

Kenai Peninsula Borough

Planning Department

MEMORANDUM

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

THRU: Mike Navarre, Mayor *MN*
Brandi Harbaugh, Finance Director *BH*

FROM: Robert Ruffner, Planning Director *RR*

DATE: December 1, 2022

SUBJECT: Ordinance 2022-47, Amending KPB 5.04.095(B) to Remove the River Center as a Listed General Fund Department and KPB 5.20.030 to Remove the River Center Fund from the Special Revenue Fund List (Mayor)

Chapter 5.20 of the Kenai Peninsula Borough (the "Borough") Code of Ordinances contains a list of Borough funds and a definition of each fund. Special fund accounts have been established to track unique funds that need to be kept separate from the general fund for a variety of reasons. The Kenai River Center Fund was established in 2006 in large part due to federal grant funds that assisted in construction and earlier operations of the Donald E. Gilman River Center (the "River Center"). Tracking these grant funds and activities separate from the general fund was necessary at that time. Grants of this magnitude are no longer coming to the Borough, and in 2012 as a result of requirements outlined by GASB 54 "Fund Type Definitions," the River Center was reclassified as a department of the general fund.

Further, the River Center building now houses Planning Department staff who are not exclusively associated with the Kenai River Center Fund, and it has been upgraded to accommodate additional staff for the 911 call center. Keeping the River Center funds and Planning Department funds separate increases the internal administrative workload when moving funds between the traditional River Center activities and the Planning Department, even though the River Center is organized under the Planning Department. The Ordinance will reclassify River Center as a division of the Planning Department, which will improve flexibility and efficiency of the Planning Department as a whole. The administration is bringing this forward now in anticipation of staff preparing the FY 24 budget.

Your consideration is appreciated.