

PROGRAM BUDGET SUMMARY

DEPARTMENT OF FINANCIAL SERVICES – ADMINISTRATIVE DIVISION

MISSION/Program Description

TO PROVIDE ABSOLUTE ACCOUNTABILITY FOR LEGALLY AUTHORIZED USE OF BOROUGH FUNDS AND APPROVED REVENUES AND ENSURE THAT BOROUGH FINANCIAL PRACTICES ARE IN COMPLIANCE WITH BOROUGH POLICIES AND STATE AND FEDERAL LAW. 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.

Major Long-Term Issues and Concerns

- Low rates of investments still affect General Fund interest revenue. Budgeting to maintain quality services while keeping property tax mil rates at a minimum will continue to be a challenge.
- The Government Accounting Standards Board (GASB) as well as recent legislation (Sarbanes-Oxely Act) are indicating that more transparency in financial reporting at all levels should be expected, resulting in increased workloads as well as adaptations to current accounting systems.

Objectives for FY 2005

- Assist in the development and implementation of procedures for new programs and changes in tax administration, including changes required by GASB Statement 34, the new reporting model.
- Continue to maintain the health of the Borough Bond Ratings through conservative management of Borough assets.
- Maintain the Financial Services Webpage to continue to allow citizen's accessibility to past and present budgets, comprehensive annual financial reports, and bond official statements, as well as current information and accessibility to divisions of the Department of Financial Services.

Significant Budget Changes

- The FY 2005 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

- Held one bond sale: 2004 Series G \$14,164,000 for the Denali and Nordale Elementary School construction and district-wide technology, maintenance and facilities projects.
- Maintained the health of the Borough Bond Ratings through prudent management of Borough funds and approved revenues.
- Promoted public visibility of Borough budget and financial management through 1) Recommended and Approved Budget Trifolds that encapsulate the overall budget for easy readability; 2) Webpage--the Financial Services Webpage explains, in detail, the Department of Financial Services as well as creating access to documents.
- Began disaster preparedness by assembling all documents necessary to run the Department under emergency circumstances.
- Prepared and issued a contract for a financial advisor for bond preparation.
- Prepared for FNSB Code of Ordinance Change:
An Ordinance Amending FNSB 3.08.030 to recognize the Soldiers and Sailors Civil Relief Act of 1940 and allow the Chief Financial Officer to waive interest and penalties due to mail delays to or from war or combat zones.

Dept: Financial Services
Div: Administration
Measures & Statistical Accomplishments

The FNSB intends to measure the success of this section by the use of the following measures, over time.

| <u>Measures</u> | <u>2000/01 Actual</u> | <u>2001/02 Actual</u> | <u>2002/03 Actual</u> | <u>2003/04 Actual</u> | <u>2004/05* Budget</u> |
|---|---------------------------|---------------------------|---------------------------|---------------------------|----------------------------|
| Measure 1. Earned Certificate of Achievement for Excellence in Financial Reporting. | Yes | Yes | Yes | Yes | Yes |
| Measure 2. Earned Distinguished Budget Presentation Award from the Government Finance Officers Association. | Yes | Yes | Yes | Yes | Yes |
| Measure 3. Health of Bond Ratings Reaffirmed. | Yes | Yes | Yes | Yes | Yes |
| Measure 4. Percentage of fiscal-related ordinances and resolutions processed on time. | 100% | 100% | 100% | 100% | 100% |
| Measure 5. Number of Financial Department complaints to the Mayor's Office. | 0 | 0 | 0 | 0 | 0 |
| Measure 6. Timely and accurate processing of Assemblymember requests. | Yes | Yes | Yes | Yes | Yes |

Additional Statistical Accomplishments

| | | | | | |
|---|--------------|-----|--------------|--------------|---------|
| Completed the Comprehensive Annual Financial Report (CAFR) per Government Deadline? | Yes | Yes | Yes | Yes | Yes |
| Completed Yearly Fiscal Year Budget per Government Deadline | Yes | Yes | Yes | Yes | Yes |
| Receipt of Vendor Payment Complaints by Mayor | 0 | 0 | 0 | 0 | 0 |
| Number of Assembly Requests Responded to | 15 | 32 | 33 | 40 | 40 |
| Number of Ordinances Reviewed and Processed | 31 | 43 | 29 | 40 | 40 |
| Number of Resolutions Reviewed and Processed | 11 | 5 | 6 | 10 | 10 |
| Number of Tax Collection Appeals Processed | 18 | 18 | 22 | 30 | 35 |
| Number of Tax Appeals to the Assembly | 1 | 1 | 0 | 1 | 1 |
| Number of Bed Tax Hearing Chaired | 2 | 0 | 1 | 1 | 1 |
| Number of Bond Sales (including anticipated) | 2 | 0 | 2 | 1 | 1 |
| Amount of Bonds Sold | \$18,050,000 | \$0 | \$27,500,000 | \$14,164,000 | Unknown |
| Number of Master Lease Schedules Processed | 28 | 12 | 25 | 25 | 25 |
| Number of Presentations Given on Issues/Events: | | | | | |
| Public | ~12 | ~5 | ~6 | ~7 | ~12 |
| Assembly | ~12 | ~10 | ~11 | ~10 | ~10 |
| Borough/in-house | ~2 | ~2 | ~2 | ~2 | ~5 |

Information Dessimination:

| | | | | | |
|---|---------------|------|-------|-------|-------|
| Recommended Budget Trifolds | 50 | 50 | 75 | 75 | 75 |
| Approved Budget Trifolds | 75 | 75 | 75 | 75 | 75 |
| Recommended Budgets | 60 | 60 | 65 | 65 | 65 |
| Approved Budgets | 75 | 75 | 75 | 75 | 75 |
| Financial Services (FS) Webpage with current Information | Not Available | Yes | Yes | Yes | Yes |
| Number of Budget documents available on FS Website | Not Available | 5 | 6 | 10 | 14 |
| Number of Financial Reports available on FS Website | Not Available | 1 | 2 | 3 | 4 |
| Number of Bond Series Official Statements on FS Website | Not Available | 0 | 1 | 2 | 3 |
| Number of Questions received by the FS Website | Not Available | 3 | 2 | 1 | 5 |
| Number of "Hits" received by the Financial Services Website | Not Available | ~815 | ~1129 | ~3249 | 7,000 |

*Predicted values based on previous year's data.

~Estimated values.

Dept: Financial Services
Div: Administration

| | 2001/02 Actual | 2002/03 Actual | 2003/04 Approved | 2003/04 Revised | 2004/005 Recommended | 2004/005 Approved |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-------------------------|-----------------------|
| PERSONNEL SERVICES | | | | | | |
| Permanent Salaries | 197,034 | 207,295 | 214,030 | 214,030 | 220,890 | 220,890 |
| Overtime Wages | - | - | 2,040 | 2,040 | 2,040 | 2,040 |
| Temporary Salaries | 1,047 | 1,435 | 2,000 | 2,000 | 2,000 | 2,000 |
| Benefits | 83,770 | 79,056 | 95,910 | 95,910 | 118,570 | 114,780 |
| Subtotal: | <u>281,851</u> | <u>287,786</u> | <u>313,980</u> | <u>313,980</u> | <u>343,500</u> | <u>339,710</u> |
| COMMODITIES | | | | | | |
| Office Supplies | 711 | 1,059 | 2,000 | 2,000 | 2,000 | 2,000 |
| Computer Supplies | 17 | 221 | 400 | 400 | 400 | 400 |
| Operating Supplies | - | - | - | - | - | - |
| Books and Periodicals | 445 | 398 | 700 | 700 | 700 | 700 |
| Repair and Maint. Supplies | - | - | - | - | - | - |
| Clothing Supplies | - | - | - | - | - | - |
| Motor Fuels and Lubricants | - | - | - | - | - | - |
| Equipment Parts | - | - | - | - | - | - |
| Subtotal: | <u>1,173</u> | <u>1,678</u> | <u>3,100</u> | <u>3,100</u> | <u>3,100</u> | <u>3,100</u> |
| CONTRACTUAL SERVICES | | | | | | |
| Professional Services | 2,700 | - | 3,200 | 3,200 | 3,200 | 3,200 |
| Communications | 109 | 62 | 300 | 300 | 300 | 300 |
| Travel | 102 | 991 | 1,630 | 1,630 | 1,630 | 1,630 |
| Professional Dues/Meetings | 799 | 983 | 730 | 730 | 730 | 730 |
| Training | 7,970 | 7,483 | 8,500 | 8,500 | 10,500 | 10,500 |
| Advertising, Printing & Binding | 724 | - | 250 | 540 | 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: | <u>12,404</u> | <u>9,519</u> | <u>14,610</u> | <u>14,900</u> | <u>16,610</u> | <u>16,610</u> |
| Grants Match, Indirect, Awaiting Budget | - | - | - | - | - | - |
| 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: | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| GRAND TOTAL: | <u><u>295,428</u></u> | <u><u>298,983</u></u> | <u><u>331,690</u></u> | <u><u>331,980</u></u> | <u><u>363,210</u></u> | <u><u>359,420</u></u> |
| 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 MISSION IS TO PLAN, ORGANIZE, COORDINATE, AND ADMINISTER THE BOROUGH'S ACCOUNTING AND INTERNAL CONTROLS FUNCTION 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. 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 2005

