Introduced By: Mayor David Pruhs
Introduced: September 29, 2025

ORDINANCE NO. 6328

AN ORDINANCE AMENDING THE 2025 OPERATING AND CAPITAL BUDGETS FOR THE THIRD TIME

WHEREAS, this ordinance incorporates the changes outlined on the attached fiscal note to amend the 2025 operating and capital budgets.

NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF FAIRBANKS, ALASKA, as follows [amendments shown in **bold** font; deleted text in ~~strikethrough~~ font]:

SECTION 1. There is hereby appropriated to the 2025 General Fund and Capital Fund budgets the following sources of revenue and expenditures in the amounts indicated to the departments named for the purpose of conducting the business of the City of Fairbanks, Alaska, for the fiscal year commencing on January 1, 2025 and ending December 31, 2025 (see pages 2 and 3):

GENERAL FUND

REVENUE	APPROVED COUNCIL APPROPRIATION	INCREASE (DECREASE)	PROPOSED COUNCIL APPROPRIATION
Taxes (all sources)	$ 28,913,515	$ 124,388	$ 29,037,903
Charges for Services	6,840,500	(99,000)	6,741,500
Intergovernmental Revenues	2,861,470	(29,000)	2,832,470
Licenses and Permits	2,197,805	-	2,197,805
Fines and Forfeitures	551,000	-	551,000
Interest and Penalties	1,615,000	(5,000)	1,610,000
Rental and Lease Income	168,539	(27,655)	140,884
Other Revenues	250,000	-	250,000
Total revenue appropriation	$ 43,397,829	$ (36,267)	$ 43,361,562
EXPENDITURES			
Mayor Department	$ 894,030	$ 8,000	$ 902,030
Legal Department	262,760	-	262,760
Office of the City Clerk	631,872	500	632,372
Finance Department	1,066,350	-	1,066,350
Information Technology	2,950,442	60,000	3,010,442
General Account	7,026,881	119,950	7,146,831
Police Department	8,862,024	24,000	8,886,024
Communications Center	3,626,945	-	3,626,945
Fire Department	10,888,559	401,860	11,290,419
Public Works Department	9,863,143	253,700	10,116,843
Engineering Department	1,186,431	25,000	1,211,431
Building Department	849,750	-	849,750
Total expenditure appropriation	$ 48,109,187	$ 893,010	$ 49,002,197
OTHER FINANCING SOURCES (USES)			
Other Financing Sources	$ (2,315,713)	$ -	$ (2,315,713)
Total other financing appropriation	$ (2,315,713)	$ -	$ (2,315,713)
2024 unassigned fund balance	$ 19,006,855	$ -	$ 19,006,855
Prior year encumbrances	(274,662)	-	(274,662)
Transfers to other funds	(7,770,000)	-	(7,770,000)
Other changes to the budget	1,017,591	(929,277)	88,314
2025 estimated unassigned fund balance	$ 11,979,784	$ (929,277)	$ 11,050,507

Minimum unassigned fund balance requirement is 20% of budgeted annual expenditures but not less than $10,000,000. 20% of budgeted annual expenditures is $ 9,800,439

CAPITAL FUND

REVENUE	APPROVED COUNCIL APPROPRIATION	INCREASE (DECREASE)	PROPOSED COUNCIL APPROPRIATION
Property Repair & Replacement	$ 150,000	$ -	$ 150,000
Public Works	250,000	-	250,000
IT	75,000	-	75,000
Police	300,000	-	300,000
Communications Center	140,000	-	140,000
Fire	160,000	-	160,000
Building	10,000	-	10,000
Total revenue appropriation	$ 1,085,000	$ -	$ 1,085,000
EXPENDITURES			
Property Repair & Replacement	$ 6,673,649	$ 244,000	$ 6,917,649
Public Works Department	1,830,687	-	1,830,687
Garbage Equipment Reserve	849,050	-	849,050
IT Department	333,440	-	333,440
Police Department	992,680	-	992,680
Fire Department	1,790,260	-	1,790,260
Road Maintenance	4,159,329	-	4,159,329
Building Department	67,000	12,500	79,500
Total expenditure appropriation	$ 16,696,095	$ 256,500	$ 16,952,595
OTHER FINANCING SOURCES (USES)			
Transfer from Permanent Fund	$ 724,486	$ -	$ 724,486
Transfer from General Fund	4,500,000	-	4,500,000
Transfer from General Fund - Ambulance	100,000	-	100,000
Transfer from General Fund - Garbage	291,600	-	291,600
Total other financing appropriation	$ 5,616,086	$ -	$ 5,616,086
2024 fund balance	$ 21,341,481	$ -	$ 21,341,481
Prior year encumbrances	(3,787,165)	-	(3,787,165)
Prior year reappropriations	(1,319,588)	-	(1,319,588)
Transfers from other funds	4,491,326	-	4,491,326
Other changes to the budget	(9,379,582)	(256,500)	(9,636,082)
2025 estimated fund balance	$ 11,346,472	$ (256,500)	$ 11,089,972

Estimated unassigned capital fund balance for projects **$ 5,735,160**

SECTION 2. This ordinance also appropriates the use of emergency snow removal funds in the amount of $250,000 as designated by the Mayor.

