

ANCHORAGE, ALASKA
AO No. 2023 – 40(S), As Amended

1 AN ORDINANCE OF THE MUNICIPALITY OF ANCHORAGE SETTING THE RATES OF
2 TAX LEVY, APPROVING THE AMOUNT OF MUNICIPAL PROPERTY TAX, AND
3 LEVYING TAXES FOR ALL SERVICE AREAS OF THE MUNICIPALITY OF
4 ANCHORAGE GENERAL GOVERNMENT FOR 2023.

5
6 THE ANCHORAGE ASSEMBLY ORDAINS:
7

8 **Section 1.** The Assembly hereby fixes the rates of tax levy for all service areas of the
9 Municipality of Anchorage general government for fiscal year 2023. The Anchorage
10 Assembly levies these taxes upon the full value of all assessed taxable real and personal
11 property as follows:

12		(0.03)
13		(0.40)
14	Section 2. Areawide General, Fund 101	a tax of (0.08) mills
15		
16	Section 3. City Service Area, Fund 102	a tax of 0.00 mills
17		
18	Section 4. Areawide EMS Lease, Fund 103	a tax of 0.02 mills
19		
20		1.00
21	Section 5. Chugiak Fire Service Area, Fund 104	a tax of 0.96 mills
22		
23	Section 6. Glen Alps Service Area, Fund 105	a tax of 2.75 mills
24		
25		5.35
26	Section 7. Girdwood Valley Service Area, Fund 106	a tax of 5.26 mills
27		
28	Section 8. Areawide APD IT Systems, Fund 107	a tax of 0.05 mills
29		
30	Section 9. Birch Tree/Elmore Limited Road Service Area, 31 Fund 111	a tax of 1.50 mills
32		
33	Section 10. Campbell Airstrip Road (Sec. 6) Limited Road 34 Service Area, Fund 112	a tax of 1.25 mills
35		
36	Section 11. Valli Vue Estates Limited Road Service Area, Fund 113	a tax of 1.40 mills
37		
38	Section 12. Skyranch Estates Limited Road Service Area, Fund 114	a tax of 1.30 mills
39		
40	Section 13. Upper Grover Limited Road Service Area, Fund 115	a tax of 1.00 mills
41		
42	Section 14. Raven Woods/Bubbling Brook Limited Road 43 Service Area, Fund 116	a tax of 1.50 mills
44		
45	Section 15. Mt. Park Estates Limited Road Service Area, Fund 117	a tax of 1.00 mills
46	Section 16. Mt. Park/Robin Hill Limited Road Service Area,	

1	Fund 118	a tax of 1.30 mills
2		
3	<u>Section 17.</u> Chugiak, Birchwood, Eagle River Rural Road,	
4	Service Area, Fund 119	a tax of 2.00 mills
5		
6	<u>Section 18.</u> Eaglewood Contributing Road Service Area, Fund 121	a tax of 0.40 mills
7		
8	<u>Section 19.</u> Gateway Contributing Road Service Area, Fund 122	a tax of 0.30 mills
9		
10	<u>Section 20.</u> Lakehill Limited Road Service Area, Fund 123	a tax of 1.50 mills
11		
12	<u>Section 21.</u> Totem Limited Road Service Area, Fund 124	a tax of 1.00 mills
13		
14	<u>Section 22.</u> Paradise Valley South Limited Road Service Area,	
15	Fund 125	a tax of 1.00 mills
16		
17	<u>Section 23.</u> SRW Homeowners Limited Road Service Area,	
18	Fund 126	a tax of 1.50 mills
19		
20	<u>Section 24.</u> Eagle River Street Light Service Area, Fund 129	a tax of 0.20 mills
21		
22		2.47
23	<u>Section 25.</u> Anchorage Fire Service Area, Fund 131	a tax of 2.36 mills
24		
25		2.88
26	<u>Section 26.</u> Anchorage Roads & Drainage Service Area, Fund 141	a tax of 2.78 mills
27		
28	<u>Section 27.</u> Talus West Limited Road Service Area, Fund 142	a tax of 1.30 mills
29		
30	<u>Section 28.</u> Upper O'Malley Limited Road Service Area,	
31	Fund 143	a tax of 2.00 mills
32		
33	<u>Section 29.</u> Bear Valley Limited Road Service Area, Fund 144	a tax of 1.50 mills
34		
35	<u>Section 30.</u> Rabbit Creek View & Rabbit Creek Heights	
36	Limited Road Service Area, Fund 145	a tax of 2.50 mills
37		
38	<u>Section 31.</u> Villages Scenic Parkway Limited Road Service Area,	
39	Fund 146	a tax of 1.00 mills
40		
41	<u>Section 32.</u> Sequoia Estates Limited Road Service Area, Fund 147	a tax of 1.50 mills
42		
43	<u>Section 33.</u> Rockhill Limited Road Service Area, Fund 148	a tax of 1.50 mills
44		
45	<u>Section 34.</u> South Goldenview Rural Road Service Area, Fund 149	a tax of 1.80 mills
46		
47	<u>Section 35.</u> Homestead Limited Road Service Area, Fund 150	a tax of 1.30 mills
48		
49		3.72
50	<u>Section 36.</u> Anchorage Metropolitan Police Service Area, Fund 151	a tax of 3.58 mills
51		
52		0.20
53	<u>Section 37.</u> Turnagain Arm Police Service Area, Fund 152	a tax of 0.19 mills
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0.75
Section 38. Anchorage Parks & Recreation Service Area, Fund 161 a tax of ~~0.72~~ mills

