

Subsidies Between Municipal Tax Districts

Fact vs. Fiction

Dr. Seuss / Theodore Geisel
If I Ran the Zoo:

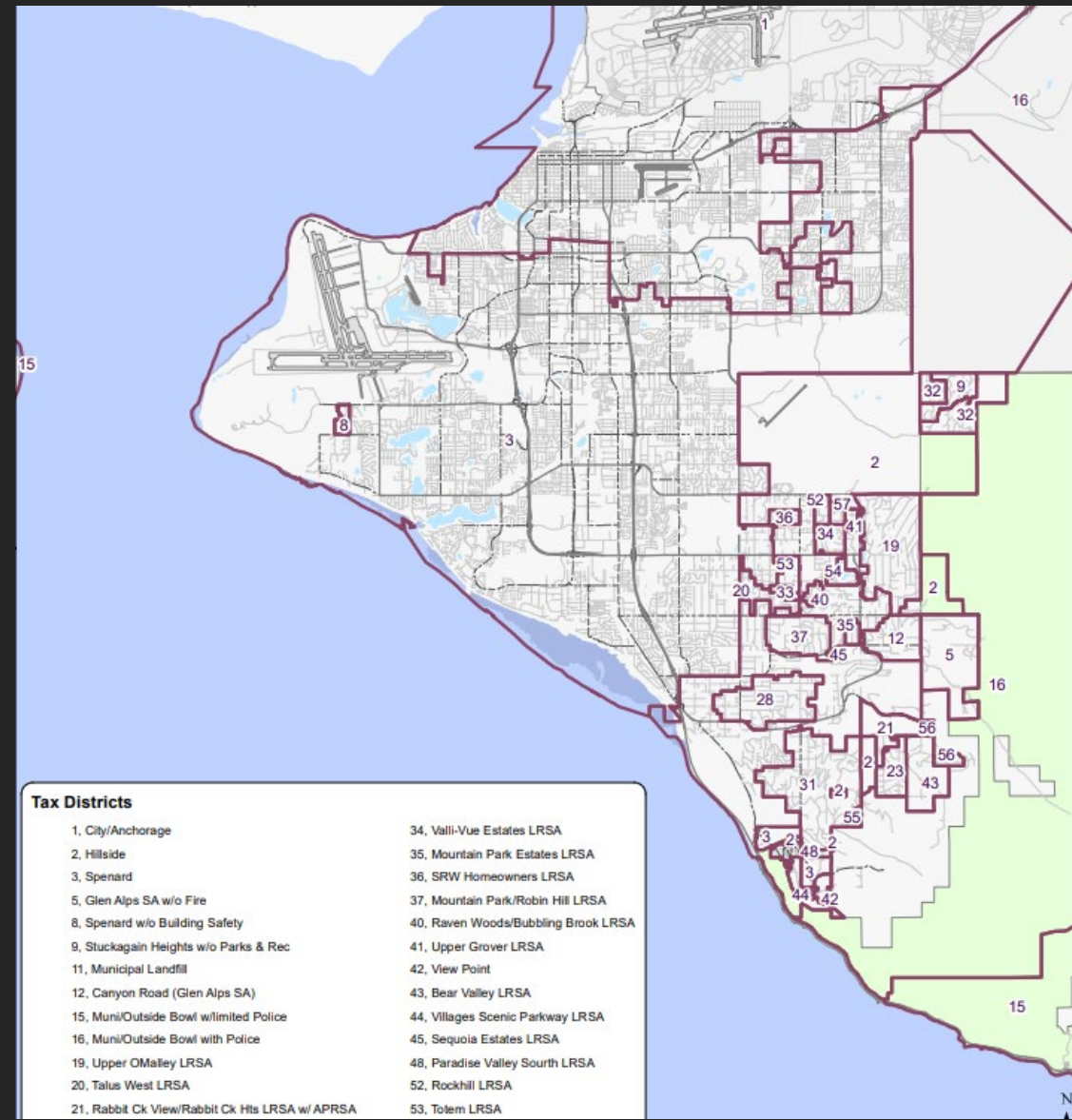