SECTION 3. All appropriations made by this ordinance lapse at the end of the fiscal year to the extent they have not been expended or contractually committed to the departments named for the purpose of conducting the business of said departments of the City of Fairbanks, Alaska, for the fiscal year commencing on January 1, 2025 and ending December 31, 2025.

SECTION 4. The effective date of this ordinance shall be six days after adoption.

David Pruhs, Mayor

AYES: Cleworth, Marney, Tidwell, Ringstad, Sprinkle, Therrien
NAYS: None
ABSENT: None
ADOPTED: October 14, 2025

ATTEST:

D. Danyielle Snider, MMC, City Clerk

APPROVED AS TO FORM:

Thomas A. Chard II, City Attorney

FISCAL NOTE
ORDINANCE NO. 6328
AMENDING THE 2025 OPERATING AND CAPITAL BUDGETS
FOR THE THIRD TIME

GENERAL FUND
($36,267) Decrease in Revenue
$893,010 Increase in Expenditures

Revenue

1. Tax Revenue
    - $124,388 increase to real property taxes
2. Charges for Services
    - ($6,000) decrease to copy charges
    - $7,000 increase to administration recovery from grants
    - ($100,000) decrease to engineering recovery from grants
3. Intergovernmental Revenues
    - ($217,550) decrease to state municipal assistance program
    - ($18,000) decrease to state liquor licenses fees
    - $100,000 increase to PERS on-behalf payment
    - $106,550 increase to North Haven Payment In Lieu of Taxes
4. License and Permits
5. Interest and Penalties
    - ($300,000) decrease to interest on deposits
    - $45,000 increase to sales tax penalty and interest
    - $250,000 increase to investment income for Series II account
6. Rental and Lease
    - ($6,000) decrease to Denali Commission lease
    - ($11,655) decrease to Boys & Girls Club lease
    - ($10,000) decrease to Fire Training Center rent
7. Other Revenue
8. Other Financing Sources

Expenditures

1. Mayor's Office
    - $8,000 increase to travel for Mayor and Chief of Staff to attend AML
2. City Attorney's Office
3. City Clerk's Office
    - $500 increase to election costs
4. Finance Department
5. Information Technology
    - $60,000 increase to outside contract for a cyber security assessment
6. General Account
    - $19,950 increase to medical (Ordinance 6322)
    - $100,000 increase to PERS Employer Relief
7. Police Department
    - $24,000 increase to investigative expenses for DNA testing
8. Communications Center
9. Fire Department
    - $401,860 increase to salaries and benefits (Ordinance 6322)
    - Reallocate operating supplies funds for prevention education supplies
10. Public Works
    - $3,700 increase to salaries and benefits for changing a Clerk position to a Dispatcher position (annual cost increase $14,730)
    - $50,000 increase to fuel, oil, and grease
    - $200,000 increase to temporary salaries and benefits
11. Engineering
    - $25,000 increase to salaries and benefits
12. Building Department

CAPITAL FUND
$0 Increase in Revenue
$256,500 Increase in Expenditures

Revenue

1. Other Financing Sources

Expenditures

1. Property Repair & Replacement
   - $244,000 increase to City Hall projects for chambers air conditioning unit ($36,000, original $60,000), engineering department remodel ($10,000, original $20,000), window sound deadening ($18,000, original $20,000), and bathroom remodel ($180,000, original $150,000)
   - **Reallocate $30,000 from contingency for electricity at the Starter Block on Lacey Street and purchase equipment for the ice-skating rink**
   - **Reallocate $100,000 from contingency for an emergency service patrol van**
2. Public Works
   - Reallocate $45,540 to purchase a pickup bed sander ($15,040), broom for skid ($12,500), and broom for sidewalk machine ($18,000)
3. Garbage Equipment Reserve
4. IT Department
5. Police Department
6. Communications Center
7. Fire Department
8. Road Maintenance
9. Building Department
   - $12,500 increase to replace vehicle P-089 (cost $35,000, balance from original budget of $67,000)