

FISCAL IMPACT ANALYSIS

LEVEL OF SERVICE, COST & REVENUE FACTOR DOCUMENT

**Prepared for
Anchorage 2020
Anchorage Bowl Comprehensive Plan
Municipality of Anchorage, Alaska**

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I. OVERALL METHODOLOGY AND MAJOR ASSUMPTIONS

The Municipality of Anchorage, Alaska has contracted with Tischler & Associates, Inc. (TA) to evaluate the fiscal impact of five different growth scenarios to the Municipality between 1999 and 2020. This Service Level, Cost and Revenue Factor document discusses Municipal services and facilities that will be impacted by new development. These service level, cost and revenue factors are based on TA's on-site interviews with Municipality of Anchorage staff and project management team. The final assumptions will be utilized with demographic projections to calculate the fiscal impact on the Municipality's budget for the 21-year period between 1999 and 2020. Calculations will be performed using TA's FISCALS software designed exclusively for this assignment.

A. The FISCALS Process and Data Input Categories

In order to provide an understanding of the overall methodology used in this fiscal impact analysis, a brief explanation of the FISCALS process follows. The FISCALS software utilizes two types of input data. The first category of demographic/economic projections is called Demand Base data inputs. These numerical projections include data such as population, housing units and employment. The 1999 population, job and dwelling unit estimates were used to calculate unit costs and service level thresholds. These estimates are based on data provided by the Municipality of Anchorage Department of Community Planning & Development.

The second type of input data relates to the government service levels, costs and revenues. The government service level, cost and revenue data used in the fiscal analysis have been determined and agreed upon by TA and Municipality of Anchorage personnel.

This data will be used by TA's FISCALS system to calculate the annual costs, revenues, and capital facilities by department or function, where appropriate. These assumptions are outlined in this report.

B. Major Assumptions

This fiscal impact analysis can be regarded as a snapshot of the current budget. The Fiscal Year 1999 Budget has been used to represent a "snapshot" of the Municipality's current costs, revenues and levels of service. In summary, the "snapshot" approach does not attempt to speculate about how services, costs, revenues and other factors will change over 21 years. Instead, it evaluates the fiscal impact to the Municipality as it currently conducts business under the present budget.

The following major assumptions regarding the fiscal methodology should be noted.

Fiscal Impact Analysis



Capital Facility Analysis



Impact Fee Systems



Growth Policy Planning



Economic and Market Analysis

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1. Marginal, Growth-Related Costs and Revenues

For this analysis, costs and revenues that are directly attributable to new development are included. Some costs are not expected to be impacted by demographic changes, and may be fixed in this analysis, such as some administrative functions. These fixed costs were determined through conversations with Municipal staff and a detailed examination of the FY1999 budget. In this analysis, new residents and new jobs drive most of the costs.

2. Level of Service

The cost projections are based on the "snapshot approach" in which it is assumed the current level of service, as funded in the Fiscal Year 1999 budget, will continue through the 21-year analysis period. The current level of spending is referred to as the current level of service (LOS) in this type of analysis.

3. Revenue Structure and Tax Rates

Revenues are projected assuming that the current revenue structure and tax rates, as defined by the FY1999 adopted budget, will not change during the analysis period. However, if it is known that a particular revenue source will change in the near-term, it has been noted and reflected.

4. Inflation Rate

The rate of inflation is assumed to be zero throughout the projection period, and cost and revenue projections are in constant 1999 dollars. This assumption is in accord with current budget data and avoids the difficulty of speculating on inflation rates and their effect on cost and revenue categories. It also avoids the problem of interpreting results expressed in inflated dollars over an extended period of time.

5. Non-Fiscal Evaluations

It should be noted that while a fiscal impact analysis is an important consideration in planning decisions, it is only one of several issues that should be considered. Environmental and social issues, for example, should also be considered when making planning and policy decisions. The above notwithstanding, this analysis will enable interested parties to understand the fiscal implications of future development.

C. General Methodology

Annual costs and revenues attributable to new development will be projected by applying the applicable cost and revenue factors, as outlined in this LOS document, to new development. In general, five different methodologies are used. In some cases, a unique methodology must be used. These methodologies, along with accompanying examples, are described below.

1. Per Capita

Many of the factors described in this LOS document use a per capita approach. This approach is used for Municipal expenditures and revenues that are influenced strictly by population. If a cost or revenue is projected on a per capita basis, the budget is divided by the current population estimate to arrive at the current level of service standard.

For example, the variable portion of the Elections budget totals \$245,400 in FY99. This amount is divided by the current population estimate of 246,800, for a per capita cost of \$0.99.

2. Per Capita and Employee

Some factors described in the LOS document use a per capita and employee approach. This approach is used for Municipal expenditures and revenues that are influenced by population and employment. If a cost or revenue is projected on a per capita and employee basis, it is divided by the current population and employment estimate to arrive at the current level of service standard.

For example, Emission Certificate Fees total \$1,442,740 in FY99. This revenue is derived from vehicle registrations, therefore as new residents move to the Municipality, it is likely this revenue source will increase because it is assumed that additional residents will result in additional vehicle registrations. However, this revenue source is also derived from the registration of fleet vehicles associated with nonresidential activity. Therefore, a per capita projection methodology will understate revenues generated by new development. For example, if there are two scenarios that assume the same increase in population, but one assumes a significant passenger expansion to the airport, which allows additional rental car companies to enter the market, a per capita approach will project the same amount of Emission Certificate Fees under both scenarios. The per capita and employee approach serves as a proxy for capturing the impact of revenues generated by additional nonresidential activity. Therefore, Emission Certificate Fees (\$1,442,740) is divided by the current population and employment estimate of 369,046, for a per capita and employee revenue of \$3.91.

3. Per Trip

As detailed Police calls for service information is not available for nonresidential land uses, a per trip approach is used to project the nonresidential portion of variable non-salary Police operating expenses. Trip generation rates were obtained from the reference book, Trip Generation, published by the Institute of Transportation Engineers (6th Edition, 1997). To translate the trip generation factors into associated operating costs per 1,000 square feet of nonresidential space, the trip generation factors are multiplied by the cost per trip in the Municipality of Anchorage. Nonresidential costs are calculated per 1,000 square feet and are then converted to employees using employment per square feet factors developed by the Urban Land Institute.

4. Per Housing Unit

Some factors described in the LOS document utilize a per housing unit approach. If a cost or revenue is projected on a per unit basis, it is divided by the current housing unit estimate to arrive at the current level of service standard.

For example, the amount of the Police budget attributable to residential development totals \$4,340,412 in FY99. This amount is divided by the current population estimate of 246,800 to yield a per capita cost, which is then multiplied by the average household size by type of housing unit, to determine the cost per type of housing unit.

5. Marginal Calculations

a. Variable

An example of a variable marginal calculation is growth-related Property Tax revenues. In this case, the mill levy is applied against the assessed values of new development to determine Property Tax generated by new growth.

b. Direct Entered

An example of a direct entered marginal approach for costs is the prototype cost to staff a new Elementary School, which is estimated at \$1,025,150. This cost will be entered directly into the fiscal model.

D. Current Conditions and Factors

The table below summarizes the current 1999 residential and nonresidential conditions in the Municipality of Anchorage. The table includes population, dwelling units for three residential categories and employment for ten nonresidential categories. These residential and nonresidential conditions are shown for six subareas in the Municipality. These subareas, or fiscal analysis zones, are used to allocate growth over the next 21 years for each future land use scenario. These scenarios are described in the next section of this document and a map depicting the FAZ boundaries can be found on page 6.

**1999 Demographic Profile
Municipality of Anchorage, Alaska**

Category	NE	NW	CEN	SE	SW	Bowl Total	ER	Total
Population	72,200	47,800	38,600	21,900	36,000	216,500	30,300	246,800
<i>Housing Units</i>								
SF-Urban/Suburban	11,679	6,030	6,973	4,489	8,370	37,541	9,775	47,316
SF-Rural	143	26	78	2,694	255	3,196	0	3,196
Multifamily	13,314	13,913	6,179	201	3,812	37,419	0	37,419
Total	25,136	19,969	13,230	7,384	12,437	78,156	9,775	87,931
<i>Employment</i>								
Ag., Fishing	85	242	110	20	108	565	55	620
Mining	743	1,725	769	0	108	3,345	0	3,345
Construction	579	1,372	3,863	427	378	6,619	239	6,858
Manufacturing	657	700	499	8	53	1,917	41	1,958
Trans., Comm., Util.	1,716	6,581	2,191	9	1,773	12,270	261	12,531
Wholesale Trade	654	2,598	2,435	35	191	5,913	47	5,960
Retail	5,079	11,607	4,731	141	1,618	23,176	1,096	24,272
Fin., Insur., Real Est.	487	5,087	398	2	181	6,155	167	6,322
Services	11,787	14,275	3,312	1,087	1,615	32,076	1,353	33,429
Government	5,544	14,816	2,414	131	3,900	26,805	146	26,951
Total	27,331	59,003	20,722	1,860	9,925	118,841	3,405	122,246

Source: Municipality of Anchorage Community Planning & Development

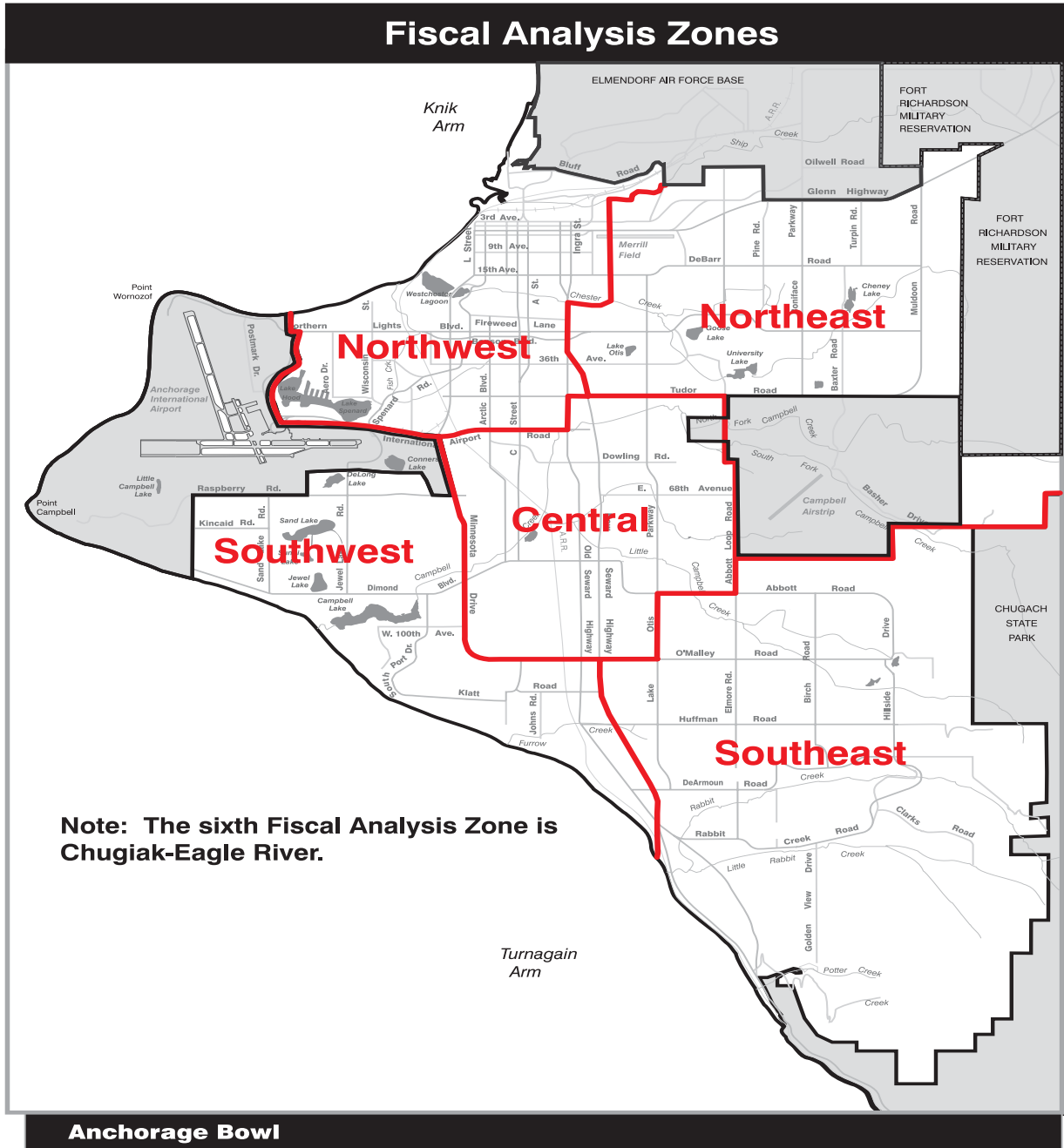
As the table indicates, the 1999 Municipal population is estimated at 246,800. (This does not include military base population or population in the Girdwood and Turnagain Arm communities). Of that amount, 216,500 persons are estimated in the Anchorage Bowl and 30,300 persons are estimated to reside in Eagle River. The 1999 housing unit estimate is 87,931, which includes an estimated 78,156 units in the Anchorage Bowl and 9,775 units in Eagle River. Of the 87,931 housing units, 47,316 units, or 54% are single family-

urban/suburban units. Approximately, 43%, or 37,419 units are multifamily units, and 3,196 units, or 3% are single family-rural units.

Full-time equivalent (FTE) employment is estimated at 122,246. The largest amount of employment is in the Service sector, with estimated employment of 33,429. Government employment is the second highest, estimated at 26,951. This is followed by Retail employment (24,272) and Transportation, Communications and Utility employment (12,531). The remaining six sectors comprise the remaining 25,063 jobs.

II. DEMOGRAPHIC FORECASTS AND SCENARIOS

The Municipality of Anchorage Department of Community Planning and Development developed four growth scenarios for their impact on the Municipality’s operating and capital budgets. For purposes of the fiscal impact analysis, these scenarios were developed for six subareas: Northeast, Northwest, Central, Southeast, Southwest and Eagle River. These subareas are shown in the map below. This section provides a narrative as well as the related data for the scenarios to be evaluated for each of the six analysis zones (FAZs).



A. Current Trends

The Current Trends scenario continues existing land use policies and development trends. For the near future, there is no major revision of the 1982 Comprehensive Plan and current zoning map. Private land owners and developers will continue to largely determine the location, type, and pace of development. Land use decisions are based on short-term market conditions, without regard for the long-term growth needs and goals of the community. Development may make inefficient use of land and require additional public facilities and road improvements. The sections below discuss the various components of this scenario.

Population and Economy. The Current Trends scenario assumes moderate economic and population growth. As the table below indicates, population in the Bowl is projected to increase by 76,700 persons. At the fiscal analysis zone level (FAZ), the population increases are 16,150 in the Northeast, 8,850 in the Northwest, 12,200 in the Central, 22,900 in the Southeast and 16,600 in the Southwest. Eagle River is projected to increase by 25,550. This results in a total population increase of 102,250 persons. This is an increase of 41% over the current population of 246,800.

Air cargo and tourism support new jobs in retail trade, services, and transportation at the airport, in the Downtown/Ship Creek area and in Midtown. Some retail and service jobs follow commuters to their home communities in Chugiak-Eagle River and the Mat-Su Borough. Total employment in the Bowl is projected to increase by 37,937 jobs, an increase of 32% over current Bowl employment of 118,841. The Northwest FAZ has the largest increase in employment, with 11,799 jobs. This is followed by the Southwest (10,082), Northeast (7,138), Central (5,406) and Southeast FAZs (3,512). Employment in Eagle River increases by 4,847 jobs.

Employment in the service and transportation, communications and utilities sectors have the largest growth, with increases of 11,441 and 9,454, respectively. This is followed by employment in the retail (7,373), government (7,098) and construction (2,736) sectors.

Trends Scenario
Net Increases by FAZ, 1999 to 2020

Population, Housing, & Employment	FAZ							
	NE	NW	CE	SE	SW	Bowl Total	Eagle River	Grand Total
Population	16,150	8,850	12,200	22,900	16,600	76,700	25,550	102,250
<i>Housing Units</i>								
SF-Urban/Suburban	450	425	1,375	2,950	3,125	8,325	5,775	14,100
SF-Rural	75	0	0	925	0	1,000	825	1,825
Multifamily	5,975	3,800	3,550	3,875	3,100	20,300	1,650	21,950
Total	6,500	4,225	4,925	7,750	6,225	29,625	8,250	37,875
<i>Employment</i>								
Ag., Fishing	22	48	29	37	44	181	79	260
Mining	194	345	201	0	44	784	0	784
Construction	151	274	1,008	807	156	2,396	340	2,736
Manufacturing	172	140	130	15	22	479	59	538
Trans., Comm., Util.	448	1,316	572	17	6,729	9,082	372	9,454
Wholesale Trade	171	519	635	66	79	1,470	66	1,536
Retail	1,326	2,321	1,234	266	665	5,813	1,561	7,373
Fin., Insur., Real Est.	127	1,017	104	4	74	1,326	237	1,564
Services	3,078	2,855	864	2,054	664	9,515	1,926	11,441
Government	1,448	2,963	630	247	1,604	6,891	207	7,098
Total	7,138	11,799	5,406	3,512	10,082	37,937	4,847	42,784

Land use. Ship Creek redevelopment, a healthy Downtown, and a major southward expansion of the airport are priorities. Strip commercial construction continues along major arterials, particularly in South Anchorage. Residential subdivision development on the Hillside causes ongoing controversy about extension of water and sewer services and increases in housing density. As new development absorbs the vacant land supply, activity shifts from South Anchorage to redevelopment opportunities in north Anchorage. The zoning map becomes more out of step with the needs of growth. Requests for zoning revisions for higher residential densities and changes in land use become more common and are resolved on a case-by-case basis.

Housing. As the supply of single-family lots shrinks, rising land prices favor small-lot subdivisions, development of marginal tracts, and a delayed shift toward multi-family housing development. Housing prices rise; affordable housing is scarce. Altogether, two-thirds of new homes are multi-family. Most new single-family homes are in South Anchorage. Multi-family development occurs where opportunity allows. Older mobile parks and rundown housing are replaced with higher density dwellings.

Transportation. Land use patterns require extensive additions and upgrades to the road system. Residential growth and southward expansion of the airport require new road links (Bragaw/Dowling/Raspberry) and an upgrade of major arterials (Seward Highway, east-west arterials, Glenn Highway). Residential growth on the Hillside requires extensive local road improvements. Even with major road construction, congestion may worsen. Transit service stays the same or is reduced.

Open Space. Relatively low residential densities and loss of residential land to airport expansion and other non-residential uses heighten pressure to use undeveloped land. This limits opportunities for creation of new parks. Some public natural areas are developed for active recreation such as sports fields.

B. Urban Transition

The Urban Transition scenario envisions a more traditional urban character in Downtown, Midtown, and nearby neighborhoods, balanced by a more suburban/rural neighborhood character for South Anchorage. The Urban Transition scenario requires revision of the current land use plan and zoning maps. Public incentives are used to leverage private investment to meet public goals. Public amenities, open space, and northern design are used to enhance the appeal of urban living in north Anchorage. Public-private partnerships help provide attractive multi-family housing choices at various price levels.

Property owners and neighborhoods may object strongly to zoning changes. If future residents prefer a low density, auto-oriented lifestyle, the transition zone will not attract development and this scenario will not succeed. In that case, public investment to encourage a more urban type of development will not achieve its goals. The sections below discuss the various components of this scenario.

Population and Economy. This scenario assumes slightly higher population and job growth than the Current Trends scenario. As the table below indicates, population is projected to increase by 81,800 in the Bowl, an increase of 38% over the current Bowl population of 216,500. This is an increase of 5,100 more persons than under Current Trends. At the fiscal analysis zone level (FAZ), the population increases are 19,250 in the Northeast, 19,250 in the Northwest, 17,900 in the Central, 15,000 in the Southeast and 10,400 in the Southwest. The population of Eagle River is projected to increase by 20,450, which is 5,100 less than Current Trends. The total population increase is 102,250 persons.

Quality of life is valued as a means to attract high-skill, high-wage industries. Support of education for K-12 and higher education is stressed. This scenario would capitalize on Anchorage's role as a world and statewide center for trade, transportation, communications, air cargo, high-value services, health care, finance, education, and management. Total employment in the Bowl is projected to increase by 39,588 jobs, an increase of 1,650 jobs over Current Trends. The Northwest FAZ has the largest increase in employment, with 13,342 jobs. This is followed by the Southwest (9,196), Northeast (8,553), Central (6,165) and Southeast FAZs (2,332). Employment in Eagle River increases by 3,196 jobs, or 1,650 fewer jobs than under Current Trends.

