

Kenai Peninsula Borough

Finance Department

MEMORANDUM

TO: Brent Hibbert, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Charlie Pierce, Mayor *CP*
Marcus, Mueller, Senior Manager Land Management *mm*

FROM: Brandi Harbaugh, Finance Director *BH*

DATE: September 30, 2021

SUBJECT: Ordinance 2021-19- 18, Appropriating \$703,960 from the Land Trust Fund, Fund Balance to be Transferred to the Land Trust Investment Fund Representing the Fiscal Year 2021 Transfer of Land Sales Revenue to the Land Trust Investment Fund per KPB 5.20.080(B) (Mayor)

The Land Trust Investment Fund (LTIF) was established in September 2018 per KPB Ordinance 2018-29 to manage the financial assets related to borough lands for the long-term benefit of the borough residents.

KPB 5.20.080(B) sets out that the net proceeds of land sales will be transferred from the Land Trust Fund (LTF) to the LTIF if the fund balance policy minimum requirements of the LTF are met. The June 30, 2021 ledger has been closed and is currently pending completion of the fiscal year 2021 audit. The LTF currently has a fund balance of \$2,316,748, which is \$1,317,079 above the minimum fund balance requirements prior to the transfer. This is due to large parcel receipts related to fiscal year 2021 negotiated and over the counter land sales being approximately \$700,000 more than anticipated during FY2022 budget preparation.

This ordinance transfers \$703,960 above the originally anticipated land sales amount of \$500,000 from the LTF to the LTIF per KPB 5.20.080(B), representing the fiscal year 2021 land sales revenues, while meeting the LTF minimum fund balance requirements.

Your consideration of this ordinance is appreciated.

FINANCE DEPARTMENT ACCOUNT / FUNDS VERIFIED	
Acct. No. <u>250.27910</u>	Amount: <u>\$703,960</u>
By: <u><i>CP</i></u>	Date: <u>9/23/2021</u>