

CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2016-23

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA AMENDING CHAPTER
4.19 "SITKA PERMANENT FUND" BY ADDING A NEW SECTION 4.19.020
"ANNUAL TRANSFER TO PERMANENT FUND"

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 purpose of this ordinance is to establish procedures within the Sitka General Code which provide for an annual transfer of funds from the Sitka General Fund to the Permanent Fund in order to offset the effects of inflation and to help sustain the purchasing power of the Permanent Fund.
4. **ENACTMENT.** NOW, THEREFORE, BE IT ENACTED by the Assembly of the City and Borough of Sitka that a new Section 4.19.020 is added to the Sitka General Code as follows (old or repealed language stricken, new language underlined):

Chapter 4.19
SITKA PERMANENT FUND

Sections:

- 4.19.010 Fund established
- 4.19.020 Annual transfer to permanent fund

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4.19.020 Annual Transfer To Permanent Fund.

As part of the annual budget submission to the Assembly, the Administrator will include an amount of funds to be transferred from the General Fund to the Permanent Fund during the subsequent fiscal year. The purpose for the transfer will be to reduce the effective take out from the Permanent Fund so that the purchasing power of the Permanent Fund is maintained as much as possible. The initial transfer will take place in FY2018 and will be 0.50% of the average market value of the Sitka Permanent Fund for the past three years, as measured on December 31st of each year. The amount of the annual transfer will increase by 0.50% per subsequent fiscal year, to a maximum of 2.0%.


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

PASSED, APPROVED, AND ADOPTED by the Assembly of the City and Borough of Sitka, Alaska this 26th day of July, 2016.


Matthew Hunter, Deputy Mayor

ATTEST:


Sara Peterson, CMC
Municipal Clerk

1st reading 7/12/16
2nd reading 7/26/16