MEMORANDUM

Wayne Ogle, Assembly President TO: Members, Kenai Peninsula Borough Assembly

FROM:

Kelly Cooper, Assembly Member (13) for K.L.

- DATE: May 29, 2018
- RE: Amendment to Resolution 2018-026, Setting the Rate of Levy For Real And Personal Property Taxes For The Kenai Peninsula Borough And For Service Areas Within The Borough For Fiscal Year 2019, Tax Year 2018

Due to the mill rate and sales tax remaining the same for 10 years and the borough facing a deficit of approximately \$4,000,000, I am asking for the assembly's support in this increase until such time that we have a ballot measure that the voters support. During fiscal year 2018 budget preparation, the administration had proposed a mill rate increase to prevent deficit spending. I voted against it due to the ballot measures that would have eliminated the deficit. Both measures failed. This body is required to pass a budget prior to July 1, which is before the election. I believe we need one year of a .6 mill rate increase and if any of the ballot measures pass, the mill rate can be reduced next year.

Following are my proposed amendments to resolution 2018-026: (Please note the bold underlined language is new and the bold strikeout language in brackets is to be deleted.)

Amend Section 1 as follows:

SECTION 1. That the rate of levy of taxes on all real and personal property within the Kenai Peninsula Borough for the Fiscal Year 2019 is hereby set at 4.50 5.1 mills on each one dollar of assessed value as determined by the assessment roll and any supplemental rolls hereafter certified by the Borough Assessor.

Your favorable consideration would be appreciated.

Fiscal Note			
Kenai Peninsula Borough Fiscal Year 2019	Ordinance/Resolution: Fiscal Note Number:	Resolution 2018-26	
	Publish Date:	6/5/2018	
Title: Increasing General Fund mill rate from 4.50 to 5.10 effective July 1, 2018 (FY2019)			
	Department:	Assembly	

Sponsor: Assembly Member Cooper

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

	Current Year Estimate	Out-Year Cost Estimates	
	Current Year	Year2	Year 3
Operating Expenditures	2019	2020	2021
Personnel	-		-
Supplies	-		
Services	-		-
Capital Outlay			
Other			
Total Operating	-	•	

Revenue Sources			
Borough wide	4,902,743	4,877,263	4,890,683
	-	-	
Total	4,902,743	4,877,263	4,890,683

Number of Positions		
Full-Time		
Part-Time		
Temporary	1	

Estimated Supplemental Funding:	-

ASSOCIATED REGULATIONS

Will the legislation result in procedural or regulation changes within a department?

(circle one)

If yes, by what date are the regulations to be adopted, amended or repealed?

<u>n/a</u>

Prepared By: Brandi Harbaugh, Finance Director

2 8 5/30/18