

SEVENTH KOROR STATE LEGISLATURE

Seventh Special Session, November 2004  
K7-157-2005

KSPL No.

(Intro. As Bill No.  
7-48, LD2, HD1)

AN ACT

To authorize and appropriate the sum of \$3,992,366.00 for General Operation, Capital Improvement Projects and Contingencies from Koror State Treasuries for an Annual Unified Budget of Koror State for Fiscal Year 2005; to provide and allocate funds for Koror Capitol Loan (PNDB) and Meriang Settlement, and for related purposes.

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

**Section 1. Short Title.** This Act may be cited as "The Fiscal Year 2005 Unified Koror State Budget Act."

**Section 2. Appropriation.** The sum of \$3,992.366.00 is hereby authorized and appropriated for expenditures and obligations in Fiscal Year 2005 from Koror State Treasury to the budget activities as set forth below, and more specifically itemized in the attached Schedule A which is incorporated herein by reference.

**Section 3. Revenue Sources.** Of the sum herein authorized and appropriated for Koror State FY 2005 Unified Budget, the amount of \$1,237,366.00 shall come from National appropriations as appropriated in RPPL No. 6-51, and unexpended balance from previous CIP projects as appropriated in RPPL Nos. 5-34, 5-41 and 5-47. The balance of \$2,755,000.00 shall come from State's local revenues, and Fishing Rights Fees for FY 2005 as identified in the attached Schedule B. If collections exceed projected revenues, all such excess collections shall remain in the Koror State Treasury until authorized and appropriated by law.

**Section 4. House of Traditional Leaders.** The sum of \$136,500.00 is hereby authorized and appropriated for expenditures and obligations for Fiscal to cover operational

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and contingent expenses of the House of Traditional Leaders. The entire sum shall come from State's local revenues. The

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Chairman of the House of Traditional Leaders is hereby authorized to reprogram funds from one item to another within the House of Traditional Leaders budget, but not to exceed 15% of the total amount apportioned for the item which the funds are moved.

a. Compensation and Personnel Cost -----	
----- \$108,000.00	
b. Representation Fund -----	
	----- \$
	6,000.00
c. Operational Cost -----	
	----- \$
	8,500.00

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d. Travel Expense	-----		
		-----	-\$
			5,000.00
e. Contingency and Miscellaneous Expense	-----		
		--	\$ 4,000.00
f. Contractual Services	-----		
		-----	-\$
			5,000.00
Sub-total	-----		
			\$136,500.00

**Section 5. Legislative Branch.** The sum of \$197,000.00 is hereby authorized and appropriated for expenditure or obligation for FY 2005 for the purpose of covering the operational and contingent expenses of Koror State Legislature. The total amount appropriated shall be apportioned and allotted at the direction of the Speaker of the Koror State Legislature and shall be allocated according to the following schedule. The total sum shall derive from state local revenues. The Speaker is hereby authorize to reprogram funds from one item to another within the legislative budget, but not to exceed 15% of the total amount apportioned for the item which the funds are moved.

a. Legislative Compensation and Personnel Cost	-----		
		----	\$130,000.00
b. Speaker/Vice Expense	-----		
		-----	\$
			5,000.00
c. Committee Expense	-----		
		-----	-\$
			7,000.00

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d. Contractual Service	-----	-----	\$
		25,000.00	
e. Representation Fund	-----	-----	\$
		5,000.00	
f. Travel Expense	-----	-----	\$
		13,000.00	
g. Operational Expense	-----	-----	\$
		8,000.00	
h. Miscellaneous & Contingency	-----	-----	\$
		4,000.00	
Sub-total	-----		
		\$197,000.00	

**Section 6. Executive Branch.** The sum of \$1,618,000.00 is hereby authorized and appropriated for expenditures and obligations for Fiscal Year 2005 to cover operational and contingent expenses of the Executive Branch. Of the \$1,618,000.00 the sum of \$60,625.00 shall derive from National appropriation for Fiscal Year 2005. The balance of \$1,557,375.00 shall come from state's local revenues.

a. Administration	-----	-----	\$
		87,000.00	

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b. Dept. of Legal Counsel -----	-----	
		\$107,000.00
c. Dept. of Treasury -----	-----	
		\$140,000.00
<p>Of the foregoing appropriation, the sum of \$20,000.00 shall be earmarked to defray the cost of a fund audit of Koror State Government for fiscal year 2003 and additional funds may be appropriated later when needed.</p>		
d. Dept. of S & C Affairs -----	-----	
		\$256,000.00
e. Dept. of Public Works -----		\$628,000.00
f. Dept. of Law Enforcement -----		\$400,000.00
	Sub-total -----	\$1,618,000.00

