

**NORTH SLOPE BOROUGH
ORDINANCE SERIAL NO. 2024-11**

**AN ORDINANCE AMENDING § 3.15.030 AND § 3.05.040
OF THE NORTH SLOPE BOROUGH CODE**

WHEREAS, North Slope Borough has extensive capital infrastructure needs that it must fund primarily with general obligation bonds; and

WHEREAS, North Slope Borough is now seeking to upgrade the efficiency and flexibility of its capital improvement program; and

WHEREAS, Upgrading the efficiency and flexibility of the North Slope Borough capital improvement program requires, among other things, the ability to reallocate and re-appropriate the proceeds of previously issued and future general obligation bond issues between different Capital Project Funds when a Capital Project is finished, substantially delayed, deemed infeasible or impracticable, abandoned or when such proceeds are needed for the preservation, rehabilitation, or reconstruction of municipal capital improvements where there has occurred a calamity which has caused great loss; and

WHEREAS, North Slope Borough currently only reallocates general obligation bond proceeds within a Capital Project Fund after a capital project is finished or abandoned and there are no general obligation bonds outstanding as provided in North Slope Borough Code § 3.05.040(A),

NOW, THEREFORE, BE IT ENACTED:

SECTION 1. Classification. This ordinance is of a general and permanent nature and shall become part of the Borough Code.

SECTION 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 the application to other persons and circumstances shall not be affected thereby.

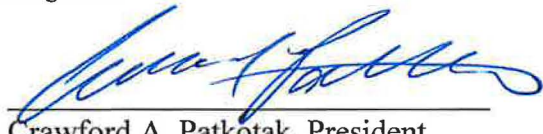
SECTION 3. Effectiveness. This ordinance shall become effective immediately upon adoption.

SECTION 4. Amendment of Sections. North Slope Borough Code § 3.15.030 and § 3.05.040 are hereby amended with new language indicated by underling and **bolding**, and deleted language by brackets and strike through [brackets] as annexed in Exhibit A and Exhibit B hereto, respectively.

INTRODUCED: July 9, 2024

ADOPTED: Augst 6, 2024

"Borough Code"



Crawford A. Patkotak, President

Date: 8-6-24

ATTEST:



Sheila Burke, Borough Clerk

Date: 8-6-24



Josiah A. Patkotak., Mayor

Date: 8-6-24

Exhibit A

§ 3.15.030 - MAYOR'S CAPITAL BUDGET AND FUNDING SOURCES.

- (A) The Mayor shall deliver an annual capital budget and an ordinance for capital appropriation by the date in § 3.11.010 of this title. The capital budget shall include the following information:
- (1) A list of projects to be funded and project descriptions;
 - (2) Project cost estimates;
 - (3) Proposed sources of funding, as outlined in subsection (B) of this section;
 - (4) Estimated operations and maintenance costs for each project;
 - (5) Proposed dates for the start of construction and for completion that, unless otherwise stated, shall be assumed to be 30 months after the start date; ~~and~~
 - (6) A schedule showing the debt service due each year on all existing Borough debts and on any debt proposed in the capital budget; **and**
 - (7) **A schedule showing any reallocations of general obligation bond proceeds to other Capital Projects and other Capital Project Funds.**
- (B) The capital budget ~~[appropriation]~~ ordinance must include estimated revenues from the sources below to the applicable Capital Projects Fund specified in § 3.03.050 of this title from which disbursement shall be made for each authorized project or improvement:
- (1) General obligation bonds that will normally be scheduled for bond election in October following the adoption of the capital ~~[improvements]~~ **budget** ordinance or amendment;
 - (2) Federal aid;
 - (3) State aid; and
 - (4) Other.

§ 3.05.040 - LAPSING OF FUNDS.

- (A) Capital appropriations do not lapse at the end of the fiscal year. ~~[When a capital project is finished or abandoned and there are no outstanding obligations, the project must be closed. Any remaining amount of the appropriation lapses back into the same Capital Project Fund and may be reappropriated.]~~ **Capital appropriations of proceeds of general obligation bonds issued for a Capital Project that are no longer outstanding may be re-appropriated to a Capital Project in the same or**

a different Capital Project Fund when a Capital Project is finished, substantially delayed, deemed infeasible or impracticable, abandoned or when such proceeds are needed for the preservation, rehabilitation, or reconstruction of municipal capital improvements where there has occurred a calamity which has caused great loss, or may be applied to the redemption, defeasance or purchase of other outstanding general obligation bonds. Capital appropriations of funding sources for Capital Projects other than general obligation bonds, including of the general or permanent fund, may be re-appropriated at any time for any purpose, including operating appropriations or payment or repayment to the general or permanent fund.

- (B) The year-end surplus in each Enterprise Fund shall be closed to the respective fund equity account. The use of surplus funds carried over to a subsequent fiscal year must be identified by line item in the enterprise revenue budget.
- (C) Appropriations of federal, state or other grant funds that depend upon a scope of services extending beyond the fiscal year are automatically re-appropriated to the extent that the grant was not utilized or earned.
- (D) Except as provided in subsection (C) of this section, operating appropriations lapse on June 30.