

Revenue

The Fairbanks North Star Borough receives revenue from many different sources. The principal sources of revenue are property taxes and revenue received from the State of Alaska.

In October of 1987, Borough voters adopted a Tax Cap Ordinance that provided for a maximum tax revenue that may be generated by the Borough government. The 1988-89 fiscal year was the initial year of the implementation of the tax cap. With the adoption of the tax cap and the rejection of the sales tax by the Borough voters in 1987, the Borough administration has been and will continue, evaluating alternative revenues to support Borough programs in the community. A non-areawide transient room tax (hotel/motel, bed & breakfasts, etc.) was enacted in FY 1993. A thorough review of charges for borough services was completed in FY 1999. Each fee was reviewed in terms of supply versus demand, length of time since the fee was last increased, and current market conditions. Additional adjustments to estimated revenues and fee increases have been incorporated into the FY 2003 budget. The tax cap initiative was reaffirmed by the voters in October of 1989, and by an advisory vote in October of 1991, again reaffirmed by the voters in October of 1993. In addition, a slight modification was approved that allows the cap to be increased by voter approval for existing services as well as new services. In October of 1996, voters approved a change in the maximum tax cap code to include all tax revenues. The tax cap initiative was reaffirmed by the voters in October of 2000.

This section provides a view of revenues, both at summary level and detail level. The assumptions, which are used to base the year's revenue estimates (FY 2003), are given in the revenue detail narrative. This section also contains the historical and current data on assessed valuations and mill levies for the taxing districts.