

ASSEMBLY FINANCE COMMITTEE AGENDA

February 4, 2021

This meeting will be held by teleconference hosted from the
Mona Lisa Drexler Assembly Chambers
Juanita Helms Administration Center
907 Terminal Street, Fairbanks, AK
5:30 p.m.

1. CALL TO ORDER

2. ROLL CALL

3. MEMORANDA/REPORTS/PRESENTATIONS

- 3.a. A presentation by the Administration introducing a Parks and Recreation cost recovery model, to include a question and answer period.

4. CONTRACTS/BID AWARDS

NONE

5. ADVANCED ORDINANCES AND RESOLUTIONS

5.a. ORDINANCE NO. 2021-02.

An Ordinance Providing For An Election For Tax Cap Revision To The Whitman Service Area. (Sponsor: Mayor Ward)

Documents:

[2021-02 Backup Information.pdf](#)

5.b. ORDINANCE NO. 2021-03.

An Ordinance Amending Chapter 8.04 FNSBC To Add An Energy Efficient New Construction Tax Credit Program. (Sponsors: Mayor Ward, Assemblymembers Sanford and Cooper)

Documents:

[2021-03 Backup Information.pdf](#)

5.c. ORDINANCE NO. 2020-20-1P.

An Ordinance Amending The FY 2020-21 Budget By Appropriating \$55,000 From The Emergency Coordination Center Technology And Equipment Replacement Reserve To The Capital Projects Fund For An Information Technology Equipment Replacement Project. (Sponsor: Mayor Ward)

Documents:

[2020-20-1P Backup Information.pdf](#)

6. OTHER COMMITTEE BUSINESS/DISCUSSION ITEMS

6.a. Monthly Budget and Fund Balance Reports.

7. MAYOR/ASSEMBLY COMMENTS

8. ADJOURNMENT

9. AUDIO FILES - FINANCE COMMITTEE

[02-04-2021 Audio Track 1 \(MP3\)](#)

10. ACTION MEMO - FINANCE COMMITTEE

Documents:

[02_04_2021_FIN_Action_Memo.pdf](#)

THE AGENDA ITEMS AS LISTED MAY NOT BE CONSIDERED IN SEQUENCE. THIS AGENDA IS SUBJECT TO CHANGE TO INCLUDE THE DELETION OF ITEMS OR EXECUTIVE SESSIONS, IF NEEDED.



Fairbanks North Star Borough

DEPARTMENT OF PUBLIC WORKS
Rural Services Division

ruralservices@fnsb.us
Main: (907)459-1223
Fax: (907) 459-1499

MEMORANDUM

TO: Fairbanks North Star Borough Assembly

THRU: Bryce Ward, Mayor *BW* for BW

FROM: David Bredlie, Director *DB*
Department of Public Works

DATE: January 14, 2021

SUBJECT: Ordinance 2021-02
Election for Tax Cap Revision for Whitman Road Service Area

In August, service area commissions received tax cap election guidelines. In response, the Division of Rural Services received a request from Whitman Road Service Area to participate in the March 2021 tax cap election.

They requested that their revenue be increased by \$5,460. This will add approximately 1.754 mills to their current rate of 1.996, giving them a new mill rate of approximately 3.750.

The Whitman Service Area held a public meeting to discuss budget issues. The commission submitted a request to increase their budget. The listed mill rates were calculated from the 2019 certified tax values.

I urge adoption of this ordinance.

Attachments: Ordinance
Service Area Map - Exhibit A
Staff Report

By: Bryce Ward, Mayor
Introduced: 01/14/2021

FAIRBANKS NORTH STAR BOROUGH

ORDINANCE NO. 2021 – 02

AN ORDINANCE PROVIDING FOR AN ELECTION FOR TAX CAP REVISION TO THE
WHITMAN SERVICE AREA

WHEREAS, Chapter 8.04 FNSBC provides for revision of the tax cap amount
by voters within taxing jurisdiction, by election; and

WHEREAS, The Whitman Service Area Commission has indicated that their
present tax cap produces insufficient funds to provide maintenance and capital
construction services; and

WHEREAS, The election is required for a taxing jurisdiction to determine if
the voters authorize an increase to their taxes in order to provide those services.

NOW, THEREFORE, BE IT ORDAINED by the Assembly of the Fairbanks
North Star Borough:

Section 1. This ordinance is not of a general and permanent nature and
shall not be codified.

