

**LAKE AND PENINSULA BOROUGH
ORDINANCE NO. 15-11**

**AN ORDINANCE ADOPTING THE LAKE AND PENINSULA BOROUGH OPERATING BUDGET
FOR THE FISCAL YEAR BEGINNING JULY 1, 2015 AND ENDING JUNE 30, 2016 (FY-16).**

BE IT ENACTED by the Assembly of the Lake and Peninsula Borough that:

Section 1. Classification.

This is a Non-Code Ordinance.

Section 2. General Provisions.

The Lake and Peninsula Borough is authorized to receive revenues, make expenditures, and make changes in cash balances for the period beginning July 1, 2015 and ending June 30, 2016, in accordance with the "Fiscal Year 15-16 Operating Budget, \$6,446,984.00" attached hereto as "Exhibit A" and incorporated herein by reference.

Section 3. Authorization and Appropriation.

The appropriations set forth in "Exhibit A" are adopted and authorized for the period beginning July 1, 2015 and ending June 30, 2016, and are the operating budget for that period.

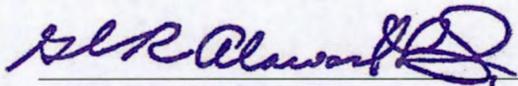
The Manager is authorized to over expend or transfer funds between line items within functions or departments as needed provided that said transfers do not exceed 25% of the approved budget for that function or department. The manager is further authorized to exceed approved function or department budgets by up to 10% or a maximum of \$10,000 to address unanticipated circumstances. In no case shall the manager expend more funds in a given fiscal year than the amount authorized for the overall Operating Budget unless approved by the Assembly. New expenditures for activities not authorized herein, transfers between functions or departments which exceed the above authorization, transfers between the General Fund and other funds, or any other modifications to the approved budget must be done by ordinance and the normal budget amendment process.

Section 4. Effective Date.

This ordinance shall become effective upon enactment by the Borough Assembly.

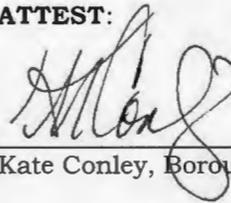
ENACTED by a duly constituted quorum of the Lake and Peninsula Borough Assembly this 22nd day of May, 2015

IT WITNESS THERETO:



Glen Alsworth Sr., Mayor

ATTEST:



Kate Conley, Borough Clerk

Introduced: May 11, 2015

Public Hearing: May 22, 2015

Enacted: May 22, 2015

Ayes: Alsworth, Alvarez, Anderson, Olsen, Pedersen, Ravenmoon

Nays: none

Not Voting: none

Absent: Salmon



Lake and Peninsula Borough

P.O. Box 495

King Salmon, Alaska 99613

Telephone: (907) 246-3421

Fax: (907) 246-6602



May 19, 2015

Projected Budget FY 2016 July 1, 2015 through June 30, 2016

The Borough has prepared a projected expenditure budget in the amount of \$6,446,984 based on current available information as to the borough's obligations and the best estimates of revenues and need for transfers.

Revenue is estimated as follows:

<u>REVENUE</u>	
RAW FISH TAX	\$ 1,500,000
BED TAX	155,000
LICENSES AND PERMITS	5,000
PROFESSIONAL GUIDES	32,000
DEVELOPMENT PERMITS	1,500
LAND USE PERMITS	1,500
TEACHER HOUSING RENTS	330,000
LAND LEASE	30,000
INTEREST	45,000
MARKET GAIN/LOSS	80,000
OTHER LOCAL REVENUES	1,000
PYMT IN LIEU OF DEVELOPMENT	310,000
STATE REVENUE SHARING	408,050
STATE FISHERIES BUSINESS TAX	520,000
SOA SHARED FISH TAX	26,034
ELECTRIC AND TELEPHONE COOP	2,000
OTHER DIRECT FEDERAL	285,000
TRANSFERS FROM GENERAL FUND	2,714,900
TOTAL REVENUE	<u>\$ 6,446,984</u>

