

Introduced by: Wade
Date: Feb. 3, 1981
Vote: 12 YES, 2 NO
Action: Adopted as Amnd.

KENAI PENINSULA BOROUGH

RESOLUTION 81-32

URGING THE TWELFTH LEGISLATURE, FIRST SESSION, TO PROVIDE THAT THE STATE OF ALASKA WILL FUND ONE HUNDRED PERCENT (100%) OF THE COST OF SCHOOL CAPITAL IMPROVEMENT PROJECTS WITHIN ORGANIZED BOROUGHs.

WHEREAS, the State of Alaska currently reimburses Boroughs for eighty percent (80%) of the cost of all Department of Education (DOE) approved school capital improvement projects funded by local bond issues; and

WHEREAS, the State elected in 1978 to reimburse municipalities for one hundred percent (100%) of all bonded indebtedness incurred for school construction prior to 1978; and

WHEREAS, the State has funded, and continues to fund, one hundred percent (100%) of all school construction costs in the unorganized Borough since 1978; and

WHEREAS, the State of Alaska revenues are in excess of State budgetary requirements and the Assembly finds that it is desirable to provide one hundred percent (100%) reimbursement for school capital improvement projects rather than use surplus monies toward increased State expenditures and services; and

WHEREAS, the Assembly finds that the cost of providing local share of school capital improvement projects and payment of interest upon bond issues incurred for school capital improvement projects have imposed a significant burden upon the residents of the Borough paying real and personal property taxes, and that relief should be granted to these taxpayers; and

WHEREAS, the Assembly finds that current State practice of reimbursing a municipality approximately two years after funds have been expended for approved school capital improvement projects can create a severe cash flow problem; and

WHEREAS, the Assembly finds that the advancement of

State funds to the Borough for use in a Department of Education approved project prior to the initiation of construction would minimize the cash flow problems caused by current State reimbursement practice; and

WHEREAS, the Assembly finds that it is desirable for the legislature to provide for the reimbursement to municipalities of all bonded indebtedness already incurred for school construction projects and not otherwise reimbursed by the State;

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

Section 1. That the Assembly urges the Twelfth Legislature, First Session, to provide for one hundred percent (100%) reimbursement of funds expended by the municipality for all State of Alaska Department of Education approved school capital improvement projects, and for the reimbursement of the of the municipalities' share of bonded indebtedness already incurred for approved school capital improvement projects not otherwise reimbursed by the State, provided that the local control of the Borough School Board and the Borough Assembly will in no way be abrogated.

Section 2. That the Assembly urges the legislature to provide further that eighty percent (80%) of the estimated construction project costs of each approved school capital improvement project be advanced to municipalities prior to the awarding of a contract, subject to a reconciliation of accounts after completion of the project.

Section 3. That the Clerk shall serve copies of this resolution upon the Honorable Jay S. Hammond, Governor of the State of Alaska, upon the Honorable Jay Kerttula, President of the State Senate, upon the Honorable Speaker of the State House, upon the Honorable Donald E. Gilman, State Senator, and upon the Honorables Bette Cato, Hugh Malone, and Pat O'Connell, State Representatives.

Section 4. That this resolution takes effect immediately upon its adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH
ON THIS 3rd DAY OF February, 1981.

Paula Fischer
Paul Fischer, Assembly President

ATTEST:

Frances Brymer
Borough Clerk