Employment in the service and transportation, communications and utilities sectors have the largest growth, with increases of 11,056 and 9,504, respectively. This is followed by employment in government (7,359), retail (7,348) and construction (2,523) sectors.

**Urban Transition Scenario
Net Increases by FAZ, 1999 to 2020**

Population, Housing, & Employment	FAZ					Bowl Total	Eagle River	Grand Total
	NE	NW	CE	SE	SW			
Population	19,250	19,250	17,900	15,000	10,400	81,800	20,450	102,250
<i>Housing Units</i>								
SF-Urban/Suburban	450	450	1,375	1,700	2,425	6,400	4,625	11,025
SF-Rural	75	0	0	1,700	0	1,775	650	2,425
Multifamily	6,875	8,300	5,500	1,450	1,300	23,425	1,325	24,750
Total	7,400	8,750	6,875	4,850	3,725	31,600	6,600	38,200
<i>Employment</i>								
Ag., Fishing	27	55	33	25	35	174	52	226
Mining	232	390	229	0	35	886	0	886
Construction	181	310	1,149	536	122	2,298	224	2,523
Manufacturing	206	158	149	10	17	540	39	578
Trans., Comm., Util.	537	1,488	652	11	6,571	9,259	245	9,504
Wholesale Trade	205	587	724	44	62	1,622	44	1,666
Retail	1,589	2,625	1,407	176	521	6,319	1,029	7,348
Fin., Insur., Real Est.	152	1,150	118	2	58	1,482	157	1,638
Services	3,688	3,228	985	1,364	520	9,785	1,270	11,056
Government	1,735	3,350	718	164	1,256	7,223	137	7,359
Total	8,553	13,342	6,165	2,332	9,196	39,588	3,196	42,784

Land use. This scenario promotes more compact development, higher residential densities, and compatible mixed uses. Residential land south of the airport is rezoned to allow airport expansion. This loss of residential land is offset by restoration of poorly located, underused industrial and commercial tracts elsewhere for residential use. The Hillside is developed with select revisions to current land use and water/sewer plans.

Housing. About three-fourths of new homes are multi-family, partly in response to Anchorage’s changing population—more seniors, “empty nesters,” and young adults, but relatively fewer family households. Conservation and redevelopment of the aging housing stock in older neighborhoods is a priority. More multi-family housing is built in north Anchorage where appropriate infrastructure exists. This relieves some development pressure on parts of the Hillside where site conditions and limited public services constrain growth.

Transportation. More compact, mixed uses in north Anchorage make it pedestrian- and transit-friendly. This decreases vehicle use for daily trips, decreases need for parking, and increases transit use. South airport expansion increases the need for improved access via the Bragaw/Dowling/Raspberry corridor. Population and job growth in north Anchorage requires major improvements to heavily traveled east-west streets such as Northern Lights and Tudor Road. Landscaped, multi-use trails link major activity centers.

Open Space. Greenbelts and trails enhance higher density residential areas. More open space is conserved and regional trail extensions are developed.

C. Neighborhoods Scenario

The Neighborhoods scenario regards neighborhoods as the most important aspect of community life. Schools, community centers, local parks, and community shopping districts become centers for educational, recreational, and social activities and local business. Each neighborhood has a mix of housing types. The Comprehensive Plan sets thresholds for growth and establishes broad land use policies for each neighborhood and they have a stronger role in local decisions. Each neighborhood prepares its own detailed plan. Major revisions are required to the existing land use plan and zoning maps. Public priorities stress improvements to quality of neighborhood life and promote private reinvestment in aging residential and commercial properties. Not all neighborhoods will be receptive to this approach, particularly those that do not currently have any commercial development. The emphasis on neighborhoods may undermine broad community goals. Some neighborhoods may object to multi-family and low- or moderate-income housing in their area. Neighborhood commercial districts may not prove competitive with regional centers. The sections below discuss the various components of this scenario.

Population and Economy. The overall population and economy in this scenario are similar to the Current Trends scenario, but workplaces are more decentralized. As the table below indicates, the total population increase is the same as Current Trends. However, the distribution at the FAZ level is different. The population increase in the Northeast is 11,950, or 4,200 less than Current Trends. The Northwest FAZ increases by 6,850, or 2,000 less than Current Trends. The population increase in the Central FAZ is 15,550, or 3,350 more than under Current Trends. The Southeast FAZ increases by 20,100 persons, or 2,800 less than Current Trends and the Southwest FAZ increases by 22,250 persons, or 5,650 more than under Current Trends.

Each neighborhood shopping district supports its share of local businesses and employment. Total employment in the Bowl is projected to increase by 37,937 jobs, the same as under Current Trends. The Northwest FAZ has the largest increase in employment, with 11,112 jobs. This is followed by the Northeast (7,318), Central (7,153), Southwest (7,087), and Southeast FAZs (5,268). Employment in Eagle River increases by 4,847 jobs, the same as under Current Trends.

Employment in the service and government sectors have the largest growth, with increases of 13,147 and 8,470, respectively. This is followed by employment in retail (8,293), transportation, communications and utilities (4,118) and construction (3,567) sectors.

Neighborhoods Scenario
Net Increases by FAZ, 1999 to 2020

Population, Housing, & Employment	FAZ							
	NE	NW	CE	SE	SW	Bowl Total	Eagle River	Grand Total
Population	11,950	6,850	15,550	20,100	22,250	76,700	25,550	102,250
<i>Housing Units</i>								
SF-Urban/Suburban	425	425	1,375	2,725	3,175	8,125	5,775	13,900
SF-Rural	75	0	0	1,225	0	1,300	825	2,125
Multifamily	4,350	2,850	4,925	2,875	5,200	20,200	1,650	21,850
Total	4,850	3,275	6,300	6,825	8,375	29,625	8,250	37,875
<i>Employment</i>								
Ag., Fishing	23	46	38	56	77	239	79	318
Mining	199	325	265	0	77	866	0	866
Construction	155	258	1,333	1,211	270	3,228	340	3,567
Manufacturing	176	132	172	23	38	541	59	600
Trans., Comm., Util.	460	1,239	756	25	1,266	3,746	372	4,118
Wholesale Trade	175	489	840	99	136	1,740	66	1,807
Retail	1,360	2,186	1,633	398	1,155	6,732	1,561	8,293
Fin., Insur., Real Est.	130	958	137	5	129	1,360	237	1,598
Services	3,156	2,688	1,143	3,081	1,153	11,221	1,926	13,147
Government	1,484	2,790	833	370	2,785	8,263	207	8,470
Total	7,318	11,112	7,153	5,268	7,087	37,937	4,847	42,784

Land use. Neighborhood business districts support more commercial land uses, Downtown/Midtown/Diamond regional centers support less. The airport stays inside its present boundaries and operations are managed to lessen noise, traffic, and other impacts on nearby neighborhoods. This saves more land for residential and other uses.

Housing. New residential growth is spread almost evenly between north and South Anchorage. Overall, the mix of new housing types (one-third single-family, two-thirds multi-family) is similar to the Current Trends scenario but the geographic distribution is different. Each neighborhood offers a choice of housing types and densities, including some affordable housing. Higher density multi-family housing is clustered around numerous commercial sub-centers rather than located in one central area.

Transportation. Neighborhoods become more self-sufficient and more pedestrian-friendly. This reduces overall traffic. Continued residential growth in South Anchorage requires new road links (Bragaw Extension), upgrade of other major north-south arterials (New Seward, Old Seward), and extensive local road improvements. Less growth in north Anchorage than under the Current Trends and Urban Transition scenarios eases traffic congestion on east-west arterials.

Open Space. New local parks, greenbelts, local trails, recreational facilities and similar neighborhood amenities take priority over new regional parks and large recreational facilities.

D. Slow Growth/Satellite Communities

This scenario pursues slower population growth in the Anchorage Bowl to conserve open space and maintain Anchorage's established residential character and "traditional" lifestyle. Anchorage continues to grow as a regional workplace and marketplace for satellite residential communities in Chugiak-Eagle River and the Mat-Su Borough. Public initiatives aim to enhance Downtown/Midtown as an attractive, convenient place to work and shop. This scenario requires public officials and citizens to accept restrictive zoning and platting regulations that limit the location and density of new residential development. Public investments in roads, parking, park acquisition, transit, and amenities to enhance Downtown. Stronger growth management measures may be needed for Chugiak-Eagle River. This scenario diminishes the long-term capacity of the Anchorage Bowl to absorb future growth. Slower growth may discourage private investment. Anchorage's economy may falter if its share of regional business stagnates. Development impacts are shifted to areas that are less well prepared for rapid growth. The sections below discuss the various components of this scenario.

Population and Economy. Population growth is slower than current projections for the Anchorage Bowl, but higher for Chugiak-Eagle River and the Mat-Su Borough. As the table below indicates, population is projected to increase by 48,250 in the Bowl, an increase of 22% over the current Bowl population of 216,500. This is 28,450 less than under Current Trends. At the fiscal analysis zone level (FAZ), the population increases are 8,650 in the Northeast, 4,750 in the Northwest, 8,200 in the Central, 15,300 in the Southeast and 11,350 in the Southwest. The population of Eagle River is projected to increase by 34,000 persons, which is 8,450 more than Current Trends. The total population increase is 82,250 persons, or 20,000 less than under Current Trends.

Downtown Anchorage is the center for regional employment, finance, trade, services, transportation, and public administration for Southcentral Alaska and the State. Some retail trade and service businesses gravitate to Chugiak-Eagle River and the Mat-Su Borough. Commuters make up a growing share of Anchorage's workforce. Total employment in the Bowl is projected to increase by 33,059 jobs, 4,879 fewer jobs than Current Trends. The Northwest FAZ has the largest increase in employment, with 13,123 jobs. This is followed by the Northeast (7,184), Central (5,728), Southwest (4,015) and Southeast FAZs (3,009). Employment in Eagle River increases by 5,929 jobs, or 1,082 more jobs than under Current Trends.

Employment in the service and retail sectors have the largest growth, with increases of 11,958 and 8,015, respectively. This is followed by employment in government (7,462), transportation, communications and utilities (3,707) and construction (2,785) sectors.

**Slow Growth/Satellite Communities Scenario
Net Increases by FAZ, 1999 to 2020**

Population, Housing, & Employment	FAZ							
	NE	NW	CE	SE	SW	Bowl Total	Eagle River	Grand Total
Population	8,650	4,750	8,200	15,300	11,350	48,250	34,000	82,250
<i>Housing Units</i>								
SF-Urban/Suburban	400	400	1,250	1,475	2,825	6,350	7,675	14,025
SF-Rural	75	0	0	1,250	0	1,325	1,000	2,325
Multifamily	2,850	1,750	1,900	2,225	1,225	9,950	2,300	12,250
Total	3,325	2,150	3,150	4,950	4,050	17,625	10,975	28,600
<i>Employment</i>								
Ag., Fishing	22	54	30	32	44	182	96	279
Mining	195	384	212	0	44	835	0	835
Construction	152	305	1,068	691	153	2,370	416	2,785
Manufacturing	173	156	138	13	22	501	72	573
Trans., Comm., Util.	451	1,464	606	14	717	3,252	455	3,707
Wholesale Trade	172	578	673	57	77	1,557	81	1,638
Retail	1,335	2,582	1,308	228	654	6,106	1,909	8,015
Fin., Insur., Real Est.	128	1,132	110	3	73	1,446	290	1,736
Services	3,098	3,175	916	1,759	653	9,601	2,356	11,958
Government	1,457	3,295	667	211	1,578	7,209	253	7,462
Total	7,184	13,123	5,728	3,009	4,015	33,059	5,929	38,988

Land use. More population growth north of Anchorage, plus Glenn Highway improvements and new commuter rail service, reposition Downtown as the workplace and marketplace for the region. Midtown and the university area also grow as employment centers. The airport continues to develop, but within its current boundaries. Future residential growth is consistent with current zoning and subdivision regulations. New retail development shifts to north and northeast Anchorage and to suburban areas outside the Bowl. Retail growth in South Anchorage slows.

Housing. Fewer new housing units are built: about 45 percent are single-family homes and 55 percent are multi-family. Homebuilders target upscale markets. Local housing prices rise. Most moderate-priced single-family homes are built in Chugiak-Eagle River and the Mat-Su Borough.

Transportation. Glenn Highway traffic levels climb as more people commute to work from Eagle River and the Mat-Su Borough. Traffic increases on major east-west roads in north Anchorage. Improvements are needed at the Glenn/Seward interchange. The feasibility for commuter rail service from the Mat-Su Borough to Downtown is improved, especially if supported by transit service to major work centers in the Bowl. Lower local growth also slows traffic growth and limits congestion in South Anchorage.

Open Space. Major additions are made to natural open space, greenbelts, local parks, and wildlife habitat. More private open space is retained to conserve the natural landscape.

III. GENERAL FUND REVENUES

A summary of the FY99 budgeted General Fund revenues by source is shown in the table below. The largest revenue source to the Municipality of Anchorage is Property Taxes, comprising approximately 59% of total revenues. The next largest revenue sources are Local and Program revenues, which combined, comprise approximately 24% of total revenues. The remaining four revenue categories comprise the remaining 17%. This section describes each of the revenue sources in more detail and the associated projection methodology that will be used on the fiscal impact analysis.

**General Fund Revenues-FY99
Municipality of Anchorage Fiscal Impact Analysis**

Category	Amount	Percent
Federal	\$763,280	0.3%
State	\$20,423,350	7.9%
Local	\$36,339,430	14.1%
Program	\$25,879,140	10.1%
Intragovernmental	\$15,691,850	6.1%
Fund Balance	\$6,632,090	2.6%
Property Taxes	\$151,285,480	58.9%
Total	\$257,014,620	100.0%

A. Federal Revenues

Federal Revenue to the Municipality of Anchorage totals \$763,280 in FY99. This revenue category includes payments from the Federal Government in lieu of property taxes, grants and Civil Defense Funds. Discussions with Municipal staff indicate these revenues are not likely to increase as a result of additional development in the Municipality and therefore will remain fixed in the fiscal impact analysis.

**General Fund Revenue Projection Methodologies
Federal Revenues**

Revenue	FY99 Budget	Projection Methodology	LOS Standard
Federal In Lieu of Prop. Tax	\$306,450	Fixed	\$0.00
Mass Transportation	\$353,700	Fixed	\$0.00
Other Federal Grant Rev.	\$36,500	Fixed	\$0.00
National Forest Allocation	\$2,630	Fixed	\$0.00
Civil Defense	\$64,000	Fixed	\$0.00
Total	\$763,280		\$0.00

B. State Revenue Sharing

State Revenue Sharing to the Municipality of Anchorage totals \$5,999,990 in FY99. This revenue category includes Health revenues, Road revenues and the Tax Equalization Entitlement. Discussions with Municipal staff indicate that these revenue sources are not directly attributable to new growth. In fact, it is anticipated that all three revenue sources will be reduced in the future, and there is speculation that Tax Equalization will be eliminated in 2001. This being the case, these three revenue sources are assumed to be unaffected by new growth in the fiscal impact analysis.

**General Fund Revenue Projection Methodologies
State Revenue Sharing**

Revenue	FY99 Budget	Projection Methodology	LOS Standard
Health Facilities	\$518,900	Fixed	\$0.00
Road Maintenance	\$554,810	Fixed	\$0.00
Tax Equalization Entitl.	\$4,926,280	Fixed	\$0.00
Total	\$5,999,990		\$0.00

C. State Revenues

State Revenue to the Municipality of Anchorage totals \$14,423,360 in FY99. This revenue category includes payments from the State Government in lieu of property taxes, Safe Communities revenue, reimbursement from the State for traffic signal maintenance and various licenses and tax. As is the case with State Revenue Sharing, discussions with Municipal staff indicates these revenue sources are not directly attributable to new growth, and some may be reduced in the future. This being the case, these revenue sources are assumed to be unaffected by new growth in the fiscal impact analysis.

**General Fund Revenue Projection Methodologies
State Revenues**

Revenue	FY99 Budget	Projection Methodology	LOS Standard
State in Lieu of Tax	\$198,330	Fixed	\$0.00
Safe Communities	\$11,484,220	Fixed	\$0.00
Fisheries Tax	\$143,280	Fixed	\$0.00
Liquor Licenses	\$365,500	Fixed	\$0.00
Amusement Device Licenses	\$30,480	Fixed	\$0.00
Electric Co-Op Allcoation	\$930,000	Fixed	\$0.00
State Traffic Signal Maintenance	\$1,271,550	Fixed	\$0.00
Total	\$14,423,360		\$0.00

D. Local Revenues

Local Revenues to the Municipality of Anchorage total \$37,339,430 in FY99. This revenue category includes penalties and interest on delinquent taxes, taxes on automobiles, hotel rooms, tobacco, interest, and utility revenue distribution. Discussions with Municipal staff indicate that many of these revenues are not directly attributable to new growth and will therefore remain fixed in the fiscal impact analysis. For example, the Municipality does not consider the Revenue Distribution from the Anchorage Utility a growth-related revenue since it is dependent on numerous factors, as is the case with interest related to taxes and short-term investments. Auto Tax, Tobacco Tax and ACPA Ticket Surcharge revenue is anticipated to increase with additional population growth in the Municipality. Since projection data is not available for new hotel rooms, Hotel and Motel Tax revenue is projected to increase with additional employment. This is because the need for new hotel rooms as a result of *new growth* is likely to be a function of business travel, since it can be argued that tourism demand will occur regardless of population increases within Anchorage. Therefore, employment is assumed to be the most appropriate representative proxy

General Fund Revenue Projection Methodologies

Local Revenues

Revenue	FY99 Budget	Projection Methodology	LOS Standard
Penalty/Interest on Taxes	\$1,603,750	Fixed	\$0.00
Tax Cost Recoveries	\$125,670	Fixed	\$0.00
Auto Tax	\$3,758,870	Per Capita	\$15.23
Tobacco Tax	\$4,979,000	Per Capita	\$20.17
Aircraft Tax	\$206,000	Fixed	\$0.00
Hotel and Motel Taxes	\$10,000,000	Per Employee	\$81.80
Penalty/Interest on Hotel/Motel Taxes	\$21,020	Fixed	\$0.00
Contributions from Other Funds	\$2,744,740	Fixed	\$0.00
Revenue Distribution-ATU	\$7,500,000	Fixed	\$0.00
Interest from G.O. Bonds	\$735,500	Fixed	\$0.00
Assessments	\$780,560	Fixed	\$0.00
Penalty/Interest on Assessments	\$249,080	Fixed	\$0.00
ACPA Ticket Surcharge	\$150,000	Per Capita	\$0.61
Cash Pool-Short-Term Interest	\$3,627,670	Fixed	\$0.00
Other Short-Term Interest	\$857,570	Fixed	\$0.00
Total	\$37,339,430		\$117.81

E. Other Revenues

Other Revenues to the Municipality of Anchorage total \$173,609,420 in FY99. This revenue category includes Intragovernmental Charges outside of the General Government Operating Budget (utilities, grants and capital), Fund Balance Applied and Property Taxes. Intragovernmental Charges are considered fixed as they are cost recoupments from fee-sustained services not evaluated in this analysis. The Fund Balance Applied is considered a fixed revenue since it is not directly attributable to new growth, and is dependent on many factors, including the national, state and local economy and interest rates. Property Taxes are calculated using a marginal cost approach described below the table.

General Fund Revenue Projection Methodologies

Other Revenues

Revenue	FY99 Budget	Projection Methodology	LOS Standard
Intragovernmental Revenues	\$15,691,850	Fixed	\$0.00
Fund Balance Applied	\$6,632,090	Fixed	\$0.00
Property Taxes	\$151,285,480	Marginal	See Text
Total	\$173,609,420		\$0.00

The Municipality currently assesses property tax levies for several Service Areas. For purposes of the fiscal impact analysis, TA will evaluate selected services within the Anchorage Bowl and selected services outside the Bowl. The table below shows the mill rates for the various service areas being evaluated in the fiscal impact analysis. It is important to note that the various Limited Road Service Areas and Street Lighting Districts are not factored in the analysis. This is discussed later in this document. It is also important to note that in some cases, the service area boundaries do not always coincide with the boundaries of

the fiscal analysis zones (FAZ). For example, a large section of the Southeast FAZ is outside of the Anchorage Road & Drainage Service Area, therefore it is assumed that new development is not being assessed this millage.

