

AN ACT

6,829,950.00 ✗

6,264,325.00 ✗

To authorize the sum of ~~\$6,837,950.00~~ and appropriate the sum of ~~\$6,272,325.00~~ for General Operation, Capital Improvement Projects and Contingencies from Koror State Treasury for an Annual Unified Budget of Koror State for Fiscal Year 2011; and for related purposes.

THE PEOPLE OF KOROR REPRESENTED IN THE LEGISLATURE OF THE STATE OF KOROR DO ENACT AS FOLLOWS:

1 **Section 1. Short Title.** This Act may be cited as “The Fiscal Year 2011 Unified Koror
2 State Budget Act.”

3 **Section 2. Appropriation.** The sum of ^{6,829,950.00 ✗}~~\$6,837,950.00~~ is authorized to be appropriated
4 and the sum of ^{6,264,325.00 ✗}~~\$6,272,325.00~~ is hereby appropriated for expenditures and obligations in Fiscal Year
5 2011 from Koror State Treasury to the budget activities as set forth below, and more specifically
6 itemized in the attached Schedule A which is incorporated herein by reference.

7 **Section 3. Revenue Sources.** Of the sum herein authorized and appropriated for Koror
8 State FY 2011 Unified Budget, the amount of \$780,000.00 shall come from National appropriations
9 as appropriated in RPPL No. 8-18. The balance of ^{5,962,325.00 ✗}~~\$5,970,325.00~~ shall come from State’s local
10 revenues and Fishing Rights Fees for FY 2011 as identified in the attached Schedule B. If collections
11 exceed projected revenues, all such excess collections shall remain in the Koror State Treasury until
12 authorized and appropriated by law.

13 **Section 4. House of Traditional Leaders.** The sum of ^{156,400.00 ✗}~~\$164,400.00~~ is hereby authorized
14 and appropriated for expenditures and obligations for Fiscal Year 2011 to cover operational and
15 contingent expenses of the House of Traditional Leaders. The entire sum shall come from State’s
16 local revenues. The Chairman of the House of Traditional Leaders is hereby authorized to reprogram
17 funds from one item to another within the House of Traditional Leaders budget, but not to exceed
18 15% of the total amount apportioned for the item which the funds are moved; provided however, that
19 the budget category for “Compensation” and for “Personnel Cost” may not be reduced by
20 reprogramming, and the funds for these two budget items may not be reprogrammed.

- 21 a. Compensation\$ 90,400.00
- 22 b. Personnel Cost\$ 42,100.00

23 *Of this amount, the sum of \$2,700.00 shall be used for salary adjustment for the HOTL Staff due to the new*
24 *ROP HCF Insurance Act.*

1	c. Representation Fund	\$ 2,500.00
2	d. Operational Cost	\$ 7,500.00
3	e. Travel Expense	\$ 8,400.00

4 *This amount shall only be used for travel related activities to the upcoming Yap Day 2011, and for attendance*
 5 *at the Micronesian Traditional Leaders' Conference in Guam.*

6	f. Contingency and Miscellaneous Expense	\$ 4,000.00
7	g. Capital asset purchase.....	1,500.00 \$ 9,500.00

8 *This amount shall be used to purchase a desktop computer and accessories, and to purchase a vehicle.*

9	Sub-total	156,400.00 \$164,400.00
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10 **Section 5. Legislative Branch.** The sum of \$396,200.00 is hereby authorized and
 11 appropriated for expenditure and obligation for FY 2011 for the purpose of covering the operational
 12 and contingent expenses of the Koror State Legislature. The total amount appropriated shall be
 13 apportioned and allotted at the direction of the Speaker of the Koror State Legislature and shall be
 14 allocated according to the following schedule. The total sum shall derive from state local revenues.
 15 The Speaker is hereby authorized to reprogram funds from one item to another within the legislative
 16 budget, but not to exceed 15% of the total amount apportioned for the item which the funds are
 17 moved.

