

Online Voter Guide for May 7, 2024
Fairbanks North Star Borough Special Election

PROPOSITION A

On February 16, 2024 the Borough Assembly adopted Ordinance No. 2024-07, which calls for a Special Election to be held on Tuesday, May 7, 2024, to place the following question before the qualified voters of the Borough:

"Shall the Fairbanks North Star Borough be authorized to increase its maximum allowable tax revenue for areawide taxes by \$10,000,000 to fund education?

The additional tax revenue includes taxes from any areawide source, including property taxes, tobacco excise tax, hotel-motel room tax, alcoholic beverage tax, or marijuana and marijuana product sales tax. If the additional revenue is solely raised through property tax revenue, it is the equivalent of approximately 1 mill or \$100 per \$100,000 of assessed taxable value of real property."

- [Ordinance No. 2024-07 adopted on February 16, 2024 \(PDF\)](#)

Statements of Support (Yes) and Opposition (No)

VOTE YES	VOTE NO
<p>PROPA On February 16, 2024 the Borough Assembly adopted Ordinance No. 2024-07, which calls for a legal, Special Election to be held on Tuesday, May 7, 2024, to place the following question before the qualified voters of the Borough: <i>"Shall the Fairbanks North Star Borough be authorized to increase its maximum allowable tax revenue for areawide taxes by \$10,000,000 to fund education?"</i> <i>The additional tax revenue includes taxes from any areawide source, including property taxes, tobacco excise tax, hotel-motel room tax, alcoholic beverage tax, or marijuana product sales tax. If the additional revenue is solely raised through property tax revenue, it is the equivalent of approximately 1 mill or \$100 per \$100,000 of assessed taxable value of real property."</i></p> <p>ABOUT GOLDEN HEART STRONG Golden Heart Strong was created in response to the FNSB School District's announcement in February 2024 which outlined a dire budget situation listing four possible school closures,</p>	<p>As a parent to young children, I recognize the importance of quality education. It is also crucial we have a healthy economy. Good schools help a community, inefficient government spending and high taxes do not. We are faced with a decision not based on values as we all want the same thing but on facts. Here are the facts.</p> <p>The Fairbanks Borough has been a consistent partner to our schools, per-student funding has remained stable, from \$4,344 in 2019 to \$4,352 in 2024, adjusted for inflation. The current budget continues to fund above the State requirement. "The recommended budget appropriates \$54 million to the school district... That total is about \$15 million more than the minimum local contribution required by state statute" (Patrick Gilchrist, WebCenter). Schools have seen a reduction in funding due to a significant decline in student enrollment within the Fairbanks North Star School District. A smaller student body necessitates a smaller budget for educational expenditures.</p>

increases to class sizes, and reduction in services.

While we advocate for prudent fiscal decisions facing the reality of decreased enrollment from out-migration coupled with flat funding from the state, we also believe the funding from the local contribution to our schools should be increased. **PROP A addresses local funding for our schools, and the Golden Heart Strong campaign was launched to support voting YES on PROP A on MAY 7.**

WHAT PROP A DOES

PROP A will provide the FNSB assembly with **\$10-million to increase the local contribution to the FNSB schools.**

PROP A will restore **\$10-million to the FNSB tax revenue cap** that was automatically adjusted down by \$20-million in 2023.

PROP A is our most responsible and reasonable solution to meet school budget shortfalls.

The Borough does not have extra money available to fund schools. The \$26-million debt service fund is a misinformed and misleading option.

- This fund was created and is being actively used to pay Borough building debt.
- The fund generates earnings, which are then rolled into the Borough's general operating fund. This is a revenue-generating win for the Borough and helps keep taxes low.
- To use the fund for schools would require a vote of the Assembly to change its intended use. Schools are being closed and budgets are being made now.

HOW DID WE GET HERE?

2022: FNSB citizens approve by vote to continue with our tax revenue cap formula. This vote neither increased, nor decreased the cap.

We are wasting \$125,000 on a special election, instead of addressing this problem during regular business. The fact is the borough could write the check tomorrow to fund the schools, "from the \$13 million leftover from the previous fiscal year" ([Patrick Gilchrist](#), MSN). The boroughs could also spend its excess reserves in the debt service fund currently \$25 million above its required obligations.

It is clear this tax increase is not needed to fund our schools but rather so the assembly can continue to spend on projects like the new animal control facility, now estimated to cost \$33 million, with no construction initiated, cost are sure to continue to rise.

Schools can be funded without raising taxes, we own approximately 70,000 acres of unallocated land. It has the potential to generate \$140 million in sales, and increase property tax revenue on top of that. Plus, the additional growth this would drive in our community. This could offer a sustainable means of funding education and reducing tax burdens.

Taxes are already increasing in our community, "The budget proposal released Wednesday does not reflect the... projection of \$1.42 million collected in the excise taxes...The recent ordinance... lifted the tax from 8% to 20% of a tobacco product's wholesale value." ([Patrick Gilchrist](#), WebCenter). The FY24-25 budget is \$10,125,393 greater than the FY23-24 Budget, resulting in 5.5% growth over the prior year (Fairbanks budget) "This does tax to the tax revenue cap" Ward said. ([Patrick Gilchrist](#), WebCenter).

According to payscale.com Fairbanks, Alaska's cost of living is 23% higher than the national average and according to the US census our population declined since 2010 by almost 3%. Americans' total credit card debt reached the highest it has ever been ([George Petras](#) USA TODAY).

Rising taxes, higher cost of living, declining population, rising credit card debt do not point to a community that can afford

2023: FNSB Assembly approved a severely limited budget against the recommendation of Mayor Ward. The 2023 FNSB budget caused the tax revenue cap to automatically decrease by \$20-million, limiting funds available for a local contribution to education.

2024: Governor Dunleavy vetoes bi-partisan bill SB140 which would have increased the BSA and provided \$8-million more in funding to the FNSB school district. This, coupled with the limited funding available from the local contribution (2023), and decreases in enrollment has left the FNSB school district with a \$28.5-million deficit to balance before the 2024/25 school year.

Morgan Dulian

Golden Heart Strong:

<https://www.goldenheartstrong.com/issues>

additional taxes. Tax increases under the guise of school funding by a special election while we have surplus funds available and alternative revenue sources untapped, is unnecessary and detrimental to the community's well-being.

Joshua J. Church

Citizens for Transparent Government

<https://www.facebook.com/CFTGAlaska>

References

1. Fairbanks Budget
<https://www.fnsb.gov/DocumentCenter/View/16472/FY-25-Recommended-Budget-for-Website-v4---OCR---Optimized>
2. Patrick Gilchrist, WebCenter
<https://www.webcenterfairbanks.com/2024/04/04/borough-mayor-rings-budget-season-with-annual-address/>
3. Patrick Gilchrist, MSN
<https://www.msn.com/en-us/news/us/borough-mayor-rings-in-budget-season-with-annual-address/ar-BB1I57hp>
4. George Petras USA TODAY
<https://www.usatoday.com/story/graphics/2024/02/07/us-credit-card-debt-hits-trillion/72505645007/>
5. Census.gov
<https://www.census.gov/quickfacts/fact/table/fairbanksnorthstarboroughalaska/PST045223>

Special Election Debate Radio Broadcast
Tuesday, April 30 KUAC-FM 89.9 7 PM
Rebroadcast: Monday, May 6 KUAC 11 am
Links to the recording will be posted at KUAC and the
[LWV of Tanana Valley website.](#)