**Section 7. Authorities, Board and Commissions.** The sum of \$175,160.00 is hereby authorized and appropriated for the expenses and obligations for Fiscal Year 2005 to cover

operation and contingent expenses of the Authorities, Boards and Commissions. The entire sum shall derive from local revenues. Each KSPLA and Koror Planning Commission Board member are entitled to \$35.00 for each meeting attended, provided that no KSPLA or Koror Planning Commission member shall receive more than \$1,260.00 in any year. These compensation rates and limitations shall continue until amended by law.

a. KSPLA Board -----		\$103,820.00
b. Planning Commission -----		\$ 71,340.00
	Page 5 of 15 Sub-total -----	\$175,160.00

**Section 8. Insurance, Pension Plan, Social Security Tax.** The sum of \$250,000.00

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is hereby authorized and appropriated for Fiscal Year 2005 to cover the state's cost for Workman's Compensation, Social Security Taxes and Pension Plan contributions. Of the sum authorized and appropriated hereunder, \$170,000.00 shall come from national appropriation and \$80,000.00 shall come from state local revenues.

a. Workman's Compensation -----	\$ 20,000.00
b. Social Security -----	\$ 80,000.00
c. Pension Plan -----	\$150,000.00

Sub-total ----- \$250,000.00

**Section 9. Communication, Utilities, Travel, Settlements, Loans, Prior Year**

**Obligation and Contingencies.** The sum of \$475,000.00 is hereby authorized and appropriated for Fiscal Year 2005 to cover the following necessary additional operational expenses. Of the above authorized sum, \$275,000.00 shall derive from national appropriation and the balance of \$200,000.00 from local revenues.

a. Communications -----	\$ 25,000.00
b. Travel -----	\$ 30,000.00
c. Contingencies -----	\$ 30,000.00
d. Utility Expense -----	\$ 75,000.00
e Koror Capitol Loan (PNDB) -----	\$200,000.00
f. Accounts Payable -----	\$ 40,000.00
g. Meriang Settlement -----	\$ 75,000.00
Sub-total -----	\$475,000.00

**Section 10. State’s Programs & Special Projects.** The sum of \$672,565.00 is hereby

authorized and appropriated for expenditure and obligations for Fiscal Year 2005 to continue special programs and projects. Of the above authorized and appropriated sum, \$365,000.00 shall derive from national appropriation and the balance of \$307,565.00 from local revenues.

a. Rock Island Rat Eradication Feasibility Study -----	\$ 3,000.00
--	-------------

This project shall be coordinated by the Division of Sanitation and the Department of Law Enforcement of Koror State Government.

b. Coastal Management Program -----	\$ 20,000.00
c. State Housing Maintenance/ Furniture / Appliances-----	\$ 11,000.00
d. Janitorial Service -----	\$ 6,000.00
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e. Security Service -----	\$10,000.00
f. Traditional Functions -----	\$ 5,000.00

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g. Other Hamlet Projects -----	\$ 57,170.00
h. Community Services -----	\$ 7,000.00
i. Charitable Contribution -----	\$ 7,000.00
j. Picnic Huts and Bio Toilets -----	
	----- \$
	10,000.00
k. Long Island Park -----	
	----- \$
	15,000.00
l. CIP Programs / Infrastructures-----	
	-----
	\$521,395.00

The foregoing appropriation shall be allotted as follows:

1. Ngermid Basketball Roofing -----	
- \$57,000.00	
2. Diberdii Road (Ngerkesouaol) -----	
- \$22,000.00	
3. Nandeng Road (Ngerkesouaol) -----	
\$35,000.00	
4. Ngerchemai Playground -----	
- \$75,000.00	
5. Ngerchemai headstart building -----	
- \$20,000.00	
6 Emang Dock Improvement (Iyebukel) -----	
\$26,000.00	
7. Meketii Drainage/Entrance (Fritz/Tellei) -----	
\$10,000.00	
8. Dngeronger Road Repair -----	
\$10,725.00	



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9.	Itungelbai Road (Meketii) -----	
---	\$5,000.00	
10	Kamachiri Road Widening (Meketii) -----	
	\$2,000.00	
11.	Ilengelang Road (Meketii) -----	
----	\$15,000.00	
12.	Kesuk Drainage (Idid) -----	
---	\$26,000.00	
13.	Access Stairs (Idid) -----	
		-----
		\$17,000.00
14.	Ikelau Storm Drainage Improvement -----	
	\$21,000.00	
15.	Ngerbeched Basketball Roofing -----	
	\$100,000.00	
16.	Ngerbeched Abai Improvement -----	
		\$10,000.00
17.	M-Dock Storm Drainage (Medalarii) -----	
	\$3,000.00	
18.	Medalarii Access Road (Ngel to PCC) -----	
	\$16,000.00	
19.	Medalarii Basketball Lighting -----	
---	\$3,500.00	
20.	Meyuns Backroad -----	
--	\$30,000.00	
21.	Morisong Road (Meyuns) -----	
	\$14,000.00	
22.	Meyuns Searamp light -----	
-	\$3,170.00	

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Sub-total -----  
\$672,565.00


Any unexpended or unobligated funds in this section shall not lapse at the end of fiscal year.

