$10.0 M	
Quarterly financial reports to Assembly	0	0	3	3	
Monthly division reports to the Mayor's Office	0	0	11	12	

Dept: Financial Services
Div: Accounting

	2000/01 Actual	2001/02 Actual	2002/03 Approved	2002/03 Revised	2003/04 Recommended	2003/04 Approved
PERSONNEL SERVICES						
Permanent Salaries	719,805	642,807	669,720	669,720	668,140	668,140
Overtime Wages	2,587	7,384	11,540	11,540	11,770	11,770
Temporary Salaries	9,363	18,402	22,210	22,210	22,650	22,650
Benefits	297,319	275,599	276,660	276,660	303,370	303,370
Subtotal:	1,029,074	944,192	980,130	980,130	1,005,930	1,005,930
COMMODITIES						
Office Supplies	7,926	6,550	9,470	8,848	9,470	9,470
Computer Supplies	100	86	600	600	600	600
Operating Supplies	-	-	-	-	-	-
Books and Periodicals	4,493	3,397	4,400	4,400	4,400	4,400
Repair and Maint. Supplies	-	-	-	-	-	-
Clothing Supplies	-	-	-	-	-	-
Motor Fuels and Lubricants	-	-	-	-	-	-
Equipment Parts	-	-	-	-	-	-
Subtotal:	12,519	10,033	14,470	13,848	14,470	14,470
CONTRACTUAL SERVICES						
Professional Services	-	-	3,000	3,000	3,000	3,000
Communications	107	57	180	180	180	180
Travel	-	-	50	50	50	50
Professional Dues/Meetings	1,105	1,031	1,220	1,220	1,220	1,220
Training	11,978	6,914	11,560	11,560	11,810	11,810
Advertising, Printing & Binding	4,160	2,032	3,410	3,410	3,430	3,430
Insurance and Bonding	-	-	-	-	-	-
Repairs & Maint. -Bldg. & Grounds	-	-	-	-	-	-
Repairs & Maint. -Office Equipment	-	-	300	630	300	300
Repairs & Maint. -Other Equipment	-	-	-	-	-	-
Rent	-	-	-	-	-	-
Utilities	-	-	-	-	-	-
Equipment Leases	-	-	-	-	-	-
Other Contractual Services	-	14	-	-	-	-
Subtotal:	17,350	10,048	19,720	20,050	19,990	19,990
Grants Local Match & Indirect Costs	-	-	-	-	-	-
CAPITAL OUTLAY						
Controlled Assets	-	-	-	-	-	-
Buildings & Structures	-	-	-	-	-	-
Office Furniture	-	-	-	-	-	-
Office Equipment	-	-	-	292	-	-
Rolling Equipment	-	-	-	-	-	-
Machinery & Equipment	-	-	-	-	-	-
Land & Land Improvements	-	-	-	-	-	-
Library Materials	-	-	-	-	-	-
Leasehold Improvements	-	-	-	-	-	-
Other Capital Items	-	-	-	-	-	-
Subtotal:	-	-	-	292	-	-
GRAND TOTAL:	1,058,943	964,273	1,014,320	1,014,320	1,040,390	1,040,390
FUNDING SOURCE:						
General Fund Revenues						

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Dept: Financial Services
Div: Child Care

