

Municipal Clerk's Office

Immediate Reconsideration Failed

Date: April 27, 2021

Approved Date: April 27, 2021

Amended and Approved

Date: May 3, 2021

Mayoral veto was overridden on 5-3-21

ANCHORAGE, ALASKA

AO No. 2021-36, As Amended with Mayor Veto and Assembly Override

Submitted by: Chairman of the Assembly at the
Request of the Acting Mayor
Prepared by: Office of Management and Budget
For reading: April 13, 2021

**AN ORDINANCE 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 2021.**

THE ANCHORAGE ASSEMBLY ORDAINS:

Section 1. The Assembly hereby fixes the rates of tax levy for all service areas of the Municipality of Anchorage general government for fiscal year 2021. The Anchorage Assembly levies these taxes upon the full value of all assessed taxable real and personal property as follows:

Section 2. Areawide General, Fund 101 a tax of **2.61** ~~[2.54]~~ mills

Section 3. City Service Area, Fund 102 a tax of 0.00 mills

Section 4. Areawide EMS Lease, Fund 103 a tax of 0.02 mills

Section 5. Chugiak Fire Service Area, Fund 104 a tax of 1.00 mills

Section 6. Glen Alps Service Area, Fund 105 a tax of 2.75 mills

Section 7. Girdwood Valley Service Area, Fund 106 a tax of 5.07 mills

Section 8. Areawide APD IT Systems, Fund 107 a tax of 0.04 mills

Section 9. Birch Tree/Elmore Limited Road Service Area,
Fund 111 a tax of 1.50 mills

Section 10. Campbell Airstrip Road (Sec. 6) Limited Road
Service Area, Fund 112 a tax of 1.25 mills

Section 11. Valli Vue Estates Limited Road Service Area, Fund 113 a tax of 1.40 mills

Section 12. Sky ranch Estates Limited Road Service Area, Fund 114 a tax of 1.30 mills

Section 13. Upper Grover Limited Road Service Area, Fund 115 a tax of 1.00 mills

Section 14. Raven Woods/Bubbling Brook Limited Road
Service Area, Fund 116 a tax of 1.50 mills

Section 15. Mt. Park Estates Limited Road Service Area, Fund 117 a tax of 1.00 mills

<u>Section 16.</u>	Mt. Park/Robin Hill Limited Road Service Area, Fund 118	a tax of 1.30 mills
<u>Section 17.</u>	Chugiak, Birchwood, Eagle River Rural Road, Service Area, Fund 119	a tax of 1.92 mills
<u>Section 18.</u>	Eaglewood Contributing Road Service Area, Fund 121	a tax of 0.38 mills
<u>Section 19.</u>	Gateway Contributing Road Service Area, Fund 122	a tax of 0.29 mills
<u>Section 20.</u>	Lakehill Limited Road Service Area, Fund 123	a tax of 1.50 mills
<u>Section 21.</u>	Totem Limited Road Service Area, Fund 124	a tax of 1.00 mills
<u>Section 22.</u>	Paradise Valley South Limited Road Service Area, Fund 125	a tax of 1.00 mills
<u>Section 23.</u>	SRW Homeowners Limited Road Service Area, Fund 126	a tax of 1.50 mills
<u>Section 24.</u>	Eagle River Street Light Service Area, Fund 129	a tax of 0.10 mills
<u>Section 25.</u>	Anchorage Fire Service Area, Fund 131	a tax of 1.49 mills
<u>Section 26.</u>	Anchorage Roads & Drainage Service Area, Fund 141	a tax of 2.55 mills
<u>Section 27.</u>	Talus West Limited Road Service Area, Fund 142	a tax of 1.30 mills
<u>Section 28.</u>	Upper O'Malley Limited Road Service Area, Fund 143	a tax of 2.00 mills
<u>Section 29.</u>	Bear Valley Limited Road Service Area, Fund 144	a tax of 1.50 mills
<u>Section 30.</u>	Rabbit Creek View & Rabbit Creek Heights Limited Road Service Area, Fund 145	a tax of 2.50 mills
<u>Section 31.</u>	Villages Scenic Parkway Limited Road Service Area, Fund 146	a tax of 1.00 mills
<u>Section 32.</u>	Sequoia Estates Limited Road Service Area, Fund 147	a tax of 1.50 mills
<u>Section 33.</u>	Rockhill Limited Road Service Area, Fund 148	a tax of 1.50 mills
<u>Section 34.</u>	South Goldenview Rural Road Service Area, Fund 149	a tax of 1.80 mills
<u>Section 35.</u>	Homestead Limited Road Service Area, Fund 150	a tax of 1.30 mills
<u>Section 36.</u>	Anchorage Metropolitan Police Service Area, Fund 151	a tax of 2.08 mills

