

Introduced by: Mayor Robb  
Date: July 14, 2015  
Action: Not Introduced  
Vote: 1-6

## *CITY OF BETHEL, ALASKA*

### **Ordinance #15-16**

#### **AN ORDINANCE BY THE BETHEL CITY COUNCIL SUBMITTING TO THE QUALIFIED VOTERS OF THE CITY OF BETHEL, A BALLOT PROPOSITION AMENDING THE BETHEL MUNICIPAL CODE TO ADOPT A 5.75% SALES TAX**

- WHEREAS**, Bethel City Council Raised Water and Sewer Rates effective January 1, 2015;
- WHEREAS**, the intent of the raised rates is to insure the water and sewer enterprise fund is self sufficient;
- WHEREAS**, the water and sewer enterprise fund historically lost approximately \$400-\$600 thousand dollars each year, and required a transfer from the general fund;
- WHEREAS**, this raise in water and sewer rates, although necessary, causes a financial hardship on the people of Bethel;
- WHEREAS**, the large transfer from the general fund should no longer be necessary;
- WHEREAS**, the general fund had an operational surplus in FY 11, FY 12, FY 13 and FY 14, and is anticipated to have one from FY15;
- WHEREAS**, the unreserved fund balance from the general fund is now at \$4.9 million;
- WHEREAS**, the Solid Waste Disposal enterprise fund consistently generates a profit and has a fund balance;
- WHEREAS**, the Municipal Dock Enterprise fund consistently generates a profit, and has a fund balance;
- WHEREAS**, we are now in a position for a slight reduction in sales tax;
- NOW, THEREFORE BE IT ENACTED** by the City Council of Bethel Alaska as follows:

#### **SECTION 1. Amendment.**

Section 4.16.030 of the Bethel Municipal Code is amended (new language is underlined and old language is stricken):

##### 4.16.030 Imposition – Rate.

There is levied and shall be collected a sales tax on all sales transactions in the city unless specifically exempted under this chapter. The tax is six (6) percent five and three quarters (5.75) percent of the selling price.

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**SECTION 2. Election.**

An election is to be held October 6, 2015 in and for the people of Bethel for the purposed of submitting a ballot proposition to the qualified voters of the City of Bethel for approval or rejection. The proposition must receive a majority of votes from the qualified voters to be approved. The proposition must be substantially in this form:

Shall the City of Bethel reduce sales tax from 6% to 5.75%? (Ordinance No. 15-16)

**SECTION 3.** The proposition, both for paper ballots and machine ballots, shall be printed on a ballot which may set forth other propositions, and the following words shall be added as appropriate and set next to a square for marking the ballot for voting by a machine.

PROPOSITION NO. \_\_\_\_\_  Yes  No

Explanation: A yes vote will lower sales tax to 5.75%

A no vote will keep sales tax at 6%

**Section 4. Effective Date.**

This Ordinance shall become effective July 1, 2016 after ratification by the qualified voters of the City of Bethel voting on the question at the October 6, 2015 City of Bethel Regular Election.

**Section 5. Classification.**

This ordinance is of a permanent nature and shall become part of the Bethel Municipal Code if the voters in the October 6, 2015 Regular municipal election approve the proposition.