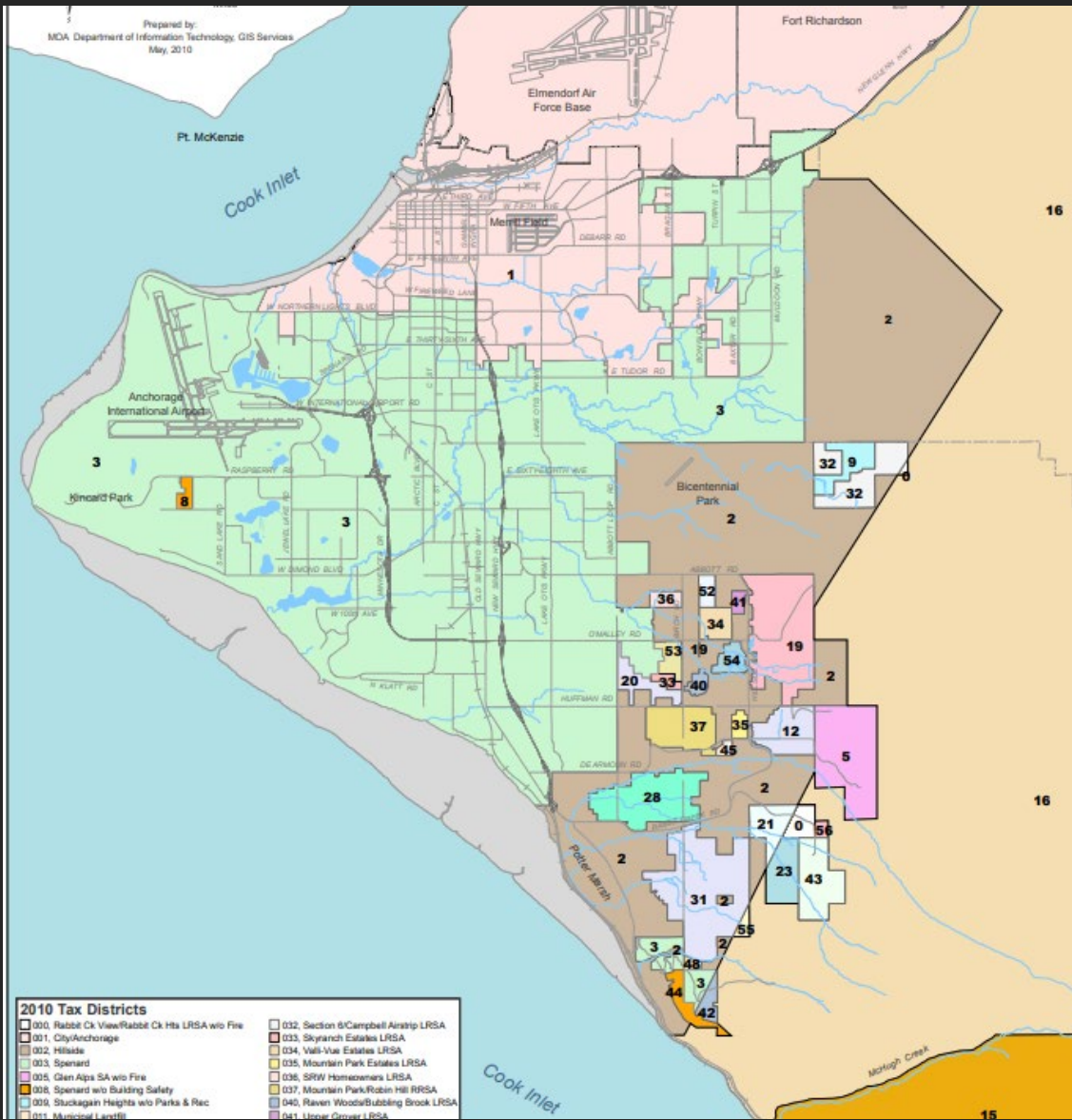
And then, just to show them, I'll sail
to Ka-troo
And bring back an It-kutch, a Preep
and a Proo,
A Nerkle, a **Nerd**, and a Seersucker,
too!



