

LONG-TERM INFRASTRUCTURE SINKING FUND  
AND  
ESTIMATED/PROJECTED ANNUAL INFRASTRUCTURE  
MAINTENANCE AND REPLACEMENT COST  
FOR THE NEXT TWENTY YEARS.

Ordinance 2012-30 was established October 9, 2012.

Current Balance is \$1,669,393

# CITY AND BOROUGH OF SITKA

## ORDINANCE NO. 2012-30

### AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA, ALASKA ADDING A NEW CHAPTER 4.44 TO THE SITKA GENERAL CODE ESTABLISHING REQUIRED LEVELS OF CASH TO BE MAINTAINED AND A NEW CHAPTER 4.45 TO THE SITKA GENERAL CODE ESTABLISHING A LONG TERM PUBLIC INFRASTRUCTURE SINKING FUND FOR THE OF REPAIR AND REPLACEMENT OF GENERAL FUND MUNICIPAL BUILDINGS, STREETS, SIDEWALKS, PARKING LOTS, AND PARKS

BE IT ENACTED by the Assembly of the City and Borough of Sitka, Alaska as follows:

1. **CLASSIFICATION.** This ordinance is of a permanent nature and is intended to become a part of the Sitka General Code.
2. **SEVERABILITY.** If any provision of this ordinance or any application to any person or circumstance is held invalid, the remainder of this ordinance and application to any person or circumstances shall not be affected.
3. **PURPOSE.** The purposes of this ordinance are to codify requirements to maintain minimum levels of cash within the General Fund, and, to establish a sinking fund for the repair and replacement of General Fund municipal buildings, streets, sidewalks, parking lots, and parks its subsequent use for such restricted purposes.
4. **ENACTMENT.** The Assembly of the City and Borough of Sitka hereby adds Chapter 4.44 and 4.45 to the Sitka General Code.

#### Chapter 4.44 REQUIRED LEVELS OF CASH TO BE MAINTAINED IN THE GENERAL FUND

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**4.44.01 Required Levels of Cash On Hand.** The General Fund of the City and Borough of Sitka shall be required to maintain a minimum level of cash and cash equivalents in order to provide for adequate cash flow management and liquidity for the Municipality.

A. The minimum level of cash and cash equivalents to be maintained shall be equal to the total of all budgeted expenditure for the General Fund for the current fiscal year, divided by 4. Transfers from the General Fund balance shall not be considered expenditure for the purposes of this calculation.

B. For purposes of this Chapter, cash and cash equivalents shall be defined as cash held in demand deposits, overnight repurchase agreements as defined by SGC 4.28.060 4, money market mutual funds as defined by SGC 4.28.060 5, certificates of deposit as defined by SGC 4.28.060 2, and local government investment pools per SGC 4.28.060 6.

**4.44.02 Restriction of General Fund Balance.** A portion of the General Fund balance equal to the total of all budgeted expenditures for the General Fund for the current fiscal year, divided by 4, (transfers from the General Fund balance shall not be considered expenditure for the purposes of this calculation), shall be restricted as to its use in order to provide for required liquidity of the Municipality and not available for appropriation without a super majority of the Assembly voting in approval. An additional amount of \$2,000,000 shall be restricted as to its use in order to provide funds for responding to an emergency and not available for appropriation without a super majority of the Assembly voting in approval.

#### Chapter 4.45

### LONG TERM INFRASTRUCTURE SINKING FUND FOR THE REPAIR AND REPLACEMENT OF GENERAL FUND MUNICIPAL BUILDINGS, STREETS, SIDEWALKS, PARKING LOTS, AND PARKS

\* \* \*

**4.45.01 Establishment of the Public Infrastructure Sinking Fund.** There shall hereby be created, within the fund structure of the City and Borough of Sitka, a sinking fund for the repair and replacement of General Fund municipal buildings, streets, sidewalks, parking lots, and parks to be hereafter called the Public Infrastructure Sinking Fund.

**4.45.02 Determination of the Required Balance of the Public Infrastructure Sinking Fund.** Within 90 days after the start of each fiscal year, the Administrator shall prepare an analysis of the General Fund Balance with an accompanying recommendation as to an amount of the General Fund Balance available for potential transfer to the Public Infrastructure Sinking Fund. This analysis shall first take into account any portions of the General Fund restricted by Section 4.44 of the Sitka General Code before recommending any further amounts for potential transfer to the Public Infrastructure Sinking Fund.

**4.45.03 Assembly Action.** Within 60 days after presentation of the annual analysis by the Administrator, the amount determined by the Administrator shall automatically be transferred to the Public Infrastructure Sinking Fund, unless a super majority of the Assembly votes to change the recommended amount.

