

## CITY OF WASILLA

290 E. HERNING AVE.
WASILLA, ALASKA 99654-7091
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Requested by: Administration Prepared by: Finance

Non-Code Ordinance

## ORDINANCE SERIAL NO. 94-20

AN ORDINANCE OF THE CITY OF WASILLA, ALASKA AMENDING THE FY-94 BUDGET BY APPROPRIATING FUNDS TO THE CIP FUND.

BE IT ORDAINED AND ENACTED BY THE CITY OF WASILLA, ALASKA AS FOLLOWS:

SECTION I. Classification. This is a non-code ordinance.

**SECTION II. Purpose.** To appropriate funds to the CIP fund for the construction of Sewer Treatment Lab Facilities, including engineering, labor materials and equipment to expand system operational capacity and improve the treatment capability of Wasilla Sewage Facilities.

SECTION III. Appropriation. Funds are appropriated to the following fund:

CIP Fund		
Sewer Treatment	Lab Facility	\$30 <b>,</b> 000
Sewer Treatment	Facility	(\$30,000)
Sewer Treatment	Facility	(\$50 <b>,</b> 000)

## SECTION IV. Source of Funds.

MG #4/94-005 Sewer Replacement and Upgrade \$30,000

**SECTION V. Effective Date.** This ordinance becomes effective upon adoption by the Wasilla City Council.

Introduction: 05/23/94

Public Hearing: 06/13/94

ADOPTED by the Council of the City of Wasilla on this 13th day of June , 1994.

JOHN C. STEIN, Mayor

ATTEST:

ERLING P. NELSON, CMC

ity Clerk

MAILING ADDRESS 65 EAST PARKS HIGHWAY UITE 201B WASILLA, ALASKA 99654

PHONE AND LOCATION: PHONE (907) 376-9484 KRENIK BUILDING, PARKS HIGHWAY

## **MEMORANDUM**

TO:

**Erling Nelson** 

FROM:

Richard Deuser, City Attorney

RE:

Proposed language for ordinance amending 2.02, 2.16 and 2.64 -

automatic salary increase tied to CPI;

DATE:

April 27, 1994

As discussed in our phone conversations, please consider the following draft language that would establish the mechanics by which the mayor's salary, council member's salaries, and commission member salaries, if any, would be increased. The following language would substitute for the phrasing appearing in your draft. I propose the operative language read as follows:

Effective July 1, 1997 . . . [language varies for each of the three sections - see your draft] . . . shall be adjusted automatically each year pursuant to the following methodology of calculation. The [salary - pay plan - compensation] shall be adjusted, up or down, on a annual basis, such adjustment to be calculated each year and incorporated into the annual budget effective July 1 of the year of that budget process. The adjustment will be intended to reflect the percentage change in the most recently available published data establishing the fiscal year annual Consumer Price Index for the Anchorage area as established and compiled by statistics maintained by the United States Department of Labor.

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The above language, for each of the three code sections, should be accompanied by a contemporaneous memorandum spelling out the calculation methodology so as to a) advise Council and b) represent a fact basis to contend with potential future arguments of interpretation. Consider the following:

To be specific, the Department of Labor maintains semiannual calculation of the Anchorage area Consumer Price Index, all items, all urban consumers (referred to as the CPIU and herein- after referred to as the Anchorage CPI). The average annual Anchorage CPI for a particular calendar year is generally published by the Department of Labor in two six month phases corresponding to the January - June time frame (published in August) and the July - December time frame (published in April). The annual composite is then published in the month of May, or later, following the expiration of the subject calendar year. As a consequence, and by way of example, the automatic increase contemplated by this ordinance would be applied pursuant to the following example:

The [salary - pay plan - compensation ] adjustment calculation considered as part of the budget process in the spring of 1997 will be calculated using the following comparison. The published Anchorage CPI effective for the fiscal year from July, 1994 through the end of June, 1995, published in two phases in August and April, will be compared to the published Anchorage CPI for the effective fiscal year from July, 1995 through the end of June, 1996. That is, the calculated adjustment, up or down, will be the percentage change comparing the CPI in fiscal year 1995 (July 1994 through June 1995) to the CPI in fiscal year 1996. That adjustment will be effective for the [salary - pay

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plan - compensation] amounts payable effective July 1, 1997. Similarly, the increase effective July 1, 1998 shall be based on the percentage change in the fiscal year Anchorage CPI between fiscal year 1996 and fiscal year 1997.

We may want to deal with the potential that CPI publication will be delayed, the subject of litigation by concerned parties or otherwise subject to legitimate question. This possibility is perhaps best left to the specific situations that may arise. With considerable reservation I offer the following to at least think about.

In the event that publication of the fiscal year Anchorage CPI published data, pursuant to the above methodology, is delayed and/or unavailable as of the preparation of the budget in any particular year, then and in such an event the interim [salary - pay plan - compensation] amount payable shall be the same as would exist without any adjustment. Reconciliation, if any, is to then occur only in the event the relevant data necessary for the above methodology does and/or available. Under published (delayed availability publication) circumstances or reconciliation of a downward movement, calling for payback by an empoloyee, will not be requested nor required. Reconciliation payments, to occur only in the event of an upward movement, shall be payable within 30 days following the availability of information from the Department of Labor sufficient so as to calculate the appropriate amount of the reconciliation payment.

The above suggestion is an attempt to avoid disputes over how adjustments are to be calculated. There are obviously many ways of approaching the problem. This is only one approach. You may wish, for policy reasons, to consider other alternatives.

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Sincerely,

Richard Deuser