Section 37. Turnagain Arm Police Service Area, Fund 152 a tax of 0.26 mills

Section 38. Anchorage Parks & Recreation Service Area, Fund 161 a tax of 0.76 mills

Section 39. Eagle River-Chugiak Parks & Recreation Service Area,
Fund 162 a tax of 1.06 mills

Section 40. Per the Charter's Tax Limit, the General Government amount of property
taxes allowed is \$297,714,363; the amount to be collected is \$297,714,363.

Section 41. The total amount of property taxes levied for all service areas of the
Municipality of Anchorage general government for fiscal year 2021 is:

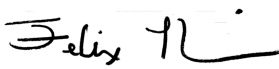
Property Taxes to be Collected (per Charter Limit)	\$297,714,363
Property Taxes from Service Areas (not subject to Charter Limit)	<u>\$ 21,513,660</u>
Total General Government Taxes Levied	<u>\$319,228,023</u>

Section 42. These rates may be adjusted to include amendments and any associated
IGC impact as a result of the approved 2021 Revised Budget. **The Areawide General Fund
101 rate shall also be adjusted to reflect tax revenue offset by COVID-19 relief spent
on first responders for those taxpayers outside of the Anchorage Police and/or Fire
Service Areas by providing downward adjustments of:**

- **1.14 mills for tax districts outside the Anchorage Fire Service Area that are
within the Anchorage Metropolitan Police Service Area (Tax Districts 5, 16, 30,
42, 47, 55, 56, and 58), and**
- **2.62 mills for tax districts that are outside the Anchorage Police and
Anchorage Fire Service Areas (Tax Districts 4 and 15).**

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

PASSED AND APPROVED by the Anchorage Assembly this 3rd day of May, 2021.


Chair

ATTEST:


Municipal Clerk



MUNICIPALITY OF ANCHORAGE

Assembly Memorandum

AM No. 195 – 2021

Meeting Date: April 13, 2021

FROM: ACTING MAYOR

**SUBJECT: AN ORDINANCE 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
2021.**

This memorandum transmits the ordinance to establish the 2021 tax rates and tax levies for all service areas of the Municipality of Anchorage general government.

The tax rates and tax levies shown in the attached ordinance are those required to support the revised 2021 General Government Operating Budget.

THE ADMINISTRATION RECOMMENDS APPROVAL.

Prepared by:	Office of Management & Budget (OMB)
Approved by:	Lance Wilber, Director, OMB
Concur:	Kathryn Vogel, Municipal Attorney
Concur:	Alexander Slivka, CFO
Concur:	Anna C. Henderson, Municipal Manager
Respectfully Submitted:	Austin Quinn-Davidson, Acting Mayor



MUNICIPALITY OF ANCHORAGE

OFFICE OF THE MAYOR

MEMORANDUM

DATE: April 30, 2021

To: Anchorage Assembly
Felix Rivera, Assembly Chair

FROM: Acting Mayor Austin Quinn-Davidson *AQD*

SUBJECT: Veto of AO 2021-36

Pursuant to the authority vested in me by Charter section 5.02(c), I hereby veto AO 2021-36, AN ORDINANCE 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 2021.