Section 2. Election. An election shall be held pursuant to FNSBC
5.04.050(C) on the fourth Tuesday of March, March 23, 2021, within the area shown on
the map attached to this ordinance as Exhibit A, to place before the registered voters
residing within the Whitman Service Area the following question:

32 "Shall the Whitman Service Area be authorized to increase its annual
33 property tax revenue in the amount of \$5,460 in order to fund road maintenance and
34 capital construction services?"

35
36 An increase of \$5,460 will add approximately 1.754 mills to the rate allowed
37 by the existing tax cap.

38
39 Section 3. Effective date. This ordinance shall be effective at 5:00 p.m. on
40 the first borough business day following its adoption.

41
42 ADOPTED THE _____ DAY OF _____ 2021.

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44
45 _____
46 Mindy O'Neall
47 Presiding Officer

48 ATTEST:

49 APPROVED:

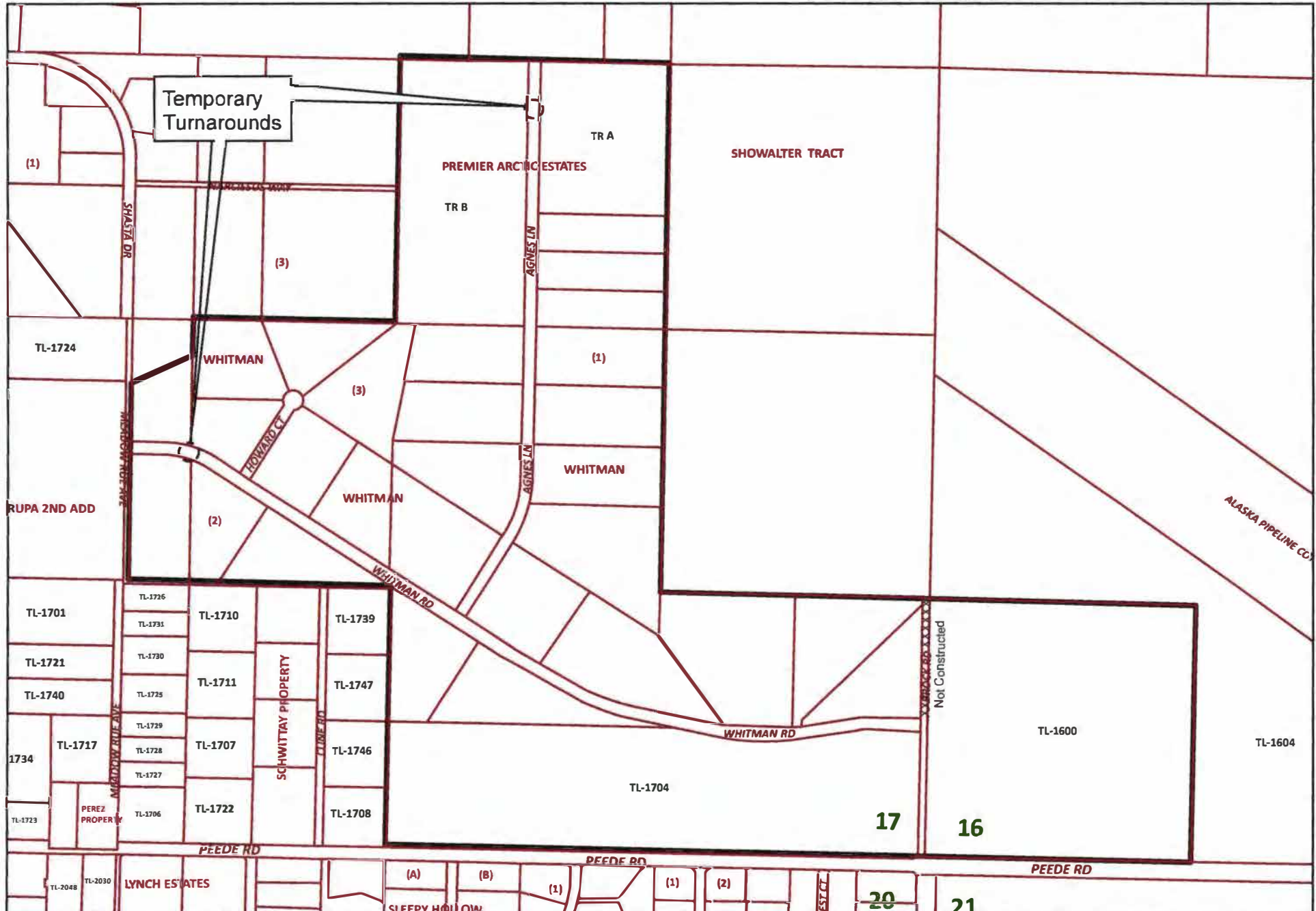
50 _____
51 April Trickey, CMC
52 Borough Clerk

