
Information Technology Department

Anchorage: Performance. Value. Results

2026 1st Quarter PVR

Our Mission

The Information Technology Department (ITD) is committed to delivering cost-effective, technology-driven services to all Municipality of Anchorage (MOA) employees and the Anchorage community. Our goal is to support an efficient, well-organized, controlled, and secure Information Technology (IT) environment across the municipality.

Our Core Services

- IT Infrastructure (Network, Data Center, servers, backups, enterprise back-office)
- Application Development and Operations - DevOps (3rd Party software, custom software, website, software integration)
- IT Procurement (for all MOA departments)
- IT Contract Management
- Voice Communications Services (Voice Network, VOIP, Land Lines, Cellular Devices)
- Direct Services (Helpdesk, Desktop Operating System, Desktop Applications, User Hardware)
- Cybersecurity (User Awareness Training, Intrusion Prevention Services, Desktop Security)
- IT Project Management Office
- SAP Technology Center

Continued Goals

- Cyber Security hardening for remote connectivity.
- Cyber Security initiatives to centralize security logging, threat detection and remediation.
- Provide stable remote work access for MOA employees and 3rd party contractors.
- Improve IT service delivery to MOA internal customers and citizens.
- Implement IT tools and solutions to improve MOA resource efficiency.
- Develop processes, standards, and policies and apply industry best practice frameworks to operate IT efficiently.
- Refresh aging IT infrastructure and implement scalable infrastructure to meet MOA growth needs.
- Migrate our existing SAP ERP ECC 6.0 EHP 7 to SAP next generation ERP, S/4HANA.
- Review, update and implement legal hold process and record retention schedules.

The Data

The report for this quarter is comparing IT department annual spend and staffing with the IT industry average for State and Local governments.

The IT data was taken from the MOA financials and does not include MLP, AWWU, Solid Waste Services, the Port of Anchorage, or Merrill Field.

<http://www.muni.org/Departments/budget/operatingBudget/Pages/default.aspx>

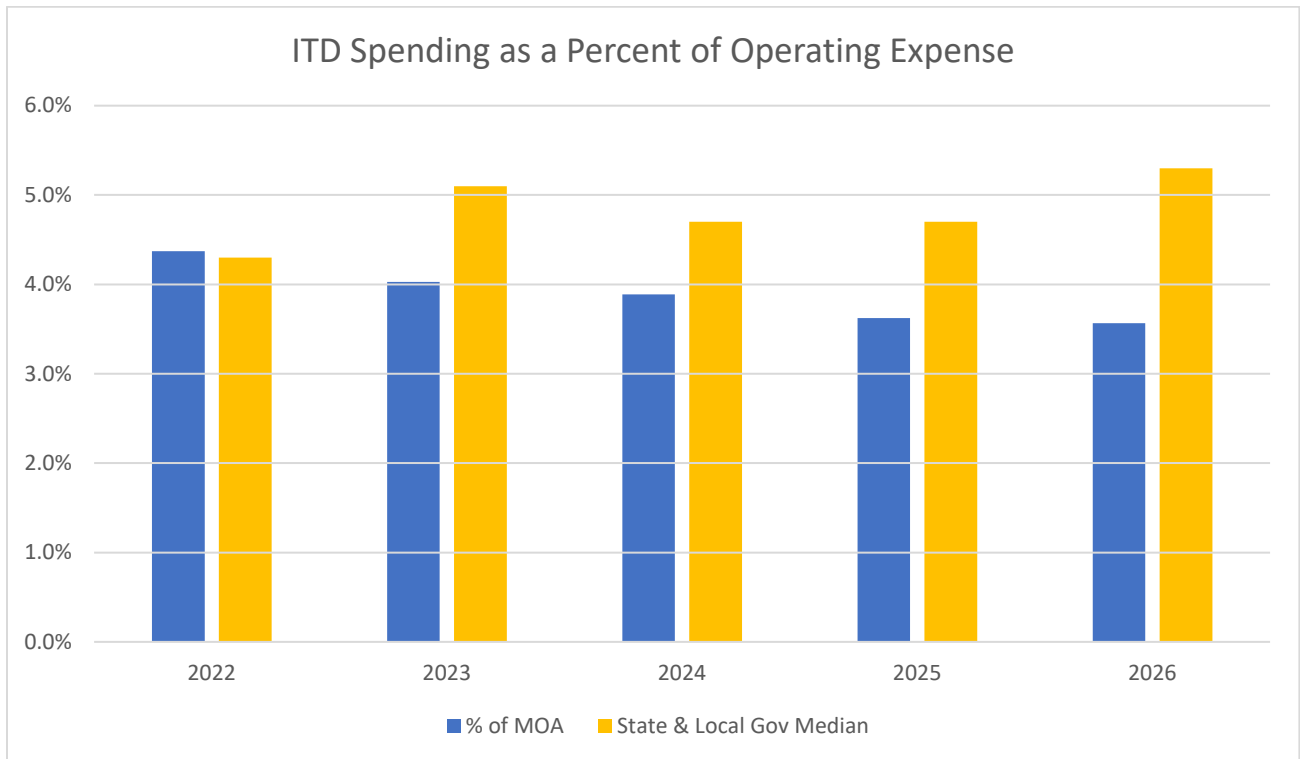
The data for the industry average for State and Local government study was taken from the “IT Key Metrics Data 2026: Industry Measures —Government — State and Local Analysis”, December 11, 2025 (ID: G00840337), published by Gartner®, an industry leader with IT research and advisory. <https://www.gartner.com>

