

PROGRAM BUDGET SUMMARY

FINANCIAL SERVICES DEPARTMENT SUMMARY

Mission/Program Description

This Department's Mission Statement is: **TO PROVIDE ABSOLUTE ACCOUNTABILITY FOR LEGALLY AUTHORIZED USE OF BOROUGH FUNDS AND APPROVED REVENUES.**

The Department of Financial Services manages the centralized accounting, treasury and budget functions, and disbursement of state grants for child care financial assistance, child care information and referrals, and other health and social service agencies within the Borough.

Major Long-Term Issues and Concerns

The Governmental Accounting Standards Board (GASB), in June 1999, issued Statement No. 34 (GASB 34), "*Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments.*" For the Borough, GASB 34 is effective for the fiscal year beginning July 1, 2002. Existing employees have been selected to staff a special GASB 34 implementation team; other existing employees and to-be-hired term-permanent employees will fill the resulting management and staff voids. Planning, workload, and management for the monumental GASB 34 implementation will be tremendous. In addition, the Accounting Division will be managed and staffed mostly by individuals who will be acting in new positions or will be new (term-permanent) Borough employees.

The Financial Services Department, with assistance and consultation from other departments, conducted an assessment and made recommendations regarding meeting the financial management system needs of the Borough, now and in the future. After the GASB 34 implementation is substantially complete, the Borough should begin the process of determining if a new financial management system with Enterprise Resource Planning (ERP) functionality could benefit the Borough. A system with ERP functionality promises more and better information and greater efficiency. Such a system should be able to integrate and automate most business processes and share information enterprise-wide in real time. Data for benchmarking, or for service efforts and accomplishments reporting and other performance measures, would be more accessible. This type of data is in the process of evolving from being desirable to some day being required. While such a system could potentially provide great benefits, a tremendous effort would be required Borough-wide to analyze needs, define best practices requirements, evaluate and choose a system, re-engineer business practices, train users, implement the system, and of course, fund such a system.

See further discussion at the divisional level.

Objectives for FY 2003

See discussions at the divisional level.

Significant Budget Changes

See discussions at the divisional level.

Previous Year's Accomplishments

- The Accounting Division received its 13th Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association for the FY 2000 CAFR.
- The Treasury/Budget Division received its 13th Distinguished Budget Presentation Award from the Government Financial Officers Association for the FY 2002 Budget.
- See further discussion at the divisional level.
- The Department of Financial Service's dynamic webpage that includes access to all departmental information, Comprehensive Annual Financial Statements, and Budget documents.

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**Dept: Financial Services
Departmental Summary**

	1999/00 Actual	2000/01 Actual	2001/02 Approved	2001/02 Revised	2002/03 Recommended	2002/03 Approved
PERSONNEL SERVICES						
Permanent Salaries	1,666,057	1,769,365	1,488,840	1,488,840	1,587,960	1,587,960
Overtime Wages	7,673	9,729	18,490	18,490	18,490	18,490
Temporary Salaries	35,277	37,576	45,370	45,370	45,710	45,710
Benefits	651,862	727,535	632,990	632,990	651,750	651,750
Subtotal:	2,360,869	2,544,205	2,185,690	2,185,690	2,303,910	2,303,910
COMMODITIES						
Office Supplies	23,229	23,593	25,140	24,940	25,340	25,340
Computer Supplies	-	5,194	1,950	1,950	2,100	2,100
Operating Supplies	3,120	5,299	3,000	3,000	3,000	3,000
Books and Periodicals	8,927	8,191	6,370	6,370	6,980	6,980
Repair and Maint. Supplies	-	297	-	-	-	-
Clothing Supplies	-	-	-	-	-	-
Motor Fuels and Lubricants	1,266	638	-	-	-	-
Equipment Parts	-	-	-	-	-	-
Subtotal:	36,542	43,212	36,460	36,260	37,420	37,420
CONTRACTUAL SERVICES						
Professional Services	91,399	106,053	23,050	23,250	28,150	28,150
Communications	963	2,318	1,620	1,620	2,120	2,120
Travel	4,419	4,001	4,220	6,320	4,850	4,850
Professional Dues/Meetings	4,026	3,940	3,330	3,330	3,420	3,420
Training	33,990	29,636	26,100	26,100	30,890	30,890
Advertising, Printing & Binding	19,679	21,917	23,460	23,460	25,910	25,910
Insurance and Bonding	891,683	733,475	-	-	-	-
Repairs & Maint. -Bldg. & Grounds	6,052	7,059	6,550	6,550	6,550	6,550
Repairs & Maint. -Office Equipment	2,359	1,848	3,010	3,094	4,310	4,310
Repairs & Maint. -Other Equipment	1,055	2,000	-	-	-	-
Rent	-	-	-	-	-	-
Utilities	4,550	4,985	6,050	6,050	6,050	6,050
Equipment Leases	3,220	3,220	1,080	996	-	-
Other Contractual Services	2,367,849	2,229,887	2,971,380	3,436,560	2,869,200	2,869,200
Subtotal:	3,431,244	3,150,339	3,069,850	3,537,330	2,981,450	2,981,450
Grants Local Match & Indirect Costs	-	-	-	-	203,950	203,950
CAPITAL OUTLAY						
Buildings & Structures	-	-	-	-	-	-
Road Construction	-	-	-	-	-	-
Office Furniture	590	-	-	-	-	-
Office Equipment	12,851	11,097	-	-	-	-
Rolling Equipment	-	-	-	-	-	-
Machinery & Equipment	990	766	-	-	-	-
Land & Land Improvements	-	-	-	-	-	-
Library Materials	-	-	-	-	-	-
Leasehold Improvements	-	-	-	-	-	-
Other Capital Items	-	-	-	-	-	-
Subtotal:	14,431	11,863	-	-	-	-
GRAND TOTAL:	5,843,086	5,749,619	5,292,000	5,759,280	5,526,730	5,526,730
FUNDING SOURCES:						
General Fund Revenues						
State Grants for Child Care/HSS						3,356,070

Beginning in FY 2002 Risk Management is budgeted in the Human Resources Department

PROGRAM BUDGET SUMMARY

FINANCIAL SERVICES – ADMINISTRATIVE DIVISION

Mission/Program Description

Serve as an advisor to the Mayor and to the Assembly regarding fiscal management of the general operational budget and projects having a financial impact to the Borough. Coordinate the Treasury/Budget, Accounting, and Child Care divisions to implement special projects and oversee normal operational procedures. Ensure that Borough financial practices are in compliance with Borough policies and state and federal law.

