

APPROVED

*[Signature]* 3/20/03  
THE LAND ENTERPRISE FUND MANAGEMENT POLICIES

I. GENERAL

The Land Enterprise Fund a/k/a "land revenue fund" was established by the Assembly to fund the operations of the Land Management Department. The Department is responsible for administering the income and expenses of land management related activities through the Borough's administrative budget process.

II. PURPOSE

The purpose of the Land Enterprise Fund (LEF) is to:

- A. Provide a perpetual cash flow for operation of the Department so that the operation of the Department is not a burden on the General Fund of the Borough.
- B. Provide a financial tool by which all Borough residents may benefit, both short term and long term, from the sale and development of the Borough's Municipal Entitlement Land (MEL). The LEF is envisioned as a long-term fund that provides money for future development and to supplement the General Fund.

III. RESPONSIBILITY

- A. The Land Management Director shall ensure that their department staff follows the procedure set forth in this policy.
- B. Land Management shall maintain this policy.

IV. POLICY

The Management of the Land Enterprise Fund is accomplished through the implementation of the following policies.

- A. The annual Departmental operating budget shall be funded from the LEF and, where appropriate, other funding sources.
- B. The annual land development appropriations shall be funded from the LEF and, where appropriate, other funding sources.
- C. Budget estimates for all land sale development projects are to be calculated with an appropriate contingency, and must show an estimated profit before appropriations will be requested for the project.
- D. The LEF shall be managed to ensure its long-term growth in order to secure long-term benefits to Borough residents. Because the sale of the MEL is a finite source of revenue, the LEF is the tool by which present and future Borough residents will be able to share in its benefits.

- E. In addition to funding the annual operation of the Land Management Department and land development projects, appropriations from the LEF to be applied to General Fund services is a method by which all Borough residents can directly benefit from the MEL.
- F. Recommendation for withdrawals from the LEF may be done after analysis of the impact on the future viability of the fund. The fund must be able to carry the burden of supporting the Department activities of the Borough in the future. The Department activities are those as defined in the Department Mission, Goals, and Policy Statement.
- G. Criteria for recommending LEF contributions to fund General Fund services are:
  - 1. Contributions to the General Fund shall not diminish the ability of the LEF to support the operation of the Department.
  - 2. Contributions shall at least in part, support the mission of the Department, which includes a broad range of management, use, or development of Borough-owned lands for the benefit of Borough residents.
- H. The Land Management Advisory Commission (LMAC) shall, while standing, review and make recommendations on any proposed LEF contribution to the General Fund.

V. PROCEDURE

- A. None.

VI. SUPPLEMENTAL INFORMATION

A. References –

- 1. FNSB C.O. 25.25.020 Land Revenue Fund

B. Definitions –

- 1. Land Enterprise Fund (LEF) is the FNSB C.O. 25.25.020 "land revenue fund."

C. Attachments – None.

D. Revision History

Supersedes Policy No.	Effective Dates
None.	None.