

Submitted by: Assembly Members Claman,
Ossiander and Chair of the Assembly at the
Request of the Mayor
Prepared by: Dept. of Law
Reviewed by: Assembly Counsel
For reading: February 16, 2010

CLERK'S OFFICE

APPROVED

Date: 3-23-10

**ANCHORAGE, ALASKA
AO No. 2010-25**

1 **AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY AMENDING**
2 **ANCHORAGE MUNICIPAL CODE CHAPTER 6.40, REPORTS AND AUDITS, TO**
3 **PROVIDE PROCESS FOR ADMINISTRATION FINANCIAL REPORTS TO THE**
4 **ASSEMBLY AND AMENDING ANCHORAGE MUNICIPAL CODE SECTION**
5 **1.45.010 TO PROVIDE CIVIL AND CRIMINAL FINES AND PENALTIES FOR**
6 **INTENTIONAL VIOLATIONS OF THE ANCHORAGE MUNICIPAL CHARTER.**
7

8
9 **WHEREAS**, the Assembly needs timely, accurate, and truthful financial
10 information in order to make fiscal decisions in the best interest of the Municipality;
11

12 **WHEREAS**, some financial reports are identified in Code, but many other
13 reports are either needed or are currently available, but have not in the past been
14 routinely submitted to the Assembly;
15

16 **WHEREAS**, as computer systems and other technological advances have
17 improved and will continue to improve the "real time" reporting capabilities of many
18 layers of data, allowing the Assembly to access more detail;
19

20 **WHEREAS**, given the ebb and flow of what is of most interest to the Assembly
21 is subject to change to meet present circumstance, it is most helpful to have an
22 annual review;
23

24 **WHEREAS**, within a recent investigation authorized under AR 2009-241, the
25 Municipal Attorney determined, in part, that there were no criminal penalty provisions
26 in the Anchorage Municipal Code applicable to certain violations of the Anchorage
27 Municipal Charter related to reporting to the Assembly; and
28

29 **WHEREAS**, public officials must be held accountable for intentional violations
30 of the rights of citizens protected under Charter, including an expectation of lawful
31 conduct between the executive and legislative branches of municipal government;
32 now, therefore,
33

34 **THE ANCHORAGE ASSEMBLY ORDAINS:**

35
36 **Section 1.** Anchorage Municipal Code section 6.40.010 is amended to read as
37 follows (*the remainder of the section is not affected and therefore not set out*):
38

39 **6.40.010 Accounts[; MONTHLY STATEMENT OF REVENUES AND**
40 **EXPENDITURES; REPORT OF UNANTICIPATED REVENUE.]**
41

1 A. The chief fiscal officer shall install and have supervision over the accounts of
2 all organizational elements of the municipality. Such accounts shall show in detail the
3 financial transactions of all departments. [THE CHIEF FISCAL OFFICER SHALL
4 CAUSE A MONTHLY STATEMENT, IN CONDENSED FORMAT, TO BE
5 PREPARED AND DISTRIBUTED TO THE ASSEMBLY, THE MAYOR AND ALL
6 DEPARTMENT HEADS, SHOWING THE AGGREGATE REVENUES AND
7 EXPENDITURES OF EACH FUND OF THE MUNICIPALITY FOR THE PRECEDING
8 MONTH AS WELL AS THE YEAR-TO-DATE ACCUMULATIVE AMOUNT.]
9

10 [B. REVENUE ACCRUING TO THE MUNICIPALITY NOT ANTICIPATED BY THE
11 FISCAL YEAR BUDGET APPROPRIATION SHALL BE REPORTED TO THE
12 ASSEMBLY AT LEAST QUARTERLY.]
13

14 (GAAB 9.15.070, 9.20.050, 9.20.110; AO 92-148)
15

16 **Section 2.** Anchorage Municipal Code chapter 6.40 is amended by adding a new
17 section to read as follows:
18

19 **6.40.015 Reports.**
20

21 A. The chief fiscal officer shall provide financial reporting on a monthly
22 basis to the Assembly, with an executive summary. On a quarterly basis,
23 monthly reporting shall include the additional reporting requested by the
24 assembly.
25

26 B. At the last Assembly meeting prior to June 30 of each year, the Mayor
27 shall identify by Assembly Memorandum the financial reports proposed for
28 inclusion in the monthly financial reporting to be provided to the Assembly by
29 the chief fiscal officer for the next 12 months including identification of the
30 frequency, data, and format of the reports. This section does not apply to
31 reports required by other provisions of the Charter or this Code. In the event
32 an Assembly Memorandum governing these reports is not approved by June
33 30, the Mayor's proposal shall be in effect until superseded by assembly
34 action.
35

36 C. Financial reporting under this section shall include an executive
37 summary in the transmittal Assembly Information Memorandum.
38