The reason(s) for this veto are as follows:

1. I offer this veto to create an opportunity for the assembly to reconsider and adjust the approved mill rates for fiscal year 2021 in order to correct an anomalous result for a small number of residents in our municipality. The mill rate calculation methodology used in 2021 and embodied in AO 2021-36 is the same methodology used in previous years. But in 2020, much of the municipal spending on COVID-19 relief efforts for the benefit of all Anchorage residents came from the areawide general fund, which has contributed to the increase in Areawide General Fund 101 mill rates that the Assembly approved in this ordinance. Because federal COVID-19 relief dollars were spent on first responder payroll in 2020, the impact on police and fire service areas resulted in lower-than-normal mill rates this year to support those services. This lower mill rate for police and fire services helped offset the increase in the Areawide General, Fund 101 mill rates for most individuals in the municipality. But individuals outside of the service areas that benefited from federal assistance of first responder payroll (including areas of

Girdwood as well as parts of Eagle River, Chugiak, and of the Hillside)¹ would experience the mill rates, as passed, as an increase in taxation without any offset for the decreased mill rates for the police and fire services. Neither the assembly nor the administration intended that a fraction of Anchorage residents should experience disproportionately higher taxes due to municipal spending on COVID-19 relief programs for all residents. The administration proposes that the assembly take the opportunity of this veto to reconsider the issue of mill rates at a special meeting on Monday, May 3, 2021, in order to create a one-time adjustment to the areawide mill rates that will eliminate the disproportionate impacts of the current ordinance.

¹ Specifically, Tax Districts 4 (Girdwood Valley) and 15 (Muni/Outside Bowl w/o APD); 5 (Glen alps SA w/o Fire); 16 (Muni/Outside Bowl with Police); 30 (Eagle River Valley RRSA w/no Fire); 42 (View Point); 47 (Gateway Contributing RSA); 55 (South Goldenview RRSA w/o Fire); 56 (Bear Valley LRSA w/o Fire); 58 (Eagle River Valley RRSA w/ ERS� w/o Fire).

Proposed 2021 Mill Rate Adjustments

May 3, 2021

Proposed One-Time Adjustments to 10 Tax Districts

- **Adjust 10 selected tax districts as a result of receipt and application of CARES/COVID-19 relieve funds**
- **Address unintended results of mill levy formula due to unique circumstances**
- **Fair & Equitable tax benefit from the application of CARES funds First Responder Payroll to all Tax Districts**
- **Make reasonable adjustments to those tax districts with a disproportional impacts to outside the Fire Service Area or are outside both the Anchorage & Fire Services Areas**

2021 Mill Rates



The Areawide Fund mill rate is higher than last year due to the following factors:

- **Increase in fund balance reserve requirement**
- **Higher department costs**
- **Lower revenues**
- **Lower overall total of assessed values**

The Police and Fire service area mill rates are lower than last year due application of CARES Act /COVID-19 relieve funds applied to First Responder payroll

2020 CARES Act Funding



The 2020 CARES Act Funding was used, in line with regulations, to fund first responder payroll, which resulted in 2021 reduced fund balance reserve requirements for:

- **Fire Service Area – \$36,671,337.20**
- **Police Service Area – \$49,948,061.43**