Disclaimers

Views expressed are my own and do not reflect the views of any current or former employer

All information is unaudited, might be out of date, etc., etc.



Mill Levy by Tax District - 2023: AO 2023-40 (S) for GG and AO 2023-41 (S) for ASD

		101	131	151	161	141	106	18, 119, 121,		129					
		103	104	152	162	105		122, 149	Levy	Eagle	Various	Levy	School	Total	Tax
		107						Various	w/o	River	Limited	w/o	District	Levy	District
					Parks	Roads &	Girdwood	Rural	ASD,	Street	Road	ASD	(ASD)		
	Tax	Area	Fire	Police	&	Drainage	Valley	Road	ERSL,	Lights	Service				
	District	wide			Rec		Levy	Service	&	Service	Areas				
								Areas	LRSA	Areas	Areas				
City/Anchorage	1	0.04	2.47	3.72	0.75	2.88	-	-	9.86	-	-	9.86	7.17	17.03	1
Hillside	2	0.04	2.47	3.72	0.75	-	-	-	6.98	-	-	6.98	7.17	14.15	2
Spenard	3	0.04	2.47	3.72	0.75	2.88	-	-	9.86	-	-	9.86	7.17	17.03	3
Girdwood Valley	4	0.04	-	-	-	-	5.35	-	5.39	-	-	5.39	7.17	12.56	4
Glen Alps SA w/o Fire	5	0.04	-	3.72	-	2.75	-	-	6.51	-	-	6.51	7.17	13.68	5
Spenard w/o Building Safety	8	0.04	2.47	3.72	0.75	2.88	-	-	9.86	-	-	9.86	7.17	17.03	8
Stuckagain Heights w/o Parks & Rec	9	0.04	2.47	3.72	-	-	-	-	6.23	-	1.25	7.48	7.17	14.65	9
Eagle River	10	0.04	2.47	3.72	1.05	-	-	2.00	9.28	-	-	9.28	7.17	16.45	10
Municipal Landfill w/o ERPRSA	11	0.04	2.47	3.72	-	-	-	-	6.23	-	-	6.23	7.17	13.40	11
Canyon Road (Glen Alps SA)	12	0.04	2.47	3.72	0.75	2.75	-	-	9.73	-	-	9.73	7.17	16.90	12
Muni/Outside Bowl w/o APD (w Turnagain Arm Police)	15	0.04	-	0.20	-	-	-	-	0.24	-	-	0.24	7.17	7.41	15
Muni/Outside Bowl with Police	16	0.04	-	3.72	-	-	-	-	3.76	-	-	3.76	7.17	10.93	16
Upper OMalley LRSA	19	0.04	2.47	3.72	0.75	-	-	-	6.98	-	2.00	8.98	7.17	16.15	19
Talus West LRSA	20	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.30	8.28	7.17	15.45	20
Rabbit Ck View/Rabbit Ck Hts LRSA w/ APRSA	21	0.04	2.47	3.72	0.75	-	-	-	6.98	-	2.50	9.48	7.17	16.65	21
Chugiak Fire Service Area	22	0.04	1.00	3.72	1.05	-	-	2.00	7.81	-	-	7.81	7.17	14.98	22
Rabbit Ck View/Rabbit Ck Hts LRSA w/o APRSA	23	0.04	2.47	3.72	-	-	-	-	6.23	-	2.50	8.73	7.17	15.90	23
Birch Tree/Elmore LRSA	28	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.50	8.48	7.17	15.65	28
Eagle River Valley RRSA w/no Fire	30	0.04	-	3.72	1.05	-	-	2.00	6.81	-	-	6.81	7.17	13.98	30
South Goldenview Area RRSA	31	0.04	2.47	3.72	0.75	-	-	1.80	8.78	-	-	8.78	7.17	15.95	31
Section 6/Campbell Airstrip LRSA	32	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.25	8.23	7.17	15.40	32
Skyranch Estates LRSA	33	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.30	8.28	7.17	15.45	33
Valli-Vue Estates LRSA	34	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.40	8.38	7.17	15.55	34
Mountain Park Estates LRSA	35	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.00	7.98	7.17	15.15	35
SRW Homeowners LRSA	36	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.50	8.48	7.17	15.65	36
Mountain Park/Robin Hill LRSA	37	0.04	2.47	3.72	0.75	-	-	1.30	8.28	-	-	8.28	7.17	15.45	37
Raven Woods/Bubbling Brook LRSA	40	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.50	8.48	7.17	15.65	40
Upper Grover LRSA	41	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.00	7.98	7.17	15.15	41
View Point	42	0.04	-	3.72	-	2.88	-	-	6.64	-	-	6.64	7.17	13.81	42
Bear Valley LRSA	43	0.04	2.47	3.72	-	-	-	-	6.23	-	1.50	7.73	7.17	14.90	43
Villages Scenic Parkway LRSA	44	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.00	7.98	7.17	15.15	44
Sequoia Estates LRSA	45	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.50	8.48	7.17	15.65	45
Eaglewood Contributing RSA	46	0.04	2.47	3.72	1.05	-	-	0.40	7.68	-	-	7.68	7.17	14.85	46
Gateway Contributing RSA	47	0.04	-	3.72	1.05	-	-	0.30	5.11	-	-	5.11	7.17	12.28	47
Paradise Valley South LRSA	48	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.00	7.98	7.17	15.15	48
ER Street Lights SA w/ Anchorage Fire	50	0.04	2.47	3.72	1.05	-	-	2.00	9.28	0.20	-	9.48	7.17	16.65	50
ER Street Lights SA w/ Chugiak Fire	51	0.04	1.00	3.72	1.05	-	-	2.00	7.81	0.20	-	8.01	7.17	15.18	51
Rockhill LRSA	52	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.50	8.48	7.17	15.65	52
Totem LRSA	53	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.00	7.98	7.17	15.15	53
Lakehill LRSA	54	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.50	8.48	7.17	15.65	54
South Goldenview RRSA w/o Fire	55	0.04	-	3.72	-	-	-	1.80	5.56	-	-	5.56	7.17	12.73	55
Bear Valley LRSA w/o Fire	56	0.04	-	3.72	-	-	-	-	3.76	-	1.50	5.26	7.17	12.43	56
Homestead LRSA	57	0.04	2.47	3.72	0.75	-	-	-	6.98	-	1.30	8.28	7.17	15.45	57
Eagle River Valley RRSA w/ ERSL w/o Fire	58	0.04	-	3.72	1.05	-	-	2.00	6.81	0.20	-	7.01	7.17	14.18	58
Rabbit Ck View/Rabbit Ck Hts LRSA w/o APRSA w/o Fire	59	0.04	-	3.72	-	-	-	-	3.76	-	2.50	6.26	7.17	13.43	59

