

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2020-46

**AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA MAKING SUPPLEMENTAL
APPROPRIATIONS FOR FISCAL YEAR 2021
(FY2020 PURCHASE ORDERS)**

BE IT ENACTED by the Assembly of the City and Borough of Sitka, Alaska as follows:

1. **CLASSIFICATION.** This ordinance is not of a permanent nature and is not intended to be a part of the Sitka General Code of the City and Borough of Sitka, Alaska.

2. **SEVERABILITY.** If any provision of this ordinance or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and application thereof to any person and circumstances shall not be affected thereby.

3. **PURPOSE.** The purpose of this ordinance is to make supplemental appropriations for Fiscal Year 2021 which is necessary to ensure that encumbered appropriations do not lapse at the end of a fiscal year, in accordance with Section 11.12 of the Home Rule Charter of the City and Borough of Sitka.

4. **ENACTMENT.** In accordance with Section 11.10(a) of the Charter of the City and Borough of Sitka, Alaska, the Assembly hereby makes the following supplemental appropriation for the budget period beginning July 1, 2020 and ending June 30, 2021.

<u>FISCAL YEAR 2021 EXPENDITURE BUDGETS</u>
<p>In accordance with Section 11.10 (a) of the Charter of the City and Borough of Sitka, Alaska, the budget for the fiscal period beginning July 1, 2019 and ending June 30, 2020 is hereby adjusted as follows for the purchase orders open as of June 30, 2020.</p> <p>General Fund - \$147,287.90; Electric Fund - \$22,759.05; Water Fund - \$20,113.51; Wastewater Fund - \$16,213.59; MIS Fund - \$9,778.98; Central Garage Fund - \$479,192.50; and Building Maintenance Fund - \$12,900.00.</p>

Explanation

Section 11.12 of the Home Rule Charter of the City and Borough of Sitka (the Charter) specifies that unencumbered surpluses of the General Fund lapse at the end of a fiscal year. The Municipality has historically interpreted this provision of the charter to mean that encumbered appropriations at the end of a fiscal year do not lapse.

The accounting system for the Municipality is not able to maintain unexpired operating appropriations in one fiscal year, but, account for expenditures against such appropriations in subsequent fiscal years. Therefore, in order to ensure the provisions of Section 11.12 of the Charter are adhered to, encumbered but unexpended appropriations at the end of each fiscal year are re-appropriated through a supplemental appropriation as set forth in Section 11.10 of the Charter.

5. EFFECTIVE DATE. This ordinance shall become effective on the day after the date of its passage.

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska this 8th Day of September 2020.

ATTEST:

Gary L. Paxton, Mayor

**Sara Peterson, MMC
Municipal Clerk**

**1st reading 8/25/2020
2nd and final reading 9/8/2020**

Sponsor: Administrator