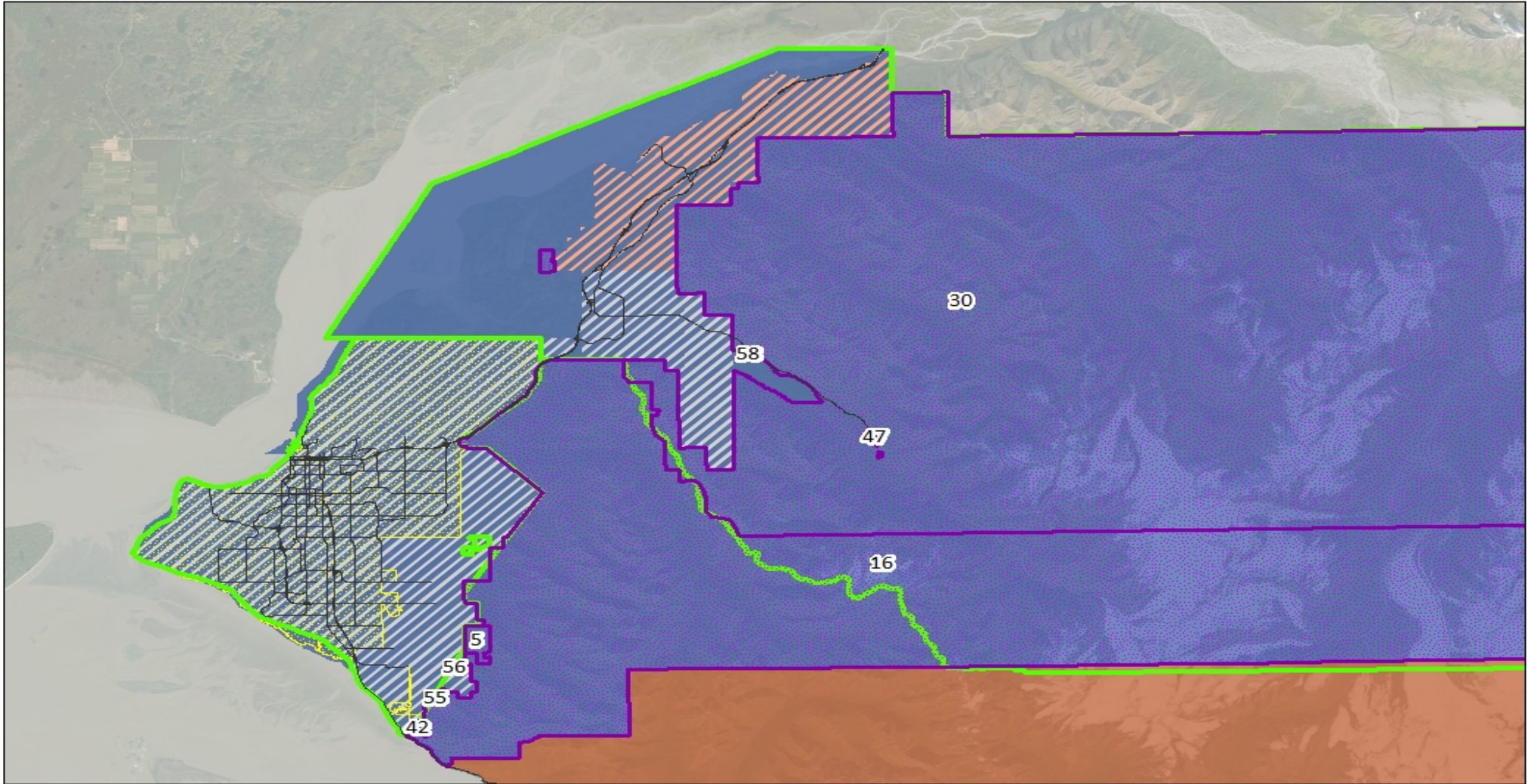
2020 & 2021 COVID-19 Programs



COVID-19 Programs funded in Areawide to support all Anchorage citizens:

- **Tourism Industry Support**
- **Small Business Hospitality & Tourism**
- **Rental & Mortgage Assistance Program**
- **Child Care Assistance**
- **Girdwood Health Clinic**
- **RuralCap Weatherization**
- **Voucher Program**
- **Covenant House**
- **Public & Mental Health Support to ASD**
- **Others**