	2000/01 Actual	2001/02 Actual	2002/03 Approved	2002/03 Revised	2003/04 Recommended	2003/04 Approved
PERSONNEL SERVICES						
Permanent Salaries	297,295	353,546	388,530	388,530	383,930	402,610
Overtime Wages	3,090	4,733	240	240	240	240
Temporary Salaries	13,532	4,239	8,640	8,640	8,640	8,640
Benefits	121,586	145,742	157,500	157,500	171,020	179,300
Subtotal:	435,503	508,260	554,910	554,910	563,830	590,790
COMMODITIES						
Office Supplies	7,504	8,036	9,950	8,750	8,500	8,750
Computer Supplies	3,869	650	800	800	800	800
Operating Supplies	1,831	864	3,000	3,000	3,000	3,000
Books and Periodicals	539	456	-	-	-	-
Repair and Maint. Supplies	227	100	-	-	-	-
Clothing Supplies	-	-	-	-	-	-
Motor Fuels and Lubricants	-	-	-	-	-	-
Equipment Parts	-	-	-	-	-	-
Subtotal:	13,970	10,106	13,750	12,550	12,300	12,550
CONTRACTUAL SERVICES						
Professional Services	8,375	-	-	-	-	-
Communications	1,139	542	300	300	-	300
Travel	3,644	3,249	2,600	2,600	2,600	2,600
Professional Dues/Meetings	776	950	800	800	450	800
Training	6,038	10,756	6,130	6,130	6,130	6,130
Advertising, Printing & Binding	3,287	3,813	2,250	3,450	3,000	3,450
Insurance and Bonding	-	-	-	-	-	-
Repairs & Maint. -Bldg. & Grounds	7,059	7,050	6,550	6,550	6,550	6,550
Repairs & Maint. -Office Equipment	1,453	2,690	2,360	2,360	2,360	2,360
Repairs & Maint. -Other Equipment	-	-	-	-	-	-
Rent	-	-	-	-	-	-
Utilities	4,985	4,826	6,050	6,050	6,050	6,050
Equipment Leases	-	-	-	-	-	-
Other Contractual Services	2,579,335	2,757,402	2,810,350	2,787,412	2,400,000	2,712,080
Subtotal:	2,616,091	2,791,278	2,837,390	2,815,652	2,427,140	2,740,320
Grants Local Match & Indirect Costs	179,627	184,290	203,950	199,151	50,000	133,750
CAPITAL OUTLAY						
Controlled Assets	-	-	-	-	-	-
Buildings & Structures	-	-	-	-	-	-
Office Furniture	-	-	-	-	-	-
Office Equipment	9,519	885	-	-	-	-
Rolling Equipment	-	-	-	-	-	-
Machinery & Equipment	-	-	-	-	-	-
Land & Land Improvements	-	-	-	-	-	-
Library Materials	-	-	-	-	-	-
Leasehold Improvements	-	-	-	-	-	-
Other Capital Items	-	-	-	-	-	-
Subtotal:	9,519	885	-	-	-	-
GRAND TOTAL:	3,254,710	3,494,819	3,610,000	3,582,263	3,053,270	3,477,410
FUNDING SOURCES:						
General Fund Revenues						
Child Care Assistance Grant						2,824,180
Health and Social Services Grant						312,080
Information and Referral Grant						123,610
						<u>3,259,870</u>

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PROGRAM BUDGET SUMMARY

DEPARTMENT OF FINANCIAL SERVICES – CHILD CARE DIVISION – CHILD CARE ASSISTANCE SECTION

Mission/Program Description

This Division operates the Child Care Assistance Program. Child Care Assistance pays a portion of child care costs for eligible parents while they work or train, thus supporting both families and local employers. The Borough receives federal dollars through a State grant for this program.

Major Long-Term Issues and Concerns

- The Governor has proposed moving child care programs from Education & Early Development to the Department of Health & Social Services. What this means to local service delivery is not yet known. Our focus remains to maximize services to local families, child care providers and our community.
- Federal and state budget cuts will likely affect the level of services available to our community. Lack of funding affects not only the parents needing the assistance, it affects the economy and business community by reducing the number of available workers.
- The quality of available child care continues to be of concern. Research documents that the quality of child care is directly linked to long-term performance in school. Providers are unable to raise rates high enough to allow adequate pay for caregivers, resulting in a very high turnover rate and uneven quality of care. State reimbursement rates for Fairbanks are considerably below those in other areas of Alaska, and rates have not been updated since July 2001.

Objectives for FY 2004

- Provide Child Care Assistance to Borough residents in a timely, professional and accountable manner.
 - Eligibility reviews will continue to be courteous, professional, and adhere to policies;
 - Provider billings will continue to be processed promptly and accurately.
- Maximize services to the community when working with the State on the implementation of regulation and other changes.
- Support the efforts of the Fairbanks Child Care Coalition, whose mission it is to work together with parents, providers and agencies so that all parents in the Fairbanks North Star Borough have informed access to quality child care which they can afford.

Significant Budget Changes

- The FY 2004 budget reflects a net increase in personnel costs due to cost of living adjustments, normal union and management longevity.

Previous Year's Accomplishments

- Customer service survey of parents asked their level of satisfaction with Child Care Assistance services. Responses were: 75% very satisfied, 21% satisfied, 3% unsatisfied and 1% very unsatisfied.
- Streamlined parent application process: reduced the time between initial application and receipt of assistance to under one week.
- Implemented major regulation changes regarding provider participation, parent income eligibility, parent share of child care cost. Implemented new state policy manual. This required examination of all internal processes, and resulted in modification of most.
- Began use of state-modified software application that has required significant extra staff time to identify and work around bugs due to poor design.
- Assisted the Child Care Coalition in providing significant input to EED in their regulation process, commenting on proposed child care licensing and child care assistance regulation changes. The Coalition also hosted public meetings to inform and involve the stakeholders in discussions of proposed changes.