Major Long-Term Issues and Concerns

The Governmental Accounting Standards Board (GASB), in June 1999, issued Statement No. 34 (GASB 34) which established broad new financial reporting requirements for state and local governments throughout the United States. The requirements of GASB 34 are effective for the Borough for FY 2003, beginning July 1, 2002. Requirements and resources to implement GASB 34 will be considerable, and will require a significant level of assistance from many other Borough departments.

Due to the re-assignment of Financial Services Administration and Accounting Division managers and staff to the GASB 34 implementation project, resources available for research and other special projects and reports will be minimal or non-existent.

To meet ever-increasing reporting and efficiency requirements, the Borough needs a fully integrated financial management system and related business process re-engineering. This undertaking will require a tremendous effort Borough-wide and should begin as soon as the GASB 34 implementation is completed.

The need continues to exist to find a stable method of funding major maintenance for Borough facilities.

Objectives for FY 2003

- Support the implementation of GASB 34.
- Give extra support to the Accounting Division while senior managers are re-assigned to the GASB 34 implementation project.
- Prepare for a \$11.4 million 2003 bond sale: analysis, presentations, and Official Statement.
- Continue efforts toward achieving better information dissemination to the public, including developing more “popular” reports and expanding and improving the Financial Services webpage.

Significant Budget Changes

The FY 2003 budget reflects a net increase in personnel costs due to cost of living adjustments and normal union and management longevity.

Previous Year’s Accomplishments

- Played the lead role in assessing and making recommendations regarding the Borough’s financial management system.
- Updated the Budget Preparation Guide and made budget process changes to improve workflows.
- New summary trifold budgets were distributed and put on the Financial Services webpage. The Borough’s Comprehensive Annual Financial Report (CAFR) was also added to the webpage.
- Assisted with resolution of the APEA’s grievance regarding health care benefits and the health care contingency reserve fund.
- Assisted the Accounting Division with oversight of audit preparation, communications with the external auditors, and CAFR preparation.
- Selected a GASB 34 implementation team, completed various courses on GASB 34 requirements, and began initial project planning for the implementation of GASB 34.

Dept: Financial Services
Div: Administration

	1999/00 Actual	2000/01 Actual	2001/02 Approved	2001/02 Revised	2002/03 Recommended	2002/03 Approved
PERSONNEL SERVICES						
Permanent Salaries	182,830	189,406	195,700	195,700	207,250	207,250
Overtime Wages	-	-	2,040	2,040	2,040	2,040
Temporary Salaries	2,065	2,808	2,000	2,000	2,000	2,000
Benefits	72,257	77,907	82,650	82,650	84,530	84,530
Subtotal:	<u>257,152</u>	<u>270,121</u>	<u>282,390</u>	<u>282,390</u>	<u>295,820</u>	<u>295,820</u>
COMMODITIES						
Office Supplies	2,096	2,517	1,800	1,600	2,000	2,000
Computer Supplies	-	1,025	250	250	400	400
Operating Supplies	-	-	-	-	-	-
Books and Periodicals	558	541	700	700	700	700
Repair and Maint. Supplies	-	-	-	-	-	-
Clothing Supplies	-	-	-	-	-	-
Motor Fuels and Lubricants	-	-	-	-	-	-
Equipment Parts	-	-	-	-	-	-
Subtotal:	<u>2,654</u>	<u>4,083</u>	<u>2,750</u>	<u>2,550</u>	<u>3,100</u>	<u>3,100</u>
CONTRACTUAL SERVICES						
Professional Services	235	1,000	-	3,200	3,200	3,200
Communications	11	139	200	200	300	300
Travel	783	-	1,000	1,000	1,630	1,630
Professional Dues/Meetings	904	689	640	640	730	730
Training	6,342	6,997	4,950	4,950	8,500	8,500
Advertising, Printing & Binding	83	-	250	250	250	250
Insurance and Bonding	-	-	-	-	-	-
Repairs & Maint. -Bldg. & Grounds	-	-	-	-	-	-
Repairs & Maint. -Office Equipment	-	-	-	-	-	-
Repairs & Maint. -Other Equipment	-	-	-	-	-	-
Rent	-	-	-	-	-	-
Utilities	-	-	-	-	-	-
Equipment Leases	-	-	-	-	-	-
Other Contractual Services	-	-	-	-	-	-
Subtotal:	<u>8,358</u>	<u>8,825</u>	<u>7,040</u>	<u>10,240</u>	<u>14,610</u>	<u>14,610</u>
Grants Local Match & Indirect Costs	-	-	-	-	-	-
CAPITAL OUTLAY						
Buildings & Structures	-	-	-	-	-	-
Road Construction	-	-	-	-	-	-
Office Furniture	-	-	-	-	-	-
Office Equipment	5,433	-	-	-	-	-
Rolling Equipment	-	-	-	-	-	-
Machinery & Equipment	-	-	-	-	-	-
Land & Land Improvements	-	-	-	-	-	-
Library Materials	-	-	-	-	-	-
Leasehold Improvements	-	-	-	-	-	-
Other Capital Items	-	-	-	-	-	-
Subtotal:	<u>5,433</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
GRAND TOTAL:	<u><u>273,597</u></u>	<u><u>283,029</u></u>	<u><u>292,180</u></u>	<u><u>295,180</u></u>	<u><u>313,530</u></u>	<u><u>313,530</u></u>
FUNDING SOURCE:						
General Fund Revenues						

PROGRAM BUDGET SUMMARY

FINANCIAL SERVICES – ACCOUNTING DIVISION

Mission/Program Description

The Accounting Division's purpose is to plan, organize, coordinate, and administer the Borough's accounting function (including general ledger, accounts payable, grants, and cash reconciliation) on a timely and accurate basis, in accordance with generally accepted accounting principles, contracts, regulatory, and grantor requirements and maintain a "clean" opinion on the Borough's financial statements, continue conforming with the Government Finance Officers Association's (GFOA) Certificate of Achievement requirements, and keep single audit findings and questioned costs to a minimum.

