



SITKA TRENDS ECONOMIC NEWSLETTER

September 2023

Save the Date



Southeast Conference is being hosted in Sitka, September 19-21st. Interested in what will be discussed? Check out the agenda and keynote speakers here.

SEDA will be hosting the 7th annual Alaska Day Brewfest Wednesday, October 18th outside of Centennial Hall directly following the parade. We are excited to host this event again this year and have a variety of brewers from around the state already committed to joining us to celebrate. Additionally, we will be having a chili cook, music, food vendors, kid's games, Alaska Airlines ticket raffle, and more. Keep an eye out for ticket sales at Old Harbor Books to beat the lines! Interested in volunteering, let us know!

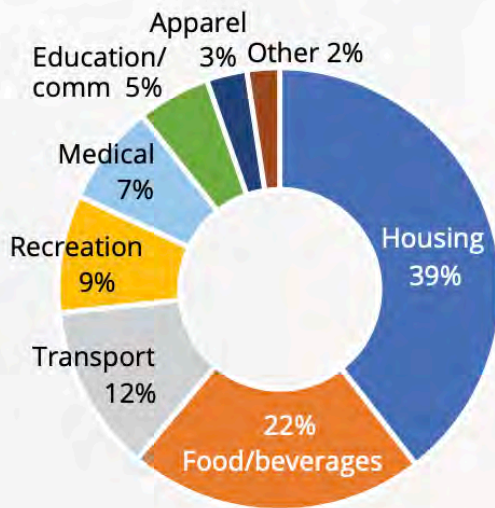


Cost of Living Trend Indicators

The State of Alaska Economic Trends Report for July 2023 unpacked some cost-of-living indicators and discussed why they directly impact family's ability to thrive, or not, in Alaska. I think we all would agree that while the views may

be priceless, the cost of living on an island in Alaska comes at a premium. Below is a brief snapshot of the breakdown of expenditures for the typical urban Alaskan in 2022. Most notably, there is not a lot of room for discretionary spending. When nearly 70% of monthly spending is accounted for by food, housing & transport alone there is not a lot of room for extras. Add in childcare costs (not accounted for on the chart) and healthcare and there really is little wiggle room. This is something families are considering when looking at moving to (or away from) Sitka. Similarly, businesses are looking at how this impacts their ability to thrive year-round or perhaps only during tourist season.

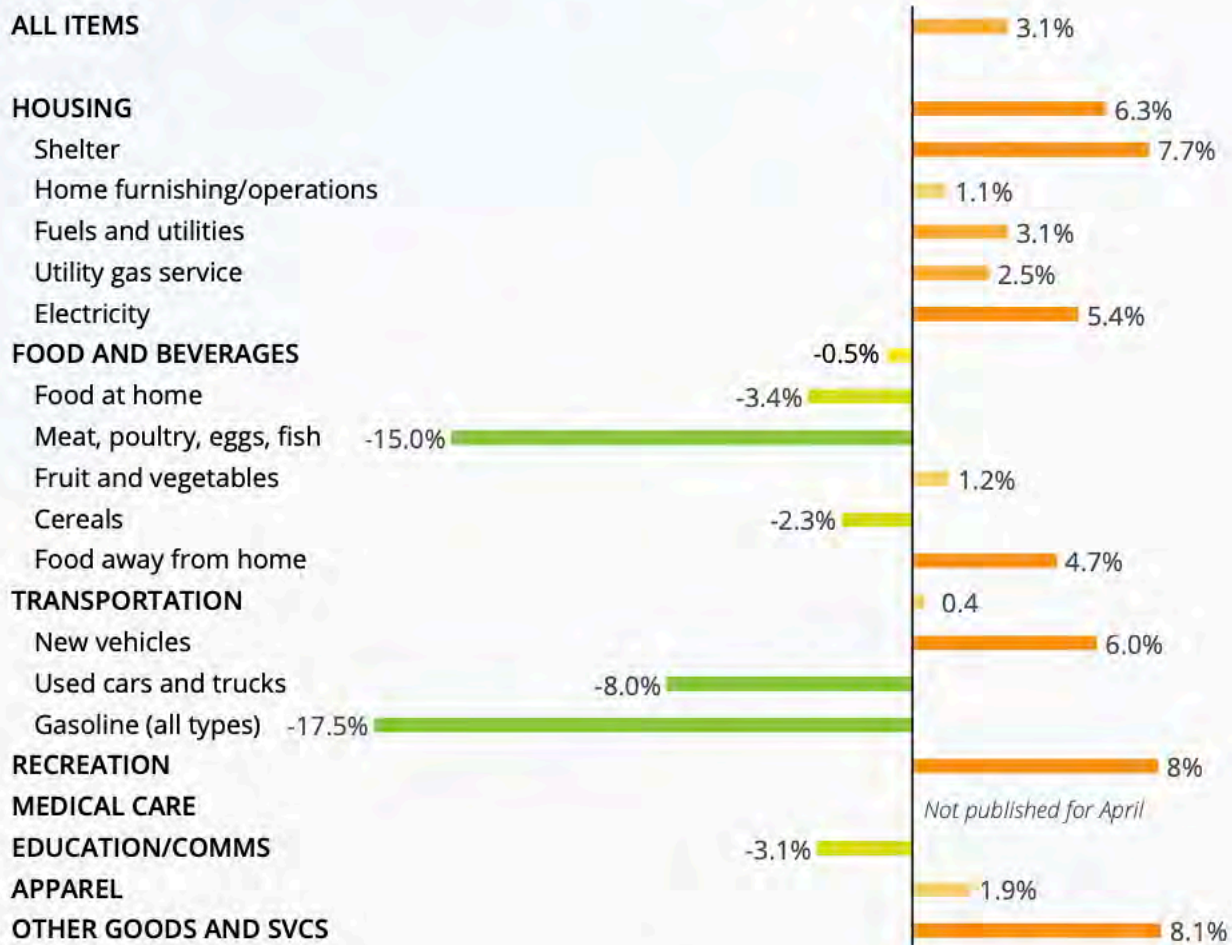
Where urban Alaskans spent their money, 2022