**Dept: Financial Services
Div: Child Care
Statistical Accomplishments**

	1999/00 Actual	2000/01 Actual	2001/02 Actual	2002/03 Budget	2003/04 Budget
Provide Assistance to Borough Residents					
Federal dollars passed through and injected into the community for child care services	\$2,287,196	\$2,072,958	\$2,319,347	\$2,400,000	\$2,400,000
Employers who benefited from having employees by Child Care Assistance	400	300	460	360	360
Parents working*	1,463	846	1,158	850	850
Parents training or in school*	217	136	170	180	180
Families that received Child Care Assistance (total for year)	933	966	983	700	700
Children that received Child Care Assistance (total for year)	1,491	1,524	1,529	1,050	1,050
Average amount of assistance received per family per month	\$338	\$344	\$382	\$428	\$428
Hours office is open to the public per year	2,313	2,356	2,356	2,356	2,356
Process Provider Billings Promptly and Accurately					
Payments made to child care providers	2,860	2,480	2,280	2,230	2,230
Providers paid	355	339	300	215	215
Average number of business days between due date and payment mailed to the provider	7	6	6	6	6
Providers determined eligible to participate	190	162	244	100	100
Forms reviewed for compliance with provider eligibility	1,976	1,686	3,311	1,580	1,580
Information to Community					
Number of pieces of mail sent to parents & providers with program information (not routine correspondence)	4,300	4,930	6,930	6,910	6,910
Number of contacts at community events	NA	996	1,039	1,449	1,449

* Statistics are actuals from calendar year

Dept: Financial Services
Sec: Child Care

	2000/01 Actual	2001/02 Actual	2002/03 Approved	2002/03 Revised	2003/04 Recommended	2003/04 Approved
PERSONNEL SERVICES						
Permanent Salaries	238,907	259,692	284,910	284,910	308,650	308,650
Overtime Wages	653	3,636	240	240	240	240
Temporary Salaries	10,297	4,144	8,640	8,640	8,640	8,640
Benefits	96,271	106,139	115,740	115,740	137,670	137,670
Subtotal:	346,128	373,611	409,530	409,530	455,200	455,200
COMMODITIES						
Office Supplies	5,645	6,350	7,200	6,850	6,850	6,850
Computer Supplies	1,798	238	-	-	-	-
Operating Supplies	568	324	-	-	-	-
Books and Periodicals	342	456	-	-	-	-
Repair and Maint. Supplies	219	100	-	-	-	-
Clothing Supplies	-	-	-	-	-	-
Motor Fuels and Lubricants	-	-	-	-	-	-
Equipment Parts	-	-	-	-	-	-
Subtotal:	8,572	7,468	7,200	6,850	6,850	6,850
CONTRACTUAL SERVICES						
Professional Services	125	-	-	-	-	-
Communications	12	108	-	-	-	-
Travel	3,644	3,249	1,200	1,200	1,200	1,200
Professional Dues/Meetings	237	530	200	200	200	200
Training	2,126	5,841	2,650	2,650	2,650	2,650
Advertising, Printing & Binding	2,600	3,387	800	1,150	1,150	1,150
Insurance and Bonding	-	-	-	-	-	-
Repairs & Maint. -Bldg. & Grounds	5,705	5,993	5,570	5,570	5,570	5,570
Repairs & Maint. -Office Equipment	1,453	1,946	1,700	1,700	1,700	1,700
Repairs & Maint. -Other Equipment	-	-	-	-	-	-
Rent	-	-	-	-	-	-
Utilities	4,237	4,102	5,140	5,140	5,140	5,140
Equipment Leases	-	-	-	-	-	-
Other Contractual Services	2,160,206	2,345,346	2,400,010	2,490,190	2,400,000	2,400,000
Subtotal:	2,180,345	2,370,502	2,417,270	2,507,800	2,417,610	2,417,610
Grants Local Match & Indirect Costs	-	-	-	-	-	-
CAPITAL OUTLAY						
Controlled Assets	-	-	-	-	-	-
Buildings & Structures	-	-	-	-	-	-
Office Furniture	-	-	-	-	-	-
Office Equipment	6,838	885	-	-	-	-
Rolling Equipment	-	-	-	-	-	-
Machinery & Equipment	-	-	-	-	-	-
Land & Land Improvements	-	-	-	-	-	-
Library Materials	-	-	-	-	-	-
Leasehold Improvements	-	-	-	-	-	-
Other Capital Items	-	-	-	-	-	-
Subtotal:	6,838	885	-	-	-	-
GRAND TOTAL:	2,541,883	2,752,466	2,834,000	2,924,180	2,879,660	2,879,660
FUNDING SOURCE:						
Child Care Assistance Grant						<u>2,824,180</u>

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FY 2003–2004 Budget
Fairbanks North Star Borough

PROGRAM BUDGET SUMMARY

DEPARTMENT OF FINANCIAL SERVICES – CHILD CARE DIVISION – HEALTH & SOCIAL SERVICES SECTION

Mission/Program Description

This Section manages the State of Alaska's Human Services Community Matching Grant. These funds are allocated to non-profit organizations that provide essential human services. This Section supports the Borough's Health & Social Services Commission, whose responsibilities include the allocation of the grant.

This section also manages other community service grants and provides administrative support to the Division.