Mill Levy Factors by FAZ

Northeast	Millage	Central	Millage
Areawide General	\$2.32	Areawide General	\$2.32
Anchorage Fire SA	\$1.57	Anchorage Fire SA	\$1.57
Anchorage Road & Drainage SA	\$3.52	Anchorage Road & Drainage SA	\$3.52
Anchorage Metro Police SA	\$2.62	Anchorage Metro Police SA	\$2.62
Anchorage Parks & Rec SA	\$0.91	Anchorage Parks & Rec SA	\$0.91
City Service Area	\$0.02	Anchorage Building Safety SA	\$0.01
Anchorage Building Safety SA	\$0.01	Total	\$10.95
Total	\$10.97		

Northwest	Millage	Southwest	Millage
Areawide General	\$2.32	Areawide General	\$2.32
Anchorage Fire SA	\$1.57	Anchorage Fire SA	\$1.57
Anchorage Road & Drainage SA	\$3.52	Anchorage Road & Drainage SA	\$3.52
Anchorage Metro Police SA	\$2.62	Anchorage Metro Police SA	\$2.62
Anchorage Parks & Rec SA	\$0.91	Anchorage Parks & Rec SA	\$0.91
City Service Area	\$0.02	Anchorage Building Safety SA	\$0.01
Anchorage Building Safety SA	\$0.01	Total	\$10.95
Total	\$10.97		

Southeast	Millage	Eagle River	Millage
Areawide General	\$2.32	Areawide General	\$2.32
Anchorage Fire SA	\$1.57	Eagle River-Chugiak Park & Rec SA	\$0.91
Anchorage Metro Police SA	\$2.62	Anchorage Fire SA	\$1.57
Anchorage Parks & Rec SA	\$0.91	Anchorage Metro Police SA	\$2.62
Glen Alps	\$2.84	Total	\$7.42
Anchorage Building Safety SA	\$0.01		
Total	\$10.27		

The table below summarizes *assessed* values for residential units by fiscal analysis zones. According to Municipal staff, statewide data on locally assessed property value versus local full value indicates the ratio of assessed value to full value in the Municipality of Anchorage is 97.45%.

Housing Assessed Values by FAZ

Type	NW	NE	CE	SE	SW	ER
SF-Rural	N/A	\$347,897	N/A	\$347,897	N/A	\$224,135
SF-Urban/Suburban	\$192,951	\$194,900	\$194,900	\$302,582	\$246,549	\$245,574
Townhouse/Condo	\$122,787	\$168,101	\$126,685	\$214,390	\$214,390	\$146,175
Apartment	\$87,705	\$92,090	\$97,450	\$102,323	\$107,195	\$97,450

Source: Department of Community Planning and Development

The table below summarizes assessed values for nonresidential square footage.

Nonresidential Assessed Values

Land Use	Value Per Sq. Ft.
Retail	\$80.00
Office	\$120.00
Services	\$60.00
Hotel	\$85.00
Industrial	\$45.00

Source: Municipality of Anchorage

F. Program Revenues

Program revenues are those revenues generated by the operating departments of the Municipality. The projection methodology for each revenue category is discussed below.

1. Fire and Rescue Program Revenues

Fire and Rescue Program Revenues total \$2,502,580 in FY99. This revenue category includes Plan Checking Fees, Ambulance Service Fees, Fire Alarm Fees, etc. Discussions with Municipal staff indicate that Ambulance Service Fees are likely to increase with population and employment and Fire Alarm Fees are likely to increase with additional employment. The other Fire and Rescue Program Revenues are not directly attributable to new growth, and will remain fixed in the fiscal impact analysis.

**General Fund Revenue Projection Methodologies
Fire and Rescue Program Revenues**

Revenue	FY99 Budget	Projection Methodology	LOS Standard
Plan Checking Fees	\$218,480	Fixed	\$0.00
Ambulance Service Fees	\$2,236,000	Per Capita/Job	\$6.06
Fire Alarm Fees	\$40,400	Per Job	\$0.33
Reimbursed Costs	\$3,500	Fixed	\$0.00
Lease and Rental Revenues	\$4,200	Fixed	\$0.00
Total	\$2,502,580		\$6.39

2. Public Works Program Revenues

Public Works Program Revenues total \$1,379,890 in FY99. This revenue category includes various permits and inspection fees, sale of maps and publications, etc. Discussions with Municipal staff indicate that Construction and R-O-W Permits, Site Plan Review Fees, Miscellaneous Permits and Platting Fees are one-time revenues that do not compound annually. The unique methodologies used for these revenues is discussed further below. Land Use Permits and Subdivision Inspection Fees are not factored as they offset expenditures in these areas. Conversely, the operating expenditures are not factored in the analysis. Zoning Enforcement Fines and Mapping Fees are likely to increase with population and employment. Hazardous Waste Fees are likely to increase with additional employment. The other Public Works Program Revenues are not directly attributable to new growth, and will remain fixed in the fiscal impact analysis.

**General Fund Revenue Projection Methodologies
Public Works Program Revenues**

Revenue	FY99 Budget	Projection Methodology	LOS Standard
Construction and R-O-W Permits	\$495,030	One-Time	See Text
Land Use Permits	\$254,410	Not Factored	See Text
Mobile Home Inspection Fees	\$9,000	Fixed	\$0.00
Subdivision Inspection Fees	\$291,330	Not Factored	See Text
Site Plan Review Fees	\$20,000	One-Time	See Text
Miscellaneous Permits	\$52,000	One-Time	See Text
Other Fines and Forfeitures	\$3,000	Fixed	\$0.00
Zoning Enforcement Fines	\$10,000	Per Capita/Job	\$0.03
Platting Fees	\$30,000	One-Time	\$0.00
Sale of Publications	\$500	Fixed	\$0.00
Hazardous Waste Fees	\$90,000	Per Job	\$0.74
Mapping Fees	\$46,080	Per Capita/Job	\$0.12
Address Fees	\$8,000	Fixed	\$0.00
Copier Fees	\$6,000	Fixed	\$0.00
Parking Authority Service Fees	\$2,000	Fixed	\$0.00
Reimbursed Costs	\$61,500	Fixed	\$0.00
Appeal Receipts	\$440	Fixed	\$0.00
Miscellaneous Revenues	\$600	Fixed	\$0.00
Total	\$1,379,890		

a. **One-Time Public Works Program Revenues**

As discussed above, several Public Works Program Revenues are one-time revenues that do not compound annually. This is because these revenues are related to review of new development projects. There is an estimated \$597,030 in one-time revenues that accrue as result of additional population and employment growth in the Municipality. To determine the one-time revenues, the projected increase in population and employment between 1999 and 2000 is used. For example, the projected population and employment increase under the Current Trends scenario between 1999 and 2000 is 5,459. When this is compared to the one-time revenues of \$597,030, the one-time revenue per capita and job is \$109.37.

3. Building Inspection Revenues

Building Inspection Program Revenues total \$4,396,150 in FY99. This revenue category includes various permits and inspection fees. These revenues essentially cover the costs incurred by Building Inspections, Building Permit Counter and Plan Review. Since these revenues enable the building permit process to be a fee-sustained operation, Building Inspection Program Revenues are not factored in analysis. Conversely, Building Inspections, Building Permit Counter and Plan Review expenditures are not factored.

**General Fund Revenue Projection Methodologies
Building Inspection Program Revenues**

Revenue	FY99 Budget	Projection Methodology	LOS Standard
Building and Trade Licenses	\$43,000	Not Factored	See Text
Contractor Certificates	\$2,000	Not Factored	See Text
Local Business Licenses	\$90,000	Not Factored	See Text
Plan Checking Fees	\$800,000	Not Factored	See Text
Building Permits	\$2,496,150	Not Factored	See Text
Electrical Permits	\$390,000	Not Factored	See Text
Gas & Plumbing Permits	\$400,000	Not Factored	See Text
Moving Fence/Sign Fees	\$16,000	Not Factored	See Text
Elevator Inspection Fees	\$100,000	Not Factored	See Text
Mobile Home Inspec. Fees	\$18,000	Not Factored	See Text
Sale of Publications	\$34,000	Not Factored	See Text
Copier Fees	\$6,000	Not Factored	See Text
Appeal Receipts	\$1,000	Not Factored	See Text
Total	\$4,396,150		\$0.00

4. Community Planning and Development

Community Planning and Development Program Revenues total \$248,780 in FY99. This revenue category includes zoning and platting fees, sale of maps and publications, etc. Discussions with Municipal staff indicate that Zoning Fees and Platting Fees are one-time in nature and will increase with population and employment. Sale of Publications and Maps is projected to increase with population and employment. The other Community Planning and Development Program Revenues are not directly attributable to new growth and will remain fixed in the fiscal impact analysis.

**General Fund Revenue Projection Methodologies
Community Planning & Development Program Revenues**

Revenue	FY99 Budget	Projection Methodology	LOS Standard
Parking and Acces Agree. Fee	\$350	Fixed	\$0.00
Zoning Fees	\$82,000	One-Time	\$0.22
Platting Fees	\$123,000	One-Time	\$0.33
Sale of Publications	\$29,430	Per Capita/Job	\$0.08
Miscellaneous Map Sales	\$13,000	Per Capita/Job	\$0.04
Rezoning Inspections	\$1,000	Fixed	\$0.00
Total	\$248,780		\$0.67

5. Health and Human Services Program Revenues

Health and Human Services Program Revenues total \$3,348,310 in FY99. This revenue category includes Emission Certificate and Inspection Fees for Environmental Health, as well as fees generated by the various Health programs. Discussions with Municipal staff indicate that Emissions Fees will increase with additional cars generated by population and employment. Sanitation Inspection Fees are not factored, as these fees essentially cover the costs incurred by Environmental Sanitation and On-Site Water/Wastewater. Conversely,

Environmental Sanitation and On-Site Water/Wastewater expenditures are not factored. Other variable revenues are projected to increase with population. Cook Inlet Air Pollution, Lease and Rental and Other Fines and Forfeitures revenues are not directly attributable to new growth and will remain fixed in the fiscal impact analysis.

**General Fund Revenue Projection Methodologies
Health and Human Services Program Revenues**

Revenue	FY99 Budget	Projection Methodology	LOS Standard
Emission Certificate Fee	\$1,442,740	Per Capita/Job	\$3.91
Emission Inspect. Test Fee	\$6,000	Per Capita/Job	\$0.02
Family Planning Fees	\$120,000	Per Capita	\$0.49
Animal Licenses	\$187,500	Per Capita	\$0.76
Other Fines and Forfeitures	\$120,000	Fixed	\$0.00
Animal Shelter Fees	\$282,000	Per Capita	\$1.14
Lease and Rental Revenues	\$73,800	Fixed	\$0.00
Dispensary Fees	\$200,000	Per Capita	\$0.81
Sanitary Inspection Fees	\$862,060	Not Factored	See Text
Clinic Fees	\$42,700	Per Capita	\$0.17
Cook Inlet Air Pollution	\$11,510	Fixed	\$0.00
Total	\$3,348,310		\$7.30

6. Executive Manager Program Revenues

Executive Manager Program Revenues total \$1,705,250 in FY99. This revenue category includes Miscellaneous Permits, Court Fines, Lease revenues, Land Sales, Interest, etc. Discussions with Municipal staff indicate that Court Fines and Forfeitures are projected to increase with additional population. The remaining Executive Manager Program Revenues are not directly attributable to new growth, and will remain fixed in the fiscal impact analysis.

**General Fund Revenue Projection Methodologies
Executive Manager Program Revenues**

Revenue	FY99 Budget	Projection Methodology	LOS Standard
Miscellaneous Permits	\$12,000	Fixed	\$0.00
Court Fines and Forfeitures	\$564,000	Per Capita	\$2.29
Service Fees-School District	\$38,900	Fixed	\$0.00
Reimbursed Costs	\$328,460	Fixed	\$0.00
Prior Year Busi. Inventory	\$118,660	Fixed	\$0.00
Lease and Rental Revenues	\$159,900	Fixed	\$0.00
Lease State Land Conveyance	\$20,000	Fixed	\$0.00
State Land Sales	\$176,830	Fixed	\$0.00
Other Property Sales	\$50,000	Fixed	\$0.00
Land Sales	\$81,000	Fixed	\$0.00
State Land Sales Interest	\$155,500	Fixed	\$0.00
Total	\$1,705,250		\$2.29

7. Cultural and Recreational Program Revenues

Cultural and Recreational Program Revenues total \$3,423,660 in FY99. This revenue category includes various user fees, lease and rentals, and other miscellaneous revenues. Discussions with Municipal staff indicate that several revenues are likely to increase with additional population. The remaining Cultural and Recreational Program Revenues are not directly attributable to new growth and will remain fixed in the fiscal impact analysis.

**General Fund Revenue Projection Methodologies
Cultural and Recreation Program Revenues**

Revenue	FY99 Budget	Projection Methodology	LOS Standard
Library Book Fines	\$217,000	Per Capita	\$0.88
Recreation Centers/Programs	\$468,200	Per Capita	\$1.90
Sports and Parks Act. Fees	\$442,240	Per Capita	\$1.79
Aquatics Fees	\$924,080	Per Capita	\$3.74
Camper Park Fees	\$95,000	Fixed	\$0.00
Library Non-Resident Fee	\$83,030	Fixed	\$0.00
Library Fees	\$400	Fixed	\$0.00
Museum Admission Fees	\$566,200	Fixed	\$0.00
Service Fees-School District	\$141,970	Fixed	\$0.00
Copier Fees	\$68,020	Per Capita	\$0.28
Reimbursed Costs	\$880	Fixed	\$0.00
Lease and Rental	\$38,000	Fixed	\$0.00
Building Rental	\$69,140	Fixed	\$0.00
Parking Garages and Lots	\$54,000	Fixed	\$0.00
Lost Book Reimbursement	\$47,500	Fixed	\$0.00
Sale of Books	\$32,000	Fixed	\$0.00
Miscellaneous Revenues	\$176,000	Per Capita	\$0.71
Total	\$3,423,660		\$9.30

8. Police Program Revenues

Police Program Revenues total \$2,011,090 in FY99. This revenue category includes various revenues such as Curfew Fines, DWI Impoundment Fees, etc. Discussions with Municipal staff indicate that Curfew Fines, DWI Impoundment Fees, and Incarceration Expense Recovery revenues are projected to increase with additional population. The remaining Police Program Revenues are not directly attributable to new growth and will remain fixed in the fiscal impact analysis.

**General Fund Revenue Projection Methodologies
Police Program Revenues**

Revenue	FY99 Budget	Projection Methodology	LOS Standard
Other Fines and Forfeitures	\$22,000	Fixed	\$0.00
Curfew Fines	\$65,000	Per Capita	\$0.26
State-911	\$983,500	Fixed	\$0.00
DWI Impoundment	\$252,000	Per Capita	\$1.02
Incarceration Expense Recovery	\$195,400	Per Capita	\$0.79
Reimbursed Costs	\$270,600	Fixed	\$0.00
Other Property Sales	\$97,590	Fixed	\$0.00
Miscellaneous Revenues	\$125,000	Fixed	\$0.00
Total	\$2,011,090		\$2.08

9. Transit Program Revenues

Transit Program Revenues total \$1,880,130 in FY99. This revenue category includes Public Transit Fees and Transit Advertising Fees. Discussions with Municipal staff indicate that Transit Fees will increase as ridership increases with population. Transit Advertising Fees are not directly attributable to new growth and will remain fixed in the fiscal impact analysis.

**General Fund Revenue Projection Methodologies
Transit Program Revenues**

Revenue	FY99 Budget	Projection Methodology	LOS Standard
Public Transit Fees	\$1,820,130	Per Capita	\$7.37
Transit Advertising Fees	\$60,000	Fixed	\$0.00
Total	\$1,880,130		\$7.37

10. Property and Facility Maintenance Program Revenues

Property and Facility Maintenance Program Revenues total \$436,000 in FY99. This revenue category includes Arena and Amusement Surcharges, Property Sales, and Lease and Rental revenues. Discussions with Municipal staff indicate these revenues are not directly attributable to new growth and will remain fixed in the fiscal impact analysis.

**General Fund Revenue Projection Methodologies
Property and Facility Maintenance Program Revenues**

Revenue	FY99 Budget	Projection Methodology	LOS Standard
Lease and Rental Revenues	\$14,000	Fixed	\$0.00
Amusement Surcharge	\$168,000	Fixed	\$0.00
Arena Loan Surcharge	\$250,000	Fixed	\$0.00
Other Property Sales	\$4,000	Fixed	\$0.00
Total	\$436,000		\$0.00

11. Other Program Revenues

Other Program Revenues total \$3,800,800 in FY99. This revenue category includes various Fines and Forfeitures, Copier Fees, Lease and Rentals, etc. Discussions with Municipal staff indicate that several of these revenues will increase with additional population growth. Several are not directly attributable to new growth and will remain fixed in the fiscal impact analysis.

**General Fund Revenue Projection Methodologies
Other Program Revenues**

Revenue	FY99 Budget	Projection Methodology	LOS Standard
Court Fines and Forfeitures	\$2,527,110	Per Capita	\$10.24
Parking Enforcement Fines	\$700,000	Per Capita	\$2.84
Copier Fees	\$5,250	Per Capita	\$0.02
Computer Time Fees	\$6,600	Fixed	\$0.00
Unbilled Revenue	\$15,300	Fixed	\$0.00
Reimbursed Costs	\$47,900	Fixed	\$0.00
5th and C Garage Income	\$496,840	Fixed	\$0.00
Appeal Receipts	\$1,800	Fixed	\$0.00
Total	\$3,800,800		\$13.10

IV. ASSEMBLY OPERATING EXPENDITURES

A. Assembly

The table below summarizes Assembly expenditures by activity. Direct expenditures total \$627,430 in FY1999. This budget funds the legislative branch of Municipal government. For each budget line item, or cost center, fixed and variable expenditures are broken out. The expenditure allocations were determined through conversations with department representatives and a detailed examination of the FY1999 operating budgets. Variable expenditures are estimated a \$291,210. The projection methodology and resulting factor is also shown for each department. These factors will be used in the fiscal model to project future costs for each of the Assembly activities. Several expenditures are not expected to be impacted by new development in the Municipality and are fixed in the fiscal impact analysis. Other Services expenditures are projected to increase with population.

Cost Projection Methodologies

Assembly

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Personal Services	\$287,640	\$287,640	\$0	Fixed	\$0.00
Supplies	\$3,000	\$3,000	\$0	Fixed	\$0.00
Other Services	\$291,210	\$0	\$291,210	Per Capita	\$1.18
Capital Outlay	\$45,580	\$45,580	\$0	Fixed	\$0.00
Total	\$627,430	\$336,220	\$291,210		\$1.18

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

B. Elections

The table below summarizes Elections expenditures by activity. Direct expenditures total \$410,000 in FY1999. Variable expenditures are estimated a \$245,400. This budget funds regular municipal elections annually and special elections as called by the Assembly. Variable Elections expenditures are projected to increase with population.

Cost Projection Methodologies

Elections

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Personal Services	\$95,000	\$95,000	\$0	Fixed	\$0.00
Supplies	\$33,700	\$0	\$33,700	Per Capita	\$0.14
Other Services	\$211,700	\$0	\$211,700	Per Capita	\$0.86
Capital Outlay	\$69,600	\$69,600	\$0	Fixed	\$0.00
Total	\$410,000	\$164,600	\$245,400		\$0.99

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

C. Clerk

The table below summarizes Clerk expenditures by activity. Direct expenditures total \$677,860 in FY1999. Variable expenditures are estimated a \$228,320. The Clerk's Office provides operational support to the Municipal Assembly. This includes agenda preparation and distribution, administering pertinent sections of the Municipal Code and responding to citizen requests for information and assistance. Variable Clerk expenditures are projected to increase with population.

**Cost Projection Methodologies
Clerk**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Personal Services	\$449,510	\$449,510	\$0	Fixed	\$0.00
Supplies	\$13,000	\$0	\$13,000	Per Capita	\$0.05
Other Services	\$215,320	\$0	\$215,320	Per Capita	\$0.87
Capital Outlay	\$30	\$30	\$0	Fixed	\$0.00
Total	\$677,860	\$449,540	\$228,320		\$0.93

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

D. Ombudsmen

The table below summarizes Ombudsmen expenditures by activity. Direct expenditures total \$259,020 in FY1999. As an independent, impartial Municipal office, the Ombudsmen receives, reviews and investigates complaints about the School District and Municipality; provides information and referral; facilitates the provision of services; and develops recommendations to improve delivery of services. Variable Ombudsmen expenditures are projected using a marginal cost approach explained below.

