

## **Appendix R**

### **Alcoholic Beverages Retail Sales Tax Program**

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#### **Purpose**

The net receipts from the alcoholic beverages retail sales tax, after payment of the costs of administration, collection, and audit to the municipality, are dedicated and shall be available to use only for:

- Funding for police, related criminal justice personnel, and first responders
- Funding to combat and address child abuse, sexual assault, and domestic violence
- Funding for substance misuse treatment, prevention programs, detoxification or long-term addiction recovery facilities, mental and behavioral health programs, and resources to prevent and address Anchorage's homelessness crisis.

The dedicated net receipts shall only be used to provide additional service levels above the 2020 baseline. The net receipts described shall not be used to supplant funding for existing service levels contained in the actual operating budget for fiscal year 2020 and the funding to provide for and maintain that level of service in subsequent years.

#### **Description**

Ordinance AO 2019-148(S-1), As Amended submitted to the qualified voters of the Municipality of Anchorage at the regular municipal election on April 7, 2020 as Proposition 13 passed 51.24% yes to 48.76% no. Proposition 13 amends the Anchorage Municipal Charter by adding a new Section 14.07 Alcoholic beverages retail sales tax. The assembly is authorized to levy a five percent (5%) tax on all retail sales of alcoholic beverages. The tax levy shall be effective February 1, 2021.

No increase of the alcoholic beverages retail sales tax above five percent (5%) or change of the use of its proceeds may be made without approval of the majority of qualified voters voting on the question.

At least 120 days before the end of the fiscal year of the municipality and at such other times as the assembly directs, the mayor shall submit to the assembly a report of the tax revenues collected and expended. The report of expenses shall be itemized by each authorized use or purpose and presented to the public.

AO 2020-57(S), passed and approved by the Anchorage Assembly on June 23, 2020 added Anchorage Municipal Code (AMC) Chapter 12.65, Alcoholic Beverages Retail Sales Tax to establish the requirements and procedures for the administration, collection, and enforcement of the alcoholic beverages retail sales tax.

In accordance with AO 2019-148(S-1), As Amended, Section 3. the Municipality created fund 206000 Alcoholic Beverages Retail Sales Tax Fund to account for the revenues and expenditures of the tax proceeds.