**4.45.04 Use of the Sinking Fund.** The Assembly shall annually appropriate an amount from the Public Infrastructure Sinking Fund to be used exclusively for the repair and replacement of General Fund municipal buildings, streets, sidewalks, parking lots, and parks as recommended by the Administrator in his annual budget.

**4.45.05 Emergency Transfer of the Sinking Fund.** The Assembly shall have the authority to transfer any portion of the Public Infrastructure Sinking Fund to the General Fund in the case of an emergency threatening public health, safety, or welfare which requires use of public funds. Such a transfer shall require an approval of a super majority of the Assembly.

**EFFECTIVE DATE.** This ordinance shall become effective the day after the date of passage.

**PASSED, APPROVED, AND ADOPTED** by the Assembly of the City and Borough of Sitka, Alaska this 9<sup>th</sup> day of October, 2012.

  
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Cheryl Westover, Mayor

ATTEST:

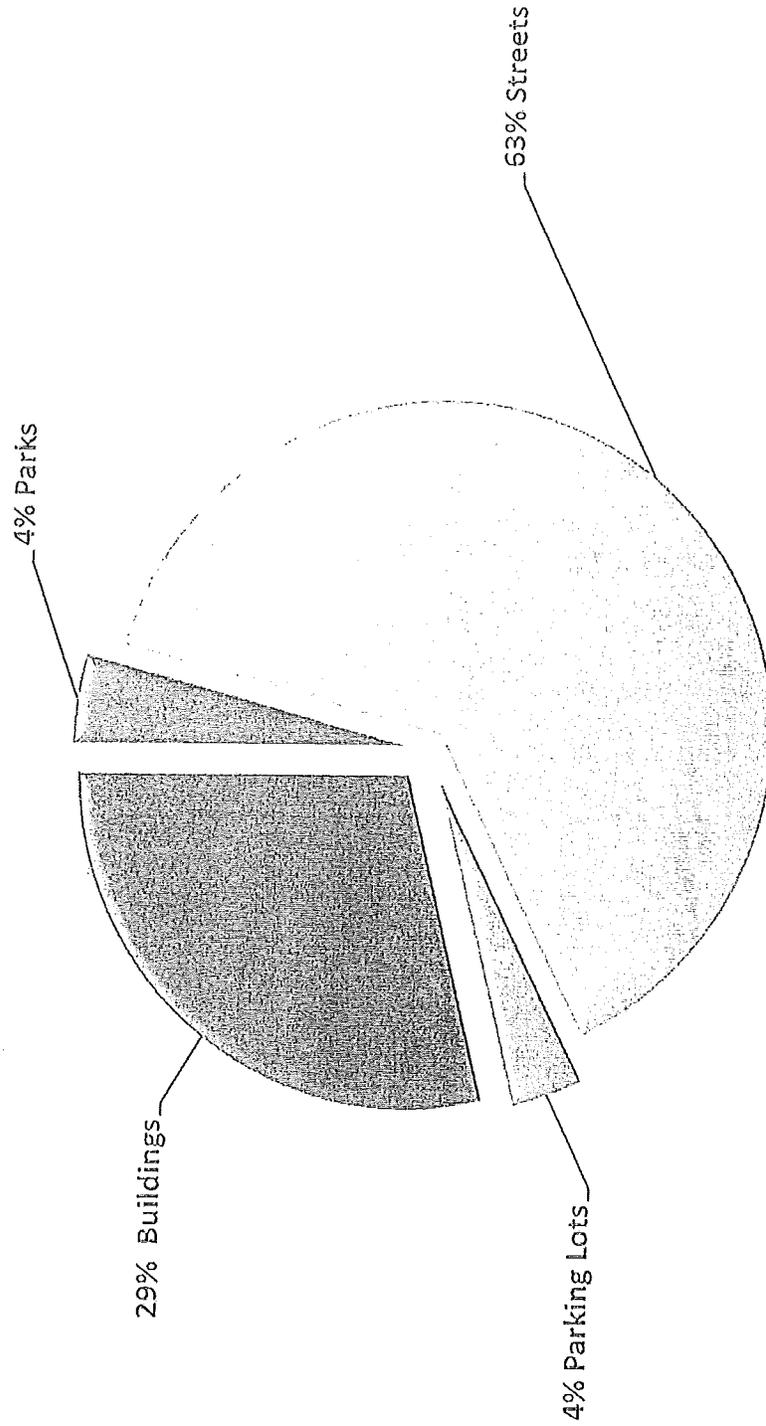
  
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Colleen Ingman, MMC  
Municipal Clerk

