

# OUR MUNI, OUR BUDGET

**JANUARY 6, 2026**

**ASSEMBLY MEMBER ANNA BRAWLEY, DISTRICT 3  
& ERIN BALDWIN DAY, DISTRICT 4**



# WELCOME TO OUR BUDGET MEETING!



**Anna Brawley**  
Vice Chair, District 3  
West Anchorage



**Erin Baldwin Day**  
Member, District 4  
Midtown Anchorage

We are supported by Legislative Services staff:

- Clare Ross, Legislative Services Director
- Allie Hartman, Communications Director
- Jennifer Veneklasen, Legislative & Policy Analyst

# GROUP AGREEMENTS

- This meeting is public, and the presentation portion is being recorded. (Breakout rooms will not be recorded)
- We will have time for Q&A and group discussion!  
In the meantime, please stay on mute during the presentation, so everyone can listen.
- Write questions in the chat, staff will help us with Q&A.
- Be respectful of everyone participating tonight:
  - Give everyone an opportunity to be heard
  - Keep comments brief, constructive, and on topic
  - Bring curiosity, ideas, and solutions to the table

Let's talk about **WHY**  
we budget &  
**HOW** it's decided.

# WHY IS THE MUNI BUDGET SO COMPLICATED?

1. "The Municipality" is actually many things in one.
2. Public finance is complicated!

## Departments Providing Core Services

Fire

Police

Road  
Maintenance

Health

Parks & Rec

Everything Else

## Public Assets & Facilities

Rec Centers

Convention  
Centers

Libraries

## Utilities, Other Entities

Port of Alaska

AWWU

SWS

Merrill Field  
Airport

# OUR BUDGET BOILS DOWN TO 3 CATEGORIES:



Staffing



Services



Stuff

# WHAT'S IN THE MUNICIPAL BUDGET?

- **Operating Budget**

- Core services: fire, police, parks, libraries, roads & health

- **Capital Budget**

- Local bonds for roads, parks, facilities, and fleet vehicles
- Requests to the state and feds for capital grants

- **Dedicated Taxes** – Revenues for specific uses

- Bed tax, alcohol & marijuana taxes, special tax levies, etc.

- **Enterprises & Utilities** – AWWU, ACDA, Port, SWS, Merrill Field



Let's talk about **HOW**  
our budget is funded –  
**WHERE** does the  
money come from?

