

CITY OF VALDEZ, ALASKA

RESOLUTION #26-38

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA, AMENDING THE 2026 CITY BUDGET BY ACCEPTING AN ADDITIONAL \$17.4MM IN UNBUDGETED REVENUE BY APPROPRIATING \$12.7MM TO DEBT SERVICE FUND FOR PAYMENT OF PRINCIPAL AND INTEREST ON BONDED INDEBTEDNESS AND BY APPROPRIATING \$4.7MM TO REPAYMENT RESERVE

WHEREAS, adopted budgets reflect best estimates of operating revenues; and

WHEREAS, the State Petroleum Property Assessor has issued a 2026 Supplemental Assessment; and

WHEREAS, the revenue resulting from the 2026 Supplemental Tax Roll, including penalties and interest totals \$20,317,492.47; and

WHEREAS, these revenues are partially offset by repayments to taxpayers pursuant to court order in the amount of \$2,919,258.64; and

WHEREAS, the resulting total revenue is \$17,398,233.83 from the 2026 Supplemental Tax Roll and this amount remains in jeopardy pending litigation; and

WHEREAS, the City Council has established a Repayment Reserve as a repository for tax revenues in jeopardy pending litigation; and

WHEREAS, the limitations established by AS 29.45.080 – 29.45.090 (Tax Cap) do not apply to taxes levied or pledged to pay for bonded debt pursuant to AS 29.45.100; and

WHEREAS, the City Council desires to amend the 2026 City Budget to accept additional property tax revenue and appropriate revenue for payment of bonded debt; and

WHEREAS, budget amendments must be formally appropriated via budget amendment resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA, that the 2026 City Budget is amended as follows:

Section 1: TAPS Supplemental 2026, 001-0000-36114, is increased by \$11,420,770.00.

Section 2: Interest Income on TAPS Supplemental 2026, 001-0000-31921, is increased by \$5,326,666.96.

Section 3: Penalty on TAPS Supplemental 2026, 001-0000-31910, is increased by \$650,796.87.

Section 4: Debt Service Fund Prepayment of Debt, 205-2050-47113 is increased by \$12,660,000.

Section 5: Transfer to Debt Service Fund, 001-0000-10100 is increased by \$12,660,000.00.

Section 6: Transfer from General Fund, 205-0050-39100 is increased by \$12,660,000.00.

Section 7: Transfer to Reserve Fund, 001-0050-49140, is increased by \$4,738,233.83.

Section 8: Transfer from General Fund, 350-0050-39100, is increased by \$4,738,233.83.

Section 9: Reserve Fund Repayment Reserve, 350-0650-55000, is increased by \$4,738,233.83.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF VALDEZ, ALASKA, this 4<sup>th</sup> day of August 2026.

City of Valdez, Alaska

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Dennis Fleming, Mayor

ATTEST:

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Sheri L. Pierce, MMC, City Clerk