

Assembly Tries to Avoid Mill Rate Increase

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Erik Wander/KMXT

The Kodiak Island Borough Assembly continued discussion of, and possible adjustments to, the fiscal year 2010 budget at its work session Thursday night. The assembly specifically concerned itself with how to avoid a property tax increase of a quarter-mill. The money from the increase would go to pay down bonds approved by voters for the new swimming pool in 2007.

Borough Finance Director Karl Short pointed out that in November 2004, voters passed a proposition authorizing the issue of a general obligation bond. It was estimated at that time that borough would have to increase the property tax by about a one-third of a mill to pay for it. Short explained the discrepancy and put the point-two-five mill increase in perspective in terms of increased property taxes.

-- (Mill
Rate 1 27 sec. "The reason
it's not the ... only be like 40 bucks a year.")

Assemblyman
Jerrold Friend said that he's been asked repeatedly why the borough needs to raise the mill rate. Borough Mayor Jerome Selby referred people back to the 2004 vote for the answer to that question.

-- (Mill
Rate 2 32 sec. "We've got to
jog folks' memory ... well, you voted
for this.")

Assemblywoman Pat Branson
said assembly members have likely all heard similar questions. She said it's important that people understand the reasons behind the increase.

-- (Mill
Rate 3 14 sec. "When you see
the headline ... bond issue and the
amount.")

In order to avoid increasing the mill rate, the assembly determined that it would have to make up some 250-thousand dollars in the overall budget. After much discussion, the assembly determined that shifting some funds, a possible 220-thousand dollars in stimulus funds and the elimination of a proposed enforcement officer would be sufficient to accomplish that goal. Short explained this approach in detail and how the ordinance could be done at a rate of 10.5 mills, the current rate.

-- (Mill
Rate 4 36 sec. "Increase the
revenue sharing ... 20 percent to tourism.")

The assembly will hold its next regular meeting next Thursday, at which it will make final adjustments to the budget and vote on the ordinance levying taxes.

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