- Implement the GASB 34 provision effective for the second year, the Borough's FY 2004 financial statements.

Significant Budget Changes

One position is added in the FY 2005 budget as a result of increased GASB 34 implementation provisions as well as continuing GASB implementation issues. Furthermore, there are additional federal and state requirements and tighter grant reporting deadlines necessitating increased staff preparation and review time. 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 fifteenth "Certificate of Achievement for Excellence in Financial Reporting" from GFOA for the FY 2001-02 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: 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
Measures & Statistical Accomplishments

The FNSB intends to measure the success of this section by the use of the following measures, over time.

| <u>Measures</u> | <u>2000/01</u> | <u>2001/02</u> | <u>2002/03</u> | <u>2003/04</u> | <u>2004/05</u> |
|--|----------------|----------------|----------------|----------------|----------------|
| | <u>Actual</u> | <u>Actual</u> | <u>Actual</u> | <u>Budget</u> | <u>Budget</u> |
| Measure 1. Earned Certificate of Achievement for excellence in Financial Reporting from GFOA? | Yes | Yes | Yes | Yes | Yes |
| Measure 2. Received Unqualified "clean" Audit Opinion on Borough's financial statements? | Yes | Yes | Yes | Yes | Yes |
| Measure 3. Maintained timely and accurate accounting records? | Yes | Yes | Yes | Yes | Yes |
| Measure 4. Number of Grantor/regulatory requirements, including compliance reports, were not met timely or accurately. | 0 | 0 | 0 | 0 | 0 |
| Measure 5. Number of times Vendors were not paid timely and accurately? | 0 | 0 | 0 | 0 | 0 |

Additional Statistical Accomplishments

Annual Financial Audit, Annual State and Federal Single (Grant) Audits

| | | | | | |
|--|--------------|--------------|--------------|--------------|--------------|
| GFOA's Certificate of Achievement for | | | | | |
| Excellence in Financial Reporting | √ | √ | √ | √ | √ |
| Unqualified ("clean") audit opinion | √ | √ | √ | √ | √ |
| No material weaknesses or reportable conditions | √ | √ | √ | √ | √ |
| No disallowed costs, findings, or questioned costs | √ | √ | √ | √ | √ |
| Total revenues and additions | \$98.2 M | \$101.8 M | \$103.1 M | \$104.0 M | \$106.0 M |
| State grant expenditures | \$13.3 M | \$13.3 M | \$13.5 M | \$13.4 M | \$13.3 M |
| Federal grant expenditures | \$4.4 M | \$5.9 M | \$7.3 M | \$8.0 M | \$8.2 M |
| Audit tasks performed & schedules prepared | 200+ | 200+ | 200+ | 200+ | 200+ |
| Report pages | 242 | 244 | 226 | 230 | 230 |
| Financial statements, footnotes, RSI prepared | 84 | 88 | 55 | 80 | 80 |
| Additional info schedules, statistical tables, and transmittal letter pages prepared | 40 | 45 | 56 | 60 | 60 |
| General Ledger Section | | | | | |
| Funds maintained / Line-item accounts maintained | 32/604 | 32/623 | 34/693 | 34/715 | 34/730 |
| Active (annual) operating cost centers | 256 | 261 | 255 | 260 | 260 |
| Active (inception-to-date) projects | 516 | 526 | 513 | 520 | 520 |
| Purchase orders reviewed (including TAs) | 2763 | 2844 | 2997 | 3036 | 3097 |
| Budget transactions / Journal entries processed | 1271 | 1243 | 1461 | 1389 | 1404 |
| Fixed assets tracked | 4329 | 5406 | 4215 | 4300 | 4300 |
| Ordinances / fiscal notes reviewed & booked | 32 | 31 | 38 | 38 | 38 |
| Bank accounts / reconciliations | 17/204 | 16/192 | 16/192 | 16/184 | 12/144 |
| Accounts Payable (AP) | | | | | |
| Invoiced purchases processed for payment | 24826 | 24953 | 24516 | 25816 | 26000 |
| Vendor statements reconciled | 1800 | 1584 | 1550 | 1575 | 1590 |
| IRS Forms 1099 issued | 445 | 433 | 324 | 250 | 250 |
| Support Staff Functions | | | | | |
| AP and Payroll check runs per year | 239 | 217 | 206 | 220 | 252 |
| Vendor & payroll checks/ EFTs distributed | 21773 | 21946 | 21533 | 21125 | 22485 |
| Grants Monitoring, Compliance, & Reporting | | | | | |
| Grant project cost centers / amount of grants | 450 / \$185M | 460 / \$187M | 480 / \$197M | 500 / \$202M | 520 / \$210M |
| Reports / invoices filed and billed | 1080 | 1000 | 1000 | 1020 | 1040 |
| Subgrantee/pass-thru agreements written/reviewed | 20/80 | 20/80 | 17/68 | 13/52 | 11/44 |
| Financial reviews of HHS applications | 15 | 17 | 16 | 14 | 12 |
| Other Compliance Reporting | | | | | |
| Quarterly reports to Bentley Trust and APOC | 8 | 8 | 12 | 12 | 12 |
| IRS Forms 8038, bonds and leases | 12 | 9 | 10 | 6 | 9 |
| IRS Form 8849, refund of fuel excise tax | 1 | 1 | 1 | 1 | 1 |
| Unclaimed property report to State of Alaska | 1 | 1 | 1 | 1 | 1 |
| Annual arbitrage calculations for the IRS | 5 | 5 | 5 | 5 | 5 |
| Financial assurances for the landfill & USTs | 4 | 4 | 4 | 4 | 4 |
| Status reports for State-reimbursed capital projects for schools (bond- & cash-funded) | 12 | 18 | 23 | 23 | 22 |
| Anticipated school construction expenditures | 1 | 1 | 1 | 1 | 1 |
| Amount of revenue lost if not filed timely | \$7.9 M | \$9.4 M | \$9.5 M | \$10.0 M | \$11.4 M |
| Financial reports submitted to the Assembly | 0 | 3 | 4 | 10 | 12 |

