CLERK'S OFFICE

APPROVED

Date: 1-28-03

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Submitted by:

Chair of the Assembly at the request of the Mayor

Prepared by: For Reading:

Finance Department January 14, 2003

ANCHORAGE, ALASKA AR 2003-16

A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE REDUCING THE 2002 DIVIDEND FROM THE MOA TRUST FUND BALANCE (FUND 730) FROM NINE MILLION FOUR HUNDRED THOUSAND DOLLARS (\$9,400,000) TO SEVEN MILLION TWENTY-FIVE THOUSAND EIGHT HUNDRED SIXTY-THREE DOLLARS (\$7,025,863); AND SUBSEQUENTLY APPROPRIATING TWO MILLION THREE HUNDRED SEVENTY-FOUR THOUSAND ONE HUNDRED THIRTY-SEVEN DOLLARS (\$2,374,137) FROM MOA TRUST RESERVE FUND BALANCE (FUND 731) AS A CONTRIBUTION TO THE AREAWIDE GENERAL FUND (FUND 101).

THE ANCHORAGE ASSEMBLY RESOLVES

Section 1. That the 2002 budget appropriation for payment of the annual dividend from the MOA Trust Fund (Fund 730) is hereby reduced from Nine Million Four Hundred Thousand Dollars (\$9,400,000) to Seven Million Twenty-Five Thousand Eight Hundred Sixty-Three Dollars (\$7,025,863), in accordance with the endowment formula proscribed by AMC 6.50.060D.

Section 2. That the remaining balance of funds necessary to fulfill the 2002 budgeted dividend from the MOA Trust investments shall be derived by appropriating a sum of Two Million Three Hundred Seventy-Four Thousand One Hundred Thirty-Seven Dollars (\$2,374,137) from the MOA Trust Reserve (Fund 731) as a contribution to the Areawide General Fund (Fund 101) 2002 general government operating budget.

Section 3. This resolution shall take effect immediately upon passage and approval by the Anchorage Municipal Assembly.

Chair

ATTEST

Municipal Clerk

Departmental Appropriation:

MOA Trust Fund (730): (\$2,374,137) MOA Trust Reserve (731): \$2,374,137

AM 34-2003



MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

AM 34-2003

Meeting Date: January 14, 2003

FROM: Mayor

SUBJECT: AR 2003-16 REDUCING THE 2002 CONTRIBUTION FROM THE MOA

TRUST FUND (FUND 730) FROM \$9,400,000 TO \$7,025,863 AND INCREASING THE CONTRIBUTION FROM THE MOA TRUST RESERVE (FUND 731) FROM \$0 TO \$2,374,137 FOR PAYMENT OF THE

2002 DIVIDEND TO GENERAL GOVERNMENT

AR 2003-16 reallocates the 2002 budget appropriation associated with payment of the annual dividend from the MOA Trust Fund by reducing the prior appropriation from MOA Trust Fund balance (Fund 730) from the original appropriated amount of \$9.4 million to a lower amount of \$7,025,863. This lower amount from the MOA Trust Fund (Fund 730) is the result of the legal cap on annual payouts from the MOA Trust Fund (of 5%), which was approved by voters April 2002 municipal election – i.e., Proposition #4 (endowment model). The decrease in contribution amount from the MOA Trust Fund (Fund 730) will be offset by a contribution of \$2,374,137 from the MOA Trust Reserve (Fund 731). This revised appropriation, citing funds from both the MOA Trust Fund (Fund 730) and the MOA Trust Reserve (Fund 731), is needed in order to fully realize the \$9.4 million dividend budgeted for 2002.

Background:

The Assembly appropriated a \$9.4 million contribution from the MOA Trust Fund as part of the approved 2002 General Government Operating Budget.

On April 2, 2002 municipal election was certified, thereby officially changing the Municipal Charter and Code provisions governing MOA Trust Fund dividend payouts by limiting the contribution to no more than 5% of the average value over the previous 12 quarters.

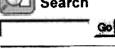
For 2002, the 5% maximum calculation results in a \$7,025,863 contribution from the MOA Trust Fund (Fund 730). In order to fulfill the 2002 budgeted dividend requirement the Administration herein proposes appropriating \$2,374,137 from the MOA Trust Reserve (Fund 731) to arrive at a total \$9.4 Million contribution.

THE ADMINISTRATION RECOMMENDS APPROVAL OF AR 2003-16 REDUCING THE 2002 CONTRIBUTION FROM THE MOA TRUST FUND (FUND 730) FROM \$9,400,000 to \$7,025,863 AND OFFSETTING THIS REDUCTION WITH AN APPROPRIATION FROM THE MOA TRUST RESERVE (FUND 731) IN THE AMOUNT OF \$2,374,137.

Recommended by: Daniel Moore, Municipal Treasurer
Fund Certification: Kate Giard, Chief Fiscal Officer
730-740 (\$2,374,137) MOA Trust Fund Balance
731-740 \$2,374,137 MOA Trust Reserve Fund Balance
Concur: Harry J. Kieling, Jr., Municipal Manager
Respectfully submitted: George P. Wuerch, Mayor

AR 2003-16







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Content Manager New Check In

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Work Flow History Report

Ax 2003-16

Workflow History

Workflow Name	Action Date	Action	User	Security Group	Content ID
CitingFundsWorkflow	12/27/02 3:22 PM	Checkin	pruittns	Public	000495
CitingFundsWorkflow	12/27/02 4:17 PM	Reject	giardkh	Public	000495
CitingFundsWorkflow	12/27/02 4:22 PM	Checkin	pruittns	Public	000495
Finance_SubWorkflow	12/31/02 9:05 AM	Approve	giardkh	Public	000495
MuniManager_SubWorkflow	12/31/02 11:42 AM	Approve	poseyjm	Public	000495
MuniMgrCoord_SubWorkflow	1/6/03 1:53 PM	Approve	bealejl	Public	000495

INTRODUCTION

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