Measure #1: IT Annual Spend as a Percent of MOA Annual Operating Expense

The IT Department's share of the Municipality of Anchorage's annual operating costs has declined each year, with the exception of the current year, when it is expected to remain at the same level as 2025. Because the overall MOA operating budget increased in 2026 while the ITD budget did not, ITD's percentage of total spending has continued to shrink.

According to Gartner, median IT spending for State and Local Government entities has risen from 4.7% of operating expenses in 2025 to 5.3% in 2026. This widens the gap between MOA's ITD spending and the industry median for comparable government organizations.

It is important to note that not all MOA technology expenditures fall within the ITD budget. For example, both APD and AFD maintain their own dedicated IT budgets.

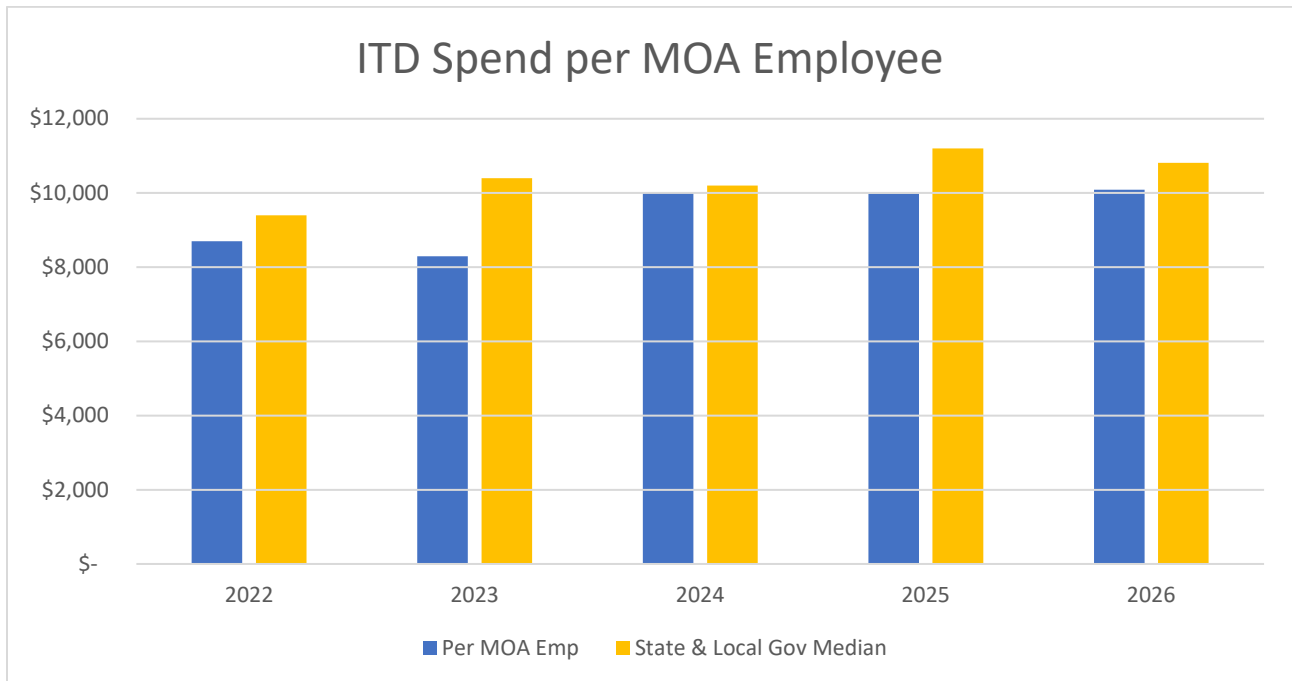


2026* is a budgeted spend versus prior years actual spend.

