

Kenai Peninsula Borough
Finance Department

MEMORANDUM

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

THRU: Charlie Pierce, Mayor *CP*

FROM: Brandi Harbaugh, Finance Director *BH*

DATE: December 22, 2020

SUBJECT: Ordinance 2020-19- 15, Appropriating \$112,341.16 from the Land Trust Fund, Fund Balance to be Transferred to the Land Trust Investment Fund Representing the Fiscal Year 2020 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 provided that the fund balance policy minimum requirements of the LTF are met. The June 30, 2020 ledger has been closed and is currently nearing the completion of the fiscal year 2020 audit, pending the Federal OMB Compliance Supplement encompassing coronavirus relief funds. The LTF currently has a fund balance of \$1.9 million, which is well within the minimum fund balance requirements and approximately \$600,000 more than originally anticipated per the fiscal year 2020 budget. This is due to the fiscal year 2019 land sales transfer to the LTIF being approximately \$565,000 less than budgeted.

This ordinance transfers \$112,341.16 above the originally budgeted \$500,000 transfer amount from the LTF to the LTIF per KPB 5.20.080(B), representing the fiscal year 2020 land sales revenues.

Your consideration of this ordinance is appreciated.

FINANCE DEPARTMENT ACCOUNT / FUNDS VERIFIED	
Acct. No. <u>250.27910</u>	Amount: <u>\$112,341.16</u>
By: <u><i>PP</i></u>	Date: <u>12/16/2020</u>