The Division maintains complete and accurate accounting records; balances and reconciles general ledger accounts with subledgers and source documents, including bank statements; reviews and complies with federal, state, and local laws, statutes, and regulations of a financial nature; oversees the annual and single audits of the Borough's financial and grant records; prepares the Comprehensive Annual Financial Report (CAFR) and Single Audit Reports; tests and implements the ongoing, periodic updates to the financial management system (Bi-Tech's IFAS); advises the Chief Financial Officer on accounting and related matters; supports the Treasury/Budget and Administration divisions with the Borough's annual operating budget; responds to accounting-related inquiries and requests from Borough departments, Assembly members, outside agencies, Service Area Commissioners, and individual citizens; attends and conducts workshops and training sessions to ensure staff are competent to maintain accurate financial records, to improve efficiency, and to stay current with all legislative and financial actions affecting the Borough.

Major Long-Term Issues and Concerns

The proliferation of new mandates and constant changes to compliance requirements continues to stretch available personnel and fiscal resources of the Accounting Division.

Objectives for FY 2003

Implement GASB 34 for the Borough's FY 2003 financial statements.

Significant Budget Changes

The FY 2003 budget reflects a net increase in personnel costs due to cost of living adjustments, normal union and management longevity, and a union reclassification.

Previous Year's Accomplishments

- Earned the Borough's thirteenth "Certificate of Achievement for Excellence in Financial Reporting" from GFOA for the FY 1999-2000 CAFR.
- Maintained timely and accurate accounting records: 623 line-item accounts maintained in 787 active cost centers in 32 funds; 2,844 purchase orders reviewed; 1,274 manual transactions processed; 192 bank accounts reconciled; 5,406 fixed assets tracked; 24,953 invoiced purchases processed for payment; 217 check runs processed; 21,946 payments made.
- Complied with all laws, regulations, and contracts of a financial nature; filed all reports and returns to the IRS (15), State of Alaska (22), grantors (1,080), APOC (4), vendors (433), other third parties, and the Borough Mayor's Office and Assembly (16); prepared and issued the FY2001 CAFR (200⁺ audit tasks and schedules; 105 statements, tables, schedules, and notes published).
- Completed the transfer, transition, and financial reporting of all solid waste disposal assets, liabilities, reserve funds, projects, functions and activities from several funds and the account groups to a single enterprise fund.
- For the implementation of GASB 34: with other departments, began identification and valuation of all the Borough's capital assets; began the search, evaluation, selection, and implementation of a new fixed assets system.

Dept: Financial Services
Div: Accounting

	1999/00 Actual	2000/01 Actual	2001/02 Approved	2001/02 Revised	2002/03 Recommended	2002/03 Approved
PERSONNEL SERVICES						
Permanent Salaries	669,660	719,805	637,190	637,190	669,720	669,720
Overtime Wages	1,496	2,587	11,540	11,540	11,540	11,540
Temporary Salaries	18,104	9,363	22,210	22,210	22,210	22,210
Benefits	252,037	297,319	272,690	272,690	276,660	276,660
Subtotal:	941,297	1,029,074	943,630	943,630	980,130	980,130
COMMODITIES						
Office Supplies	7,802	7,926	9,470	9,470	9,470	9,470
Computer Supplies	-	100	600	600	600	600
Operating Supplies	-	-	-	-	-	-
Books and Periodicals	3,753	4,493	3,790	3,790	4,400	4,400
Repair and Maint. Supplies	-	-	-	-	-	-
Clothing Supplies	-	-	-	-	-	-
Motor Fuels and Lubricants	-	-	-	-	-	-
Equipment Parts	-	-	-	-	-	-
Subtotal:	11,555	12,519	13,860	13,860	14,470	14,470
CONTRACTUAL SERVICES						
Professional Services	4,281	-	3,000	-	3,000	3,000
Communications	58	107	180	180	180	180
Travel	13	-	50	50	50	50
Professional Dues/Meetings	1,145	1,105	1,220	1,220	1,220	1,220
Training	12,133	11,978	11,400	11,400	11,560	11,560
Advertising, Printing & Binding	160	4,160	5,030	5,030	3,410	3,410
Insurance and Bonding	-	-	-	-	-	-
Repairs & Maint. -Bldg. & Grounds	-	-	-	-	-	-
Repairs & Maint. -Office Equipment	-	-	300	300	300	300
Repairs & Maint. -Other Equipment	-	-	-	-	-	-
Rent	-	-	-	-	-	-
Utilities	-	-	-	-	-	-
Equipment Leases	-	-	-	-	-	-
Other Contractual Services	1,440	-	-	-	-	-
Subtotal:	19,230	17,350	21,180	18,180	19,720	19,720
Grants Local Match & Indirect Costs	-	-	-	-	-	-
CAPITAL OUTLAY						
Buildings & Structures	-	-	-	-	-	-
Road Construction	-	-	-	-	-	-
Office Furniture	590	-	-	-	-	-
Office Equipment	-	-	-	-	-	-
Rolling Equipment	-	-	-	-	-	-
Machinery & Equipment	-	-	-	-	-	-
Land & Land Improvements	-	-	-	-	-	-
Library Materials	-	-	-	-	-	-
Leasehold Improvements	-	-	-	-	-	-
Other Capital Items	-	-	-	-	-	-
Subtotal:	590	-	-	-	-	-
GRAND TOTAL:	972,672	1,058,943	978,670	975,670	1,014,320	1,014,320
FUNDING SOURCE:						
General Fund Revenues						

