



KENAI PENINSULA BOROUGH

Finance Department

144 North Binkley Street • Soldotna, Alaska 99669-8250

PHONE: (907) 714-2170 • FAX: (907) 714-2376

MEMORANDUM

TO: Kelly Cooper, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Mike Navarre, Kenai Peninsula Borough Mayor *mw*

FROM: Craig Chapman, Finance Director *CChap*

DATE: January 3, 2017

SUBJECT: Amendment of Ordinance 2016-43, Assessment for Funny River East Utility
Special Assessment District (Mayor)

Since the preparation of ordinance 2016-43, the prime rate of interest has increased from 3.50 percent to 3.7 percent, resulting in a change in the interest rate charged on assessments that are financed through the borough from 5.50 percent to 5.75 percent. The administration respectfully requests the assembly approve the following amendment to this ordinance:

- Amend Section 4 by deleting the language in **~~bolded-strikeout~~** and inserting the **bold and underlined** language below.

SECTION 4. Payment of Assessment. That the entire assessment may be prepaid without interest or penalty within thirty days of the date of mailing of the assessment statement. Thereafter, the assessment may be prepaid in whole or in part with interest to the payment date. Interest on the unpaid amount of the assessment shall accrue at the rate of ~~5.50~~ **5.75** percent per annum. Assessments that are not prepaid shall be paid in ten equal annual installments on March 31 of each year, commencing March 31, 2017. Installments shall include principal plus accrued interest.