



Kenai Peninsula Borough 2011/12 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 2011/12 year is the fourth 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).

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Community Revenue Sharing Program Restrictions and Reporting Requirements

The program criteria are established by way of the State of Alaska Administrative Code 3 AAC 180 and Alaska State Statutes Title 29. *Reference Attachment B for a detailed summary of these criteria.*

1. **Identify a project.** The community should identify a project or projects for revenue sharing funding. Projects are identified through a public meeting process, either hosted by the borough or by the non-profit or tribal entity assuming fiduciary responsibility of funds. The total amount of 2011/2012 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. Land purchase for the purpose of public use 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. Note: Payment is based upon reimbursement of approved expenditures.

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. An entity may request to submit a summary of expenses by project fund *in lieu* of source documentation, which may be approved according to historical practice. 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 contact Brenda Ahlberg for additional information:

Brenda Ahlberg	714-2153 or 1-800-478-4441
Community & Fiscal Projects Manager	714-2372 Fax
Kenai Peninsula Borough 144 N. Binkley Street Soldotna AK 99669	
bahlberg@borough.kenai.ak.us	



Kenai Peninsula Borough
2011/2012 Community Revenue Sharing Program
Application Form

Community _____

Please describe how the non-profit corporation will use the revenue sharing grant to provide public services for the unincorporated community:

Qualified Public Service	Project and/or Purchase Description	Amount
Economic Development		\$
Senior Citizen Program		\$
Solid Waste		\$
Water/Sewer		\$
Fire / Emergency Services		\$
Other		\$
Unincorporated Community TOTAL		\$ 19,604.00

Check the following box if the community wishes to defer the FY12 allocation to be awarded at a later date:

The community requests that the Borough reserve the FY12 allocation. Said deferment request shall be made available during the FY13 application process.

Complete Page 2 of this form.

DUE NOVEMBER 11, 2011



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2011/2012 Community Revenue Sharing Program
Application Form Page 2 of 2

Community

Nonprofit Organization Name _____

Federal EIN # _____

Executive Director _____

Contact Person (if different) _____

Mailing Address _____

Phone _____

Email _____

Certification: I hereby certify that this funding request accurately describes the community's proposed use of its revenue sharing grant and that the nonprofit entity identified above is eligible to conduct the aforementioned projects on behalf of the community:

Signature: _____ Date: _____

Printed Name: _____

Include proof of "good standing" from the State of Alaska:

The AK Bi-ennial Report may be obtained as valid documentation that the representing nonprofit entity is in good standing with the State of Alaska.

To request a current bi-ennial report, visit www.commerce.state.ak.us/occ/home.htm. At this page, select "Corporations" button => select "Search Corporation Database" button => select search by "Entity Name" => Once a corporation has been selected, you may download the corporation's current records by selecting the "Filed Documents" button OR may update corporation biennial report by selecting the "Blank Biennial Report" button.

Return the application **BY NOVEMBER 11, 2011 to:**

Brenda Ahlberg, Community & Fiscal Projects Manager
Kenai Peninsula Borough © 144 N. Binkley Soldotna, Alaska 99669
Phone: 714-2153 or 1-800-478-4441, ext. 2153

Attachment B – Community Revenue Sharing Program

Alaska Title 29

Sec. 29.60.865. Eligibility requirements for reserves and communities

(a) The department, with advice from the Department of Law, shall determine whether there is in each community or reserve an incorporated nonprofit entity or a Native village council that will agree to receive and spend the community revenue sharing payment. If there is more than one qualified entity in a reserve or community in the unorganized borough, the department shall pay the money to the entity that the department finds most qualified to receive and spend the money on behalf of the reserve or community. 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. A waiver of immunity from suit under this section must be on a form provided by the Department of Law. If there is no qualified incorporated nonprofit entity or Native village council in a reserve or community that is willing to receive the community revenue sharing payment and use the payment on behalf of that reserve or community, the payment for that reserve or community may not be paid. Neither this section nor any action taken under it enlarges or diminishes the governmental authority or jurisdiction of a Native village council.