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**Dept: Financial Services
Div: Child Care**

	1999/00 Actual	2000/01 Actual	2001/02 Approved	2001/02 Revised	2002/03 Recommended	2002/03 Approved
PERSONNEL SERVICES						
Permanent Salaries	267,250	297,295	343,410	343,410	388,530	388,530
Overtime Wages	406	3,090	240	240	240	240
Temporary Salaries	3,564	13,532	8,640	8,640	8,640	8,640
Benefits	108,036	121,586	144,150	144,150	157,500	157,500
Subtotal:	379,256	435,503	496,440	496,440	554,910	554,910
COMMODITIES						
Office Supplies	7,341	7,504	9,950	9,950	9,950	9,950
Computer Supplies	-	3,869	800	800	800	800
Operating Supplies	247	1,831	3,000	3,000	3,000	3,000
Books and Periodicals	288	539	-	-	-	-
Repair and Maint. Supplies	-	227	-	-	-	-
Clothing Supplies	-	-	-	-	-	-
Motor Fuels and Lubricants	-	-	-	-	-	-
Equipment Parts	-	-	-	-	-	-
Subtotal:	7,876	13,970	13,750	13,750	13,750	13,750
CONTRACTUAL SERVICES						
Professional Services	-	8,375	-	-	-	-
Communications	517	1,139	300	300	300	300
Travel	2,885	3,644	2,600	4,700	2,600	2,600
Professional Dues/Meetings	519	776	800	800	800	800
Training	2,694	6,038	5,050	5,050	6,130	6,130
Advertising, Printing & Binding	545	3,287	2,250	2,250	2,250	2,250
Insurance and Bonding	-	-	-	-	-	-
Repairs & Maint. -Bldg. & Grounds	6,052	7,059	6,550	6,550	6,550	6,550
Repairs & Maint. -Office Equipment	2,359	1,453	2,360	2,444	2,360	2,360
Repairs & Maint. -Other Equipment	55	-	-	-	-	-
Rent	-	-	-	-	-	-
Utilities	4,550	4,985	6,050	6,050	6,050	6,050
Equipment Leases	-	-	1,080	996	-	-
Other Contractual Services	2,305,265	2,160,206	2,914,290	3,379,470	2,810,340	2,810,340
Subtotal:	2,325,441	2,196,962	2,941,330	3,408,610	2,837,380	2,837,380
Grants Local Match & Indirect Costs	-	-	-	-	203,960	203,960
CAPITAL OUTLAY						
Buildings & Structures	-	-	-	-	-	-
Road Construction	-	-	-	-	-	-
Office Furniture	-	-	-	-	-	-
Office Equipment	7,418	9,519	-	-	-	-
Rolling Equipment	-	-	-	-	-	-
Machinery & Equipment	-	-	-	-	-	-
Land & Land Improvements	-	-	-	-	-	-
Library Materials	-	-	-	-	-	-
Leasehold Improvements	-	-	-	-	-	-
Other Capital Items	-	-	-	-	-	-
Subtotal:	7,418	9,519	-	-	-	-
GRAND TOTAL:	2,719,991	2,655,954	3,451,520	3,918,800	3,610,000	3,610,000
FUNDING SOURCES:						
General Fund Revenues						
Child Care Assistance Grant						2,808,920
Health and Social Services Grant						430,000
Information and Referral Grant						117,150
						<u>3,356,070</u>

**FY 2002–2003 Budget
Fairbanks North Star Borough**

PROGRAM BUDGET SUMMARY

FINANCIAL SERVICES – CHILD CARE DIVISION – CHILD CARE ASSISTANCE SECTION

Mission/Program Description

This Division operates the Child Care Assistance Program. Child Care Assistance pays a portion of child care costs for eligible parents while they work or train, thus supporting both families and local employers. The Borough receives federal dollars through the State Department of Education & Early Development for this program.

Major Long-Term Issues and Concerns

Education & Early Development is making significant changes to Child Care Assistance regulations. Implementation in early FY03 will be very involved.

The level of funding is always a concern. Current year funding was adequate, but next year's funding is never guaranteed. Lack of funding affects not only the parents needing the assistance, it affects the economy and business community by reducing the number of available workers.

The quality of available child care continues to be of concern. Providers are unable to raise rates high enough to allow adequate pay for caregivers, resulting in a very high turnover rate and uneven quality of care. Research documents that quality of child care is directly linked to long-term performance in school.

Objectives for FY 2003

- Provide Child Care Assistance to Borough residents in a timely, professional and accountable manner.
 - Appointments for new applicants within two weeks of application;
 - Eligibility reviews courteous, professional, following policies;
 - Provider payments processed promptly and accurately.
- Work with the Department of Education & Early Development on the implementation of regulation and other changes to minimize disruption and maximize services to the community.
- Support the efforts of the Fairbanks Child Care Coalition, whose mission it is to work together with parents, providers and agencies so that all parents in the Fairbanks North Star Borough have informed access to quality child care which they can afford.

Significant Budget Changes

- The FY 2003 budget reflects a net increase in personnel costs due to cost of living adjustments, normal union and management longevity.

Previous Year's Accomplishments

- In calendar year 2001, a total of 1,046 families with 1,606 children received Child Care Assistance. Average per month 542 families and 844 children.
- Of those, 1,252 parents were working, 203 were training or in school, 112 were working and training. 63% were single parent families, 37% two parent families.
- Approximately 460 employers benefited from having their employees supported by the Child Care Assistance Program.
- 5,350 parent appointments were scheduled in calendar year 2001.
- A total of 343 providers were paid for services. A total of 2,352 provider payments were processed in calendar year 2001; a monthly average of 196.
- A total of \$2,261,217 was invested within the community for Child Care services in calendar 2001.

