

Introduced by: City Manager Herron
 Date: January 28, 2003
 Public Hearing: February 10, 2003
 February 25, 2003
 Action: Fail
 Vote: 3 – 3 (yes – Berger,
 Drake, Shantz, no-
 Trantham, Rodgers,
 Jacobs)

CITY OF BETHEL, ALASKA

ORDINANCE #03-01

AN ORDINANCE OF THE BETHEL CITY COUNCIL AMENDING THE ADOPTED ANNUAL FY 2002-03 BUDGET

BE IT ENACTED BY THE BETHEL CITY COUNCIL THAT THE FY2002-2003 Annual Budget be amended as follows:

Section 1. That the following sums of money as may be needed or deemed necessary to provide for increased expenses and liabilities of the City of Bethel are hereby appropriated for the corporate purposes and objects of the City hereinafter specified for Fiscal Year 2002-03, July 1, 2002 to June 30, 2003.

Section 2. The following is a summary of the changes by fund and department:

Budget Modification to Re-appropriate FY02 monies for expenses paid with FY03 funds. 03-00

| Increases | | |
|---|-------------------------------------|-------------------|
| 10-51-685 | Administration-Equipment | 2,349 |
| 10-52-669 | City Clerk-Other Purchased Services | 1,300 |
| 10-53-693 | Finance-New Accounting System | 60,000 |
| 10-61-692 | Remodel-Communications Upgrade | 27,078 |
| 10-65-773 | City Shop Floor Repair | 20,000 |
| | Total Increases | 110,727 |
| Decreases | | |
| | None | |
| | Total Decreases | (0) |
| TOTAL OF FY02 FUNDS RE-APPROPRIATED FOR FY03 | | ↓\$110,727 |

GENERAL FUND

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Budget Modification –General Fund Revenues 03-01

| Increases | | |
|----------------------|---------------------------------------|-------------------|
| 10-42-412 | State Revenue Sharing | 20,283 |
| 10-42-413 | Safe Communities/Municipal Assistance | 15,581 |
| 10-42-418 | PILT | 25,835 |
| | Total Increases | 61,699 |
| Decreases | | |
| | None | |
| | Total Decreases | (0) |
| Revenue TOTAL | Net Change to General Fund | ↑ \$61,699 |

Budget Modification 03-1

Changes to Administration Department line items

NOTE: (XXXX) are amounts related to the transferring of the Computer Technician from Planning Dept to Administration.

| Increases | | |
|------------------|--------------------------------|---------------|
| 10-51-501 | Salaries (23,672) | 44,702 |
| 10-51-502 | Overtime (864) | 725 |
| 10-51-503 | Vacation Pay (1,657) | 3,322 |
| 10-51-504 | Sick Pay | 844 |
| 10-51-505 | Holiday Pay | 1,690 |
| 10-51-510 | Social Security | 184 |
| 10-51-511 | Medicare FICA (366) | 789 |
| 10-51-512 | Employee Group Benefit (7,205) | 7,205 |
| 10-51-545 | Training & Travel (2,500) | 2,500 |
| 10-51-641 | Legal Settlements | 19,764 |
| 10-51-646 | Drug Testing/Background Checks | 3,160 |
| 10-51-683 | Minor Equipment | 834 |
| 10-51-685 | Equipment | 3,009 |
| 10-51-727 | Advertising | 500 |
| 10-51-733 | Postage | 2,600 |
| | Total Increases | 91,828 |
| Decreases | | |
| | None | |
| | Total Decreases | (0) |

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| | | |
|------------------------|-----------------------------------|------------------|
| Admin TOTAL | Net Change to General Fund | ↓\$91,828 |
|------------------------|-----------------------------------|------------------|

Budget Modification 03-1

Changes to City Clerk Department line items

| | Increases | |
|-----------------------------|-----------------------------------|------------------|
| 10-52-541 | City Council Travel/Training | 5,000 |
| 10-52-545 | City Clerk Training/Travel | 2,000 |
| 10-52-682 | Elections | 200 |
| 10-52-686 | Equipment | 3,500 |
| | Total Increases | 10,700 |
| | Decreases | |
| | None | |
| | Total Decreases | (0) |
| City Clerk TOTAL | Net Change to General Fund | ↓\$10,700 |

