

Submitted by: Chair of the Assembly at the
Request of the Mayor

Prepared by: Chief Fiscal Office

For reading: February 1, 2011

CLERK'S OFFICE

APPROVED

Date:

2-15-11

ANCHORAGE, ALASKA

AR No. 2011-42

A RESOLUTION APPROPRIATING ONE HUNDRED NINETY-FIVE THOUSAND FIVE HUNDRED DOLLARS (\$195,500) OF PRIOR PERIOD EXPENSE RECOVERY AND UP TO ONE MILLION THREE HUNDRED THIRTY THOUSAND DOLLARS (\$1,330,000) OF FUND BALANCE ALL IN THE CONVENTION CENTER OPERATING RESERVE FUND (202) TO THE MUNICIPAL MANAGER DEPARTMENT, CONVENTION CENTER OPERATING RESERVE FUND (202) TO PROVIDE FOR PAYMENTS UNDER THE MANAGEMENT AGREEMENT CONTRACT WITH THE ANCHORAGE CONVENTION & VISITORS BUREAU (ACVB) AND THE USE AGREEMENT WITH CIVICVENTURES

THE ANCHORAGE ASSEMBLY RESOLVES:

Section 1. The sum of ONE HUNDRED NINETY-FIVE THOUSAND FIVE HUNDRED DOLLARS (\$195,500) of Prior Period Expense Recovery is hereby appropriated in the Convention Center Operating Reserve Fund (202) to the Municipal Manager Department for payment of contractual obligations related to the Convention Center Reserve.

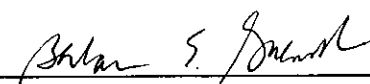
Section 2. The sum of up to ONE MILLION THREE HUNDRED THIRTY THOUSAND DOLLARS (\$1,330,000) of fund balance is hereby appropriated in the Convention Center Operating Reserve Fund (202) to the Municipal Manager Department for payment of contractual obligations related to the Convention Center Reserve.

Section 3. This resolution shall be effective immediately upon passage and approval by the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this 15th day of February, 2011.


Chair of the Assembly

ATTEST:


Municipal Clerk

Department of Appropriation:

Chief Fiscal Office, Convention Center Operating Reserve

\$1,525,500

MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 83-2011

Meeting Date: February 1, 2011

From: MAYOR

Subject: A RESOLUTION APPROPRIATING ONE HUNDRED NINETY-FIVE THOUSAND FIVE HUNDRED DOLLARS (\$195,500) OF PRIOR PERIOD EXPENSE RECOVERY AND UP TO ONE MILLION THREE HUNDRED THIRTY THOUSAND DOLLARS (\$1,330,000) OF FUND BALANCE ALL IN THE CONVENTION CENTER OPERATING RESERVE FUND (202) TO THE MUNICIPAL MANAGER DEPARTMENT, CONVENTION CENTER OPERATING RESERVE FUND (202) TO PROVIDE FOR PAYMENTS UNDER THE MANAGEMENT AGREEMENT CONTRACT WITH THE ANCHORAGE CONVENTION & VISITORS BUREAU (ACVB) AND THE USE AGREEMENT WITH CIVICVENTURES.

The attached resolution provides the level of appropriation necessary to support payments required under the management agreement contract with the Anchorage Convention Center & Visitors Bureau (ACVB) and the Use Agreement with CIVICVentures.

During the fiscal year 2010 budgeting process, the appropriation level for the Convention Center Operating Reserve Fund (202) was based solely on the Hotel & Motel Tax revenue projection. The additional appropriation presented in the attached resolution will cover the 2010 contractual obligations that exceed the 2010 Hotel & Motel Tax revenue projection for Fund 202.