50 Approved by JSD
51 _____
52 Jill S. Dolan
Borough Attorney



WHITMAN SERVICE AREA

Ordinance 2021-02 Exhibit A



STAFF REPORT

Ordinance for the Tax Cap Revision to the Whitman Service Area

NARRATIVE. Each year service areas are given the opportunity to participate in an election to adjust their tax cap. Whitman Service Area commissioners initiated the Tax Cap Election Request on December 17, 2018.

The Whitman Service Area held a publicly noticed meeting on December 17, 2018 to discuss budget issues. Eight residents attended the meeting including service area commissioners. Based on discussion, the commissioners decided in favor of a tax cap increase. The service area commission voted to participate in a tax cap election to increase their tax cap revenue. The meeting minutes reflect that the service area commissioners in attendance voted to hold an election to raise their tax cap to \$11,680 an increase of \$5,460.

2019 Service Area Taxable Assessment:	\$3,114,171
Current Tax Cap:	\$6,220
Current Mill Rate:	1.991
FY 20 Operating Budget:	\$6,220
Amount FY 20 Budget was supplemented From the Service Area Fund Balance:	\$0.00
Current Fund Balance:	\$11,266
FY 21 Expenditures as of 10/31/20:	\$0
Year Established:	1994
Initial Taxing Year:	1994
Number of Commissioners:	2
Road Miles Maintained:	1.51



Fairbanks North Star Borough

MAYOR'S OFFICE

mayor@fnsb.gov
Main: (907) 459-1300
Fax: (907) 459-1102

MEMORANDUM

TO: Fairbanks North Star Borough Assembly

From: Bryce Ward, Mayor *BW for BW*

Date: January 28, 2021

Subject: Ordinance 2021 –03
An Ordinance Amending Chapter 8.04 FNSBC Adding and Energy Efficient New Construction Tax Credit Program

Attached for your consideration is a proposed ordinance that would establish an energy efficient new construction tax credit program. If adopted, the program would allow a one-time property tax credit of up to \$7,500 for new residential construction built to a 6-star energy standard rating.

In consultation with the Chief Financial Officer, a Financial Impact Statement (FIS) is not needed at this time, nor was and FIS attached to the proposed ordinance. This ordinance would only establish the administrative components of the program – the Assembly would have to, by separate ordinance each year, fund the tax credit program.

I urge your adoption of this ordinance.

Attachments: Ordinance

/jw



By: Bryce J. Ward, Mayor
Marna Sanford
Matt Cooper
Introduced: 01/28/2021

FAIRBANKS NORTH STAR BOROUGH
ORDINANCE NO. 2021 – 03

AN ORDINANCE AMENDING CHAPTER 8.04 FNSBC TO ADD AN ENERGY EFFICIENT
NEW CONSTRUCTION TAX CREDIT PROGRAM

WHEREAS, The 31st Alaska Legislature authorized, and the Governor signed House Bill 232 (HB 232) with an effective date of July 19, 2020; and

WHEREAS, HB 232 amended Alaska Statutes by adding a new Section 29.45.049 authorizing municipalities to develop an energy efficient construction tax credit program; and

WHEREAS, The Fairbanks North Star Borough (Borough) program is aimed at only new construction; and

WHEREAS, Higher quality construction that incorporates energy efficiency into the design benefits the occupant and the community by reducing the energy per square foot requirements of such buildings compared to standard building code minimum requirements; and

WHEREAS, Energy efficient building techniques can pay for themselves and will save building occupants money over time; and

AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT
Text to be *added* is underlined
Text to be *deleted* is [BRACKETED, CAPITALIZED]

59 Section 2. FNSBC 8.04.145, Energy efficient new construction tax credit, is
60 hereby added as follows:

61 To the extent permitted by state law, the Fairbanks North Star Borough may offer an
62 energy efficient new construction tax credit that will offset a portion of the areawide
63 property taxes due on certain real property improvements made in the immediately
64 preceding tax year. This tax credit shall be subject to the following eligibility requirements,
65 conditions, and other criteria:

66 A. Tax credits shall be available only to the extent that funds, lawfully appropriated
67 for that purpose, are available to fund the tax credit. If the approved applications exceed
68 appropriations for this program, funds will be distributed on a pro-rata basis.

