

Introduced by: Mayor
Date: June 18, 1974
Hearing: June 18, 1974
Enacted: June 18, 1974
Vote: Unanimous

KENAI PENINSULA BOROUGH

ORDINANCE 74-37

AN ORDINANCE MAKING A FINDING OF AN EMERGENCY AND MAKING A SUPPLEMENTAL APPROPRIATION FROM SURPLUS MONIES OF KENAI PENINSULA BOROUGH TO THE DEBT SERVICE FUND TO PROVIDE FOR PAYMENT OF BALANCES DUE ON CITY OF KENAI GENERAL OBLIGATION SCHOOL BOND ISSUE OF 1964.

WHEREAS, Kenai Peninsula Borough now has outstanding bonded indebtedness on the City of Kenai General Obligation School Bond Issue of 1964 in the aggregate principal amount of \$45,000 which require payments totalling \$55,125 for payment of principal and interest over a period of the next nine fiscal years.

WHEREAS, current prices and interest rates of obligations of the United States Government have created a favorable situation under which a proposal is available to the Kenai Peninsula Borough, dependent on closing on June 24, 1974, whereby an immediate cash payment will be invested in obligations of the United States Government or various agencies of the United States Government which will be placed in escrow to provide for full servicing of the above indebtedness by making all payments of principal and interest as they become due; and

WHEREAS, acceptance of the proposition recited above and making payment thereon within this fiscal year instead of setting this ordinance for hearing in July with the hope that the current situation might continue so that another similar proposition could be obtained would also advance by one year the receipt of state grants refunding 50% of amounts expended on school construction or payment of debt and debt service therefor; and

WHEREAS, there are sufficient surplus funds of the borough available at this time for appropriation for such purpose; Now Therefore

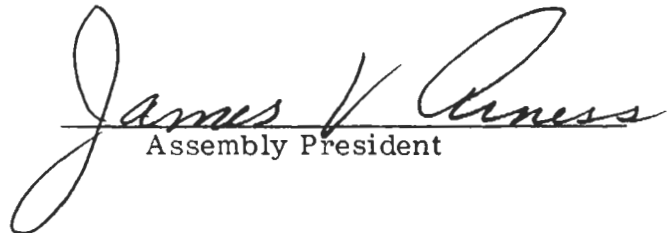
BE IT ORDAINED BY THE ASSEMBLY OF THE KENAI PENINSULA
BOROUGH:

Section 1: The assembly hereby finds that an emergency exists requiring a supplemental appropriation immediately in order to take advantage of the current bond market and interest rates by accepting the proposal under which the amount appropriated will be placed in an escrow account for the purchase of obligations of the United States Government or its agencies sufficient to meet all principal and interest payments as they become due on the City of Kenai General Obligation School Bond Issue of 1964 at a great savings to the Kenai Peninsula Borough and to advance by one year the refunding of half of said payments by the State of Alaska.

Section 2: The sum of \$ 40,000 is hereby appropriated to the debt service fund from surplus monies of the Kenai Peninsula Borough.

Section 3: This ordinance takes effect immediately upon enactment.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA
BOROUGH THIS 18th DAY OF JUNE, 1974.


Assembly President

ATTEST:


Borough Clerk

Kenai Peninsula Borough
Ordinance 74-37
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