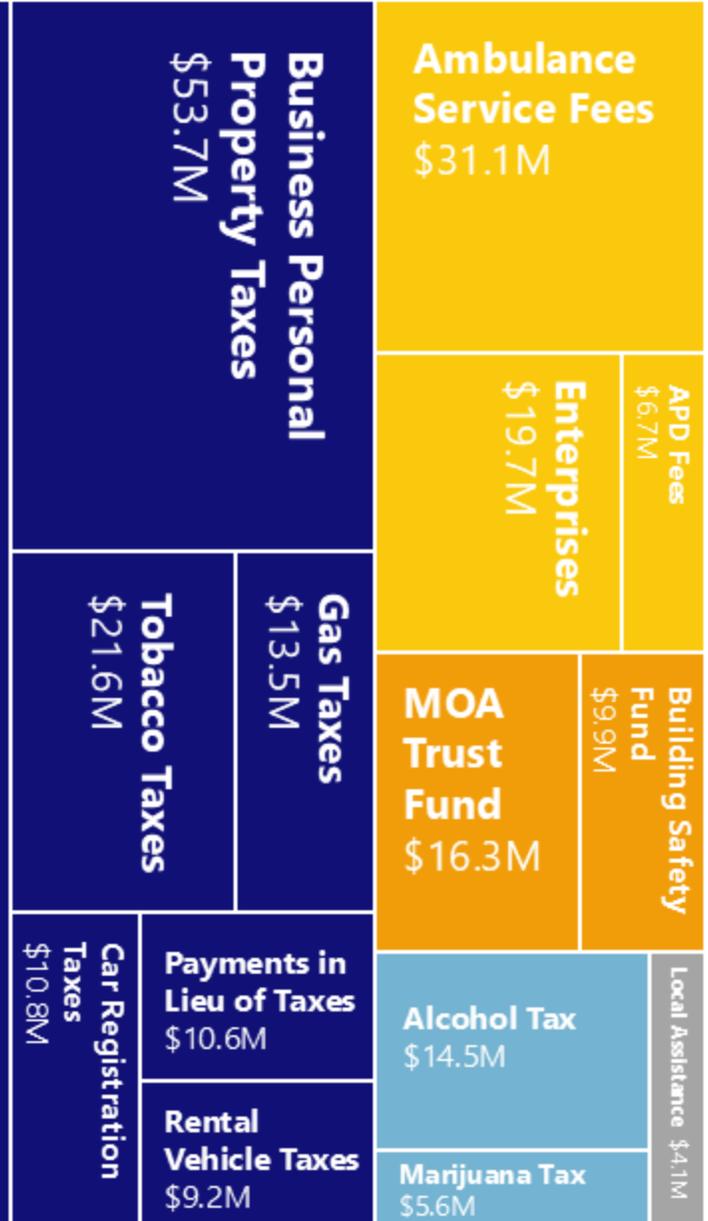
# THE COLOR OF MONEY

2024 Municipal Revenue reported in April 2025.  
 Prepared by the Assembly's Legislative Services Office.

**Property Taxes**  
 \$569.3M

**School Dist.**  
 \$265.6M

**General Gov't**  
 \$303.7M



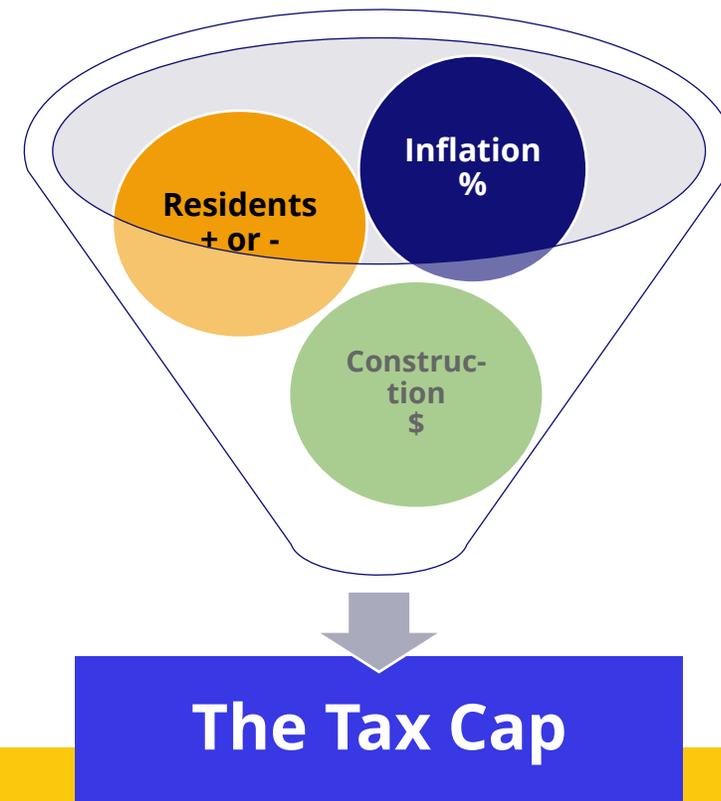
# PROPERTY TAX CAP

Approved by voters in **1983**, the **tax cap** is a formula to:

- Constrain property tax growth
- Make our budget predictable
- Grow slowly with our city

This has kept **property taxes steady over time**, and **our budget has stayed flat**.

The tax cap is not a budgeting choice, it's a formula in Charter.

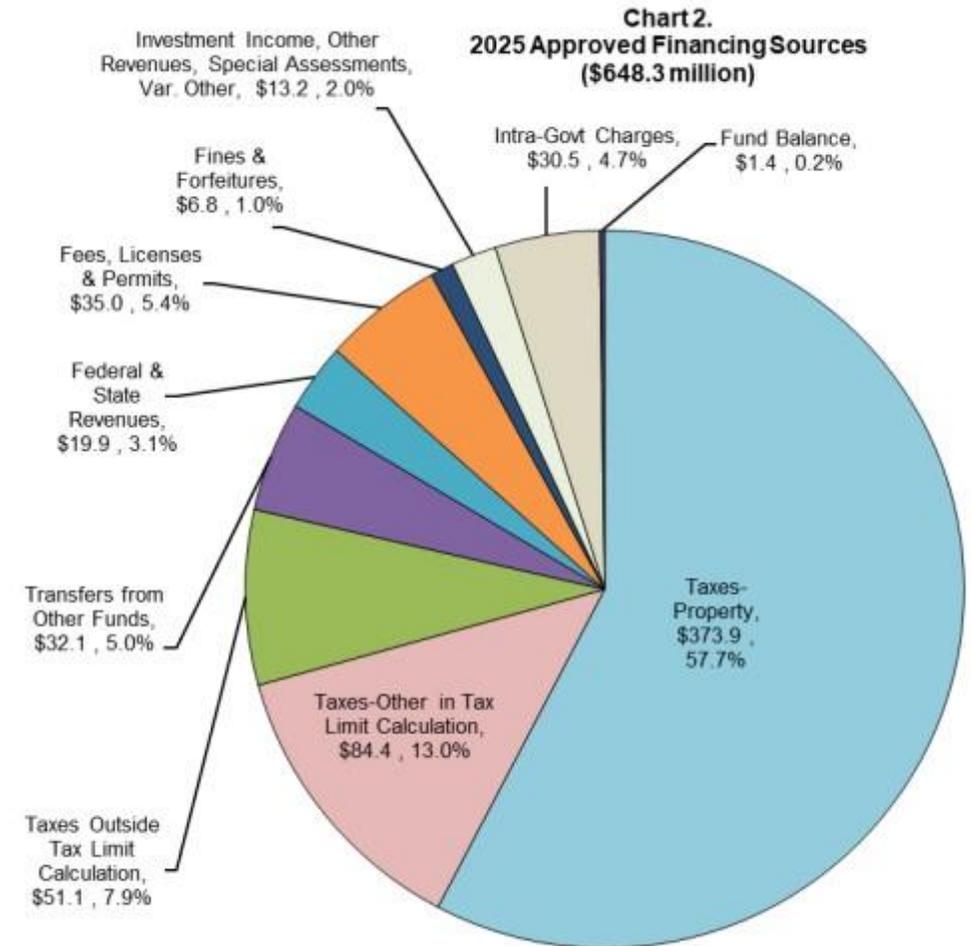


# HOW IS THE MUNICIPAL BUDGET FUNDED?

**2025: \$648 million operating budget**

Revenue comes from:

- **58%** property taxes
- **21%** other taxes (room, vehicle rental, alcohol, marijuana, etc.)
- **3%** state and federal government
- **Other:** Permits, licenses, fines, investment income, etc.