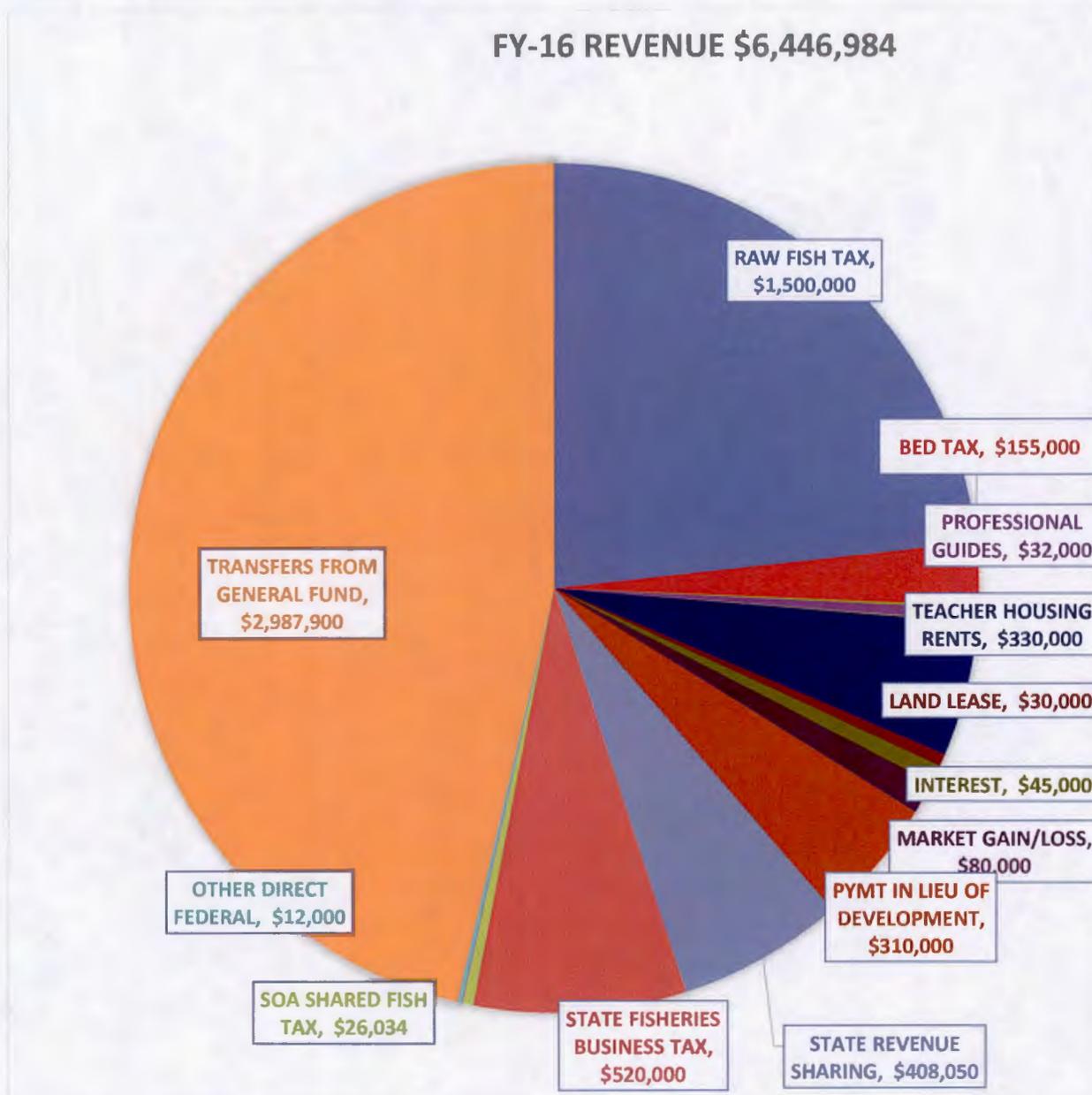
Transfers from General Fund make up the largest line item as it includes the \$2 million pledged for the Chignik Bay dock. At this writing, there hasn't been a date set as to when the State would have the Borough write that check. It could well be that the Borough will do this prior to the end of the current fiscal year and if so, the budget would be amended accordingly.



Lake and Peninsula Borough



The School Endowment Fund Committee has suggested the creation of two new fund, one for preschool and another to support career and technical education (CTE). There is at this date, no authorization from the Assembly or direction to staff as to these funds revenue. The Assembly has appropriated yearly \$54,000 for CTE.

