

**Petersburg Borough, Petersburg, Alaska
Resolution 2018-02(B)**

**A RESOLUTION TO USE THE 2017 SEAPA REBATE TO FUND THE REMAINING
MUNICIPAL BUILDING PROJECT IN LIEU OF USING GENERAL FUND RESERVES
OR AN INTERFUND LOAN FROM THE ELECTRIC FUND.**

WHEREAS, the Municipal Building Renovation project is complete and all known outstanding invoices and contracts have been paid; and

WHEREAS, the Borough Assembly approved Resolution #2016-01 on January 4, 2016 which committed using up to \$1,300,000 in an interfund loan from the Electric Fund to help fund the building project; and

WHEREAS, the additional funding needed to pay for the remainder of the Municipal Building Renovation is \$464,711; and

WHEREAS, the State of Alaska and Federal Government have reduced funding to the General Fund and looks to be continuing to do so in the future; and

WHEREAS, the Borough received revenue of \$685,158 as a SEAPA rebate on December 20, 2017 that was not budgeted for; and

WHEREAS, the three prior year SEAPA rebates averaged \$261,728 a year; and

WHEREAS, the Electric Department has a healthy unrestricted reserve balance of \$6,689,415; and

WHEREAS, using the SEAPA rebate instead of General Fund reserves would help the General Fund keep a higher reserve in order to help absorb potential future cuts in State and Federal funding in the General Fund.

THEREFORE BE IT RESOLVED, the Petersburg Borough Assembly approves using \$464,711 of the \$685,158 SEAPA rebate in lieu of an interfund loan from the Electric Fund or using General Fund reserves. The additional \$220,447 of the SEAPA rebate would go into the Electric Fund.

Passed and Approved by the Petersburg Borough Assembly on January 16, 2018.

Mark Jensen, Mayor

ATTEST:

Debra K. Thompson, Borough Clerk

Brought forward by: Manager Giesbrecht and Finance Director Tow