

CLERK'S OFFICE
AMENDED AND APPROVED

Date: 1-11-11

Submitted by: Chair of the Assembly at the
Request of the Mayor
Prepared by: Office of Management and Budget
For reading: December 14, 2010

ANCHORAGE, ALASKA
AR No. 2010-376

A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE REAPPROPRIATING ONE MILLION DOLLARS (\$1,000,000) OF MAINTENANCE AND OPERATIONS, AREAWIDE GENERAL FUND (101) 2010 OPERATING BUDGET TO REAL ESTATE DEPARTMENT, AREAWIDE GENERAL FUND (101) TO BE USED AS A CONTRIBUTION TO REAL ESTATE DEPARTMENT, AREAWIDE GENERAL CIP FUND (401) TO BE APPROPRIATED FOR USE AS A PARTIAL PAYMENT OF AN INTER-FUND LOAN FROM MUNICIPAL LIGHT & POWER AND REAPPROPRIATING FIVE HUNDRED THOUSAND DOLLARS (\$500,000) OF MAINTENANCE AND OPERATIONS, AREAWIDE GENERAL FUND (101) 2010 OPERATING BUDGET TO THE FINANCE DEPARTMENT, AREAWIDE GENERAL FUND (101) TO BE USED AS A CONTRIBUTION TO THE COMMUNITY DEVELOPMENT DEPARTMENT, ANCHORAGE BUILDING SAFETY SA FUND (181).

WHEREAS, \$1,500,000 of Maintenance and Operations 2010 Operating Budget is forecast to lapse; and

WHEREAS, a parcel legally described as Tract B Muldoon Estates was purchased in 2006 through an inter-fund loan from Municipal Light & Power (ML&P) for \$3,688,437 for a term not to exceed five years; and

WHEREAS, the Municipality wishes to make a partial payment of \$1,000,000, now, to repay a portion of the loan; and

WHEREAS, Anchorage Building Safety SA Fund has a negative fund balance in excess of \$2,000,000; and

WHEREAS, the Municipality wishes to restore a portion, \$500,000, of the Fund Balance in Anchorage Building Safety SA Fund; therefore,

THE ANCHORAGE ASSEMBLY RESOLVES:


Section 1. The sum up to of ONE MILLION DOLLARS (\$1,000,000) of Maintenance and Operations, Areawide General Fund (101) available 2010 Operating budget is hereby reappropriated to the Real Estate Department, Areawide General Fund (101) to be used as a contribution to the Real Estate Department, Areawide General CIP Fund (401) for the partial payment of an inter-fund loan from ML&P.

Section 2. The sum up to of FIVE HUNDRED THOUSAND DOLLARS (\$500,000) of Maintenance and Operations, Areawide General Fund (101)


1 available 2010 Operating Budget is hereby reappropriated to the Finance
2 Department, Areawide General Fund (101) to be used as a contribution to the
3 Community Development Department, Anchorage Building Safety SA Fund (181).
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5 **Section 3.** This resolution shall be effective immediately upon passage and
6 approval by the Assembly.

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8 PASSED AND APPROVED by the Anchorage Assembly this 11/13 day of
9 January, 2011.

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Chair of the Assembly

ATTEST:

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Municipal Clerk

Department of Appropriation:

Maintenance and Operations	<u>not to exceed</u> (\$1,500,000)
Real Estate Department	<u>not to exceed</u> \$1,000,000
Finance Department	<u>not to exceed</u> \$ 500,000

MUNICIPALITY OF ANCHORAGE



Assembly Memorandum

No. AM 691-2010

Meeting Date: December 14, 2010

From: MAYOR

Subject: A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE REAPPROPRIATING ONE MILLION DOLLARS (\$1,000,000) OF MAINTENANCE AND OPERATIONS, AREAWIDE GENERAL FUND (101) 2010 OPERATING BUDGET TO REAL ESTATE DEPARTMENT, AREAWIDE GENERAL FUND (101) TO BE USED AS A CONTRIBUTION TO REAL ESTATE DEPARTMENT, AREAWIDE GENERAL CIP FUND (401) TO BE APPROPRIATED FOR USE AS A PARTIAL PAYMENT OF AN INTER-FUND LOAN FROM MUNICIPAL LIGHT & POWER AND REAPPROPRIATING FIVE HUNDRED THOUSAND DOLLARS (\$500,000) OF MAINTENANCE AND OPERATIONS, AREAWIDE GENERAL FUND (101) 2010 OPERATING BUDGET TO THE FINANCE DEPARTMENT, AREAWIDE GENERAL FUND (101) TO BE USED AS A CONTRIBUTION TO THE COMMUNITY DEVELOPMENT DEPARTMENT, ANCHORAGE BUILDING SAFETY SA FUND (181)

The Maintenance and Operating Department is expected to save \$1.5 million in 2010 Operating Budget Fund 101. This resolution is to re-appropriate \$1,000,000 of this savings to Real Estate Services to repay a portion of an interfund to MLP and to re-appropriate \$500,000 to partially restore the deficit in Fund 181, Anchorage Building Safety SA Fund.

