

PRESS RELEASE



Assembly Budget Committee Leadership Responds to Mayor’s Misleading Letter to Taxpayers

July 1, 2022

This week, Anchorage taxpayers received a letter from the mayor regarding 2022 property taxes. Following an influx of public comment concerning the use of municipal resources to print and distribute the letters, the Assembly Budget and Finance Committee Co-Chairs Forrest Dunbar and Austin Quinn-Davidson issued the following statement:

The mayor’s letter to taxpayers contains inaccurate and misleading information that demonstrates at best a poor misunderstanding of public finances or, at worst, a deliberate strategy to deceive the public for political gain. In his letter, he used misleading year-to-year comparisons of home values and failed to mention that 2022 tax savings are the result of decisions by the state legislature to restore ASD school bond debt reimbursement, and not the result of the mayor’s fiscal actions. He also incorrectly implies that taxes have risen significantly this year, when, for most homeowners, taxes have stayed relatively flat.

The mayor’s letter asserted that, “During the 2022 budget development process, my administration proposed a final budget that was \$5.8 million under the tax cap and relied on \$4.6 million less in property taxes compared to the 2021 Budget. A homeowner with an average priced home of \$420,000 would have seen their property taxes go down by over \$560 under my revised budget...The size of our budget drives the amount of property taxes imposed on you—the homeowner... Unfortunately, the Assembly chose a different path and passed a budget that increased both spending and property taxes.”

In this letter, he lays blame on the Anchorage Assembly for overspending, while in fact, the Assembly took advantage of the Municipality’s strong financial health following the sale of ML&P and investment of those funds in the Municipal trust, along with other revenue-diversifying measures in recent years, to pass a budget that stayed under the tax cap, held property taxes steady, and added valuable public safety services that have widespread community support.

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The budget passed by the Assembly incorporated amendments that affect a very small portion of the municipality's overall budget to make critical investments in public safety and economic development. Staying under the tax cap, we funded school resource officers, building safety inspectors, the fire department mobile crisis team (mental health first responders), domestic violence prevention and pre-K education. Our community came out strong in support of these vital, popular, and successful programs and the Assembly listened.

While property values did increase this year, the 2022 budget amended and passed by the Assembly resulted in a decrease of the average mill rate from 17.69 in 2021 to 16.84 in 2022, which means that for most homeowners, taxes have stayed relatively flat this year. Homeowners can review their property tax history online at property.muni.org.

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