Note: District 6 was subsumed to District 18; Districts 14 & 18 were subsumed to District 3. District 7 was subsumed to District 2.
 District 11 is the Anchorage Landfill. District 36 is new from 2005. April 6, 2010, Mt. Park/Robin Hill LRSA voted to become a RRSA (District 37).
 District 57 was created in 2014 for new Homestead LRSA.
 District 58 was created in 2016 for Eagle River Valley with Eagle River Street Light Service but without Fire Service.
 District 59 was created in 2023 for Rabbit Ck View/Rabbit Ck Hts LRSA without Anchorage Parks and without Anchorage Fire

Are Anchorage
Bowl Taxpayers the
“Sugar Daddy” of
the rest of
Anchorage
Taxpayers?

Ladies..... your education, career, and money will never wake up one day and decide to leave you.

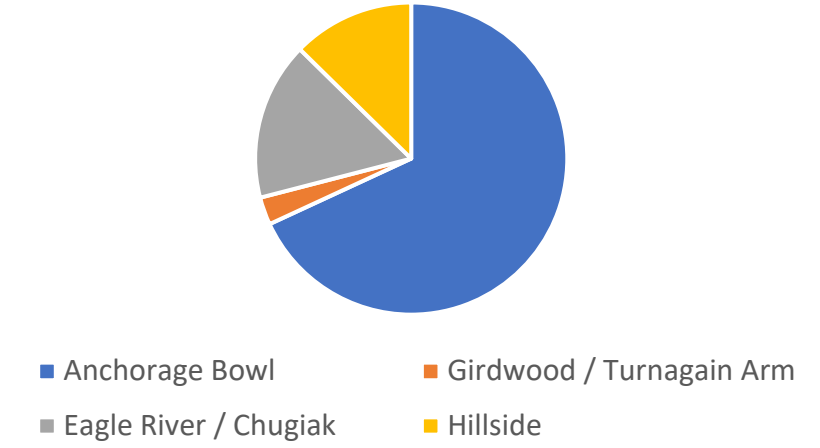
Are Anchorage Bowl Taxpayers Subsidizing Other Taxpayers?

- Does a higher mill rate - in and of itself - mean Anchorage Bowl taxpayers subsidize other taxpayers?
- More specifically, does the complicated ARDSA / LRSA / pass the hat system that supports our roads mean Anchorage Bowl taxpayers subsidize other taxpayers?
- Figures were calculated for:
 - Tax rates, aka, %, and
 - Gross \$\$, aka, \$\$
- Removed were church and gov't properties (except churches that pay tax), and commercial. Retained was raw land (conservative).
- Tax districts were sorted into four main categories – 1) Eagle River & Chugiak, 2) Anchorage Bowl, 3) Hillside, and 4) Girdwood / Turnagain Arm