**Dept: Financial Services
Div: Accounting**

| | 2001/02 Actual | 2002/03 Actual | 2003/04 Approved | 2003/04 Revised | 2004/005 Recommended | 2004/005 Approved |
|--|-------------------|-------------------|---------------------|--------------------|-------------------------|----------------------|
| PERSONNEL SERVICES | | | | | | |
| Permanent Salaries | 642,807 | 677,113 | 668,140 | 668,140 | 740,150 | 740,150 |
| Overtime Wages | 7,384 | 5,642 | 11,770 | 11,770 | 12,090 | 12,090 |
| Temporary Salaries | 18,402 | 12,967 | 22,650 | 22,650 | 23,260 | 23,260 |
| Benefits | 275,599 | 274,678 | 303,370 | 303,370 | 401,650 | 388,860 |
| Subtotal: | 944,192 | 970,400 | 1,005,930 | 1,005,930 | 1,177,150 | 1,164,360 |
| COMMODITIES | | | | | | |
| Office Supplies | 6,550 | 6,872 | 9,470 | 8,470 | 9,470 | 9,470 |
| Computer Supplies | 86 | 278 | 600 | 600 | 600 | 600 |
| Operating Supplies | - | - | - | - | - | - |
| Books and Periodicals | 3,397 | 4,196 | 4,400 | 4,400 | 4,800 | 4,800 |
| Repair and Maint. Supplies | - | 20 | - | - | - | - |
| Clothing Supplies | - | - | - | - | - | - |
| Motor Fuels and Lubricants | - | - | - | - | - | - |
| Equipment Parts | - | - | - | - | - | - |
| Subtotal: | 10,033 | 11,366 | 14,470 | 13,470 | 14,870 | 14,870 |
| CONTRACTUAL SERVICES | | | | | | |
| Professional Services | - | 2,085 | 3,000 | 3,000 | 3,000 | 3,000 |
| Communications | 57 | 59 | 180 | 180 | 180 | 180 |
| Travel | - | - | 50 | 50 | 50 | 50 |
| Professional Dues/Meetings | 1,031 | 1,042 | 1,220 | 1,220 | 1,280 | 1,280 |
| Training | 6,914 | 13,648 | 11,810 | 11,810 | 11,810 | 11,810 |
| Advertising, Printing & Binding | 2,032 | 2,916 | 3,430 | 3,430 | 3,070 | 3,070 |
| Insurance and Bonding | - | - | - | - | - | - |
| Repairs & Maint. -Bldg. & Grounds | - | - | - | - | - | - |
| Repairs & Maint. -Office Equipment | - | 630 | 300 | 300 | 300 | 300 |
| Repairs & Maint. -Other Equipment | - | - | - | - | - | - |
| Rent | - | - | - | - | - | - |
| Utilities | - | - | - | - | - | - |
| Equipment Leases | - | - | - | - | - | - |
| Other Contractual Services | 14 | 350 | - | - | - | - |
| Subtotal: | 10,048 | 20,730 | 19,990 | 19,990 | 19,690 | 19,690 |
| Grants Match, Indirect, Awaiting Budge | - | - | - | - | - | - |
| CAPITAL OUTLAY | | | | | | |
| Controlled Assets | - | - | - | 1,000 | - | - |
| Buildings & Structures | - | - | - | - | - | - |
| Office Furniture | - | - | - | - | - | - |
| Office Equipment | - | - | - | - | - | - |
| Rolling Equipment | - | - | - | - | - | - |
| Machinery & Equipment | - | - | - | - | - | - |
| Land & Land Improvements | - | - | - | - | - | - |
| Library Materials | - | - | - | - | - | - |
| Leasehold Improvements | - | - | - | - | - | - |
| Other Capital Items | - | - | - | - | - | - |
| Subtotal: | - | - | - | 1,000 | - | - |
| GRAND TOTAL: | 964,273 | 1,002,496 | 1,040,390 | 1,040,390 | 1,211,710 | 1,198,920 |
| FUNDING SOURCE: | | | | | | |
| General Fund Revenues | | | | | | |

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FY 2004–2005 Budget
Fairbanks North Star Borough

PROGRAM BUDGET SUMMARY

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

MISSION/Program Description

THE MISSION OF THIS SECTION IS TO PROVIDE CHILD CARE FINANCIAL ASSISTANCE TO ELIGIBLE PARENTS WHO RESIDE IN THE FNSB AND ARE WORKING OR TRAINING. The program determines eligibility of parents based on income and activity, and of child care providers based on health and safety standards. The goal for program administration is to be easily accessible yet efficient and accountable for the use of public funds. This program supports the local economy by making more workers available to employers and by injecting over \$2M in funds annually in payment to child care businesses. The Borough receives state and federal dollars through a State grant to administer this program.

Major Long-Term Issues and Concerns

- Federal and state budgets directly affect the level of services available to our community. Lack of funding impacts parents needing the assistance. It also impacts the business community by reducing the number of available workers.
- The availability of child care is of concern. Fewer child care home businesses are in operation. This appears to be due to how much parents can afford to pay for care, where the assistance rates are set, and the regulatory limits on the numbers of children allowed. State reimbursement rates for Fairbanks are considerably below those in other areas of Alaska, and rates have not been updated since July 2001.
- The willingness of child care providers to accept children assisted by this program has been tested by problems in state processing of payments. State payments have been taking one to two weeks longer than in years when the Borough was issuing the checks.

Objectives for FY 2005

- Provide Child Care Assistance to Borough residents in a timely, professional and accountable manner:
 - Eligibility determinations will continue to be timely, professional, and according to policies;
 - Provider billings will continue to be processed promptly and forwarded timely to the state for payment.
- Assist in the development of new statewide software so that it meets local needs in program administration.
- 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 2005 budget reflects a net increase in personnel costs due to cost of living adjustments, normal union and management longevity.
- In FY 2004, the state began paying providers directly, so provider payments are no longer reflected in the budget.

Previous Year's Accomplishments

- Improved convenience to parents:
 - Instituted a new process so parents could renew assistance by paper without having to attend appointments.
 - Instituted a system of mailing reminder notices.
 - Used the web site to make more forms and information available to parents.
- Completed implementation of state regulation changes pertaining to parent eligibility and provider qualifications.

Dept: Finance
Div: Child Care
Measures & Statistical Accomplishments

The FNSB intends to measure the success of this section by the use of the following measures, over time.

| <u>Measures</u> | <u>2000/01</u> <u>Actual</u> | <u>2001/02</u> <u>Actual</u> | <u>2002/03</u> <u>Actual</u> | <u>2003/04</u> <u>Budget</u> | <u>2004/05</u> <u>Budget</u> |
|--|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| Measure 1. Parents able to work. | 846 | 1,158 | 838 | 850 | 850 |
| Measure 2. Parents able to train. | 136 | 170 | 150 | 160 | 160 |
| Measure 3. Employers who benefit from having employees who receive Child Care Assistance. | 300 | 460 | 375 | 375 | 375 |
| Measure 4. Days between receipt of complete parent application and determination of eligibility. | n/a | n/a | 7 | 4 | 4 |
| Measure 5. Child care provider applications / eligibility determinations. | 190 | 264 | 181 | 101 | 100 |

Additional Statistical Accomplishments

Community Impact

| | | | | | |
|--|-------------|-------------|-------------|-------------|-------------|
| Federal/state dollars passed through and injected into the community for child care services | \$2,072,958 | \$2,319,347 | \$2,364,888 | \$2,400,000 | \$2,400,000 |
| Average amount of assistance paid per family per month | \$344 | \$382 | \$465 | \$515 | \$515 |

Provide Assistance to Borough Residents

| | | | | | |
|--|-------|-------|-------|-------|-------|
| Number of applications received | n/a | n/a | 765 | 625 | 625 |
| Children that received Child Care Assistance | 1,525 | 1,529 | 1,299 | 1,130 | 1,130 |
| Hours per week office is open to the public | 45 | 45 | 45 | 45 | 45 |

Process Provider Applications and Billings

| | | | | | |
|---|-------|-------|-------|-------|-------|
| Providers determined eligible to participate as "approved" providers | 162 | 244 | 137 | 86 | 85 |
| Forms reviewed for compliance with provider eligibility | 1,686 | 3,696 | 3,077 | 1,717 | 1,500 |
| Number of payments processed | 2,480 | 2,280 | 2,074 | 2,000 | 2,000 |
| Number of providers paid | 339 | 300 | 246 | 215 | 215 |
| Days between deadline for receipt of provider billing and completion of processing. | 1 | 1 | 1 | 1 | 1 |

