



KENAI PENINSULA BOROUGH GRANTS MANAGEMENT

MEMORANDUM

TO: Milli Martin, Assembly President
Members of the Kenai Peninsula Borough Assembly

THRU: David R. Carey, Borough Mayor *DM Carey*
Craig Chapman, Finance Director *C Chapman*

FROM: Brenda Ahlberg, Community & Fiscal Projects Manager *B Ahlberg*

DATE: August 20, 2009

SUBJECT: Ordinance 2009-19- 06 accepting and appropriating \$545,400 from the Alaska Department of Commerce, Community and Economic Development

FINANCE DEPARTMENT FUNDS VERIFIED	
\$545,400	
ACT # <u>271.00000-10 Rev. 34210</u>	
BY: <i>BA</i>	DATE: <u>8/20/09</u>

As determined by Resolution 2009-029, the borough assembly recognized 27 unincorporated communities eligible to participate in the FY10 Community Revenue Sharing Program, hereinafter referred to as "program." The assembly's enactment of this ordinance would authorize the borough to accept and appropriate \$545,400 from the Alaska Department of Commerce, Community and Economic Development (DCCED) to distribute funding to nonprofit or tribal entities in each community.

The program shall provide each community \$19,600 to support services and/or projects for a public purpose (\$20,000 less 3.04% administrative costs pursuant to KPB Resolution 2006-036). DCCED has indicated that funds may be used for public purpose at the discretion of the local governing body and as allowed by state law and borough code.

The FY10 program will commence with adequate public notice and scheduled community meetings held in conjunction with representing assembly members and borough staff. Additionally, the borough has determined a distribution process for which a representing entity may apply for and receive funding on behalf of its community. Funding will be provided for qualifying projects once a representing entity has completed an application request and grant agreement with the borough. It should be noted that recipients will be required to submit a report detailing project expenditures and completion *before* they are eligible to apply for and received future program funds. Please reference the draft timeline for program benchmarks and FY10 Community Revenue Sharing application.

Thanks for your consideration to enact this ordinance which will accept and appropriate \$545,400 from DCCED for 27 unincorporated communities within the Kenai Peninsula Borough.

Attachments: Draft ordinance, program timeline, FY10 Community Revenue Sharing application

<u>Task</u>	<u>Purpose</u>	<u>Timeframe</u>	<u>Deadline</u>
FY09 community notifications (total = 26 communities and 38 representing entities)	FY09 program reporting and FY10 eligibility requirements	July/August	Varies by entity's project
Draft ordinance	Accept and appropriate FY10 allocation	August/Sept	Legal review 08/14/09, assembly 09/01/09 Hearing 10/13/09
Public notification	Community meetings	Sept/Oct	Sync with assembly members, KPB mayor/staff, community representatives
Application distr.	FY10 application process to potential entities	Sept/Oct	11/20/09 Completed applications returned to KPB
Draft grant agrmts	Approved entities/projects per individual grant agrmts	November	11/06/09 mailed for entities' signatures
Draft resolution	Recognizing approved entities/projects' grant agrmts	November	Legal review 11/13/09, assembly 12/01/09
Generate purchase orders	Distr. approved funding amounts to entities	Dec/Jan	POs to finance 12/04/09
Individual notification	Contact entities that may need to complete FY09 reporting requirements prior to being eligible for FY10 applications	January	Varies by entity's project



Kenai Peninsula Borough 2009/2010 Community Revenue Sharing Program Community – Program Information

What is the Community Revenue Sharing Program?

- The Alaska State Legislature has established the Community Revenue Sharing Program which provides funding to municipalities, unincorporated communities and native villages.
- The State will provide the community revenue sharing funds to the borough for distribution to the communities or for expenditure on behalf of the community. The program has been funded for three years. The 2009/2010 is the second Community Revenue Sharing program, and like the 2008/2009 allocation, the amount shall be \$19,600 per eligible community.

Who is eligible to receive revenue sharing funds?

Communities must meet the following criteria to receive the revenue sharing allocation:

- **Population:** The community must have a population of 25 or more persons.
- **Eligible Recipients:** The allocation can be awarded to the borough, school district, an IRA council, community council, or a nonprofit corporation. The incorporated nonprofit entity must exist within the community to receive and spend the revenue sharing payments on behalf of the community.
- **Services:** An unincorporated community must provide *at least three* of the following services: 1) fire protection, 2) emergency medical, 3) water and sewer, 4) solid waste management, 5) public road or ice road maintenance, 6) public health and/or 7) search and rescue.

How can revenue sharing funds be used?

- Revenue sharing funds *must* be used for a public purpose. Eligible projects include purchasing equipment or supplies as well as operational costs such as fuel and utilities.
- The funds may be used for one project or may be divided among several projects.
- The funds can be held in reserve for the following year, thus allowing the community to combine two years' funds for the expense of a larger project(s). Please be aware that an entity *cannot* hold the funds in reserve on behalf of its community. The entity must use the funds for the community's approved project. This is particularly important if the entity elects to apply for 2009/2010 funds. Please reference #6 "Submit Report(s) to the Borough."

Process for receiving revenue sharing funds

1. **Identify a project.** The community should identify a project or projects for revenue sharing funding. The total amount of 2009/2010 funding is limited to \$19,600 per community.
2. **Identify a grant recipient.** Funding will be provided to the entity responsible for the project. A qualifying entity must be a nonprofit corporation in good standing with the State of Alaska. The applying entity shall submit a current biennial report determining good standing status.
3. **Return the completed request form.** Complete Funding Request Form to the KPB Community & Fiscal Projects Manager (address listed below). If the community wishes to reserve its funds for the following year, please indicate the appropriate box on the request form.
4. **Receive Borough Assembly approval.** The Borough Assembly must approve acceptance and appropriation of all grants, including revenue sharing funding. Approval of projects and recipients will be provided through adoption of a resolution. After the request has been approved by the Borough Assembly, the funding will be provided to the grant recipient.
5. **Grant agreement.** A community's representing entity or entities must enter into a grant agreement with the borough prior to receiving any revenue sharing funds. The grant agreement will describe the project(s) to be completed for the community.
6. **Submit report(s) to Borough.** An entity receiving funds on behalf of the community will be responsible for spending the funds and submitting project reports to the Borough. Upon completion of the project, the entity will submit a report describing how the funds were used to complete the project. Copies of invoices, bills, checks, or other supporting documentation for expenses must be attached to the report. Please note that expenses must support the project descriptions as detailed in the entity's *original grant agreement* as approved by the borough. Reporting project completion is particularly important should an entity wish to apply for 2009/2010 revenue sharing funds. For example, Entity A applied for and received funds for its community during the 2008/2009 program; however, Entity A has not completed the program to date. Entity A is ineligible to apply for the 2009/2010 program until the project has been completed and a report has been submitted to the borough. Again, all reporting requirements must be met before the community can receive additional revenue sharing funds.

Please don't hesitate to contact me should you have additional questions or need specific clarification regarding the Community Revenue Sharing program.

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