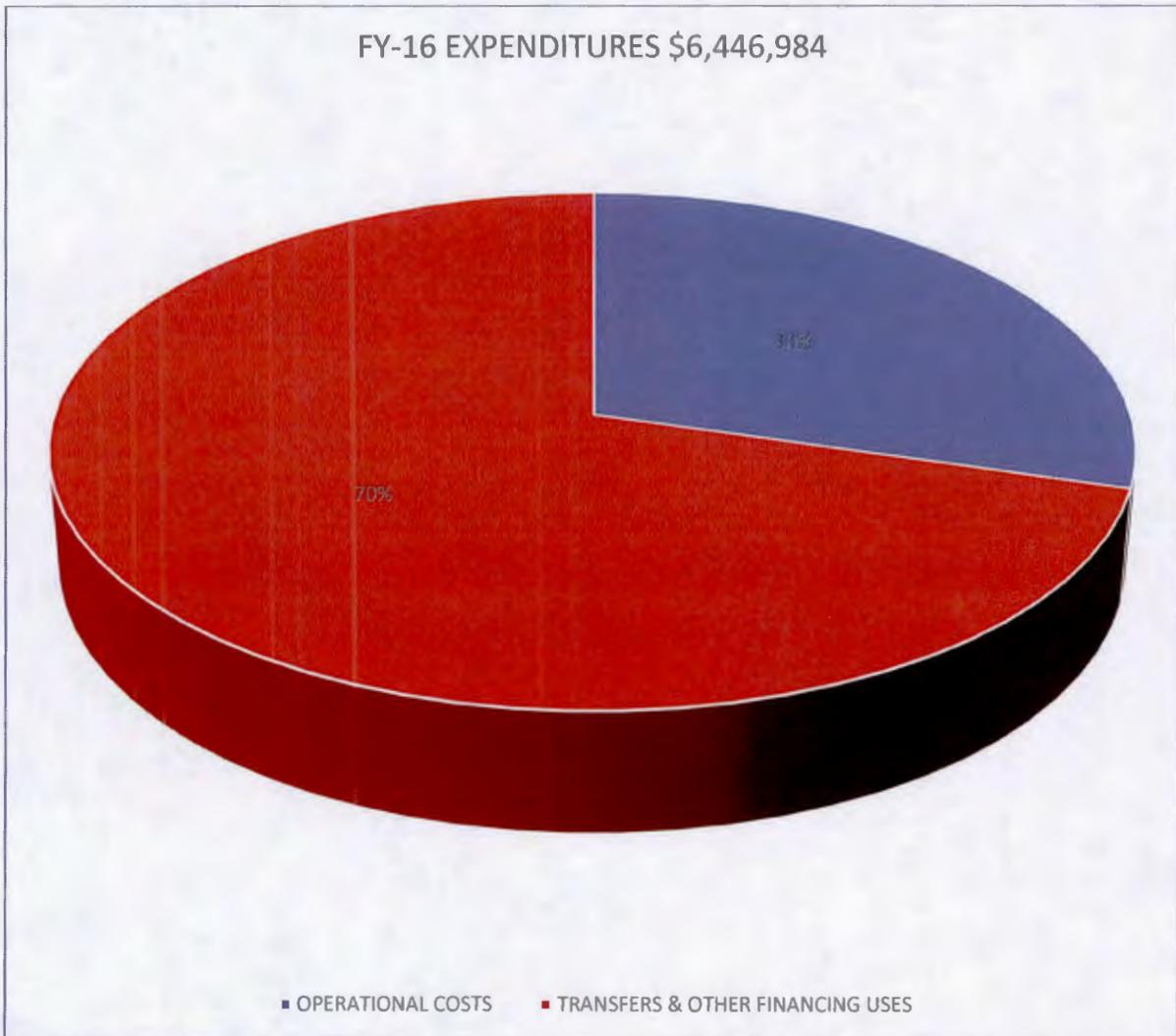




Lake and Peninsula Borough



Expenditures budgeted are based on historical norms and anticipated costs.



