

**CITY OF WHITTIER, ALASKA
RESOLUTION #21-2021**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WHITTIER, ALASKA, ESTABLISHING A NEW WATER/WASTEWATER MAJOR REPAIR AND REPLACEMENT FUND AND ALLOCATING FORMER HARBOR AND WATER/WASTEWATER UBS CAPITAL RESERVES SET ASIDE FOR CAPITAL PURPOSES TO EACH FUND'S RESPECTIVE MAJOR REPAIR AND REPLACEMENT FUND, AND APPROPRIATING FUNDS

WHEREAS, the Whittier City Council previously set aside capital equipment/infrastructure reserves for the Harbor and the Water/Wastewater Funds in individual investment accounts with UBS to account for reserves intended to be used for capital purposes; and

WHEREAS, while it is common to establish assignments of Fund Balance in the General Fund to separate capital versus operating funds, a more common approach for Enterprise Funds is to transfer capital funds into separate Enterprise Fund-related Capital Funds so that capital inflows and outflows can be more easily tracked over time, and so that capital monies are segregated from operating monies; and

WHEREAS, the City has previously established Fund 73 – Harbor Expansion Fund to operate as the harbor's Major Repair and Replacement Fund "MRRF" and the City desires to do the same for the Water/Wastewater Enterprise Fund to set aside monies intended for capital purposes; and

WHEREAS, the UBS reserves previously associated with the Harbor and Water/Wastewater Funds will be transferred out of those Funds and into their respective MRRF Funds; and

WHEREAS, as with all other Funds of the City, no expenditures can be made utilizing these reserves or any other, without express appropriation passed by resolution of the Whittier City Council.

NOW, THEREFORE, BE IT RESOLVED by the Whittier City Council that:

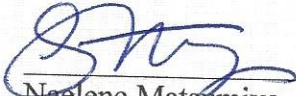
Section 1. A new Fund 75 - Water/Wastewater Major Repair and Replacement Fund is hereby established for the purpose of segregating, recording and tracking capital costs related to the Water and Wastewater Enterprise Fund.

Section 2. Reserves previously held in individual UBS investment accounts are hereby transferred as follows: 1) \$1,031,327.54 from the Water/Wastewater Enterprise Fund account no. 50-800-9901 to Water/Wastewater MRRF account no. 75-390-0000; and 2) \$750,000 from the Harbor Enterprise Fund account no. 51-800-9901 to the Harbor MRRF account no. 73-390-4992.

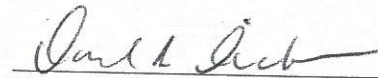
Section 3. This resolution takes effect immediately upon adoption.

PASSED AND APPROVED by a duly constituted quorum of the Whittier City Council this 20th day of July, 2021.

ATTEST:



Naelene Matsumiya
City Clerk



Dave Dickason
Mayor

Ayes: 5
Nays: 0
Absent: 2
Abstain: 0