2022 Approved General Government Operating Budget

Line	Department/Agency Description	(1) Time / Recurring	Filled Positions	Vacant Positions	2021 Cost	2022 Proposed Total	Assembly Amends	Mayor Vetoes	Veto Overrides / Legal Review / Implementation			CFO Unable to Fund Cert Bed Tax and Alc Fund Bal	2022 Approved Total	Line	
									Alloc of Line 32 "Credit"	MCT from Police to Fire	Funded w/ Bed Tax and Alc Fund Bal				
<b>Child Abuse, Sexual Assault, and Domestic Violence</b>															
1	Health	Early Education grants to providers	R	-	2,000,000	1,000,000	1,000,000	(750,000)	152,698	-	597,302	(597,302)	1,402,698	1	
2	Health	Evidence-based grants to providers for child abuse, sexual assault, domestic violence prevention programs - funds Victims for Justice, AWAIC, and other grantees from the Anchorage Health Department	R	-	1,750,000	1,750,000	250,000	(250,000)	50,900	-	199,100	(199,100)	1,800,900	2	
3	Health	2021 1Q - Constant #2 - fund Victims for Justice (\$125K), AWAIC, and other grantees from the Anchorage Health Department funded with reduction in evidence-based grants child abuse and domestic program	R	-	250,000	-	250,000	-	-	-	-	-	250,000	3	
4	Health	ADVSAIP - reinstate remainder of APD officer and DOL clerk to hold DVSA offenders accountable - grant funding lost mid-year 2019	R	-	44,620	44,620	-	-	-	-	-	-	44,620	4	
5	Library	Early Literacy Specialist	R	1	94,080	119,332	-	-	-	-	-	-	119,332	5	
6	<b>Total Child Abuse, Sexual Assault, and Domestic Violence</b>			<b>1</b>	<b>\$ 4,138,700</b>	<b>\$ 2,913,952</b>	<b>\$ 1,500,000</b>	<b>\$(1,000,000)</b>	<b>\$ 203,598</b>	<b>\$ -</b>	<b>\$ 796,402</b>	<b>\$ (796,402)</b>	<b>\$ 3,617,550</b>	<b>6</b>	
7															
8	<b>Running Subtotal of Alcoholic Beverages Retail Sales Tax Program</b>			<b>1</b>	<b>\$ 4,138,700</b>	<b>\$ 2,913,952</b>	<b>\$ 1,500,000</b>	<b>\$(1,000,000)</b>	<b>\$ 203,598</b>	<b>\$ -</b>	<b>\$ 796,402</b>	<b>\$ (796,402)</b>	<b>\$ 3,617,550</b>	<b>8</b>	
9	<b>First Responders</b>														
10	Fire	First Responders - Mental Health First Responders - two (2) Firefighter/Paramedics, two (2) Social Workers, two (2) Mental Health Clinicians, one (1) Administrative Officer, one (1) Battalion Chief	R	(1)	(7)	1,575,180	-	1,575,180	(1,575,180)	168,004	750,000	657,176	(657,176)	918,004	10
11	Fire	First Responders - Crisis Intervention Training for Whittier Police Department and Girdwood Fire & Rescue	R	-	-	-	-	16,691	(16,691)	3,398	-	13,293	(13,293)	3,398	11
12	Municipal Attorney	First Responders - one (1) Prosecutor, one (1) Clerk and related operating non-labor	R	-	2	238,467	240,987	-	-	-	-	-	240,987	12	
13	Police	First Responders - two (2) Crime Analysts, one (1) Identification Technician, and one (1) Dispatcher, additional operating related non-labor	R	2	2	542,787	552,890	-	-	-	-	-	552,890	13	
14	Police	First Responders - eliminate one (1) Data Systems Technician	R	-	(1)	118,981	-	-	-	-	-	-	-	14	
15	Police	Mobile Crisis Team (MCT) contract costs	R	-	-	-	750,000	(750,000)	750,000	-	(750,000)	-	-	15	
16	<b>Total First Responders</b>			<b>1</b>	<b>(4)</b>	<b>\$ 2,475,415</b>	<b>\$ 1,543,877</b>	<b>\$ 841,871</b>	<b>\$(841,871)</b>	<b>\$ 171,402</b>	<b>\$ -</b>	<b>\$ 670,469</b>	<b>\$ (670,469)</b>	<b>\$ 1,715,279</b>	<b>16</b>
17															
18	<b>Running Subtotal of Alcoholic Beverages Retail Sales Tax Program</b>			<b>2</b>	<b>(4)</b>	<b>6,614,115</b>	<b>4,457,829</b>	<b>2,341,871</b>	<b>(1,841,871)</b>	<b>375,000</b>	<b>-</b>	<b>1,466,871</b>	<b>(1,466,871)</b>	<b>5,332,829</b>	<b>18</b>
19	<b>Homelessness, Mental Health, and Substance Misuse</b>														
20	CFO	Pay for Success/Home for Good - housing program	R	-	-	1,800,000	1,800,000	-	-	-	-	-	1,800,000	20	
