

**CITY OF CORDOVA, ALASKA
RESOLUTION 04-22-10**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF CORDOVA, ALASKA,
REINVESTING \$417,752.45 OF FY2020 INVESTMENT EARNINGS FROM THE
GENERAL RESERVE FUND (PERMANENT FUND) BACK INTO THE FUND.**

WHEREAS, City Code Chapter 5.44 Cordova General Reserve Fund Income and Distribution states in part "... in conjunction with the audit of the city's financial statements each year..... the net income of the fund shall be determined as of the 1st day of the preceding fiscal year (and be reported by)....the city treasurer; and

WHEREAS, City Code defines the net income of the fund as unrestricted general income of the City and "net income" means the total income yielded from investment of the principal of the fund for the preceding fiscal year, less any amounts needed:

1. To reimburse the fund principal in the event a transaction results in an actual dollar loss in principal;
2. To offset any reduction in fund principal due to administrative costs;
3. To offset any depletive effect of inflation on the fund principal during the fiscal year, as may be determined by a nationally recognized inflation index; and

WHEREAS, City has \$517,752.45 net income from 2020 investments available as unrestricted general income; and

WHEREAS, City's approved FY22 budget included \$100K from that fund source, leaving a balance of \$417,752.45 available pending Council direction; and

WHEREAS, City Council has authority under code to direct use of Permanent Fund earnings and wishes to control spending and increase City savings.

NOW, THEREFORE, BE IT RESOLVED THAT, City of Cordova commits \$417,752.45 of the FY20 investment earnings for reinvestment into the General Reserve Fund.

PASSED AND APPROVED THE 6th DAY OF APRIL 2022.



David Allison, Mayor

ATTEST:

Susan Bourgeois, CMC, City Clerk