**Cost Projection Methodologies
Ombudsman**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Personal Services	\$245,970	\$121,411	\$124,559	Marginal	See Text
Supplies	\$2,200	\$0	\$2,200	Marginal	See Text
Other Services	\$9,550	\$0	\$9,550	Marginal	See Text
Capital Outlay	\$1,300	\$1,300	\$0	Fixed	\$0.00
Total	\$259,020	\$122,711	\$136,309		\$0.00

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

1. Marginal Ombudsmen Costs

a. Personnel

As population and employment increase in the Municipality, it is assumed that complaints filed with the Ombudsman will increase as well, necessitating the need for additional positions. In order to project additional complaints, the 1998 complaint total (750) is compared to the existing Municipal population and employment estimate (369,046). This results in .002 complaints per capita and job (750 complaints divided by 369,046).

Variable Personal Services expenditures were estimated at \$124,559, comprising two Assistant Ombudsman positions. In order to project the marginal personnel cost increases that will occur as additional complaints are filed and investigations started, TA has documented the current level of service in terms of complaints by type of variable employee. As mentioned above, there are currently 2 Assistant Ombudsman positions. For purposes of the fiscal impact analysis it is assumed that one new Assistant Ombudsman is hired for every additional 375 complaints (750 complaints divided by 2 Assistant Ombudsman positions) generated by new growth. However, in order to help maintain the current level of service, it is assumed the position is hired when 80% of the 375-complaint threshold is reached. Therefore, a new Assistant Ombudsman, with a salary/benefits package of \$63,722, is hired for every additional 300 complaints.

b. Non-Salary Operating Costs

Variable non-salary operating expenditures for supplies and other services are estimated at \$11,750. These are projected to increase with additional complaints filed with the Ombudsman. When divided by the 1998 complaint total of 750, the resulting cost per complaint is \$15.67.

E. Assembly Office

The table below summarizes Assembly Office expenditures by activity. Direct expenditures total \$340,400 in FY1999. Variable operating expenditures are estimated at \$147,820. The Assembly Office provides staff support to the Municipal Assembly. This includes conducting and facilitating policy; program and operations research and analyses; developing legislation; and providing analytical review of budgetary/financial issues. Personnel-related expenditures are assumed to be unaffected by new growth and will remain fixed in the fiscal impact analysis. Variable Assembly Office expenditures are projected to increase with population.

**Cost Projection Methodologies
Assembly Office**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Personal Services	\$189,940	\$189,940	\$0	Fixed	\$0.00
Supplies	\$2,000	\$2,000	\$0	Fixed	\$0.00
Other Services	\$147,820	\$0	\$147,820	Per Capita	\$0.60
Capital Outlay	\$640	\$640	\$0	Fixed	\$0.00
Total	\$340,400	\$192,580	\$147,820		\$0.60

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

V. GENERAL GOVERNMENT OPERATING EXPENDITURES

A. Equal Rights Commission

The table below summarizes Equal Rights Commission expenditures by activity. Direct expenditures total \$446,860 in FY1999. Variable operating expenditures are estimated at \$190,200. The Equal Rights Commission monitors the enforcement of civil rights laws of the Municipality of Anchorage prohibiting discrimination and investigates civil rights complaints. Variable Equal Rights Commission expenditures are projected using a marginal cost approach, which is explained below.

**Cost Projection Methodologies
Equal Rights Commission**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Personal Services	\$401,010	\$256,660	\$144,350	Marginal	See Text
Supplies	\$2,500	\$0	\$2,500	Marginal	See Text
Other Services	\$43,350	\$0	\$43,350	Marginal	See Text
Capital Outlay	\$0	\$0	\$0	Fixed	\$0.00
Total	\$446,860	\$256,660	\$190,200		\$0.00

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

1. Marginal Equal Rights Commission Costs

a. Personnel

As population and employment increase in the Municipality, it is assumed that discrimination complaints filed with the Equal Rights Commission will increase as well, necessitating the need for additional positions. In order to project additional complaints, the 1998 complaint total (150) is compared to the existing Municipal population and employment estimate (369,046). This results in .0004 complaints per capita and job (150 complaints divided by 369,046).

Variable Personal Services expenditures were estimated at \$144,350, comprising two Human Relations Specialist positions. In order to project the marginal personnel cost increases that will occur as a result of additional complaints being filed and investigations started, TA has documented the current level of service in terms of complaints by type of variable employee. As mentioned above, there are currently two Human Relations Specialist positions. For purposes of the fiscal impact analysis it is assumed that one new Human Relations Specialist is hired for every additional 75 discrimination complaints (150 complaints divided by 2 Human Relations Specialist positions). However, in order to help maintain the current level of service, it is assumed the position is hired when 80% of the 75-complaint level of service threshold is reached. Therefore, an additional Human Relations Specialist, with a salary/benefits package of \$72,175, is hired for every 60 additional complaints.

b. Non-Salary Operating Costs

Variable non-salary operating expenditures are estimated at \$45,850. These are projected to increase with additional complaints filed with the Equal Rights Commission. When divided by the 1998 complaint total of 150, the resulting cost per complaint is \$305.67.

B. Internal Audit

The table below summarizes Internal Audit expenditures by activity. Direct expenditures total \$476,150 in FY1999. Internal Audit conducts independent operational audits of the various Municipal operations and activities, provides management assistance to the Administration and Assembly and evaluates the adequacy of internal accounting and administrative controls. Internal Audit expenditures are not projected to be impacted by new development in the Municipality and will remain fixed in the fiscal impact analysis.

**Cost Projection Methodologies
Internal Audit**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Personal Services	\$461,750	\$461,750	\$0	Fixed	\$0.00
Supplies	\$3,000	\$3,000	\$0	Fixed	\$0.00
Other Services	\$7,990	\$7,990	\$0	Fixed	\$0.00
Capital Outlay	\$3,410	\$3,410	\$0	Fixed	\$0.00
Total	\$476,150	\$476,150	\$0		\$0.00

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

C. Office of the Mayor

The table below summarizes Office of the Mayor expenditures by activity. Direct expenditures total \$851,940 in FY1999. Variable operating expenditures for supplies and other services are estimated at \$164,820. The Office of the Mayor provides leadership for all Municipal agencies, ensures compliance with the Municipal Charter and Code, promotes state/federal legislation and administers Municipal departments and programs. Personnel-related expenditures are assumed to be unaffected by new growth and will remain fixed in the fiscal impact analysis. Variable Office of the Mayor expenditures are projected to increase with population.

**Cost Projection Methodologies
Office of the Mayor**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Personal Services	\$681,120	\$681,120	\$0	Fixed	\$0.00
Supplies	\$18,710	\$0	\$18,710	Per Capita	\$0.08
Other Services	\$146,110	\$0	\$146,110	Per Capita	\$0.59
Capital Outlay	\$6,000	\$6,000	\$0	Fixed	\$0.00
Total	\$851,940	\$687,120	\$164,820		\$0.67

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

D. Municipal Attorney

The table below summarizes Municipal Attorney expenditures by activity. Direct expenditures total \$4,244,940 in FY1999. Variable operating expenditures are estimated at \$3,293,925. The Municipal Attorney provides legal services to all phases of Municipal government operations; manages civil litigation involving the Municipality; prosecutes misdemeanor offenses; and oversees the resolution of civil and criminal code violations through the use of an Administrative Hearing Officer. The Municipal Attorney budget is comprised of four divisions: Administration, Prosecution, Civil Law, and Administrative Hearings. Variable Administration and Administrative Hearing expenditures are projected to increase with additional population and employment. The remaining variable Municipal Attorney expenditures are projected using a marginal cost approach explained further below.

**Cost Projection Methodologies
Municipal Attorney**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Law Administration	\$325,410	\$281,690	\$43,720	Per Capita/Job	\$0.12
Prosecution	\$2,175,660	\$301,372	\$1,874,288	Marginal	See Text
Civil Law	\$1,599,940	\$280,475	\$1,319,465	Marginal	See Text
Administrative Hearings	\$143,930	\$87,478	\$56,452	Per Capita/Job	\$0.15
Total	\$4,244,940	\$951,015	\$3,293,925		\$0.27

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

I. Marginal Prosecution Costs

a. Personnel

As population and employment growth continues in the Municipality, so too will the demands placed on Prosecution personnel, primarily in the form of increased count screening and filings. Count screenings are projected to increase as police calls for service increase. In 1998, there were 267,768 calls for service and 15,123 counts screened. This results in an average of one count generated for every 18 calls for service. It is assumed this relationship continues throughout the 22-year analysis period.

In order to project the marginal personnel cost increases that will occur as a result of increased count screenings, TA has documented the current level of service in terms of counts screened by type of employee. For example, there are currently 16 Municipal Attorneys. For purposes of the fiscal impact analysis it is assumed that one new Municipal Attorney is hired for every 943 increase in counts screened (15,123 counts divided by 16 positions). However, in order to help maintain the current level of service, it is assumed the position is hired when 80% of the 943 count screening level of service threshold is reached. It is assumed these personnel are hired with a salary/benefits package of \$70,647. This same methodology is used for the Office Associate positions shown in the table below.

**Office of Law
Marginal Prosecution Personnel Factors**

Position	FY99 Positions	FY99 Avg. Salary*	FY99 LOS
Municipal Attorneys	16	\$70,647	1 per 943 counts
Office Associates	12	\$35,266	1 per 1,260 counts

*Includes benefits

b. Non-Salary Operating Costs

Variable non-salary operating expenditures are estimated at \$85,270. These are projected to increase with additional counts screened. When divided by the 1998 complaint total of 15,123 counts, the cost per count is \$5.64.

2. Marginal Civil Law Costs

a. Personnel

Civil Law personnel costs are assumed to be driven by the amount of population in the Municipality. In other words, as population continues to increase in the Municipality, so too will the demands placed on Civil Law personnel.

In order to project the marginal personnel cost increases that will occur as a result of increased population, TA has documented the current level of service in terms of population per type of Civil Law employee. For example, there are currently 9 Municipal Attorneys. For purposes of the fiscal impact analysis it is assumed that one new Municipal Attorney is hired for every 27,422 increase in population (246,800 persons divided by 9 positions). However, in order to help maintain the current level of service, it is assumed the position is hired when 80% of the 27,422-population level of service threshold is reached. It is assumed these personnel are hired with a salary/benefits package of \$84,834. This same methodology is used for the Office Associate positions shown in the table below.

**Office of Law
Marginal Civil Law Personnel Factors**

Position	FY99 Positions	FY99 Avg. Salary*	FY99 LOS
Municipal Attorneys	9	\$84,834	1 per 27,422 persons
Office Associates	7	\$32,264	1 per 35,257 persons

*Includes benefits

b. Non-Salary Operating Costs

Variable non-salary operating expenditures are estimated at \$243,430. These are projected to increase with additional population growth. When divided by the current population estimate of 246,800, the resulting cost per capita is \$0.99.

E. Employee Relations

The table below summarizes Employee Relations expenditures by activity. Direct expenditures total \$2,947,510 in FY1999. Variable operating expenditures are estimated at \$1,191,644. Employee Relations is responsible for recruitment of Municipal staff, negotiating labor contracts, providing training, ensuring compliance with various employment laws, as

well as numerous other human resource-related activities. The majority of variable Employee Relations expenditures will increase as a result of additional employees being hired for jobs within the various Municipal departments. The need for the majority of positions is a result of serving both residential and nonresidential land uses. Therefore, these variable costs are assumed to be a function of population and employment. The Police/Fire Medical Liability expenditure is a fixed expense since the Retirement System is closed and the number of participants is fixed.

**Cost Projection Methodologies
Employee Relations**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Administration	\$194,080	\$169,210	\$24,870	Per Capita/Job	\$0.07
Equal Opportunity	\$239,330	\$204,312	\$35,018	Per Capita/Job	\$0.09
Labor Relations	\$133,580	\$89,950	\$43,630	Per Capita/Job	\$0.12
Emp./Mgt. Services	\$642,640	\$273,233	\$369,407	Per Capita/Job	\$1.00
Office Resource Dev.	\$196,840	\$147,940	\$48,900	Per Capita/Job	\$0.13
Class & Emp. Services	\$1,054,300	\$384,481	\$669,819	Per Capita/Job	\$1.82
Police/Fire Ret. Med. Liab.	\$486,740	\$486,740	\$0	Fixed	\$0.00
Total	\$2,947,510	\$1,755,866	\$1,191,644		\$3.23

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

VI. MUNICIPAL MANAGER OPERATING EXPENDITURES

A. Municipal Manager

The table below summarizes Municipal Manager expenditures by activity. Direct expenditures total \$400,930 in FY1999. Variable operating expenditures are estimated at \$23,910. The Municipal Manager is responsible to the Mayor for overall conduct of the administrative functions, administrative policy, and operations of the Municipality. Personnel-related expenditures are assumed to be unaffected by new growth and will remain fixed in the fiscal impact analysis. Variable non-salary operating expenditures are assumed to increase with population and jobs.

Cost Projection Methodologies Municipal Manager

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Personal Services	\$374,630	\$374,630	\$0	Fixed	\$0.00
Supplies	\$5,740	\$0	\$5,740	Per Capita/Job	\$0.02
Other Services	\$18,170	\$0	\$18,170	Per Capita/Job	\$0.05
Capital Outlay	\$2,390	\$2,390	\$0	Fixed	\$0.00
Total	\$400,930	\$377,020	\$23,910		\$0.07

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

B. Office of Emergency Management

The table below summarizes Office of Emergency Management expenditures by activity. Direct expenditures total \$241,110 in FY1999. Variable operating expenditures are estimated at \$15,690. The Office of Emergency Management provides emergency management capabilities to the Municipality through mitigation, preparedness, response and recovery activities. Emergency Management is a function that must be provided, regardless of the size of the Municipality. Therefore, personal services costs are considered fixed and the only variable costs are assumed to be for non-salary operating costs, which are projected to increase with population.

Cost Projection Methodologies Emergency Management

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Personal Services	\$175,400	\$175,400	\$0	Fixed	\$0.00
Supplies	\$3,000	\$0	\$3,000	Per Capita	\$0.01
Other Services	\$12,690	\$0	\$12,690	Per Capita	\$0.05
Debt Service	\$39,170	\$39,170	\$0	Fixed	\$0.00
Capital Outlay	\$10,850	\$10,850	\$0	Fixed	\$0.00
Total	\$241,110	\$225,420	\$15,690		\$0.06

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

C. Transportation Inspection

The table below summarizes Transportation Inspection expenditures by activity. Direct expenditures total \$207,030 in FY1999. Program revenues generated by this cost center

slightly exceed the operating costs, thereby making this a fee-sustained operation. Therefore, for purposes of the fiscal impact analysis, this cost center is not factored.

**Cost Projection Methodologies
Transportation Inspection**

Cost	FY99 Budget
Personal Services	\$174,730
Supplies	\$5,000
Other Services	\$27,300
Capital Outlay	\$0
Total Direct Costs	\$207,030
Program Revenues	
Taxicab Permits	\$180,000
Chauffeur License	\$21,000
Taxicab Permit Rev.	\$2,000
Chauffeur License Ren.	\$1,000
Other Fines/Forfeitures	\$7,500
Total Program Revenues	\$211,500

D. Office of Management/Budget

The table below summarizes Office of Management/Budget expenditures by activity. Direct expenditures total \$738,260 in FY1999. Variable operating expenditures are estimated at \$328,436. The Office of Management/Budget is responsible for preparation of the Municipal budgets, coordinating state/federal grant assistance, preparing the Central Service Plan and providing management advice. Since Management/Budget functions support all aspects of Municipal government operations, these costs are allocated to population and jobs.

**Cost Projection Methodologies
Office of Management/Budget**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Municipal Budgeting	\$651,210	\$334,904	\$316,306	Per Capita/Job	\$0.86
Management Services	\$87,050	\$74,920	\$12,130	Per Capita/Job	\$0.03
Total	\$738,260	\$409,824	\$328,436		\$0.89

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

VII. HEALTH & HUMAN SERVICES OPERATING EXPENDITURES

The Department of Health and Human Services is largely funded through Federal and State grants. In Fiscal Year 1999, Federal and State grants comprise approximately 67% of the total Health and Human Services operating budget, with the Municipality contributing the remaining 33%. Therefore, there are two distinct levels of service for Health and Human Services: 1) an overall level of service, and 2) the Municipal level of service. Since the purpose of this fiscal impact analysis is to determine the cost to the Municipality of Anchorage of providing current levels of service to new growth, only the Municipal expenditures are factored.

A. Health & Human Services Administration

The table below summarizes Health & Human Services Administration expenditures by activity. Direct expenditures total \$521,590 in FY1999. Variable operating expenditures are estimated at \$228,426. Health & Human Services Administration is responsible for policy direction, planning and enhancing the ability to meet the changing health and human service needs in Anchorage, enhancing community awareness of health and human services programs and advising the Mayor and Assembly on health issues. Discussions with Health & Human Services staff indicate that expenditures for Administration are not directly attributable to new growth and will therefore remain fixed in the fiscal impact analysis. The majority of variable Planning, Community Health Promotion and Medical Officer expenditures are projected to increase with additional population growth.

**Cost Projection Methodologies
Administration**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Administration	\$158,890	\$158,890	\$0	Fixed	\$0.00
Planning	\$86,430	\$77,440	\$8,990	Per Capita	\$0.04
Comm. Health Promotion	\$215,510	\$56,834	\$158,676	Per Capita	\$0.64
Medical Officer	\$60,760	\$0	\$60,760	Per Capita	\$0.25
Total	\$521,590	\$293,164	\$228,426		\$0.93

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

B. Management Support Services

The table below summarizes Management Support Services expenditures by activity. Direct expenditures total \$2,468,950 in FY1999. Variable operating expenditures are estimated at \$748,120. Management Support Services is responsible for overseeing all centralized internal administrative support functions. This includes budgetary and payroll functions, managing grants and contracts and providing support for automated functions and facilities. Discussions with Health & Human Services staff indicate the majority of variable expenditures are for non-salary operating costs, given the administrative nature of most of the Management Support Services functions. These variable expenditures are projected to increase with population. Miscellaneous Grant Contributions are not directly attributable to new growth and will remain fixed in the fiscal impact analysis.

**Cost Projection Methodologies
Management Support Services**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Administration	\$149,280	\$126,820	\$22,460	Per Capita	\$0.09
Fiscal Support	\$252,790	\$235,630	\$17,160	Per Capita	\$0.07
Grants/Contracts	\$269,280	\$0	\$269,280	Per Capita	\$1.09
Facility & Tech. Support	\$283,880	\$172,380	\$111,500	Per Capita	\$0.45
Contracted Prog. Services	\$920,720	\$0	\$327,720	Per Capita	\$1.33
Misc. Grant Contributions	\$593,000	\$593,000	\$0	Fixed	\$0.00
Total	\$2,468,950	\$1,127,830	\$748,120		\$3.03

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

C. Environmental Services

The table below summarizes Environmental Services expenditures by activity. Direct expenditures total \$2,031,710 in FY1999. Variable operating expenditures are estimated at \$176,820. Environmental Services is responsible for answering citizen inquiries regarding Environmental Services programs, operating the Vehicle Inspections and Maintenance Program, management and regulation of the design, construction and operation of on-site water and wastewater disposal systems, conducting food facility inspections, as well as other environmental health activities. Discussions with Health & Human Services staff indicate the majority of variable expenditures are projected to increase with population growth in the Municipality. The Vehicle Inspections, On-Site Water/Wastewater Programs and Environmental Sanitation are fee-sustained operations and therefore are not factored. The Water Quality Program is expected to be eliminated in the next two years and is not factored.

**Cost Projection Methodologies
Environmental Services**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Administration	\$149,910	\$115,330	\$34,580	Per Capita	\$0.14
Public Services	\$142,240	\$0	\$142,240	Per Capita	\$0.58
Vehicle Insp. Program	\$695,870	\$695,870	\$0	Fee Sustained	N/A
On-Site Water/Wastewater	\$310,350	\$310,350	\$0	Fee Sustained	N/A
Environmental Sanitation	\$614,940	\$614,940	\$0	Fee Sustained	N/A
Water Quality	\$118,400	\$118,400	\$0	Not Factored	See Text
Total	\$2,031,710	\$1,854,890	\$176,820		\$0.72

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

D. Community Health Services

The table below summarizes Community Health Services expenditures by activity. Direct expenditures total \$1,743,570 in FY1999. Variable operating expenditures are estimated at \$1,525,630. Community Health Services programs include Disease Prevention and Control, STD and HIV, Family Planning, WIC, Maternal Child Health, and Clinical Support Services. Discussions with Health & Human Services staff indicate the majority of variable Community Health expenditures are projected to increase with population growth in the Municipality.

