

1 By: Aaron Lojewski
2 Christopher Quist
3 Marna Sanford
4 Jimi Cash
5 Introduced: 11/14/2019
6 Advanced: 11/14/2019
7 Adopted: 12/12/2019
8

9 FAIRBANKS NORTH STAR BOROUGH

10 ORDINANCE NO. 2019 - 48

11 AN ORDINANCE AMENDING FNSBC 7.12.020 TO INCREASE THE REQUIRED
12 CONTRIBUTION TO THE FACILITIES MAINTENANCE RESERVE FUND IN THE MAYOR'S
13 PROPOSED BUDGET
14
15
16

17 WHEREAS, The Fairbanks North Star Borough (Borough) owns many
18 public buildings that serve a public good, most notably the buildings of the Fairbanks
19 North Star Borough School District; and
20

21 WHEREAS, With reductions in oil prices and oil throughput in TAPS in
22 recent years the State of Alaska has significantly reduced its support to local
23 governments including the Borough; and
24

25 WHEREAS, The old business model of the Borough leaning heavily on the
26 State of Alaska for capital costs of its buildings is no longer viable; and
27

28 WHEREAS, On January 24, 2019, the Borough Assembly took a significant
29 action to begin to have the Borough begin to self-fund its own capital program and
30 attack its deferred maintenance issue by directing all future mayors to save at least
31 seven percent of expected revenues each budget season into the Facilities Maintenance
32 Reserve Fund; and
33

34 WHEREAS, On August 8, 2019, the Borough Assembly, at the urging of
35 the administration, adopted a new Capital Improvement Program to more efficiently
36 spend capital dollars and attack the significant deferred maintenance issues; and
37

38 WHEREAS, Seven percent of Borough revenues is insufficient to maintain
39 existing Borough buildings and increasing this number will result in a more sustainable
40 Capital Improvement Program; and

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

41 WHEREAS, The Tax Revenue Cap allows for increases based on new
42 construction, and these revenues have a long history of exceeding two percent of the
43 overall Borough revenue; and
44

45 WHEREAS, The Borough can use the revenue dollars from new
46 construction in the next fiscal year on a perpetual basis to attack the deferred
47 maintenance problem without reductions to any other part of the Borough government.
48

49 NOW, THEREFORE, BE IT ORDAINED by the Assembly of the Fairbanks
50 North Star Borough:
51

52 Section 1. This ordinance is of a general and permanent nature and shall
53 be codified.
54

55 Section 2. Subsection D of FNSBC 7.12.020, Budget submission, is hereby
56 amended as follows:

57 D. The borough mayor's total proposed comprehensive budget delivered to the
58 assembly must include a contribution to the facilities maintenance reserve fund of at
59 least [SEVEN]nine percent of the estimate of areawide tax revenue included in that
60 budget, excluding penalties and interest and prior year's delinquent taxes.
61

62 Section 3. Effective Date. This ordinance is effective at 5:00 p.m. on the
63 first Borough business day following its adoption.
64

65 ADOPTED THE 12TH DAY OF DECEMBER 2019.
66
67
68
69

70 
71 _____
72 Matt Cooper
73 Presiding Officer

74 ATTEST:

75 
76 _____
77 April Trickey, CMC
78 Borough Clerk
79

80 Yeses: Lojewski, Sanford, Tomaszewski, Cash, Quist

81 Noes: O'Neill, Williams, Lyke, Cooper

AMENDMENTS ARE SHOWN IN LEGISLATIVE FORMAT

Text to be *added* is underlined

Text to be *deleted* is [BRACKETED, CAPITALIZED]