

**Petersburg Borough, Petersburg, Alaska  
RESOLUTION 2018-02(A)**

**A RESOLUTION TO USE GENERAL FUND RESERVES TO FUND THE REMAINING  
MUNICIPAL BUILDING RENOVATION PROJECT IN LIEU OF AN INTERFUND LOAN  
FROM THE ELECTRIC FUND.**

**WHEREAS**, the Municipal Building Renovation project is complete and all known outstanding invoices and contracts have been paid; and

**WHEREAS**, the Borough Assembly approved Resolution #2016-01 on January 4, 2016 which committed using up to \$1,300,000 in an interfund loan from the Electric Fund to help fund the building project; and

**WHEREAS**, the additional funding needed to pay for the remainder of the Municipal Building Renovation is \$464,711; and

**WHEREAS**, the General Fund has a current unassigned balance of \$3,936,767 which is in between the Borough's 4-6 month target range of expenditures at 5.61 months; and

**WHEREAS**, using \$464,711. of General Fund reserves for the Municipal Building Renovation project in lieu of borrowing excess funds from the Electric Fund at 1.5% interest would cost less long-term; and

**WHEREAS**, with using General Fund reserves, the Borough will continue to maintain a General Fund balance within the Borough's policy of 4 and 6 months at 4.95 months (\$3,472,056).

**THEREFORE BE IT RESOLVED**, the Petersburg Borough Assembly approves using General Fund reserves in the amount of \$464,711 to fund the remaining Municipal Building Renovation project in lieu of an interfund loan from the Electric Fund.

**Passed and Approved by the Petersburg Borough Assembly on January 16, 2018.**

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**Mark Jensen, Mayor**

**ATTEST:**

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**Debra K. Thompson, Borough Clerk**

Brought forward by: Manager Giesbrecht and Finance Director Tow