**Cost Projection Methodologies
Community Health Services**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Administration	\$246,220	\$217,940	\$28,280	Per Capita	\$0.11
Disease Prevention & Control	\$236,020	\$0	\$236,020	Per Capita	\$0.96
Sex. Trans. Diseases	\$285,640	\$0	\$285,640	Per Capita	\$1.16
Family Planning	\$349,190	\$0	\$349,190	Per Capita	\$1.41
Maternal Child Health	\$356,720	\$0	\$356,720	Per Capita	\$1.45
WIC	\$79,340	\$0	\$79,340	Per Capita	\$0.32
Clinic Support Services	\$190,440	\$0	\$190,440	Per Capita	\$0.77
Total	\$1,743,570	\$217,940	\$1,525,630		\$6.18

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

E. Social Services

The table below summarizes Social Services expenditures by activity. Direct expenditures total \$1,901,730 in FY1999. Variable operating expenditures are estimated at \$1,707,850. Social Services programs include Child/Adult Care Licensing, Technical Support Services, Senior Citizens, and the Safe City Program. Discussions with Health & Human Services staff indicate Technical Support Services are not directly impacted by new growth and will therefore remain fixed in the fiscal impact analysis. The remaining variable expenditures are projected to increase with population.

**Cost Projection Methodologies
Social Services**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Administration	\$140,550	\$123,930	\$16,620	Per Capita	\$0.07
Child/Adult Care Licen.	\$261,920	\$0	\$261,920	Per Capita	\$1.06
Tech. Support Services	\$69,950	\$69,950	\$0	Fixed	\$0.00
Safe City Program	\$1,073,610	\$0	\$1,073,610	Per Capita	\$4.35
Senior Citizens Programs	\$355,700	\$0	\$355,700	Per Capita	\$1.44
Total	\$1,901,730	\$193,880	\$1,707,850		\$6.92

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

VIII. POLICE OPERATING EXPENDITURES

A. Chief of Police

The table below summarizes Chief of Police expenditures by activity. These expenditures total \$888,940 in FY1999. Variable operating expenditures are estimated at \$184,356. There are two cost centers under the Chief of Police: Administration and Crime Prevention. Administration is responsible for overall direction and management of the department. Crime Prevention is responsible for preventing crime through public awareness and to actively promote the department through proactive measures. The majority of the variable Chief of Police expenses will increase with additional population and employment growth in the Municipality. A marginal cost approach is used for variable operating expenses discussed later in this section.

Cost Projection Methodologies Chief of Police

Cost	FY99 Budget	Fixed Portion	Variable Portion	Projection Methodology	LOS Standard
Administration	\$456,080	\$423,560	\$32,520	Marginal	See Tables
Crime Prevention	\$432,860	\$281,024	\$151,836	Marginal	See Tables
Total	\$888,940	\$704,584	\$184,356		

B. Community Services

The table below summarizes Community Services expenditures by activity. These expenditures total \$29,293,140 in FY1999. Variable operating expenditures are estimated at \$28,807,830. Community Services consists of the Metro Division, Citywide Services Division and the Community Services Division. The Metro Division is primarily responsible for investigating crimes involving the trafficking of illegal drugs. Citywide Services is primarily responsible for investigating crimes against persons and property, transporting prisoners, serving court papers, and coordinating domestic violence cases. The Community Services Division provides the traditional uniform patrol services to the Municipality. The majority of the variable Community Services expenses will increase with additional population and employment growth in the Municipality. A marginal cost approach is used for variable operating expenses, which is discussed later in this section.

Cost Projection Methodologies Community Services

Cost	FY99 Budget	Fixed Portion	Variable Portion	Projection Methodology	LOS Standard
Personal Services	\$27,404,320	\$411,940	\$26,992,380	Marginal	See Tables
Supplies	\$112,860	\$0	\$112,860	Marginal	See Tables
Other Services	\$1,702,590	\$0	\$1,702,590	Marginal	See Tables
Capital Outlay	\$73,370	\$73,370	\$0	Fixed	\$0.00
Total	\$29,293,140	\$485,310	\$28,807,830		

C. Resource Division

The table below summarizes Resource Division expenditures by activity. These expenditures total \$17,251,560 in FY1999. Variable operating expenditures are estimated at \$14,437,248. The Resource Division is responsible for providing direct support and service support to the operational work units of the Police Department. This includes maintaining the E-911 system, budgetary functions, internal affairs, records maintenance, recruitment and payroll functions. The majority of the variable Resource Division expenses will increase with additional population and employment growth in the Municipality. A marginal cost approach is used for variable operating expenses discussed below.

**Cost Projection Methodologies
Resource Division**

Cost	FY99 Budget	Fixed Portion	Variable Portion	Projection Methodology	LOS Standard
Personal Services	\$10,393,030	\$2,057,162	\$8,335,868	Marginal	See Tables
Supplies	\$547,160	\$0	\$547,160	Marginal	See Tables
Other Services	\$5,554,220	\$0	\$5,554,220	Marginal	See Tables
Capital Outlay	\$146,800	\$146,800	\$0	Fixed	\$0.00
Debt Service	\$610,350	\$610,350	\$0	Fixed	\$0.00
Total	\$17,251,560	\$2,814,312	\$14,437,248		\$0.00

D. Marginal Police Non-Salary Operating Costs

For purposes of the fiscal impact analysis, Police costs are divided into two categories: 1) marginal non-salary operating costs and; and, 2) marginal personnel costs. The sections below describe the unique methodologies used to project these costs.

1. Calls for Service

For Police *non-salary operating* costs, calls for service are used to allocate costs by land use. Calls for service were sampled for two different weeks in 1999, January 11th and June 8th. The table below shows the number of calls for police service that the Anchorage Police Department (APD) dispatchers received during the two time periods. The results were categorized into residential, non-residential, and “street right-of-way/unidentified” land use categories. However, street right-of-way/unidentified calls are not factored since they cannot be attributed to specific land uses. The sample, which consisted of 5,693 calls attributable to land uses, resulted in 54% of calls being residential in nature and 46% are nonresidential. Since calls are not tracked by land use, it was determined this sample can serve as a good representative proxy.

Calls for Service Information*
Municipality of Anchorage

Type	Calls	Percent
Residential	3,058	54%
Nonresidential	2,635	46%
Total	5,693	100%

*Information was not available for entire year. Calls were sampled for the week of 01/11/99 and 06/08/99. Does not include 3,762 traffic and unidentified calls

Source: Anchorage Police Department

By applying the proxy percentages from the table above to the actual 1998 calls for service total of 267,768, there were 144,595 calls which can be attributed to residences and 123,173 calls can be attributed to nonresidential uses. These assumptions are shown in the table below.

Allocation of 1998 Calls Based on Proxy Percentages
Municipality of Anchorage

Type	Calls	Percent
Residential	144,595	54%
Nonresidential	123,173	46%
Total	267,768	100%

2. Residential Cost Factors

Variable non-salary Police operating expenditures projected to increase with additional residential and nonresidential calls for service total \$8,037,800. The table below breaks out the residential portion of \$4,340,412 (54%), which is then divided by the existing Municipal population and multiplied by the household size for each type of residential unit by fiscal analysis zone (FAZ) to obtain a cost per unit factor.

Police Department Residential Land Use Factors
Municipality of Anchorage
FY99 Non-Salary Operating Costs

Chief of Police	\$65,324		
Community Services	\$980,343		
Resource Division	\$3,294,745	Existing Pop.	246,800
Residential Portion (54% of \$8,037,800)	\$4,340,412	Per Capita Cost	\$17.59

Variable Non-Salary Residential Police Costs

Land Use	Per Unit Costs Based on Household Size By FAZ*											
	NE		NW		CE		SE		SW		ER	
	Per Unit Cost	Per Unit Cost	Per Unit Cost	Per Unit Cost	Per Unit Cost	Per Unit Cost	Per Unit Cost	Per Unit Cost	Per Unit Cost	Per Unit Cost	Per Unit Cost	
SF-Urban/Suburban	2.90	\$51.00	2.62	\$46.08	2.95	\$51.88	3.16	\$55.57	3.04	\$53.46	3.22	\$56.56
SF-Rural	3.00	\$52.76	2.65	\$46.60	3.13	\$55.05	3.16	\$55.57	3.14	\$55.22	3.23	\$56.87
Multifamily	2.30	\$40.45	1.96	\$34.47	2.13	\$37.46	2.36	\$41.50	2.42	\$42.56	2.36	\$41.57

*Based on 1990 U.S. Census Information provided by Anchorage Community Planning & Development

3. Nonresidential Cost Factors

The nonresidential methodology allocates the nonresidential portion (46%) of Police non-salary operating budget, which totals \$3,697,388 (\$8,037,800 x 46%). The nonresidential portion of the budget is allocated by type of nonresidential land use. Since specific records for calls for service by type of nonresidential land use is not available, trips by type of nonresidential land use are utilized as a realistic proxy. This methodology indicates that the greatest calls for service on a per square foot basis are for retail, then office and then industrial and flex uses. The table below summarizes the nonresidential vehicle trips on an average weekday in the Municipality of Anchorage.

Nonresidential Vehicle Trips on an Average Weekday
Municipality of Anchorage

<i>Nonresidential Gross Floor Area (1,000 sq. ft.)*</i>	<i>Assumptions</i>	
Retail	15,368	
Office	12,022	
Services	4,140	
Lodgings	3,786	
Industrial	13,988	
<i>Average Weekday Vehicle Trips Ends per 1,000 Sq. Ft.**</i>		<i>Trip Factors</i>
Retail	68.17	32%
Office	18.31	50%
Services	68.17	32%
Lodgings	8.92	50%
Industrial	4.96	50%
<i>Nonresidential Vehicle Trips on an Average Weekday</i>		
Retail	335,248	
Office	110,064	
Services	90,308	
Lodgings	16,886	
Industrial	34,690	
Total	587,195	

*Floor area estimates are from the Municipality of Anchorage

**Trip rates are from the Institute of Transportation Engineers(ITE) Trip Generation Manual (1997)

Average Weekday Vehicle Trip Ends are from the reference book, Trip Generation, published by the Institute of Transportation Engineers (6th Edition, 1997). A “trip end” represents a vehicle either entering or exiting a development. Trip rates have been adjusted to avoid over estimating the number of actual trips because one vehicle trip is counted in the trip rates of both the origination and destination points. A simple factor of 50% has been applied to Office, Industrial and Lodging categories. The Retail and Services category have a trip factor of less than 50% because this type of development attracts vehicles as they pass-by on arterial and collector roads. For example, when someone stops at a convenience store on their way home from work, the convenience store is not their primary destination. The ITE manual indicates that on average 37% of the vehicles entering shopping centers are passing by on the way to some other primary destination and 63% of the attraction trips have the shopping center as their primary destination. Therefore, the adjusted trip factor is 32% (0.63 x 0.50).

Based on the 587,195 average daily nonresidential trips in the Municipality and the \$3,697,388 (46% of \$8,037,800) in variable non-salary operating costs attributable to nonresidential development, the operating cost per nonresidential vehicle trip is \$6.30 (\$3,697,388 divided by 587,195). This level of service standard is then multiplied by the associated nonresidential trip ends and trip factors to derive the nonresidential factor increase for Police non-salary expenses. For example, the Office category generates 18.31 trips per 1,000 square feet of floor area. These trips are multiplied by the adjustment factor of 50%, for 9.15 trips per 1,000 square feet of floor area. The adjusted trips are then multiplied times the operating cost per vehicle trip of \$6.30, for a cost of \$57.65 per 1,000 square feet of building area. To determine the cost per employee, the cost per 1,000 square feet is divided by the number of employees per 1,000 square feet, in this case 4.03 (1,000 divided by 248 square feet per employee), for a cost per employee of \$14.30.

Nonresidential Land Use Factors for Police Non-Salary Operating Costs

Municipality of Anchorage

Nonresidential Weekday Vehicle Trips per 1,000 Sq. Ft.

Retail

Office

Services

Lodgings

Industrial

<i>Standards</i>	<i>Trip Factors</i>
68.17	32%
18.31	50%
68.17	32%
8.92	50%
4.96	50%

Level of Service Standards

Nonresidential Operating Costs (46% x \$8,037,800)

\$3,697,388

Nonresidential Vehicle Trips

587,195

Operating Cost per Vehicle Trip

\$6.30

Operating Costs

Per 1,000 sq. ft. Per Employee*

Retail

\$137.36

\$54.94

Office

\$57.65

\$14.30

Services

\$137.36

\$41.25

Lodgings

\$28.08

\$45.22

Industrial

\$15.62

\$12.30

*Based on 400 square feet per retail employee, 248 square feet per office employee, 300 square feet per service employee, 1,608 square feet per hotel employee, and 784 square feet per industrial employee.

E. Marginal Community Services Personnel Costs

The need for additional sworn personnel is projected to increase primarily as a result of additional calls for service generated from new residential and nonresidential uses in the Municipality. In order to project additional calls for service, 1998 residential calls are compared to the existing Municipal population and nonresidential calls are compared to the number of nonresidential vehicle trips generated on an average weekday in the Municipality. This results in .585 calls per capita (144,595 calls divided by 246,800) and .209 calls per nonresidential trip (123,173 calls divided by 587,195 nonresidential trips).

In order to forecast additional variable sworn and non-sworn positions, TA has documented the current level of service in terms of calls for service per position. As the table below indicates, there are currently 274 Patrol Officers in Community Services. When this is

compared to the 267,768 calls for service in 1998, there is an average of 977 calls per Patrol Officer. Therefore it is assumed that in order to maintain the current level of service in the Municipality, a new Patrol Officer is required for each projected increase of 977 calls for service. However, in order to help maintain the current level of service, it is assumed the position is hired when 80% of the 977 calls for service threshold are reached. Therefore, a new Patrol Officer with an associated salary and benefits of \$69,015 will be hired by the Municipality for each increase of 782 calls for service. This same methodology is used for the other positions projected to be impacted by new development in the Municipality.

Community Services Personnel LOS Factors

Municipality of Anchorage

Call s for Service	Calls	%
Residential Calls	144,595	54%
Nonresidential Calls	123,173	46%
Total	267,768	100%

Levels of Service

Current Population	246,800
Total Nonresidential Trips	587,195
Calls per Capita	0.586
Calls per Nonres. Trip	0.210
Number of Patrol Officers	274
Calls for Service per Patrol Officer	977
Salary and Benefits Per Patrol Officer	\$69,015
Number of Community Service Officers	6
Calls for Service per Community Service Officer	44,628
Salary and Benefits Per Community Service Officer	\$66,017
Number of Sergeants	39
Officers per Sergeant	7
Salary and Benefits Per Sergeant	\$90,860

F. Marginal Resource Division Personnel Costs

As mentioned above, the Resource Division is responsible for maintaining the E-911 system, budgetary functions, internal affairs, records maintenance, and recruitment and payroll functions. The need for additional variable sworn and non-sworn personnel in the Resource Division will increase as a result of several different factors. Some are assumed to increase with additional calls for service, others with population, and in the case of Internal Affairs, the number of Patrol Officers. The following sections describe the cost projection methodologies in greater detail.

1. Warrant Service

The need for additional sworn Warrant Service personnel is assumed to be attributed to additional population, since the majority of warrant service is to Anchorage residents. As the table below indicates, there are currently 7 Patrol Officers assigned to Warrant Service.

When this is compared to current population estimate of 246,800, there is an average of 1 Patrol Officer for every 35,257 persons. However, in order to help maintain the current level of service, it is assumed the position is hired when 80% of the 35,257 person threshold is reached. Therefore, a new Patrol Officer with an associated salary and benefits of \$69,015 will be hired by the Municipality for each increase of 28,206 persons. A similar methodology is used for Sergeants. However, it is assumed that the number of Patrol Officers drives the need for Sergeants.

<i>Warrant Service</i>	
Levels of Service	
Current Population	246,800
Total Nonresidential Trips	587,195
Number of Patrol Officers	7
Officers per Capita	35,257
Salary and Benefits Per Patrol Officer	\$69,015
Number of Sergeants	4
Officers per Sergeant	2
Salary and Benefits Per Sergeant	\$90,860

2. Records

The need for additional variable Records personnel is projected to increase primarily as a result of additional calls for service generated by new residential and nonresidential uses in the Municipality. These calls are assumed to increase the amount record keeping required by the Police Department. As the table below indicates, there are currently 70 Police Clerks assigned to Records. When this is compared to the 267,768 calls for service in 1998, there is an average of 3,825 calls per Clerk. However, in order to help maintain the current level of service, it is assumed the position is hired when 80% of the 3,825 calls for service threshold are reached. Therefore, a new Police Clerk with an associated salary and benefits of \$42,357 will be hired by the Municipality for each increase of 3,060 calls for service.

<i>Records</i>		
Calls for Service	Calls	%
Residential Calls	144,595	54%
Nonresidential Calls	123,173	46%
Total	267,768	100%
Levels of Service		
Current Population	246,800	
Total Nonresidential Trips	587,195	
Calls per Capita	0.586	
Calls per Nonres. Trip	0.210	
Police Clerks	70	
Calls for Service per Police Clerk	3,825	
Salary and Benefits Per Police Clerk	\$42,357	

3. Crime Analysis

The need for additional variable Crime Analysis personnel is projected to increase primarily as a result of additional calls for service generated by new residential and nonresidential uses in the Municipality. These calls are assumed to increase the amount of crime analysis required by the Police Department. As the table below indicates, there are currently 5 Data Systems Specialty Clerks assigned to Crime Analysis. When this is compared to the 267,768 calls for service in 1998, there is an average of 53,554 calls per Clerk. However, in order to help maintain the current level of service, it is assumed the position is hired when 80% of the 53,554 calls for service threshold are reached. Therefore, a new Data Systems Specialty Clerk with an associated salary and benefits of \$54,617 will be hired by the Municipality for each increase of 42,843 calls for service.

<i>Crime Analysis</i>		
Calls for Service	Calls	%
Residential Calls	144,595	54%
Nonresidential Calls	123,173	46%
Total	267,768	100%
Levels of Service		
Current Population		246,800
Total Nonresidential Trips		587,195
Calls per Capita		0.586
Calls per Nonres. Trip		0.210
Number of Data Systems Specialty Clerks		5
Calls for Service per Data Systems Spec. Clerk		53,554
Salary and Benefits Per Clerk		\$54,617

4. Property and Evidence

The need for additional variable Property and Evidence personnel is projected to increase primarily as a result of additional calls for service generated by new residential and nonresidential uses in the Municipality. These calls are assumed to increase the amount of property and evidence storage required by the Police Department. As the table below indicates, there are currently 2 Police Clerks assigned to Property and Evidence. When this is compared to the 267,768 calls for service in 1998, there is an average of 133,884 calls per Clerk. However, in order to maintain the current level of service, it is assumed the position is hired when 80% of the 133,884 calls for service threshold are reached. Therefore, a new Police Clerk with an associated salary and benefits of \$48,288 will be hired by the Municipality for each increase of 107,107 calls for service. The same methodology applies for the Evidence Technician positions.

<i>Property and Evidence</i>		
Calls for Service	Calls	%
Residential Calls	144,595	54%
Nonresidential Calls	123,173	46%
Total	267,768	100%
Levels of Service		
Current Population		246,800
Total Nonresidential Trips		587,195
Calls per Capita		0.586
Calls per Nonres. Trip		0.210
Number of Police Clerks		2
Calls for Service per Police Clerk		133,884
Salary and Benefits Per Police Clerk		\$48,288
Number of Property & Evidence Techs.		13
Calls for Service per Property & Evidence Tech.		20,598
Salary and Benefits Per Property & Evidence Tech.		\$49,017

5. Communications

The need for additional variable Communications personnel is projected to increase primarily as a result of additional calls for service generated by new residential and nonresidential development in the Municipality. As the table below indicates, there are currently 54 Communications Clerks assigned to Communications. When this is compared to the 267,768 calls for service in 1998, there is an average of 4,959 calls per Clerk. However, in order to maintain the current level of service, it is assumed the position is hired when 80% of the 4,959 calls for service threshold are reached. Therefore, a new Communications Clerk with an associated salary and benefits of \$43,925 will be hired by the Municipality for each increase of 3,967 calls for service. The same methodology applies for the Police Clerk positions.

