

Municipal Clerk's Office
Approved
Date: **November 19, 2019**

Submitted By: Chairman of the Assembly at
the Request of the Mayor
Prepared By: Office of Management &
Budget
For Reading: October 8, 2019

ANCHORAGE, ALASKA
AO No. 2019 - 119

1 **AN ORDINANCE ADOPTING AND APPROPRIATING FUNDS FOR THE 2020 MUNICIPAL**
2 **UTILITIES/ENTERPRISE ACTIVITIES OPERATING BUDGETS TO INCLUDE MUNICIPAL**
3 **LIGHT & POWER (ML&P) AND ANCHORAGE WATER & WASTEWATER UTILITY (AWWU)**
4 **REIMBURSABLE PROJECTS, ML&P BRU GAS FIELD FUND AND ML&P CONTRIBUTED**
5 **PLANT; AND THE 2020 MUNICIPAL UTILITIES/ENTERPRISE ACTIVITIES CAPITAL**
6 **IMPROVEMENT BUDGETS.**

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9 **WHEREAS**, the Mayor has presented recommended 2020 Municipal Utilities/Enterprise Activities
10 Operating Budgets and Capital Improvement Budgets (CIB) for the Municipality of Anchorage to
11 the Assembly in accordance with Article XIII, Section 13.03 of the Municipal Charter; and

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13 **WHEREAS**, the Assembly reviewed the budgets as presented; and

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15 **WHEREAS**, duly advertised public hearings were held in accordance with Article XIII, Section
16 13.04 of the Municipal Charter; and

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18 **WHEREAS**, the 2020 Utilities/Enterprise Activities Operating Budgets and the 2020
19 Utilities/Enterprise Activities CIB are now ready for adoption and appropriation of funds in
20 accordance with Article XIII, Section 13.05 of the Municipal Charter; now therefore,

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22 **THE ANCHORAGE ASSEMBLY ORDAINS:**

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24 **Section 1.** The 2020 Municipal Utilities/Enterprise Activities Operating Budgets and the 2020
25 Municipal Utilities/Enterprise Activities Capital Improvement Budgets are hereby adopted.

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27 **Section 2.** The amounts set forth for the 2020 Municipal Utilities/Enterprise Activities Operating
28 Budgets for the following Municipal Utilities/Enterprise Activities are hereby appropriated for the
29 2020 fiscal year:

Fund	Utility/Enterprise	Appropriated Budget
530000	ML&P - Electric	\$ 150,707,682
530300	ML&P - Reimbursable	7,000,000
532000	ML&P - BRU Gas Field	12,591,934
540000	Anchorage Water Utility (AWU)	51,784,841
540300	AWU - Reimbursable	1,000,000
550000	Anchorage Wastewater Utility (ASU)	48,066,171
550300	ASU - Reimbursable	1,000,000
560000	Solid Waste Refuse Collections	11,124,279
562000	Solid Waste Disposal	18,876,620
570000	Port of Alaska	15,046,240
580000	Merrill Field Airport	2,056,236
Utility/Enterprise Operating Appropriated Budgets		\$ 319,254,003


1 **Section 3.** The amounts set forth for the 2020 Municipal Utilities/Enterprise Activities Capital
 2 Improvement Budgets for the municipal utilities/enterprise activities are hereby approved.

3
 4 **Section 4.** The following capital activities' funding sources are available and are hereby
 5 appropriated for the 2020 Municipal Utilities/Enterprise Activities in amounts not to exceed, as
 6 follows:

7	Fund Utility/Enterprise	Appropriated Budget
8	530200 ML&P - Electric Capital	26,691,000
9	532200 ML&P - BRU Gas Capital	9,600,000
10	540200 AWU Capital	25,456,000
11	550200 ASU Capital	26,250,000
12	560200 SWS Refuse Capital	4,830,000
13	562200 SWS Disposal Capital	19,999,000
14	570200 Port of Alaska Capital	3,600,000
15	580200 Merrill Field Airport Capital	-
16	Utility/Enterprise Capital Appropriated Budgets	\$ 116,426,000

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 18 **Section 5.** This ordinance shall take effect immediately upon passage and approval by the
 19 Assembly.

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 22 PASSED AND APPROVED by the Anchorage Assembly this 19th day of November, 2019.

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 24 
 25 _____
 Chair of the Assembly

26 ATTEST:
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 28 _____
 29 Municipal Clerk

MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

AM No. 624 - 2019

Meeting Date: October 8, 2019

1 **From: MAYOR**

2
3 **Subject: AN ORDINANCE ADOPTING AND APPROPRIATING FUNDS**
4 **FOR THE 2020 MUNICIPAL UTILITIES/ENTERPRISE ACTIVITIES**
5 **OPERATING BUDGETS TO INCLUDE MUNICIPAL LIGHT &**
6 **POWER (ML&P) AND ANCHORAGE WATER & WASTEWATER**
7 **UTILITY (AWWU) REIMBURSABLE PROJECTS, ML&P BRU**
8 **GAS FIELD FUND AND ML&P CONTRIBUTED PLANT; AND THE**
9 **2020 MUNICIPAL UTILITIES/ENTERPRISE ACTIVITIES CAPITAL**
10 **IMPROVEMENT BUDGETS.**

11
12 The accompanying Assembly Ordinance:

- 13 • appropriates the Municipal Utilities/Enterprise Activities 2020 Operating
14 Budgets
- 15 • approves the 2020 Municipal Utilities/Enterprise Activities Capital
16 Improvement Budgets, and
- 17 • appropriates the 2020 Municipal Utilities/Enterprise Activities Capital
18 Improvement Budgets that have available funding sources.

