ANCHORAGE, ALASKA
AR 2012-99

A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE REVISING AND
APPROPRIATING FUNDS FOR THE 2012 MUNICIPAL UTILITIES/ENTERPRISE ACTIVITIES
OPERATING BUDGET

WHEREAS, the approved 2012 budget for the Municipal Utilities was effective on January 1,
2012, per AO 2011 - 102(S);

WHEREAS, the Port of Anchorage, Municipal Light and Power, and Merrill Field Airport have
recommended through the Mayor revisions to their respective 2012 operating budget; now,
therefore,

THE ANCHORAGE ASSEMBLY RESOLVES:

Section 1. The amounts set forth for the 2012 fiscal year for the following utilities are hereby
appropriated:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Utility</th>
<th>2012 Approved Budget</th>
<th>Revision</th>
<th>2012 Revised Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>530</td>
<td>Municipal Light and Power</td>
<td>113,646,000</td>
<td>(5,352,000)</td>
<td>$ 108,294,000</td>
</tr>
<tr>
<td>570</td>
<td>Port of Anchorage</td>
<td>11,558,252</td>
<td>1,329,828</td>
<td>$ 12,888,080</td>
</tr>
<tr>
<td>580</td>
<td>Merrill Field Airport</td>
<td>3,632,000</td>
<td>618,000</td>
<td>$ 4,250,000</td>
</tr>
</tbody>
</table>

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

PASSED AND APPROVED by the Anchorage Assembly this _____ day of ______________, 2012

______________________________
Chair of the Assembly

ATTEST:

______________________________
Municipal Clerk
MUNICIPALITY OF ANCHORAGE
ASSEMBLY MEMORANDUM
No. AM 225-2012

Meeting Date: April 10, 2012

FROM: MAYOR

SUBJECT: A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE
REVISING AND APPROPRIATING FUNDS FOR THE 2012
MUNICIPAL UTILITIES/ENTERPRISE ACTIVITIES OPERATING
BUDGET.

The accompanying Assembly Resolution appropriates and revises the Municipal
Utilities/Enterprises Activities 2012 Operating Budgets for the following reasons:

- The Port of Anchorage 2012 approved budget included revenue for a security
  contract but the expenditures were inadvertently not included. This resolution
  appropriates the expense of the contract of $1,329,828;

- The 2012 approved operating budget for Municipal Light and Power included
  the interest expense on debt of $6,500,000. The issuance of commercial
  paper instead of revenue bonds resulted in an interest expense of $1,148,000
  resulting in savings of $5,352,000; and

- Merrill Field Airport expenditures are anticipated to be in excess of the
  approved Merrill Field budget for 2012. Increased expenditures of $618,000
  are the result of higher than anticipated depreciation expense, and increased
  fuel, labor, repair, and rental costs for snow removal operations.

THE ADMINISTRATION RECOMMENDS APPROVAL OF A RESOLUTION OF
THE MUNICIPALITY OF ANCHORAGE REVISING AND APPROPRIATING
FUNDS FOR THE 2012 MUNICIPAL UTILITIES/ENTERPRISE ACTIVITIES
OPERATING BUDGET.

Prepared by: Office of Management and Budget
Recommended by: Cheryl Frasca, Director, Office of Management and
Budget
Concur: Lucinda Mahoney, CFO
Concur: George J. Vakalis, Municipal Manager
Respectfully submitted: Daniel A. Sullivan, Mayor