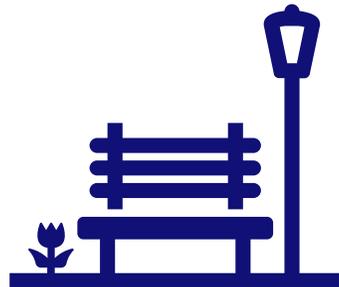


# LET'S TALK ABOUT BONDS

- A **bond** is a loan that a government uses to pay for bigger projects. Loans are paid back with tax revenue.
- **Voters decide** whether to fund bonds each year.
- Bonds, like loans, have an end: debt is eventually **paid off** (retired)



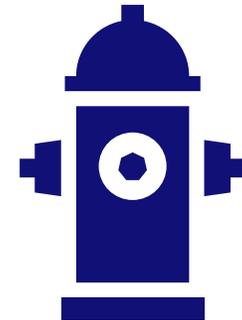
Roads and  
Drainage



Parks



Facilities



Police, Fire & EMS  
Capital Needs

# CAPITAL PROJECTS

- **Capital Improvement Budget (CIB)** – bonds, state, federal & private requests for the current year
- **Capital Improvement Plan (CIP)** – 6-year plan for road, parks, library, facilities projects
- **Local investment through bonds** - now, most local projects are paid for with voter-approved bonds.
- **State & Federal funding has dropped** – the Muni no longer receives major capital funding from the State. We do receive federal formula-based grants



So **WHERE** does our tax money go? What are we paying for?

# HOW DO WE COMPARE?

There are **346 cities** in America with 100,000+ population.

Anchorage is...

- **75th** in population
- **1st** in geographic area
- **#346 (last)** in population per square mile

*And also...*

County

City

# PROPERTY TAXES PAY FOR 3 DEPARTMENTS

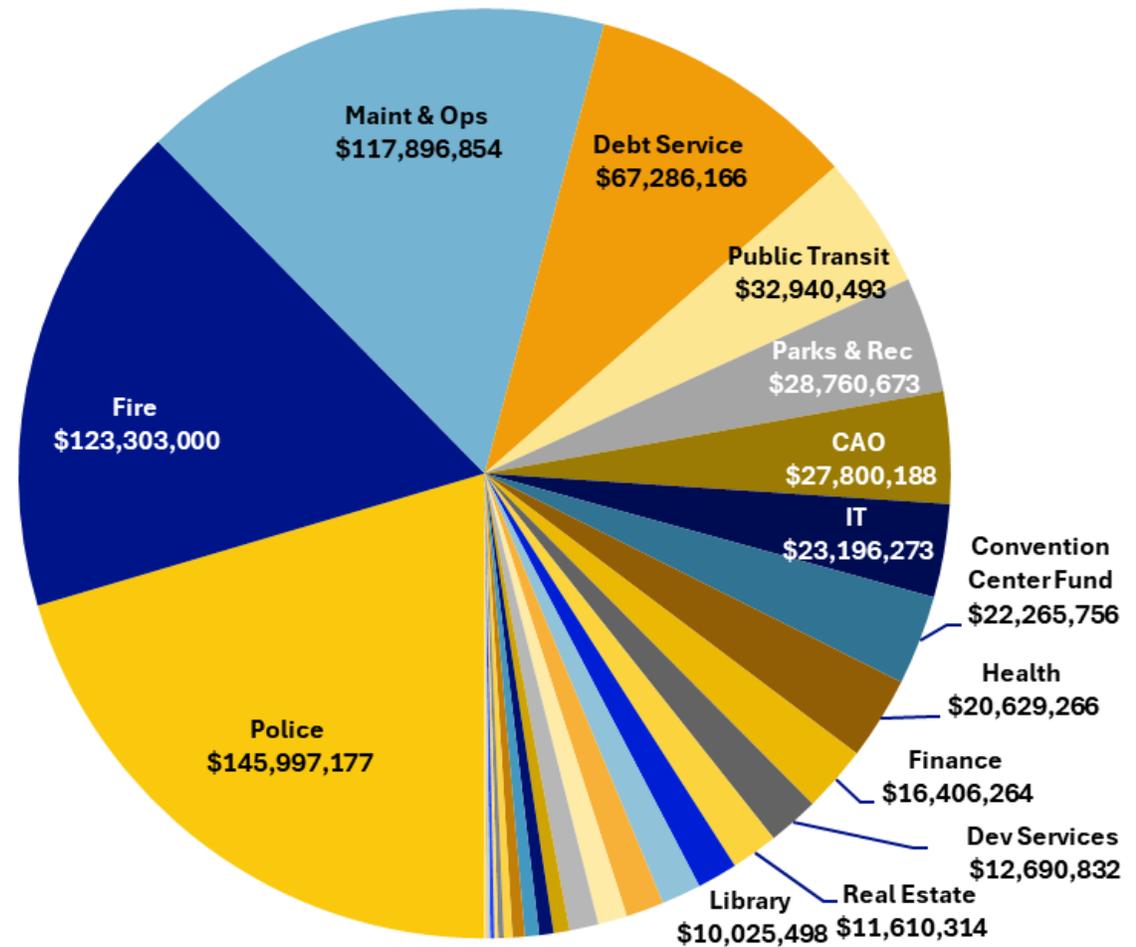
## Top 5 Departments: ~70%

1. Police, \$145.9 mil
2. Fire, \$123.3 mil
3. Maintenance, \$117.8 mil
4. Transit, \$32.9 mil
5. Parks & Rec, \$28.7 mil

... plus debt service

## Everything Else: ~30%

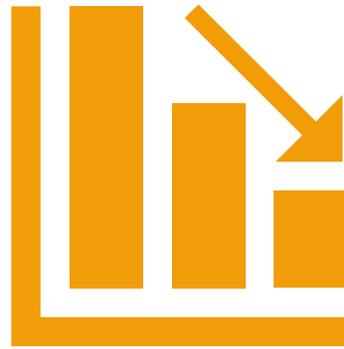
That's 23 other departments



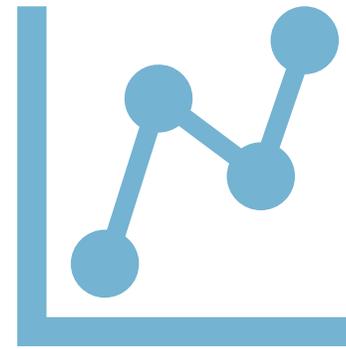
# WHY DID MY PROPERTY TAXES GO UP?