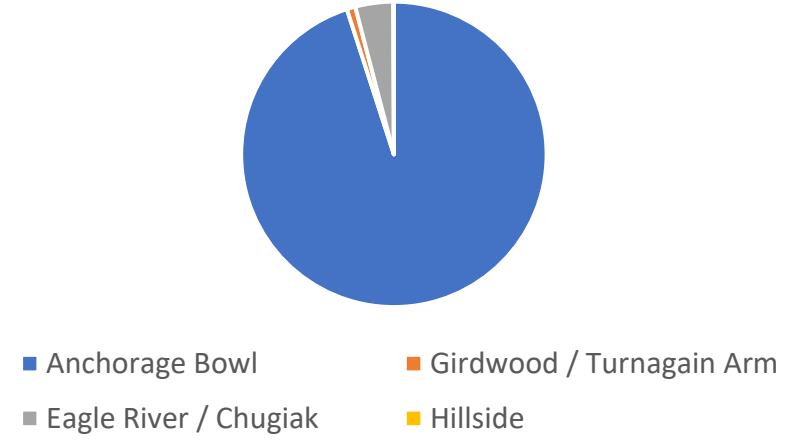
Row Labels	Tax Rates After Effect of Exemptions				Avg \$ by paid by property owner			
	Eagle River	Girdwood and Turnagain Arm	Hillside	Anchorage Bowl	Eagle River	Girdwood and Turnagain Arm	Hillside	Anchorage Bowl
01:City/Anchorage				12.27				4,126
02:HILLSIDE			10.84				6,075	
03:Spenard				12.57				4,237
04:GIRDWOOD VALLEY		11.07				5,252		
05:Glen Alps SA w/o Fire			10.62				3,210	
08:Spenard w/o Building Safety				12.70				5,734
09:Stuckagain Heights w/o Parks & Rec			12.35				8,181	
10:Eagle River	11.70				4,705			
12:CANYON ROAD (GLEN ALPS SA)			13.33				5,603	
15:MUNI/OUTSIDE BOWL W/O APD (TURNAGAIN PD)		3.89				1,815		
16:MUNI/OUTSIDE BOWL WITH POLICE		5.28				3,196		
19:UPPER OMALLEY LRSA			13.47				8,072	
20:Talus West LRSA			12.62				7,831	
21:RABBIT CK VIEW & HTS LRSA W/APRSA			14.91				2,016	
22:CHUGIAK FIRE SERVICE AREA	9.79				3,536			
23:RABBIT CK VIEW & HTS LRSA W/O APRSA			14.13				2,386	
28: Birch Tree / Elmore LRSA			12.28				6,438	
30:Eagle River Valley RRSA w/o Fire	9.41				4,455			
31:SOUTH GOLDENVIEW AREA RRSA			13.37				8,449	
32:Section 6 / Campbell Airstrip LRSA			13.13				9,664	
33:Skyranch Estates LRSA			11.27				4,520	
34:Valli-Vue Estates LRSA			11.84				5,833	
35:Mountain Park Estates LRSA			11.63				4,837	
36:SRW Homeowners LRSA			12.19				4,955	
37:MOUNTAIN PARK / ROBIN HILL LRSA			12.07				6,205	
40:Raven Woods / Bubbling Brook LRSA			11.35				6,073	
41:Upper Grover LRSA			12.70				8,400	
42:View Point			13.27				8,403	
43: Bear Valley LRSA			13.00				4,896	
44:Villages Scenic Parkway LRSA			13.54				8,410	
45:Sequoia Estates LRSA			11.78				7,970	
46:Eaglewood Contributing RSA	11.57				4,224			
47:Gateway Contributing RSA	10.05				3,352			
48:Paradise Valley South LRSA			13.83				6,512	
50:ER Street Lights SA w/ Anchorage Fire	12.88				4,797			
51:ER Street Lights SA w/ Chugiak Fire	11.34				5,636			
52:Rockhill LRSA			12.77				3,067	
53:Totem LRSA			11.81				7,104	
54:Lakehill LRSA			12.89				8,604	
55:SOUTH GOLDENVIEW AREA RRSA W/O FIRE			10.83				6,672	
56: Bear Valley LRSA w/o Fire			7.13				921	
57:Homestead LRSA	12.73				7,851			
58:EAGLE RIVER RRSA W/ERSL W/O FIRE	11.84				7,840			
	Calculated averages:				Calculated averages:			
	12.15	10.97	12.50	12.94	4,410	4,675	6,464	4,214

Ignoring Girdwood / T.A., Effective Tax Rates Don't Deviate Much (But \$\$ Paid by Taxpayer Do)

Assessed Value Breakout by Area - Residential



Assessed Value Breakout by Area - Commercial



Exemptions

Taxpayer	District	Mill Rate	Assessed			Total	Taxable		Tax	Effective Tax Rate	Drop from Mill Rate to Effective Tax Rate
			Value	Res	Sr / Vet		Value				
"Bob"	3	17.03	224,700	75,000	150,000	225,000	-	-	-	100%	
"Bill"	3	17.03	1,989,600	75,000	150,000	225,000	1,764,600	30,051	15.10	11%	

A Tale of Two Homeowners (Actual Taxpayers)

When discussing parity among tax districts, mill rates are irrelevant. You must (laboriously) calculate *effective tax rates* to determine true tax rates. Now, more than ever, given the increase in “Res” exemption.

