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By: Rhonda Boyles, Mayor
Introduced: 06/26/03
Advanced: 06/26/03
Amended: 07/10/03
Adopted: 07/10/03

FAIRBANKS NORTH STAR BOROUGH

ORDINANCE NO. 2003-20-1B

AN ORDINANCE AMENDING THE FY 2003-04 BUDGET BY REVISING AND APPROPRIATING FUNDS, AS LISTED, FOR THE FISCAL YEAR BEGINNING JULY 1, 2003 TO REFLECT THE IMPACTS OF THE GOVERNOR'S VETOES

WHEREAS, the Fairbanks North Star Borough's (Borough) economic development power is on a non-areawide basis only; and

WHEREAS, House Bill (HB) 126 and Senate Bill (SB) 183 of the State Legislature of Alaska (SLA 2003) allow both areawide and non-areawide dollars of the Borough to be spent on economic development; and

WHEREAS, in anticipation of the passage of either HB 126 or SB 183, the Assembly adopted Ordinance 2003-20 appropriating \$100,000 to the General Fund, Mayor's Office Department, for an economic development grant to the Fairbanks Economic Development Corporation (FEDCo); and

WHEREAS, neither HB 126 nor SB 183 made it out of SLA 2003; and

WHEREAS, as a result, the grant is not an allowable area-wide expenditure, and the \$100,000 can be returned to the fund balance of the General Fund; and

WHEREAS, Ordinance 2003-20 appropriated \$334,050 as local match for \$823,900 of anticipated grants from the State under the Municipal Capital Matching Grants Program (CMGP), as follows:

General Fund	\$254,550	
Vehicle & Equipment Fleet Fund (VEFF)	39,000	
Fire Service Areas (FSAs)	40,500;	and

WHEREAS, Alaska Governor Frank Murkowski (the Governor) vetoed the CMGP from the State's appropriations in SB 100 (SLA 2003); and

WHEREAS, the following two General Fund CMGP projects are critical enough to be funded entirely from local revenue sources:

Borough-wide Fire/ Life/ Safety projects	\$200,000	
Annual levee major maintenance	48,000;	and

47
48 WHEREAS, the remaining General Fund local matches can be returned
49 to fund balance; and
50

51 WHEREAS, with respect to the VEFF CMGP project for Emergency
52 Medical Services (EMS) ambulance replacement, the VEFF will purchase the \$130,000
53 ambulance using the \$39,000 local match as a down payment and funding the
54 remaining \$91,000 with the master lease; and
55

56 WHEREAS, monthly payments will be made through the VEFF by the
57 Non-Areawide Fund from its fund balance; and
58

59 WHEREAS, the North Star and Ester Volunteer FSAs will forego their
60 breathing apparatus upgrades and the local matches not used will be returned to their
61 respective fund balances; and
62

63 WHEREAS, General Fund appropriations in Ordinance 2003-20 were
64 funded, in part, by \$60,724,680 of areawide property taxes; and
65

66 WHEREAS, estimates of senior citizen and other property tax exemptions
67 were used for the budget adopted by Ordinance 2003-20; and
68

69 WHEREAS, actual exemptions are now known and areawide property
70 taxes are expected to generate an additional \$97,020 for a total of \$60,821,700,
71 reducing the contribution from the fund balance of the General Fund; and
72

73 WHEREAS, appropriations in Ordinance 2003-20 were funded, in part, by
74 \$902,260 of revenues from the State's Safe Communities Program, as follows:
75 General Fund \$845,180
76 Fire Service Areas 57,080; and
77

78 WHEREAS, appropriations in Ordinance 2003-20 were funded, in part, by
79 \$522,050 of revenues in the form of State Shared Revenue, as follows:
80 General Fund \$333,170
81 Non-Areawide Fund 8,540
82 Solid Waste Collection District Fund 14,800
83 Service Areas 165,540; and
84

85 WHEREAS, the Governor vetoed both the State Shared Revenue and the
86 Safe Communities Program from HB 75 (SLA 2003); and
87

88 WHEREAS, the Congress of the United States has passed, and the
89 President has signed, the Jobs and Growth Tax Relief Reconciliation Act of 2003
90 (H.R. 2) (the Act); and
91

92 WHEREAS, Title IV of the Act provides fiscal relief to the States, of which
 93 the State of Alaska will receive \$25 million in federal fiscal year 2003 and another \$25
 94 million in federal fiscal year 2004; and

95
 96 WHEREAS, the Governor has promised to give \$15 million of the federal
 97 State Fiscal Relief funds to Alaska’s local governments, of which the Borough is slated
 98 to receive \$989,956.48; and

99
 100 WHEREAS, the Borough will use \$227,850 of federal State Fiscal Relief
 101 funds for the service areas to offset a like amount of State cuts to their budgets; and

102
 103 WHEREAS, the remaining \$762,100 of federal State Fiscal Relief funds
 104 will be used by the Borough to partially offset State budget cuts; and

105
 106 WHEREAS, the remaining State budget cuts, net of the various amounts
 107 described above, will be offset by contributions from the fund balances of the affected
 108 funds, as follows:

109

	<u>General Fund</u>	<u>Non- Areawide Fund</u>	<u>Solid Waste Collection District Fund</u>	<u>Fire/Road Service Areas</u>
Eliminate FEDCo grant	\$100,000	\$	\$	\$
Return CMGP local matches	254,550			40,500
Boroughwide fire/ life/ safety project	(200,000)			
Annual levee major maintenance	(48,000)			
FY04 lease payments for ambulance		(10,080)		
Increase areawide property taxes	97,020			
Eliminate Safe Communities program	(845,180)			
Eliminate State Shared Revenue	(333,170)	(8,540)	(14,800)	
One-time federal State Fiscal Relief	<u>762,100</u>			
	<u>(\$212,680)</u>	<u>(\$18,620)</u>	<u>(\$14,800)</u>	<u>\$40,500</u>

110
 111 NOW, THEREFORE, BE IT ORDAINED by the Assembly of the Fairbanks
 112 North Star Borough:

113
 114 Section 1. Classification. This ordinance is not of a general and
 115 permanent nature and shall not be codified.

116
 117 Section 2. Revised Appropriations. There is hereby revised and
 118 appropriated for the fiscal year beginning July 1, 2003, the amounts set forth in
 119 Attachments A, attached hereto and made a part of this ordinance.

120
 121 Section 3. Service Area Revenue Adjustments. For all fire, road, and
 122 other service areas, estimated State revenues are adjusted to replace “State Shared
 123 Revenue” and “Safe Communities” with “Federal State Fiscal Relief.”


124

125 Section 4. Effective date. This ordinance shall be effective at 5:00 p.m.
126 on the first borough business day following its adoption.
127

128 PASSED AND APPROVED THIS 10th DAY OF JULY 2003.
129

130 
131 _____
132 Richard J. Solie, Jr.
133 Presiding Officer

134 ATTEST:

135 
136 _____
137 Mona Lisa Drexler, CMC
138 Municipal Borough Clerk
139

140 Ayes: Romans, Hutchison, Sattley, Frank, Foote, Cummings, Henry, Solie
141 Noes: None
142