Budget Modification 03-1

Changes to Finance Department line items

| | Increases | |
|-----------|-----------------------------|-----------------|
| 10-53-561 | Supplies | 3,230 |
| 10-53-641 | Auditing Expense | 13,100 |
| 10-53-649 | Other Professional Services | 75,000 |
| 10-53-710 | Loan-IBM AS400 Computer | 4,640 |
| 10-53-799 | Miscellaneous Expenses | 500 |
| | Total Increases | 96,470 |
| | Decreases | |
| 10-53-501 | Salaries | (21,500) |
| 10-53-503 | Vacation Pay | (5,000) |
| 10-53-505 | Holiday Pay | (5,000) |
| 10-53-512 | Employee Group Benefits | (7,680) |
| 10-53-515 | Unemployment | (4,000) |
| 10-53-518 | PERS | (1,320) |
| 10-53-519 | Utility Benefit | (8,000) |

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| | | |
|--------------------------|-----------------------------------|--------------------|
| | Total Decreases | (52,500) |
| Finance TOTAL | Net Change to General Fund | ↓ \$ 43,970 |

Budget Modification 03-1

Changes to Planning Department line items

NOTE: The decreases are associated with transferring the Computer Technician to City Administration Department.

| Increases | | |
|---------------------------|--|-------------------|
| 10-54-501 | Salaries | 9,932 |
| 10-54-502 | Overtime | 1,170 |
| 10-54-503 | Vacation | 1,558 |
| 10-54-504 | Sick | 821 |
| 10-54-510 | Social Security | 609 |
| 10-54-511 | Medicare FICA | 363 |
| 10-54-512 | Employee Group Benefits | 5,313 |
| 10-54-669 | Other Professional Services (survey cemetery site) | 1,900 |
| | Total Increases | 21,666 |
| Decreases | | |
| 10-54-501 | Salaries | (23,672) |
| 10-54-502 | Overtime | (864) |
| 10-54-503 | Vacation | (1,657) |
| 10-54-511 | Medicare FICA | (366) |
| 10-54-512 | Employee Group Benefits | (7,205) |
| 10-54-515 | Unemployment | (505) |
| 10-54-519 | Utility Benefit | (1,944) |
| 10-54-545 | Training/Travel | (2,500) |
| | Total Decreases | (38,713) |
| Planning TOTAL | Net Change to General Fund | ↑\$ 17,047 |

Budget Modification 03-1

Changes to Police Department line items

| Increases | | |
|------------------|--|--|
|------------------|--|--|

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| | | |
|-------------------------|-----------------------------------|-----------------|
| 10-61-502 | Overtime | 80,000 |
| 10-61-697 | Used Vehicle for CSO Program | 3,000 |
| | Total Increases | 83,000 |
| | Decreases | |
| 10-61-501 | Salaries | 70,000 |
| 10-61-518 | PERS | 13,000 |
| | Total Decreases | (83,000) |
| Police TOTAL | Net Change to General Fund | \$0 |

Budget Modification 03-1

Changes to Public Works Administration Department line items

| | | |
|---------------------------|-----------------------------------|------------------|
| | Increases | |
| 10-65-771 | HazMat Removal/Shipping FY03 | 76,902 |
| | Total Increases | 76,902 |
| | Decreases | |
| | None | |
| | Total Decreases | (0) |
| PW Admin TOTAL | Net Change to General Fund | ↓\$76,902 |

Budget Modification 03-1

Changes to Streets & Roads Department line items

| | | |
|--------------------------|-----------------------------------|--------------------|
| | Increases | |
| 10-66-732 | Equipment Rental | 9,855 |
| 10-66-771 | Gravel | 200,220 |
| | Total Increases | 210,075 |
| | Decreases | |
| | None | |
| | Total Decreases | (0) |
| Streets TOTAL | Net Change to General Fund | ↓ \$210,075 |

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| | |
|---|--------------------|
| Subtotal of FY02 Re-appropriation to FY03 | ↓ \$110,727 |
| Subtotal of FY03 Mid-Year Budget Modifications | ↓ \$354,729 |
| Cumulative Change to General Fund | ↓ \$465,456 |

Budget Modification –Senior Center-NTS Program Revenues 03-01

| | | |
|--------------------------|--|------------------|
| | Increases | |
| 18-49-484 | Public Donations | 7,400 |
| | Total Increases | 7,400 |
| | Decreases | |
| | None | |
| | Total Decreases | (0) |
| NTS Revenue TOTAL | Net Change to Special Revenue Fund 18 | ↑ \$7,400 |