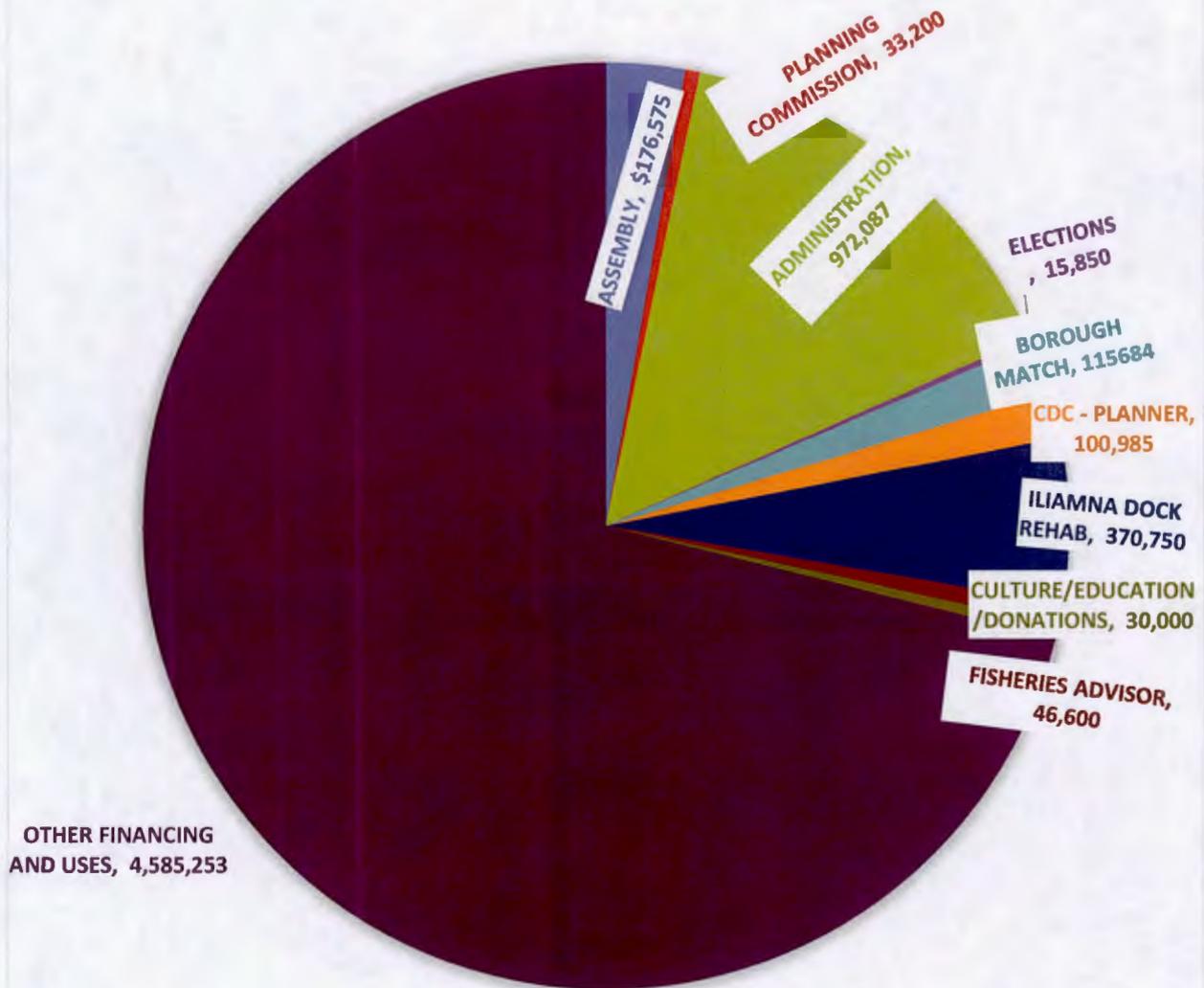
ASSEMBLY	\$ 176,575
PLANNING COMMISSION	33,200
ADMINISTRATION	972,087
ELECTIONS	15,850
BOROUGH MATCH	115,684
CDC - PLANNER	100,985
ILIAMNA DOCK REHAB	370,750
FISHERIES ADVISOR	46,600
CULTURE/EDUCATION/DONATIONS	30,000
OTHER FINANCING AND USES	4,585,253
TOTAL EXPENSE	\$ 6,446,984