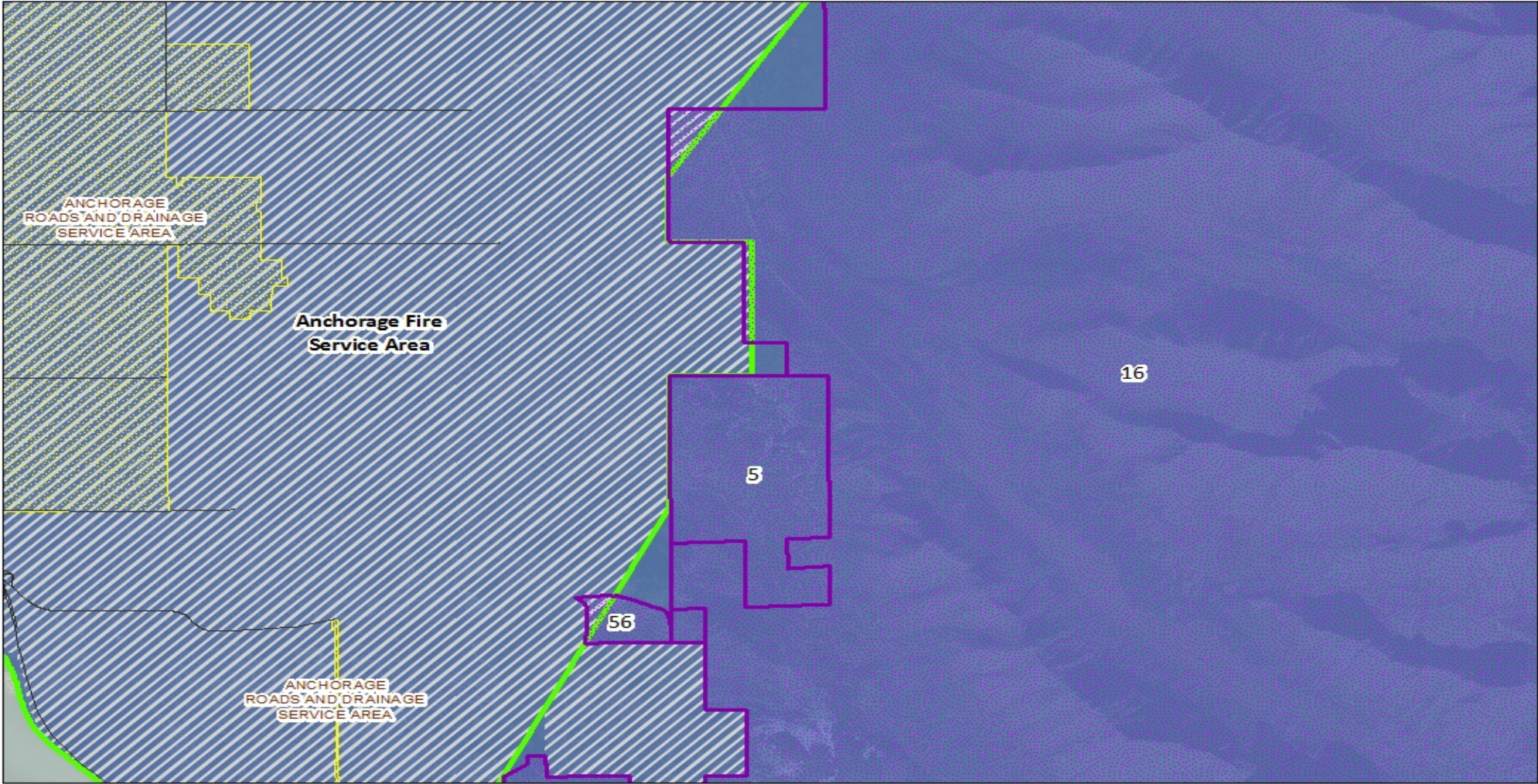
Tax District and Service Areas



Legend

- | | | |
|--------------------------|-----------------------------|----------------------------------|
| Tax Districts (selected) | Fire Service Areas | Police (by Tax District) |
| Park Service Areas | Anchorage Fire Service Area | Anchorage Metropolitan Police SA |
| ARDSA | Chugiak Fire Service Area | Turnagain Arm Police SA |