Major Long-Term Issues and Concerns

- The Governor's proposed budget eliminated state funding for the Human Services Community Matching Grant program. The Legislature reinstated funding. Continuity of funding is a major concern.
- The Community Matching Grant program provides essential human services and reaches over 30,000 local residents each year. Reductions in this program reduces services "whose unavailability would subject persons needing the services to serious mental or physical hardship." (A.S.29.60.650) In the long term, "saving money" by reducing this line item will actually increase costs to the State.

Objectives for FY 2004

- Continue to assist the Health & Social Services Commission in their work by:
 - Supporting the grant allocation and monitoring process
 - Supporting Commission meetings; and
- Monitor/manage other community service grants.
- Provide administrative support to the Division.

Significant Budget Changes

- The FY 2004 budget reflects a net increase in personnel costs to the remaining .5FTE due to cost of living adjustments, normal union and management longevity.
- .2 FTE moved to the Child Care Assistance section.

Previous Year's Accomplishments

- Managed/monitored eleven grants to non-profits through the Human Services Community Matching Grant, and three contracts for services under the Early Learning Opportunities Act grant.
- Supported the Health & Social Services Commission.
- Provided ongoing administrative support to the Division.

**Dept: Finance
Div: Health & Social Services
Statistical Accomplishments**

	1999/00 Actual	2000/01 Actual	2001/02 Actual	2002/03 Budget	2003/04 Budget
Impact of Human Services Community Matching Grant					
Number of residents who received services funded by the HSCMG	33,500	33,400	34,200	34,990	34,000
Local dollars	\$180,162	\$179,627	\$176,595	\$184,290	\$133,750
State and Local dollars	\$600,541	\$598,756	\$588,651	\$496,373	\$445,833
Economic value of HSCMG (total of Local, State, Other funds and In-kind)	\$4,823,886	\$4,853,704	\$4,670,214	\$4,515,962	\$3,343,750
Multiplier State to Local	70:30	70:30	70:30	62:38	70:30
Multiplier State, Other & Inkind to Local	26:1	26:1	25:1	24:1	1
Administer Human Services Matching Grant					
Amount of HSCMG allocated	\$580,648	\$578,697	\$576,724	\$481,512	\$430,972
Number of proposals screened	19	21	18	16	14
Number of grant programs	13	14	14	11	11
Number of reports reviewed	104	112	112	104	104
Number of payments approved	65	70	70	65	65
Assist the H&SS Commission					
Number of staff hours in direct support of Commission activities	600	650	650	512	512
Number of Commission & committee meetings	16	16	16	16	16
Manage Other Community Grants					
Amount of grant(s)	\$60,000	\$60,000	\$60,000	\$697,552	\$697,552
Number of sub-grantees	1	1	1	3	2

Note: At time of budget preparation, there were no state dollars budgeted for the Human Services Community Matching Grant. Efforts to restore funding are underway. Without knowing the dollar amounts, accomplishments cannot be estimated.

Note: the work of managing other community grants will be relocated.

Dept: Financial Services
 Sec: HSS Administration

	2000/01 Actual	2001/02 Actual	2002/03 Approved	2002/03 Revised	2003/04 Recommended	2003/04 Approved
PERSONNEL SERVICES						
Permanent Salaries	21,629	27,834	30,800	30,800	-	18,680
Overtime Wages	70	172	-	-	-	-
Temporary Salaries	-	-	-	-	-	-
Benefits	8,675	11,678	12,410	12,410	-	8,280
Subtotal:	30,374	39,684	43,210	43,210	-	26,960
COMMODITIES						
Office Supplies	145	154	250	250	-	250
Computer Supplies	-	-	-	-	-	-
Operating Supplies	-	-	-	-	-	-
Books and Periodicals	-	-	-	-	-	-
Repair and Maint. Supplies	-	-	-	-	-	-
Clothing Supplies	-	-	-	-	-	-
Motor Fuels and Lubricants	-	-	-	-	-	-
Equipment Parts	-	-	-	-	-	-
Subtotal:	145	154	250	250	-	250
CONTRACTUAL SERVICES						
Professional Services	-	-	-	-	-	-
Communications	431	-	300	300	-	300
Travel	-	-	-	-	-	-
Professional Dues/Meetings	315	170	350	350	-	350
Training	-	-	-	-	-	-
Advertising, Printing & Binding	275	277	450	450	-	450
Insurance and Bonding	-	-	-	-	-	-
Repairs & Maint. -Bldg. & Grounds	-	-	-	-	-	-
Repairs & Maint. -Office Equipment	-	-	-	-	-	-
Repairs & Maint. -Other Equipment	-	-	-	-	-	-
Rent	-	-	-	-	-	-
Utilities	-	-	-	-	-	-
Equipment Leases	-	-	-	-	-	-
Other Contractual Services	419,129	412,056	410,340	297,222	-	312,080
Subtotal:	420,150	412,503	411,440	298,322	-	313,180
Grants Local Match & Indirect Costs	179,627	184,290	203,950	199,151	50,000	133,750
CAPITAL OUTLAY						
Controlled Assets	-	-	-	-	-	-
Buildings & Structures	-	-	-	-	-	-
Office Furniture	-	-	-	-	-	-
Office Equipment	-	-	-	-	-	-
Rolling Equipment	-	-	-	-	-	-
Machinery & Equipment	-	-	-	-	-	-
Land & Land Improvements	-	-	-	-	-	-
Library Materials	-	-	-	-	-	-
Leasehold Improvements	-	-	-	-	-	-
Other Capital Items	-	-	-	-	-	-
Subtotal:	-	-	-	-	-	-
GRAND TOTAL:	630,296	636,631	658,850	540,933	50,000	474,140
FUNDING SOURCE:						
Health and Social Services Grant						<u>312,080</u>