Budget Modification 03-1

Changes to Senior Center-NTS Department line items

| | | |
|-------------------------|--|-------------------|
| | Increases | |
| 18-50-564 | Food | 12,400 |
| | Total Increases | 12,400 |
| | Decreases | |
| | NONE | |
| | Total Decreases | (0) |
| Senior-NTS TOTAL | Net Change to Special Revenue 18 Fund | ↓ \$12,400 |

| | |
|---|------------------|
| Cumulative Change to Senior-NTS Fund | ↓ \$5,000 |
|---|------------------|

Budget Modification 03-1

Changes to Division of Motor Vehicles line items

| | | |
|--|------------------|--|
| | Increases | |
|--|------------------|--|

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| | | |
|------------------|--|------------------|
| 29-50-683 | Minor Equipment | 1,850 |
| | Total Increases | 1,850 |
| | Decreases | |
| | None | |
| | Total Decreases | (0) |
| DMV TOTAL | Net Change to Special Revenue 29 Fund | ↓ \$1,850 |

ENTERPRISE FUND-UTILITIES

Budget Modification 03-1

Changes to Utilities-Recycling Operations Department line items

| | | |
|----------------------------|--|-----------------|
| | Increases | |
| 51-90-669 | Other Purchased Services | 2,000 |
| | Total Increases | 2,000 |
| | Decreases | |
| | None | 0 |
| | Total Decreases | (0) |
| Recycling Ops TOTAL | Net Change to Utility Enterprise Fund | ↓\$2,000 |

Budget Modification 03-1

Changes to Utilities-Vehicles & Equipment Department line items

| | | |
|--------------------------|--|-------------------|
| | Increases | |
| 51-91-601 | Vehicle Parts | 110,000 |
| 51-91-669 | Other Purchased Services | 5,000 |
| | Total Increases | 115,000 |
| | Decreases | |
| | None | |
| | Total Decreases | (0) |
| V&E Mt. TOTAL | Net Change to Utility Enterprise Fund | ↓\$115,000 |

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| | |
|---|-----------------|
| Cumulative Change to Utility Enterprise Fund | ↓117,000 |
|---|-----------------|

Section 3. Effective Date. This ordinance becomes effective immediately upon adoption.

Passed and approved this 10th day of February, 2003.

ATTEST:

Hugh Short, Jr., Mayor

Janette Persinger, City Clerk



CITY OF BETHEL

Assistant Finance Director's Office
P.O. Box 1388
Bethel, Alaska 99559
Ph. (907) 543-1375
Fax (907) 543-3817

Memorandum

To: Mayor Short and Bethel City Council
Cc: Bob Herron, City Manager
From: Laurie Walters, Assistant Finance Director *LAW*
Date: January 22, 2003
Re: Request for Re-Appropriation of Unspent FY02 Funds for FY03

In several departments purchases were initiated prior to June 30, 2002, but due to timing and other circumstances, (ie: delays in receiving invoices, merchandise or in project completion) the invoices were paid in FY03 reducing the council-approved FY03 appropriation available for the department.

10-51-685 Administration – Equipment

The invoice for the a new computer was paid after close of the year-end and is currently showing as an expenditure in FY03 that was intended to be an expenditure from FY02 funds. Council needs to increase the FY03 budget by \$2,349 to cover payment of the invoice.

10-52-669 City Clerk - Other Purchased Services

Funds are needed to pay for codification of the Bethel Municipal Code. At FY02 year-end there was an outstanding encumbrance of \$1,300 in this account for payment of the codification services.

10-53-693 Finance – New Accounting System

The installation and implantation of the new accounting system was delayed several months and was not completed until November 2002. Council had appropriated \$100,000 in FY03 for the new system. The total amount spent to date, which is a final figure, is nearly \$60,000.

10-61-692 Police Department – Remodel

In FY02, Council funded the remodel of the police department at \$60,000. At the end of FY02, the account had \$32,625 of unexpended funds. The police department needs \$27,078 to be re-appropriated in order to complete the communication console upgrade.

10-65-773 *Public Works Administration - City Shop Floor Repair*

Council appropriated \$30,000 in FY02 for repairs to the city shop floor. The department was unable to make any repairs prior to June 30, so the full \$30,000 was untouched. Public Works Administration is requesting Council re-appropriate \$20,000 to allow some repair work this fiscal year.



CITY OF BETHEL

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P.O. Box 1388
Bethel, Alaska 99559
Ph. (907) 543-1375
Fax (907) 543-3817

Memorandum

To: Mayor Short and Bethel City Council
Cc: Bob Herron, City Manager
From: Laurie Walters, Assistant Finance Director *LW*
Date: January 22, 2003
Re: Justification for City Administration Budget Modification Request

City Administration requires the following modifications to their budget.