Dept: Financial Services
Sec: Child Care

	1999/00 Actual	2000/01 Actual	2001/02 Approved	2001/02 Revised	2002/03 Recommended	2002/03 Approved
PERSONNEL SERVICES						
Permanent Salaries	247,089	238,907	244,950	244,950	284,910	284,910
Overtime Wages	406	653	240	240	240	240
Temporary Salaries	3,564	10,297	8,640	8,640	8,640	8,640
Benefits	100,184	96,271	103,090	103,090	115,740	115,740
Subtotal:	351,243	346,128	356,920	356,920	409,530	409,530
COMMODITIES						
Office Supplies	7,233	5,645	7,200	7,200	7,200	7,200
Computer Supplies	-	1,798	-	-	-	-
Operating Supplies	247	568	-	-	-	-
Books and Periodicals	288	342	-	-	-	-
Repair and Maint. Supplies	-	219	-	-	-	-
Clothing Supplies	-	-	-	-	-	-
Motor Fuels and Lubricants	-	-	-	-	-	-
Equipment Parts	-	-	-	-	-	-
Subtotal:	7,768	8,572	7,200	7,200	7,200	7,200
CONTRACTUAL SERVICES						
Professional Services	-	125	-	-	-	-
Communications	91	12	-	-	-	-
Travel	2,810	3,644	1,200	3,300	1,200	1,200
Professional Dues/Meetings	290	237	200	200	200	200
Training	2,694	2,126	2,650	2,650	2,650	2,650
Advertising, Printing & Binding	184	2,600	800	800	800	800
Insurance and Bonding	-	-	-	-	-	-
Repairs & Maint. -Bldg. & Grounds	6,052	5,705	5,570	5,570	5,570	5,570
Repairs & Maint. -Office Equipment	2,359	1,453	1,700	1,700	1,700	1,700
Repairs & Maint. -Other Equipment	55	-	-	-	-	-
Rent	-	-	-	-	-	-
Utilities	4,550	4,237	5,140	5,140	5,140	5,140
Equipment Leases	-	-	-	-	-	-
Other Contractual Services	2,305,265	2,160,206	2,300,000	2,765,180	2,400,010	2,400,010
Subtotal:	2,324,350	2,180,345	2,317,260	2,784,540	2,417,270	2,417,270
Grants Local Match & Indirect Costs	-	-	-	-	-	-
CAPITAL OUTLAY						
Buildings & Structures	-	-	-	-	-	-
Road Construction	-	-	-	-	-	-
Office Furniture	-	-	-	-	-	-
Office Equipment	7,418	6,838	-	-	-	-
Rolling Equipment	-	-	-	-	-	-
Machinery & Equipment	-	-	-	-	-	-
Land & Land Improvements	-	-	-	-	-	-
Library Materials	-	-	-	-	-	-
Leasehold Improvements	-	-	-	-	-	-
Other Capital Items	-	-	-	-	-	-
Subtotal:	7,418	6,838	-	-	-	-
GRAND TOTAL:	2,690,779	2,541,883	2,681,380	3,148,660	2,834,000	2,834,000
FUNDING SOURCE:						
Child Care Assistance Grant						<u>2,808,920</u>

PROGRAM BUDGET SUMMARY

FINANCIAL SERVICES – CHILD CARE DIVISION – HEALTH & SOCIAL SERVICES SECTION

Mission/Program Description

This Section manages the State of Alaska's Human Services Community Matching Grant. These funds are allocated to non-profit organizations that provide essential human services. This Section also supports the Borough's Health & Social Services Commission, whose responsibilities include the allocation of the Grant.

Major Long-Term Issues and Concerns

Developing a needs assessment that can stay abreast of changes in the community's human services needs and allows the Commission to establish priorities for the allocation process is a long-term challenge that faces the Commission.

It appears that the State will continue to rely on non-profit organizations to provide many important human services, and possibly increase their roles. Thus, the level of effort in this Section is not likely to decrease.

Objectives for FY 2003

- Continue to assist the Health & Social Services Commission in their work by:
 - Supporting the grant allocation and monitoring process;
 - Supporting Commission meetings; and
 - Supporting the development of a community-needs assessment.
- Monitor/manage other community service grants.

Significant Budget Changes

- The FY 2003 budget reflects a net increase in personnel costs due to cost of living adjustments, normal union and management longevity, and a position re-classification.

Previous Year's Accomplishments

- Successfully provided program services as outlined above.
- Supported 16 Commission meetings in calendar 2001.
- Managed 14 grants to non-profits through the Human Services Community Matching Grant, the Public Health Partnership grant from the Robert Wood Johnson Foundation, and began work with the Early Learning Opportunities Act grant.
- The Health & Social Services Commission allocated \$576,724 in grant funds for FY 02 to 14 non-profit agencies. Other funds and in-kind donations bring the total economic value of these services to over \$3.8M.
- Grant funded services in calendar year 2001 reached more than 30,000 Borough residents.