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FY 2003–2004 Budget
Fairbanks North Star Borough

PROGRAM BUDGET SUMMARY

DEPARTMENT OF FINANCIAL SERVICES – CHILD CARE DIVISION – INFORMATION & REFERRAL SECTION

Mission/Program Description

This Division operates the Information & Referrals program of the local Child Care Resource & Referral program. Overall, Resource & Referral goals include coordinating child development services, promoting improved & increased child care facilities, and helping parents make wise choices for the child care and development of their children.

Information & Referral focuses on giving parents the information needed to make wise choices. This program is funded by a grant from the State of Alaska, in coordination with Play 'N Learn Inc. (The coordinated FNSB/PNL program is known as C.A.R.E.S. – Children's Advocates, Resources & Educational Services.)

Major Long-Term Issues and Concerns

- The Governor has proposed moving child care programs from Education & Early Development to the Department of Health & Social Services. What this means to local service delivery is not yet known.
- Care is not readily available in some categories. Families with infants, multiple children, or non-traditional work schedules find few providers that can accommodate them.
- The quality of available child care continues to be of concern. Providers are unable to raise rates high enough to allow adequate pay for caregivers, resulting in a very high turnover rate and uneven quality of care. Research documents quality of child care is directly linked to long-term performance in school.

Objectives for FY 2004

- Complete the "Consumer Education Quality Assurance" process sponsored by Child Care Aware and become one of their "Quality Assured" sites.
- Provide information and child care referrals to Borough residents in a timely, professional, and accountable manner.
- Coordinate efforts with C.A.R.E.S. resource development to expand the numbers of qualified child care providers in Fairbanks and to address the problems noted above.
- Provide services to families of children experiencing special needs in selecting and working with child care providers.
- Support the efforts of local organizations to inform the community about child care & early education issues.

Significant Budget Changes

- The FY 2004 budget reflects a net increase in personnel costs due to cost of living adjustments, normal union and management longevity.

Previous Year's Accomplishments

- Provided referrals as noted on the statistical accomplishment pages. Each referral involves getting information from the family, giving information on choosing and assessing the quality of care, and a tailored set of referrals to providers with available space that could meet the family's needs.
- Providers are contacted at least once a month for vacancy information.
- Expanded availability of consumer education by upgrading web pages.
- Provided specialized, intensive services to families with children with special needs on choosing & working with child care providers.
- Supported quality initiatives through work with professional associations, the Hearts for Kids program, conferences, and seminars.

Dept: Finance
Div: Child Care Resource & Referral
Statistical Accomplishments

	1999/00 Actual	2000/01 Actual	2001/02 Actual	2002/03 Budget	2003/04 Budget
Help Parents Find Child Care					
Number of families seeking care for employment	NA	638	906	659	659
Number of families seeking care to attend school	NA	38	105	115	115
Number of families served - total	NA	708	1,067	1,134	1,134
Number of children served	NA	1,043	1,626	1,749	1,749
Needing full time care	NA	803	1,349	1,454	1,454
Needing part time care	NA	204	274	285	285
Needing care for infants & toddlers	NA	495	800	892	892
Needing care for non-traditional schedules	NA	153	229	267	267
Number of referrals given	NA	3,615	6,169	5,523	5,523
Number of participating child care providers (2)	NA	136	93	111	111
Centers	NA	23	23	23	23
Licensed Homes	NA	35	35	46	46
License-exempt Homes	NA	78	35	42	42
Help Parents Make Informed Decisions About Child Care					
Number of parents given information as part of referral process	NA	708	1,067	1,134	1,134
Number of parents given general information, not seeking referrals	NA	280	520	520	520
Number of individuals provided information through classes, seminars & community events.	NA	996	1,039	1,449	1,449

Notes:

(1) First year of service, partial year.

