

Introduced by: Mayor  
Date: 08/06/24  
Hearing: 09/03/24  
Action: Enacted  
Vote: 8 Yes, 0 No, 1 Absent

**KENAI PENINSULA BOROUGH  
ORDINANCE 2023-19-56**

**APPROPRIATING FUNDS FROM THE GENERAL FUND FOR THE KENAI  
PENINSULA BOROUGH MUNICIPAL SOLID WASTE LANDFILL CLOSURE AND  
POSTCLOSURE CARE AND ASSOCIATED LIABILITY**

**WHEREAS,** In 1991 the U.S. Environmental Protection Agency (EPA) established closure requirements for all municipal solid waste disposal facilities and due to the EPA requirements, the Governmental Accounting Standards Board created GASB 18, *Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs* to assist municipalities with the required accounting and reporting; and

**WHEREAS,** the Kenai Peninsula Borough (KPB) implemented GASB 18 in fiscal year 1994 with an initial liability of \$2.1 million and since 1994, the KPB has annually expensed closure costs equal to the proportion of the tonnage or capacity used each year based on cell improvements, additions, closures and changes in capacity based on estimates; and

**WHEREAS,** GASB 18 requires that the estimated total current cost be reevaluated periodically and adjusted for inflation and when any cooperating conditions increase or decrease estimated costs; and

**WHEREAS,** therefore in fiscal year 2024, the KPB engaged with Geosyntec to complete the Closure / Post Closure Updates project and as a part of this project, Geosyntec reviewed and updated the closure and post closure care liability estimate workbook which we used as a tool to determine the additional liability to be recorded; and

**WHEREAS,** the additional liability is a result of inflationary increases over the past 10-12 years and certain components of the Central Peninsula Landfill and Homer facilities that were not previously included in the liability calculation; and

**WHEREAS,** over 80% of the Closure Post Closure Care Liability will not be paid out until after fiscal year 2042, 18 years from now;

**NOW, THEREFORE, BE IT ORDAINED BY THE ASSEMBLY OF THE KENAI  
PENINSULA BOROUGH:**

**SECTION 1.** That \$9,301,060 is appropriated from the General Fund fund balance account 100.27910 to be transferred to account 290.32122.43095 for KPB Solid Waste landfill closure and post closure care expenditures and associated liability.

**SECTION 2.** That this ordinance shall be effective retroactively to June 30, 2024.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 3RD DAY OF SEPTEMBER, 2024.**

*Brent Johnson*

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Brent Johnson, Assembly President

ATTEST:

*Michele Turner*

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Michele Turner, CMC, Borough Clerk



Yes: Cooper, Cox, Ecklund, Elam, Ribbens, Tunseth, Tupper, Johnson  
No: None  
Absent: Hibbert