21	Health	Principal Accountant	R	1	-	117,495	144,209	-	-	-	-	-	144,209	21	
22	Health	Grant Acquisition/Contracting Officer	R	1	-	100,552	121,249	-	-	-	-	-	121,249	22	
23	Health	Senior Office Associate	R	1	-	76,368	85,079	-	-	-	-	-	85,079	23	
24	Health	Epidemiologist	R	-	1	-	162,003	(162,003)	162,003	-	-	(162,003)	162,003	24	
25	Health	Housing and Homeless Services Program Manager	R	1	-	-	148,124	-	-	-	-	-	148,124	25	
26	Health	Housing and Homeless Services Response Coordinator	R	1	-	-	111,175	-	-	-	-	-	111,175	26	
27	Health	Senior Office Associate	R	1	-	-	83,369	(83,369)	83,369	-	-	(83,369)	83,369	27	
28	Health	one (1) Public Health Nursing Supervisor and five (5) Public Health Nurses	R	6	-	-	816,525	(816,525)	816,525	-	-	(816,525)	816,525	28	
29	Health	Full year non labor funding for homelessness and housing administration for operational needs	R	-	-	45,000	45,000	-	-	-	-	-	45,000	29	
30	Health	Overnight shelter for 150 individuals	R	-	-	360,000	360,000	-	-	-	-	-	360,000	30	
31	Health	Operational costs for shelter, day center and/or treatment center	R	-	-	500,000	2,508,664	-	-	-	-	-	2,508,664	31	
32	Health	Day Engagement/Shelter Operations	R	-	-	1,000,000	1,000,000	(375,000)	375,000	(375,000)	-	-	625,000	32	
33	Library	Community Resource Coordinator	R	1	-	-	104,235	-	-	-	-	-	104,235	33	
34	Library	Asst. Community Resource Coordinators	R	2	-	-	201,978	-	-	-	-	-	201,978	34	
35	Parks & Recreation	Healthy Spaces - expand camp abatement to year-round to include storage	R	6	3	605,132	643,691	-	-	-	-	-	643,691	35	
36	<b>Total Homelessness, Mental Health, and Substance Misuse</b>			<b>21</b>	<b>4</b>	<b>\$ 4,604,547</b>	<b>\$ 8,335,301</b>	<b>\$(1,436,897)</b>	<b>\$ 1,436,897</b>	<b>\$(375,000)</b>	<b>\$ -</b>	<b>\$(1,061,897)</b>	<b>\$ 1,061,897</b>	<b>\$ 7,960,301</b>	<b>36</b>
37															
38	<b>Running Subtotal of Alcoholic Beverages Retail Sales Tax Program</b>			<b>23</b>	<b>-</b>	<b>\$ 11,218,662</b>	<b>\$ 12,793,130</b>	<b>\$ 904,974</b>	<b>\$(404,974)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 404,974</b>	<b>\$(404,974)</b>	<b>\$ 13,293,130</b>	<b>38</b>
39	<b>Administration, Collection, and Audits to the Municipality</b>														
40	Equity & Justice	Equity & Justice Officer	R	1	-	142,748	186,418	-	-	-	-	-	186,418	40	
41	Finance	One (1) Tax Enforcement Officer I and one (1) Tax Enforcement Officer II	R	2	-	208,830	235,449	-	-	-	-	-	235,449	41	
42	Finance	Full year funding for non labor costs supporting new alcohol tax enforcement	R	-	-	4,000	4,000	-	-	-	-	-	4,000	42	
43	Mayor	Administration/Collections - Education and reporting on programs	R	-	-	50,000	-	-	-	-	-	-	-	43	
44	Multiple Depts / Proc	Calculated IGCs	R	-	-	86,904	61,153	-	-	-	-	-	61,153	44	
45	<b>Total Administration, Collection, and Audits to the Municipality</b>			<b>3</b>	<b>-</b>	<b>\$ 492,482</b>	<b>\$ 487,020</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 487,020</b>	<b>45</b>
46															
47	<b>Running Subtotal of Alcoholic Beverages Retail Sales Tax Program</b>			<b>26</b>	<b>-</b>	<b>11,711,144</b>	<b>13,280,150</b>	<b>904,974</b>	<b>(404,974)</b>	<b>-</b>	<b>-</b>	<b>404,974</b>	<b>(404,974)</b>	<b>13,780,150</b>	<b>47</b>
48															
49	<b>Alcoholic Beverages Retail Sales Tax Revenues</b>					<b>11,830,150</b>	<b>13,280,150</b>	<b>500,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,780,150</b>	<b>49</b>
50	<b>Alcoholic Beverages Retail Sales Tax Fund Balance</b>					<b>-</b>	<b>-</b>	<b>404,974</b>	<b>(404,974)</b>	<b>-</b>	<b>-</b>	<b>404,974</b>	<b>(404,974)</b>	<b>-</b>	<b>50</b>
51															
52	<b>Balance of Alcoholic Beverages Retail Sales Tax Revenues</b>					<b>119,006</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>52</b>