providers who had participated part of the year

Dept: Financial Services
Sec: Child Care Information & Referral

	2000/01 Actual	2001/02 Actual	2002/03 Approved	2002/03 Revised	2003/04 Recommended	2003/04 Approved
PERSONNEL SERVICES						
Permanent Salaries	36,759	66,020	72,820	72,820	75,280	75,280
Overtime Wages	2,367	925	-	-	-	-
Temporary Salaries	3,235	95	-	-	-	-
Benefits	16,640	27,925	29,350	29,350	33,350	33,350
Subtotal:	<u>59,001</u>	<u>94,965</u>	<u>102,170</u>	<u>102,170</u>	<u>108,630</u>	<u>108,630</u>
COMMODITIES						
Office Supplies	1,714	1,532	2,500	1,650	1,650	1,650
Computer Supplies	2,071	412	800	800	800	800
Operating Supplies	1,263	540	3,000	3,000	3,000	3,000
Books and Periodicals	197	-	-	-	-	-
Repair and Maint. Supplies	8	-	-	-	-	-
Clothing Supplies	-	-	-	-	-	-
Motor Fuels and Lubricants	-	-	-	-	-	-
Equipment Parts	-	-	-	-	-	-
Subtotal:	<u>5,253</u>	<u>2,484</u>	<u>6,300</u>	<u>5,450</u>	<u>5,450</u>	<u>5,450</u>
CONTRACTUAL SERVICES						
Professional Services	8,250	-	-	-	-	-
Communications	696	434	-	-	-	-
Travel	-	-	1,400	1,400	1,400	1,400
Professional Dues/Meetings	224	250	250	250	250	250
Training	3,912	4,915	3,480	3,480	3,480	3,480
Advertising, Printing & Binding	412	149	1,000	1,850	1,850	1,850
Insurance and Bonding	-	-	-	-	-	-
Repairs & Maint. -Bldg. & Grounds	1,354	1,057	980	980	980	980
Repairs & Maint. -Office Equipment	-	744	660	660	660	660
Repairs & Maint. -Other Equipment	-	-	-	-	-	-
Rent	-	-	-	-	-	-
Utilities	748	724	910	910	910	910
Equipment Leases	-	-	-	-	-	-
Other Contractual Services	-	-	-	-	-	-
Subtotal:	<u>15,596</u>	<u>8,273</u>	<u>8,680</u>	<u>9,530</u>	<u>9,530</u>	<u>9,530</u>
Grants Local Match & Indirect Costs	-	-	-	-	-	-
CAPITAL OUTLAY						
Controlled Assets	-	-	-	-	-	-
Buildings & Structures	-	-	-	-	-	-
Office Furniture	-	-	-	-	-	-
Office Equipment	2,681	-	-	-	-	-
Rolling Equipment	-	-	-	-	-	-
Machinery & Equipment	-	-	-	-	-	-
Land & Land Improvements	-	-	-	-	-	-
Library Materials	-	-	-	-	-	-
Leasehold Improvements	-	-	-	-	-	-
Other Capital Items	-	-	-	-	-	-
Subtotal:	<u>2,681</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
GRAND TOTAL:	<u><u>82,531</u></u>	<u><u>105,722</u></u>	<u><u>117,150</u></u>	<u><u>117,150</u></u>	<u><u>123,610</u></u>	<u><u>123,610</u></u>
FUNDING SOURCE:						
Research and Referral Grant						<u><u>123,610</u></u>

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FY 2003–2004 Budget
Fairbanks North Star Borough

PROGRAM BUDGET SUMMARY

DEPARTMENT OF FINANCIAL SERVICES – RISK MANAGEMENT DIVISION

The Risk Management Division was moved to the Department of Human Resources FY 2002.

Mission/Program Description

The mission of the Risk Management Division is to protect the personnel, physical, and financial assets of the Borough and School District from the effects of unpredictable casualty losses.

The Division manages the Borough and School District's self-insured programs for employee health, property, general and auto liability and workers' compensation; obtains insurance coverage for the Borough, School District, Fire, Emergency Medical and Road Service Districts; maintains the data bases for employee health benefits, student injuries, and facility incidents and for contractor insurance certificates. The Division handles student safety issues, including playground and athletic activities.

Major Long-Term Issues and Concerns

See the Department of Human Resources.

Objectives for 2004

See the Department of Human Resources.

Significant Budget Changes

See the Department of Human Resources.

Previous Year's Accomplishments

See the Department of Human Resources.

