

Proposed by:	Finance Committee
Attorney Review:	09/13/2018
Finance Review:	09/06/2018
First Reading:	09/20/2018
Second Reading:	10/04/2018
Vote:	6 Aye    0 Nay    0 Absent

## **MUNICIPALITY OF SKAGWAY, ALASKA**

### **ORDINANCE NO. 18-17**

#### **AN ORDINANCE OF THE MUNICIPALITY OF SKAGWAY, ALASKA AMENDING THE FY18 GENERAL FUND, DEBT SERVICE (BOND) FUND, CAPITAL PROJECTS FUND, SALES TAX FUND, AND COMMERCIAL PASSENGER VESSEL (CPV) EXCISE TAX FUND BUDGETS TO ACCOUNT FOR EXPENDITURES RELATED TO CERTAIN MUNICIPAL PROJECTS AND TO REFLECT BOND PAYMENTS.**

**WHEREAS**, the Waste Water Odor Control design proposal by HDR was approved by Assembly at the January 18, 2018 meeting, not to exceed \$144,570. The Municipality has completed an odor control study and successful pilot program, and this is the next step for this project. The FY18 budget includes \$30,000 for this project, so additional funding is required; and

**WHEREAS**, Commercial Passenger Vessel (CPV) excise tax is an appropriate funding source for the Waste Water Odor Control design project due to the effects of the high volume of waste water during times when cruise vessels are in port, and as this service benefits the passengers and/or the vessels and further addresses the impacts of cruise ships, the cruise ship passengers and cruise ship crews on municipal services that would otherwise not be needed but for the cruise ships and/or the cruise ship passengers and crew, as evidenced in the report, "Allocating Commercial Passenger Vessel Excise Tax Revenues" dated May 19, 2008, and the report, "Estimating 2016 Cruise Ship Visitor Impact" dated March 31, 2017; and

**WHEREAS**, the Water service extension design proposal by PDC was approved by Assembly at the March 1, 2018 meeting, for \$209,078. This design would build on an existing design for water installation to U.S. Customs housing and extend the design to the DOT&PF shops. There was no amount included for this project in the FY18 Capital Projects Fund budget so funding must be added; and

**WHEREAS**, the Garden City RV Park Upgrade needs were unknown at budget time. Due to numerous septic issues, Public Works has spent several man hours making improvements to the system as well as other aspects of the park. Park revenues were higher than expected and available to cover these additional costs; and

**WHEREAS**, the Enhanced 911 system and installation were approved by Assembly on November 10, 2016 as part of the Public Safety Facility radio purchase through ProComm, not to exceed \$516,886.16. Due to unforeseen timing conflicts, the Enhanced 911 portion of the project was not installed until the end of FY18. There was no amount included for this project in the FY18 adopted capital projects budget; and

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**WHEREAS**, during the refunding process for the 2008 Clinic bond, a portion of the principal was not refunded which resulted in an additional payment in FY18 to pay off the debt service; a transfer from the Sales Tax Fund to the Bond Fund is needed to reflect this unrefunded portion;

**NOW THEREFORE, BE IT ORDAINED AND ENACTED BY THE MUNICIPALITY OF SKAGWAY, ALASKA AS FOLLOWS:**

**Section 1. Classification.** This is a non-code ordinance.

**Section 2. Purpose.** To amend the FY18 General Fund, Debt Service (Bond) Fund, Capital Projects Fund, Sales Tax Fund, and Commercial Passenger Vessel (CPV) Excise Tax Fund budgets to account for expenditures related to certain municipal projects and to reflect bond payments.

**Section 3. Amendment.** The FY18 Municipality of Skagway Budget is hereby amended as follows:

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<b>FUND</b>	<b>AMOUNT</b>	<b>FROM</b>	<b>TO</b>
<b>GENERAL FUND</b>			
RV Park Revenues	16,000	200,000	216,000
<b>Total Revenue &amp; Transfers In</b>	<b>16,000</b>	<b>7,390,565</b>	<b>7,406,565</b>
Transfer to Capital Projects Fund	16,000	120,000	136,000
<b>Total Expense &amp; Transfers Out</b>	<b>16,000</b>	<b>7,390,565</b>	<b>7,406,565</b>
surplus/(deficit)	-	-	-
<b>DEBT SERVICE (BOND) FUND</b>			
Transfer from Sales Tax	131,700	1,565,794	1,697,494
<b>Total Revenue &amp; Transfers In</b>	<b>131,700</b>	<b>1,666,916</b>	<b>1,798,616</b>
Clinic Bond - unrefunded old bond	131,700	249,100	380,800
<b>Total Expense &amp; Transfers Out</b>	<b>131,700</b>	<b>1,666,916</b>	<b>1,798,616</b>
surplus/(deficit)	-	-	-
<b>CAPITAL PROJECTS FUND</b>			
Transfer from General Fund	16,000	120,000	136,000
Transfer from Excise Tax Fund	48,000	517,000	565,000
Transfer from Sales Tax Fund	154,200	1,354,293	1,508,493
<b>Total Revenue &amp; Transfers In</b>	<b>218,200</b>	<b>6,633,652</b>	<b>6,851,852</b>
RV Park Upgrades	16,000	120,000	136,000
WWTP Odor Control System	48,000	30,000	78,000
Water Service Expansion	26,200	-	26,200
911 Enhanced System	128,000	20,000	148,000
<b>Total Expense &amp; Transfers Out</b>	<b>218,200</b>	<b>6,633,652</b>	<b>6,851,852</b>
surplus/(deficit)	-	-	-
<b>SALES TAX FUND</b>			
<i>no revenue- reduction in reserves</i>	-	-	-
<b>Total Revenue &amp; Transfers In</b>	<b>-</b>	<b>7,404,880</b>	<b>7,404,880</b>
Transfer to Bond	131,700	1,565,794	1,697,494
Transfer to Capital Projects Fund	154,200	1,354,293	1,508,493
<b>Total Expense &amp; Transfers Out</b>	<b>285,900</b>	<b>7,558,091</b>	<b>7,843,991</b>
surplus/(deficit)	(285,900)	(153,211)	(439,111)
<b>CPV EXCISE TAX FUND</b>			
<i>no revenue- reduction in reserves</i>	-	-	-
<b>Total Revenue &amp; Transfers In</b>	<b>-</b>	<b>4,300,000</b>	<b>4,300,000</b>
Transfer to Capital Projects Fund	48,000	517,000	565,000
<b>Total Expense &amp; Transfers Out</b>	<b>48,000</b>	<b>3,994,357</b>	<b>4,042,357</b>
surplus/(deficit)	-	305,643	257,643

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**Section 4. Effective Date.** This ordinance shall become effective immediately upon adoption.

**PASSED AND APPROVED** by a duly constituted quorum of the Borough Assembly of the Municipality of Skagway this 4<sup>th</sup> day of October, 2018.

  
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Monica Carlson, Mayor

ATTEST:



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Emily A. Deach, CMC  
Borough Clerk

(SEAL)

