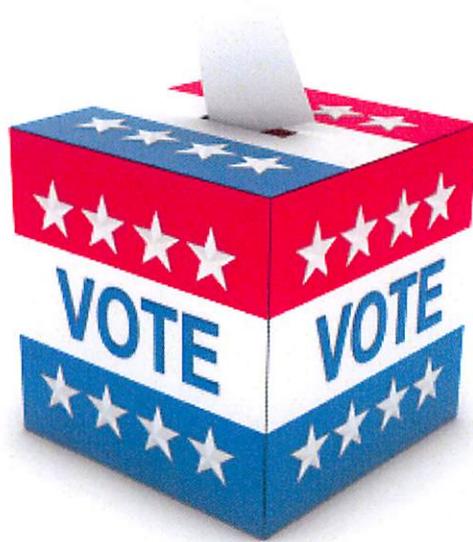


## **DISCUSSION / DIRECTION**

of a draft ballot proposition to increase the millage rate.



CITY AND BOROUGH OF SITKA

ORDINANCE NO. 2016-XX

AN ORDINANCE OF THE CITY AND BOROUGH OF SITKA TO AMEND THE HOME RULE CHARTER OF THE CITY AND BOROUGH OF SITKA AT ARTICLE 13.03 ENTITLED "PROPERTY TAX LIMIT" TO INCREASE THE MILLAGE RATE LIMIT BY (?) TENTHS OF ONE PERCENT, WHICH WOULD BE (?) TENTHS OF ONE PERCENT, OR (?) MILLS, AND TO LIMIT THE ANNUAL MILL RATE CHANGE TO NOT EXCEED (?) MILLS, AND TO AMEND SITKA GENERAL CODE CHAPTER 4.12.110 ENTITLED "TAX LEVY FIXED BY ASSEMBLY" AND PUT THE QUESTION OF SUCH AMENDMENTS TO THE VOTERS AT A SPECIAL ELECTION ON DECEMBER 6, 2016

1. **CLASSIFICATION.** All sections of this ordinance, except section 5 regarding the ballot proposition, are of a permanent nature, with section 4 intended to become a part of the Home Rule Charter of the City and Borough of Sitka ("Charter") and the Sitka General Code ("Code") if approved by the qualified voters at the December 6, 2016 Special Election.

2. **SEVERABILITY.** If any provision of this ordinance or any application to any person or circumstance is held invalid, the remainder of this ordinance and application to any person or circumstances shall not be affected.

3. **PURPOSE.** This ordinance amends the Charter at Article 13.03 entitled "Property Tax Limit," by raising the property tax millage rate limit 6.0, to (?) mills, limits the annual mill rate change to no more than (?) mills, and adds exceptions to the property tax millage rate limit for voter-approved services.

4. **ENACTMENT.** NOW, THEREFORE, BE IT ENACTED by the Sitka Assembly that the Sitka Home Rule Charter at Article 13.03, entitled "Property Tax Limit," as well as the Sitka General Code Chapter 4.12.110, entitled "Tax levy fixed by assembly" are amended to read as follows (new language underlined; deleted language stricken):

\*\*\*

HOME RULE CHARTER  
ARTICLE XIII  
TAXATION

\*\*\*

**Section 13.03 Property Tax Limit**

The property tax general fund levy shall not exceed six (?) tenths (~~0.006~~) of one per cent (~~6 mill~~) (? mill rate to be determined by the Assembly) of the assessed valuation of

47 the property to be taxed, with the annual mill rate (increase/decrease) not to exceed (?)  
48 mills. The property tax general fund levy shall be subject to the following exceptions:

- 49 1. Taxes necessary to pay for debt service on new voter-approved bonds.  
50 2. Taxes within a service area in order to maintain or obtain services that might  
51 otherwise be limited by a tax cap.

52  
53 The voters may raise this limit by an affirmative vote of the majority of the voters  
54 participating in a special or regular election.

55  
56 This section shall not in any way limit the ability of the municipality to meet its bonded  
57 obligations and in no event shall the property tax levy during a year exceed three  
58 percent (thirty mills) of the assessed value of the property in the municipality.

59  
60 \* \* \*

61  
62 **SITKA GENERAL CODE**  
63 **Chapter 4.12**  
64 **PROPERTY TAX**

65  
66 \* \* \*

67 **4.12.110 Tax levy fixed by assembly.**

68 A. Determination of Rate and Levy of Tax. When the final assessment records are  
69 completed by the assessor, the assessor shall deliver to the assembly a statement of  
70 the total assessed valuation of all real and personal property in the city and borough.  
71 The assembly shall then fix the rate of tax levy and designate the number of mills upon  
72 each dollar of value of assessed taxable real and personal property that shall be levied  
73 and shall levy the tax accordingly for general fund operations and appropriations,  
74 separately fixing the levy for school and municipal purposes. The general fund operation  
75 and appropriation rate of levy shall be fixed by ~~resolution~~ ordinance and be subject to  
76 the voter-approved limitations of the Home Rule Charter Section 13.03 "Property Tax  
77 Limit.", but the aggregate thereof may not exceed three percent of the assessed value  
78 of the property assessed.

79  
80  
81 5. **BALLOT QUESTION.** The following question shall be placed before the  
82 voters at a special election to be held on December 6, 2016:

83  
84 Shall the City and Borough of Sitka Charter at Article 13.03, entitled  
85 "Property Tax Limit," be amended to increase the property tax general  
86 fund levy limit by (?) mills, thus not to exceed (?) tenths (?) of one per cent  
87 (? mills) of the assessed valuation of taxable property, and to limit the  
88 annual mill rate increase/decrease to no more than (?) mills

89  
90  YES  NO

91  
92