18	a. Legislative Compensation	\$170,000.00
19	b. Personnel Cost	\$ 95,000.00
20	c. Speaker/Vice Speaker Expense	\$ 8,000.00
21	d. Committee Expense	\$ 16,200.00
22	e. Contractual Service	\$ 23,000.00
23	f. Representation Fund	\$ 7,000.00
24	g. Travel Expense	\$ 50,000.00
25	h. Operational Expense	\$ 17,000.00
26	i. Miscellaneous & Contingency	\$ 10,000.00
27	Sub-total	\$ 396,200.00

28 **Section 6. Executive Branch.** The sum of 3,257,000.00 is hereby authorized and
 29 appropriated for expenditures and obligations for Fiscal Year 2011 to cover operational and

contingent expenses of the Executive Branch. The entire sum of \$ 3,257,000.00 shall derive from state local revenues. The Governor is hereby authorized to reprogram funds from one item to another within the executive branch budget, but not to exceed 15% of the total amount apportioned for the item which the funds are moved.

- a. Administration\$ 156,500.00
- b. Dept. of Legal Counsel\$ 124,000.00
- c. Dept. of Treasury\$ 235,500.00

Of this amount the sum of \$20,000.00 is to fund the Fund Audit of Fiscal Year 2010. Such fund shall not lapse and shall continue until this audit is completed .

- d. Dept. of S & C Affairs\$ 609,500.00
- e. Dept. of Public Works\$ 1,165,000.00
- f. Dept. of Law Enforcement\$ 966,500.00

The "Beach Boys" clean-up crew is hereby entitled to receive 10% hazardous pay and shall continue thereafter.

- g. Dept. of Resources & Development. \$ -0-
- Sub-total\$ 3,257,000.00**

Section 7. Authorities, Boards and Commissions. The sum of \$517,100.00 is hereby authorized and appropriated for the expenses and obligations for Fiscal Year 2011 to cover operation and contingent expenses of the Authorities, Boards and Commissions. The entire sum shall derive from state local revenues.

- a. KSPLA Board\$ 332,500.00
- b. Planning Commission\$ 184,600.00
- Sub-total \$517,100.00**

Section 8. ROP HCF Insurance, Pension Plan, Social Security Tax and Medical Insurance. The sum of \$770,000.00 is hereby authorized and appropriated for Fiscal Year 2011 to cover the State's cost for ROP HCF Insurance, Pension Plan Contribution, Social Security, Taxes and Medical Insurance. The entire sum of \$770,000.00 shall derive from state local revenue.

- a. Social Security\$220,000.00
- b. Pension Plan\$ 155,000.00
- c. Medical Insurance\$315,000.00

1 d. ROP HCF Insurance.....\$ 80,000.00

2 **Sub-total** **\$770,000.00**

3 **Section 9. Communication, Utilities, Travel, Prior Year Obligation, Hamlet**
4 **Streetlights and Contingencies.** The sum of \$693,125.00 is hereby authorized and appropriated for

5 Fiscal Year 2011 to cover necessary additional operational expenses for communications, utilities, travel,
6 prior year obligation, hamlet streetlights and contingencies. Of the \$693,125.00, the sum of \$62,000.00
7 shall come from the National Appropriation for Fiscal Year 2011. The balance of \$631,125.00 shall
8 come from the State local revenues.

9 a. Communications \$ 72,500.00

10 b. Travel \$ 95,000.00

11 c. Contingencies \$30,000.00

12 d. Utility Expense \$195,000.00

13 e. Prior Year Obligation \$30,000.00

14 f. Hamlet Streetlights \$270,625.00

15 **Sub-total** **\$693,125.00**

16 **Section 10. State's Programs & Special Projects.** The sum of \$ 952,500.00 is hereby
17 authorized and the sum of \$474,500.00 is appropriated for expenditure and obligations for Fiscal Year
18 2011 to continue special programs and projects. Of the sum authorized and appropriated hereunder,
19 and for the items for which funding is authorized but not appropriated, \$718,000.00 shall come from
20 the National Appropriations of FY2011, and \$ 234,500.00 shall come from state local revenues.

21 a. Coastal Management Program \$ 20,000.00

22 b. State Building Maintenance \$ 20,000.00

23 c. Traditional Functions \$8,500.00

24 d. Other Hamlets Projects \$ 90,000.00

25 e. Community Services \$ 9,000.00

26 f. Charitable Contribution \$ 10,000.00

27 g. Picnic Huts and Bio Toilets (rock islands) \$ 17,000.00

28 h. Koror State Parks \$ 80,000.00

29 *Part of this fund shall be used for picnic huts/ shelters at public parks and recreation areas in areas other than*
30 *the rock islands.*