(b) The department may make a community revenue sharing payment on behalf of a community in a borough or unified municipality only to the municipality for payment by the municipality to an incorporated nonprofit entity or Native village council that has been approved by the assembly and meets the requirements of (a) of this section. The department shall have written evidence of the assembly approval. If there is more than one qualified entity in a community in a borough or unified municipality, one of the entities may receive the entire payment, or the payment may be shared between two or more of the qualified entities, as determined by the assembly.

(c) A community in a borough or unified municipality is eligible for a community revenue sharing payment only if at least three of the following services are generally available to all residents of the community and each of the three services, in any combination, are provided by one or more qualifying incorporated nonprofit entities or a Native village council or are substantially paid for by the residents of the community through taxes, charges, or assessments levied or authorized by the borough or unified municipality:

- (1) fire protection;
- (2) emergency medical;
- (3) water and sewer;
- (4) solid waste management;
- (5) public road or ice road maintenance;
- (6) public health;
- (7) search and rescue.

Sec. 29.60.879. Definitions in [AS 29.60.850](#) - 29.60.879

(1) "community" means a place in the unorganized borough, in a borough, or in a unified municipality that is not incorporated as a municipality, that is not a reserve, and in which 25 or more individuals reside as a social unit;

(2) "reserve" means a place that is organized under federal law as an Indian reserve that existed before enactment of 43 U.S.C. 1618(a) and is continued in existence under that subsection.

Alaska Administrative Code

3 AAC 180.070 Standards for payment on behalf of communities located within boroughs and unified municipalities

A borough or unified municipality shall submit to the division a resolution adopted by the assembly that clearly identifies

(1) the communities it has determined meet the eligibility criteria under [AS 29.60.865](#) , 29.60.879, and 3 AAC [180.110](#); and

(2) the Native village council or incorporated nonprofit entity located within each community listed under (1) of this section that it has approved as the recipient of the community revenue sharing payment.

Authority: [AS 29.60.865](#); [AS 29.60.879](#); [AS 44.33.020](#)

3 AAC 180.080 Determination of most qualified entity

If the division determines that there is more than one qualified entity within a community in the unorganized borough that will agree to receive and spend the community revenue sharing payment, the director shall determine which entity is to receive the payment. In making this determination, the director shall consider factors relevant to achieving the public purpose of the payment, including

(1) the administrative capability of each village council or incorporated nonprofit entity, including past performance on any previous grant awards;

(2) for each incorporated nonprofit entity, whether the entity has articles of incorporation and a certificate of incorporation in good standing under AS 10.20;

(3) the ability of each village council or incorporated nonprofit entity to manage its debt and other finances, including whether amounts due to the United States Internal Revenue Service are timely paid;

(4) the degree to which each village council or incorporated nonprofit entity is representative of the community; and

(5) the purpose for which each village council or incorporated community intends to spend the community revenue sharing money.

Authority: [AS 29.60.865](#); [AS 44.33.020](#)

3 AAC 180.110 Determination of social unit

(a) The following factors shall be considered as presumptive evidence that individuals permanently residing in a community are considered a social unit under [AS 29.60.879](#) (1) for purposes of determining community eligibility under [AS 29.60.865](#) :

(1) the geographic area in which the persons reside is not disproportionate in size to that number of persons; in determining whether this standard has been met consideration shall be made to the physical topography of the area, the use of the land, land ownership patterns, and other factors that could affect population density; an area with a population density of at least 14 persons per square mile is considered to have met this standard;

(2) persons residing in that area are a discrete and identifiable unit; in determining whether this standard has been met, consideration shall be given to the school enrollment, sources of employment, voter registration, and the permanency of dwelling units; if the area has at least one commercial establishment, and if persons residing in the area do so in permanent dwelling units and their children are enrolled in an operating school in or near the area, this standard is considered to have been met.

(b) Individuals residing in the following places are not considered to be a social unit under [AS 29.60.879](#) (1) for purposes of determining community eligibility under [AS 29.60.865](#) :

(1) a place where public access or the right to reside at the location is restricted;

(2) a place that is contiguous to a city and is dependent upon the city to the extent that it exists only because the city exists; or

(3) a place provided by an employer that is populated primarily by persons who are required to reside there as a condition of their employment.

Authority: [AS 29.60.865](#); [AS 29.60.879](#); [AS 44.33.020](#)