CITY OF UNALASKA
UNALASKA, ALASKA

ORDINANCE 2026-16

CREATING BUDGET AMENDMENT #3 TO THE FISCAL YEAR 2027 CAPITAL AND OPERATING BUDGET TO INCREASE MACHINERY AND EQUIPMENT IN PUBLIC WORKS FACILITY MAINTENANCE BY $21,375, REDUCE TRANSFERS TO GOVERNMENTAL CAPITAL PROJECTS BY $2,197,563 AND REDUCE GENERAL FUND APPROPRIATED FUND BALANCE BY $2,176,188.

BE IT ENACTED BY THE UNALASKA CITY COUNCIL

Section 1.	Classification:	This is a non-code ordinance.
Section 2.	Effective Date:	This ordinance becomes effective upon adoption.
Section 3.	Content:	The City of Unalaska FY27 Budget is amended as follows:

A. That the following sums of money are hereby accepted and the following sums of money are hereby authorized for expenditure.

B. The following are the changes by account line item:

Amendment No. 3 to Ordinance 2026-10

I. OPERATING BUDGETS

A. General Fund	Current	Requested	Revised
Sources			
Appropriated Fund Balance	$ 6,002,871	$ (2,176,188)	$ 3,826,683
Uses			
Transfers to Governmental Capital Projects	$ 2,277,563	$ (2,197,563)	$ 80,000
Public Works Capital Outlay	$ 85,500	$ 21,375	$ 106,875

PASSED AND ADOPTED by a duly constituted quorum of the Unalaska City Council on August 25, 2026.

Thomas Bell
Mayor Pro Tem

ATTEST:

Estkarlen P. Magdaong, CMC
City Clerk

CITY OF UNALASKA CORPORATE SEAL STATE OF ALASKA

Ordinance 2606-16: Amendment No. 3 to Ordinance 2026-10

General Fund - Operating Budget
Decrease General Fund Appropriated Fund Balance by $2,176,188
Decrease Transfers to Governmental Capital Projects by $2,197,563
Increase Machinery and Equipment in Public Works Facilities Maintenance by $21,375

General Fund - Operating Budget	Org	Object	Current	Requested	Revised
Sources:					
Appropriated Fund Balance	01010049	49900	$ 6,002,871	$ (2,176,188)	$ 3,826,683
Uses:					
Transfers to Govt Capt Project	01029854	59920	2,277,563	(2,197,563)	80,000
Facilities Maintenance					
Machinery and Equipment	01022953	57400	85,500	21,375	106,875

MEMORANDUM TO COUNCIL

To: Mayor and City Council Members
From: Jim Sharpe, Interim Finance Director
Through: Marjorie Veeder, Acting City Manager
Date: August 11, 2026
Re: Ordinance 2026-16: Creating Fiscal Year 2027 Budget Amendment #3, to increase Capital Outlay in Public Works Facilities Maintenance by $21,375; reduce transfers to Governmental Capital Projects by $2,197,563; and reduce General Fund appropriated fund balance by $2,176,188

SUMMARY: Ordinance 2026-16 creates budget amendment #3 to the fiscal year 2027 operating and capital budget to increase capital outlay in Public Works Facilities Maintenance and reduce transfers to Governmental Capital Projects, resulting in a reduction in the General Fund appropriated fund balance amount for FY 2027.

PREVIOUS COUNCIL ACTION:

On April 28, 2026, City Council approved the CMMP through Resolution 2026-24.

On May 26, 2026, City Council adopted the Fiscal Year 2027 Operating and Capital budget through Ordinance 2026-10; this is the third amendment.

BACKGROUND AND DISCUSSION: The proposed budget amendment corrects two administrative errors that were made during the fiscal year 2027 budget process. Specifically:

- Capital Outlay amounts included only the per unit prices and did not include an additional 25% for potential price increases or vehicle upgrades

- The amount approved for Transfers to Governmental Projects incorrectly included items that were included in the Public Works operating budget:

    - Rolling Stock Replacement Plan - $897,563
    - Building Engineering - $300,000
    - Ongoing Roof and Structural Repairs - $1,000,000

As a result of these errors, the originally adopted budget included an excess appropriation of fund balance while providing insufficient budgetary capacity for the Public Works Facilities Maintenance Department's capital outlay.

ALTERNATIVES: Council can approve the budget amendment as presented, alter it, or decide not to approve it.

Lack of approval could limit Public Works' ability to purchase the specific vehicles they have selected. Additionally, lack of approval will result in the continued excess amount budgeted for transfers to Governmental Capital Projects and Appropriated Fund Balance in the General Fund.

FINANCIAL IMPLICATIONS: This budget amendment will increase General Fund operating expenditures (machinery and equipment) by $21,375; however, it will provide a net reduction to General Fund appropriated fund balance by $2,176,188 due to a reduction in transfers to Governmental Capital Projects in the amount of $2,197,563.

LEGAL: None required.

STAFF RECOMMENDATION: Staff recommends adoption of Ordinance 2026-16.

PROPOSED MOTION:

- 1st reading: I move to introduce Ordinance 2026-16, and schedule it for public hearing and second reading on August 25, 2026.

- 2nd reading: I move to adopt Ordinance 2026-16.

CITY MANAGER COMMENTS: I support the Staff Recommendation in order to correct these errors.