Assessments  
(home values)  
INCREASED



State & federal \$\$  
in our budget  
DECREASED



Costs for services  
INCREASED  
(inflation)

# HOW HAVE TAXES HAVE CHANGED OVER TIME?



Bed Tax (last increased 2005)  
~ \$45 million, 1/3<sup>rd</sup> goes to Convention Centers



Motor Fuel Tax (2019)  
~ \$18 million, under the cap



Alcohol Tax (2020)  
~\$15 million, dedicated



Marijuana Tax (2016) & ACCEE Fund (2023)  
~ \$5-6 million, recently dedicated



Residential Property Exemption (2023)  
Increased exempt value to \$75,000



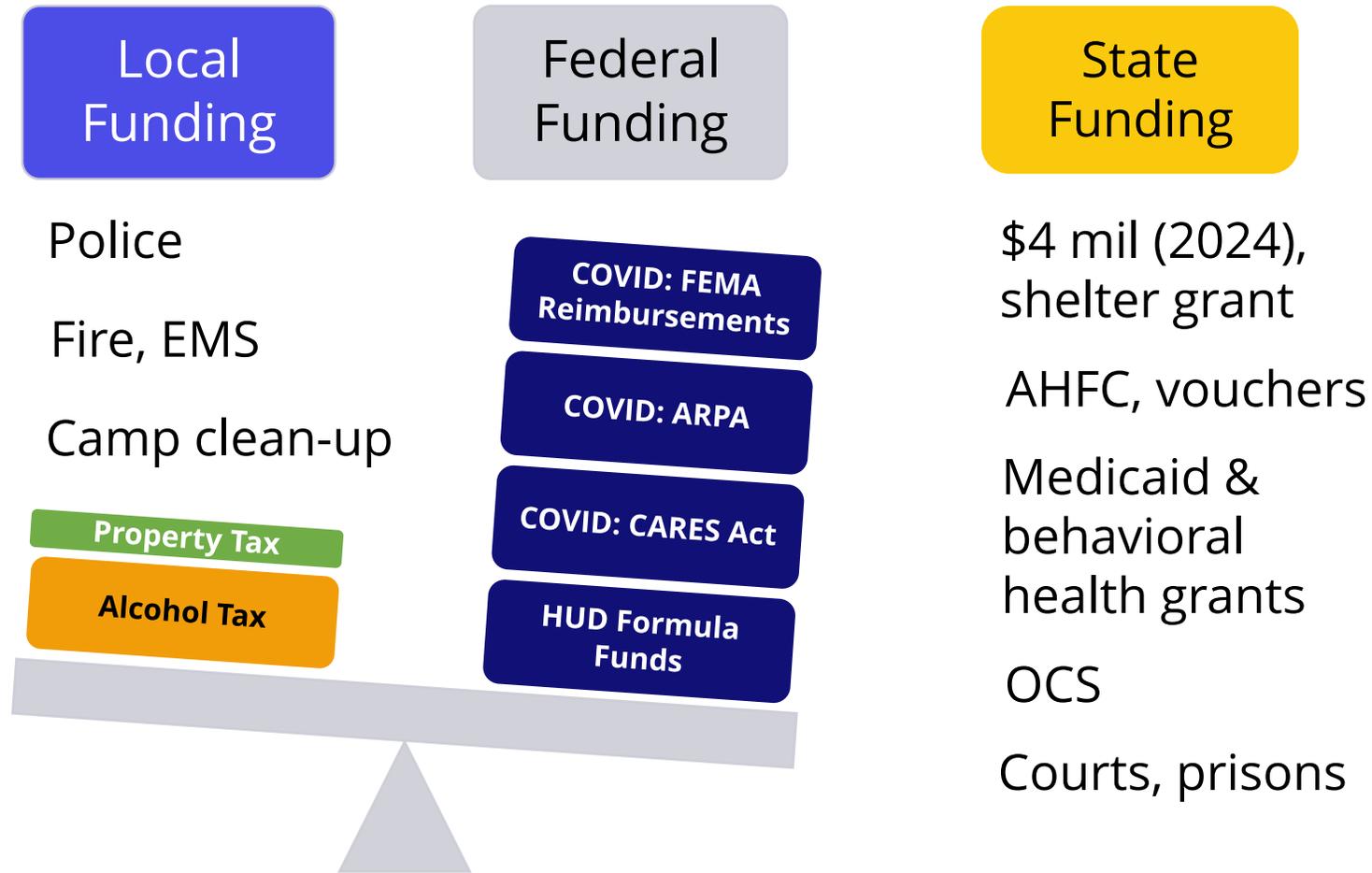
Inventory Property Exemption (2025)  
Increased exempt value to \$100,000

Anchorage does have more types of taxes than we did decades ago.

Most changes were decided by voters at the ballot box.

Most of these taxes are relatively small, and dedicated by voters to specific purposes, through Charter amendments.

# WHAT HAVE WE SPENT ON HOMELESSNESS?



***Want all the details on how the Municipality is responding to homelessness, what we've funded, and what programs & services there are?***



**WHY** does it seem like  
services are not as  
good as before?

# COMPARING CONDITIONS, THEN & NOW

## Anchorage in 1980s:

-  Growing population
-  Lots of new homes, aka taxpayers
-  Outward expansion
-  Building new stuff

## Anchorage in 2020s:

-  Stagnant population
-  Few new homes (...many in LRSAs)
-  Legacy infrastructure
-  Repair & maintenance

# THE MUNI IS DOING MORE WITH LESS

## Anchorage in 1980s:

- \$194 mil budget (1983)  
**\$625 mil** in 2025 dollars
- **231,000** residents
- **\$2,705** per capita

