

CITY OF UNALASKA
UNALASKA, ALASKA

ORDINANCE 2023-07

CREATING BUDGET AMENDMENT #6 TO THE FISCAL YEAR 2023 BUDGET, INCREASING THE CITY MANAGER'S BUDGET BY \$80,000 TO COVER INTERIM CITY MANAGER EXPENSES; AND INCREASING THE AIRPORT BUDGET BY \$69,400 TO COVER OPERATING & PERSONNEL SHORTFALLS

BE IT ENACTED BY THE UNALASKA CITY COUNCIL:

- Section 1.** Classification: This is a non-code ordinance.
Section 2. Effective Date: This Ordinance becomes effective upon adoption.
Section 3. Content: The City of Unalaska FY23 Budget is amended as follows:

A. That the following sums of money are hereby accepted and the following sums of money are hereby authorized for expenditure.

B. The following are the changes by account line item:

Amendment #6 to Ordinance 2022-10

	<u>Current</u>	<u>Requested</u>	<u>Revised</u>
I. OPERATING BUDGETS			
A. General Fund			
Sources:			
General Fund - Appropriated Fund Balance	\$ 8,144,624	\$ 80,000	\$ 8,224,624
Uses:			
City Administration	\$ 2,187,093	\$ 80,000	\$ 2,267,093
B. Proprietary Funds			
Airport Fund			
Sources:			
Airport Fund - Budgeted use of unrestricted net assets	\$ 338,801	\$ 69,400	\$ 408,201
Uses:			
Airport Fund - Airport Expenses	\$ 847,477	\$ 69,400	\$ 916,877

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on June 27, 2023.

Vincent M. Tutiakoff, Sr.
Mayor

ATTEST:

Marjie Veeder, CMC
City Clerk

City of Unalaska
Summary of Budget Amendment and Schedule of Proposed Accounts
Budget Amendment 6 to the FY23 Budget

- 1) General Fund - Operating Budget
 Add \$80,000 to City Manager Temp Personnel for Interim City Manager expenses

- 2) Airport Fund - Operating Budget
 Add \$10,000 to Salaries & Wages to cover personal leave cash out.
 Add \$59,400 to operating accounts for budget shortfalls

	<u>Org</u>	<u>Object</u>	<u>Project</u>	<u>Current</u>	<u>Requested</u>	<u>Revised</u>
1) <u>General Fund - Operating Budget</u>						
Sources:						
Appropriated Fund Balance	01010049	49900		\$ 8,144,624	\$ 80,000	\$ 8,224,624
Uses:						
City Manager - Temp Emp.	01020251	51200		\$ -	\$ 80,000	\$ 80,000
City Manager's Office -	01020252			\$ -	\$ -	\$ -
2) <u>Airport Fund - Operating Budget</u>						
Sources:						
Budgeted Use of Unrestricted Net Assets	55017549	49910		\$ 338,801	\$ 69,400	\$ 408,201
Uses:						
Airport Facilities Maint - Other Prof.	55022952	53300		\$ -	\$ 8,400	\$ 8,400
Airport Facilities Maint - Repair & Maint	55022952	54300		\$ 15,600	\$ 10,000	\$ 25,600
Airport Facilities Maint - FM Supplies	55022952	56140		\$ 4,635	\$ 14,000	\$ 18,635
Airport - Salaries & Wages	55025651	51100		\$ 78,039	\$ 10,000	\$ 88,039
Airport - Custodial Services	55025652	54230		\$ 65,000	\$ 15,000	\$ 80,000
Airport - Electricity	55025652	56220		\$ 55,000	\$ 12,000	\$ 67,000

MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Clay Darnell, Interim Finance Director
Through: William Homka, City Manager
Date: June 13, 2023
Re: Ordinance 2023-07: Creating Budget Amendment #6 to the fiscal year 2023 budget, increasing the City Manager's Budget by \$80,000 to cover interim city manager's expenses; and increasing the Airport budget by \$69,400 to cover operating and personnel shortfalls

SUMMARY: Ordinance 2023-07 will increase the City Manager and Airport budgets to cover additional expenses not included in the original budget. Staff recommends approval.

PREVIOUS COUNCIL ACTION: Council adopted Ordinance 2022-10 adopting the FY23 Operating and Capital Budget and has adopted five budget amendments. Council adopted Resolution 2022-20 authorizing the Mayor to sign an agreement between the City and Chris Hladick appointing him to serve as Interim City Manager.

BACKGROUND: City Manager's Department: the original budget did not include enough funding to cover all the costs of the Interim City Manager's contract.

Airport Facilities Maintenance: unanticipated boiler and other repair costs exceeded the budgeted facilities maintenance amounts.

Airport Operations: the requested funds cover an unbudgeted personal leave cash out.

DISCUSSION: The increases will allow these departments to continue operation until the end of the current fiscal year.

ALTERNATIVES: Council can choose not to approve this ordinance, in which case there will be a hard stop on all non-emergency, non-personnel spending for the airport proprietary fund and operations may be curtailed. For the city manager's office, all non-emergency spending would need to cease through the end of the fiscal year. Council can also choose to modify the recommended amounts.

FINANCIAL IMPLICATIONS: Funds are available in the General Fund (Unappropriated Fund Balance) for the City Manager's budget; and in the Airport Fund (Unrestricted Net Earnings) to cover the Airport's requested increase.

LEGAL: None.

STAFF RECOMMENDATION: Staff recommends approval.

PROPOSED MOTION: First reading: I move to introduce Ordinance 2023-07 and schedule it for second reading and public hearing on June 27, 2023. Second reading: I move to adopt Ordinance 2023-07.

CITY MANAGER COMMENTS: I concur with the Staff Recommendation.