<i>Communications</i>		
Calls for Service	Calls	%
Residential Calls	144,595	54%
Nonresidential Calls	123,173	46%
Total	267,768	100%
Levels of Service		
Current Population		246,800
Total Nonresidential Trips		587,195
Calls per Capita		0.586
Calls per Nonres. Trip		0.210
Number of Communications Clerks		54
Calls for Service per Communications Clerk		4,959
Salary and Benefits Per Communications Clerk		\$43,925
Number of Police Clerks		5
Calls for Service per Police Clerk		53,554
Salary and Benefits Per Police Clerk		\$49,743

6. Internal Affairs

The need for additional sworn Internal Affairs personnel is projected to increase primarily as a result of additional Patrol Officers hired by the Municipality to serve new development. As the table below indicates, there are currently 5 Patrol Officers assigned to Internal Affairs. When this is compared to the 286 Patrol Officer positions that are considered variable, there is an average of one Internal Affairs Officers for every 57 Patrol Officers. However, in order to maintain the current level of service, it is assumed the position is hired when 80% of the 57 Officer threshold is reached. Therefore, a new Internal Affairs Officer with an associated salary and benefits of \$84,279 will be hired by the Municipality for each increase of 47 Patrol Officers.

<i>Internal Affairs</i>	
Number of Patrol Officers	5
Officers per Patrol Officer	57
Salary and Benefits Per Patrol Officer	\$84,279

IX. FIRE OPERATING EXPENDITURES

Fire and Rescue services are provided to the Municipality of Anchorage through the Anchorage Fire Service Area, Anchorage Emergency Medical Service Area, Girdwood Volunteer Fire Service Area and the Eagle River-Chugiak-Eklutna Fire Service Area. With the exception of Girdwood, these Service Areas are funded through assessments.

A. Fire Administration

The table below summarizes Fire Administration expenditures by activity. Direct expenditures total \$649,240 in FY1999. Variable operating expenditures are estimated at \$162,860. Fire Administration is responsible for command, control, planning and overall management of department activities. Discussions with Fire staff indicate that many of the personnel expenditures are not directly attributable to new growth and are considered fixed costs. Variable non-salary operating costs are projected to increase with additional population and employment. A marginal cost approach is used to project these costs, which is discussed further in Section G.

**Cost Projection Methodologies
Fire Administration**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Personal Services	\$473,800	\$473,800	\$0	Fixed	\$0.00
Supplies	\$12,750	\$0	\$12,750	Per Unit/1,000Sq.Ft.	See Sect. G
Other Services	\$150,110	\$0	\$150,110	Per Unit/1,000Sq.Ft.	See Sect. G
Capital Outlay	\$12,580	\$12,580	\$0	Fixed	\$0.00
Total	\$649,240	\$486,380	\$162,860		

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

B. Fire and Rescue Operations

The table below summarizes Fire and Rescue Operations expenditures by activity. Direct expenditures total \$22,189,920 in FY1999. Variable operating expenditures are estimated at \$21,740,630. The remaining figure, debt service, will be forecasted independently by the fiscal model. Fire and Rescue Operations operates 11 stations staffed with full-time firefighters, 1 station and a facility staffed by auxiliaries and 4 stations staffed by volunteers. Discussions with Fire staff indicate that personnel and capital outlay will increase as additional stations are opened to serve new growth. (New growth-related Fire stations are discussed in Section XVII). Variable non-salary operating expenses will increase as additional calls for service are generated by new development. A marginal cost approach is used to project these costs, which is discussed further in Section G.

**Cost Projection Methodologies
Fire and Rescue Operations**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Personal Services	\$17,526,310	\$0	\$17,526,310	Direct Entry	See Sect. G
Supplies	\$382,370	\$0	\$382,370	Per Unit/1,000Sq.Ft.	See Sect. G
Other Services	\$3,275,410	\$0	\$3,275,410	Per Unit/1,000Sq.Ft.	See Sect. G
Debt Service	\$449,290	\$449,290	\$0	Fixed	\$0.00
Capital Outlay	\$556,540	\$0	\$556,540	Per Unit/1,000Sq.Ft.	See Sect. G
Total	\$22,189,920	\$449,290	\$21,740,630		

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

C. Emergency Medical Services

The table below summarizes Emergency Medical Services expenditures by activity. Direct expenditures total \$4,491,120 in FY1999. Variable operating expenditures are estimated at \$4,191,392. Emergency Medical Services provides emergency medical care within the Municipality. Discussions with Fire staff indicate that personnel and capital outlay will increase as additional stations are opened to serve new growth. Variable non-salary operating expenses will increase as additional calls for service are generated by new development. A marginal cost approach is used to project these costs, which is discussed further in Section G.

**Cost Projection Methodologies
Emergency Medical Services**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Personal Services	\$3,994,160	\$288,468	\$3,705,692	Per Unit/1,000Sq.Ft.	See Sect. G
Supplies	\$207,900	\$0	\$207,900	Per Unit/1,000Sq.Ft.	See Sect. G
Other Services	\$66,400	\$0	\$66,400	Per Unit/1,000Sq.Ft.	See Sect. G
Debt Service	\$11,260	\$11,260	\$0	Fixed	\$0.00
Capital Outlay	\$211,400	\$0	\$211,400	Per Unit/1,000Sq.Ft.	See Sect. G
Total	\$4,491,120	\$299,728	\$4,191,392		

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

D. Fire Support Services

The table below summarizes Fire Support Services expenditures by activity. Direct expenditures total \$1,492,440 in FY1999. Variable operating expenditures are estimated at \$1,089,645. Fire Support Services provides communications, fire prevention, code enforcement, maintenance and logistics support to the Department. Discussions with Fire staff indicate Communications personnel costs will increase with additional calls for service generated by new development. Maintenance personnel costs will increase as additional apparatus are purchased to serve demands placed by new development. Variable non-salary operating expenses will increase as additional calls for service are generated by new development. A marginal cost approach is used to project these costs, which is discussed further in Section G.

**Cost Projection Methodologies
Fire Support Services**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Communications	\$974,570	\$227,472	\$747,098	Per Unit/1,000Sq.Ft.	See Sect. G
Prevention & Sup. S	\$100,890	\$93,010	\$7,880	Per Unit/1,000Sq.Ft.	See Sect. G
Maintenance	\$416,980	\$82,313	\$334,667	Per Unit/1,000Sq.Ft.	See Sect. G
Total	\$1,492,440	\$402,795	\$1,089,645		

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

E. Fire Prevention

The table below summarizes Fire Prevention expenditures by activity. Direct expenditures total \$1,175,210 in FY1999. Variable operating expenditures are estimated at \$884,768. Fire Prevention conducts commercial and residential fire code compliance inspections, investigates fires, conducts plan reviews for new development projects, and promotes public education and awareness. Discussions with Fire staff indicate the majority of variable Fire Prevention costs will increase with additional population and employment. A marginal cost approach is used to project these costs, which is discussed further in Section G.

**Cost Projection Methodologies
Fire Prevention**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Personal Services	\$1,055,500	\$246,742	\$808,758	Per Unit/1,000Sq.Ft.	See Sect. G
Supplies	\$25,600	\$0	\$25,600	Per Unit/1,000Sq.Ft.	See Sect. G
Other Services	\$50,410	\$0	\$50,410	Per Unit/1,000Sq.Ft.	See Sect. G
Capital Outlay	\$43,700	\$43,700	\$0	Fixed	\$0.00
Total	\$1,175,210	\$290,442	\$884,768		

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

F. Fire Training

The table below summarizes Fire Training expenditures by activity. Direct expenditures total \$762,640 in FY1999. Variable operating expenditures are estimated at \$360,965. Fire Training is responsible for the coordination of training and educational development of all department personnel. Discussions with Fire staff indicate that the majority of variable Fire Training costs will increase with additional population and employment. A marginal cost approach is used to project these costs, which is discussed further in Section G.

**Cost Projection Methodologies
Fire Training Center**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Personal Services	\$621,300	\$355,325	\$265,975	Per Unit/1,000Sq.Ft.	See Sect. G
Supplies	\$43,960	\$0	\$43,960	Per Unit/1,000Sq.Ft.	See Sect. G
Other Services	\$51,030	\$0	\$51,030	Per Unit/1,000Sq.Ft.	See Sect. G
Capital Outlay	\$46,350	\$46,350	\$0	Fixed	\$0.00
Total	\$762,640	\$401,675	\$360,965		

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

G. Marginal Operating Cost Factors

Marginal Fire and Rescue operating costs are projected two different ways. First, in order to project the marginal impact of new development on existing station operations, calls for service data is used to determine a cost per housing unit and per 1,000 square feet of nonresidential space. Secondly, information provided by the Fire Department will entered directly into the fiscal impact model for the operating impact associated with new station construction.

1. Calls for Service

For Fire and Rescue operating costs, calls for service is used to allocate costs by land use. The table below shows Fire and Rescue calls for service responded to in 1998. As the table indicates, there were 26,666 calls for service in 1998.

The results were categorized into residential, non-residential, and “street right-of-way/unidentified” land use categories. However, street right-of-way/unidentified calls are not factored since they cannot be attributed to specific land uses. This results in 21,108 calls that can be attributed to land uses. Of the 21,108 calls, 60% are residential in nature and 40% are nonresidential in nature.

Fire and Rescue Responses by Fiscal Analysis Zone

Zone	Residential	%	Nonresidential	%	Total
Northeast	4,774	72%	1,845	28%	6,619
Northwest	3,430	45%	4,260	55%	7,690
Central	1,623	69%	733	31%	2,356
Southeast	645	75%	215	25%	860
Southwest	1,424	55%	1,160	45%	2,584
Eagle River	690	69%	309	31%	999
Total	12,586	60%	8,522	40%	21,108

Source: Anchorage Fire Department and Department of Community Planning and Development

2. Residential Cost Factors

Variable Fire non-salary operating expenditures projected to increase with additional residential and nonresidential calls for service total \$10,903,950. The table below breaks out the residential portion of \$6,542,370 (60%), which is then divided by the existing Municipal

population and multiplied by the household size for each type of residential unit by FAZ to obtain a cost per unit factor.

**Fire Department Residential Land Use Factors
Municipality of Anchorage
FY99 Non-Salary Operating Costs**

Administration	\$97,716		
Fire and Rescue Operations	\$2,528,592		
Emergency Medical Services	\$2,514,835		
Fire Support Services	\$653,787		
Fire Prevention	\$530,861		
Fire Training Center	\$216,579	Existing Pop.	246,800
Residential Portion (60% of \$10,903,950)	\$6,542,370	Per Capita Cost	\$26.51

Variable Non-Salary Residential Fire Costs

Land Use	Per Unit Costs Based on Household Size By FAZ*											
	NE	Unit Cost	NW	Unit Cost	CE	Unit Cost	SE	Unit Cost	SW	Unit Cost	ER	Unit Cost
SF-Urban/Suburban	2.90	\$76.88	2.62	\$69.45	2.95	\$78.20	3.16	\$83.77	3.04	\$80.59	3.22	\$85.25
SF-Rural	3.00	\$79.53	2.65	\$70.25	3.13	\$82.97	3.16	\$83.77	3.14	\$83.24	3.23	\$85.72
Multifamily	2.30	\$60.97	1.96	\$51.96	2.13	\$56.46	2.36	\$62.56	2.42	\$64.15	2.36	\$62.66

*Based on 1990 U.S. Census Information provided by Anchorage Community Planning & Development

3. Nonresidential Cost Factors

The table below breaks out the nonresidential portion (40%) of variable Fire non-salary operating expenses projected to increase with additional residential and nonresidential calls for service. The nonresidential portion is then divided by the existing Municipal employment and multiplied by the number of employees per 1,000 square feet of floor area.

**Fire Department Nonresidential Land Use Factors
Municipality of Anchorage
FY99 Non-Salary Operating Costs**

Administration	\$65,144		
Fire and Rescue Operations	\$1,685,728		
Emergency Medical Services	\$1,676,557		
Fire Support Services	\$435,858		
Fire Prevention	\$353,907		
Fire Training Center	\$144,386	Existing Employment	122,246
Nonresidential Portion (40% of \$10,903,950)	\$4,361,580	Per Job Cost	\$35.68

Land Use	Per 1,000 sq. ft.*
Retail	\$89.20
Office	\$143.87
Services	\$118.93
Lodgings	\$22.19
Industrial	\$45.51

*Based on 400 square feet per retail employee, 248 square feet per office employee, 300 square feet per service employee, 1,608 square feet per hotel employee, and 784 square feet per industrial employee.

4. Direct Entry Station Operating Costs

According to estimates providing by the Anchorage Fire Department, the cost to operate a “typical” station that will be constructed to serve new growth is estimated at \$1,400,000. This cost will be entered directly into the fiscal model and will be incurred as each new station is constructed. See Section XVII for details on capital expenditures.

5. Direct Entry Ladder Company Costs

The Anchorage Fire Department anticipates adding a Ladder Company to an existing station in South Anchorage. The exact location has yet to be determined. According to estimates provided by the Department, the cost to staff this additional Ladder Companies is estimated at \$1,200,000. It is assumed this Company is added in 2005 in the Southeast FAZ, and will be entered directly into the fiscal model.

X. PUBLIC TRANSPORTATION OPERATING EXPENDITURES

Anchorage’s Public Transportation System, better known as “People Mover,” maintains a regular fleet of 51 buses that travel over two million miles annually. People Mover’s service area extends from Eagle River and Peters Creek to Oceanview. This includes 20 regular transit routes. The table below summarizes Public Transportation expenditures by activity. Direct expenditures total \$10,016,780 in FY1999. Variable operating expenditures are estimated at \$8,081,210. Discussions with People Mover staff indicate that the majority of variable operating costs will increase with additional population growth in the Municipality.

Cost Projection Methodologies

Public Transportation

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Administration	\$845,740	\$484,773	\$360,967	Per Capita	\$1.46
Paratransit Services	\$1,204,390	\$373,448	\$830,942	Per Capita	\$3.37
Operations	\$5,335,460	\$727,459	\$4,608,001	Per Capita	\$18.67
Vehicle Maintenance	\$2,503,370	\$349,890	\$2,153,480	Per Capita	\$8.73
Non-Vehicle Maintenance	\$127,820	\$0	\$127,820	Per Capita	\$0.52
Total	\$10,016,780	\$1,935,570	\$8,081,210		\$32.74

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

XI. CULTURAL AND RECREATIONAL SERVICES OPERATING EXPENDITURES

A. Cultural and Recreational Administration

The table below summarizes planned expenditures for Cultural and Recreational Services Administration by activity. Planned expenditures total \$355,690 in FY1999. Variable operating expenditures are estimated at \$251,299. Cultural and Recreational Services Administration is responsible for department planning, guidance and coordination in the development of programs, budgets, contracts and marketing. Variable operating expenditures are projected to increase with additional population growth.

**Cost Projection Methodologies
Cultural & Recreational Services Administration**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Personal Services	\$323,760	\$100,181	\$223,579	Per Capita	\$0.91
Supplies	\$2,490	\$0	\$2,490	Per Capita	\$0.01
Other Services	\$25,230	\$0	\$25,230	Per Capita	\$0.10
Capital Outlay	\$4,210	\$4,210	\$0	Fixed	\$0.00
Total	\$355,690	\$104,391	\$251,299		\$1.02

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

B. Debt Service and Assessments

The table below summarizes planned Cultural and Recreational Services Debt Service and Assessment expenditures, which total \$1,791,900 in FY1999. Since TA’s fiscal model will calculate new debt service and assessments necessitated by new development, existing debt service and assessments are not factored in the analysis.

**Cost Projection Methodologies
Debt Service and Assessments**

Cost	FY99 Budget	Projection Methodology	LOS Standard
Other Services	\$49,830	Not Factored	See Text
Debt Service	\$1,742,070	Not Factored	See Text
Total	\$1,791,900		

C. Library

The table below summarizes planned Library expenditures by activity. Planned expenditures total \$7438,120 in FY1999. Variable operating expenditures are estimated at \$6,201,081. Library expenditures include programs such as Adult and Youth Services, Collection Development, Branch Libraries, and support functions such as Technical Services and Automation Support. Discussions with Library staff indicate that personnel expenditures for Administration are not directly attributable to new growth and therefore will remain fixed in the fiscal impact analysis. Variable non-salary operating expenditures are projected to

increase with additional population growth. Technical Services, Automation Support, and Collection Development expenditures are also projected to increase with population. The majority of Branch Library personnel expenditures are anticipated to increase as additional branch locations are opened to serve new development. Variable non-salary operating expenses are expected to increase as utilization of Libraries increase. A marginal cost approach is used to project these costs, which is discussed below.

**Cost Projection Methodologies
Library**

Cost	FY99 Budget	Fixed Portion	Variable Portion	Projection Methodology	LOS Standard
Administration	\$578,380	\$473,730	\$104,650	Per Capita	\$0.42
Loussac-Adult Services	\$1,340,010	\$91,218	\$1,248,792	Marginal	See Tables
Loussac-Youth Services	\$576,900	\$126,367	\$450,533	Marginal	See Tables
Collection Development	\$1,565,330	\$83,321	\$1,482,009	Per Capita	\$6.00
Circulation Services	\$1,142,410	\$77,635	\$1,064,775	Marginal	See Tables
Branch Libraries	\$1,199,620	\$96,260	\$1,103,360	Marginal	See Tables
Technical Services	\$553,800	\$41,198	\$512,602	Per Capita	\$2.08
Automation Support	\$481,670	\$247,310	\$234,360	Per Capita	\$0.95
Total	\$7,438,120	\$1,237,039	\$6,201,081		\$9.46

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

1. Marginal Adult Services Costs

a. Personnel

Adult Services provides access to information sources in print, electronic and audiovisual formats both on-site and on-line. Adult Services personnel costs are expected to increase as reference inquiries increase as a result of new growth. In 1998, there were 196,352 systemwide reference inquiries. When this is compared to the population estimate of 246,800, there are .796 inquiries per capita. In order to project additional inquiries, it is assumed this relationship continues throughout the analysis period.

In order to project the marginal personnel increases that will occur as a result of additional population growth in the Municipality, TA has documented the current level of service in terms of reference inquiries by type of employee. For example, there are currently 6 Library Assistants. For purposes of the fiscal impact analysis it is assumed that one new Library Assistant is hired for every increase of 32,725 reference inquiries (196,352 inquiries divided by 6 positions). However, in order to help maintain the current level of service, it is assumed each position is hired when 80% of the 32,725-inquiry threshold is reached. Therefore, a new Library Assistant with an associated salary and benefits of \$33,495 will be hired by the Municipality for every additional 26,180 inquiries.

Marginal Adult Services Staffing Assumptions

Position	Number	Salary*	FY1999 LOS Threshold
Library Assistant	6	\$33,495	1 per 32,725 inquiries
Prof. Librarian	21	\$49,805	1 per 9,350 inquiries

*Includes benefits

b. Per Capita Operating Costs

The FY1999 budget contains an estimated \$63,630 in variable non-salary operating expenditures, which are expected to increase with additional population growth. Therefore, variable expenditures of \$63,630 are divided by the 1999 population estimate of 246,800, for a per capita cost of \$0.26.

2. **Marginal Youth Services Costs**

a. Personnel

Youth Services introduces and promotes reading for preschool age children and provides reference programs, information and outreach for youths, parents, educators and care providers. Youth Services personnel costs are expected to increase as reference inquiries increase as a result of new growth. In 1998, there were 36,000 reference inquiries. When this is compared to the population estimate of 246,800, there are .145 inquiries per capita. In order to project additional inquiries, it is assumed this relationship continues throughout the analysis period.

In order to project the marginal personnel increases that will occur as a result of additional population growth in the Municipality, TA has documented the current level of service in terms of reference inquiries by type of employee. For example, there are currently 2 Library Assistants. For purposes of the fiscal impact analysis it is assumed that one new Library Assistant is hired for every increase of 18,000 reference inquiries (36,000 inquiries divided by 2 positions). However, in order to help maintain the current level of service, it is assumed each position is hired when 80% of the 18,000-inquiry threshold is reached. Therefore, a new Library Assistant with an associated salary and benefits of \$33,495 will be hired by the Municipality for every additional 14,400 inquiries.

