

1 By: FNSB Assembly
2 Introduced: 07/23/2020
3 Adopted: 07/23/2020
4

5 FAIRBANKS NORTH STAR BOROUGH

6
7 RESOLUTION NO. 2020 – 32
8

9 A RESOLUTION APPROVING INFORMATION OF A STRICTLY FACTUAL NATURE
10 PERTAINING TO THE MAXIMUM ALLOWABLE TAX REVENUES INITIATIVE
11

12 WHEREAS, FNSBC 5.16.050 mandates the borough clerk publishes an insert
13 in the Fairbanks Daily News-Miner containing information approved by the Assembly of a
14 strictly factual nature pertaining to each initiative or referendum on the ballot; and
15

16 WHEREAS, The borough clerk certified an initiative Establishing Maximum
17 Allowable Tax Revenues on September 16, 2019, for placement before the voters of the
18 Fairbanks North Star Borough on October 6, 2020.
19

20 NOW, THEREFORE, BE IT RESOLVED the Assembly of the Fairbanks North
21 Star Borough approves the following strictly factual information to be included in an
22 informational insert regarding the initiative Establishing Maximum Allowable Tax
23 Revenues:
24

25 1. The Ordinance Establishing Maximum Allowable Tax Revenues,
26 generally referred to as the Tax Revenue Cap, was first established by initiative in 1987
27 and remains in effect.
28

29 2. This law limits the total amount of tax that may be levied or
30 imposed by the borough assembly. Under this tax revenue cap, the total amount of tax
31 levied or imposed during a tax year cannot exceed the total amount levied or imposed
32 for the preceding tax year, adjusted for inflation with certain defined exclusions.
33

34 3. For computational purposes, the tax levy is adjusted for new
35 construction, payments on bonds, additional voter-approved services, new judgments
36 against the borough, special appropriations necessary on an emergency basis, certain
37 hotel-motel taxes transferred to the hotel-motel room tax fund (used primarily to fund
38 tourism marketing), and any amount withdrawn from the general fund fund balance in
39 the preceding year if designated by the Assembly as a reduction to the property tax
40 levy. Furthermore, the limitation applies to all taxing jurisdictions and types of tax
41 revenue, including property taxes and sales taxes.
42

43 4. By Alaska Statute, voter reconfirmation of this ordinance bars the
44 Assembly from overriding or otherwise changing the cap for a two-year period.

45 BE IT FURTHER RESOLVED at the election to be held in the borough on
46 October 6, 2020, the borough will submit to the qualified voters the following
47 proposition:

48 PROPOSITION

49
50
51 ORDINANCE ESTABLISHING MAXIMUM ALLOWABLE TAX REVENUES

52
53 Shall sections 8.04.290 and 8.04.300 of the Fairbanks North Star Borough Code
54 (FNSBC) be reenacted? These sections will provide for limitations on the maximum
55 allowable tax revenues for the Fairbanks North Star Borough. Under FNSBC 8.04.290
56 the borough will be able to levy or impose only the same amount of taxes for one fiscal
57 year as the borough levied or imposed for the preceding year, except that the borough
58 can increase the amount of taxes levied or imposed (a) to adjust for inflation; (b) to
59 take into account new buildings and land coming onto the tax rolls; (c) make new
60 payments on bonds; (d) pay for services approved by voters; (e) pay for new legal
61 judgments entered against the borough; and to pay for expenses in emergencies.
62 FNSBC 8.04.300 provides a formula and definitions for the limitations of FNSBC
63 8.04.290.



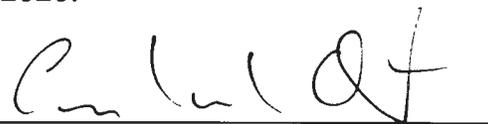
66 YES A **"Yes"** vote reenacts FNSBC 8.04.290 and 8.04.300, which limits
67 the maximum allowable tax revenues for the borough. If reenacted
68 it may not be modified or negated within two years.



70 NO A **"No"** vote means the initiative will be defeated. The current
71 revenue cap in the FNSB Code of Ordinances will remain in effect;
72 however, it can now be modified or negated by the assembly.

73 ADOPTED THE 23RD DAY OF JULY 2020.



78 

79 Christopher Quist
80 Presiding Officer

81 ATTEST:

82 
83 April Trickey, CMC
84 Borough Clerk

85 Yeses: Lojewski, Sanford, Cash, Williams, Tomaszewski, Lyke, O'Neill, Quist
86 Noes: None
87 Other: Cooper (Excused)