1.05
Section 39. Eagle River-Chugiak Parks & Recreation Service Area,
Fund 162 a tax of ~~1.04~~ mills

Section 40. Per the Charter’s Tax Limit, the General Government amount of property
taxes allowed is ~~\$317,856,990~~ ~~\$318,378,572~~; the amount to be collected is **\$317,799,100**
~~\$317,849,100~~ ~~\$315,329,815~~ ~~\$314,806,397~~.

Section 41. The total amount of property taxes levied for all service areas of the
Municipality of Anchorage general government for fiscal year 2023 is:

	<u>\$317,799,100</u>
	\$317,849,100
	<u>\$315,329,815</u>
Property Taxes to be Collected (per Charter Limit)	\$314,806,397
	\$ 24,120,693
Property Taxes from Service Areas (not subject to Charter Limit)	\$ 24,844,648
	<u>\$341,919,793</u>
	\$341,969,793
	<u>\$339,450,508</u>
Total General Government Taxes Levied	\$339,651,045

Section 42. These rates may be adjusted to include amendments and any associated
IGC impact as a result of the approved 2023 Revised Budget.

Section 43. *The Office of Management and Budget, in consultation with the
Municipal Clerk or designee, is authorized to make conforming changes reasonably
necessary to implement approved budget amendments or changes.*

44

Section 43. This ordinance shall take effect immediately upon passage and approval.

PASSED AND APPROVED by the Anchorage Assembly this 25th day of April, 2023.

Chair

ATTEST:

Municipal Clerk

OMB Note: To reflect the changes from the original version to this S version, a ~~strikethrough~~
identifies an amount being replaced, a number in **bold** is the new and/or replacement
amount; a number in **bold and italicized** is the resulting amount due to Assembly
Amendments; and a number in **bold, italicized, and underlined** is the resulting amount of
Mayor’s veto(es).



MUNICIPALITY OF ANCHORAGE

Assembly Memorandum

AM No.339–2023

Meeting Date: April 25, 2023

1 FROM: MAYOR

2
3 SUBJECT: AO 2023-40(S): AN ORDINANCE OF THE MUNICIPALITY OF
4 ANCHORAGE SETTING THE RATES OF TAX LEVY, APPROVING
5 THE AMOUNT OF MUNICIPAL PROPERTY TAX, AND LEVYING
6 TAXES FOR ALL SERVICE AREAS OF THE MUNICIPALITY OF
7 ANCHORAGE GENERAL GOVERNMENT FOR 2023.
8

9 This memorandum explains the S version changes to AO 2023-40:

10
11 To calculate mill rates, the property taxes are divided by the taxable assessed values,
12 within each service area.

13
14
$$\frac{\text{Service Area Tax Need for Tax Year}}{\text{Service Area Taxable Assessed Value}} \times 1,000 = \text{Mill Rate}$$

15
16

17 Changes due to impacts from passage of propositions from the April 4, 2023 election,
18 contingent upon certification of election results, include:

19
20 Proposition 3 - Anchorage Roads and Drainage Bonds (as of April 12, 2023, the Yes
21 votes for Proposition 3 are at 60.42%):

22 Tax cost increased \$45,000 in Anchorage Roads & Drainage Service Area (141) for
23 voter approved operations and maintenance costs on bond projects.
24

25 Proposition 12 - Residential Real Property Tax Exemption (as of April 12, 2023, the
26 Yes votes for Proposition 12 are at 72.79%):

27 The taxable assessed values went down for all funds, with the Areawide taxable
28 assessed value going down by about 3.5%.
29

30 For the service areas with mill rates not set by service area boards, the resulting mill
31 rates were increased since the amount that the tax dollars are divided by went down.
32