**Section 11. Special Continuing CIP Project.** The sum of \$366,741.00 is hereby authorized and appropriated for specially earmarked projects for Fiscal Year 2005. The entire sum of \$366,741.00 shall come from National appropriations as specified in RPPL 5-34, 5-41 and 5-47.

a. Ngara Amayong Abai (RPPL 5-41) -----  
-----  
-  
\$294,538  
.00

b. Special Earmarked Projects (RPPL No. 5-34) -----  
----- \$ 64,564.00

c. Ngerkebesang Road Project (RPPL 5-47) -----  
----- \$ 7,639.00

 Sub-total -----  
-----  
\$366,741  
.00

Any unexpended or unobligated balance of the appropriations in this section shall not lapse at the end of fiscal year and shall carry over to new fiscal year.

**Section 12. Cost of Living Adjustment (COLA).** The sum of \$101,400.00 is hereby authorized and appropriated for fiscal year 2005, for Koror State Government employee's salary increase of \$30.00 across the board in a form of COLA. This

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COLA is only applicable to employees hired before January 1, 2005, and shall continue thereafter. The total appropriation

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shall come from local revenue. This cost of living increase shall not apply to any Department Head or Director or other salary established by law, and shall not apply to employees under contract. The cost of living increase shall be paid in equal bi-weekly installments, and shall be retroactive to January 1, 2005.

**Section 13. Food and Beverages.** Funds may be expended by any of the three branches of Koror State Government, including its authorities, boards, commissions, task forces, agencies, agents etc. for the purchases of food and beverages for the conduct or holding of meetings, sessions, hearings, conferences, workshops, studies etc. Provided, however, all such expenditures shall be documented to show the nature or purpose of the gathering, the persons present, and the matters discussed or transacted when food and/or beverages are purchased.

**Section 14. Bid Security.** Bid Security shall be required for all competitive sealed bidding construction contracts when the Governor estimates that the price exceeds \$20,000. The bid security shall be in the form of a bid bond, cash, certified check, cashier's check, or other form acceptable to the government. Nothing herein prevents the Governor from requiring bid security for contracts under \$20,000 when it would be in the best interest of the government. Bid security shall be an amount equal to at least 20% of the amount of the bid and shall continue thereafter.

**Section 15. Fund Transfers.** The Governor is hereby authorized to reprogram funds from one item to another, except for special projects as earmarked in RPPL No.5-34, RPPL No. 5-

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41, and RPPL No. 5-47, Section 9 (e) and (g) Koror Capitol Loan and Meriang Settlement, and provided, however, that the amount moved from one item to another shall not exceed fifteen percent (15%) of the total amount apportioned for the item which the funds are moved. Any left over balance after completion of any earmarked CIP Projects may be used to fund other CIP projects, infrastructures or other state programs that need supplementing.

**Section 16. Disbursement Certification.** The sum herein appropriated shall be administered by the Governor for purposes specified herein. No funds shall be committed or disbursed for any purpose until the State Treasurer has certified the availability of funds in accordance with this Act. The State Treasury shall submit a written quarterly financial report to the Governor and the Legislature fifteen (15) days after each quarter of all funds expended in accordance with this Act.

**Section 17. Fiscal Year.** The Fiscal Year for the Koror State shall commence on January 1, 2005 and ends December 31, 2005.

**Section 18. Severability.** If any part of provision of this Act is determined to be unlawful or invalid, such invalidity may be stricken and shall not affect the other provisions of this Act.

**Section 19. Effective Date.** This Act shall take effect upon its approval by the House of Traditional Leaders or upon its becoming law without such approval.

PASSED: March 17, 2005

CERTIFIED BY:

ATTESTED TO BY:

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/s/Yositaka Adahi  
Yositaka Adachi, Speaker

/s/Charlyne Uong  
Charlyne Uong, Clerk

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Seventh Koror State Legislature

Seventh Koror State Legislature

\*\*\*\*\*

APPROVED ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2005.

John C. Gibbons  
Governor, Koror State

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APPROVED ON THIS 31<sup>st</sup> DAY OF March, 2005.

      /s/Y.M. Gibbons        
Ibedul Y. M. Gibbons  
House of Traditional Leaders

OVERRIDE ACTION BY THE SEVENTH KOROR STATE LEGISLATURE ON APRIL 6,  
2005, WAS DULY CARRIED BY A ROLL CALL VOTE OF 14-0.

CERTIFIED BY:

ATTESTED TO BY:

      /s/        
Yositaka Adachi, Speaker  
Seventh Koror State Legislature

      /s/        
Charlyne Uong, Clerk  
Seventh Koror State Legislature