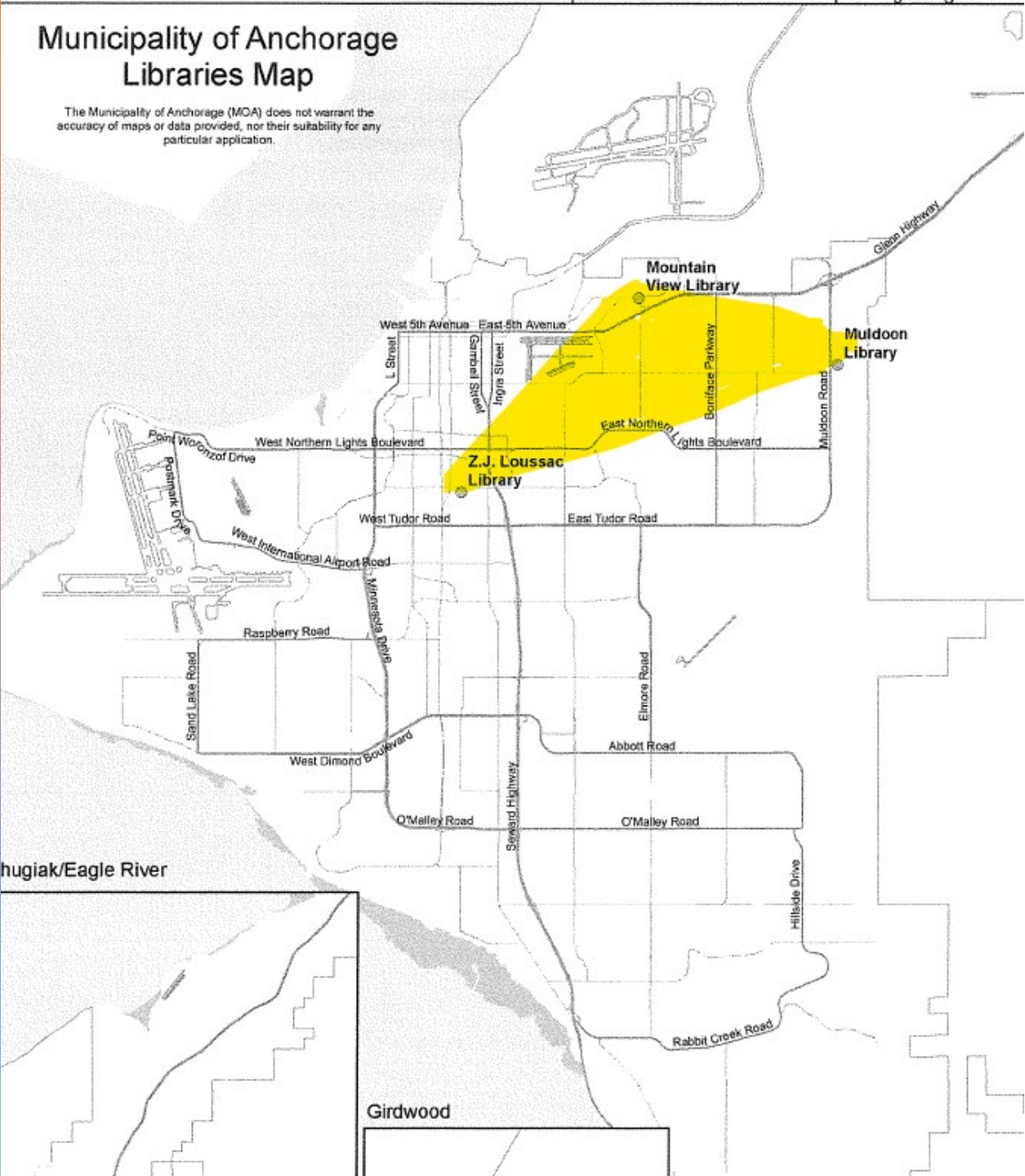
Observation #1: Mill Rate ≠ Tax Rate (for homeowners)

Year	Res		Sen/Vet	Total
2024	75,000	275%	150,000	225,000
2023	75,000	275%	150,000	225,000
2022	50,000	150%	150,000	200,000
2021	50,000	150%	150,000	200,000
2020	50,000	150%	150,000	200,000
2019	50,000	150%	150,000	200,000
2018	50,000	150%	150,000	200,000
2017	20,000		150,000	170,000

- If you occupy your primary residence, you are eligible for at least one exemption (“Res”)
- If you are a Senior or a Veteran, you are eligible for a second exemption (“Sen/Vet”)
- The exemptions are Additive; they don’t net or cap out against each other
- The “Res” exemption has increased 275% since 2017
- A Senior homeowner occupying a modest home can and often does pay little to no tax
- In comparison, a homeowner living in a mansion is barely affected by the exemptions

Municipality of Anchorage Libraries Map

The Municipality of Anchorage (MOA) does not warrant the accuracy of maps or data provided, nor their suitability for any particular application.