Tax District and Service Areas

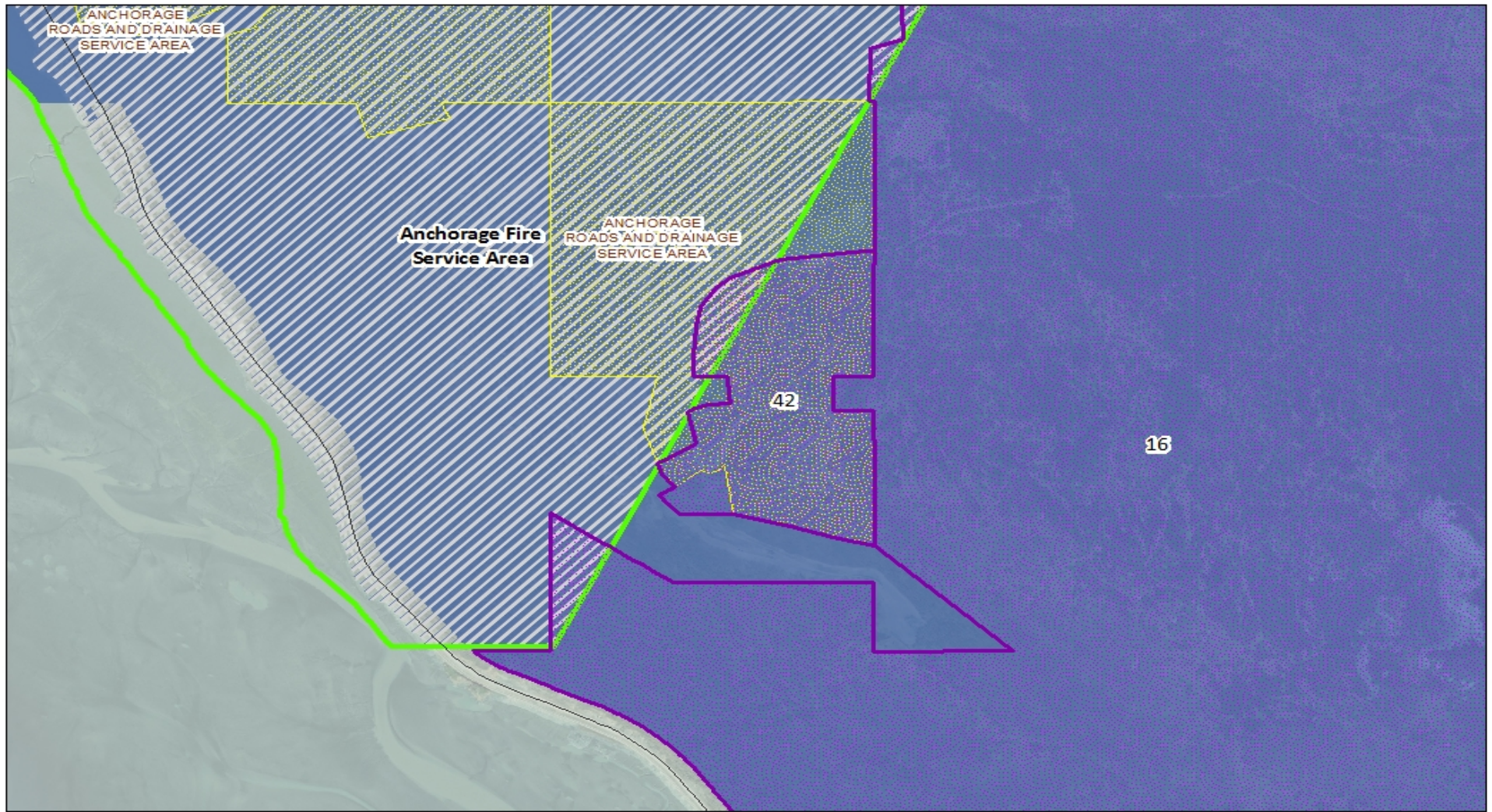


Legend






- | | | |
|--|---|--|
|  Tax Districts (selected) | Fire Service Areas | Police (by Tax District) |
|  Park Service Areas |  Anchorage Fire Service Area |  Anchorage Metropolitan Police SA |
|  ARDSA | | |