MLP Interfund Loan

In 2006, the Assembly approved (AO 2006-149(S)) an inter-fund loan of \$3,688,437 plus interest at .5% above the General Cash Pool rate (determined monthly) from Municipal Light & Power (ML&P) to Real Estate Services (RES) for the acquisition of the former Alaska Greenhouse property (Tract B, MULDOON ESTATES SUBDIVISION). The terms for repayment were specified in AM 799-2006 to include no more than a 5 year term and annual interest. The final payment is due to ML&P October 25, 2011. The MOA has paid some of the interest but the principal payment of \$3,388,437 is still payable. This administration has been working with ML&P to transact a land trade as a way to partially re-pay the loan. However, it appears that such a trade may not occur prior to the due date. The administration requests an appropriation to repay a portion of this loan to ML&P with the savings in the Maintenance and Operations Department. The administration will seek an additional appropriation in 2011 for the balance of the loan.

Fund 181

Fund 181 is intended to function as a self-supporting fund with revenues provided by the building/construction industry. The revenues fluctuate based on economic conditions within the building/construction industry. Beginning in 2004, contributions were made from the Building Safety SA Fund (181) to the Areawide General Fund (101) of approximately \$500,000 annually, totaling \$3,275,444. Due to the current economic environment, in the past two years, revenues have declined faster than expenditures and have created a negative fund balance in excess of \$2,000,000. This contribution will assist in restoring the Building Safety SA Fund Balance.

The budget detail is as follows:

Revenue

Account number	Description	Amount
401-1253-9601-BP2010	Contributions Other Funds	\$1,000,000

Expenditure

Account number	Description	Amount
101-16XX-2000-BP2010	Non-Labor	(\$1,500,000)
101-1222-3901-BP2010	Contributions to Other Funds	\$1,000,000
101-1351-3901-BP2010	Contributions to Other Funds	\$ 500,000
401-1253-0611	Due to Areawide	\$1,000,000

THE ADMINISTRATION RECOMMENDS APPROVAL OF A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE REAPPROPRIATING ONE MILLION DOLLARS (\$1,000,000) OF MAINTENANCE AND OPERATIONS, AREAWIDE GENERAL FUND (101) 2010 OPERATING BUDGET TO REAL ESTATE DEPARTMENT, AREAWIDE GENERAL FUND (101) TO BE USED AS A CONTRIBUTION TO REAL ESTATE DEPARTMENT, AREAWIDE GENERAL CIP FUND (401) TO BE APPROPRIATED FOR USE AS A PARTIAL PAYMENT OF AN INTER-FUND LOAN FROM MUNICIPAL LIGHT & POWER AND REAPPROPRIATING FIVE HUNDRED THOUSAND DOLLARS (\$500,000) OF MAINTENANCE AND OPERATIONS, AREAWIDE GENERAL FUND (101) 2010 OPERATING BUDGET TO THE FINANCE DEPARTMENT, AREAWIDE GENERAL FUND (101) TO BE USED AS A CONTRIBUTION TO THE COMMUNITY DEVELOPMENT DEPARTMENT, ANCHORAGE BUILDING SAFETY SA FUND (181).

Prepared by: Cheryl Frasca, Director, Office of Management & Budget
Fund certification: Lucinda Mahoney, CFO
101-16XX-2000-BP2010 **not to exceed** \$1,500,000
(2010 M&O Operating Budget)
Concur: George J. Vakalis, Municipal Manager
Respectfully submitted: Daniel A. Sullivan, Mayor

Content ID: 009711**Type:** AR_FundsApprop - Funds Approp Resolution

A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE
 REAPPROPRIATING ONE MILLION DOLLARS (\$1,000,000) OF MAINTENANCE
 AND OPERATIONS, AREAWIDE GENERAL FUND (101) 2010 OPERATING
 BUDGET TO REAL ESTATE DEPARTMENT, AREAWIDE GENERAL FUND (101)
 TO BE USED AS A CONTRIBUTION TO REAL ESTATE DEPARTMENT,
 AREAWIDE GENERAL CIP FUND (401) TO BE APPROPRIATED FOR USE AS A

Title: PARTIAL PAYMENT OF AN INTER-FUND LOAN FROM MUNICIPAL LIGHT &
 POWER AND REAPPROPRIATING FIVE HUNDRED THOUSAND DOLLARS
 (\$500,000) OF MAINTENANCE AND OPERATIONS, AREAWIDE GENERAL
 FUND (101) 2010 OPERATING BUDGET TO THE FINANCE DEPARTMENT,
 AREAWIDE GENERAL FUND (101) TO BE USED AS A CONTRIBUTION TO THE
 COMMUNITY DEVELOPMENT DEPARTMENT, ANCHORAGE BUILDING
 SAFETY SA FUND (181).

Author: maglaquijp**Initiating
Dept:** OMB**Date
Prepared:** 12/9/10 6:29 PM**Director
Name:** Cheryl Frasca**Assembly
Meeting Date:** 12/14/10**Public
Hearing Date:** 1/11/11

Workflow Name	Action Date	Action	User	Security Group	Content ID
Clerk_Admin_SubWorkflow	12/10/10 11:26 AM	Exit	Joy Maglaqui	Public	009711
MuniManager_SubWorkflow	12/10/10 11:26 AM	Approve	Joy Maglaqui	Public	009711
MuniManager_SubWorkflow	12/10/10 11:25 AM	Checkin	Joy Maglaqui	Public	009711
Finance_SubWorkflow	12/10/10 10:16 AM	Approve	Lucinda Mahoney	Public	009711
OMB_SubWorkflow	12/10/10 8:00 AM	Approve	Cheryl Frasca	Public	009711
FundsAppropWorkflow	12/9/10 6:30 PM	Checkin	Marilyn T. Banzhaf	Public	009711

Al Anderson

CONSENT AGENDA - INTRODUCTION