Source: U.S. Department of Labor, Bureau of Labor Statistics

Luckily, the quick rise in inflation rates that we experienced from 2020-2022 have dropped, but have not yet fully stabilized. However, we can see while certain categories like housing and electricity still remain up, food and gasoline are down helping balance the pie a bit more. Time will tell what the inflation rates continues to do as we reach years end.

April 2023 inflation by category, Urban Alaska



Source: U.S. Department of Labor, Bureau of Labor Statistics

So, while it is not “new news” that Alaska is (and will continue to be) an expensive place to live, it is important to track trends and averages so we can make wise decisions and remain informed as we continue to live, work and play in this beautiful place we call home. For some of us it is a place we have always called home, others have landed here due to jobs or marriages. In fact, Sitka has a large



How the military ranked Alaska towns' costs* in 2023

City	Index
U.S. average	100
Bethel	146
Cordova	146
Homer (including Anchor Point)	142
Kenai (Including Soldotna)	142
King Salmon (incl Bristol Bay Borough)	142
Valdez	142
Barrow	138
Juneau	138
Nome	138
Petersburg	138
Sitka-Mt. Edgecumbe	138
Wainwright	138
Other	138
Clear Air Force Station	136
Delta Junction (including Fort Greely)	136
Ketchikan	136
Kodiak	136
Seward	136
Tok	136
College	134
Fairbanks	134
Spruce Cape	134
Unalaska	134
Eielson Air Force Base	132
Anchorage (including Eagle River)	128
Wasilla	128

*Excludes housing

Source: U.S. Department of Defense, Overseas Cost of Living Adjustment tables

community of military families residing here, and the military actually ranks cities based off cost-of-living indicators while calculating appropriate allowances. Sitka falls near the upper-mid range when it comes to most or least expensive. They must include nearness to a Costco in their calculations!

Below are our quarterly statistics that we gather to inform you about everything from labor and employment rates to construction permits and housing lots sold and everything in between. Thank you to everyone who partners with us to keep these numbers as accurate and available as possible, we appreciate you! We find value in keeping our community informed and are thankful for your continued interest and support. We are always looking for board members, volunteers for events, and ideas for future research and projects. Reach out to us if you want to connect or get involved.



SITKA ECONOMIC DEVELOPMENT ASSOCIATION

329 Harbor Drive, Suite 202 • Sitka, Alaska 99835 • (907) 747-2660 • fax (907) 747-7688 • www.sitka.net



The data below are the most recent available from various sources.

EMPLOYMENT	July 2023	July 2022	July 2021
Total Labor Force – Sitka (Source: Alaska Dept. of Labor)	5,010	4,974	5,026
Number Filing for Unemployment – Sitka (Source: Alaska Dept. of Labor)	125	107	181
Unemployment Rate – Sitka (Source: Alaska Dept. of Labor)	2.5%	2.2%	3.6%
Unemployment Rate – Alaska (Source: Alaska Dept. of Labor)	3.8%	3.6%	6.0%
Unemployment Rate – National (Source: Alaska Dept. of Labor)	3.8%	3.8%	5.7%
Job Openings (Source: Alaska Dept. of Labor)	Sept 2023	June 2022	June 2021
Job orders at Sitka Job Center (includes SEARHC)	168	212	250
SEARHC job openings in Sitka	56	94	80