Dept: Financial Services
Sec: HSS Administration

	1999/00 Actual	2000/01 Actual	2001/02 Approved	2001/02 Revised	2002/03 Recommended	2002/03 Approved
PERSONNEL SERVICES						
Permanent Salaries	20,161	21,629	29,040	29,040	30,800	30,800
Overtime Wages	-	70	-	-	-	-
Temporary Salaries	-	-	-	-	-	-
Benefits	7,852	8,675	12,110	12,110	12,410	12,410
Subtotal:	<u>28,013</u>	<u>30,374</u>	<u>41,150</u>	<u>41,150</u>	<u>43,210</u>	<u>43,210</u>
COMMODITIES						
Office Supplies	108	145	250	250	250	250
Computer Supplies	-	-	-	-	-	-
Operating Supplies	-	-	-	-	-	-
Books and Periodicals	-	-	-	-	-	-
Repair and Maint. Supplies	-	-	-	-	-	-
Clothing Supplies	-	-	-	-	-	-
Motor Fuels and Lubricants	-	-	-	-	-	-
Equipment Parts	-	-	-	-	-	-
Subtotal:	<u>108</u>	<u>145</u>	<u>250</u>	<u>250</u>	<u>250</u>	<u>250</u>
CONTRACTUAL SERVICES						
Professional Services	-	-	-	-	-	-
Communications	426	431	300	300	300	300
Travel	75	-	-	-	-	-
Professional Dues/Meetings	229	315	350	350	350	350
Training	-	-	-	-	-	-
Advertising, Printing & Binding	361	275	450	450	450	450
Insurance and Bonding	-	-	-	-	-	-
Repairs & Maint. -Bldg. & Grounds	-	-	-	-	-	-
Repairs & Maint. -Office Equipment	-	-	-	-	-	-
Repairs & Maint. -Other Equipment	-	-	-	-	-	-
Rent	-	-	-	-	-	-
Utilities	-	-	-	-	-	-
Equipment Leases	-	-	-	-	-	-
Other Contractual Services	-	-	614,290	614,290	410,340	410,340
Subtotal:	<u>1,091</u>	<u>1,021</u>	<u>615,390</u>	<u>615,390</u>	<u>411,440</u>	<u>411,440</u>
Grants Local Match & Indirect Costs	-	-	-	-	203,950	203,950
CAPITAL OUTLAY						
Buildings & Structures	-	-	-	-	-	-
Road Construction	-	-	-	-	-	-
Office Furniture	-	-	-	-	-	-
Office Equipment	-	-	-	-	-	-
Rolling Equipment	-	-	-	-	-	-
Machinery & Equipment	-	-	-	-	-	-
Land & Land Improvements	-	-	-	-	-	-
Library Materials	-	-	-	-	-	-
Leasehold Improvements	-	-	-	-	-	-
Other Capital Items	-	-	-	-	-	-
Subtotal:	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
GRAND TOTAL:	<u><u>29,212</u></u>	<u><u>31,540</u></u>	<u><u>656,790</u></u>	<u><u>656,790</u></u>	<u><u>658,850</u></u>	<u><u>658,850</u></u>
FUNDING SOURCE:						
Health and Social Services Grant						<u><u>430,000</u></u>

PROGRAM BUDGET SUMMARY

FINANCIAL SERVICES – CHILD CARE DIVISION – INFORMATION & REFERRAL SECTION

Mission/Program Description

This Division operates the Information & Referrals program of the local Child Care Resource & Referral program. Overall Resource & Referral goals include coordinating child development services, promoting improved & increased child care facilities, and helping parents make wise choices for the child care and development of their children.

Information & Referral focuses on giving parents the information needed to make wise choices. This program is funded by a grant from the State of Alaska Education & Early Development Department, in coordination with Play N Learn Inc. (The coordinated FNSB/PNL program is known as C.A.R.E.S. – Children’s Advocates, Resources & Educational Services.)

Major Long-Term Issues and Concerns

Care is not readily available in some categories. Families with infants, multiple children, non-traditional work schedules, or military schedules/needs find few providers that can accommodate them.

The quality of available child care continues to be of grave concern. Providers are unable to raise rates high enough to allow adequate pay for caregivers, resulting in a very high turnover rate and uneven quality of care. Research documents quality of child care is directly linked to long-term performance in school.

Objectives for FY 2003

- Provide information and child care referrals to Borough residents in a timely, professional, and accountable manner.
- Coordinate efforts with C.A.R.E.S. resource development to expand the numbers of qualified child care providers in Fairbanks and to address the problems noted above.
- Provide services to families of children experiencing special needs in selecting and working with child care providers.
- Support the efforts of the Fairbanks Child Care Coalition, whose mission it is to work together with parents, providers, and agencies so that all parents in the Fairbanks North Star Borough have informed access to quality child care which they can afford.

Significant Budget Changes

- The FY 2003 budget reflects a net increase in personnel costs due to cost of living adjustments, normal union and management longevity.

Previous Year’s Accomplishments

- In calendar 2001, a total of 824 families were given referrals to assist in their search for child care. 292 families used the service more than once, for a total of 1,116 contacts. Each contact includes getting information from the family, providing information on choosing care, assessing quality of care, and giving a tailored set of referrals to child care providers who have available space that could meet the family’s needs.
- Of the 1254 children needing care, 117 (9%) were for non-traditional schedules, 115 (9%) for infant care, and 328 families (40%) had multiple siblings. These are the most difficult to place.
- 15 families and 19 children with special needs received specialized services on choosing & working with child care providers.
- 133 child care providers requested to be listed on the database. Of those, 22 were licensed centers, 33 were licensed homes & group homes, and 78 were license-exempt homes. Providers are contacted at least once a month for vacancy information.
- 2,035 individuals were provided information on choosing child care through classes, seminars & fairs.

