



Kenai Peninsula Borough 2010/11 Community Revenue Sharing Funds 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 2010/11 year is the third Community Revenue Sharing program, and like prior allocations, the amount shall be \$19,604 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, 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 may 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. Project eligibility will be approved prior to the execution of a grant agreement between the borough and the grantee. Please reference #4 “Receive Borough Assembly Approval” (pg 2).

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 future funds. Please reference #6 “Submit Report(s) to the Borough” (pg 2).

“Community Revenue Sharing Program Restrictions and Reporting Requirements” –
continued page 2 of 2...

Community Revenue Sharing Program Restrictions and Reporting Requirements

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 \$19,604 per community.
2. **Award Restrictions.** Funds will be used only for the purpose of activities set forth in the grant and approved by the Borough Assembly. Funds may not be used for the following: travel, fundraising, lobbying, interest on loans, contingencies, fines, penalties, bad debt, entertainment, contributions/donations, dues/subscriptions, payment on real estate and/or taxes, equipment purchases over \$500 must be approved.
3. **Identify a grant recipient.** Funding will be provided to the entity responsible for the project whose location resides *within* the unincorporated community. 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.
4. **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.
5. **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.
6. **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.
7. **Adopt a resolution regarding sovereign immunity.** For communities in which the tribal council shall assume fiduciary responsibilities, the tribal council must pass a resolution waiving sovereign immunity. *Please note: the waiver applies only to use of revenue sharing monies; it is NOT a general waiver of sovereign immunity.* Per AS 29.60.865 "the department may not make a community revenue sharing payment to a Native village council unless the council waives immunity from suit for claims arising out of activities of the council related to the payment." The Borough has adopted this requirement. If the tribal council does not pass a resolution waiving sovereign immunity, the revenue sharing funds for that community will be spent by the Borough on behalf of the community.
8. **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 future revenue sharing funds. For example, Entity A applied for and received funds for its community during the application period; however, Entity A has not completed the program to date. Entity A is ineligible to apply 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.

Brenda Ahlberg
Community & Fiscal Projects Manager
Kenai Peninsula Borough
144 N. Binkley Street
Soldotna AK 99669

714-2153 or 1-800-478-4441
714-2372 Fax

bahlberg@borough.kenai.ak.us