Marginal Youth Services Staffing Assumptions

Position	Number	Salary*	FY1999
			LOS Threshold
Library Assistant	2	\$33,495	1 per 18,000 inquiries
Prof. Librarian	8	\$49,805	1 per 4,500 inquiries

*Includes benefits

b. Per Capita Operating Costs

The FY1999 budget contains an estimated \$22,500 in variable non-salary operating expenditures, which are expected to increase with additional population growth. Therefore, the variable expenditures of \$22,500 are divided by the 1999 population estimate of 246,800, for a per capita cost of \$0.09.

3. **Marginal Circulation Services Costs**

a. Personnel

Circulation Services circulates films, books, videotapes and sound recordings. Circulation Services personnel costs are expected to increase as additional materials are added as a result of new growth. In 1998, there were 1,294,583 items circulated systemwide. When this is compared to the population estimate of 246,800, there is an average of 5.25 items per capita.

In order to project additional circulation items, it is assumed this relationship continues throughout the analysis period.

In order to project the marginal personnel increases that will occur as a result of additional population growth in the Municipality, TA has documented the current level of service in terms of circulation items by type of employee. For example, there are currently 19 Library Assistants. For purposes of the fiscal impact analysis it is assumed that one new Library Assistant is hired for every 68,136 increase in circulation items (1,294,583 items divided by 19 positions). However, in order to help maintain the current level of service, it is assumed each position is hired when 80% of the 68,136-circulation item threshold is reached. Therefore, a new Library Assistant with an associated salary and benefits of \$33,495 will be hired by the Municipality for every additional 54,509 inquiries.

Marginal Circulation Staffing Assumptions

Position	Number	Salary*	FY1999
			LOS Threshold
Associate Librarian	3	\$45,758	1 per 431,528 items
Library Assistants	19	\$33,495	1 per 68,136 items
Library Clerks	12	\$17,255	1 per 107,882 items

*Includes benefits

b. Per Capita Operating Costs

The FY1999 budget contains an estimated \$19,560 in variable non-salary operating expenditures, which are expected to increase with additional population growth. Therefore, the variable expenditures of \$19,560 are divided by the 1999 population estimate of 246,800, for a per capita cost of \$0.08.

4. Marginal Branch Library Costs

a. Personnel

Library staff provided the following assumptions regarding marginal personnel costs associated with the opening of additional branch library locations. These are estimated at \$332,516.

Prototype Library Staff Assumptions

Position	Number	Salary*
Professional Librarians (Level 1)	1.5	\$74,708
Professional Librarians (Level 2)	1	\$54,148
Librarian Assistants (Level 9)	1	\$36,185
Librarian Assistants (Level 8)	5	\$167,475
Total	8.5	\$332,516

*Includes benefits

b. Per Capita Operating Costs

The FY1999 budget contains an estimated \$75,550 in variable non-salary operating expenditures, which are expected to increase with additional population growth. Therefore,

the variable expenditures of \$75,550 are divided by the 1999 population estimate of 246,800, for a per capita cost of \$.31.

D. Museum

The table below summarizes the Municipality’s contribution to Museum operations, which totals \$1,666,750 in FY99. This contribution will be considered fixed in this analysis, as Museum expenditures are not directly attributable to new growth, rather they are primarily dependent on tourism.

**Cost Projection Methodologies
Museum**

Cost	FY99 Budget	Fixed Portion	Variable Portion	Projection Methodology	LOS Standard
Museum Operations	\$1,666,750	\$1,666,750	\$0	Not Factored	See Text

E. Parks & Beautification

The table below summarizes planned Parks & Beautification expenditures by activity, which total \$5,814,550 in FY1999. Variable operating expenditures are estimated at \$5,098,958. Parks & Beautification budgets include Administration, Maintenance, Horticulture, Volunteer Programs, Community Work Service, Design & Development and Beautification. Variable non-salary operating expenditures are projected to increase with additional population growth. Volunteer Services, Community Work Service, Beautification, and Non-Profit Contributions are also projected to increase with population. The majority of personnel expenditures for the other budgets are projected using a marginal cost approach. These methodologies are discussed in the following sections.

**Cost Projection Methodologies
Parks & Beautification**

Cost	FY99 Budget	Fixed Portion	Variable Portion	Projection Methodology	LOS Standard
Administration	\$218,610	\$87,522	\$131,088	Per Capita	\$0.53
North Park Maintenance	\$1,141,710	\$78,868	\$1,062,842	Marginal	See Tables
South Park Maintenance	\$1,494,980	\$67,133	\$1,427,847	Marginal	See Tables
Horticulture	\$1,752,340	\$163,757	\$1,588,583	Marginal	See Tables
Volunteer Programs	\$114,330	\$0	\$114,330	Per Capita	\$0.46
Community Work Service	\$301,700	\$0	\$301,700	Per Capita	\$1.22
Design & Development	\$587,040	\$244,082	\$342,958	Marginal	See Tables
Beautification	\$130,840	\$74,230	\$56,610	Per Capita	\$0.23
Non-Profit Contributions	\$73,000	\$0	\$73,000	Per Capita	\$0.30
Total	\$5,814,550	\$715,592	\$5,098,958		\$2.74

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

1. Marginal Maintenance Services Costs

a. Personnel

Variable North and South Park Maintenance personnel costs are expected to increase as additional park acreage is developed for new fields, athletic facilities, trails and other active recreation uses as a result of new growth. Parks & Beautification carries 9,869 acres of

parkland in its inventory, of which 1,422 are *developed* parks and trails. In order to project the marginal personnel increases that will occur as a result of additional park acreage being developed within the Municipality, TA has documented the current level of service in terms of acreage maintained by type of employee. For example, there are currently 24 (FTE) Parks Caretakers. For purposes of the fiscal impact analysis it is assumed that one new Parks Caretaker is hired for every 59 acres developed (1,422 acres divided by 24 positions). However, in order to help maintain the current level of service, it is assumed each position is hired when 80% of the 59-acre threshold is reached. Therefore, a new Parks Caretaker with an associated salary and benefits of \$38,138 is hired by the Municipality for every additional 47 acres developed.

Marginal Park Maintenance Staffing Assumptions

Position	Number	Salary*	FY1999 LOS Threshold
Parks Caretaker	24	\$38,138	1 per 59 acres
Parks Caretaker/Operator	8	\$54,946	1 per 177 acres

*Includes benefits

b. Non-Salary Maintenance Cost Per Acre

The FY1999 budget contains an estimated \$1,114,990 in planned variable non-salary operating expenditures, which are expected to increase with additional developed park acreage. Therefore, the variable expenditures of \$1,114,990 are divided by the *developed* acreage of 1,422 acres maintained, for a per acre maintenance cost of \$784.

2. Marginal Horticulture Costs

Horticulture personnel expenditures are directed toward the beautification of the Municipality by providing floral displays and landscaping, along streets and roadways and around Municipal buildings. Discussions with Parks & Beautification staff indicate that approximately 40% of Horticulture resources are devoted to roadway maintenance and 60% is allocated to services for parks and grounds around buildings. Therefore, three separate methodologies have been agreed upon for projecting Horticulture expenditures, which are explained further below.

a. Personnel-Roadway Maintenance

Discussions with Parks & Beautification staff indicate the need for *variable* Horticulture positions is a function of additional road mileage added to Municipal road system. Horticulture personnel devoted to roadway maintenance currently maintain 97 miles of landscaping along 615 miles of Municipal roadway. By Municipal Ordinance, all *new* roads added or reconstructed are required to contain landscaping. In order to project the marginal personnel increases associated with new growth within the Municipality, TA has documented the current level of service in terms of miles maintained by type of employee. For example, there are currently 4.55 (FTE) Gardeners assigned to roadway maintenance. For purposes of the fiscal impact analysis it is assumed that one new Gardener is hired for every 21 miles of roadway landscaping added to the Municipal road system (97 landscaped miles divided by 4.55 positions). However, in order to help maintain the current level of service, it is assumed each position is hired when 80% of the 21-mile threshold is reached. Therefore, a new

Gardener with an associated salary and benefits of \$34,961 is hired by the Municipality for every additional 17 miles of new road developed.

Marginal Horticulture Staffing Assumptions

Position	Number	Salary*	FY1999
			LOS Threshold
Gardeners	4.55 (FTE)	\$34,961	1 per 29 miles
Parks Caretakers	1.60 (FTE)	\$28,470	1 per 61 miles
Park Caretaker/Operator	2.12 (FTE)	\$55,550	1 per 46 miles

*Includes benefits

b. Non-Salary Maintenance Cost Per Mile

The FY1999 budget contains an estimated \$286,304 in planned variable non-salary operating expenditures, which are expected to increase with additional landscaped roadway. Therefore, the variable expenditures of \$286,304 are divided by the 97 miles of landscaped roadway currently maintained, for a per mile maintenance cost of \$2,951.58.

c. Grounds Maintenance

Based on the estimate that 60% of Horticulture resources are allocated to services for parks and grounds around buildings, it is estimated there are \$966,396 in variable operating expenditures for Grounds Maintenance. These expenditures are anticipated to increase with population growth. Therefore, the variable expenditures of \$966,396 are divided by the 1999 Anchorage Bowl population of 216,500, for a per capita cost of \$4.46.

3. Marginal Design & Development Costs

a. Personnel

Design & Development personnel plan, acquire, design, develop, rehabilitation and upgrade the Municipality’s inventory of new and existing parks. Discussions with Parks & Beautification staff indicate the need for *variable* Design & Development personnel costs are expected to increase as additional park acreage is developed as a result of new growth. Design & Development personnel are responsible for 1,552 acres of parkland (1,422 in Anchorage and 130 in Eagle River). In order to project the marginal personnel increases that will occur as a result of additional park acreage being developed within the Municipality, TA has documented the current level of service in terms of acreage by type of employee. There are currently 5 Landscape Architects. For purposes of the fiscal impact analysis it is assumed that one new Landscape Architect is hired for every 310 acres developed (1,552 acres divided by 5 positions). However, in order to help maintain the current level of service, it is assumed each position is hired when 80% of the 310-acre threshold is reached. Therefore, a new Landscape Architect with an associated salary and benefits of \$61,817 is hired by the Municipality for every additional 248 acres developed.

Marginal Design & Development Staffing Assumptions

Position	Number	Salary*	FY1999
			LOS Threshold
Landscape Architects	5	\$61,817	1 per 310 acres

*Includes benefits

b. Non-Salary Operating Cost Per Acre

The FY1999 budget contains an estimated \$25,530 in variable non-salary operating expenditures, which are expected to increase with additional park acreage. Therefore, the variable expenditures of \$25,530 are divided by the 1,552 acres for which Design & Development has responsibility, for a per acre operating cost of \$16.45.

F. Sports & Recreation Administration

The table below summarizes planned Sports & Recreation Administration expenditures by activity. Planned expenditures total \$194,220 in FY1999. Conversations with Cultural & Recreational Services staff indicate that the majority of these expenditures are variable in nature and are likely to increase with new growth. It was determined that population would be the best proxy for projecting increases. The current Anchorage Bowl population estimate of 216,500 is used to determine the level of service standard.

**Cost Projection Methodologies
Sports & Recreation Administration**

Cost	FY99 Budget	Fixed Portion	Variable Portion	Projection Methodology	LOS Standard
Personal Services	\$176,330	\$0	\$176,330	Per Capita	\$0.81
Supplies	\$2,130	\$0	\$2,130	Per Capita	\$0.01
Other Services	\$14,260	\$0	\$14,260	Per Capita	\$0.07
Capital Outlay	\$1,500	\$1,500	\$0	Per Capita	\$0.00
Total	\$194,220	\$1,500	\$192,720		\$0.89

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

G. Aquatics

The table below summarizes planned Aquatics expenditures by activity, which total \$1,750,130 in FY99. The variable portion of planned expenditures is estimated at \$1,642,136. Discussions with Cultural & Recreational Services staff indicate there are two distinct cost structures for Aquatics. First, there is a facilities component that is likely to remain constant until additional facilities are opened to serve new growth. The second component relates to programs, which is expected to increase steadily as additional population utilizes Aquatics programs. The marginal cost methodologies used are discussed further below.

**Cost Projection Methodologies
Aquatics**

Cost	FY99 Budget	Fixed Portion	Variable Portion	Projection Methodology	LOS Standard
Personal Services	\$1,624,100	\$107,994	\$1,516,106	Marginal	See Text
Supplies	\$53,200	\$0	\$53,200	Marginal	See Text
Other Services	\$46,520	\$0	\$46,520	Marginal	See Text
Capital Outlay	\$26,310	\$0	\$26,310	Marginal	See Text
Total	\$1,750,130	\$107,994	\$1,642,136		

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

1. Marginal Aquatics Costs

a. Program Costs

Information provided by Cultural & Recreational Services staff indicates there is an estimated \$437,532 in planned program-related expenditures in FY99. These programs are utilized by residents of the Anchorage Bowl. Conversations with staff indicate that population is the best method for projecting program-related expenditures. Therefore, planned expenditures (\$437,532) are divided by population in the Anchorage Bowl (216,500) to determine a per capita cost of \$2.02.

b. Facility Costs

Sports & Recreation currently operates six pool facilities throughout the Municipality. As discussed in Section XVII, it is assumed the Municipality constructs additional pool facilities in order to maintain the current level of service. Information provided by Cultural & Recreational Services staff estimates the operating impact associated with the opening of a new pool facility at \$250,000. Therefore, the fiscal impact model will be designed to reflect this operating cost as new pools are opened to serve growth in the Municipality.

H. Centers and Recreation Programs

The table below summarizes planned Centers and Recreation Program expenditures by activity, which total \$1,753,760 in FY99. The variable portion of planned expenditures is estimated at \$1,639,184. Discussions with Cultural & Recreational Services staff indicate there are two distinct cost structures for Centers and Recreation Programs. First, there is a facilities component that is likely to remain constant until additional facilities are opened to serve new growth. The second component relates to programs, which is expected to increase steadily as additional population utilizes Recreation programs. The marginal cost methodologies are discussed further below.

**Cost Projection Methodologies
Centers & Recreation Programs**

Cost	FY99 Budget	Fixed Portion	Variable Portion	Projection Methodology	LOS Standard
Personal Services	\$1,245,940	\$114,576	\$1,131,364	Marginal	See Text
Supplies	\$54,890	\$0	\$54,890	Marginal	See Text
Other Services	\$435,380	\$0	\$435,380	Marginal	See Text
Capital Outlay	\$17,550	\$0	\$17,550	Marginal	See Text
Total	\$1,753,760	\$114,576	\$1,639,184		

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

1. Marginal Centers and Recreation Costs

a. Program Costs

Information provided by Cultural & Recreational Services staff indicates there is an estimated \$666,500 in planned program-related expenditures in FY99. These programs are primarily utilized by residents of the Anchorage Bowl. Conversations with staff indicate that population is the best method for projecting program-related expenditures. Therefore, planned expenditures (\$666,500) are divided by population in the Anchorage Bowl (216,500) to determine a per capita cost of \$3.08.

b. Facility Costs

Cultural & Recreational Services currently operates four Recreation Centers throughout the Municipality. As discussed in Section XVII, it is assumed the Municipality constructs additional Recreation Centers in order to maintain the current level of service. Information provided by Cultural & Recreational Services staff estimates the operating impact associated with the opening of a new Recreation Center at \$250,000. Therefore, the fiscal impact model will be designed to reflect this operating cost as new Centers are opened to serve growth in the Municipality.

I. Sports & Parks Operations

The table below summarizes planned Sports & Recreation Operations expenditures by activity. Planned expenditures total \$930,630 in FY1999. Variable expenditures are estimated at \$794,628. Discussions with Cultural & Recreational Services staff indicate there are two distinct cost structures for Sports & Parks Operations. First, there is a facilities component that is likely to remain constant until additional facilities are opened to serve new growth. The second component relates to programs, which is expected to increase steadily as additional population utilizes sports programs. However, the facilities Sports & Parks operate are unique, special purpose facilities, for which there is no accurate way to project future need. For purposes of this analysis, it is assumed that new Sports & Parks facilities are developed in conjunction with future park development discussed in Section XVII. As a result, TA will use population as a representative proxy for projecting variable cost increases as a result of new growth.

**Cost Projection Methodologies
Sports & Park Operations**

Cost	FY99 Budget	Fixed Portion	Variable Portion	Projection Methodology	LOS Standard
Personal Services	\$434,430	\$136,002	\$298,428	Per Capita	\$1.38
Supplies	\$55,320	\$0	\$55,320	Per Capita	\$0.26
Other Services	\$20,000	\$0	\$20,000	Per Capita	\$0.09
Boys & Girls Club	\$62,500	\$0	\$62,500	Per Capita	\$0.29
North East Comm. Center	\$144,430	\$0	\$144,430	Per Capita	\$0.67
Anchorage Horse Council	\$22,000	\$0	\$22,000	Per Capita	\$0.10
Non-Profit Grants	\$152,250	\$0	\$152,250	Per Capita	\$0.70
Capital Outlay	\$39,700	\$0	\$39,700	Per Capita	\$0.18
Total	\$930,630	\$136,002	\$794,628		\$3.67

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

J. Eagle River-Chugiak Service Area

The table below summarizes Eagle River-Chugiak Service Area expenditures by activity. These expenditures total \$778,210 in FY1999. Discussions with Municipal staff indicate that operating expenditures are projected to increase with population within the Eagle River-Chugiak Service Area. The current Service Area population estimate of 30,300 is used to determine the level of service standard. Maintenance expenditures are projected using a marginal cost approach, described further below.

**Cost Projection Methodologies
Eagle River-Chugiak Service Area**

Cost	FY99 Budget	Fixed Portion	Variable Portion	Projection Methodology	LOS Standard
Administration	\$181,830	\$0	\$181,830	Per Capita	\$6.00
Aquatics	\$345,550	\$0	\$345,550	Per Capita	\$11.40
Maintenance	\$155,960	\$0	\$155,960	Marginal	See Text
Non-Profit Grants	\$30,000	\$0	\$30,000	Per Capita	\$0.99
Summer Rec. Programs	\$64,870	\$0	\$64,870	Per Capita	\$2.14
Total	\$778,210	\$0	\$778,210		\$20.54

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

1. Marginal Maintenance Costs

a. Personnel

Variable Maintenance personnel costs are expected to increase as additional park acreage is developed for new fields, athletic facilities, trails and other active recreation uses as a result of new growth. The Eagle River-Chugiak Service Area carries 2,497 acres of parkland in its inventory, of which 130 are *developed* parks and trails. In order to project the marginal personnel increases that will occur as a result of additional park acreage being developed within the Service Area, TA has documented the current level of service in terms of acreage maintained by type of employee. For example, there are currently 2 (FTE) Parks Caretakers. For purposes of the fiscal impact analysis it is assumed that one new Parks Caretaker is hired for every 65 acres developed (130 developed acres divided by 2 positions). However, in order to help maintain the current level of service, it is assumed each position is hired when 80% of the 65-acre threshold is reached. Therefore, a new Parks Caretaker with an associated salary and benefits of \$38,138 is hired by the Municipality for every additional 52 acres developed.

Marginal Park Maintenance Staffing Assumptions

Position	Number	Salary*	FY1999 LOS Threshold
Parks Caretaker	2	\$38,116	1 per 65 acres

*Includes benefits

b. Non-Salary Maintenance Cost Per Acre

The FY1999 budget contains an estimated \$80,369 in planned variable non-salary operating expenditures, which are expected to increase with additional developed park acreage. Therefore, the variable expenditures of \$80,369 are divided by the *developed* acreage of 130 acres maintained, for a per acre maintenance cost of \$618.

K. Arts Contributions and Grants

The table below summarizes Contributions to the Arts and grants to Non-Profits. These expenditures total \$402,500 in FY1999. Discussions with Municipal staff indicate that operating expenditures are projected to increase with population.

**Cost Projection Methodologies
Arts Contributions and Grants**

Cost	FY99 Budget	Fixed Portion	Variable Portion	Projection Methodology	LOS Standard
Community Arts Funding	\$260,000	\$0	\$260,000	Per Capita	\$1.05
Non-Profit Grants	\$142,500	\$0	\$142,500	Per Capita	\$0.58
Total	\$402,500	\$0	\$402,500		\$1.63

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

XII. EXECUTIVE MANAGER OPERATING EXPENDITURES

A. Executive Manager

The table below summarizes Executive Manager expenditures by activity. Direct expenditures total \$844,100 in FY1999. Variable operating expenditures are estimated at \$222,670. The Executive Manager is responsible to the Mayor for overall conduct of the administrative functions and administrative policy. In addition, this Office has responsibility for the Heritage Land Bank Fund and for acquiring and disposing of property rights for Municipal Government. Discussions with Municipal staff indicate that personnel expenditures are administrative in nature and are not directly attributable to new growth. Therefore these expenditures will remain fixed in the fiscal impact analysis. Variable non-salary operating expenditures are projected to increase with additional population and employment growth.