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Dept: Financial Services
Div: Risk Management

	2000/01 Actual	2001/02 Actual	2002/03 Approved	2002/03 Revised	2003/04 Recommended	2003/04 Approved
PERSONNEL SERVICES						
Permanent Salaries	258,703	-	-	-	-	-
Overtime Wages	867	-	-	-	-	-
Temporary Salaries	973	-	-	-	-	-
Benefits	106,313	-	-	-	-	-
Subtotal:	<u>366,856</u>	-	-	-	-	-
COMMODITIES						
Office Supplies	2,533	-	-	-	-	-
Computer Supplies	200	-	-	-	-	-
Operating Supplies	3,468	-	-	-	-	-
Books and Periodicals	1,273	-	-	-	-	-
Repair and Maint. Supplies	70	-	-	-	-	-
Clothing Supplies	-	-	-	-	-	-
Motor Fuels and Lubricants	638	-	-	-	-	-
Equipment Parts	-	-	-	-	-	-
Subtotal:	<u>8,182</u>	-	-	-	-	-
CONTRACTUAL SERVICES						
Professional Services	85,046	-	-	-	-	-
Communications	140	-	-	-	-	-
Travel	357	-	-	-	-	-
Professional Dues/Meetings	780	-	-	-	-	-
Training	1,711	-	-	-	-	-
Advertising, Printing & Binding	884	-	-	-	-	-
Insurance and Bonding	733,475	-	-	-	-	-
Repairs & Maint. -Bldg. & Grounds	-	-	-	-	-	-
Repairs & Maint. -Office Equipment	395	-	-	-	-	-
Repairs & Maint. -Other Equipment	2,000	-	-	-	-	-
Rent	-	-	-	-	-	-
Utilities	-	-	-	-	-	-
Equipment Leases	3,220	-	-	-	-	-
Other Contractual Services	16,608	-	-	-	-	-
Subtotal:	<u>844,616</u>	-	-	-	-	-
Grants Local Match & Indirect Costs	-	-	-	-	-	-
CAPITAL OUTLAY						
Controlled Assets	-	-	-	-	-	-
Buildings & Structures	-	-	-	-	-	-
Office Furniture	-	-	-	-	-	-
Office Equipment	1,578	-	-	-	-	-
Rolling Equipment	-	-	-	-	-	-
Machinery & Equipment	766	-	-	-	-	-
Land & Land Improvements	-	-	-	-	-	-
Library Materials	-	-	-	-	-	-
Leasehold Improvements	-	-	-	-	-	-
Other Capital Items	-	-	-	-	-	-
Subtotal:	<u>2,344</u>	-	-	-	-	-
GRAND TOTAL:	<u><u>1,221,998</u></u>	-	-	-	-	-

FUNDING SOURCE:
General Fund Revenues

Beginning in FY 2002 Risk Management is budgeted in the Human Resources Department

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PROGRAM BUDGET SUMMARY

FINANCIAL SERVICES – TREASURY BUDGET DIVISION

Mission/Program Description

The Treasury and Budget Division's mission is to collect and invest Borough funds in an efficient and expeditious manner, to provide for the preparation of the annual operating and capital budget, and to collect, account for, and invest all funds received.

The Treasury Budget Division coordinates the development of the annual Borough operating and capital budgets; calculates the annual mill levies for all Borough taxing authorities; prepares and distributes annual property tax bills and notices; administers the collection of revenues in accordance with the FNSB Code of Ordinances; ensures the proper recording of property tax and other revenues to the various Road and Fire Service Area accounts; reviews and ensures the compliance of all Borough taxing jurisdictions with the FNSB tax cap; bills, collects and disburses property taxes, and associated penalty and interest for the cities of Fairbanks and North Pole; processes, receives, and makes deposits to ensure maximum cash flow to the Treasury; administers the investment of Treasury funds to minimize risk and maintain sufficient liquidity; prepares submittals and serves as the local contact to the State for revenue sharing programs and debt service reimbursements; and analyzes the revenue impact of proposed local, state and federal legislation.

Major Long-Term Issues and Concerns

Funding of local government services from differing revenue sources continues to be evaluated by the revenue task force. Collection of any new revenue sources will impact the Treasury and Budget division.

Objectives for FY 2004

- Assist in the development and implementation of procedures for new programs that require collection activity or changes in tax administration, including changes required by GASB Statement 34, the new reporting model.
- Coordinate requests for proposals on a new custodial agreement and banking services contract; transition to new vendors, if applicable.
- Continue to process all property tax payments in-house, without the use of vendor processing services.
- Continue to research alternative systems for the payment of services by credit card.

Significant Budget Changes

- The FY 2004 budget reflects a net increase in personnel costs due to cost of living adjustments, normal union, and management longevity, and benefit rate.

Previous Year's Accomplishments

- Contracted with OSI Collection Services, Inc., dba Alaska Financial Services, for delinquent taxes on lease land and mobile homes.
- 38,862 property tax bills and notices sent, \$62.2 million in property taxes collected with a very low delinquency rate (includes North Pole, Fairbanks, & service areas). 62,563 property tax payments processed, 6,859 other revenue, 381 room tax payments processed, 3,677 delinquent notices sent, 2,545 certified letters sent, 1,593 property tax adjustments processed, and 752 certificates of redemptions processed.
- \$91 million in investments purchased to meet cash flow needs, \$88 million in investments matured, 26 banking, investment, printing and advertising contracts managed.
- 172 separate budgets prepared and balanced (includes road and fire service area budgets).
- Purchased new safes with available funds and continued a set schedule for safe combination changes.

