

**Petersburg Borough, Petersburg, Alaska  
RESOLUTION #2016-01**

**A RESOLUTION DEDICATING FUNDS TOWARD THE RENOVATION OF THE  
MUNICIPAL BUILDING COMPLEX - POLICE STATION, JAIL &  
ADMINISTRATION/FINANCE OFFICES PROJECT**

**WHEREAS**, the need for the Petersburg Borough to replace its deteriorated police department and jail has been extremely well documented and has been continually supported by the Assembly's placement of the project as a top priority on the community's Capital Improvement Project list for many years; and

**WHEREAS**, the Borough has received their 95% estimated construction plans and cost estimates; and

**WHEREAS**, the Borough has secured 65% of the funds needed to pay for the building renovation project with grants and previous dedicated funds; and

**WHEREAS**, the main purpose of the Property Development fund, which currently has a fund balance of \$500,000, is to provide funding for the purchase and development or improvement of real property owned by the municipality; and

**WHEREAS**, the E-911 Special revenue funds (current balance \$125,000) are restricted for the operating, maintenance and improvement of Petersburg Borough's enhanced E-911 emergency communications system; and

**WHEREAS**, the General Fund has a current unassigned balance of \$4,397,561 which is the equivalent of 5.37 months of operating expenses and the Borough's target range is between 4 and 6 months of operating expenses; and

**WHEREAS**, the Borough routinely has residents and nonresidents inquiring about vacant Borough land available to purchase; and

**WHEREAS**, the Borough has identified parcels in service area 1 that could be sold to the public at auction and thus added to the Borough's tax roll; and

**WHEREAS**, the Borough's current investment interest rate averages 1.16%, excluding the Economic Fund.

**THEREFORE BE IT RESOLVED**, the Petersburg Borough Assembly commits and dedicates the following to fund the remaining 35% of the Renovation of the Municipal Building Complex – Police Station, Jail and Administration/Finance Offices in FY 2016-2017:

\$400,000 of Property Development Fund reserves, \$1,125,000 of General Fund reserves, \$125,000 of the E-911 Fund reserves, \$500,000 in 2016 Borough land sales and up to \$1,300,000 in an interfund loan from the Electric Fund at 1.5% interest for not longer than 8 years.

**Passed and Approved by the Petersburg Borough Assembly on January 4, 2016.**

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Mark Jensen, Mayor**

**ATTEST:**

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Debra Thompson, Clerk**