TITY OF HOMER HOMER, ALASKA

RESOLUTION 91-10

A RESOLUTION OF THE HOMER CITY COUNCIL PROPOSING A CHANGE IN ALASKA STATUTES TO ESTABLISH A STABLE AND ADEQUATE ADMINISTRATIVE FEE FOR ADMINISTRATION OF THE DAY CARE PROGRAM.

WHEREAS, the Day Care Assistance program was created to help low and moderate income parents work or train for work by paying for child care costs; and

WHEREAS, to accomplish this goal certain administrative tasks are required and costs are incurred; and

WHEREAS, a change from the reimbursement method to a flat rate of program allocation would enable more dollars to be used for parent subsidies rather than lapse (unspent) at year-end; and

WHEREAS, the direct operational costs (such as rent, salaries, supplies) of determining and monitoring parent eligibility, and processing provider billings is 12-13% of the subsidies expended, therefore, the local governments are making up the dollars to keep the program stable; and

WHEREAS, it is in the best interest of the State to continue to have the Day Care Program administered at the local level; and

WHEREAS, the State is responsible to provide funds for administration sufficient to:

- pay the total costs of direct program operations (administration), and
- maximize the funding available for parent subsidies.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Homer, Alaska supports amending A.S. 44.47.260 to read:

Section 44.47.260 Payments to municipality or organization. When a contact is made under AS 44.47.250 (b) (2) or (b) (4) between the department and a municipality or an organization, the department shall pay to that municipality or organization the greater of

- (1) an amount to equal to 13 [10] percent of the total annual contract award to [day care benefits paid to day care facilities in the geographic area administered by] that municipality or organization, or
- (2) \$1,000 per year.

ADOPTED BY THE HOMER CITY COUNCIL THIS 38th DAY OF

CITY OF HOMER

WARRY S. GREGOTRE, MAYOR

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ATTEST:

MARY L./SHANNON, CITY CLERK

NOTE:

FISCAL NOTE ATTACHED.