Lake and Peninsula Borough



FY-16 EXPENSE BY DEPARTMENT/FUNCTION



OPERATIONAL EXPENSES

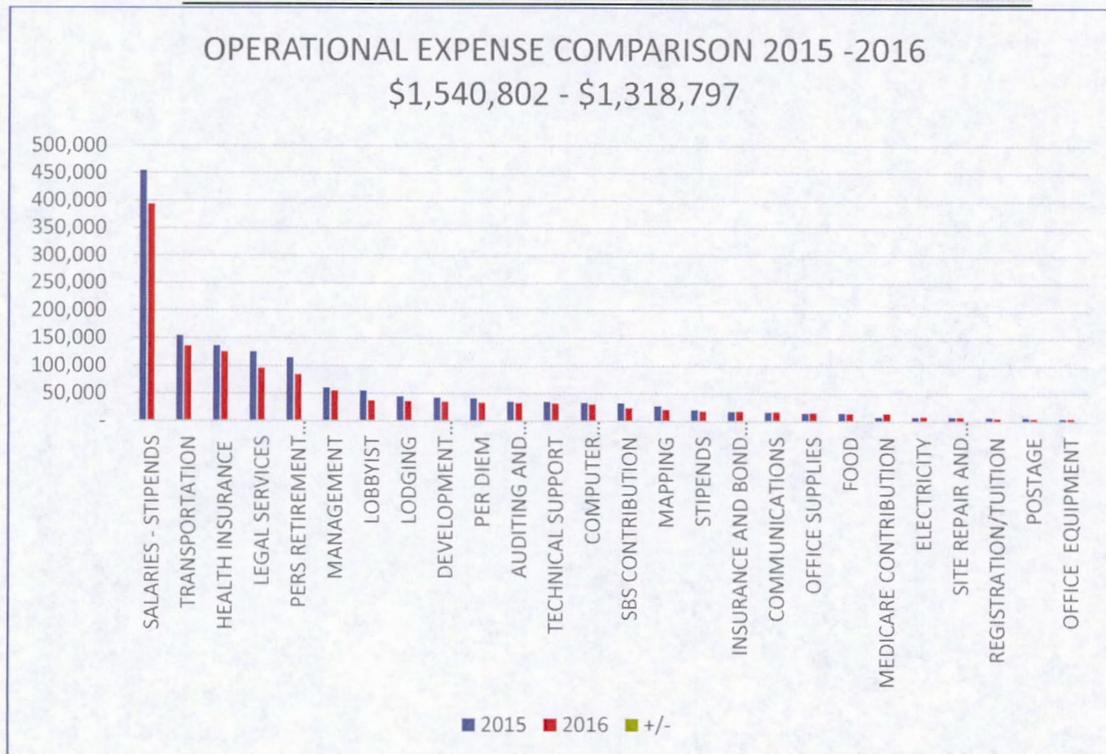
Based on spending patterns of this past year, projections of Borough needs and know obligations, we believe that we can hold spending down in day to day operations without hampering departmental missions or effectiveness. Savings are found through the belief that current Borough staff has the depth of experience that some of the services previously contracted can be handled in house. Savings are also found in coordinating travel with the School District, changes in staff, structural changes with health insurance, and the concluding of lawsuits associated with Pebble.