# Estimated Annual Infrastructure Maintenance and Replacement Cost Fiscal Year Projections

25-Mar-15

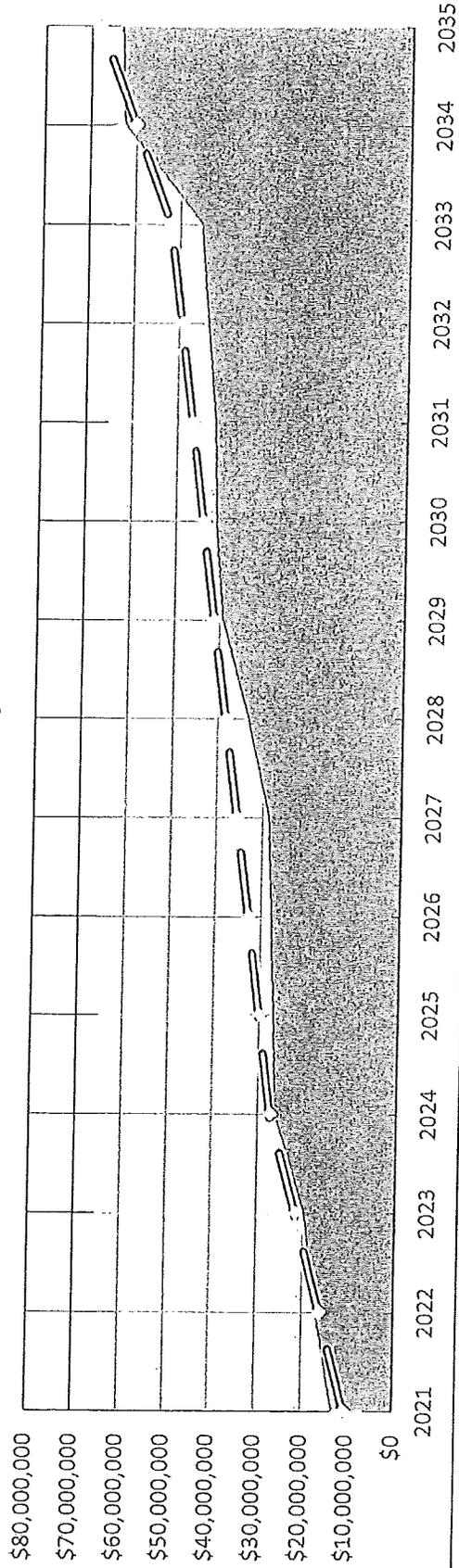
Years	Parks	Streets	Parking Lots	Building Maintenance	Annual Totals	Running Total
2021	\$201,000	\$150,000	\$71,690	\$935,200	\$1,357,890	\$13,634,010
2022	\$11,000	\$3,601,337	\$133,270	\$91,000	\$3,836,607	\$17,470,617
2023	\$64,500	\$2,259,376	\$221,310	\$380,000	\$2,925,186	\$20,395,804
2024	\$192,000	\$5,102,334	\$153,330	\$1,053,091	\$6,500,755	\$26,896,558
2025	\$10,000	\$75,000	\$133,270	\$466,786	\$685,056	\$27,581,614
2026	\$39,000	\$437,124	\$0	\$309,162	\$785,286	\$28,366,900
2027	\$0	\$75,000	\$221,310	\$513,932	\$810,242	\$29,177,142
2028	\$1,255,000	\$2,715,763	<del>\$28,161</del>	\$887,999	\$4,886,923	\$34,064,065
2029	\$15,000	\$75,000	\$153,330	\$5,523,470	\$5,766,800	\$39,830,865
2030	\$40,000	\$907,050	\$81,953	\$644,220	\$1,673,223	\$41,504,088
2031	\$20,000	\$75,000	\$55,970	\$305,073	\$456,043	\$41,960,131
2032	\$310,000	\$776,011	<del>\$3,938</del>	\$853,146	\$1,943,095	\$43,903,226
2033	\$12,000	\$75,000	\$520,440	\$1,177,948	\$1,785,388	\$45,688,614
2034	\$25,000	\$16,303,210	<del>\$5,377</del>	\$1,012,982	\$17,346,569	\$63,035,183
2035	\$0	\$75,000	\$0	\$726,257	\$801,257	\$63,836,440
<b>Total</b>	<b>\$2,194,500</b>	<b>\$32,702,205</b>	<b>\$1,783,349</b>	<b>\$14,880,266</b>	<b>\$51,560,320</b>	
<b>Annual Averages</b>	<b>\$146,300</b>	<b>\$2,180,147</b>	<b>\$118,890</b>	<b>\$992,018</b>	<b>\$3,437,355</b>	

# CBS General Fund Infrastructure Breakdown



Over \$50-Million Projected in FY21-35

**Funding Required:**  
**\$5.6-Million Annually Thru FY24**  
**\$2.75-million Annually FY25-33**  
**\$8-Million Annually FY34-35**  
**Fiscal Year Projections**



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