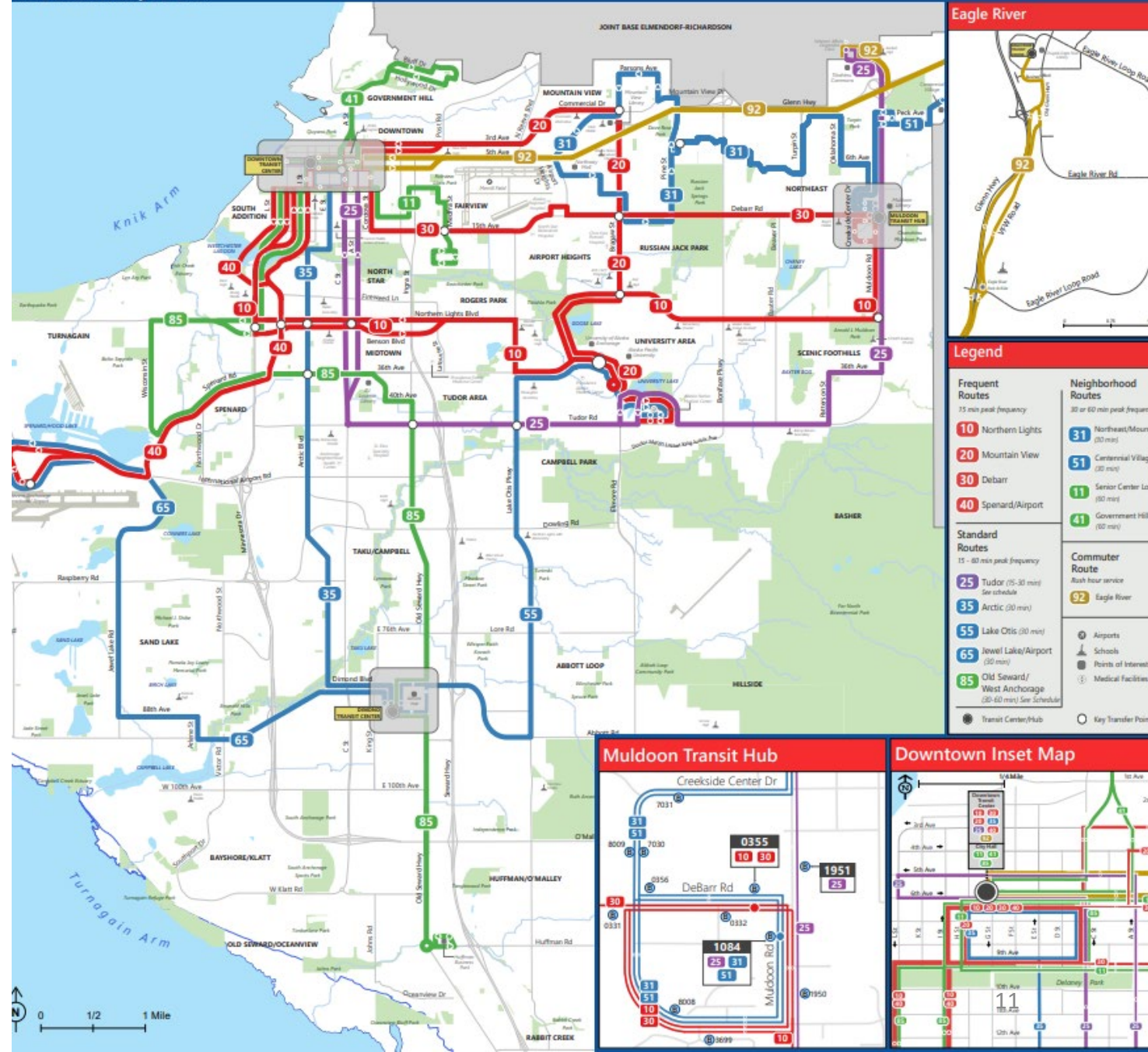


Observation #2: The word “Areawide” is used (and taxed) loosely..... Ex: **Libraries**

- Eagle River is supported by an 18,000 square foot library, and Girdwood has a small library
- Anchorage Bowl taxpayers are supported by **three** libraries located within 5 to 7 miles of each other, incl. the Mt. View Library which opened in 2010, *the same year Hillside’s library closed*
- Hillside taxpayers had a library located in the Dimond Mall. It shut down Dec. 2010 and was replaced by an “automated book locker”
- Even after Anchorage Bowl taxpayers received their *third* library and Hillside’s lost their *only* library, library costs continue to be taxed as area-wide (2024 proposed budget = \$14.6 million)

Same Issues with Transit and Pools...