Lake and Peninsula Borough

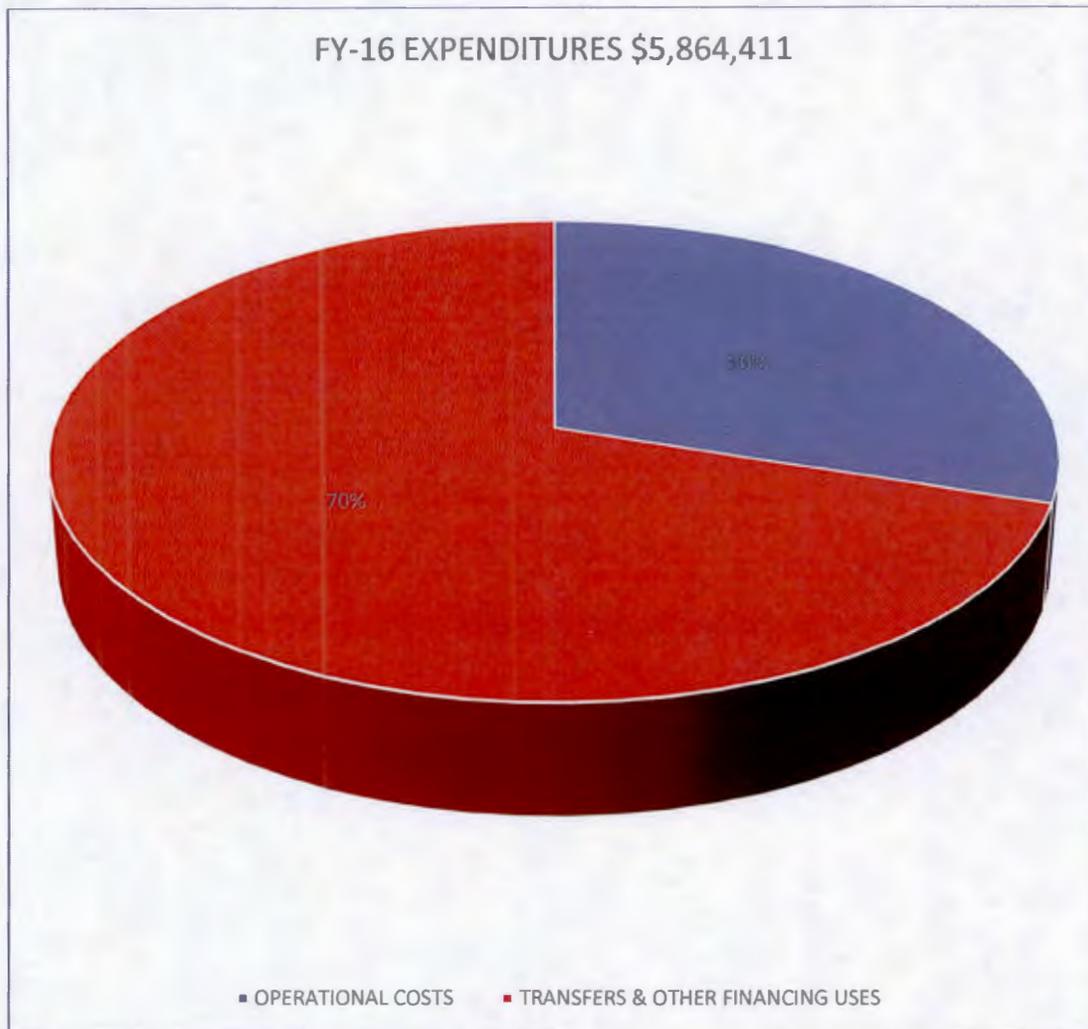


Function	2015	2016	+/-
SALARIES - STIPENDS	454,380	393,224	(61,156)
TRANSPORTATION	154,500	135,845	(18,655)
HEALTH INSURANCE	136,500	125,000	(11,500)
LEGAL SERVICES	125,000	95,870	(29,130)
PERS RETIREMENT CONTRIBUTION	114,720	83,700	(31,020)
MANAGEMENT	60,000	55,000	(5,000)
LOBBYIST	55,000	37,100	(17,900)
LODGING	44,250	36,000	(8,250)
DEVELOPMENT CONSULTANT	42,000	35,000	(7,000)
PER DIEM	41,100	33,070	(8,030)
AUDITING AND ACCOUNTING	35,000	32,500	(2,500)
TECHNICAL SUPPORT	35,000	31,600	(3,400)
COMPUTER HARDWARE/SOFTWARE	33,055	30,000	(3,055)
SBS CONTRIBUTION	32,804	24,096	(8,708)
MAPPING	27,000	21,000	(6,000)
STIPENDS	20,750	18,500	(2,250)
INSURANCE AND BOND PREMIUMS	17,250	18,500	1,250
COMMUNICATIONS	16,000	16,500	500
OFFICE SUPPLIES	14,600	15,210	610
FOOD	14,450	13,990	(460)
MEDICARE CONTRIBUTION	7,788	13,950	6,162
ELECTRICITY	7,500	8,000	500
SITE REPAIR AND MAINTENANCE	7,500	7,700	200
REGISTRATION/TUITION	7,000	5,500	(1,500)
POSTAGE	6,750	5,100	(1,650)
OFFICE EQUIPMENT	5,100	4,943	(157)