Dept: Financial Services
Sec: Child Care Information & Referral

	1999/00 Actual	2000/01 Actual	2001/02 Approved	2001/02 Revised	2002/03 Recommended	2002/03 Approved
PERSONNEL SERVICES						
Permanent Salaries	-	36,759	69,420	69,420	72,820	72,820
Overtime Wages	-	2,367	-	-	-	-
Temporary Salaries	-	3,235	-	-	-	-
Benefits	-	16,640	28,950	28,950	29,350	29,350
Subtotal:	-	59,001	98,370	98,370	102,170	102,170
COMMODITIES						
Office Supplies	-	1,714	2,500	2,500	2,500	2,500
Computer Supplies	-	2,071	800	800	800	800
Operating Supplies	-	1,263	3,000	3,000	3,000	3,000
Books and Periodicals	-	197	-	-	-	-
Repair and Maint. Supplies	-	8	-	-	-	-
Clothing Supplies	-	-	-	-	-	-
Motor Fuels and Lubricants	-	-	-	-	-	-
Equipment Parts	-	-	-	-	-	-
Subtotal:	-	5,253	6,300	6,300	6,300	6,300
CONTRACTUAL SERVICES						
Professional Services	-	8,250	-	-	-	-
Communications	-	696	-	-	-	-
Travel	-	-	1,400	1,400	1,400	1,400
Professional Dues/Meetings	-	224	250	250	250	250
Training	-	3,912	2,400	2,400	3,480	3,480
Advertising, Printing & Binding	-	412	1,000	1,000	1,000	1,000
Insurance and Bonding	-	-	-	-	-	-
Repairs & Maint. -Bldg. & Grounds	-	1,354	980	980	980	980
Repairs & Maint. -Office Equipment	-	-	660	744	660	660
Repairs & Maint. -Other Equipment	-	-	-	-	-	-
Rent	-	-	-	-	-	-
Utilities	-	748	910	910	910	910
Equipment Leases	-	-	1,080	996	-	-
Other Contractual Services	-	-	-	-	-	-
Subtotal:	-	15,596	8,680	8,680	8,680	8,680
Grants Local Match & Indirect Costs	-	-	-	-	-	-
CAPITAL OUTLAY						
Buildings & Structures	-	-	-	-	-	-
Road Construction	-	-	-	-	-	-
Office Furniture	-	-	-	-	-	-
Office Equipment	-	2,681	-	-	-	-
Rolling Equipment	-	-	-	-	-	-
Machinery & Equipment	-	-	-	-	-	-
Land & Land Improvements	-	-	-	-	-	-
Library Materials	-	-	-	-	-	-
Leasehold Improvements	-	-	-	-	-	-
Other Capital Items	-	-	-	-	-	-
Subtotal:	-	2,681	-	-	-	-
GRAND TOTAL:	-	82,531	113,350	113,350	117,150	117,150
FUNDING SOURCE:						
Research and Referral Grant						<u>117,150</u>

FY 2002–2003 Budget
Fairbanks North Star Borough

PROGRAM BUDGET SUMMARY

DEPARTMENT OF HUMAN RESOURCES – RISK MANAGEMENT DIVISION

The Personnel Division was moved to the Department of Human Resources FY 2002.

Mission/Program Description

The mission of the Risk Management Division is to protect the personnel, physical, and financial assets of the Borough and School District from the effects of unpredictable casualty losses.

The Division manages the Borough and School District's self-insured programs for employee health, property, general and auto liability and workers' compensation; obtains insurance coverage for the Borough, School District, Fire, Emergency Medical and Road Service Districts; maintains the data bases for employee health benefits, student injuries, and facility incidents and for contractor insurance certificates. The Division handles student safety issues, including playground and athletic activities.

Major Long-Term Issues and Concerns

See the Department of Human Resources.

Objectives for 2003

See the Department of Human Resources.

Significant Budget Changes

See the Department of Human Resources.

Previous Year's Accomplishments

See the Department of Human Resources.

Dept: Financial Services
Div: Risk Management

	1999/00 Actual	2000/01 Actual	2001/02 Approved	2001/02 Revised	2002/03 Recommended	2002/03 Approved
PERSONNEL SERVICES						
Permanent Salaries	253,985	258,703	-	-	-	-
Overtime Wages	2,974	867	-	-	-	-
Temporary Salaries	-	973	-	-	-	-
Benefits	101,072	106,313	-	-	-	-
Subtotal:	<u>358,031</u>	<u>366,856</u>	-	-	-	-
COMMODITIES						
Office Supplies	1,969	2,533	-	-	-	-
Computer Supplies	-	200	-	-	-	-
Operating Supplies	2,873	3,468	-	-	-	-
Books and Periodicals	2,913	1,273	-	-	-	-
Repair and Maint. Supplies	-	70	-	-	-	-
Clothing Supplies	-	-	-	-	-	-
Motor Fuels and Lubricants	1,266	638	-	-	-	-
Equipment Parts	-	-	-	-	-	-
Subtotal:	<u>9,021</u>	<u>8,182</u>	-	-	-	-
CONTRACTUAL SERVICES						
Professional Services	75,203	85,046	-	-	-	-
Communications	44	140	-	-	-	-
Travel	199	357	-	-	-	-
Professional Dues/Meetings	872	780	-	-	-	-
Training	5,517	1,711	-	-	-	-
Advertising, Printing & Binding	954	884	-	-	-	-
Insurance and Bonding	891,683	733,475	-	-	-	-
Repairs & Maint. -Bldg. & Grounds	-	-	-	-	-	-
Repairs & Maint. -Office Equipment	-	395	-	-	-	-
Repairs & Maint. -Other Equipment	1,000	2,000	-	-	-	-
Rent	-	-	-	-	-	-
Utilities	-	-	-	-	-	-
Equipment Leases	3,220	3,220	-	-	-	-
Other Contractual Services	12,929	16,608	-	-	-	-
Subtotal:	<u>991,621</u>	<u>844,616</u>	-	-	-	-
Grants Local Match & Indirect Costs	-	-	-	-	-	-
CAPITAL OUTLAY						
Buildings & Structures	-	-	-	-	-	-
Road Construction	-	-	-	-	-	-
Office Furniture	-	-	-	-	-	-
Office Equipment	-	1,578	-	-	-	-
Rolling Equipment	-	-	-	-	-	-
Machinery & Equipment	990	766	-	-	-	-
Land & Land Improvements	-	-	-	-	-	-
Library Materials	-	-	-	-	-	-
Leasehold Improvements	-	-	-	-	-	-
Other Capital Items	-	-	-	-	-	-
Subtotal:	<u>990</u>	<u>2,344</u>	-	-	-	-
GRAND TOTAL:	<u><u>1,359,663</u></u>	<u><u>1,221,998</u></u>	-	-	-	-

FUNDING SOURCE:
General Fund Revenues

Beginning in FY 2002 Risk Management is budgeted in the Human Resources Department

FY 2002–2003 Budget
Fairbanks North Star Borough

PROGRAM BUDGET SUMMARY

FINANCIAL SERVICES – TREASURY BUDGET DIVISION

Mission/Program Description

The Treasury and Budget Division's mission is to collect and invest Borough funds in an efficient and expeditious manner, to provide for the preparation of the annual operating and capital budget, and to collect, account for, and invest all funds received.