* Statistics are calendar year actuals for 2001

Dept: Financial Services
Sec: Child Care

| | 2001/02 Actual | 2002/03 Actual | 2003/04 Approved | 2003/04 Revised | 2004/005 Recommended | 2004/005 Approved |
|---|-------------------|-------------------|---------------------|--------------------|-------------------------|----------------------|
| PERSONNEL SERVICES | | | | | | |
| Permanent Salaries | 259,692 | 289,821 | 308,650 | 303,780 | 313,740 | 313,740 |
| Overtime Wages | 3,636 | 5,679 | 240 | 1,000 | 1,000 | 1,000 |
| Temporary Salaries | 4,144 | 78 | 8,640 | 2,700 | 2,700 | 2,700 |
| Benefits | 106,139 | 119,698 | 137,670 | 135,280 | 167,380 | 162,030 |
| Subtotal: | 373,611 | 415,276 | 455,200 | 442,760 | 484,820 | 479,470 |
| COMMODITIES | | | | | | |
| Office Supplies | 6,350 | 5,988 | 6,850 | 6,850 | 6,850 | 6,850 |
| Computer Supplies | 238 | 298 | - | - | - | - |
| Operating Supplies | 324 | 213 | - | - | - | - |
| Books and Periodicals | 456 | 99 | - | - | - | - |
| Repair and Maint. Supplies | 100 | 491 | - | - | - | - |
| Clothing Supplies | - | - | - | - | - | - |
| Motor Fuels and Lubricants | - | - | - | - | - | - |
| Equipment Parts | - | - | - | - | - | - |
| Subtotal: | 7,468 | 7,089 | 6,850 | 6,850 | 6,850 | 6,850 |
| CONTRACTUAL SERVICES | | | | | | |
| Professional Services | - | - | - | 1,000 | 1,000 | 1,000 |
| Communications | 108 | 29 | - | - | - | - |
| Travel | 3,249 | 1,239 | 1,200 | 1,000 | 1,000 | 1,000 |
| Professional Dues/Meetings | 530 | 206 | 200 | 200 | 200 | 200 |
| Training | 5,841 | 5,492 | 2,650 | 2,650 | 2,650 | 2,650 |
| Advertising, Printing & Binding | 3,387 | 1,172 | 1,150 | 1,000 | 1,000 | 1,000 |
| Insurance and Bonding | - | - | - | - | - | - |
| Repairs & Maint. -Bldg. & Grounds | 5,993 | 6,109 | 5,570 | 6,400 | 6,400 | 6,400 |
| Repairs & Maint. -Office Equipment | 1,946 | 1,992 | 1,700 | 1,850 | 1,850 | 1,850 |
| Repairs & Maint. -Other Equipment | - | - | - | - | - | - |
| Rent | - | - | - | - | - | - |
| Utilities | 4,102 | 3,984 | 5,140 | 4,310 | 4,310 | 4,310 |
| Equipment Leases | - | - | - | - | - | - |
| Other Contractual Services | 2,345,346 | 2,360,098 | 2,400,000 | - | - | - |
| Subtotal: | 2,370,502 | 2,380,321 | 2,417,610 | 18,410 | 18,410 | 18,410 |
| Grants Match, Indirect, Awaiting Budget | - | - | - | - | - | - |
| CAPITAL OUTLAY | | | | | | |
| Controlled Assets | - | 1,263 | - | - | - | - |
| Buildings & Structures | - | - | - | - | - | - |
| Office Furniture | - | - | - | - | - | - |
| Office Equipment | 885 | - | - | - | - | - |
| Rolling Equipment | - | - | - | - | - | - |
| Machinery & Equipment | - | - | - | - | - | - |
| Land & Land Improvements | - | - | - | - | - | - |
| Library Materials | - | - | - | - | - | - |
| Leasehold Improvements | - | - | - | - | - | - |
| Other Capital Items | - | - | - | - | - | - |
| Subtotal: | 885 | 1,263 | - | - | - | - |
| GRAND TOTAL: | 2,752,466 | 2,803,949 | 2,879,660 | 468,020 | 510,080 | 504,730 |
| FUNDING SOURCE: | | | | | | |
| Child Care Assistance Grant | | | | | | <u>449,250</u> |

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PROGRAM BUDGET SUMMARY

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

MISSION/Program Description

THE MISSION OF THIS SECTION IS TO SUPPORT THE HEALTH & SOCIAL SERVICES COMMISSION AND THE EARLY CHILDHOOD DEVELOPMENT COMMISSION IN FULFILLING THEIR DUTIES AND RESPONSIBILITIES. The Health & Social Services Commission allocates funding to non-profit organizations for essential human services. The Early Childhood Development Commission is tasked with seeking sources of funding to further the quality of early care and education of children in the Borough. This section provides administrative support to both Commissions, provides information so both Commissions can make informed decisions, and administers grant funds pertinent to both, such as the Human Services Community Matching Grant and Early Learning Opportunities Act grant. The ECDC Commission was added to this section's responsibilities in FY04. This section also provides administrative support to the Division.

Major Long-Term Issues and Concerns

- 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.
- Additional funds are needed to continue the Early Childhood Development Commission's “Grow Better Kids” and “Hearts for Kids” projects, previously funded with a federal ELOA grant.
-

Objectives for FY 2005

- Continue to assist the Health & Social Services Commission in their work by:
 - Supporting the grant allocation and monitoring process;
 - Compiling information on community needs and the impact of the grant;
 - Supporting Commission meetings
- Continue to assist the Early Childhood Development Commission in their work by:
 - Supporting Commission meetings and projects;
 - Compiling information on community needs and resources.
- Provide administrative support to the Division.

Significant Budget Changes

- The FY 2005 budget reflects a net increase in personnel costs due to cost of living adjustments, normal union and management longevity.

Previous Year's Accomplishments

- Managed/monitored seven grants to non-profits through the Human Services Community Matching Grant. Over 30,000 Borough residents received essential human services.
- Wrapped up the contracts under the Early Learning Opportunities Act (ELOA) grant, and prepared final reports for the Federal grantor. Over 1,000 children benefited from improved child care quality.
- Received the Alaska Municipal League 2003 “Community of Excellence” Award for the Grow Better Kids/Hearts for Kids project funded by the ELOA grant.
- Supported the Health & Social Services Commission (HSSC).
- Supported the Early Childhood Development Commission (ECDC).
- Administered the ECDC's Family Friendly Workplace Awards.
- Provided ongoing administrative support to the Division.

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

The FNSB intends to measure the success of this section by the use of the following measures, over time.

| <u>Measures</u> | <u>2000/01</u> <u>Actual</u> | <u>2001/02</u> <u>Actual</u> | <u>2002/03</u> <u>Actual</u> | <u>2003/04</u> <u>Budget</u> | <u>2004/05</u> <u>Budget</u> |
|--|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| Measure 1. Number of residents who received services funded by the Human Services Community Matching Grant | 33,400 | 34,200 | 34,990 | 37,700 | 37,700 |
| Measure 2. Multiplier (ratio) of State, Other & In Kind to Local funds for the Human Services Community Matching Grant | 26:1 | 25:1 | 24:1 | 39:1 | 39:1 |
| Measure 3. Health & Social Services Commission work requests and timelines met by staff? | Yes | Yes | Yes | Yes | Yes |
| Measure 4. Early Childhood Development Commission work requests and timelines met by staff? | n/a | n/a | n/a | Yes | Yes |

Additional Statistical Accomplishments

Grant

| | | | | | |
|--------------------|-------------|-------------|-------------|-------------|-------------|
| funds and In-kind) | \$4,853,704 | \$4,670,214 | \$4,515,962 | \$4,156,341 | \$4,156,341 |
|--------------------|-------------|-------------|-------------|-------------|-------------|