69 B. The owner of the property must meet and fully comply with all requirements of
70 any applicable program of the Fairbanks North Star Borough providing for an energy
71 efficiency tax credit.

72 C. To be eligible for a tax credit, the owner of the property must submit a completed
73 Borough-approved application before April 1st with verification and other documentation
74 required for the credit, including proof that:

75 1. Construction was for an entirely new residential structure(s) and not an
76 extension or modification of existing structures on the property;

77 2. Construction was completed during the immediately preceding tax year;

78 3. The structure provides living facilities for one or more persons and includes
79 permanent provisions for living, sleeping, eating, cooking, and sanitation; and

80 4. The structure(s) achieved a six-star standard as certified by an eligible rater
81 using the Building Energy Efficiency Standards for Alaska, consisting of the International
82 Energy Conservation Code (IECC) of 2018, ASHRAE 62.2, 2016 and 2018 International
83 Residential Code, with Alaska Specific Amendments adopted November 28, 2018.

84 D. To the extent a tax credit is approved after application, that tax credit may be
85 claimed only in the initial qualifying year. A claim must be submitted on a Borough-

AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT

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86 approved form after property taxes are paid in full for the applicable tax year and no later
87 than December 1st.

88 E. Applicants must have no delinquent property taxes or penalty or interest owing at
89 the time of application and at the time the tax credit is claimed.

90 F. A tax credit shall not exceed \$7,500 or the amount of areawide property taxes
91 attributable to the energy efficient improvements for that year, whichever is less.

92
93 Section 3. Effective Date. This ordinance is effective at 5:00 p.m. on the
94 first Borough business day following its adoption.

95
96 ADOPTED THE _____ DAY OF _____ 2021.

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100 _____
101 Mindy O'Neall
102 Presiding Officer

103 ATTEST:

103 APPROVED:

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106 _____
107 April Trickey, CMC
108 Borough Clerk

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106 Approved by JSD
107 Jill S. Dolan
108 Borough Attorney

AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT
Text to be *added* is underlined
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Fairbanks North Star Borough

DIGITAL SERVICES

Main: (907) 459-1488

Fax: (907) 459-1486

To: Fairbanks North Star Borough Assembly

Through: Bryce Ward, Borough Mayor *BW* for BW

From: Blake Moore, Director, Digital Services *BEM*

Date: January 28, 2021

Subject: Ordinance 2020 – 20 - 1P
Replacement of Emergency Operations Center A/V and IT Equipment

The Fairbanks North Star Borough (Borough) Emergency Operations Center (EOC) is an integral part of the Borough's Emergency Management program. The equipment deployed at the EOC, including the audio/visual (A/V) and information technology (IT) equipment, is necessary for the effective functioning of the EOC. Some of the A/V and IT equipment (workstations, displays, and network switches) currently installed at the EOC is in excess of six years old and is either no longer supported by the manufacturer, beyond the standard recommended replacement timeframe, or is not compatible with technology currently used by the Borough.

The Digital Services department would like to replace the dated equipment before any failures negatively impact the operations of the EOC. The table below summarizes the estimated costs of the required equipment.

GIS Workstations	\$12,000
Displays	8,000
Network Switches	25,000
A/V Equipment	10,000
Total	<u>\$55,000</u>

I urge your support of this ordinance.

Attachment

By: Bryce Ward, Mayor
Introduced: 01/28/2021

FAIRBANKS NORTH STAR BOROUGH

ORDINANCE NO. 2020 - 20 - 1P

AN ORDINANCE AMENDING THE FY 2020-21 BUDGET BY APPROPRIATING \$55,000 FROM THE EMERGENCY COORDINATION CENTER TECHNOLOGY AND EQUIPMENT REPLACEMENT RESERVE TO THE CAPITAL PROJECTS FUND FOR AN INFORMATION TECHNOLOGY EQUIPMENT REPLACEMENT PROJECT