## Anchorage in 2020s:

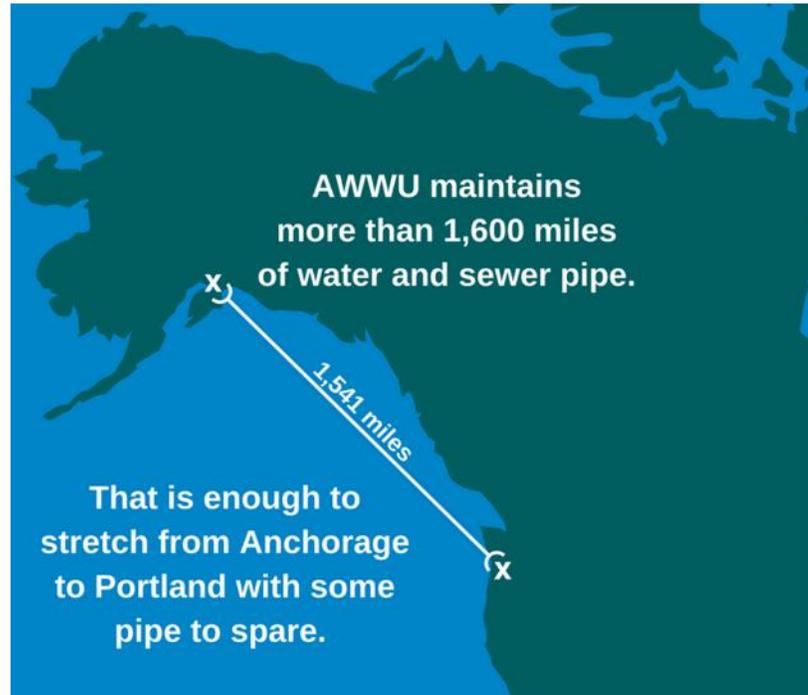
- **\$648 mil** (2025)
- **291,000** residents
- **\$2,226** per capita (**\$500 less**)



We are **paying more** overall, and have to pay more in property taxes, for the **same level of services** ... plus more repair bills.

# WE HAVE A LOT OF ROADS & PIPES TO MAINTAIN

- Anchorage has **1281 miles of road** – that's enough to get from Anchorage to Adak. Back in 1983, we had half: **650** road miles.