39 D. Reported positive or negative variances of 5% or more for expenses by
40 department and 1% or more for revenues in aggregate for all general
41 government funds within the one hundred series of accounts shall be noted
42 with specificity in the executive summary. Failure to note variances in the
43 executive summary shall not constitute a violation of the Charter or this Code.
44

45 E. Upon the request of three or more Assembly members after receipt of
46 reported positive or negative variances of 5% or more for expenses by
47 department or a 1% or more for revenues in aggregate for all general
48 government funds within the one hundred series of accounts, the public shall
49 be given notice and an opportunity to provide comment.
50

F. The mayor shall notify the assembly in writing within 21 days if a projected revenue shortfall in aggregate exceeds 1% of the total General Government Operating Budget. The notice shall be delivered to the municipal clerk's office for distribution to the assembly.

(AO 2010-___)

Section 3. The following reports shall be provided in compliance with this ordinance during the period ending June 30, 2010:

Current Reports to the Assembly		<u>Monthly</u>	<u>Quarterly</u>	<u>Content</u>
Report #				
1	AIM - Summary	X	X	Identifies any substantive issues in any of the following reports.
<u>Revenues</u>				
2	General Government Operating Monthly Budget to Actual showing prior month and year to date	X	X	Percent of budgeted revenue that actually has been posted in the financial reporting system.
3	General Government Operating Revenue Trends and Budget Variance for non-property taxes, fees and fines; actual by quarter for last three years plus current quarterly year to date (to illustrate cyclical nature of receipts)		X	Identifies cyclical nature of various revenue sources; supplements information in report #2 to compare when revenues are customarily received.
4	Revenue Summary for Each Department and Select Major Divisions – one hundred series funds	X	X	Revenues by department, year to date plus fiscal year forecast (starting after close of May data, reporting begins in July). Aggregate revenue variance shown as an overall percentage for all general government one hundred series funds.
5	Revenue Variances for Current Year by Account	X	X	Revenues by account, year to date plus fiscal year forecast, with variance shown in dollars. Revenue accruing in excess of revenue anticipated by the fiscal year budget appropriation will be reported at least quarterly.
<u>Expenditures</u>				
6	General Government Operating Budget to Actual by department	X	X	Year-to-date percent of budget spent (includes as a point of comparison the percent of payroll, percent through fiscal year).

1
2
3
4
5
6
7
8
9
10

7	General Government Operating Labor and Non-Labor expenditures budget to actual by department	X	X	Further breaks down report #6 to identify year-to-date performance by these two categories.
8	General Government Operating Overtime budget to actual by department	X	X	Overtime comparison between amount budgeted to year-to-date actual; also includes the department's overtime postings for the same time period in the prior fiscal year.
9	Travel Report by General Government departments and enterprise/utility operations		X	Summarizes amount spent on travel year to date.
10	Contributions to non-profit organizations by General Government departments and enterprise/utility operations		X	Lists contributions to non-profits by departments and enterprise/utility operations.

Section 4. Anchorage Municipal Code section 1.45.010 is amended to read as follows:

1.45.010 General penalties.

A. Every act prohibited by Charter or this Code is unlawful. Unless another criminal penalty is expressly provided by this Code for any particular provision or section, every person convicted of a violation of any provision of the Charter or this Code, or any rule or regulation adopted or issued in pursuance thereof, shall be punished by a fine of not more than \$2,000.00 or by imprisonment for not more than 30 days, or by both such fine and imprisonment. Each act of violation and every day upon which any such violation shall occur shall constitute a separate offense.

B. In addition to any other remedy or penalty provided by this Code, any person who violates any provision of the Charter or this Code or any rule, regulation, permit, variance, code of technical regulation or order issued or adopted pursuant to the Charter or this Code shall be subject to a civil penalty as set forth in Section 14.60.030, or, if such violation is not listed in the fine schedule set forth in Section 14.60.030, a civil penalty of not less than \$50.00 and not more than \$1,000.00 for each offense or injunctive relief to restrain the person from continuing the violation or threat of violation or both injunctive relief and a civil penalty. Upon application for injunctive relief and a finding that a person is violating or threatening to violate any provision of the Charter or this Code or any rule, regulation, permit, variance, code of technical regulation or order issued or adopted pursuant to the Charter or this Code, the superior court shall grant injunctive relief to restrain the violation.

C. Each day of violation of any provision of the Charter or this Code or any rule, regulation, permit, variance, code of technical regulation or order issued or adopted pursuant to the Charter or this Code shall constitute a separate offense.

D. The penalties provided by this section shall, unless another penalty is

1 expressly provided, apply to the amendment of any section of the Charter or this
2 Code, whether or not such penalty is reenacted in the amendatory ordinance.