WHEREAS, Ordinance No. 2011-20-2U appropriated funds for the purchase of the equipment for the Fairbanks North Star Borough (Borough) Emergency Operations Center (EOC), including audio/visual (A/V) and information technology (IT) equipment (workstations, displays, switches, and other IT infrastructure) necessary to operate the EOC; and

WHEREAS, Ordinance No. 2014-20 established the Non-Areawide Emergency Coordination Center Technology and Equipment Replacement Reserve (ECC Reserve) to accumulate funds for the replacement of technology and other equipment at the Borough's EOC. The ECC Reserve currently has an estimated balance of \$370,000; and

WHEREAS, The EOC is an integral part of the Borough's Emergency Management program; and

WHEREAS, The A/V and IT equipment deployed at the EOC is necessary for the effective functioning of the EOC; and

WHEREAS, Some of the A/V and IT equipment currently installed at the EOC are in excess of six years old and are either no longer supported by the

AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT

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33 manufacturer, beyond the standard recommended replacement timeframe, or are not
34 compatible with technology currently used by the Borough; and

35
36 WHEREAS, The department of digital services seeks to replace the dated
37 A/V and IT equipment at the EOC before it negatively impacts the operations of the EOC
38 and estimates the total cost of the project to be \$55,000.

39
40 NOW, THEREFORE, BE IT ORDAINED by the Assembly of the Fairbanks
41 North Star Borough:

42
43 Section 1. Classification. This ordinance is not of a general and
44 permanent nature and shall not be codified.

45
46 Section 2. Emergency Coordination Center Technology and Equipment
47 Replacement Reserve Appropriation. The FY 2020-21 budget is hereby amended by
48 appropriating \$55,000 to the Emergency Coordination Center Technology and Equipment
49 Replacement Reserve budgetary guideline entitled "Contribution to Capital Projects Fund"
50 and by increasing Contribution from Fund Balance by a like amount.

51
52 Section 3. Capital Projects Fund Appropriation. The FY 2020-21 budget
53 is hereby amended by appropriating \$55,000 to the Capital Projects Fund budgetary
54 guideline entitled "EOC IT Equipment Replacement Project" and by increasing
55 Contribution from Emergency Coordination Center Technology and Equipment
56 Replacement Reserve by a like amount.

57
58 Section 4. Lapse of Funds. Upon completion or abandonment of this
59 project, any unexpended, unencumbered funds will lapse to the fund balance of the
60 Emergency Coordination Center Technology and Equipment Replacement Reserve.

AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT
Text to be *added* is underlined
Text to be *deleted* is [BRACKETED, CAPITALIZED]

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Section 5. Effective Date. This ordinance shall be effective at 5:00 p.m.
on the first Borough business day following its adoption.

ADOPTED THE _____ DAY OF _____ 2021.

Mindy O'Neall
Presiding Officer

ATTEST:

April Trickey, CMC
Borough Clerk

APPROVED:
Approved by JS

Jill S. Dolan
Borough Attorney

AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT
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FAIRBANKS NORTH STAR BOROUGH
FISCAL NOTE

I. Request

Ordinance No: 2020-20-1P Date Introduced: January 28, 2021

Abbreviated Title: Appropriate \$55,000 from the Emergency Coordination Center Technology and Equipment Replacement Reserve for an EOC Information Technology Equipment Replacement Project

II. Financial Detail

Department/Division Affected: Digital Services/Technology Support

EXPENDITURE	Emergency Coordination Center Technology and Equipment Replacement Reserve	Capital Projects Fund
	FY 20/21	FY 20/21
Awaiting Budget		55,000
Contribution to Capital Projects Fund	55,000	
Total	55,000	55,000

SOURCE OF FUNDING

Contribution from Fund Balance	55,000	
Contribution from Emergency Coordination Center Technology and Equipment Replacement Reserve		55,000
Total	55,000	55,000

Specify Funding Sources: Emergency Coordination Center Technology and Equipment Replacement Reserve fund balance

OTHER FUNDING (PREVIOUSLY APPROPRIATED)

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III. Project Purpose:

Replace dated audio/visual and information technology equipment at the EOC

IV. Analysis of Future Liabilities and Funding Sources:

Ongoing equipment repairs and maintenance

IV. Fund Certification: I certify that funding sources are available as detailed in II above.

Debra L. R. Brady
Debra L. R. Brady
Chief Financial Officer

1/5/21
Date

mk	FA	SrGLA
ms	GA	CA
	SpA	C
PA	TBM	GLA

**Fairbanks North Star Borough Fiscal
Impact Statement (FIS) (FNSBC 3.20.010 C.)**

Check	Date
Version 1	
Version 2	
Version 3	
Version 4	

Originator's Name: Blake Moore Department: Digital Services

To Be Introduced/Sponsored By: Mayor

Abbreviated Ordinance Title: ECC Equipment Replacement

Department(s)/Division(s) Affected: Digital Services / Technology Support

Proposed Introduction Date: January 28th, 2021 Ordinance No.: 2020-20-1P

Does this ordinance authorize:

- 1) a new or expansion of services which entails additional costs beyond that approved in the current adopted budget? Yes ___ No *
- 2) a project that is capital in nature and increases operational costs of the Borough in the current or any future fiscal year? Yes ___ No *

Required Information/Estimates	FISCAL IMPACT PRO FORMA SUMMARY - BEST ESTIMATE				
	Remainder of Current FY	1st Full FY of Operations	2nd Full FY of Operations	3rd Full FY of Operations	4th Full FY of Operations
	FY 20__ / __	FY 20__ / __	FY 20__ / __	FY 20__ / __	FY 20__ / __
1. Timeline inclusive of all phases					
2. Number and type of new positions which may be required					
3. Cost of operations and maintenance					
4. Future costs to complete capital assets					
5. Estimated revenue impact					
6. Estimated non-Borough funds that may be received:					
a. to fund the ordinance					
b. to fund future phases					
c. to fund future operations and maintenance costs					
7. Anticipated annual tax subsidy					

Is backup attached? Yes ___ No ___

Contact Person's Name, for FIS questions: Blake Moore Extension: 1485

Director(s) Signature(s): [Signature] Date: 12-28-2020

Mayor's Office or Assembly Member Signature: [Signature] Date: 1-4-21

Chief Financial Officer Signature: [Signature] Date: 1/5/21



Fairbanks North Star Borough

DEPARTMENT OF THE ASSEMBLY
Assembly

assembly@fnsb.gov
Main: (907) 459-1401
Fax: (907) 459-1224

MEMORANDUM

TO: Fairbanks North Star Borough Assembly
April Trickey, CMC, Borough Clerk

THROUGH: Leah Berman Williams, Chair, Finance Committee

FROM: Adena Benn, CMC, Deputy Clerk

DATE: February 8, 2021

SUBJECT: ACTION OF THE FEBRUARY 5, 2021 FINANCE COMMITTEE MEETING

Convened at 5:30 p.m./Adjourned at 6:30 p.m.

Members Present

Matt Cooper
Jimi Cash
Frank Tomaszewski

Aaron Lojewski
Tammie Wilson
Marna Sanford

Liz Lyke
Mindy O'Neall
Leah Berman Williams

Members Excused

None

MEMORANDA/REPORTS/PRESENTATIONS

A presentation by the Administration introducing a Parks and Recreation cost recovery model, to include a question and answer period.

-Presentation given by Mike Bork, Parks & Recreation Director

CONTRACTS/BID AWARDS

NONE

ADVANCED ORDINANCES AND RESOLUTIONS

ORDINANCE NO. 2021-02.

An Ordinance Providing For An Election For Tax Cap Revision To The Whitman Service Area.
(Sponsor: Mayor Ward)

-Item for discussion only / Michael Bredlie, Rural Services Manager, provided a staff report



ADVANCED ORDINANCES AND RESOLUTIONS

ORDINANCE NO. 2021-03.

An Ordinance Amending Chapter 8.04 FNSBC To Add An Energy Efficient New Construction Tax Credit Program. (Sponsors: Mayor Ward, Assemblymembers Sanford and Cooper)

-Item for discussion only / Mayor Ward provided a staff report

ORDINANCE NO. 2020-20-1P.

An Ordinance Amending The FY 2020-21 Budget By Appropriating \$55,000 From The Emergency Coordination Center Technology And Equipment Replacement Reserve To The Capital Projects Fund For An Information Technology Equipment Replacement Project. (Sponsor: Mayor Ward)

-Item for discussion only / Blake Moore, Digital Services Director, provided a staff report

OTHER COMMITTEE BUSINESS/DISCUSSION ITEMS

Monthly Budget and Fund Balance Reports

NONE

MAYOR/ASSEMBLY COMMENTS

NONE