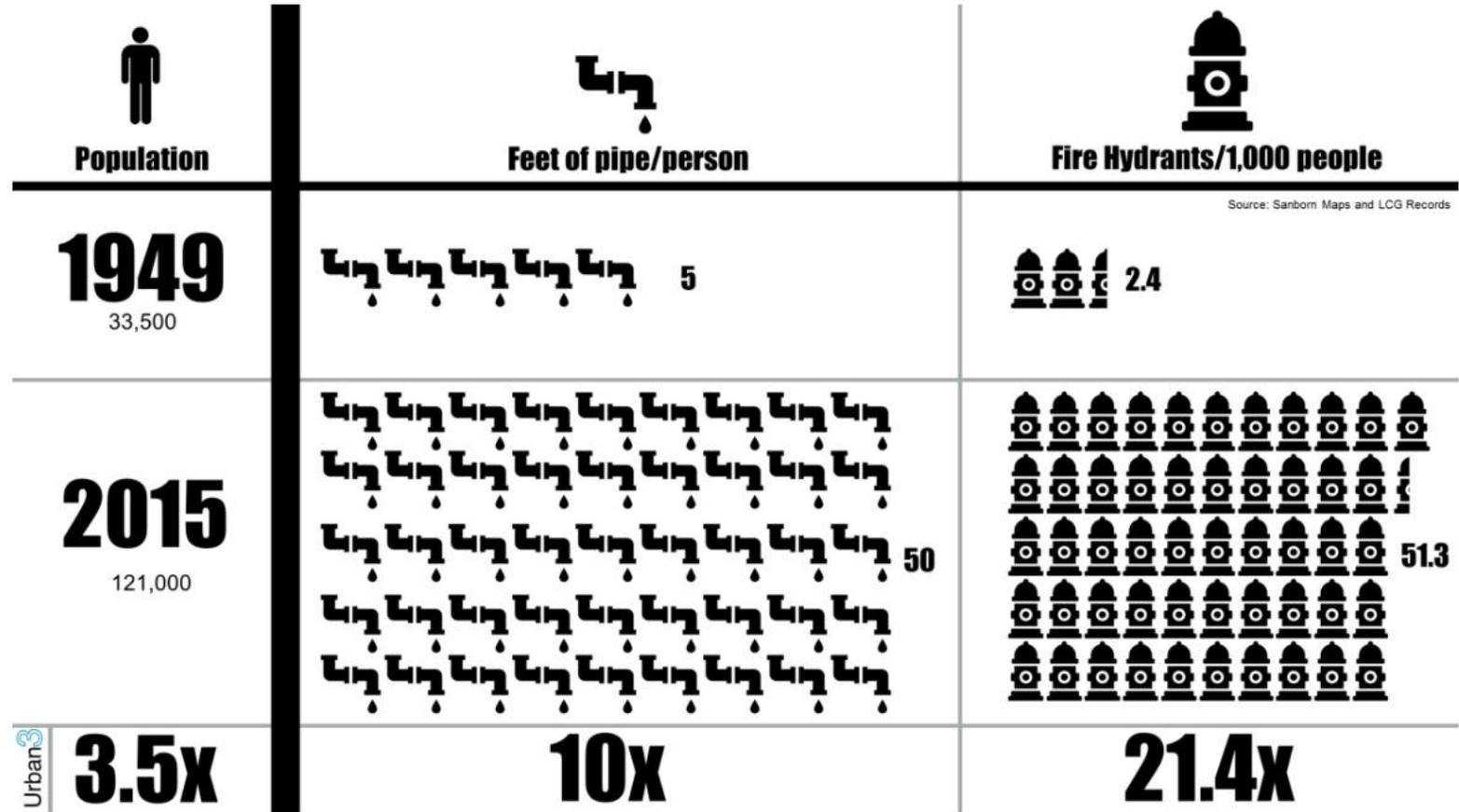


# COST OF THE MUNICIPALITY'S FOOTPRINT

## Case Study: LaFayette, LA

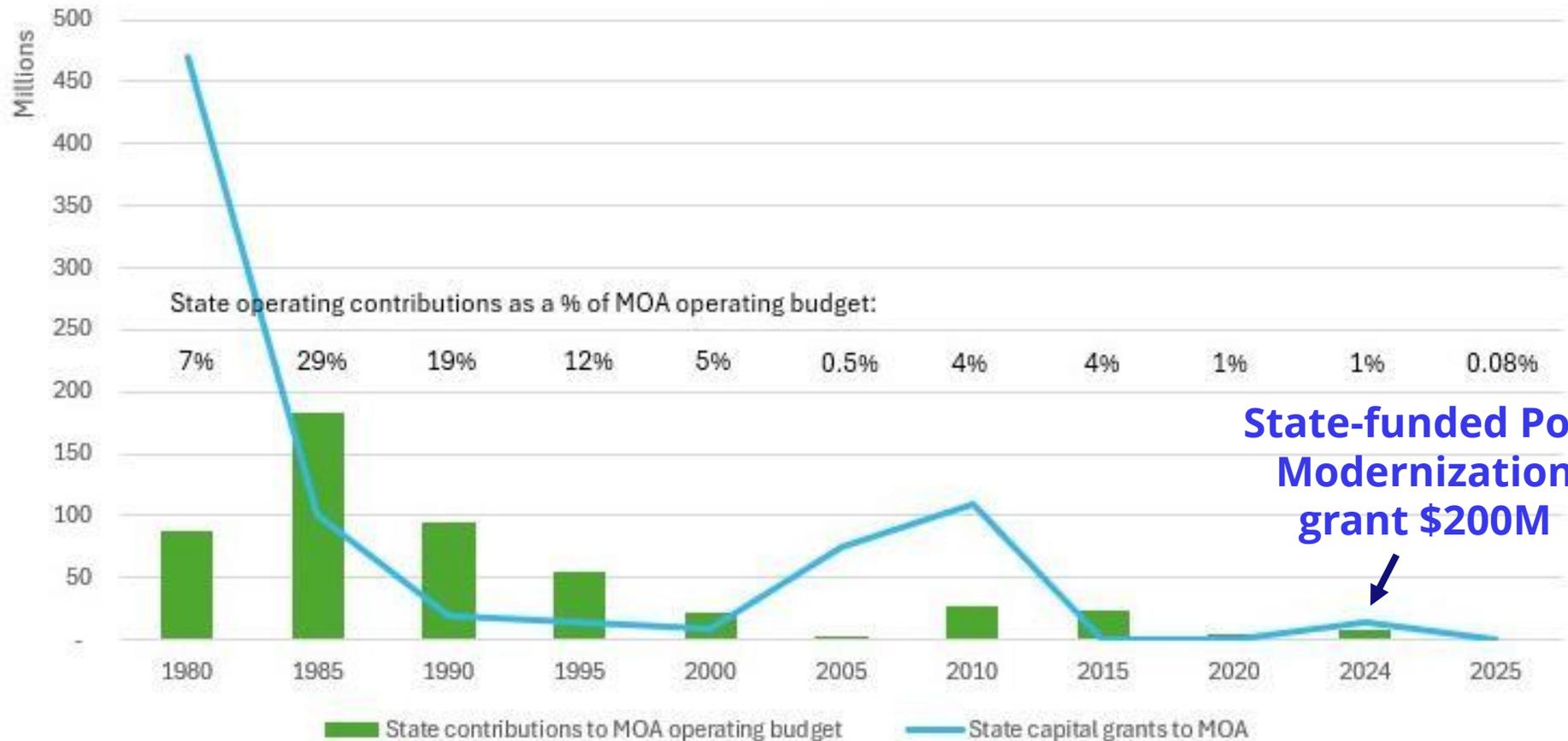
Yet, median household income only increased 1.6x in that period

*From Urban3 and Strong Towns*



# HOW MUCH HAS STATE FUNDING DROPPED?

State Contributions to MOA Budget Over Time  
Adjusted for inflation (2025 dollars)



# RECAP: WHY WE RELY MORE ON PROPERTY TAX

## Anchorage in 1980s:

- **42%** state funding
- **36%** property tax
- 650 miles of roads, often built with state \$

## Anchorage in 2020s:

- **0.5%** state funding
- **58%** property tax
- 1,281 miles of roads, most need repair & upgrades



Since 2016, the Muni received **\$700 million less** in State funding than the prior decade (2006-2015)

## **GROUP ACTION: YOUR BUDGET QUESTIONS**

What do you want to know  
about our budget?

Ask us anything...

*but we may need to get back to you.*

**Q&A**

**Now it's your turn!**

# YOUR FEEDBACK: CURRENT SERVICE LEVELS

Join at **menti.com** with code at the top of the screen.

For each *current* service, consider if what the Muni provides now is enough, or should change.

- If you think it could be more → **Higher Service Level.**
- If you think it could be less → **Lower Service Level.**

**VIRTUAL GALLERY WALK**

# YOUR FEEDBACK: POTENTIAL NEW PRIORITIES

Join at **menti.com** with code at the top of the screen.

For each *emerging issue & potential new priority*, consider what involvement the Muni should have.

- If you want a lot of focus on this → **Very Involved**.
- If you want little to no focus on this → **Not Involved**.

**VIRTUAL GALLERY WALK**

# YOUR FEEDBACK: BUDGET “WISH LIST”

Join at **menti.com** with code at the top of the screen.

1. Consider what services the Muni should prioritize:
  - Something the Muni doesn't do now, but should, and/or
  - Something the Muni does, but should be doing more of
2. Write as many priorities as you want!

