

Introduced by: Nash
Date: Feb. 17, 1987
Hearing: Mar. 17, 1987
Vote: 14 No, 1 Yes
Action: FAILED

KENAI PENINSULA BOROUGH

ORDINANCE 87-11

AMENDING KPB CHAPTER 5.04 TO PROVIDE FOR ANNUAL BUDGETS WITH FIVE YEAR PROJECTIONS, CHARGING OF CENTRAL ADMINISTRATIVE COSTS FOR SCHOOLS, SERVICE AREAS, GRANTS AND NON-GENERAL FUND PROGRAMS TO THOSE BUDGET ACCOUNTS BY COST ALLOCATION WHERE ACTUAL COSTS CANNOT BE DETERMINED, AND PROVIDING FOR BUDGETING BY FUNCTION OR PROGRAM RATHER THAN BY LINE ITEM.

WHEREAS, annual budgeting can result in significant unanticipated increases in property taxes because of the failure to consider changes in anticipated program expenditures or reduced revenues; and

WHEREAS, the recipients of specific services should pay therefore; and

WHEREAS, the adoption of a cost allocation plan method of distributing costs which cannot be determined by actual time and expense records is the most expeditious;

NOW THEREFORE, BE IT ORDAINED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

Section 1. That KPB 5.04.020 is amended to read as follows:

5.04.020 Budget proposal--Presented when--
-Contents--Borough mayor responsibility. A. During or
prior to the [EIGHTH WEEK PRECEDING THE FIRST DAY OF
THE FISCAL] first meeting in May of each year, the
borough mayor shall present to the assembly a budget
proposal for the next fiscal year and budget projec-
tions for the next five years.

B. The [SUCH] budget proposal for the next
fiscal year and the five year projection shall set
forth the borough mayor's recommendations for and an
analysis of the anticipated sources and amounts of
income and expenditures of the borough during [THE NEXT
FISCAL YEAR] said periods by department and by major
administrative unit by function or program supported by
a detailed narrative and by service area and shall
include a central services cost allocation, except for
assembly and clerks functions other than for elections,
of the various costs projected to be incurred by the
borough to support and/or administer the borough
schools, service areas, grants, cities and non-general
fund programs, to be based on the previous year expen-
ditures where the actual current year costs cannot
reasonably be anticipated.

C. The annual budget proposal shall be presented together with comparative figures showing the estimated corresponding amounts for the current year and comparisons with the previous [YEAR] two years where available.

D. The proposed expenditures set forth in the budget proposal shall not exceed projected revenues of the borough.

E. Unencumbered funds remaining at the end of the current fiscal year [MAY BE REALLOCATED FOR PURPOSES SET FORTH IN THE BUDGET PROPOSAL] shall lapse into the general fund except where otherwise provided by law.

Section 2. That KPB 5.04 is amended by adding a new section 5.04.095 to read as follows:

5.04.095 Appropriations--Charging expenditures.

A. Expenditures during the fiscal year shall be charged against the unencumbered balances of the appropriate budget accounts.

B. Central services costs incurred by the borough, except for assembly and clerks functions other than for elections, to support and/or administer the borough schools, service areas, grants, and non-general fund programs, which cannot reasonably be determined by actual time and expense methods, shall be allocated to the appropriate budget accounts on the basis of the most current cost allocation plan permitted by law, if any.

C. Central services costs incurred by the borough, except for assembly and clerks functions other than for elections, to support and/or administer tax collection, enforcement foreclosure and funds administration and transmittal, planning and/or zoning and other programs directly benefiting the cities, which cannot reasonably be determined by actual time and expense methods, shall be allocated to the cities and deducted from funds or monies owed to them on the basis of the most current cost allocation plan permitted by law, if any.

Section 3. That KPB 5.05.100(B) is hereby amended to read as follows:

B. The borough mayor may transfer unencumbered balances between [LINE ITEMS] functions or programs of major administrative units within a major classification or department. Such transfer [SHALL] should be

reported to the next regular or special meeting of the assembly.

Section 4. That section 1 of this ordinance shall take effect immediately upon enactment.

Section 5. That sections 2 and 3 of this ordinance shall take effect at 12:01 o'clock on July 1, 1987.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH ON THIS _____ DAY OF _____, 1987.

Jonathan W. Sewall, Assembly President

ATTEST:

Borough Clerk

Nash amendment to make Section 2. effective 7/1/88 was adopted by unanimous consent.