The Treasury Budget Division coordinates the development of the annual Borough operating and capital budgets; calculates the annual mill levies for all Borough taxing authorities; prepares and distributes annual property tax bills and notices; administers the collection of revenues in accordance with the FNSB Code of Ordinances; ensures the proper recording of property tax and other revenues to the various Road and Fire Service Area accounts; reviews and ensures the compliance of all Borough taxing jurisdictions with the FNSB tax cap; bills, collects and disburses property taxes, and associated penalty and interest for the cities of Fairbanks and North Pole; processes, receives, and makes deposits to ensure maximum cash flow to the Treasury; administers the investment of Treasury funds to minimize risk and maintain sufficient liquidity; prepares submittals and serves as the local contact to the State for revenue sharing programs and debt service reimbursements; and analyzes the revenue impact of proposed local, state and federal legislation.

Major Long-Term Issues and Concerns

Funding of local government services from differing revenue sources continues to be evaluated by the revenue task force. Collection of any new revenue sources will impact the Treasury and Budget division.

Objectives for FY 2003

- Assist in the development and implementation of procedures for new programs that require collection activity or changes in tax administration, including changes required by GASB Statement 34, the new reporting model.
- Continue to process all property tax payments in-house, without the use of vendor processing services.
- Continue to research alternative systems for the payment of services by credit card.
- Introduce a change in the Code of Ordinances for the collection of room taxes to address problems in the current code.
- Complete a request for proposal for a vendor to do random spot audits of room tax accounts.

Significant Budget Changes

- The FY 2003 budget reflects a net increase in personnel costs due to cost of living adjustments, normal union, and management longevity, and benefit rate.

Previous Year's Accomplishments

- Contracted with OSI Collection Services, Inc., dba Alaska Financial Services, for dishonored check collection services
- 37,850 property tax bills and notices sent, \$72.5 million in property taxes collected with a very low delinquency rate (includes North Pole, Fairbanks, & service areas). 61,200 property tax payments processed, 6,100 other revenue, 410 room tax payments processed, 4,200 delinquent notices sent, 2,500 certified letters sent, 2,200 property tax adjustments processed, and 750 certificates of redemptions processed.
- \$91 million in investments purchased to meet cash flow needs, \$83 million in investments matured, 25 banking, investment, printing and advertising contracts managed.
- 172 separate budgets prepared and balanced (includes road and fire service area budgets).
- Purchased new safes with available funds and continued a set schedule for safe combination changes.

Dept: Financial Services
Div: Treasury/Budget

	1999/00 Actual	2000/01 Actual	2001/02 Approved	2001/02 Revised	2002/03 Recommended	2002/03 Approved
PERSONNEL SERVICES						
Permanent Salaries	292,332	304,156	312,540	312,540	322,460	322,460
Overtime Wages	2,797	3,185	4,670	4,670	4,670	4,670
Temporary Salaries	11,544	10,900	12,520	12,520	12,860	12,860
Benefits	118,460	124,410	133,500	133,500	133,060	133,060
Subtotal:	425,133	442,651	463,230	463,230	473,050	473,050
COMMODITIES						
Office Supplies	4,021	3,113	3,920	3,920	3,920	3,920
Computer Supplies	-	-	300	300	300	300
Operating Supplies	-	-	-	-	-	-
Books and Periodicals	1,415	1,345	1,880	1,880	1,880	1,880
Repair and Maint. Supplies	-	-	-	-	-	-
Clothing Supplies	-	-	-	-	-	-
Motor Fuels and Lubricants	-	-	-	-	-	-
Equipment Parts	-	-	-	-	-	-
Subtotal:	5,436	4,458	6,100	6,100	6,100	6,100
CONTRACTUAL SERVICES						
Professional Services	11,680	11,632	20,050	20,050	21,950	21,950
Communications	333	793	940	940	1,340	1,340
Travel	539	-	570	570	570	570
Professional Dues/Meetings	586	590	670	670	670	670
Training	7,304	2,912	4,700	4,700	4,700	4,700
Advertising, Printing & Binding	17,937	13,586	15,930	15,930	20,000	20,000
Insurance and Bonding	-	-	-	-	-	-
Repairs & Maint. -Bldg. & Grounds	-	-	-	-	-	-
Repairs & Maint. -Office Equipment	-	-	350	350	1,650	1,650
Repairs & Maint. -Other Equipment	-	-	-	-	-	-
Rent	-	-	-	-	-	-
Utilities	-	-	-	-	-	-
Equipment Leases	-	-	-	-	-	-
Other Contractual Services	48,215	53,073	57,090	57,090	58,850	58,850
Subtotal:	86,594	82,586	100,300	100,300	109,730	109,730
Grants Local Match & Indirect Costs	-	-	-	-	-	-
CAPITAL OUTLAY						
Buildings & Structures	-	-	-	-	-	-
Road Construction	-	-	-	-	-	-
Office Furniture	-	-	-	-	-	-
Office Equipment	-	-	-	-	-	-
Rolling Equipment	-	-	-	-	-	-
Machinery & Equipment	-	-	-	-	-	-
Land & Land Improvements	-	-	-	-	-	-
Library Materials	-	-	-	-	-	-
Leasehold Improvements	-	-	-	-	-	-
Other Capital Items	-	-	-	-	-	-
Subtotal:	-	-	-	-	-	-
GRAND TOTAL:	517,163	529,695	569,630	569,630	588,880	588,880
FUNDING SOURCE:						
General Fund Revenues						