10-51-501 thru 10-51-512 -- Salary & Benefits

The computer technician position, which was previously in the Planning Department, has been transferred to City Administration. The position was funded as a part-time position in planning, but a full-time computer technician is absolutely necessary to the City being able to function. The salary and benefits budgeted for in Planning are being transferred to Administration.

10-51-545 – Training and Travel

These funds are being transferred from Planning Department for the computer technician to receive further training.

10-51-641 Legal Settlements

This appropriation is needed to cover the legal settlement resulting from the Olson et al. v. City of Bethel case.

10-51-646 Drug Testing/Background Checks

Due to an incredible amount of turnover, the City is running very short in this account. Additional funds are needed to complete the year.

10-51-683 – Minor Equipment

The computer technician is in need of a set of tools (wire crimping tools, test meters, drills, pliers and drivers). The city has never purchased the specialized tools necessary for the computer technician to perform work on computers. The previous computer technician had to beg, borrow or steal from Public Works in order to get tools.

10-51-685 -- *Equipment*

With the transfer of the computer technician, an additional computer system was necessary.

10-51-727 -- *Advertising*

The department has had to do more advertising than anticipated.

10-51-733 -- *Postage*

Administration carries the postage budget for all departments. Due to the postage increase in July 2002, the account is running low and will require additional funds to make it through the end of the year.



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Memorandum

To: Mayor Short and Bethel City Council
Cc: Bob Herron, City Manager
From: Laurie Walters, Assistant Finance Director *LW*
Date: January 22, 2003
Re: Justification for Finance Department Budget Modification Request

The Finance Department requires the following modifications to the budget.

10-53-501 thru 10-53-519 – *Salaries & Benefits*

Due to vacancies during the first half of the fiscal year, the department is able to reduce salaries and benefits, which helps to offset some needed increases in other areas.

10-53-561 – *Supplies*

In the departments original budget request \$19,500 was requested for supplies; however, Council cut the budget back to \$16,770. The department needs an additional \$3,230 for supplies needed for the rest of the year.

10-53-641 – *Auditing Expense*

This year it was necessary for the auditors to assist the City in preparing for the annual audit.

10-53-649 – *Other Professional Services*

Due to the mandatory implementation of GASB 34, the City needs to contract with a CPA firm to assist in preparing for implementation, which must occur before the FY03 annual audit begins. The Finance Department staff does not have the time or the expertise to review and determine appraisal values for all of the City's fixed assets and infrastructure, which is one of the major components of GASB 34. The CPA firm will be assisting in all aspects of compliance with GASB 34.

10-53-710 – *Loan-IBM AS400 Computer*

Prior to Council appropriating money for a new accounting system, the old system required an upgrade, which increased the lease payments. Even though the new system is up and running, we must maintain the old system at least through the end of the FY03 annual audit, since financial detail for the first three months of FY03 are on the system, and we require continued access to that information.

10-53-799 – *Miscellaneous Expenses*

The department has incurred miscellaneous expenses. The department's original request was for \$1,500, but in the end there was no appropriation approved by Council.



City of Bethel
Public Works

MEMORANDUM

Date: January 22, 2003
To: Bob Herron, City Manager
From: Clair Grifka, Public Works Director *Clair*
Subject: Budget Modification

I have put together a number of budget modifications for review. I will list these by department.

Public Works Administration

- 10-65-701 is Haz Mat removal and shipping. There were some additional costs that came up. It is over by \$76,901.50 dollars. This should conclude our involvement with Haz Mat removal and shipping.
- 10-65-773 is floor repair for the City Shop. Money was allocated the previous budget year but not used. I should have carried it over into the next budget and didn't. This is a repair to protect our building. We will need a total of about \$20,000.00 dollars to pay for the repairs that we have done on this phase. We would also like to add in another \$20,000.00 dollars for pipe to repair the drains. We are doing this all in house. These repairs will go along ways to save ourselves some real problems later on. We would like to continue these repairs over the next year or so as manpower and money become available.

Streets and Roads

- 10-66-578 Is our gravel account. The extra costs from the gravel were authorized by the City Council. We need \$200,219.57 dollars to balance out the account. We do have a small stockpile left, that will be used for emergency repairs and/or road improvements this summer.
- 10-66-732 Is our equipment rental account. We were hoping to get some new trucks into the budget last year and did not. Our end dumps are over 20 years old and have been down a lot over the last 5 years or so. We could not keep enough trucks on the road to do road improvements so we leased belly dumps to help us

out. We also had to lease their compactor while ours was down. We need \$9,855.00 dollars to correct the deficit.

