

Introduced by: Mayor  
Date: 10/13/09  
Hearing: 11/10/09  
Action: Failed Introduction  
Vote: 2 Yes, 6 No, 1 Absent

**KENAI PENINSULA BOROUGH  
ORDINANCE 2009-49**

**AN ORDINANCE REDUCING THE BOROUGH SALES TAX ON MOTOR VEHICLE  
FUEL FOR THE PERIOD JANUARY 1, 2010 TO MAY 31, 2010**

**WHEREAS**, the spendable fund balance for the Borough's General Fund is expected to come in higher than projected for Fiscal Year 2009 due to the receipt of unbudgeted funds from the Federal Government for the PILT and Forestry Programs, under expenditure in department budgets and interest earnings in excess of budgeted amounts; and

**WHEREAS**, the administration has looked at a number of options for addressing this excess, and

**WHEREAS**, suspension of the borough's 3 percent sales tax on motor vehicle fuel during the period January 1, 2010, to May 31, 2010, would have an estimated reduction in sales tax revenue of between \$1,000,000 and \$1,400,000; and

**WHEREAS**, this temporary suspension is expected to move the borough's General Fund, fund balance to within policy recommendation at the end of Fiscal Year 2010;

**NOW, THEREFORE, BE IT ORDAINED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:**

**SECTION 1.** That the Borough's 3 percent sales tax on motor vehicle fuel is temporarily suspended for the period January 1, 2010 to May 31, 2010.

**SECTION 2.** That this ordinance shall take effect immediately upon its enactment.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS \*  
DAY OF \* 2009.**

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Milli Martin, Assembly President

ATTEST:

\_\_\_\_\_  
Jonni Blankenship, Borough Clerk

Yes: Fischer, Pierce  
No: Knopp, Smalley, Smith, Sprague, Superman, Martin  
Absent: Long