Administer Human Services Matching Grant

| | | | | | |
|---|-----------|-----------|-----------|-----------|-----------|
| Amount of HSCMG allocated | \$578,697 | \$576,724 | \$481,512 | \$331,014 | \$267,960 |
| Number of proposals received and screened | 21 | 18 | 16 | 14 | 11 |
| Number of grant programs | 14 | 14 | 11 | 7 | 6 |
| Number of reports reviewed | 112 | 112 | 104 | 56 | 48 |

Support the Health & Social Services Commission

| | | | | | |
|---|-----|-----|-----|-----|-----|
| Staff hours in direct support of Commission | 650 | 650 | 650 | 650 | 650 |
| Timely and accurate: (Yes/No) | | | | | |
| Application for HSCMG? | Y | Y | Y | Y | Y |
| RFP updated and published? | Y | Y | Y | Y | Y |
| Proposals screened & distributed? | Y | Y | Y | Y | Y |
| Meeting notices, agendas, minutes? | Y | Y | Y | Y | Y |
| Information requested by Commission? | Y | Y | Y | Y | Y |
| Administration of non-profit subgrants? | Y | Y | Y | Y | Y |

Support the Early Childhood Development Commission **

| | | | | | |
|---|-----|-----------|-----------|-----------|-----|
| Staff hours in direct support of Commission | n/a | 92 | 102 | 416 | 316 |
| Grant funding administered for Commission | 0 | \$697,552 | \$697,552 | \$697,552 | n/a |
| Timely and accurate: (Yes/No) | | | | | |
| Administration of grant and contracts? | | Y | Y | Y | Y |
| Meeting notices, agendas, minutes? | n/a | n/a | n/a | Y | Y |
| Information requested by Commission? | n/a | n/a | n/a | Y | Y |

**** Notes:**

The Early Childhood Development Commission was assigned to this section in FY04, but grant administration began in FY02.

** Number at end of fiscal year, not including providers who had participated part of the year

Dept: Financial Services
Sec: HSS Administration

| | 2001/02 Actual | 2002/03 Actual | 2003/04 Approved | 2003/04 Revised | 2004/005 Recommended | 2004/005 Approved |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-------------------------|-----------------------|
| PERSONNEL SERVICES | | | | | | |
| Permanent Salaries | 27,834 | 30,836 | 18,680 | 18,680 | 19,290 | 19,290 |
| Overtime Wages | 172 | 137 | - | - | - | - |
| Temporary Salaries | - | - | - | - | - | - |
| Benefits | 11,678 | 12,482 | 8,280 | 8,280 | 10,240 | 9,920 |
| Subtotal: | <u>39,684</u> | <u>43,455</u> | <u>26,960</u> | <u>26,960</u> | <u>29,530</u> | <u>29,210</u> |
| COMMODITIES | | | | | | |
| Office Supplies | 154 | 457 | 250 | 250 | 250 | 250 |
| Computer Supplies | - | - | - | - | - | - |
| Operating Supplies | - | - | - | - | - | - |
| Books and Periodicals | - | - | - | - | - | - |
| Repair and Maint. Supplies | - | - | - | - | - | - |
| Clothing Supplies | - | - | - | - | - | - |
| Motor Fuels and Lubricants | - | - | - | - | - | - |
| Equipment Parts | - | - | - | - | - | - |
| Subtotal: | <u>154</u> | <u>457</u> | <u>250</u> | <u>250</u> | <u>250</u> | <u>250</u> |
| CONTRACTUAL SERVICES | | | | | | |
| Professional Services | - | - | - | - | - | - |
| Communications | - | 5 | 300 | 300 | 300 | 300 |
| Travel | - | - | - | - | - | - |
| Professional Dues/Meetings | 170 | 236 | 350 | 350 | 350 | 350 |
| Training | - | - | - | - | - | - |
| Advertising, Printing & Binding | 277 | 276 | 450 | 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 | 412,056 | 312,119 | 312,080 | 239,700 | 184,800 | 184,800 |
| Subtotal: | <u>412,503</u> | <u>312,636</u> | <u>313,180</u> | <u>240,800</u> | <u>185,900</u> | <u>185,900</u> |
| Grants Match, Indirect, Awaiting Budget | 184,290 | 184,290 | 133,750 | 102,728 | 242,400 | 242,400 |
| 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: | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| GRAND TOTAL: | <u><u>636,631</u></u> | <u><u>540,838</u></u> | <u><u>474,140</u></u> | <u><u>370,738</u></u> | <u><u>458,080</u></u> | <u><u>457,760</u></u> |
| FUNDING SOURCE: | | | | | | |
| Health and Social Services Grant | | | | | | <u><u>194,040</u></u> |

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PROGRAM BUDGET SUMMARY

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

MISSION/Program Description

THE MISSION OF THIS SECTION IS TO HELP PARENTS MAKE INFORMED CHOICES FOR CHILD CARE. The child care referrals program gives parents information on finding and choosing child care. Referrals are given to participating child care providers who may meet the family's needs. The Borough receives federal dollars through a state grant to make this program available to Borough residents.

Major Long-Term Issues and Concerns

- 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. Overall, there appear to be fewer child care programs in operation.
- The quality of available child care continues to be of concern. While the "Hearts for Kids" program improved quality in child care programs who participated, not all participated. How long the improvements will be maintained is unknown.
- 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 that quality of child care is directly linked to long-term performance in school.

Objectives for FY 2005

- Provide information and child care referrals to Borough residents in a timely, professional, and accountable manner.
- Finish the "Consumer Education Quality Assurance" process sponsored by Child Care Aware and become one of their "Quality Assured" sites.
- 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 2005 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.
- Provided specialized, intensive services to families with children with special needs on choosing and working with child care providers.
- Supported quality initiatives through work with professional associations, the Hearts for Kids program, conferences, and seminars.
- Supported child care recruitment efforts with CARES and other agencies.

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

The FNSB intends to measure the success of this section by the use of the following measures, over time.

| <u>Measures</u> | <u>2000/01</u> <u>Actual</u> | <u>2001/02</u> <u>Actual</u> | <u>2002/03</u> <u>Actual</u> | <u>2003/04</u> <u>Budget</u> | <u>2004/05</u> <u>Budget</u> |
|--|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| Measure 1. Parents report staff answered their child care questions: percent of responses to follow up survey that say staff answered their child care questions | n/a | n/a | n/a | 100% | 100% |
| Measure 2. Parents use the service to find care for their children: number of referrals given | 3,615 | 6,169 | 8,016 | 8,000 | 8,000 |
| Measure 3. Child care providers use the service to find clients: percent of child care providers who use the service | 56% | 40% | 52% | 57% | 57% |

Additional Statistical Accomplishments

Help Parents Find Child Care

| | | | | | |
|--|-------|-------|-------|-------|-------|
| Number of families seeking care for employment | 638 | 906 | 823 | 950 | 950 |
| Number of families seeking care to attend school | 38 | 105 | 107 | 100 | 100 |
| Number of families served - total | 708 | 1,067 | 1,274 | 1,400 | 1,400 |
| Number of children served | 1,043 | 1,626 | 1,993 | 2,100 | 2,100 |
| Needing full time care | 803 | 1,349 | 1,591 | 1,700 | 1,700 |
| Needing part time care | 204 | 274 | 383 | 450 | 450 |
| Needing care for infants & toddlers | 495 | 800 | 991 | 1,150 | 1,150 |
| Needing care for non-traditional schedules | 153 | 229 | 363 | 350 | 350 |

Help Parents Make Informed Decisions About Child Care

| | | | | | |
|--|-----|-------|-------|-------|-------|
| Number of parents given information as part of referral process | 708 | 1,067 | 1,274 | 1,400 | 1,400 |
| Percent of follow-up surveys returned | n/a | n/a | n/a | 21% | 25% |
| Number of parents given general information, not seeking referrals | 280 | 520 | 520 | 520 | 520 |
| Number of individuals provided information through classes, seminars & community events. | 996 | 1,039 | 685 | 1,040 | 1,040 |

