

**CITY OF WASILLA  
RESOLUTION SERIAL NO. 09-25**

**A RESOLUTION OF THE WASILLA CITY COUNCIL OPPOSING THE PROPOSED  
AREAWIDE THREE PERCENT BOROUGH SALES TAX.**

WHEREAS, the Matanuska-Susitna Borough Assembly has proposed a Ballot Measure for the October 6, 2009, Regular Borough Election asking the voters to approve collecting three percent sales tax for the Borough government in addition to the current City sales tax;

WHEREAS, the City of Wasilla relies heavily on the monthly cash flow from sales tax for their day to day operations;

WHEREAS, Alaska State Statute requires that when there is both a Borough and a City sales tax that only the Borough can collect the tax;


WHEREAS, the City of Wasilla will be dependent on timely remittance from the Borough to make payroll, pay invoices and bond payments;

WHEREAS, the City Administration is concerned that either slow payments to the City, or a three percent increase in sales taxes, may encourage purchases outside of Wasilla city boundaries; which may in-turn cause the City to experience a cash flow slowdown; and

WHEREAS, any significant reduction in sales tax revenue may require the re-imposition of a property tax.

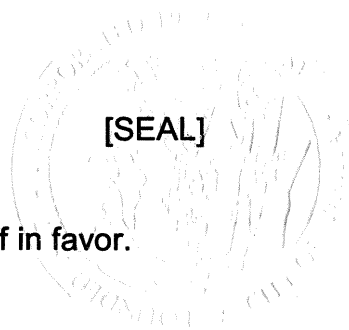
NOW, THEREFORE, BE IT RESOLVED, that the Wasilla City Council expresses its opposition to the imposition of an added three percent sales tax

ADOPTED by the Wasilla City Council on August 29, 2009.

  
VERNE E. RUPPRIGHT, Mayor

ATTEST:

  
KRISTIE SMITHERS, MMC, City Clerk



VOTE: Cox, Hall, Harris, Holler, Larson and Woodruff in favor.



**CITY OF WASILLA  
LEGISLATION STAFF REPORT**

**Resolution Serial No. 09-25: A RESOLUTION OPPOSING THE PROPOSED  
AREAWIDE THREE PERCENT BOROUGH SALES TAX.**

**Agenda of:** August 24, 2009  
**Originator:** Marvin Yoder

**Date:** August 17, 2009

Route to:	Department	Signature/Date
X	Director of Finance	<i>Marvin Yoder</i> 8/18/09
X	Deputy Administrator	<i>Marvin Yoder</i>
X	City Clerk	<i>Donita</i>

**REVIEWED BY MAYOR VERNE E. RUPRIGHT:**

*Verne E. Rupright*

**FISCAL IMPACT:**  yes \$ or  no

Funds Available  yes  no

**Account name/number:**

**Attachments:** Resolution Serial No. 09-25 (2 pp)

**SUMMARY STATEMENT:** The Mat-Su Borough Assembly has placed a proposal on the October Ballot to ask the voters if they favor a Boroughwide sales tax to raise funds for Borough operations.

The Wasilla administration is concerned about this measure. The City has reduced the property taxes and now funds the City services with sales tax alone. There is concern that by adding an additional 3% tax to the current Wasilla City sales tax could cause some leakage with some folks purchasing goods and services from Anchorage.

A revenue shortfall in sales tax would require the City to seek other revenue sources. We request the Council approve this resolution,

**STAFF RECOMMENDATION:** Approve the adoption of Resolution Serial No. 09-25.