

Submitted by: Assembly Budget and Finance
Committee Co-Chairs Brawley and Volland, and
Member Baldwin Day
Reviewed by: [update this]
For reading:

ANCHORAGE, ALASKA
AR No. 2026-_____

1 **A RESOLUTION OF THE ANCHORAGE ASSEMBLY SETTING POLICY**
2 **PRIORITIES FOR THE FISCAL YEAR 2027 MUNICIPAL BUDGET**
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4

5 **WHEREAS**, the Anchorage Assembly is the Municipality’s appropriating body and
6 approves the annual municipal budget; and
7

8 **WHEREAS**, the most recent Business Confidence Index report¹ compiled by the
9 Anchorage Economic Development Corporation (AEDC) 2026 indicates (... *NOTE:*
10 *insert summary findings if available by end of June; language from last year included*
11 *“growing concern about the local economic impacts of national trade and policy*
12 *decisions, particularly reduction of federal spending and impacts of tariffs on supply*
13 *chain and consumer goods”*); and
14

15 **WHEREAS**, (... *NOTE: insert relevant data from Visit Anchorage on tourism*
16 *numbers and trends*); and
17

18 **WHEREAS**, (... *NOTE: insert brief summary of ASD budget situation, Legislative*
19 *action and final information on education funding at state level*); and
20

21 **WHEREAS**, (... *NOTE: insert any additional clauses(s) with relevant data or*
22 *background information related to any policy direction or specific budget topics*
23 *raised in the resolution’s final version*); and
24

25 **WHEREAS**, the Municipality continues to face challenges meeting public
26 expectations, from persistent vacancies in some functions such as emergency
27 response dispatch personnel, to increased costs of supplies and equipment due to
28 inflation and other factors that put further strain on limited budgets; and
29

30 **WHEREAS**, the tax capacity limit calculation or “tax cap” is established in the
31 Charter (Section 14.03) and code (AMC 12.25.040), and was designed to limit the
32 annual limit on total taxes collected, as well as total property taxes collected, with a
33 formula based on the prior year’s limit, adjustments for population growth (or
34 decline), average inflation, and amount of new construction; and
35

36 **WHEREAS**, the tax cap formula is also designed to automatically “ratchet down” or
37 permanently reduce the limit in future years if tax capacity is not fully utilized,
38 resulting in an annual policy choice to permanently cut the Municipality’s operating
39 budget, or instead adopt a “use it or lose it” budget policy to maintain adequate
40 funding for public services year over year; and

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2 **WHEREAS**, the Assembly maintains a set of policy priorities and workplan, updated
3 annually to reflect shared priorities of members, with the most recent progress report
4 and workplan adopted in February 2026 (AR 2026-24); and
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6 **WHEREAS**, the Assembly has also adopted several plans and policy positions
7 regarding key priority areas, including the Housing Action Plan in December 2023
8 (AR 2023-304 as Amended), Policy Guidance for Anchorage's Alcohol Tax and
9 Alcohol Tax Strategic Plan in September 2024 (AR 2024-278 as Amended); and
10

11 **WHEREAS**, through multiple administrations, Assembly action on prior municipal
12 budgets has ensured the Municipality continues to adequately funds core public
13 services and find opportunities in strategic investments to improve the community;
14 now, therefore
15

16 **THE ANCHORAGE ASSEMBLY RESOLVES:**

17
18 **Section 1.** The Assembly requests the following to be included in the Preliminary
19 ("120 Day") Budget Memo for the FY 2027 budget:
20 (*NOTE: this list is conceptual and for initial discussion*)
21

- 22 1. Identify at least two scenarios for funding levels for the Municipality's local
23 contribution to Anchorage School District, including:
 - 24 a. (Scenario A) The dollar amount needed to provide the maximum
25 optional local contribution for school funding, and any corresponding
26 reduction needed to Muni services within the tax cap, with preliminary
27 conceptual discussion about how (which services, departments or
28 other funding) this cut would be absorbed.
 - 29 b. (Scenario B) The dollar amount needed below the maximum optional
30 local contribution to avoid cuts from Muni services while staying within
31 the tax cap.
 - 32 c. Any additional scenarios or other considerations that will help inform
33 this decision in the FY27 budget.
- 34 2. Identify and, to the extent possible, quantify known factors and trends that
35 will impact the Municipality's population, economic activity and tax base, such
36 as anticipated significant new investments and personnel at Joint Base
37 Elmendorf Richardson (JBER).
- 38 3. Identify and characterize "known unknowns" such as natural gas line
39 development, other potential projects that may have significant impacts, and
40 estimated annual operating and capital costs for an adequately resourced
41 and sustainably funded Wildland Fire Division.
42

43 **Section 2.** The Assembly recommends the following in the FY 2027 budget:
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45 **Internal drafting / proposal: Keep it short, only a few (5 max) priorities on the list**
46

47 (*NOTE: this list is conceptual and for initial discussion*)

- 48 1. Set realistic expectations for residents going forward on municipal services
49 and what sustainably funded service levels look like.
- 50 2. Identify places in the General Government operating budget where

efficiencies and budget reductions can be gained to allow for re-allocating to other priorities with existing funding capacity under the tax cap, such as ;

3. When developing the Capital Improvement Program (CIP) and 2027 Capital Improvement Budget (CIB), make a thorough review and consider re-prioritizing projects in terms of urgency and severity of need, such as projects to prevent future catastrophic infrastructure failures.

4. Focus on investments and budget choices that support building and maintaining affordable housing in the community, specifically housing that is not financially feasible to build at market rates and/or that the private sector is not anticipated to produce. The Administration is encouraged to consider potential funding opportunities, particularly one-time capital investments, in support of housing.

Section 2. This resolution shall be effective immediately upon passage and approval by the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this _____ day of _____, 2026.

Chair of the Assembly

ATTEST:

Municipal Clerk

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