Child Care Providers Using Services

| | | | | | |
|---|-----|----|-----|-----|-----|
| Number of participating child care providers ** | 136 | 93 | 114 | 114 | 114 |
| Centers | 23 | 23 | 22 | 25 | 25 |
| Licensed Homes | 35 | 35 | 57 | 65 | 65 |
| License-exempt Homes | 78 | 35 | 35 | 24 | 24 |

Notes:

* This program started part way through FY01

** Number at end of fiscal year, not including providers who had participated part of the year

Dept: Financial Services
Sec: Child Care Information & Referral

| | 2001/02 Actual | 2002/03 Actual | 2003/04 Approved | 2003/04 Revised | 2004/005 Recommended | 2004/005 Approved |
|---|-------------------|-------------------|---------------------|--------------------|-------------------------|----------------------|
| PERSONNEL SERVICES | | | | | | |
| Permanent Salaries | 66,020 | 60,391 | 75,280 | 75,280 | 78,410 | 78,410 |
| Overtime Wages | 925 | 3,452 | - | - | - | - |
| Temporary Salaries | 95 | 478 | - | - | - | - |
| Benefits | 27,925 | 25,776 | 33,350 | 33,350 | 41,640 | 40,300 |
| Subtotal: | 94,965 | 90,097 | 108,630 | 108,630 | 120,050 | 118,710 |
| COMMODITIES | | | | | | |
| Office Supplies | 1,532 | 1,486 | 1,650 | 1,650 | 1,650 | 1,650 |
| Computer Supplies | 412 | 894 | 800 | 800 | 800 | 800 |
| Operating Supplies | 540 | 1,467 | 3,000 | 3,000 | 3,000 | 3,000 |
| Books and Periodicals | - | 15 | - | - | - | - |
| Repair and Maint. Supplies | - | 173 | - | - | - | - |
| Clothing Supplies | - | - | - | - | - | - |
| Motor Fuels and Lubricants | - | - | - | - | - | - |
| Equipment Parts | - | - | - | - | - | - |
| Subtotal: | 2,484 | 4,035 | 5,450 | 5,450 | 5,450 | 5,450 |
| CONTRACTUAL SERVICES | | | | | | |
| Professional Services | - | - | - | - | - | - |
| Communications | 434 | 131 | - | - | - | - |
| Travel | - | 292 | 1,400 | 1,400 | 1,400 | 1,400 |
| Professional Dues/Meetings | 250 | 800 | 250 | 250 | 250 | 250 |
| Training | 4,915 | 3,524 | 3,480 | 3,480 | 3,480 | 3,480 |
| Advertising, Printing & Binding | 149 | 1,978 | 1,850 | 1,850 | 1,850 | 1,850 |
| Insurance and Bonding | - | - | - | - | - | - |
| Repairs & Maint. -Bldg. & Grounds | 1,057 | 1,079 | 980 | 980 | 1,130 | 1,130 |
| Repairs & Maint. -Office Equipment | 744 | 792 | 660 | 660 | 660 | 660 |
| Repairs & Maint. -Other Equipment | - | - | - | - | - | - |
| Rent | - | - | - | - | - | - |
| Utilities | 724 | 703 | 910 | 910 | 760 | 760 |
| Equipment Leases | - | - | - | - | - | - |
| Other Contractual Services | - | 6 | - | - | - | - |
| Subtotal: | 8,273 | 9,305 | 9,530 | 9,530 | 9,530 | 9,530 |
| Grants Match, Indirect, Awaiting Budget | - | - | - | - | - | - |
| CAPITAL OUTLAY | | | | | | |
| Controlled Assets | - | 2,526 | - | - | - | - |
| Buildings & Structures | - | - | - | - | - | - |
| Office Furniture | - | - | - | - | - | - |
| Office Equipment | - | - | - | - | - | - |
| Rolling Equipment | - | - | - | - | - | - |
| Machinery & Equipment | - | - | - | - | - | - |
| Land & Land Improvements | - | - | - | - | - | - |
| Library Materials | - | - | - | - | - | - |
| Leasehold Improvements | - | - | - | - | - | - |
| Other Capital Items | - | - | - | - | - | - |
| Subtotal: | - | 2,526 | - | - | - | - |
| GRAND TOTAL: | 105,722 | 105,963 | 123,610 | 123,610 | 135,030 | 133,690 |
| FUNDING SOURCE: | | | | | | |
| Research and Referral Grant | | | | | | <u>133,690</u> |

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

| | 2001/02 Actual | 2002/03 Actual | 2003/04 Approved | 2003/04 Revised | 2004/005 Recommended | 2004/005 Approved |
|-------------------------------------|-------------------|-------------------|---------------------|--------------------|-------------------------|----------------------|
| PERSONNEL SERVICES | | | | | | |
| Permanent Salaries | 353,546 | 381,048 | 402,610 | 397,740 | 411,440 | 411,440 |
| Overtime Wages | 4,733 | 9,268 | 240 | 1,000 | 1,000 | 1,000 |
| Temporary Salaries | 4,239 | 556 | 8,640 | 2,700 | 2,700 | 2,700 |
| Benefits | 145,742 | 157,956 | 179,300 | 176,910 | 219,260 | 212,250 |
| Subtotal: | 508,260 | 548,828 | 590,790 | 578,350 | 634,400 | 627,390 |
| COMMODITIES | | | | | | |
| Office Supplies | 8,036 | 7,931 | 8,750 | 8,750 | 8,750 | 8,750 |
| Computer Supplies | 650 | 1,192 | 800 | 800 | 800 | 800 |
| Operating Supplies | 864 | 1,680 | 3,000 | 3,000 | 3,000 | 3,000 |
| Books and Periodicals | 456 | 114 | - | - | - | - |
| Repair and Maint. Supplies | 100 | 664 | - | - | - | - |
| Clothing Supplies | - | - | - | - | - | - |
| Motor Fuels and Lubricants | - | - | - | - | - | - |
| Equipment Parts | - | - | - | - | - | - |
| Subtotal: | 10,106 | 11,581 | 12,550 | 12,550 | 12,550 | 12,550 |
| CONTRACTUAL SERVICES | | | | | | |
| Professional Services | - | - | - | 1,000 | 1,000 | 1,000 |
| Communications | 542 | 165 | 300 | 300 | 300 | 300 |
| Travel | 3,249 | 1,531 | 2,600 | 2,400 | 2,400 | 2,400 |
| Professional Dues/Meetings | 950 | 1,242 | 800 | 800 | 800 | 800 |
| Training | 10,756 | 9,016 | 6,130 | 6,130 | 6,130 | 6,130 |
| Advertising, Printing & Binding | 3,813 | 3,426 | 3,450 | 3,300 | 3,300 | 3,300 |
| Insurance and Bonding | - | - | - | - | - | - |
| Repairs & Maint. -Bldg. & Grounds | 7,050 | 7,188 | 6,550 | 7,380 | 7,530 | 7,530 |
| Repairs & Maint. -Office Equipment | 2,690 | 2,784 | 2,360 | 2,510 | 2,510 | 2,510 |
| Repairs & Maint. -Other Equipment | - | - | - | - | - | - |
| Rent | - | - | - | - | - | - |
| Utilities | 4,826 | 4,687 | 6,050 | 5,220 | 5,070 | 5,070 |
| Equipment Leases | - | - | - | - | - | - |
| Other Contractual Services | 2,757,402 | 2,672,223 | 2,712,080 | 239,700 | 184,800 | 184,800 |
| Subtotal: | 2,791,278 | 2,702,262 | 2,740,320 | 268,740 | 213,840 | 213,840 |
| Grants Local Match & Indirect Costs | 184,290 | 184,290 | 133,750 | 102,728 | 242,400 | 242,400 |
| CAPITAL OUTLAY | | | | | | |
| Controlled Assets | - | 3,789 | - | - | - | - |
| Buildings & Structures | - | - | - | - | - | - |
| Office Furniture | - | - | - | - | - | - |
| Office Equipment | 885 | - | - | - | - | - |
| Rolling Equipment | - | - | - | - | - | - |
| Machinery & Equipment | - | - | - | - | - | - |
| Land & Land Improvements | - | - | - | - | - | - |
| Library Materials | - | - | - | - | - | - |
| Leasehold Improvements | - | - | - | - | - | - |
| Other Capital Items | - | - | - | - | - | - |
| Subtotal: | 885 | 3,789 | - | - | - | - |
| GRAND TOTAL: | 3,494,819 | 3,450,750 | 3,477,410 | 962,368 | 1,103,190 | 1,096,180 |
| FUNDING SOURCES: | | | | | | |
| General Fund Revenues | | | | | | |
| Child Care Assistance Grant | | | | | | 449,250 |
| Health and Social Services Grant | | | | | | 194,040 |
| Information and Referral Grant | | | | | | 133,690 |
| | | | | | | <u>776,980</u> |

