

Presented by: The Manager
Introduced: 05/02/94
Drafted by: J.R.C.

RESOLUTION OF THE CITY AND BOROUGH OF JUNEAU, ALASKA

Serial No. 1709

A RESOLUTION AUTHORIZING THE MANAGER TO ACCEPT FUNDS
DISTRIBUTED FROM THE STATE OF ALASKA TOBACCO TAX SCHOOL FUND.

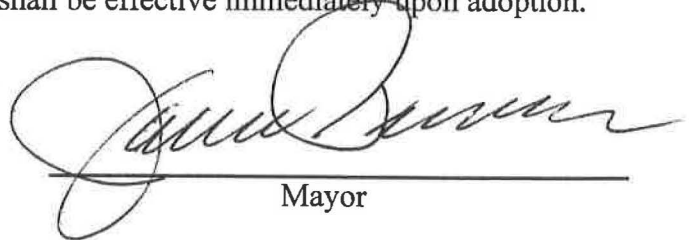
WHEREAS, the City and Borough of Juneau desires to participate in the distribution of funds collected from tobacco taxes and deposited by the state under the provisions of AS 43.50.140 in a fund known as the School Fund, and

WHEREAS, under the terms of this statute, the funds are to be used exclusively to rehabilitate, construct and repair school facilities;

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE CITY AND BOROUGH OF JUNEAU, ALASKA:

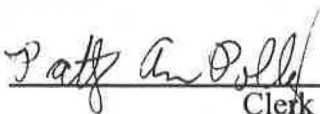
1. That the Manager is authorized to accept from the State of Alaska funds collected from tobacco taxes under the provisions of AS 43.50.
2. That the money received under this program will be accounted for in a separate fund known as the Tobacco Tax Fund and applied to the payment of general obligation debt service incurred by the city for the construction of school facilities.
3. That interest income derived from the investment of unexpended funds will be credited to the Tobacco Tax Fund for expenditure in the same manner as the funds received directly from the state.
4. Effective Date. This resolution shall be effective immediately upon adoption.

Adopted this 2nd day of May, 1994.



Mayor

Attest:



Clerk

Proposed Manager's Report

Resolution 1709:

(Donna: the comment contains the outline report. Remember to double-click on it. This gets really cool in 6.0)

This resolution will accept shared tobacco tax revenues from the state. The revenues received under this program are restricted by law to school facility construction, bond debt incurred on school facilities or school facility insurance. The state will offset amounts received under this program by reducing, dollar for dollar, amounts received under the School Construction Bond Debt Reimbursement Program. CBJ has historically applied Tobacco Tax proceeds to school bond debt service.

CBJ's FY94 budget included \$130,000 in projected revenue from this program. Recent State of Alaska Department of Education projections indicate actual revenue will be \$137,400.

For CBJ to qualify for funding under this program the Department of Education requires that the Assembly adopt this resolution and that the School District Superintendent indicate that the School Board concurs with the Assembly's direction on use. After adoption, the resolution will be forwarded to the District for this purpose.

I recommend that this resolution be adopted.

CD/JRC/mjm

Assembly Meeting: May 2, 1994