Measure #2: IT Annual Spend per MOA Employee

The IT Department's annual expenditures are used to calculate the IT cost per MOA employee. This is determined using the formula: IT Department Spend divided by the total number of MOA employees. The formula = IT Department Spend / the total # of MOA employees

As shown, the IT cost per employee increased in 2024 but remained steady in recent past and will continue to do so in 2026. The state and local government spend per employee has also fluctuated slightly in the past 4 years but has remained relatively steady since 2023.

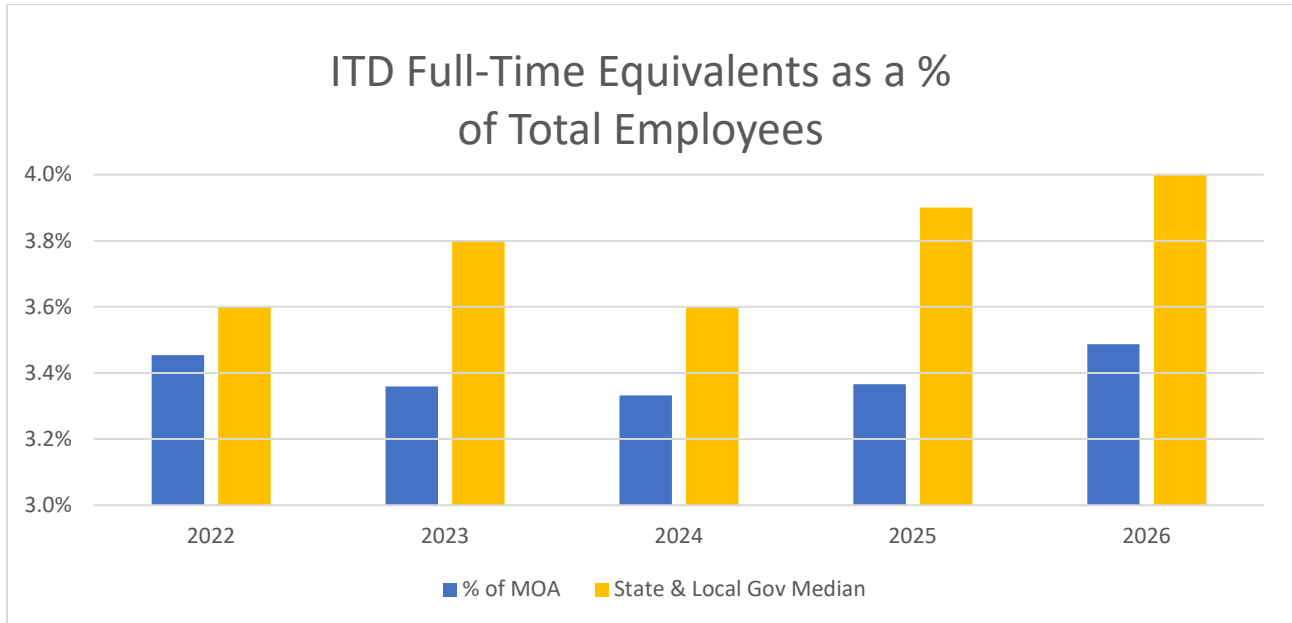


2026* is a projected spend versus prior years actual spend.

Measure #3: IT Full-Time Employees as a Percent of Total MOA Employees

The number of full-time employees in the IT Department has fluctuated slightly over the past four years; however, the current staffing level matches the count from 2022.

Even so, the IT Department's proportion of total MOA employees as a percentage of total MOA employees continues to be significantly lower than the state and local government proportional count.



2026* is a projected spend versus prior years actual spend.

Workers' Compensation Claims Information Technology