**Dept: Financial Services
Div: Treasury Budget
Statistical Accomplishments**

	1999/00 Actual	2000/01 Actual	2001/02 Actual	2002/03* Budget	2003/04* Budget
Property Tax Bills and Notices Mailed	54,100	39,250	37,850	38,862	39,000
Property Tax Payments Processed	65,200	69,200	61,200	62,563	63,000
Property Taxes Collected	\$58,342,328	\$57,467,965	\$60,559,159	\$62,231,230	\$65,966,370
Property Tax Delinquency Notices Sent	3,300	3,900	4,200	3,677	3,600
Property Tax Certified Letters Mailed	2,300	2,600	2,500	2,545	2,500
Property Tax Adjustments Processed	1,600	1,500	2,200	1,593	1,600
Certificates of Redemption Issued		870	750	752	750
Number of Tax Collection Appeals Processed	13	18	18	22	30
Other Revenue payments processed	5,100	6,400	6,100	6,859	6,900
Hotel/Motel Tax Collected	\$806,736	\$1,127,542	\$1,316,666	\$1,130,000	1,205,000
Hotel/Motel Tax Payments Processed	600	450	410	381	380
Number of Hotel/Motel Tax Accounts					
Number of Hotel/Motel Tax Hearings Held	0	2	0	1	0
Investments purchased	26	27	15	25	25
Investments matured	25	32	19	25	25
Investments purchased	\$81,810,397	\$115,354,818	\$77,934,368	\$91,500,000	\$91,650,000
Investments matured	\$82,931,146	\$95,619,585	\$85,594,170	\$88,050,000	\$88,050,000
Contracts managed: Banking, investment, printing and advertising	25	25	26	26	28
Budgets prepared and balanced (including road and service area budgets)	176	176	172	172	173

* Estimated

Dept: Financial Services
Div: Treasury/Budget

	2000/01 Actual	2001/02 Actual	2002/03 Approved	2002/03 Revised	2003/04 Recommended	2003/04 Approved
PERSONNEL SERVICES						
Permanent Salaries	304,156	306,645	322,460	322,460	336,210	336,210
Overtime Wages	3,185	1,905	4,670	4,670	4,670	4,670
Temporary Salaries	10,900	11,052	12,860	12,860	13,120	13,120
Benefits	124,410	130,396	133,060	133,060	152,270	152,270
Subtotal:	442,651	449,998	473,050	473,050	506,270	506,270
COMMODITIES						
Office Supplies	3,113	4,762	3,920	3,920	3,920	3,920
Computer Supplies	-	255	300	300	300	300
Operating Supplies	-	-	-	-	-	-
Books and Periodicals	1,345	1,734	1,880	1,880	1,880	1,880
Repair and Maint. Supplies	-	-	-	-	-	-
Clothing Supplies	-	-	-	-	-	-
Motor Fuels and Lubricants	-	-	-	-	-	-
Equipment Parts	-	-	-	-	-	-
Subtotal:	4,458	6,751	6,100	6,100	6,100	6,100
CONTRACTUAL SERVICES						
Professional Services	11,632	9,210	21,950	21,778	20,600	20,600
Communications	793	941	1,340	1,340	2,390	2,390
Travel	-	-	570	570	570	570
Professional Dues/Meetings	590	582	670	842	970	970
Training	2,912	2,289	4,700	4,700	4,700	4,700
Advertising, Printing & Binding	13,586	14,527	20,000	20,000	22,000	22,000
Insurance and Bonding	-	-	-	-	-	-
Repairs & Maint. -Bldg. & Grounds	-	-	-	-	-	-
Repairs & Maint. -Office Equipment	-	995	1,650	1,650	1,650	1,650
Repairs & Maint. -Other Equipment	-	-	-	-	-	-
Rent	-	-	-	-	-	-
Utilities	-	-	-	-	-	-
Equipment Leases	-	-	-	-	-	-
Other Contractual Services	53,073	51,583	58,850	58,850	59,850	59,850
Subtotal:	82,586	80,127	109,730	109,730	112,730	112,730
Grants Local Match & Indirect Costs	-	-	-	-	-	-
CAPITAL OUTLAY						
Controlled Assets	-	-	-	-	-	-
Buildings & Structures	-	-	-	-	-	-
Office Furniture	-	18	-	-	-	-
Office Equipment	-	-	-	-	-	-
Rolling Equipment	-	-	-	-	-	-
Machinery & Equipment	-	-	-	-	-	-
Land & Land Improvements	-	-	-	-	-	-
Library Materials	-	-	-	-	-	-
Leasehold Improvements	-	-	-	-	-	-
Other Capital Items	-	-	-	-	-	-
Subtotal:	-	18	-	-	-	-
GRAND TOTAL:	529,695	536,894	588,880	588,880	625,100	625,100
FUNDING SOURCE:						
General Fund Revenues						

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