

CLERK'S OFFICE

**APPROVED**

Date: 12-6-11

Submitted by: Chairman of the Assembly  
at the Request of the Mayor  
Prepared by: Public Works  
For Reading: December 6, 2011

ANCHORAGE, ALASKA  
AR No. 2011-329

1 A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE APPROPRIATING  
2 EIGHT THOUSAND DOLLARS (\$8,000) FROM THE SRW HOMEOWNER'S  
3 LIMITED ROAD SERVICE AREA (LRSA) FUND BALANCE FUND (126) TO THE  
4 SRW HOMEOWNER'S LRSA BP2011 OPERATING BUDGET FUND (126),  
5 PUBLIC WORKS DEPARTMENT, ADMINISTRATION DIVISION FOR ANNUAL  
6 ROAD MAINTENANCE SERVICES.

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9 **WHEREAS**, the Public Works Department, Administration Division is authorized to  
10 administer SRW Homeowner's LRSA funds appropriated by the Anchorage  
11 Municipal Assembly; and

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13 **WHEREAS**, Eight Thousand Dollars (\$8,000) of undesignated fund balance is  
14 available in SRW Homeowner's LRSA Fund Balance Fund (126); and

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16 **WHEREAS**, said funding is needed by the SRW Homeowner's LRSA for annual  
17 road maintenance services; now, therefore,

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19 **THE ANCHORAGE ASSEMBLY RESOLVES:**

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21 **Section 1.** The sum of Eight Thousand Dollars (\$8,000) is hereby appropriated  
22 from the SRW Homeowner's LRSA Fund Balance Fund (126) to the SRW  
23 Homeowner's LRSA BP2011 Operating Budget Fund (126), Public Works  
24 Department, Administration Division.

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26 **Section 2.** This resolution shall take effect immediately upon passage and  
27 approval by the Assembly.

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30 PASSED AND APPROVED by the Anchorage Assembly this 6th day of  
31 December, 2011.

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36 Chair of the Assembly

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38 ATTEST:

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42 Municipal Clerk

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44 **Departmental Appropriation:**  
45 Public Works Department: \$8,000 (Fund Balance)



# MUNICIPALITY OF ANCHORAGE

## ASSEMBLY MEMORANDUM

No. AM 694-2011

Meeting Date: December 6, 2011

**FROM: MAYOR**

**SUBJECT: A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE APPROPRIATING EIGHT THOUSAND DOLLARS (\$8,000) FROM THE SRW HOMEOWNER'S LIMITED ROAD SERVICE AREA (LRSA) FUND BALANCE FUND (126) TO THE SRW HOMEOWNER'S LRSA BP2011 OPERATING BUDGET FUND (126), PUBLIC WORKS DEPARTMENT, ADMINISTRATION DIVISION, FOR THE ANNUAL ROAD MAINTENANCE SERVICES.**

An Assembly Resolution is requested to appropriate \$8,000 from the SRW Homeowner's LRSA Fund Balance Fund (126) to the SRW Homeowner's LRSA BP2011 General Operating Budget Fund (126), Public Works Department, Administration Division for annual road maintenance services. The 2011 Summer Maintenance Program completed much needed road and drainage repairs on various service area roads. Unanticipated conditions caused slight cost overruns to complete construction of the repairs properly. As a result, additional funds will be needed to supplement the BP2011 Operating Budget to ensure adequate funding for remaining annual road maintenance services for BP2011.

The proposed appropriation of undesignated fund balance is in conformance with the SRW Homeowner's LRSA Fund Balance Designation Policy (Exhibit A). After the appropriation, there will be sufficient fund balance set aside to meet policy levels for bond rating and emergency road work designations.

The SRW Homeowner's LRSA Board of Supervisors supports this resolution and recommends that the Assembly approve the appropriation.

The budgetary detail is as follows:

### REVENUE

Account Number	Account Name	Amount
126.0740	Fund Balance	\$8,000

### EXPENDITURE

Account Number	Account Name	Amount
126.7456.3808.BP2011	Contractual Services Others	\$8,000

1 THE ADMINISTRATION RECOMMENDS APPROVAL OF A RESOLUTION  
2 APPROPRIATING EIGHT THOUSAND DOLLARS (\$8,000) FROM THE SRW  
3 HOMEOWNER'S LRSA FUND BALANCE FUND (126) TO THE SRW  
4 HOMEOWNER'S LRSA BP2011 GENERAL OPERATING BUDGET FUND (126)  
5 PUBLIC WORKS DEPARTMENT, ADMINISTRATION DIVISION, FOR ANNUAL  
6 ROAD MAINTENANCE SERVICES.

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8 Prepared by: Maurice Robinson, Superintendent  
9 Public Works Department

10 Approved by: Ron Thompson, P.E., Director  
11 Public Works Department

12 Fund certification: Lucinda Mahoney, CFO  
13 126.0740 \$8,000  
14 (SRW Homeowner's LRSA Fund Balance)

15 Concur: George J. Vakalis, Municipal Manager

16 Respectfully submitted: Daniel A. Sullivan, Mayor

## EXHIBIT A

### SRW HOMEOWNERS LIMITED ROAD SERVICE AREA SERVICE AREAS OPERATING MANUAL

#### **XII. FUND BALANCE DESIGNATION POLICY**

- A. All service areas have an established fund balance designation policy, designating a percentage of prior year service area revenues set aside and held in the service area fund balance for specific uses.
- B. Fund balances are not intended to be held for construction projects for limited road service area road work because they have only limited road maintenance authority, but rural road service areas are authorized to do so because they have road construction authority.
- C. Fund balances are not intended to prevent a reduction of mill levies and may, consequently, be used to fund budgets and inherently reduce mill levies.
- D. Components of the policy,
  - 1. Municipal bond rating set aside, currently 8.25%:
    - a. this amount is financially determined as a percentage of revenues based on municipal bond rating requirements.
    - b. this amount must be maintained in the fund balance and cannot be used by the service area.
    - c. historically, these funds have not been used by the municipality.
  - 2. Emergency road work set aside, generally 20%:
    - a. this amount is used for inordinate snow and ice events, emergency road repairs and other unexpected road maintenance needs.
    - b. this amount is used for board and administration-determined needs that the service area budget is unable to fund.
    - c. historically, these funds have been used from time to time and are replenished over a period of a year or two.
  - 3. Road improvement work set aside (see section B. above regarding road work authority)
    - a. this amount is primarily used for summer projects that have long term road maintenance reduction aspects.
    - b. this amount is used for board and administration discretionary projects that will ensure safe, drivable and well maintained rural roads.
    - c. historically, these funds have been used on an annual or a few-year basis for planned long-term improvements/road maintenance reduction work and are replenished from time to time through prior year budget carry-over funds.