Date: 5/3/2021

Tax District and Service Areas



Legend

- | | | |
|--|---|--|
|  Tax Districts (selected) | Fire Service Areas | Police (by Tax District) |
|  Park Service Areas |  Anchorage Fire Service Area |  Anchorage Metropolitan Police SA |
|  ARDSA | | |

Date: 5/3/2021

Proposed-Revised Mill Rate for Areawide Fund 101



DRAFT with adjustments based on AW AV

			\$ per	
	Areawide	Mill Rate	\$ 100	K
2021 Areawide Fund 101 at 2021 Assessed Value		2.54	\$ 254	
Change to Tax to the Cap		0.07	\$ 7	
2021 Areawide Fund 101 at 2021 Assessed Value Tax to Cap		2.61	\$ 261	
Areawide EMS Lease Fund 103		0.02	\$ 2	
AW APD IT Systems Special Levy Fund 107		0.04	\$ 4	
Other Funds in Areawide 103, 107		0.06	\$ 6	
2021 Areawide, All Funds 101, 103, 107		2.67	\$ 267	

Proposed-Revised Mill Rate for Girdwood



DRAFT

		101 - 2.61	131	151	161	106		129									
		103 - .02	104	152	162		Levy w/o ASD, ERSL, & LRSA	Eagle River Street Lights Service Area	Various Limited Road Service Area	Levy w/o ASD	School District (ASD)	Total Levy	Tax District				
		107 - .04															
						Parks & Rec Levy											
	Tax District	Area	Fire	Police	Rec									100 K	438.2 K		
		wid												Assessed Value	Assessed Value		
Girdwood Valley	4	2.67	-	-	-	5.07	7.74	-	-	7.74	8.47	16.21	4	1,621	7,103		
Fire First Responder Relief		(1.14)					(1.14)			(1.14)		(1.14)		(114)	(500)		
Police First Responder Relief		(1.48)					(1.48)			(1.48)		(1.48)		(148)	(649)		
Total First Responder Relief		(2.62)				-	(2.62)			(2.62)		(2.62)		(262)	(1,148)		
Girdwood Valley w Fire, Police 1st Responder	4	0.05	-	-	-	5.07	5.12	-	-	5.12	8.47	13.59	4	1,359	5,955		

Tax District		Areawide Mill Levey 101,103,107	Adjustment for ADP and/or AFD First Responder Relief	Proposed -New Adjusted Areawide Mill Levy
4	Girdwood Valley	2.67	-2.62	0.05
15	Muni/Outside Bowl w/o APD & w/o Fire (but Turnagain Arm Police)	2.67	- 2.62	0.05
5	Glen Alps SA with APD; w/o Fire	2.67	-1.14	1.53
16	Muni/Outside Bowl with Police	2.67	-1.14	1.53
30	Eagle River Valley RRSA with APD; w/o Fire	2.67	-1.14	1.53
42	View Point with APD; w/o Fire	2.67	-1.14	1.53
47	Gateway Contributing RSA with APD; w/o Fire	2.67	-1.14	1.53
55	South Goldenview RRSA with APD; w/o Fire	2.67	-1.14	1.53
56	Bear Valley LRSA with APD; w/o Fire	2.67	-1.14	1.53
58	Eagle River Valley RRSA w/ ERS�, with APD; w/o Fire	2.67	-1.14	1.53