Lake and Peninsula Borough



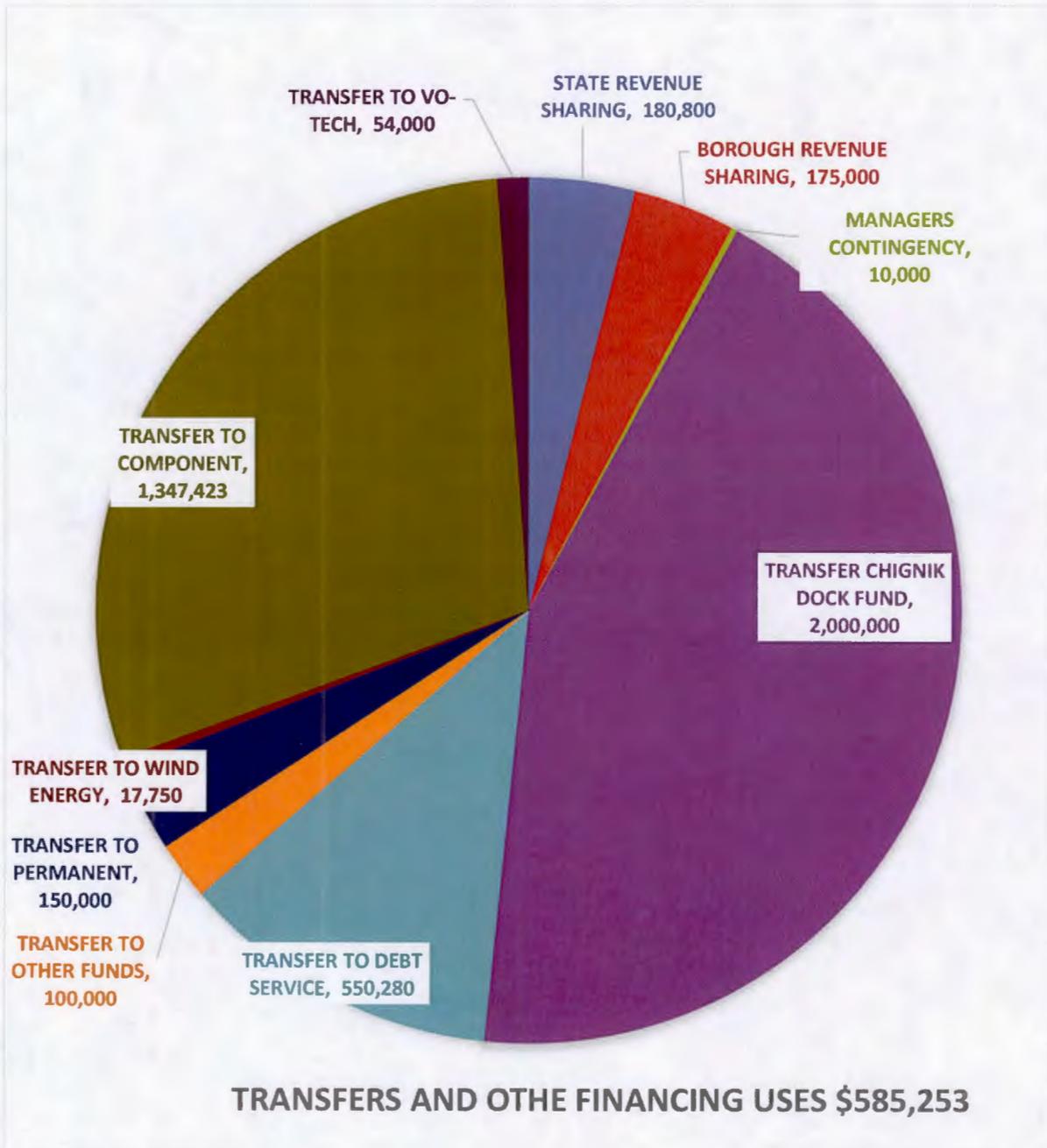
TRANSFERS AND OTHER FINANCING USES

By and large the greatest outflow of funds are from transfers and other financing uses. In this category is support of the school district which include the Borough's appropriation, as requested by the District, support for the career and technical education program, as well as principal and interest payments for school construction bonds. Direct and indirect support for the School District is \$1,721,703 when adjusted for teacher housing rents. Other transfers include the obligatory Code mandated contribution to the Permanent Reserve Fund, revenue sharing to the villages, Capital Project Fund obligation, and obligation for grant matching funds.

\$2 million is included in the transfers for the Chignik dock project. At this writing the Borough does not know when the State Department of Transportation will request these funds. It is possible that the request will come before the end of the current fiscal year. Should that be the case, the budget will need to be amended.



Lake and Peninsula Borough





Lake and Peninsula Borough



PROPOSED FY 2016 BUDGET DETAIL

REVENUE

RAW FISH TAX	\$ 1,500,000
BED TAX	155,000
LICENSES AND PERMITS	5,000
PROFESSIONAL GUIDES	32,000
DEVELOPMENT PERMITS	1,500
LAND USE PERMITS	1,500
TEACHER HOUSING RENTS	330,000
LAND LEASE	30,000
INTEREST	45,000
MARKET GAIN/LOSS	80,000
OTHER LOCAL REVENUES	1,000
PYMT IN LIEU OF DEVELOPMENT	310,000
STATE REVENUE SHARING	408,050
STATE FISHERIES BUSINESS TAX	520,000
SOA SHARED FISH TAX	26,034
ELECTRIC AND TELEPHONE COOP	2,000
OTHER DIRECT FEDERAL	285,000
TRANSFERS FROM GENERAL FUND	2,714,900
TOTAL REVENUE	\$ 6,446,984 ^a

