Sponsored By: Mayor O'Neall
Date: October 12, 2026

ORDINANCE NO. 6357, AS AMENDED

AN ORDINANCE AMENDING THE 2026 OPERATING AND CAPITAL BUDGETS FOR THE THIRD TIME

WHEREAS, this ordinance incorporates the changes outlined on the attached fiscal note to amend the 2026 operating and capital budget.

NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF FAIRBANKS, ALASKA, as follows:

SECTION 1. There is hereby appropriated to the 2026 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, 2026 and ending December 31, 2026 (see pages 2 and 3) [amendments shown in **bold** font; deleted text or amounts in ~~strikethrough~~ font]:

GENERAL FUND

REVENUE	APPROVED APPROPRIATION	INCREASE (DECREASE)	PROPOSED APPROPRIATION
Taxes (all sources)	$ 29,686,055	**$ 1,000,000**	$ 30,686,055
Charges for Services	6,895,700	113,000	7,008,700
Intergovernmental Revenues	4,102,630	230,200	4,332,830
Licenses and Permits	2,313,060	70,000	2,383,060
Fines and Forfeitures	526,500	-	526,500
Interest and Penalties	1,625,000	(400,000)	1,225,000
Rental and Lease Income	143,659	(5,500)	138,159
Other Revenues	250,000	-	250,000
Total revenue appropriation	$ 45,542,604	$ 1,007,700	$ 46,550,304
EXPENDITURES			
Mayor Department	$ 1,035,400	$ -	$ 1,035,400
Legal Department	271,210	-	271,210
Office of the City Clerk	655,630	-	655,630
Finance Department	1,049,700	-	1,049,700
Information Technology	3,561,345	50,000	3,611,345
General Account	7,404,624	**720,000**	8,124,624
Police Department	8,971,389	-	8,971,389
Communications Center	3,597,570	(60,000)	3,537,570
Fire Department	11,792,170	100,000	11,892,170
Public Works Department	11,002,565	**325,000**	11,327,565
Engineering Department	1,210,930	-	1,210,930
Building Department	834,470	-	834,470
Total expenditure appropriation	$ 51,387,003	$ 1,135,000	$ 52,522,003
OTHER FINANCING SOURCES (USES)			
Transfer from Permanent Fund	$ 5,967,514	$ -	$ 5,967,514
Transfer to Capital/Risk Fund	(663,508)	-	(663,508)
Transfer to Capital Fund (Council)	(1,067,873)	-	(1,067,873)
Sale of capital assets	250,000	-	250,000
Total other financing appropriation	$ 4,486,133	$ -	$ 4,486,133
2025 estimated unassigned fund balance	$ 13,352,665	$ -	$ 13,352,665
Prior year encumbrances	(514,393)	-	(514,393)
Transfers to other funds	(1,067,873)	-	(1,067,873)
Other changes to the budget	224,000	(127,300)	96,700
2026 estimated unassigned fund balance	$ 11,994,399	$ (127,300)	$ 11,867,099

Minimum unassigned fund balance requirement is 20% of budgeted annual expenditures but not less than $10,000,000. 20% of budgeted annual expenditures is $ 10,504,401

CAPITAL FUND

REVENUE	APPROVED APPROPRIATION	INCREASE (DECREASE)	PROPOSED APPROPRIATION
Property Repair & Replacement	$ 150,000	$ -	$ 150,000
Public Works	300,000	-	300,000
IT	75,000	-	75,000
Police	300,000	-	300,000
Communications Center	140,000	-	140,000
Fire	250,000	-	250,000
Building	10,000	-	10,000
Total revenue appropriation	$ 1,225,000	$ -	$ 1,225,000
EXPENDITURES			
Property Repair & Replacement	$ 8,308,335	$ (125,000)	$ 8,183,335
Public Works Department	1,287,497	-	1,287,497
Garbage Equipment Reserve	180,000	-	180,000
IT Department	146,311	255,000	401,311
Police Department	351,317	-	351,317
Communications Center	1,596,960	-	1,596,960
Fire Department	1,968,892	-	1,968,892
Engineering Department	23,000	-	23,000
Road Maintenance	2,258,175	150,000	2,408,175
Building Department	32,820	-	32,820
Total expenditure appropriation	$ 16,153,307	$ 280,000	$ 16,433,307
OTHER FINANCING SOURCES (USES)			
Transfer from Permanent Fund	$ 745,939	$ -	$ 745,939
Transfer from General Fund	1,067,873	-	1,067,873
Transfer from General Fund - Ambulance	150,000	-	150,000
Transfer from General Fund - Garbage	295,200	-	295,200
Total other financing appropriation	$ 2,259,012	$ -	$ 2,259,012
2025 estimated fund balance	$ 20,587,223	$ -	$ 20,587,223
Prior year encumbrances	(2,414,348)	-	(2,414,348)
Prior year reappropriations	(4,305,208)	-	(4,305,208)
Transfers from other funds	1,078,424	-	1,078,424
Other changes to the budget	(7,028,163)	(280,000)	(7,308,163)
2026 estimated fund balance	$ 7,917,928	$ (280,000)	$ 7,637,928