Quarterly Census Employment (Source: AK Dept. of Labor QCEW)	2022 Annual	2021 Annual	2020 Annual
Average Monthly Employment	4,267	4,132	3,751
Average Government Employment	952	849	851
Average Private Ownership Employment	3,315	3,283	2,900
Average Monthly Wage (Source: AK Dept. of Labor QCEW)	2022	2021	2020
All Sectors	\$4,732	\$4,363	\$4,287
Government Total	\$4,986	\$5,117	\$5,025
Federal Government	\$7,033	\$7,262	\$6,481
State Government	\$4,536	\$4,499	\$4,503
Local Government	\$4,893	\$5,001	\$4,981
Private Sector	\$4,659	\$4,168	\$4,071



Per Capita Personal Income (Source: US Bureau Econ. Analysis) Includes all forms of income: rent, retirement, employment, etc.	2021	2020	2019
Sitka	\$75,917	\$69,742	\$70,715
Juneau	\$75,996	\$72,097	\$71,082
Ketchikan	\$72,278	\$67,465	\$69,052
Alaska	\$65,813	\$62,756	\$61,316
City Revenues – Fiscal Year (July 1- June 30)	FY2023	FY2022	FY2021
Sales Tax Collected – Total Remitters	\$15,668,226	\$14,572,130	\$13,115,998
Bed Tax Collected – Total Remitters		\$669,958	\$407,024
Property Tax Collected – Total Remitters	\$7,321,141	\$7,200,260	\$7,242,612
Raw Fish Tax – Received into Harbor Fund		\$1,752,179	\$855,702
<i>*FY2023 budget, FY 2022 projected</i>			
Cost of Living Indicators			
Transportation – Regular Gasoline per gallon	Sept 2023	Sept 2022	% Change
Sitka (Source: AAA)	\$5.09	\$5.58	-8.78%
Juneau (Source: AAA)	\$4.57	\$5.18	-11.78%
Anchorage (Source: AAA)	\$4.50	\$4.78	-5.85%
Alaska Average (Source: AAA)	\$4.60	\$4.84	-4.95%
National Average (Source: AAA)	\$3.87	\$3.84	-0.78%
Housing - HUD Fair Market Rent – Sitka (Source: U.S. HUD)	2023	2022	% Change
Efficiency	\$956	\$907	5.40%
One-Bedroom	\$1,110	\$1,040	6.73%
Two-Bedroom	\$1,316	\$1,229	7.07%
Three-Bedroom	\$1,870	\$1,715	9.04%
Housing - HUD Fair Market Rent – Ketchikan (Source: U.S. HUD)	2023	2022	% Change
Efficiency	\$905	\$886	2.14%
One-Bedroom	\$1,029	\$1,014	1.48%
Two-Bedroom	\$1,354	\$1,334	1.50%
Three-Bedroom	\$1,815	\$1,777	2.14%



Housing – Construction and Sales	2nd Qtr 2023	2nd Qtr 2022	2nd Qtr 2021
Value of Construction Permits Issued (Source: CBS Building Department)	4,634,186	11,167,292	3,559,445
Net Dwelling Units Added (Source: AHFC)	11	5	3
Total Homes Sold – all types combined (Source: CBS Assessing Dept.)	37	35	39
Vacant Lots Sold – residential (Source: CBS Assessing Dept.)	6	3	12
POPULATION	2022	2021	2020
City & Borough of Sitka (Source: AK Dept. of Labor)	8,350	8,387	8,523
Southeast Alaska (Source: AK Dept. of Labor)	72,218	72,494	72,571
State of Alaska (Source: AK Dept. of Labor)	736,556	734,323	728,903
PUBLIC SCHOOL ENROLLMENT – Sitka School District	Oct. 1, 2022	Oct. 1, 2021	Oct. 1, 2020
Total student enrollment KG-12 (Source: AK Dept. of Education)	1,137	1,177	1,162



2023 INVESTOR FORM

Suggested Contribution Levels:

- Diamond \$5,000
- Platinum \$2,500-\$4,999
- Gold \$1,000-\$2,499
- Silver \$500-\$999
- Bronze \$100-\$499

Make Checks Payable to SEDA

Donation from (you will receive a recognition letter for IRS tax deduction):

Name_____

Company_____

Address_____

City_____ State_____ Zip_____

We would like to acknowledge all of our supporters on the SEDA website, Facebook page, and at SEDA events. May we acknowledge your contribution?

Yes No, please keep my contribution confidential.

THANK YOU SO MUCH FOR YOUR CONTRIBUTION!

Mail this form and your check to:

SEDA 329 Harbor Drive, Suite 202

Sitka, AK 99835

Have questions to ask or ideas to share?

Contact: Garry White, Executive Director

Phone: 907-747-2660 Email: garrywhite@gci.net

Thank You 2023 Supporters!

Don't see your company's name? We would love your support! More info on how to get involved below.

Diamond Level



Platinum Level



Gold Level



Prewitt Enterprises

Silver Level



Allen Marine
Explore with the Locals



Tongass
Federal Credit Union

Ken Cameron

Sitka Vision Clinic
Wayne Hagerman O.D.

Bronze Level



THE GREATER SITKA
chamber
OF COMMERCE



Sitka VISIT

House of Liquor