

Introduced by:	Mayor
Date:	03/06/18
Hearing:	04/03/18
Action:	Postponed as Amended to 05/01/18
Vote:	9 Yes, 0 No, 0 Absent
Date:	05/01/18
Action:	Failed as Amended
Vote:	3 Yes, 6 No, 0 Absent
Action:	Reconsideration Filed by Fischer
Date:	06/05/18
Action:	Motion to Reconsider Failed
Vote:	4 Yes, 5 No, 0 Absent

**KENAI PENINSULA BOROUGH
ORDINANCE 2017-19-21**

**AN ORDINANCE PROVIDING FOR AN EXCEPTION TO KPB 5.20.080 AND
TRANSFERRING \$3,000,000 FROM THE LAND TRUST FUND
TO THE GENERAL FUND**

- WHEREAS,** the Kenai Peninsula Borough (“borough”) administration is exploring numerous options to resolve the current borough fiscal deficit of approximately \$4,000,000 and maintain a healthy general fund balance into the future; and
- WHEREAS,** these options include numerous cost-cutting measures; and
- WHEREAS,** the general fund balance is currently \$23,234,027, and the minimum recommended general fund balance for this borough is \$15,471,930; and
- WHEREAS,** there is not sufficient time to raise revenues before fiscal year 2019 to close this gap using cost-cutting measures alone, and further depleting the general fund will have a negative effect on the borough’s credit rating, reduce cash-flow available for daily operations, diminish reserves that would cover revenue shortfalls such as unexpected events, natural disasters, voter referendums and litigation; and
- WHEREAS,** the land trust fund currently has a fund balance of \$7,295,939; and
- WHEREAS,** one option that would provide some protection for the general fund during fiscal year 2019 is to transfer \$3,000,000 from the land trust fund to the general fund to help close this deficit for one year; and
- WHEREAS,** KPB 5.20.080(B) contains restrictions on the amount of funds that may be available for appropriation to the general fund which would limit the amount of

such funds that could currently be transferred this fiscal year to approximately \$87,000; and

WHEREAS, as no assembly may bind a future assembly, the assembly may legally allow an exception to this restriction by ordinance; and

WHEREAS, the best interests of the borough would be served by authorizing and appropriating this one-time transfer of funds from the land trust fund to the general fund;

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

SECTION 1. That, notwithstanding the restrictions in KPB 5.20.080 limiting the amount of land trust funds that may be available for appropriation to the general fund, the sum of up to \$3,000,000 may be appropriated to account 250.21210.00000.50100 to be transferred to the general fund as part of the FY 2019 budget appropriation.

SECTION 2. That the sum of \$3,000,000 is hereby appropriated from the Land Trust Fund balance to account 250.21210.00000.50100 to be transferred to the general fund.

SECTION 3. This ordinance shall take effect immediately upon its enactment.

ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS * DAY OF * 2018.

Wayne H. Ogle, Assembly President

ATTEST:

Johni Blankenship, MMC, Borough Clerk

04/03/18 Vote on motion to postpone as amended to 05/01/18

Yes: Bagley, Blakeley, Carpenter, Dunne, Fischer, Hibbert, Smalley, Ogle

No: None

Absent: None

05/01/18 Vote on motion to enact as amended

Yes: Bagley, Carpenter, Ogle

No: Blakeley, Cooper, Dunne, Fischer, Hibbert, Smalley

Absent: None

05/15/18 Vote on motion to reconsider

Yes: Blakeley, Carpenter, Fischer, Ogle

No: Bagley, Cooper, Dunne, Hibbert, Smalley

Absent: None