Resolution 11-061(A)(S) Setting Minimum $200,000 to Water/Sewer Depreciation Reserves Annually Through the Budget Process

Resolution ID: 11-061(A)(S)
Resolution Status: Adopted
Resolution Effective Date: Mon Jun 27th, 2011
Postponed Until: Mon Jun 27th, 2011
Resolution Summary:
A Resolution of the City Council of Homer, Alaska, Setting a Minimum of $200,000 to Water/Sewer Depreciation Reserves Annually Through the Budget Process; Additionally, Any Residual Amount at Year End is to be Transferred to the Water/Sewer Depreciation Reserves. Roberts.

CITY OF HOMER
HOMER, ALASKA

Roberts

RESOLUTION 11-061(A)(S)

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA, SETTING A MINIMUM OF $200,000 TO WATER/SEWER DEPRECIATION RESERVES ANNUALLY THROUGH THE BUDGET PROCESS; ADDITIONALLY, ANY RESIDUAL AMOUNT AT YEAR END IS TO BE TRANSFERRED TO THE WATER/SEWER DEPRECIATION RESERVES.

WHEREAS, When compiling the budget, the current practice is that the amount of depreciation reserves transferred annually is set during the budget cycle; and

WHEREAS, It would be beneficial to set the amount transferred to depreciation reserves by the residual amount at year end; and

WHEREAS, By amending the procedure to set water/sewer depreciation reserve transfers to the net change, it would allow the economy time to recover and build depreciation reserves by only what the utility can afford; and

WHEREAS, This is classified as the “change in fund balance” in the financial statements.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, approves setting a minimum of $200,000 to water/sewer depreciation reserves annually through the budget process; additionally, any residual amount at year end is to be transferred to the water/sewer depreciation reserves.

PASSED AND ADOPTED by the Homer City Council this 27th day of June, 2011.

CITY OF HOMER

JAMES C. HORNADAY, MAYOR

ATTEST:

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JO JOHNSON, CMC, CITY CLERK

Fiscal information: N/A

Resolution Files Resolution 11-061(A)(S)

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