

**NORTHWEST ARCTIC BOROUGH
ORDINANCE 22-02**

**AN ORDINANCE OF THE NORTHWEST
ARCTIC BOROUGH ASSEMBLY
APPROVING AND ADOPTING AN
AMENDED LINE-ITEM BUDGET FOR
SULIANICH ASSOCIATION FOR FISCAL
YEAR 2022.**

WHEREAS: under Ordinance 21-05, the Borough established its FY22 budget; and

WHEREAS: under Ordinance 21-05, the Borough included appropriations for Sulianich Association as a whole; and

WHEREAS: in order to establish separate funding mechanisms that include both general fund appropriations and use of Sulianich Association funds, the Borough wishes to establish separate budget approval for Sulianich Association.

NOW THEREFORE BE IT ENACTED by the Northwest Arctic Borough Assembly as follows:

Section 1. CLASSIFICATION.

This is a non-code ordinance.

Section 2. GENERAL PROVISIONS.

The budget document attached to this Ordinance provides for changes to the authorized revenues and expenditures and the changes in cash balances as part of the line item budget for the period July 1, 2021 through June 30, 2022 for Sulianich Association and made a matter of public record.

Section 3. AUTHORIZATIONS AND APPROPRIATIONS.

The amended appropriation of \$360,967 is hereby adopted and authorized for the period July 1, 2021 through June 30, 2022 and is the budget for that period. Subject to Assembly approval, by resolution, the Mayor may: (1) establish line item expenditures within an authorized appropriation, or (2) transfer

from one authorized appropriation to another any amount which would not annually exceed 10 percent or \$25,000, whichever is greater. Under no circumstances may the total amount of such transactions exceed \$150,000 prior to Assembly reappropriation pursuant to Section 2.08.020(E) of the Borough Code.

Section 4. This ordinance will be effective upon enactment.

PASSED AND ADOPTED THIS 10th DAY OF May, 2022.



Nathan Hadley, Jr., Assembly President

PASSED AND APPROVED THIS 10th DAY OF May, 2022.



Dickie Moto, Sr., Mayor

SIGNED AND ATTESTED TO THIS 10th DAY OF May, 2022.



Helena Hildreth, Borough Clerk

ATTEST:

First Reading: March 23, 2022
Second Reading: May 10, 2022



Northwest Arctic Borough
Sulianich Arts Center Fund
Budget Ordinance 22-02
June 30, 2022

40-00 Sulianich Arts Center Fund

Account #	REVENUE	Proposed FY22 Budget	Approved FY21 Budget	\$ Variance Favorable/ (Unfavorable)
4100	ART SALES	\$ 210,000	\$ -	\$ 210,000
4903	TRANSFER FROM GENERAL FUND	\$ 151,505	\$ -	\$ 151,505
TOTAL REVENUE		\$ 361,505	\$ -	\$ 361,505

Account #	OPERATIONAL EXPENSES	Proposed FY22 Budget	Approved FY21 Budget	\$ Variance Favorable/ (Unfavorable)
6000	SALARIES	\$ 141,944	\$ -	\$ (141,944)
6110	FICA	\$ 5,778	\$ -	\$ (5,778)
6111	UNEMPLOYMENT INSURANCE	\$ 3,026	\$ -	\$ (3,026)
6115	MEDICAL	\$ 46,692	\$ -	\$ (46,692)
6130	PERS	\$ 18,028	\$ -	\$ (18,028)
6210	SUPPLIES	\$ 4,500	\$ -	\$ (4,500)
6230	UTILITIES	\$ 21,000	\$ -	\$ (21,000)
7800	ART PURCHASES	\$ 120,000	\$ -	\$ (120,000)
TOTAL EXPENDITURES		\$ 360,967	\$ -	\$ (360,967)

Excess (Deficiency) of revenue over expenditures		\$ 538	\$ -	\$ 538
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**Northwest Arctic Borough
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Sulianich Arts Center Revenue:

Art Sales is budgeted at \$210,000. This is derived from the average sales over the past four years and adjusting a bit higher with the new sales approach.

Fiscal Year	Art Sales
FY18	180,536
FY19	202,239
FY20	151,940
FY21	124,970
Total	659,685
Average	164,921

Transfer from General Fund is budgeted at \$151,505. Historically, Sulianich has been able to keep the doors open through the contribution from the General Fund. The Economic Development Department would like to phase out of reliance on the General Fund. Currently, the General Fund subsidy (donation) covers the cost of **one employee**, supplies and utilities as outlined below.

40-00 Sulianich Contribution from the General Fund

Account #	Description	PROPOSED FY22 Budget Amendment	Approved FY22 Budget	\$ Variance Favorable (Unfavorable)	% Variance Favorable (Unfavorable)
6000	SALARIES	81,947	79,557	(2,390)	-3%
6110	FICA	1,188	1,154	(35)	-3%
6111	UNEMPLOYMENT INSURANCE	1,513	1,513	-	0%
6115	MEDICAL	24,328	37,692	13,364	35%
6125	PERS	18,028	17,502	(527)	-3%
6300	SUPPLIES	3,500	3,500	-	0%
6330	UTILITIES	21,000	21,000	-	0%
TOTAL		\$ 151,505	\$ 161,917	\$ 10,412	6%

Sulianich Arts Center Expenditures:

Salaries is budgeted at \$141,944. The cost covers two employees, as outlined below. Please note that one of the employees is subsidized by the General Fund contribution. The newest employee would be employed by Sulianich and the art sales would cover 100% of the cost of the employee.

Position	FY21	FY22	Difference
Art Manager	\$79,557	\$81,944	(\$2,387)
Sulianich Clerk	\$0	\$60,000	(\$60,000)
	\$79,557	\$141,944	(\$62,387)

**Northwest Arctic Borough
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Sulianich Arts Center Expenditures continued:

FICA is budgeted at \$5,778. This covers the employer cost of social security (for the new employee) and medicare for both employees.

Unemployment Insurance is budgeted at \$3,026. This helps to build a reserve for unemployment claims.

Medical is budgeted at \$46,692. This cost is to cover medical insurance for the employee subsidized by the Borough General Fund. The new employee is being hired out of Sulianich and will not qualify for medical insurance.

PERS is budgeted at \$18,028. This covers the employer cost of retirement contributions for one employee. The new employee will participate in social security benefits, not PERS.

Supplies is budgeted at \$4,500. The budget covers miscellaneous office and craft supplies as identified. Please note NAB subsidizes \$3,500 of this cost.

Utilities is budgeted at \$21,000. The budget covers utility cost for the Sulianich Arts Center building, Please note NAB subsidizes 100% of this cost up to \$21,000.

Art Purchases is budgeted at \$120,000. The cost covers purchase of art from local artists for resale in the Sulianich Arts Center gallery.