ASSEMBLY	
INSURANCE - LIFE AND HEALTH	\$ 80,000
MEDICARE CONTRIBUTION	175
PERS RETIREMENT CONTRIBUTION	1,200
SBS CONTRIBUTION	750
COMMUNICATIONS	1,350
RENTALS	500
FOOD	8,500
TRANSPORTATION	40,000
REGISTRATION/TUITION	500
STIPENDS	13,000
PER DIEM	17,000
LODGING	13,500
DUES AND FEES	100
	\$ 176,575



Lake and Peninsula Borough



PLANNING COMMISSION	
MEDICARE CONTRIBUTION	\$ 125
SBS CONTRIBUTION	375
FOOD	3,200
TRANSPORTATION	9,500
STIPENDS	5,500
PER DIEM	7,000
LODGING	7,500
	\$ 33,200
ADMINISTRATION	
SALARIES - FULL TIME STAFF	\$ 320,178
INSURANCE - LIFE AND HEALTH	47,400
MEDICARE CONTRIBUTION	4,643
PERS RETIREMENT CONTRIBUTION	70,500
SBS CONTRIBUTION	19,627
PERS SALARY FLOOR CONTRIBUTION	36,000
OTHER EMPLOYEE BENEFITS	2,500
AUDITING AND ACCOUNTING	35,000
LEGAL SERVICES	125,000
ADVERTISING	500
LOBBYIST	55,000
TECHNICAL SUPPORT	15,210
MANAGEMENT	30,000
DEVELOPMENT CONSULTANT	21,000
MAPPING	30,000
ELECTRICITY	8,000
WATER AND SEWAGE	350
COMMUNICATIONS	12,640
OTHER PURCHASED SERVICES	2,500
RENTALS	2,500
OFFICE EQUIPMENT	2,500
SITE REPAIR AND MAINTENANCE	5,500
INSURANCE AND BOND PREMIUMS	18,500
OFFICE SUPPLIES	9,000
COMPUTER HARDWARE/SOFTWARE	25,200
POSTAGE	6,500
VEHICLE EXPENSE	2,500
FOOD	2,000
BOOKS AND PERIODICALS	-
TRANSPORTATION	40,370
REGISTRATION/TUITION	1,500
PER DIEM	4,500
LODGING	7,170
DUES AND FEES	4,500
BANK FEES/CHARGES	2,800
MISCELLANEOUS EXPENSES	1,000
	\$ 972,087



Lake and Peninsula Borough



ELECTIONS	
ADVERTISING	\$ 500
OFFICE SUPPLIES	7,500
COMPUTER HARDWARE/SOFTWARE	6,400
POSTAGE	1,200
FOOD	250
	\$ 15,850

ECONOMIC DEVELOPMENT	
BOROUGH MATCH	\$ 115,684
IMPROVEMENTS OTHER THAN BUILDINGS	-
	\$ 115,684

PLANNER	
SALARIES - FULL TIME STAFF	\$ 54,546
INSURANCE - LIFE AND HEALTH	8,445
PERS RETIREMENT CONTRIBUTION	12,000
SBS CONTRIBUTION	3,344
MAPPING	2,500
COMPUTER HARDWARE/SOFTWARE	5,500
TRANSPORTATION	5,000
REGISTRATION/TUITION	1,500
PER DIEM	3,100
LODGING	4,300
DUES AND FEES	500
MISCELLANEOUS EXPENSES	250
	\$ 100,985

ILIAMNA DOCK REHAB	
ENGINEERING AND ARCHITECT	\$ 20,750
IMPROVEMENTS OTHER THAN BUILDINGS	350,000
	\$ 370,750

FISHERIES ADVISOR	
ADVISORY/CONSULTANT	\$ 45,000
TRANSPORTATION	1,000
LODGING	600
	\$ 46,600

DONATIONS	
SA VAC DONATION	\$ 25,000
VISITORS CENTER DONA TION	5,000
	\$ 30,000



Lake and Peninsula Borough



OTHER FINANCING AND USES	
STATE REVENUE SHARING	\$ 180,800
BOROUGH REVENUE SHARING	175,000
MANAGERS CONTINGENCY	10,000
TRANSFER CHIGNIK DOCK FUND	2,000,000
TRANSFER TO DEBT SERVICE	550,280
TRANSFER TO PERMANENT	150,000
TRANSFER TO WIND ENERGY	17,750
TRANSFER TO COMPONENT	1,347,423
TRANSFER TO VO-TECH PR	54,000
	\$ 4,485,253
TOTAL EXPENSE	\$ 6,446,984