

CLERK'S OFFICE

**APPROVED**

Date: 1-11-11 ANCHORAGE, ALASKA  
AR NO. 2010-367

Submitted by: Chairman of the Assembly at  
the Request of the Mayor  
Prepared by: Finance Department  
For Reading: December 14, 2010

1 A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE APPROPRIATING TWO  
2 HUNDRED THOUSAND DOLLARS (\$200,000) OF MUNICIPAL CASH POOL  
3 EARNINGS IN THE PUBLIC FINANCE AND INVESTMENT FUND (191) TO THE  
4 PUBLIC FINANCE AND INVESTMENT FUND (191) TO PAY MANAGEMENT AND  
5 CUSTODIAL EXPENSES FOR THE MUNICIPAL CASH POOL.

6  
7 THE ANCHORAGE ASSEMBLY RESOLVES:

8  
9 **Section 1.** That the sum of two hundred thousand dollars (\$200,000) of Municipal Cash  
10 Pool earnings be appropriated to the Public Finance and Investment Fund (191) to pay  
11 management and custodial expenses for the Municipal Cash Pool.

12  
13 **Section 2.** That this resolution shall take effect immediately upon passage and approval.

14  
15 PASSED AND APPROVED by the Anchorage Assembly this 11<sup>th</sup> day of  
16 January, 2011.

17  
18  
19 Dick  
Chair

20 ATTEST:

21  
22  
23 Barbara S. Boudreau  
24 Municipal Clerk

25  
26  
27  
28 **Departmental Appropriation:**

29  
30 Finance, Public Finance and Investments Division \$200,000



# MUNICIPALITY OF ANCHORAGE

## Assembly Memorandum

No. AM 675 2010

Meeting Date: December 14, 2010

FROM: Mayor

SUBJECT: A Resolution of the Municipality of Anchorage Appropriating Two Hundred Thousand Dollars (\$200,000) of Municipal Cash Pool Earnings in the Public Finance and Investment Fund (191) to the Public Finance and Investment Fund (191) to Pay Management and Custodial Expenses for the Municipal Cash Pool.

Management and custodial fees for the Municipal Cash Pool (MCP) are predominantly charged as a percentage of market value. Through October 2010, the invested balance of the MCP has averaged over 40% higher than in previous years, due largely to the investment of 2010 Tax Anticipation Note proceeds in the MCP. As such, the 2010 budget is currently insufficient to pay fees that have accrued. This problem is remedied by appropriating additional earnings associated with the higher invested balance to cover the higher management and custody fees.

It is important to note that because management and custodial fees are deducted prior to allocation of investment earnings, additional management and custody expenses are completely offset by additional investment revenues, resulting in a net effect of zero to the Public Finance and Investment Fund (191).

The budget detail is as follows:

### REVENUE

<u>Account Number</u>	<u>Account Name</u>	<u>Amount</u>
191-1313-9798-BP2010	Miscellaneous Revenues	\$160,000
191-1313-9492-BP2010	Service Fees-School Dist	<u>40,000</u>
	Total	\$200,000

### EXPENSE

<u>Account Number</u>	<u>Account Name</u>	<u>Amount</u>
191-1313-3101-BP2010	Professional Services	\$200,000

THE ADMINISTRATION RECOMMENDS APPROVAL OF THE RESOLUTION APPROPRIATING TWO HUNDRED THOUSAND DOLLARS (\$200,000) OF MUNICIPAL CASH POOL EARNINGS IN THE PUBLIC FINANCE AND INVESTMENT FUND (191) TO THE PUBLIC FINANCE AND INVESTMENT FUND (191) TO PAY MANAGEMENT AND CUSTODIAL EXPENSES FOR THE MUNICIPAL CASH POOL.

1		
2	Prepared by:	Finance Department, Public Finance and Investments Division
3	Fund certification:	Lucinda Mahoney, CFO
4		191-1313-9798-BP2010      \$160,000
5		(2010 Anticipated Earnings)
6		191-1313-9492-BP2010      \$ 40,000
7		(2010 Anticipated Earnings)
8	Concur:	George J. Vakalis, Municipal Manager
9	Respectfully submitted:	Daniel A. Sullivan, Mayor

**Content ID:** 009681**Type:** AR\_FundsApprop - Funds Approp Resolution

A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE APPROPRIATING TWO HUNDRED THOUSAND DOLLARS (\$200,000) OF MUNICIPAL CASH POOL

**Title:** EARNINGS IN THE PUBLIC FINANCE AND INVESTMENT FUND (191) TO THE PUBLIC FINANCE AND INVESTMENT FUND (191) TO PAY MANAGEMENT AND CUSTODIAL EXPENSES FOR THE MUNICIPAL CASH POOL**Author:** pruittns**Initiating Dept:** Finance**Keywords:** MCP, Municipal Cash Pool, Public Finance, Custodial Expenses**Date Prepared:** 12/1/10 4:47 PM**Director Name:** Lucinda Mahoney**Assembly Meeting Date:** 12/14/10**Public Hearing Date:** 1/11/11

<b>Workflow Name</b>	<b>Action Date</b>	<b>Action</b>	<b>User</b>	<b>Security Group</b>	<b>Content ID</b>
Clerk_Admin_SubWorkflow	12/3/10 2:12 PM	Exit	Joy Maglaqui	Public	009681
MuniManager_SubWorkflow	12/3/10 2:12 PM	Approve	Joy Maglaqui	Public	009681
OMB_SubWorkflow	12/3/10 1:41 PM	Approve	Cheryl Frasca	Public	009681
Finance_SubWorkflow	12/2/10 7:38 PM	Approve	Lucinda Mahoney	Public	009681
Finance_SubWorkflow	12/2/10 5:03 PM	Checkin	Nina Pruitt	Public	009681
FundsAppropWorkflow	12/1/10 4:50 PM	Checkin	Nina Pruitt	Public	009681