



MUNICIPALITY OF ANCHORAGE

Assembly Budget/Finance Committee-of-the-Whole Meeting HANDOUT

Assembly Vice Chair Zaletel, Co-Chair

Assembly Member Brawley, Co-Chair

Municipal Light & Power (ML&P) Action Items to Address

1. Alaska Center for Treatment: requirement to spend \$15M total on capital expenditures
2. Fix Golden Lion prior year operating expenditures with appropriate fund source
3. PERS (pension) liability: address Muni's responsibility for remaining PERS liability
4. Worker's Comp: address Muni's responsibility for remaining WC liability
5. Accounting and other close-out paperwork

Notes from OMB Director Sharon Lechner

1. Alaska Center for Treatment: requirement to spend \$15M total on capital expenditures; including possible impacts of defaulting on this requirement if the requirement is not met
2. Fix Golden Lion prior year operating expenditures with appropriate fund source
3. Discuss / propose alternative treatment to annual (ML&P) PERS liability to SOA that would avoid \$1m+ annual hits to general gov't op budget and which would comply with charter and voter approved ML&P sale
4. Worker's Comp / GL:
 - a. Calculate true-up correction (for historic under-charging of annual WC / GL premiums) for all under-charged entities, including ML&P. Note that this item will almost certainly require a funding source (supplemental appropriation) for the non-ML&P entities' allocations
 - b. Discuss methodology change (formula improvement) to the historic calculation approach so that WC / GL deficits don't immediately start to build again
 - c. Discuss ML&P's share of this deficit that was inadvertently omitted from the original ML&P appropriations
5. Accounting and other close-out paperwork
6. Discuss required processes for above items. For instance, would #3 require an AO? Would #4 require a third ML&P appropriation (and if so, should that third appropriation include reference to #3****)?

*** Re: #3, the ML&P appropriations approved the first PERS payments but were silent on the outstanding PERS debt and subsequent payment obligations.

Telephonic participation – conference bridge (907) 273-5190, participant code 721227#

Mission Statement: The Assembly Budget and Finance Committee deliberates and makes recommendations on matters relating to the financial management and policies of the Municipality and its agents. These matters include the annual operating budgets of the General Government, the Enterprise and Utilities, and the Anchorage School District.