19
20 **THE ADMINISTRATION RECOMMENDS APPROVAL.**

21
22 Prepared by: Lance Wilber, Director
23 Concur: Alexander Slivka, CFO
24 Concur: Rebecca A. Windt Pearson, Municipal Attorney
25 Concur: William D. Falsey, Municipal Manager
26 Respectfully submitted: Ethan A. Berkowitz, Mayor



MUNICIPALITY OF ANCHORAGE

ASSEMBLY INFORMATION MEMORANDUM

Municipal Clerk's Office

AIM No. 159-2019

Accepted

Date: **November 19, 2019**

Meeting Date: November 19, 2019

1 **From: MAYOR**

2
3 **Subject:** Municipal Budget Advisory Commission 2020 Proposed Budget
4 Resolution, November 2019.
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6

7 Attached is a resolution from the Municipal Budget Advisory Commission recommending
8 the Assembly support:

- 9 1) The proposed 2020 General Government Operating Budget,
10 2) The 2020 Capital Improvement Budget and 2020-2025 Capital Improvement
11 Program.
12 3) The Proposed 2020 Utility & Enterprise Operating and Capital Budgets.
13

14 The resolution was discussed at the regular meeting of the commission on November 7,
15 2019.
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18 Prepared by: Lance Wilber, Director, OMB
19 Concur: William D. Falsey, Municipal Manager
20 Respectfully submitted: Ethan A. Berkowitz, Mayor

Municipal Budget Advisory Commission 2020 Proposed Budget Resolution, November 2019

The Municipal Budget Advisory Commission (BAC) is responsible to provide the assembly, the mayor, the school board and the superintendent of schools well-informed advice as to budgets and budgeting process, 4.50.030.

Whereas; the BAC has been provided information, offered presentations, and reviewed the proposed 2020 budgets (General Government, Capital and Utility & Enterprises) by the Office of Management and Budget, and

Whereas; The BAC recognizes the budgetary challenges as illustrated in the Proposed 2020 General Government Operating Budget, and

Whereas; The BAC understands the impact and recognizes the significant reductions in state resources available that are resulting in cost shifting of local resources to otherwise state supported services. Concurrently, the drastic reduction in capital investment over the past 5 years has resulted in increased strain on our local capital program to keep up with local community infrastructure needs, and

Whereas; The BAC supports the proposed budget which continues to prioritize public safety, to which approximately 40% of the total budget is allocated, supporting programs that focus on addressing homelessness in our community while maintaining basic support services in other departments, and

Whereas; The BAC concurs with the proposed budget to fully fund police and fire attrition academies, the additional resources to police non-sworn and patrols as well as the homeless camp clean-up programs as a continuation of efforts to maintain service levels, response time and overall enhancement of public safety, and

Whereas; The BAC is aware the Fire Department is challenged in being able to meet its 2019 budget related to Overtime and Leave Cash-In. For the Proposed 2020 Budget, the BAC recommends that no change be made to the Fire Department budget until after January 2020 when leave cash-in projections are updated and all measures have been taken at the department level to limit overtime within management's authority and the confines of the labor contract, and

Whereas; The BAC has considered the proposed 2020 capital projects specifically related to the 2020 bonds and supports the proposed amount as the capital investments required to maintain and improve our infrastructure, and

Whereas; The BAC has reviewed the proposed operating and capital budgets for the Utilities and Enterprise departments and would support the proposed tariff adjustments for the Port of Alaska as recommended by Port Commission on October 23rd.

Whereas; The BAC is apprised of information related to the sale of ML&P. Of particular interest to the BAC is the plan for the proceeds assuming the sale of ML&P. The BAC supports the proposed 2020 budgets as submitted which recommends any proceeds from the sale, following payments of debts, are initially planned to be placed into the Municipal Trust as part of the proposed budgets. The BAC further recommends the Administration and Assembly to revisit the matter for budgeting purposes after the sale transaction is complete and then after more information about the benefits of depositing into the trust an/or possibly paying down other municipal debt has been made available, and

Now Therefore Be it Resolved:

- 1) That the BAC recommends the Assembly support the proposed 2020 General Government Operating Budget.
- 2) That the BAC recommends supporting proposed 2020 Capital Improvement Budget and 2020-2025 Capital Improvement Program.
- 3) That the BAC recommends support for the Proposed 2020 Utility & Enterprise Operating and Capital Budgets and that any action approved by the Assembly related to the Port of Alaska be reflected in a revised 2020 budget as approved and if given an opportunity would support review and offering recommendation on the ML&P sale proceeds after the transaction is completed.

Passed and approved on this date: 11/14/19

Nolan Klouda

Nolan Klouda

Budget Advisory Commission, Chair