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FY 2004–2005 Budget
Fairbanks North Star Borough

PROGRAM BUDGET SUMMARY

FINANCIAL SERVICES – TREASURY BUDGET DIVISION

MISSION/Program Description

THE MISSION OF THE TREASURY AND BUDGET DIVISION IS TO COLLECT AND INVEST BOROUGH FUNDS, PREPARE THE ANNUAL OPERATING BUDGET, AND TO ACCOUNT FOR ALL FUNDS RECEIVED IN AN EFFICIENT AND EFFECTIVE MANNER. It is the responsibility of the Treasury and Budget Division to; coordinate the development of the annual Borough operating budget; calculate the annual mill levies for all Borough taxing authorities; bill, dispatch, collect, and disburse annual property tax and related penalty and interest for the Borough, City of Fairbanks, and City of North Pole; regulate the collection of Borough Hotel-Motel and Alcoholic Beverage tax; collect other revenues in accordance with the FNSB Code of Ordinances; ensure accurate distribution of property tax and other revenues to the Road and Fire Service Area accounts; review Treasury deposits to assure maximum cash flow; invest Treasury funds to minimize risk and maintain sufficient liquidity; prepare State data requests and serve as the local contact to the State for revenue sharing programs and debt service reimbursements; and analyze 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. Collection of revenue with alternative systems for the payment of services by credit card, and other venues, continues to be researched.

Objectives for FY 2005

- Institute staffing changes to provide administrative support and oversight.
- Provide prompt and courteous customer service to the general public and outside entities.
- 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 and other venues.

Significant Budget Changes

- Division reorganization reduction of one Revenue Analyst and added an Assistant Treasury and Budget Manager, to reflect the needs of the Borough's treasury operations.
- The FY 2005 budget reflects a net increase in the remaining personnel costs due to cost of living adjustments, normal union, and management longevity, and benefit rate.

Previous Year's Accomplishments

- Received its 15th Distinguished Budget Presentation Award from the Government Financial Officers Association for the FY 2003 Budget.
- Maintained timely and accurate revenue receipting.
- 38,154 property tax bills and notices sent, \$75.3 million in property taxes collected with a very low delinquency rate (includes North Pole, Fairbanks, & service areas). 62,581 property tax payments processed, 6,945 other revenue, 548 room tax payments processed, 3,770 delinquent notices sent, 2,139 certified letters sent, 932 property tax adjustments processed, and 672 certificates of redemptions processed.
- \$91 million in investments purchased to meet cash flow needs, \$88 million in investments matured, 28 banking, investment, printing and advertising contracts managed.
- 173 separate budgets prepared and balanced (includes road and fire service area budgets).
- Continued a set schedule for safe combination changes.

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

The FNSB intends to measure the success of this section by the use of the following measures, over time.

| <u>Measures</u> | <u>2000/01 Actual</u> | <u>2001/02 Actual</u> | <u>2002/03 Actual</u> | <u>2003/04* Budget</u> | <u>2004/05* Budget</u> |
|--|---------------------------|---------------------------|---------------------------|----------------------------|----------------------------|
| Measure 1. Processed all property tax payments in house. | Yes | Yes | Yes | Yes | Yes |
| Measure 2. Number of Bank correction received for revenue collection in the BAC. | 18 | 21 | 18 | 15 | 15 |
| Measure 3. Prepared and delivered the Annual Operating Budget timely | Yes | Yes | Yes | Yes | Yes |
| <u>Additional Statistical Accomplishments</u> | | | | | |
| Property Tax Bills and Notices Mailed | 39,250 | 37,850 | 38,862 | 38,154 | 38,400 |
| Property Tax Payments Processed | 69,200 | 61,200 | 62,563 | 62,581 | 62,600 |
| Property Taxes Collected - Borough | \$57,467,965 | \$60,559,159 | \$62,734,644 | \$65,985,480 | \$71,921,440 |
| Property Taxes Collected - City of Fairbanks | \$9,015,494 | \$7,622,031 | \$8,069,096 | \$8,585,057 | \$9,772,600 |
| Property Taxes Collected - City of North Pole | \$587,354 | \$587,773 | \$751,624 | \$778,236 | \$792,300 |
| Property Tax Delinquency Notices Sent | 3,900 | 4,200 | 3,677 | 3,770 | 3,700 |
| Property Tax Certified Letters Mailed | 2,600 | 2,500 | 2,545 | 2,139 | 2,200 |
| Property Tax Adjustments Processed | 1,500 | 2,200 | 1,593 | 932 | 1,000 |
| Certificates of Redemption Issued | 870 | 750 | 752 | 672 | 670 |
| Number of Tax Collection Appeals Processed | 18 | 18 | 22 | 30 | 20 |
| Other Revenue Received | N/A | N/A | 10,105,638 | 10,500,000 | 10,500,000 |
| Other Revenue payments processed | 6,400 | 6,100 | 6,859 | 6,900 | 6,900 |
| Hotel/Motel Tax Collected | \$1,127,542 | \$1,316,666 | \$1,352,894 | \$1,205,000 | \$1,402,500 |
| Hotel/Motel Tax Payments Processed | 450 | 410 | 384 | 548 | 504 |
| Number of Hotel/Motel Tax Accounts | 79 | 73 | 71 | 60 | 60 |
| Number of Hotel/Motel Tax Hearings Held | 2 | 0 | 1 | 0 | 0 |
| Alcoholic Beverage Tax Collected | N/A | N/A | N/A | N/A | \$800,000 |
| Alcoholic Beverage Tax Payments Processed | N/A | N/A | N/A | N/A | 1,128 |
| Number of Alcoholic Beverage Tax Accounts | N/A | N/A | N/A | N/A | 94 |
| Tobacco Distribution Excise Tax Collected | N/A | N/A | N/A | N/A | \$1,000,000 |
| Tobacco Distribution Excise Tax Payments Processed | N/A | N/A | N/A | N/A | 120 |
| Number of Tobacco Distribution Excise Tax Accounts | N/A | N/A | N/A | N/A | 10 |
| Investments purchased | 27 | 15 | 24 | 25 | 25 |
| Investments matured | 32 | 19 | 28 | 25 | 27 |
| Investments purchased | \$115,354,818 | \$77,934,368 | \$61,750,000 | \$91,650,000 | \$85,000,000 |
| Investments matured | \$95,619,585 | \$85,594,170 | \$32,750,000 | \$88,050,000 | \$72,500,000 |
| Contracts managed: Banking, investment, printing service area budgets) | 25 176 | 26 172 | 26 172 | 28 173 | 29 173 |

