

Submitted by: Assembly Vice-Chair Coffey
Prepared by: Office of Management & Budget
For Reading: November 22, 2005

ANCHORAGE, ALASKA
AR NO. 2005-305

1 A RESOLUTION OF THE ANCHORAGE MUNICIPAL ASSEMBLY PERTAINING TO THE
2 TREATMENT OF ANTICIPATED MUSA REVENUE IN THE 2006-2007 MUNICIPAL
3 BIENNIAL BUDGET
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6 WHEREAS, the 2006-2007 Municipal general government operating budget includes
7 revenues generated through Municipal Utility Service Assessments (MUSA) on Municipal owned and
8 operated utilities, as provided by the Municipal Code; and
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10 WHEREAS, MUSA revenues forecast for 2006-2007 anticipate payment by the Anchorage
11 Water and Wastewater Utility (AWWU) based on the net book value of both contributed and non-
12 contributed plant values; and
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14 WHEREAS, MUSA revenues in 2006 and 2007 would be reduced by more than \$6.4 million
15 per year if AWWU is prohibited from paying MUSA on the net book value of contributed plant; and
16

17 WHEREAS, the Municipality of Anchorage will need to make significant adjustments to the
18 budgeted level of government services in 2006 and 2007 if it is prohibited from collecting all MUSA
19 provided for within the Municipal Code; now , therefore
20

21 The Anchorage Assembly resolves:
22

23 Section 1. That the Administration will closely monitor on-going legal activities related
24 to the appeal of the recent Regulatory Commission of Alaska order that seeks to limit the ability of the
25 Municipality of Anchorage to collect MUSA on the net contributed plant of AWWU, and report
26 timely to the Assembly on any new developments.
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28 Section 2. The Administration will provide the Assembly monthly updates on the status
29 of the AWWU case.
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31 Section 3. Should there be need to adjust the 2006 and 2007 budgets due to a court order
32 limiting the collectability of MUSA revenue anticipated in the approved budget, the Administration
33 will develop a plan for budget adjustments and engage the Assembly in a joint effort to ensure that
34 adverse impacts on Municipal residents are minimized to the extent possible.
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36 Section 4. The Administration will develop a timetable within fifteen days of any
37 adverse order regarding MUSA and present the timetable to the Assembly.
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39 Section 5. The Administration would request that the Assembly leadership select
40 appropriate members of the Assembly to work with the Administration in a joint effort to minimize
41 adverse impacts.

1 PASSED AND APPROVED by the Anchorage Municipal Assembly this 22nd day of
2 November, 2005.
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Chair

7 ATTEST:

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9 Bonnie S. Givens
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11 Municipal Clerk