- January 2024 map shows Hillsliders without service for this function that is taxed areawide (2024 initial budget: \$32m).
- The map even overlays maps of Muldoon and Downtown on top of the Hillside area
- May impact the ability for disabled individuals to obtain transportation support under Title II of the ADA depending upon their residence location.

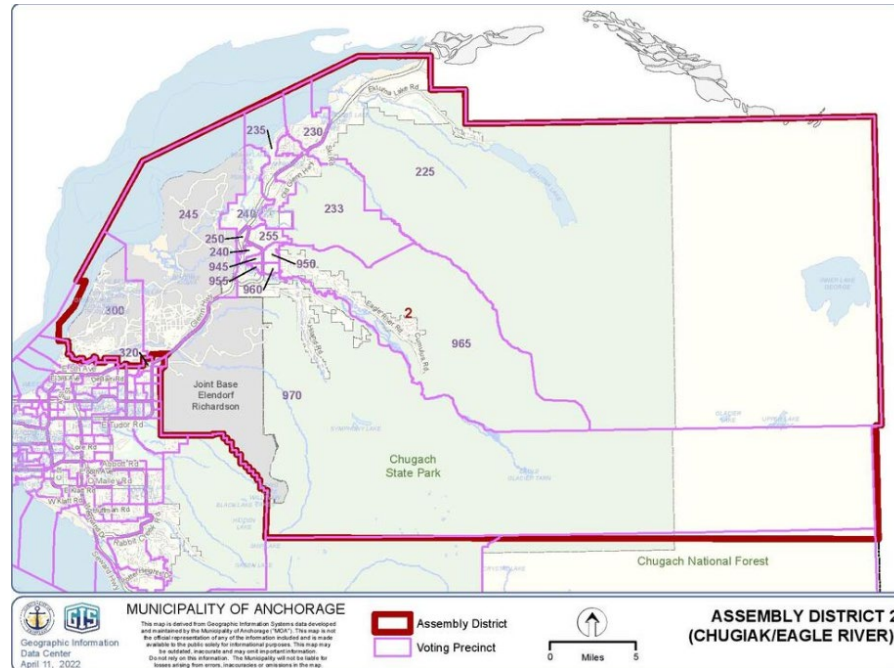


If Tweaks were Made....

	Avg \$ by paid by property owner			
Row Labels	Eagle River	Girdwood and Turnagain Arm	Hillside	Anchorage Bowl
	Calculated averages:			
	4,410	4,675	6,464	4,214
Libraries - not areawide but taxed areawide	<i>no change</i>	<i>no change</i>	<i>reduce</i>	<i>no change</i>
Transit - not areawide but taxed areawide	<i>no change</i>	<i>no change</i>	<i>reduce</i>	<i>no change</i>
Water / Sewer - Girdwood subsidies	<i>reduce</i>	<i>increase</i>	<i>reduce</i>	<i>reduce</i>

Eagle River transit may warrant a “reduce” answer in lieu of “no change” answer, based upon the lack of transit beyond Route 92

Eagle Exit Concepts



- Some Eagle River citizens desire to separate from the Municipality of Anchorage (“Eagle Exit”)
- Questions raised indicate that Eagle Exit proponents expect a share of MOA “cash, investments, ... accounts receivable ... intellectual property... natural resources ... etc.”
- The expectation may be one of a pro-rata share based upon population.
- However, based upon a historically *growing* population + modest tax rates + modest tax \$, Eagle River likely has not earned equity in MOA’s coffers (calculation not yet performed) that would warrant asset distributions from most categories
- Exceptions could include entities built with other than taxpayer \$\$\$. For instance, Eagle River AWWU ratepayers have helped build AWWU’s equity alongside Anchorage Bowl and Hillside ratepayers (Girdwood ratepayers are the heavily subsidized AWWU group). Yet, AWWU and other utilities / enterprise funds would likely be best off maintaining unified structures (no division of utilities and enterprise groups).

What about those ~~Sugar Daddies~~ Subsidies?

Tax District	Assessment, gross	Assessment, net	2023 mill rate	2023 tax	Roads			Other Services			
					Mills for roads	\$ for roads	Type of Road	\$ for other Gen'l Govt	Library?	Pool?	Transit?
37	821,500	746,500	15.45	\$ 11,533	1.30	\$ 970	Dirt	\$ 10,563	No	No (South High)	No
3	820,800	745,800	17.03	\$ 12,701	2.88	\$2,148	Paved	\$ 10,553	Yes - Loussac (5.2 miles)	Yes (Dimond High)	Yes - Route 65