



KENAI PENINSULA BOROUGH

Finance Department

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TO: Pete Sprague, Assembly President

Members, Kenai Peninsula Borough Assembly

THRU: David R. Carey, Borough Mayor *DR Carey*

FROM: Craig Chapman, Finance Director *C Chapman*

DATE: June 8, 2010

SUBJECT: FY2011 Assessed Values

The Borough's Assessor has certified the tax rolls for Tax Year 2010, Fiscal Year 2011 (FY2011). Attached is a summary of changes to the proposed FY2011 tax revenues for the General Fund and Service Areas. Much of the decrease in assessed values was due to the reduction in values for the BP gas to liquid plant and the Tesoro plant.

The Service Areas that were impacted the most are Nikiski Fire, North Peninsula Recreation, and Nikiski Seniors. Knowing that at some point in the future, these facilities were bound to have a reduction in their assessed values, the fund balances in these service areas were kept near the higher limit or above their recommended levels of the fund balance policy, giving them the ability to absorb the reduction in revenue.

The General Fund and the other Service Areas will not be impacted as much due to this change in assessed values and will be able to absorb this change in the current year. Future year budgets will need to take into account these changes in assessed values.

FY2011 Changes to Tax Revenues due to a Reduction in Assessed Values

	Proposed Tax Revenue	Revised Tax Revenue	Change in Revenue	% change in Tax Revenue
General Fund	28,635,533	28,203,506	(432,027)	-1.51%
Nikiski Fire	3,631,087	3,414,571	(216,516)	-5.96%
Bear Creek	348,702	343,375	(5,327)	-1.53%
Anchor Point	383,131	377,070	(6,061)	-1.58%
Central Emergency	6,166,259	6,152,363	(13,896)	-0.23%
CPEMS	10,561	9,576	(985)	-9.33%
Kachemak Emer	816,737	806,451	(10,286)	-1.26%
Lowell Point Emer	17,400	19,952	2,552	14.67%
Seward-Bear Creek	213,299	217,450	4,151	1.95%
North Pen Rec	1,232,728	1,160,480	(72,248)	-5.86%
Nikiski Seniors	228,365	213,749	(14,616)	-6.40%
Roads	6,343,187	6,210,613	(132,574)	-2.09%
CKPH	88,321	86,729	(1,592)	-1.80%
SKPH	3,717,425	3,665,890	(51,535)	-1.39%
Total	51,832,735	50,881,775	(950,960)	