33 Many of the limited service areas are managed by boards and the boards identify what
34 they want their service area mill rate to be each year. The service area budgets are
35 then calculated to represent the board approved mill rates by multiplying the board
36 approved mill rates by the service area taxable assessed values.
37

38
$$\text{Board Approved Mill Rate} \times \text{Service Area Taxable Assessed Value} = \text{Budget} / 1,000$$

39

1 Since all the service area taxable assessed values changed with the passage of
2 Proposition 12, the budgets no longer represented the board approved mill rates. The
3 budgets were recalculated to remain at the mill rates approved by the respective
4 service area boards and the resulting change in tax cost to support those budgets is
5 reflected in the S version sections 40 and 41.

6
7 Changes due to passage of resolutions:

8
9 AR 2023-7, Assembly approved on January 10:

- 10 • Tax cost increased \$175,000 in Anchorage Fire Service Area Fund (131) for a
11 Public Information Officer (1 FTE).

12
13 AR 2023-95, Assembly approved on April 11, 2023:

- 14 • Tax cost increased \$470,000 in Anchorage Fire Service Area Fund (131) for one
15 additional academy.
16 • Tax cost increased \$400,000 in Anchorage Metropolitan Police Service Area Fund
17 (151) for continuation training.

18
19 These increases in tax costs were included in the mill rate calculations for the funds
20 noted and changes in tax cost in the S version sections 40 and 41.

21
22 Once the mill rates are set, they are applied to the net plant values of the municipal
23 utilities to determine the amounts of municipal utility assessments (MUSA) for the year.
24 The MUSA is subject to the tax cap and thus offset property taxes dollar for dollar and
25 these changes are included in S version sections 40 and 41.

26
27 The budget documents, as previously approved, are available at the following site:

28
29 <http://www.muni.org/Departments/budget/Pages/default.aspx>

30
31 The budget revisions will be made available at the above-mentioned site after
32 Assembly approval.

33
34 **THE ADMINISTRATION RECOMMENDS APPROVAL.**

35
36 Prepared by: Office of Management & Budget (OMB)
37 Approved by: Courtney Petersen, Director, OMB
38 Concur: Anne Helzer, Municipal Attorney
39 Concur: Grant Yutrzenka, CFO
40 Concur: Kent Kohlhase, Acting Municipal Manager
41 Respectfully Submitted: Dave Bronson, Mayor

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects -- General Government

AO Number: 2023-40 (S)

Title: **AN ORDINANCE OF THE MUNICIPALITY OF ANCHORAGE SETTING THE RATES OF TAX LEVY, APPROVING THE AMOUNT OF MUNICIPAL PROPERTY TAX, AND LEVYING TAXES FOR ALL SERVICE AREAS OF THE MUNICIPALITY OF ANCHORAGE GENERAL GOVERNMENT FOR 2023.**

Sponsor: **MAYOR**
 Preparing Agency: Office of Management & Budget
 Others Impacted:

CHANGES IN EXPENDITURES AND REVENUES:	(In Thousands of Dollars)				
	FY23	FY24	FY25	FY26	FY27
Operating Expenditures					
1000 Personal Services	\$ -	\$ -	\$ -	\$ -	\$ -
2000 Non-Labor	-	-	-	-	-
3900 Contributions	-	-	-	-	-
4000 Debt Service	-	-	-	-	-
TOTAL DIRECT COSTS:	\$ -	\$ -	\$ -	\$ -	\$ -
Add: 6000 Charges from Others	\$ -	\$ -	\$ -	\$ -	\$ -
Less: 7000 Charges to Others	-	-	-	-	-
FUNCTION COST:	\$ -	\$ -	\$ -	\$ -	\$ -
	\$339,451				
REVENUES:	\$ 339,654	\$ -	\$ -	\$ -	\$ -
CAPITAL:	\$ -	\$ -	\$ -	\$ -	\$ -
POSITIONS: FT/PT and Temp	0	0	0	0	0

PUBLIC SECTOR ECONOMIC EFFECTS:

A total of **\$339,450,508** ~~\$339,654,045~~ in property tax collection revenue will be received for General Government operations and debt for the 2023 calendar year.

PRIVATE SECTOR ECONOMIC EFFECTS:

A total of **\$339,450,508** ~~\$339,654,045~~ in property taxes for General Government operations and debt will be paid by Anchorage tax payers as an average tax rate of **9.35** ~~9.03~~ mills or **\$935** ~~\$903~~ per \$100,000 of taxable assessed valuation for the 2023 calendar year.

Prepared by: Office of Management & Budget

Telephone: 907-343-4496