* Estimated

Dept: Financial Services
Div: Treasury/Budget

| | 2001/02 Actual | 2002/03 Actual | 2003/04 Approved | 2003/04 Revised | 2004/005 Recommended | 2004/005 Approved |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-------------------------|-----------------------|
| PERSONNEL SERVICES | | | | | | |
| Permanent Salaries | 306,645 | 323,290 | 336,210 | 336,210 | 399,610 | 399,610 |
| Overtime Wages | 1,905 | 2,222 | 4,670 | 4,670 | 4,670 | 4,670 |
| Temporary Salaries | 11,052 | 11,967 | 13,120 | 13,120 | 2,000 | 2,000 |
| Benefits | 130,396 | 129,164 | 152,270 | 152,270 | 214,860 | 207,990 |
| Subtotal: | <u>449,998</u> | <u>466,643</u> | <u>506,270</u> | <u>506,270</u> | <u>621,140</u> | <u>614,270</u> |
| COMMODITIES | | | | | | |
| Office Supplies | 4,762 | 3,939 | 3,920 | 3,920 | 4,020 | 4,020 |
| Computer Supplies | 255 | 782 | 300 | 300 | 400 | 400 |
| Operating Supplies | - | - | - | - | - | - |
| Books and Periodicals | 1,734 | 1,427 | 1,880 | 1,880 | 1,880 | 1,880 |
| Repair and Maint. Supplies | - | 82 | - | - | - | - |
| Clothing Supplies | - | - | - | - | - | - |
| Motor Fuels and Lubricants | - | - | - | - | - | - |
| Equipment Parts | - | - | - | - | - | - |
| Subtotal: | <u>6,751</u> | <u>6,230</u> | <u>6,100</u> | <u>6,100</u> | <u>6,300</u> | <u>6,300</u> |
| CONTRACTUAL SERVICES | | | | | | |
| Professional Services | 9,210 | 8,768 | 20,600 | 20,600 | 20,600 | 20,600 |
| Communications | 941 | 1,076 | 2,390 | 2,390 | 2,390 | 2,390 |
| Travel | - | - | 570 | 570 | 570 | 570 |
| Professional Dues/Meetings | 582 | 891 | 970 | 970 | 1,120 | 1,120 |
| Training | 2,289 | 8,780 | 4,700 | 4,700 | 4,700 | 4,700 |
| Advertising, Printing & Binding | 14,527 | 14,133 | 22,000 | 21,710 | 21,710 | 21,710 |
| Insurance and Bonding | - | - | - | - | - | - |
| Repairs & Maint. -Bldg. & Grounds | - | - | - | - | - | - |
| Repairs & Maint. -Office Equipment | 995 | 1,070 | 1,650 | 1,650 | 1,650 | 1,650 |
| Repairs & Maint. -Other Equipment | - | - | - | - | - | - |
| Rent | - | - | - | - | - | - |
| Utilities | - | - | - | - | - | - |
| Equipment Leases | - | - | - | - | - | - |
| Other Contractual Services | 51,583 | 50,599 | 59,850 | 59,850 | 61,230 | 61,230 |
| Subtotal: | <u>80,127</u> | <u>85,317</u> | <u>112,730</u> | <u>112,440</u> | <u>113,970</u> | <u>113,970</u> |
| Grants Match, Indirect, Awaiting Budget | - | - | - | - | - | - |
| 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: | <u>18</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| GRAND TOTAL: | <u><u>536,894</u></u> | <u><u>558,190</u></u> | <u><u>625,100</u></u> | <u><u>624,810</u></u> | <u><u>741,410</u></u> | <u><u>734,540</u></u> |
| FUNDING SOURCE: | | | | | | |
| General Fund Revenues | | | | | | |

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**Dept: Financial Services
Departmental Summary**

| | 2001/02 Actual | 2002/03 Actual | 2003/04 Approved | 2003/04 Revised | 2004/005 Recommended | 2004/005 Approved |
|---|-------------------|-------------------|---------------------|--------------------|-------------------------|----------------------|
| PERSONNEL SERVICES | | | | | | |
| Permanent Salaries | 1,500,032 | 1,588,746 | 1,620,990 | 1,616,120 | 1,772,090 | 1,772,090 |
| Overtime Wages | 14,022 | 17,132 | 18,720 | 19,480 | 19,800 | 19,800 |
| Temporary Salaries | 34,740 | 26,925 | 46,410 | 40,470 | 29,960 | 29,960 |
| Benefits | 635,507 | 640,854 | 730,850 | 728,460 | 954,340 | 923,880 |
| Subtotal: | 2,184,301 | 2,273,657 | 2,416,970 | 2,404,530 | 2,776,190 | 2,745,730 |
| COMMODITIES | | | | | | |
| Office Supplies | 20,059 | 19,801 | 24,140 | 23,140 | 24,240 | 24,240 |
| Computer Supplies | 1,008 | 2,473 | 2,100 | 2,100 | 2,200 | 2,200 |
| Operating Supplies | 864 | 1,680 | 3,000 | 3,000 | 3,000 | 3,000 |
| Books and Periodicals | 6,032 | 6,135 | 6,980 | 6,980 | 7,380 | 7,380 |
| Repair and Maint. Supplies | 100 | 766 | - | - | - | - |
| Clothing Supplies | - | - | - | - | - | - |
| Motor Fuels and Lubricants | - | - | - | - | - | - |
| Equipment Parts | - | - | - | - | - | - |
| Subtotal: | 28,063 | 30,855 | 36,220 | 35,220 | 36,820 | 36,820 |
| CONTRACTUAL SERVICES | | | | | | |
| Professional Services | 11,910 | 10,853 | 26,800 | 27,800 | 27,800 | 27,800 |
| Communications | 1,649 | 1,362 | 3,170 | 3,170 | 3,170 | 3,170 |
| Travel | 3,351 | 2,522 | 4,850 | 4,650 | 4,650 | 4,650 |
| Professional Dues/Meetings | 3,362 | 4,158 | 3,720 | 3,720 | 3,930 | 3,930 |
| Training | 27,929 | 38,927 | 31,140 | 31,140 | 33,140 | 33,140 |
| Advertising, Printing & Binding | 21,096 | 20,475 | 29,130 | 28,980 | 28,330 | 28,330 |
| Insurance and Bonding | - | - | - | - | - | - |
| Repairs & Maint. -Bldg. & Grounds | 7,050 | 7,188 | 6,550 | 7,380 | 7,530 | 7,530 |
| Repairs & Maint. -Office Equipment | 3,685 | 4,484 | 4,310 | 4,460 | 4,460 | 4,460 |
| Repairs & Maint. -Other Equipment | - | - | - | - | - | - |
| Rent | - | - | - | - | - | - |
| Utilities | 4,826 | 4,687 | 6,050 | 5,220 | 5,070 | 5,070 |
| Equipment Leases | - | - | - | - | - | - |
| Other Contractual Services | 2,808,999 | 2,723,172 | 2,771,930 | 299,550 | 246,030 | 246,030 |
| Subtotal: | 2,893,857 | 2,817,828 | 2,887,650 | 416,070 | 364,110 | 364,110 |
| Grants Match, Indirect, Awaiting Budget | 184,290 | 184,290 | 133,750 | 102,728 | 242,400 | 242,400 |
| CAPITAL OUTLAY | | | | | | |
| Controlled Assets | - | 3,789 | - | 1,000 | - | - |
| Buildings & Structures | - | - | - | - | - | - |
| Office Furniture | 18 | - | - | - | - | - |
| Office Equipment | 885 | - | - | - | - | - |
| Rolling Equipment | - | - | - | - | - | - |
| Machinery & Equipment | - | - | - | - | - | - |
| Land & Land Improvements | - | - | - | - | - | - |
| Library Materials | - | - | - | - | - | - |
| Leasehold Improvements | - | - | - | - | - | - |
| Other Capital Items | - | - | - | - | - | - |
| Subtotal: | 903 | 3,789 | - | 1,000 | - | - |
| GRAND TOTAL: | 5,291,414 | 5,310,419 | 5,474,590 | 2,959,548 | 3,419,520 | 3,389,060 |
| FUNDING SOURCES: | | | | | | |
| General Fund Revenues | | | | | | |
| State Grants for Child Care/HSS | | | | | | <u>776,980</u> |