

**[DRAFT] Municipal Budget Advisory Commission 2023 Proposed Budget Resolution,
November 2022**

Whereas; The Municipal Budget Advisory Commission (BAC) is an independent, volunteer-led citizen advisory board responsible to provide the assembly, the mayor, the school board, and the superintendent of schools well-informed advice as to budgets and budgeting process, as outlined in AMC 4.50.030; and

Whereas; Under AMC 4.50.030 The municipality and the school district shall provide sufficient staff assistance as needed by the commission in its review of the municipal and school budgets, respectively; and

Whereas; Under AMC 4.50.030 The purpose of the commission is to provide the assembly, the mayor, the school board and the superintendent of schools well-informed advice as to the budgets and budgeting process from citizen commission members who provide a broad, rather than a specific issue, interest in the budgets; and

Whereas; The BAC has reviewed the proposed 2023 budgets (General Government, Capital, and Utility & Enterprises) and heard a presentation of the proposed budget by the Office of Management and Budget at its special meeting on November 3, 2022, and

Whereas; The BAC endorses the Administration's stated objectives to invest in public safety, maintain strong core services, and regain the Municipality's AAA bond rating, and

Whereas; The BAC recognizes the Tax Cap as an instrument to limit the growth of government spending and supports its full application in the budget process by adjusting as required to account for losses in non-property taxes, adjusted for new construction, population, and consumer price index that maintains investment in public safety and basic government service as proposed in the 2023 budget; and

Whereas; The BAC supports the Administration's stated commitment to ensuring health and safety in Anchorage, including a focus on people in Anchorage facing homelessness and providing the necessary resources to provide a compassionate solution; and

Whereas; The BAC recognizes the proposed 2023 General Government operating budget of \$583.6 million represents a reduction of more than 4% from the 2022 revised budget when adjusted for inflation; and

Whereas; Beginning in 2021 the Municipality dedicated alcohol tax revenue toward a new mental health first responders model, the Mobile Crisis Team, as a new program within Anchorage Fire Department; and

Whereas; The Anchorage Assembly increased funding to the Mobile Crisis Team in the Revised 2022 budget, with the intention of increasing its level of service to provide 24/7 coverage; and

Whereas; In its first period of operation through July 2022, the Mobile Crisis Team responded to over 1,000 people experiencing a crisis and of those, over 80% were resolved without requiring

a transport to a hospital emergency department or corrections facility¹; the Mobile Crisis Team has received positive feedback from clients served by the program; and that generally, mental health first responder programs are effective at keeping people from police involvement and incarceration, which is not only an effective way to respond to a mental health crisis, but also saves money; and

Whereas; The Municipality's capital improvement program and capital budget, including projects approved by voters as capital bonds, is an important investment in our city's infrastructure and amenities, creating jobs, economic activity and long-lasting assets for our community; and

Whereas; The proposed bond amount in the 2023 Capital Improvement Budget of \$41.6 million represents an inflation-adjusted reduction of over 10% from the amount approved by voters in 2022;

Now Therefore Be It Resolved:

- 1) That the BAC recommends the Assembly approve the Proposed 2023 General Government Operating Budget, with any necessary amendments to ensure the Mobile Crisis Team continues to operate consistent with the intended program model, and with 24/7 service.
- 2) That the BAC recommends the Assembly approve the Proposed 2023 Capital Improvement Budget and 2023-2028 Capital Improvement Program, with consideration of additional capital improvement projects as appropriate to address the Municipality's aging infrastructure and maintenance needs.
- 3) That the BAC recommends the Assembly approve the Proposed 2023 Utility & Enterprise Operating and Capital Budgets.

Passed and approved by the Budget Advisory Commission on this date: **November 10, 2022**

Anna Brawley

Budget Advisory Commission, Chair

¹ Program statistics cited in Alaska Public Media, "Anchorage's Mobile Crisis Team hopes funding to operate 24/7 will expand ability to address mental health crises," [August 15, 2022](#).