3
4 (CAC 1.16.010; AO No. 80-131; AO No. 93-167(S-1), § 3, 4-13-94; AO No. 2003-73,
5 § 1, 4-22-03; AO 2010-____,)
6

7 **Section 5.** Anchorage Municipal Code section 1.45.020 is amended to read as
8 follows:
9

10 **1.45.020 Aiding or abetting violation.**

11
12 The prohibition of any act in the Charter or this Code, and in any rule or regulation
13 adopted under the Charter or this Code, shall include the causing, securing, aiding or
14 abetting of another person to do such act.
15

16 (CAC 1.16.040; AO 2010-____,)
17

18 **Section 6.** Anchorage Municipal Code section 1.45.030 is amended to read as
19 follows:
20

21 **1.45.030 Peace officers.**

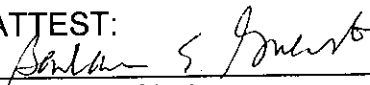
22
23 The mayor may designate in writing as peace officers those persons authorized to
24 enforce any part of the Charter or this Code. Any person so designated to enforce
25 and protect the public peace shall be authorized to issue citations for any
26 misdemeanor, infraction or other violation of the Charter or this Code in the manner
27 provided by AS 12.25.180--12.25.230. Peace officers appointed under the authority
28 of this section shall not have the general authority of police officers.
29

30 (AO No. 80-131; AO 2010-____)
31

32 **Section 7.** This ordinance shall be effective immediately upon passage and
33 approval.
34
35
36

37 PASSED AND APPROVED by the Anchorage Assembly this 23rd day of
38 March, 2010.
39

40
41 
42 _____
43 Chair of the Assembly

44
45 ATTEST:
46 
47 _____
48 Municipal Clerk



MUNICIPALITY OF ANCHORAGE
ASSEMBLY MEMORANDUM
No. AM 208-2010

Meeting Date: March 23, 2010

1 **From:** ASSEMBLY MEMBER Claman

2 **Subject:** AO 2010-25 — AN ORDINANCE OF THE ANCHORAGE MUNICIPAL
3 **ASSEMBLY AMENDING ANCHORAGE MUNICIPAL CODE CHAPTER 6.40, REPORTS**
4 **AND AUDITS, TO PROVIDE PROCESS FOR ADMINISTRATION FINANCIAL REPORTS**
5 **TO THE ASSEMBLY AND AMENDING ANCHORAGE MUNICIPAL CODE SECTION**
6 **1.45.010 TO PROVIDE CIVIL AND CRIMINAL FINES AND PENALTIES FOR**
7 **INTENTIONAL VIOLATIONS OF THE ANCHORAGE MUNICIPAL CHARTER.**
8

9 Charter § 13.06 provides that if the Mayor determines that revenues will be less than
10 appropriations for the fiscal year, the Mayor shall so report to the Assembly. AO 2010-25
11 establishes reasonable requirements for the Mayor to make reports to the Assembly during
12 times of unplanned revenue shortfalls, and standardizes the list of monthly financial reports
13 provided to the Assembly.
14

15 With respect to the forecast of revenue shortfalls to the General Government Operating
16 Budget, the ordinance requires the Mayor to report to the Assembly within 21 days when the
17 anticipated revenue loss is greater than 1% of the General Operating Budget for the current
18 fiscal year. An anticipated revenue loss greater than 1% is significant enough to trigger
19 potential spending reductions to keep the city budget balanced. In contrast, ongoing market
20 fluctuations are to be expected and may cause interim forecasts of more minor revenue
21 shortfalls, under 1% of the General Government Operating Budget. The expectation is that
22 the more minor fluctuations, under 1% of the General Government Operating Budget, are
23 manageable within any Administration's budget
24

25 Under the proposed ordinance, the Mayor, through the Chief Financial Officer, will submit a
26 single Assembly Informational Memorandum (AIM) monthly to the Assembly, to include all of
27 the monthly financial reports, and any of the quarterly reports due that month. The monthly
28 AIM will include an Executive Summary that 1) highlights the significant financial events and
29 issues currently facing the municipality and 2) provides an index to the reports included within
30 the AIM.
31

32 Historically, the list of monthly and quarterly reports required by the Assembly has varied with
33 the financial circumstances of the Municipality, and requests by the Assembly. The proposed
34 ordinance provides a mechanism to formalize the process: Annually, the Mayor will propose
35 a list of the monthly and quarterly reports to be included in the monthly AIM, subject to
36 Assembly approval.
37

38 AO 2010-25 also includes provision for civil and criminal fines and penalties for intentional
39 violations of the Anchorage Municipal Charter, as recommended by the Municipal Attorney.
40

41 Respectfully submitted: Matt Claman,
42 Assembly Member, Section 3