Vehicles & Equipment

- 51-91-601 Is the parts account. There has been a drastic jump in this account for a number of reasons I believe. One being there was a change in staff. There is more work being done and we are doing complete overhauls instead of just putting band aids on the problem. These have been long needed repairs. We replaced rails on the 953 Cat at the landfill which was not expected. The cost for that job was about \$20,000.00 dollars. We are keeping somewhat more of an inventory on critical parts and equipment. I would like to put in \$110,000.00 dollars to balance out the account and leave enough to carry us to the end of June. We also have an older fleet with no recent new vehicles for a few years. We are still driving 20 year old trucks.
- 51-91-669 Is an Other Purchased Service account. This account has run over because we required outside help to assist with the repair of the fleet. Warranty work pays for parts, but we had to fly someone in from the company to look at the problem and confirm it. We also had to bring in mechanic's to help us out on problems that were somewhat outside of the experience of our staff. New technology sometimes require training in area's that we have not had time to get to staff. Electronic and computer equipment is changing yearly. We now have a certified welder on board and can do repairs that we used to contract out. This should help us some by doing it in house. I would like to increase this account by \$5,000.00 dollars to balance out the account and be able to maintain to the end of the budget year.

Thank you for your time and consideration in this matter.

Clair Grifka

GRAVEL

| | Road | Footage | cubic yards | \$52.50 per yard |
|----|---|-------------|-------------|------------------|
| 1 | ^North Avenue | 700 | 363 | 19,058 |
| 2 | ^Uivaq - Naun Raq | 2,440 | 1,492 | 78,330 |
| 3 | ^River Road | 345 | 120 | 6,300 |
| 4 | 1st Road Tundra Ridge | 1,273 | 661 | 34,703 |
| 5 | 2nd Road Tundra Ridge | 1,130 | 586 | 30,765 |
| 6 | 3rd Road Tundra Ridge | 2,760 | 1,432 | 75,180 |
| 7 | 4th Road Tundra Ridge | 2,745 | 670 | 35,175 |
| 8 | West Road Tundra Ridge | 265 | 137 | 7,193 |
| 9 | Imkuciq Street Tundra Ridge | 465 | 241 | 12,653 |
| 10 | Tupilluk Way Tundra Ridge | 610 | 317 | 16,643 |
| 11 | Park Ave Tundra Ridge | 265 | 137 | 7,193 |
| 12 | #Recycle Building | inside bldg | 20 | 1,050 |
| 13 | #Owl Street Park (<i>city contributon</i>) | parking lot | 60 | 3,150 |
| 14 | #Tundra Ridge Road | patch | 280 | 14,700 |
| 15 | | 12,998 | 6,516 | \$ 342,090 |
| 17 | ^other roads | 3,485 | 1,975 | 103,688 |
| 18 | Tundra Ridge roads | 9,513 | 4,181 | 219,503 |
| 19 | #misc | | 360 | 18,900 |
| 20 | total | 12,998 | 6,516 | \$ 342,090 |
| 22 | *Uivaq - Gugyuk | 735 | 381 | 20,003 |
| 23 | *Ptarmigan Road | 2,100 | 1,090 | 57,225 |
| 24 | *Senior Center | 435 | 226 | 11,865 |
| 25 | *Mission Lake Drive | 465 | 140 | 7,350 |
| 26 | *Akiak Street | 2,335 | 1,212 | 63,630 |
| 27 | *Gunderson Ct - BABS | 390 | 80 | 4,200 |
| 28 | *Cranberry Street | 1,315 | 682 | 35,805 |
| 29 | *#Sixth Ave | patch | 50 | 2,625 |
| 30 | *#Fire Department | tank pad | 10 | 525 |
| 31 | *#City Office | parking lot | 80 | 4,200 |
| 32 | | 7,775 | 3,951 | \$ 207,428 |
| 34 | * total | 7,775 | 3,811 | \$ 200,078 |
| 35 | *# total | | 140 | 7,350 |
| 36 | total | 7,775 | 3,951 | 207,428 |
| 38 | grand total (<i>for lines 15 and 32</i>) | 20,773 | 10,467 | \$ 549,518 |
| 40 | stock pile Jan 02 | | 525 | 27,563 |
| 41 | stock pile Jan 03 | | 500 | 26,250 |
| 42 | <i>approximately 1,825 feet yet to be graveled in Uivaq</i> | | | 95,813 |

Bob Herron
January 28, 2003
9:46 AM