Estimated uncommitted capital fund balance for projects **$ 4,201,337**

SECTION 2. 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, 2026 and ending December 31, 2026.

SECTION 3. The effective date of this ordinance is six days after adoption.

Mindy L. O'Neall, City Mayor

YEAS: Ringstad, Tidwell, Therrien, Sprinkle, Marney, Cleworth
NAYS: None
ABSENT: None
ADOPTED: October 26, 2026

ATTEST:

D. Danyielle Snider, MMC, City Clerk

APPROVED AS TO FORM:

Thomas A. Chard II, City Attorney

FISCAL NOTE
ORDINANCE NO. 6357, AS AMENDED
AMENDING THE 2026 OPERATING AND CAPITAL BUDGETS
FOR THE THIRD TIME

GENERAL FUND

$1,007,700 ~~807,700~~ Increase in Revenue
$1,135,000 ~~1,001,000~~ Increase in Expenditures

Revenue

1. Taxes
    - **$1,000,000** ~~800,000~~ increase to room rental taxes
2. Charges for Services
    - $8,000 increase to fire inspection fees
    - $50,000 increase to alarm system billings
    - $55,000 increase to garbage collections
3. Intergovernmental Revenues
    - ($69,800) decrease to State of Alaska municipal assistance for the community assistance program
    - $300,000 increase to State of Alaska on-behalf PERS payment
4. Licenses and Permits
    - $58,000 increase to business license
    - $12,000 increase to engineering right of way fees
5. Interest and Penalties
    - ($400,000) decrease to interest income due to lower rates and cash reductions
6. Rental and Lease Income
    - ($3,500) decrease to log cabin rental income
    - $7,000 increase to childrens museum rental income
    - ($9,000) decrease to fire training center fees due to facility construction

Expenditures

1. IT Department

a. $50,000 increase to outside contracts for software subscriptions

2. General Account
    a. **$350,000** ~~280,000~~ increase to distributions for Explore Fairbanks due to increase in room rental taxes
    b. **$70,000** ~~56,000~~ increase to economic development due to increase in room rental taxes
    c. $300,000 increase to PERS on-behalf payment as received by State of Alaska
3. Police Department
    a. Change one full-time CSI Evidence Technician position to an Evidence Custodian position (annual savings $4,480)
4. Communications Center
    a. ($60,000) decrease to salaries and benefits **from salary savings** for software subscriptions
    ~~**b. Increase FECC Manager salaries and benefits in the amount of $30,440 ($164,100 salaries and $44,280 benefits for total annual cost $208,380)**~~
    c. Change FECC Manager annual salary from $134,100 to $160,000 and benefits from $48,050 to $48,480.
    d. Change one full-time Dispatcher position to a Dispatcher/Call Taker position to be flexible in the hiring process (budget will continue to reflect the cost of a Dispatcher)
5. Fire Department
    a. $100,000 increase to overtime and benefits
6. Public Works Department
    a. $150,000 increase to temporary salaries and benefits for winter season
    b. $50,000 increase to permanent overtime and benefits for winter season
    c. $125,000 increase to fuel, oil, and grease due to cost increases

CAPITAL FUND

$280,000 Increase in Expenditures

Expenditures

1. Property Repair and Replacement
    - $125,000 increase to repair leaking fuel line at public works
    - ($250,000) decrease to city hall roof replacement project
2. IT Department
    - $255,000 increase to replace server switches (Committed $64,435 and Unassigned $190,565)
3. Road Maintenance
    - $150,000 uncommitment of matching funds for systemic signal upgrades project (Committed Balance $461,088)
    - Reallocate $65,000 from 7th Avenue project to Shannon Drive project