

Introduced by: Douglas
Date: March 2, 1982
Hearing: April 6, 1982
Vote:
Action: DEFEATED AT INTRODUCTION

KENAI PENINSULA BOROUGH

ORDINANCE 82-20

PROVIDING THAT UNALLOCATED SURPLUS BOROUGH REVENUES SHALL BE DISTRIBUTED TO RESIDENTS OF THE BOROUGH THROUGH THE ISSUANCE OF SHARE CERTIFICATES.

WHEREAS, the Assembly finds that the Borough continues to accrue unneeded surplus funds which are not allocated for any governmental purpose; and

WHEREAS, the Assembly desires to provide a mechanism whereby these unallocated surplus revenues may be returned in a fair fashion and in a manner which will encourage persons to remain residents of the Borough and to continue to make their contributions to the community; and

WHEREAS, the Assembly finds that it is desirable to distribute the Borough's unallocated surplus revenues to individual residents to promote individual freedom of choice and to stimulate private sector development through individual consumer choices;

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

Section 1. That Title 5 of the Borough Code of ordinances is amended by adding a new chapter, to be numbered 5.24, which reads:

CHAPTER 5.24

5.24.010. Borough Revenues Trust Fund. There is established within the Kenai Peninsula Borough a trust fund to be composed of all Borough revenues which are not allocated for a specific governmental purpose or contingent reserve as of the end of each Borough fiscal year. All revenues actually received by the Borough and remaining unallocated as of that date are hereby deemed to be surplus revenues which shall be distributed to Borough residents in accordance with the provisions of this chapter.

5.24.020. Trustee. The Borough Finance Director is hereby designated as the Trustee of the surplus revenues trust fund established in KPB 5.24.010. In

this capacity, the Finance Director shall hold in trust all funds allocated by operation of KPB 5.24.010. He shall further:

- A. Act as official custodian of the assets of the trust fund.
- B. Receive transfers and appropriations of cash and securities to the trust.
- C. Provide for the distribution of share certificates to the trust to eligible beneficiaries.
- D. Determine and make distributions of trust income to beneficiaries.

5.24.030. Beneficiaries. The following persons are hereby deemed to be eligible as beneficiaries of the trust fund established by KPB 5.24.010 and eligible to receive dividend distributions thereupon. To be eligible, a potential beneficiary must satisfy each of the following criteria:

- A. Have been a permanent resident of the Kenai Peninsula Borough as of 12:01 a.m., March 15, 1982, and have evinced an intention to reside within the Borough for the foreseeable future.
- B. Remain a resident of the Kenai Peninsula Borough, provided that if residency should terminate, then an individual who is otherwise eligible for dividend distributions shall automatically cease to be eligible for participation in the program and his share certificate shall be cancelled automatically.

In order to be eligible, any person meeting the above criteria shall apply to the Finance Director on or before March 14, 1983, and shall submit with his application a signed, sworn certificate that he was a resident of the Borough on the eligibility date and shall also submit other proof of residency as the Finance Director may require including evidence that a person was registered to vote in the Borough on the eligibility date, an Alaska driver's license, or resident hunting, fishing or trapping license issued on or before the eligibility date, other evidence,

that on the eligibility date, he had telephone or utility service to a residence within the Borough listed in his or her name or in the name of a spouse, or, if the individual applicant is a minor, in the name of a parent or guardian; and an affidavit of one or more individuals having personal knowledge concerning his residency on the eligibility date; and, any other documentary evidence of residency acceptable to the Finance Director. An individual is presumed to be a resident of the Borough on the eligibility date if he provides at least two of the items specified above.

5.24.040. Distribution of Beneficial Certificates.

A. The Finance Director shall determine the total number of eligible participants on or before May 1, 1983, who are entitled to benefit from the trust.

B. The Finance Director shall transmit to each eligible resident on or before June 15, 1983, a certificate of beneficial interest in the trust fund. Certificates shall be non-transferable, non-assignable, and non-saleable. The form of the certificate shall be approved by the Assembly.

5.24.050. Determination of Beneficial Interest. A. Eligible beneficiary of the trust fund shall receive a dividend distribution on or before August 1 of each year which is equal to the total of all accumulated unallocated surplus Borough revenues less the sum of one dollar (\$1.00) and divided by the total number of outstanding share certificates.

B. The trust fund shall have continuing life and shall be irrevocable. The sum of one dollar (\$1.00) shall remain in the trust fund's account after distributions have been made each year as the residual asset of the fund until a transfer of the subsequent years unallocated surplus revenues, if any.

5.24.060. Accounting. A. The Finance Director, as Trustee, shall utilize generally accepted accounting practices in his administration of the fund. The duties and liabilities of the Finance Director as Trustee shall be as prescribed by AS 13.36.

B. The Finance Director shall provide for the annual audit of the trust fund and its distribution and shall make a report annually to the Assembly.

C. The Finance Director shall ascertain from time to time the resident status of those persons enrolled as eligible beneficiaries and may demand proof of continued resident's eligibility from any and all registered beneficiaries from time to time. The Finance Director may, upon proof that a person's eligibility has lapsed, cancel the certificate issued to that person.

5.24.070. Definitions. A. "Resident" is defined as an individual who maintains a permanent place of abode within the Kenai Peninsula Borough with the intention of making the Borough his permanent place of residence and who resides in the Borough continuously except for temporary purposes only with the intention of remaining. A person may not be considered to have gained a residence solely by reason of his presence and he may not lose it solely by reason of his absence while on a civil or military service of the State of Alaska or the United States, or by reason of his or her absence because of a marriage to a person engaged in a civil or military service of the State of Alaska or of the United States. A person may not be considered to have lost his residence while a student of an educational institution, while engaged in the navigation of the waters of this state, the United States, or of the high seas, or residing on an Indian or military reservation. A minor takes the residence of his parent or of his legal guardian. A married woman may establish her own place of residence and does not presumptively take the residence of her husband.

Section 2. That this ordinance takes effect immediately upon its enactment.

~~ENACTED~~
~~DEFERRED~~ BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH ON
THIS _____ DAY OF _____, 1982.

ATTEST:

John C. Davis, Assembly President

Borough Clerk

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