31 i. Solid Waste Management Program \$200,000.00

1 j. CIP Programs/Infrastructures \$478,000.00

2 *These funds are authorized but shall only be appropriated by separate legislation when Koror State receives its*
3 *share of State Block Grant funding from the national government. Any unexpended or unobligated balance of the*
4 *appropriations in this subsection shall not lapse at the end of this Fiscal Year and shall carry over to subsequent fiscal*
5 *years.*

6 k. Koror State Youth Council \$ 20,000.00

7 **Sub-total\$ 952,500.00**

8 **Section 11. Outside Grants and Development Assistance.** All funds received from outside
9 sources, including but not limited to US Federal Program Grants, Japan Grant Aid, Republic of China
10 (Taiwan) grants, other countries, organizations, or individual donors are hereby authorized to be
11 appropriated and are appropriated for fiscal year 2011 in the amounts received for those specific
12 programs or projects for which they are granted, donated, or otherwise contributed. US Federal Grants
13 cost recoveries associated with such program grants may be retained for use by the Governor for such
14 purposes as are needed to implement such programs or projects for which they were granted. The
15 Director of Treasury shall report monthly to the Koror State Legislature the receipt of any outside grant
16 or development assistance in the preceding month. In addition to all other reporting requirements
17 established by law or regulation, the Director of Treasury shall submit quarterly reports to the Governor
18 and the Legislature setting forth expenditures and obligations of all funds received from outside sources
19 expended or obligated pursuant to this section. The funds from such outside grants and development
20 assistance may be reprogrammed by the Governor.

21 **Section 12. Food and Beverages.** Funds may be expended by any of the branches of Koror
22 State Government, including its authorities, boards, commissions, task forces, agencies, agents etc. for
23 the purchases of food and beverages for the conduct or holding of meetings, sessions, hearings,
24 conferences, workshops, studies and etc, provided however, all such expenditures shall be documented
25 to show the nature or purpose of the gathering, the persons present, and the matters discussed or
26 transacted when food and/or beverages are purchased.

27 **Section 13. Bid Security.** Bid security shall be required for all competitive sealed bidding
28 construction contracts when the Governor estimates that the price exceeds \$20,000.00. The bid security
29 shall be in the form of a bid bond, cash, certified check, cashier's check, or other form acceptable to the
30 government. Nothing herein prevents the Governor from requiring bid security for contracts under

1 \$20,000.00 when it would be in the best interest of the government. Bid security shall be an amount
2 equal to at least 20% of the amount of the bid.

3 **Section 14. Fund Transfers.** The Governor is hereby authorized to reprogram funds from
4 one item to another, provided, however, that the amount moved from one item to another shall not
5 exceed fifteen percent (15%) of the total amount apportioned for the item which the funds are moved.
6 Any left over balance after completion of any earmarked CIP Projects may be used to fund other CIP
7 projects, infrastructures or other state programs that need supplementing.

8 **Section 15. Disbursement Certification.** The sum herein appropriated shall be
9 administered by the Governor for purposes specified herein. No funds shall be committed or disbursed
10 for any purpose until the Director of the Department of Treasury has certified the availability of funds
11 in accordance with this Act. The Director of the Department of Treasury shall submit a written
12 quarterly financial report to the Governor and the Legislature fifteen (15) days after each quarter of all
13 funds expended in accordance with this Act.


14 **Section 16. Fiscal Year.** The 2011 Fiscal Year for the Koror State shall commence on January
15 1, 2011 and ends December 31, 2011.

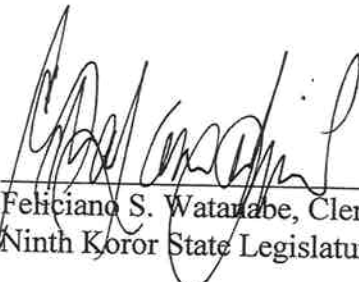
16 **Section 17. Severability.** If any part or provision of this Act is determined to be unlawful or
17 invalid, such invalidity may be stricken and shall not affect the other provisions of this Act.

18 **Section 18. Effective Date.** This Act shall take effect upon its approval by the Governor or
19 upon its becoming law by operation of the Koror State Constitution.


PASSED: December 21, 2010

AS CERTIFIED AND ATTESTED TO BY:


Legislator Eyo Rudimch, Speaker
Ninth Koror State Legislature


Feliciano S. Watanabe, Clerk
Ninth Koror State Legislature

APPROVED ON THIS ^{****} 20th DAY OF December, 2010.


Yositaka Adachi
Governor, State of Koror