**VIRTUAL GALLERY WALK**

**Let's Talk Priorities**

**& quick break if you need it!**

# YOUR FEEDBACK BALANCING PRIORITIES

1. Rank your **top 3 priorities** for service maintenance or expansion
2. Choose **at least 1** area where you would be willing to **decrease** level of service.
3. Consider **other trade-offs** you would be willing to make, to fund your top-priority & necessary services.

**REFLECT & SHARE**

# GROUP ACTION NEGOTIATING GROUP PRIORITIES

In each breakout group, you will be a “mini Assembly”:

1. Each person *briefly* shares their priorities and potential trade-offs. Identify where your group agrees and disagrees.
2. Pretend you are trying to balance the budget while funding shared priorities. What (if any) trade-offs can you agree?
3. Choose a spokesperson to share your group’s ideas!

**DISCUSS IN YOUR GROUP**

## **GROUP ACTION**    **SHARING CONVERSATIONS**

Share your group's **30-second takeaways**:

- What did you agree on?
- What did you find hardest to agree on?

**REPORT OUT FROM EACH GROUP**

# **GROUP ACTION**    **CONVERSATION CLOSE-OUT**

- How are you feeling about our budget, and where we are today?
- What did you learn today?

**GROUP REFLECTION**

# **GROUP ACTION** WHO IS WILLING TO ... ?

- Learn more about how our city works, and how we pay for it
- Talk to a friend, neighbor, co-worker about our budget
- Consider potential service cuts
- Consider potential new revenue
- Keep participating in processes like this
- Testify at an Assembly meeting about your budget priorities

**INDIVIDUAL COMMITMENTS**

# LET'S CONTINUE THIS CONVERSATION!

- Stay informed and get educated on your Muni budget!  
All revenue items to be on the April 2026 ballot will be decided by the January 27, 2026 regular meeting.
- What are your thoughts? E-mail us!
  - Assembly: [assembly@anchorageak.gov](mailto:assembly@anchorageak.gov)
  - Mayor: [mayor@anchorageak.gov](mailto:mayor@anchorageak.gov)
- One-stop shop for Assembly budget: [ancgov.info/AssemblyBudget](http://ancgov.info/AssemblyBudget)



**VICE CHAIR ANNA BRAWLEY**

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# Reference Slides

More good info we didn't have  
time to cover today

# HOW & WHEN IS THE MUNICIPAL BUDGET DECIDED?

- **October 1:** Mayor releases proposed budget
- **October:** Assembly reviews budget proposal at worksessions
- **October-early November:** Public hearings on budget
- **Mid-November:** Assembly votes to approve budget
- **April:** 1<sup>st</sup> quarter budget revisions & setting tax levies

# WHAT ABOUT SCHOOL FUNDING?

- About 46% of our property taxes go to Anchorage School District, to fund public schools.
- The Anchorage School Board prepares its budget for adoption by March, before its new fiscal year.
- Once approved, goes to Assembly for adoption, but:
  - Only the top-line number is approved by the Assembly.
  - The School Board makes all line-item decisions, including on cuts.

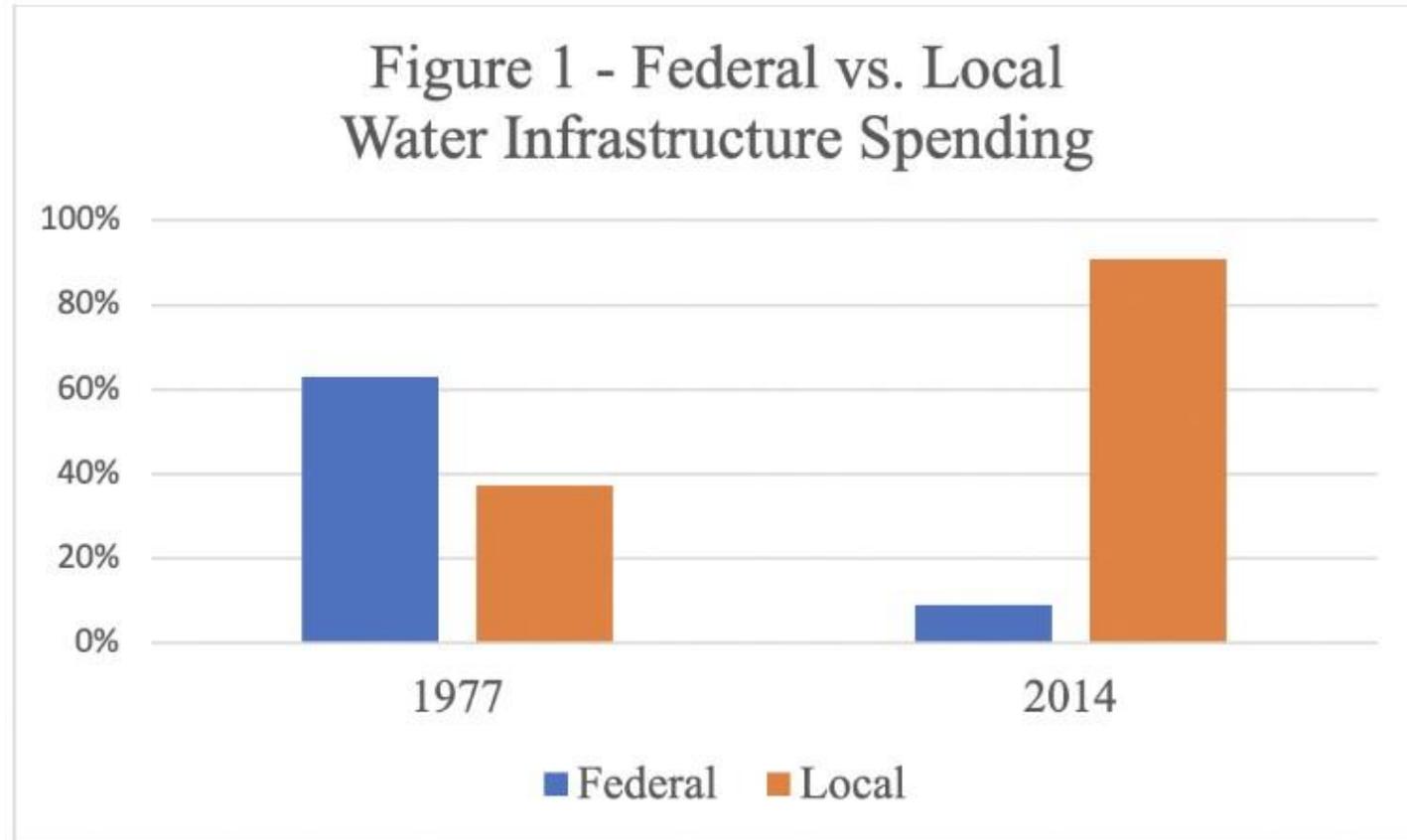
# HOW ARE PROPERTY TAXES CALCULATED?



