

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

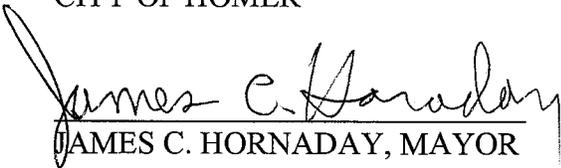
WHEREAS, By amending the procedure to set water/sewer depreciation reserve transfers to the net change, it would allow the economy time to recover and build depreciation reserves by only what the utility can afford; and

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

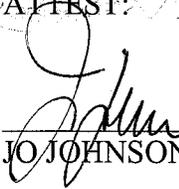
NOW, THEREFORE, BE IT RESOLVED that the City Council of Homer, Alaska, approves setting a minimum of \$200,000 to water/sewer depreciation reserves annually through the budget process; additionally, any residual amount at year end is to be transferred to the water/sewer depreciation reserves.

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

CITY OF HOMER

  
JAMES C. HORNADAY, MAYOR

ATTEST:

  
JO JOHNSON, CMC, CITY CLERK

Fiscal information: N/A