On December 20, 2005, the Anchorage Assembly approved the essential terms and conditions of a Use Agreement with CIVICVentures (AO 2005-190). One of the essential terms was to establish a convention Center Room Tax Fund for deposit of the new four percent Hotel & Motel Bed Tax and associated Penalty/Interest collected pursuant to AMC 12.20.020C and Anchorage Charter 14.05. This new revenue is pledged to pay debt service with any excess going to the convention center operating reserve or to the ACVB as required by the Professional Services and Management Agreements. The debt service, due to Trustee, scheduled for 2010 exceeded the amount of appropriation based on the revenue allocated, thus a fund balance appropriation is requested.

Per the ACVB Management Agreement, effective December 31, 2005, for 2010, the Municipality shall pay an amount equal to the Net Operating Deficit (NOD), up to \$1.6 million. There is insufficient appropriation available for the anticipated 2010 NOD, thus an additional appropriation is requested.

Funding for the convention center comes for the Hotel and Motel Tax revenues and not from property taxes.

Budget details are as follows:

REVENUE UP TO:

202-7684-9672-BP2010	Prior Year Expense Recovery	\$ 195,500
202-7684-0740	Unreserved Fund Balance	370,980
202-7685-0740	Unreserved Fund Balance	<u>959,020</u>
	TOTAL UP TO	\$ 1,525,500

EXPENDITURE UP TO:

202-7684-3808-BP2010	Contractual Services Other	\$ 552,944
202-7684-3814-BP2010	Misc – Audit Fees	13,536
202-7685-3101-BP2010	Professional Services	<u>959,020</u>
	TOTAL UP TO	\$ 1,525,500

THE ADMINISTRATION RECOMMENDS APPROVAL OF A RESOLUTION APPROPRIATING ONE HUNDRED NINETY-FIVE THOUSAND FIVE HUNDRED DOLLARS (\$195,500) OF PRIOR PERIOD EXPENSE RECOVERY AND UP TO ONE MILLION THREE HUNDRED THIRTY THOUSAND DOLLARS (\$1,330,000) OF FUND BALANCE ALL IN THE CONVENTION CENTER OPERATING RESERVE FUND (202) TO THE MUNICIPAL MANAGER DEPARTMENT, CONVENTION CENTER OPERATING RESERVE FUND (202) TO PROVIDE FOR PAYMENTS UNDER THE MANAGEMENT AGREEMENT CONTRACT WITH THE ANCHORAGE CONVENTION & VISITORS BUREAU (ACVB) AND THE USE AGREEMENT WITH CIVICVENTURES.

Prepared by:	Debra Fitzgerald, Contract Administrator
Approved by:	Lucinda Mahoney, CFO
Fund certification:	Lucinda Mahoney, CFO
	202-7684-9672-BP2010 \$195,500
	(Prior Year Expense Recovery)
	202-0740 \$1,330,000
	(Convention Center Operations Reserve Fund Balance)
Concur:	George J. Vakalis, Municipal Manager
Respectfully submitted:	Daniel A. Sullivan, Mayor

Content ID: 009840**Type:** AR_FundsApprop - Funds Approp Resolution

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Author: fitzgeraldl**Initiating Dept:** MMStaff**Date Prepared:** 2/1/11 3:26 PM**Assembly Meeting** 2/1/11**Date:****Public Hearing** 2/15/11 1**Date:**

Workflow Name	Action Date	Action	User	Security Group	Content ID
Clerk_Admin_SubWorkflow	2/4/11 10:29 AM	Exit	Joy Maglaqui	Public	009840
MuniManager_SubWorkflow	2/4/11 10:29 AM	Approve	Joy Maglaqui	Public	009840
Finance_SubWorkflow	2/3/11 7:04 PM	Approve	Lucinda Mahoney	Public	009840
OMB_SubWorkflow	2/2/11 10:06 AM	Approve	Marilyn T. Banzhaf	Public	009840
MMStaff_SubWorkflow	2/1/11 3:49 PM	Approve	Joy Maglaqui	Public	009840
FundsAppropWorkflow	2/1/11 3:27 PM	Checkin	Debra Fitzgerald	Public	009840