Mill rates are decided by how much is in the total budget, divided by everyone who shares the costs.

# FEDERAL FUNDING FOR LOCAL GOVERNMENTS

Example:



Source: [“The Economic Benefits of Investing in Water Infrastructure”](#) by the Value of Water Campaign

# WHY HAS STATE FUNDING DROPPED?

The State of Alaska made major cuts in 2009 and 2016 in contributions to local governments through Revenue Sharing/Community Assistance Program (operating funds):

Year	Amount	Amt in 2025 \$
1985	\$141M	\$425M
2009	\$60M	\$90M
2016	\$30M	\$40M

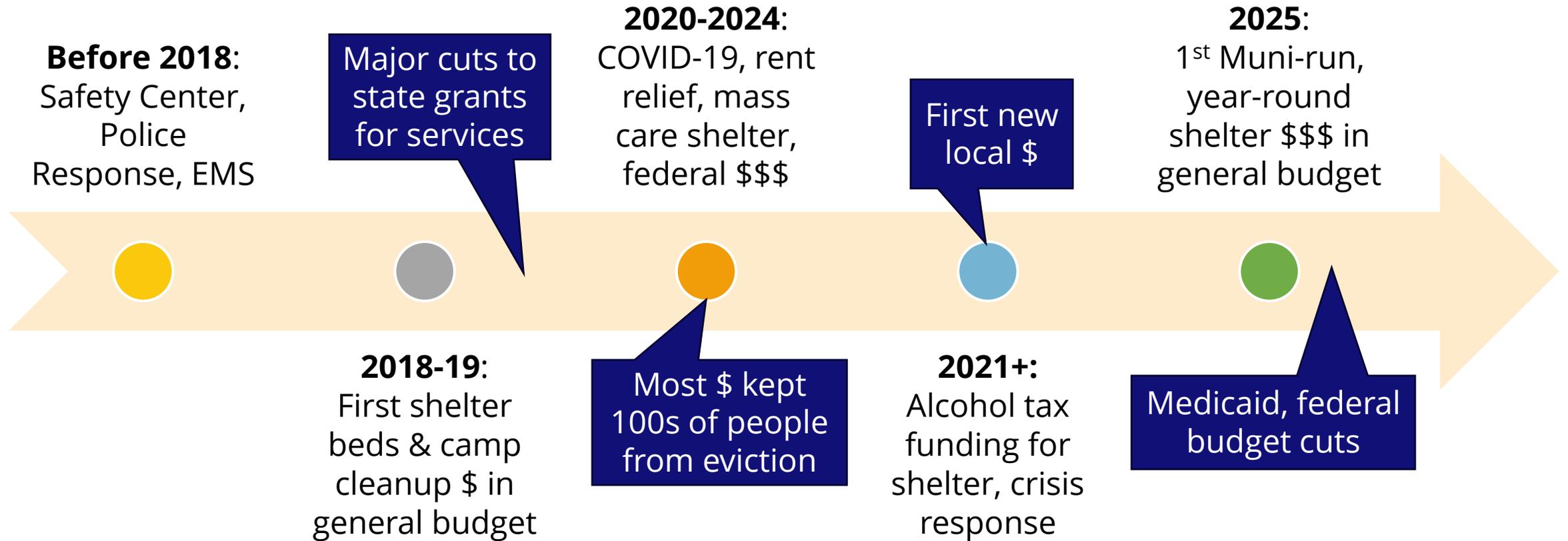
} This amount is split between 185 cities and boroughs in Alaska

Nationally, states allocate about 30% of their budgets for local governments. In 2017, Alaska ranked 40th in terms of percent of budget allocated to local governments, at just 16%.

# COST OF HOMELESSNESS AND MENTAL HEALTH

- **More people are in crisis in our community.**
  - Cost of living, especially housing and medical care, keeps going up.
  - Mental health and addiction
- **There is less help for people:** recent cuts to state and federal funding for housing, mental health, Medicaid & food programs. (As of now, federal SNAP funding will run out November 1)
- Expensive housing + limited mental health/treatment = **more people in crisis** & with health issues living on the street

# MOA SPENDING ON HOMELESSNESS



# SNAPSHOT: MOA SPENDING ON HOMELESSNESS

- **2020:** First year of MOA operating funds towards shelter (\$735K) + \$300K for Home for Good supportive housing pilot program
- **2025:** \$4.5M for homeless services (shelter & support)
- **6.7%** of spending on housing and homelessness from 2016-2025 has been MOA operating funds; **19%** from alcohol tax
- **\$50M** of COVID relief funds went to nonprofit partners to purchase/renovate 15 facilities (former hotels, etc.) to add **600+ units** of low-income and supportive housing