Cost Projection Methodologies Executive Manager

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Administration	\$293,710	\$245,710	\$48,000	Per Capita/Job	\$0.13
Heritage Land Bank	\$470,250	\$303,840	\$166,410	Per Capita/Job	\$0.45
Real Estate Services	\$80,140	\$71,880	\$8,260	Per Capita/Job	\$0.02
Total	\$844,100	\$621,430	\$222,670		\$0.60

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

B. Management Information Systems

The table below summarizes Management Information Systems expenditures by activity. Direct expenditures total \$13,450,580 in FY1999. Variable operating expenditures are estimated at \$10,882,314. Management and Information Systems provides computer processing services, consulting and training to various Municipal departments, develops applications, maintains the Geographic Information System, oversees Municipal telecommunications, records management, and courier/postal service. Discussions with Municipal staff indicate that administrative and supervisory personnel expenditures are not directly attributable to new growth and will therefore remain fixed in the fiscal impact analysis. As other Municipal departments and agencies are impacted by new growth, so too will Management Information Systems, as this department provides support to all Municipal operations. Therefore variable personnel and operating expenditures are projected to increase with additional population and employment growth.

**Cost Projection Methodologies
Management Information Systems**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Administration	\$397,540	\$362,390	\$35,150	Per Capita/Job	\$0.10
Computer Processing-Online	\$2,554,250	\$298,994	\$2,255,256	Per Capita/Job	\$6.11
Computer Processing-Batch	\$5,699,780	\$288,599	\$5,411,181	Per Capita/Job	\$14.66
Consulting and Training	\$1,105,610	\$245,427	\$860,183	Per Capita/Job	\$2.33
Applications	\$1,736,070	\$387,702	\$1,348,368	Per Capita/Job	\$3.65
GIS Information	\$360,020	\$94,244	\$265,776	Per Capita/Job	\$0.72
Telecommunications	\$478,400	\$147,400	\$331,000	Per Capita/Job	\$0.90
Records Management	\$102,180	\$79,680	\$22,500	Per Capita/Job	\$0.06
Reprographics	\$569,660	\$475,010	\$94,650	Per Capita/Job	\$0.26
Courier and Postal System	\$375,370	\$117,120	\$258,250	Per Capita/Job	\$0.70
Copier Coordination	\$71,700	\$71,700	\$0	Fixed	\$0.00
Total	\$13,450,580	\$2,568,266	\$10,882,314		\$29.49

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

C. Community Planning and Development

The table below summarizes Community Planning and Development expenditures by activity. Direct expenditures total \$2,787,610 in FY1999. Variable operating expenditures are estimated at \$1,729,450. Community Planning and Development is responsible for land use planning, review of development proposals for conformance with various Municipal Ordinances, answering public inquiries and providing information, demographic analysis and research, transportation planning, and GIS analysis. Discussions with Municipal staff indicate that Administration and supervisory personnel expenditures are not directly attributable to new growth and will therefore remain fixed in the fiscal impact analysis. The majority of variable personnel and operating expenditures are projected to increase with additional population and employment growth. A marginal cost approach is used for Zoning and Platting. This methodology is explained further below.

**Cost Projection Methodologies
Community Planning & Development**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Administration	\$321,450	\$297,710	\$23,740	Per Capita/Job	\$0.06
Technical Services	\$349,920	\$0	\$349,920	Per Capita/Job	\$0.95
Econ. & Demo. Research	\$162,260	\$156,870	\$5,390	Per Capita/Job	\$0.01
Physical Planning	\$803,180	\$245,258	\$557,922	Per Capita/Job	\$1.51
Zoning and Platting	\$794,180	\$241,084	\$553,096	Marginal	See Text
Transportation Planning	\$356,620	\$117,238	\$239,382	Per Capita/Job	\$0.65
Total	\$2,787,610	\$1,058,160	\$1,729,450		\$3.19

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

1. Marginal Zoning and Platting Costs

a. Personnel

Zoning and Platting personnel expenditures are directed toward supporting the Planning Commission, Platting Board, Zoning Board and Board & Assembly, operating the public counter and processing various development applications. Variable Zoning and Platting personnel costs are expected to increase as information requests increase as a result of new growth. In 1998, there were 32,440 information requests. When this is compared to the population and employment estimate of 369,046, there are .088 requests per capita and job. In order to project additional information requests, it is assumed this relationship continues throughout the analysis period.

In order to project the marginal personnel increases that will occur as a result of additional population and employment growth in the Municipality, TA has documented the current level of service in terms of information requests by type of employee. For example, there are currently 3 Planning Technicians. For purposes of the fiscal impact analysis it is assumed that one new Planning Technician is hired for every 10,813 increase in information requests (32,440 requests divided by 3 positions). However, in order to help maintain the current level of service, it is assumed each position is hired when 80% of the 10,813-request threshold is reached. Therefore, a new Planning Technician with an associated salary and benefits of \$56,266 will be hired by the Municipality for every increase of 8,650 information requests.

Marginal Zoning and Platting Staffing Assumptions

Position	Number	Salary*	FY1999 LOS Threshold
Planning Technicians	3	\$56,266	1 per 10,813 requests
Senior Planners	4	\$76,200	1 per 8,110 requests

*Includes benefits

D. Property and Facility Management

1. Administration

The table below summarizes Administration expenditures by activity. Direct expenditures total \$207,210 in FY1999. Discussions with Property and Facilities Management staff indicate that Administration expenditures are not directly impacted by new growth and will remain fixed in the fiscal impact analysis.

**Cost Projection Methodologies
Administration**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Personal Services	\$198,910	\$198,910	\$0	Fixed	\$0.00
Supplies	\$1,550	\$1,550	\$0	Fixed	\$0.00
Other Services	\$6,750	\$6,750	\$0	Fixed	\$0.00
Total	\$207,210	\$207,210	\$0		\$0.00

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

2. Facility Maintenance

The table below summarizes Facilities Maintenance expenditures by activity. Direct expenditures total \$5,066,930 in FY1999. Variable operating expenditures are estimated at \$4,746,782. Facility Maintenance is responsible for maintenance of Municipal buildings and facilities and assuring that these facilities and buildings are in good structural condition. Discussions with Property and Facilities Maintenance staff indicate that variable personnel and operating costs will increase as additional facilities are constructed as a result of new growth. A marginal cost approach is used to project these expenditures, which is discussed in the section below.

**Cost Projection Methodologies
Facility Maintenance**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Personal Services	\$1,811,680	\$320,148	\$1,491,532	Marginal	See Text
Supplies	\$498,280	\$0	\$498,280	Marginal	See Text
Other Services	\$2,756,970	\$0	\$2,756,970	Marginal	See Text
Capital Outlay	\$0	\$0	\$0	Fixed	\$0.00
Total	\$5,066,930	\$320,148	\$4,746,782		\$0.00

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

3. Marginal Facility Maintenance Costs

a. Personnel

Variable Facility Maintenance personnel costs are expected to increase as additional square footage is constructed as a result of new growth. In 1998, Facility Maintenance maintained 1,402,071 square feet of space. In order to project the marginal personnel increases that will occur as a result of additional growth in the Municipality, TA has documented the current

level of service in terms of square feet maintained by type of employee. For example, there are currently 22 Journeyman Craftsman. For purposes of the fiscal impact analysis it is assumed that one new Journeyman Craftsman is hired for every 63,731 square foot increase (1,402,071 square feet divided by 22 positions). However, in order to help maintain the current level of service, it is assumed each position is hired when 80% of the 63,731 square foot threshold is reached. Therefore, a new Journeyman Craftsman with an associated salary and benefits of \$61,516 will be hired by the Municipality for every additional 50,985 square feet.

Marginal Facility Maintenance Staffing Assumptions

Position	Number	Salary*	FY1999
			LOS Threshold
General Foreman	2	\$87,648	1 per 701,036 square feet
Journeyman Craftsman	22	\$61,516	1 per 63,731 square feet

*Includes benefits

b. Non-Salary Maintenance Cost Per Square Foot

The FY1999 budget contains an estimated \$3,255,250 in variable non-salary operating expenditures, which are expected to increase with additional developed square footage. Therefore, the variable expenditures of \$3,255,250 are divided by the 1,402,071 square feet maintained, for a per square foot maintenance cost of \$2.32.

4. Contract Management

The table below summarizes Contract Management expenditures by activity. Direct expenditures total \$2,771,120 in FY1999. Variable operating expenditures are estimated at \$1,921,826. Contract Management administers custodial/window washing/asphalt repair/snow removal service contracts for general government facilities. In addition, Contract Management administers contracts for management and operation of the Egan Center, Sullivan Sports Arena and other special purpose facilities. Discussions with Property and Facilities Maintenance staff indicate that variable personnel and operating costs will increase as additional facilities are constructed as a result of new growth. A marginal cost approach is used to project these expenditures, which is discussed in the section below.

**Cost Projection Methodologies
Contract Management**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Administration	\$2,303,310	\$381,484	\$1,921,826	Marginal	See Text
Sullivan Arena	\$311,150	\$311,150	\$0	Not Factored	See Text
Egan Civic Center	\$16,360	\$16,360	\$0	Fixed	\$0.00
Performing Arts Center	\$30,300	\$30,300	\$0	Fixed	\$0.00
McDonald Mem. Center	\$110,000	\$110,000	\$0	Fixed	\$0.00
Total	\$2,771,120	\$849,294	\$1,921,826		\$0.00

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

5. Marginal Contract Management Costs

a. Personnel

Variable Contract Management personnel costs are expected to increase as additional square footage is constructed as a result of new growth. In 1998, Contract Management maintained 1,402,071 square feet of space. In order to project the marginal personnel increases that will occur as a result of additional growth in the Municipality, TA has documented the current level of service in terms of square feet maintained by type of employee. There are currently 3 General Foremen. For purposes of the fiscal impact analysis it is assumed that one new General Foreman is hired for every 467,357 square foot increase (1,402,071 square feet divided by 3 positions). However, in order to help maintain the current level of service, it is assumed each position is hired when 80% of the 467,357 square foot threshold is reached. Therefore, a new General Foreman with an associated salary and benefits of \$86,280 will be hired by the Municipality for every additional 373,886 square feet.

Marginal Contract Management Staffing Assumptions

Position	Number	Salary*	FY1999
			LOS Threshold
General Foreman	3	\$86,280	1 per 467,357 square feet

*Includes benefits

b. Non-Salary Maintenance Cost Per Square Foot

The FY1999 budget contains an estimated \$1,757,690 in variable non-salary operating expenditures, which are expected to increase with additional developed square footage. Therefore, the variable expenditures of \$1,757,690 are divided by the 1,591,504 square feet maintained, for a per square foot maintenance cost of \$1.10.

6. Property Management

The table below summarizes Property Management expenditures. Direct expenditures total \$3,199,880 in FY1999. These expenditures are for leased space required for General Government Operations. Since it is assumed new space for Municipal activities is constructed rather than leased, these expenditures will be considered fixed in the fiscal impact analysis.

**Cost Projection Methodologies
Property Management**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Other Services	\$3,199,880	\$3,199,880	\$0	Fixed	\$0.00
Total	\$3,199,880	\$3,199,880	\$0		\$0.00

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

7. Fleet Services

The table below summarizes Fleet Services expenditures by activity. Direct expenditures total \$8,328,080 in FY1999. Variable operating expenditures are estimated at \$7,889,239. Fleet Services is responsible for acquisition, maintenance and disposal of most Municipal

vehicles and equipment. Discussions with Property and Facilities Maintenance staff indicate that variable personnel and operating costs will increase as additional vehicles and equipment are purchased as a result of new growth. A marginal cost approach is used to project these expenditures, which is discussed in the section below.

**Cost Projection Methodologies
Fleet Services**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Personal Services	\$2,795,490	\$438,841	\$2,356,649	Marginal	See text
Supplies	\$2,074,780	\$0	\$2,074,780	Marginal	See text
Other Services	\$3,457,810	\$0	\$3,457,810	Marginal	See text
Total	\$8,328,080	\$438,841	\$7,889,239		\$0.00

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

8. Marginal Fleet Services Costs

a. Personnel

Variable Fleet Services personnel costs are expected to increase as additional vehicles and equipment is purchased as a result of new growth. In 1998, Fleet Services maintained 1,078 vehicles and pieces of equipment. In order to project the marginal personnel increases that will occur as a result of additional growth in the Municipality, TA has documented the current level of service in terms of vehicles and equipment maintained by type of employee. There are currently 12 Equipment Serviceman. For purposes of the fiscal impact analysis it is assumed that one new Equipment Serviceman is hired for every 90 vehicles and pieces of equipment purchased (1,078 vehicles and pieces of equipment divided by 12 positions). However, in order to help maintain the current level of service, it is assumed each position is hired when 80% of the 90-vehicle threshold is reached. Therefore, a new Equipment Serviceman with an associated salary and benefits of \$53,414 will be hired by the Municipality for every additional 72 vehicles.

Marginal Fleet Services Staffing Assumptions

Position	Number	Salary*	FY1999 LOS Threshold
Equipment Serviceman	12	\$53,414	1 per 90 vehicles
Fleet Administrator	2	\$43,159	1 per 539 vehicles
Maintenance Man	4	\$32,992	1 per 270 vehicles
Maintenance Supervisor	3	\$87,634	1 per 359 vehicles
Mechanic	20	\$63,094	1 per 54 vehicles

*Includes benefits

b. Non-Salary Maintenance Cost

The FY1999 budget contains an estimated \$5,532,590 in variable non-salary operating expenditures, which are expected to increase with additional developed square footage. Therefore, the variable expenditures of \$5,532,590 are divided by the 1,078 vehicles and pieces of equipment maintained, for a per vehicle maintenance cost of \$5,132.

E. Finance

1. Administration

The table below summarizes Finance Administration expenditures by activity. Direct expenditures total \$178,770 in FY1999. Variable operating expenditures are estimated at \$11,710. Finance Administration provides policy guidance, direction, and assistance to Finance divisions. Discussions with Municipal staff indicate that personnel expenditures are administrative in nature and are not directly attributable to new growth. Therefore these expenditures will remain fixed in the fiscal impact analysis. Variable non-salary operating expenditures are projected to increase with additional population and employment growth.

**Cost Projection Methodologies
Finance Administration**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Personal Services	\$159,670	\$159,670	\$0	Fixed	\$0.00
Supplies	\$1,320	\$1,320	\$0	Fixed	\$0.00
Other Services	\$11,710	\$0	\$11,710	Per Capita/Job	\$0.03
Capital Outlay	\$6,070	\$6,070	\$0	Fixed	\$0.00
Total	\$178,770	\$167,060	\$11,710		\$0.03

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

2. Controller

The table below summarizes Controller expenditures by activity. Direct expenditures total \$1,918,210 in FY1999. Variable operating expenditures are estimated at \$126,990. The Controller issues payroll and vendor checks, processes vouchers, and ensures the fiscal integrity of the Municipality. Discussions with Municipal staff indicate that personnel expenditures are administrative in nature and are not directly attributable to new growth. Therefore these expenditures will remain fixed in the fiscal impact analysis. Variable non-salary operating expenditures are projected to increase with additional population and employment growth.

**Cost Projection Methodologies
Controller**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Check Issuance	\$613,130	\$583,060	\$30,070	Per Capita/Job	\$0.08
Financial Record Mgnt.	\$1,305,080	\$1,208,160	\$96,920	Per Capita/Job	\$0.26
Total	\$1,918,210	\$1,791,220	\$126,990		\$0.34

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

3. Treasury

The table below summarizes Treasury expenditures by activity. Direct expenditures total \$2,222,670 in FY1999. Variable operating expenditures are estimated at \$1,176,103. The Treasury collects and accounts for all monies received by the Municipality, invests funds to obtain maximum interest earnings consistent with safety of principal, and bills and collects all Municipal taxes. Discussions with Municipal staff indicate that some personnel expenditures

are administrative in nature and are not directly attributable to new growth. Therefore, these expenditures will remain fixed in the fiscal impact analysis. Variable personnel and operating expenditures are projected to increase with additional population and employment growth.

Cost Projection Methodologies

Treasury

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Administration	\$419,250	\$376,750	\$42,500	Per Capita/Job	\$0.12
Cash Management	\$332,270	\$302,030	\$30,240	Per Capita/Job	\$0.08
Collections	\$739,530	\$184,883	\$554,648	Per Capita/Job	\$1.50
Tax Billing	\$504,300	\$126,075	\$378,225	Per Capita/Job	\$1.02
Remittance Processing	\$227,320	\$56,830	\$170,490	Per Capita/Job	\$0.46
Total	\$2,222,670	\$1,046,568	\$1,176,103		\$3.19

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

4. Risk Management

The table below summarizes Risk Management expenditures by activity. Direct expenditures total \$5,588,930 in FY1999. Variable operating expenditures are estimated at \$5,389,670. Risk Management is responsible for protecting the Municipality’s assets, which include property, employees, and monies by reducing the frequency and severity of accidental loss. Discussions with Municipal staff indicate that some personnel expenditures are administrative in nature and are not directly attributable to new growth. Therefore, these expenditures will remain fixed in the fiscal impact analysis. Variable personnel and operating expenditures are projected to increase with additional population and employment growth.

Cost Projection Methodologies

Risk Management

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Personal Services	\$195,370	\$195,370	\$0	Fixed	\$0.00
Supplies	\$3,350	\$3,350	\$0	Fixed	\$0.00
Other Services	\$5,389,670	\$0	\$5,389,670	Per Capita/Job	\$14.60
Capital Outlay	\$540	\$540	\$0	Fixed	\$0.00
Total	\$5,588,930	\$199,260	\$5,389,670		\$14.60

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

5. Property Assessment

The table below summarizes Property Assessment expenditures by activity. Direct expenditures total \$3,380,260 in FY1999. Variable operating expenditures are estimated at \$2,619,435. Property Assessment is responsible for assessing all real property within the jurisdiction of the Municipality; to assess all filed personal and business property; conduct audits of personal and business property and identify unreported items; and to provide services to customers on appraisal related matters and records information. Discussions with Municipal staff indicate that some personnel expenditures are administrative in nature and are not directly attributable to new growth. Therefore, these expenditures will remain fixed in the

fiscal impact analysis. Variable personnel and operating expenditures are projected to increase with additional population and employment growth.

**Cost Projection Methodologies
Property Assessment**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Personal Services	\$3,043,300	\$760,825	\$2,282,475	Per Capita/Job	\$6.18
Supplies	\$37,810	\$0	\$37,810	Per Capita/Job	\$0.10
Other Services	\$299,150	\$0	\$299,150	Per Capita/Job	\$0.81
Total	\$3,380,260	\$760,825	\$2,619,435		\$7.10

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

F. Purchasing

The table below summarizes Purchasing expenditures by activity. Direct expenditures total \$1,075,040 in FY1999. Variable operating expenditures are estimated at \$745,980. Purchasing is responsible for purchasing materials and services for Municipal consumption. This includes obtaining and reviewing bids for services, managing contracts and issuing purchase orders. Discussions with Municipal staff indicate that some personnel expenditures are administrative in nature and are not directly attributable to new growth. Therefore, these expenditures will remain fixed in the fiscal impact analysis. Variable personnel expenditures are projected using a marginal cost approach, which is discussed further below. Variable non-salary operating expenditures are projected to increase with additional population and employment.

**Cost Projection Methodologies
Purchasing**

Cost	FY99 Budget	Fixed Portion	Variable Portion	Projection Methodology	LOS Standard
Personal Services	\$983,920	\$323,060	\$660,860	Marginal	\$0.00
Supplies	\$14,400	\$0	\$14,400	Per Capita/Job	\$0.04
Other Services	\$70,720	\$0	\$70,720	Per Capita/Job	\$0.19
Capital Outlay	\$6,000	\$6,000	\$0	Fixed	\$0.00
Total	\$1,075,040	\$329,060	\$745,980		\$0.23

1. Marginal Purchasing Personnel Costs

Variable Purchasing personnel costs are expected to increase as additional services and materials are purchased as a result of new growth. In 1998, Purchasing issued 6,250 purchase orders. When this is compared to the population and employment estimate of 369,046, there are .0169 inquiries generated per capita and job. In order to project additional inquiries, it is assumed this relationship continues throughout the analysis period.

In order to project the marginal personnel increases that will occur as a result of additional growth in the Municipality, TA has documented the current level of service in terms of purchases orders by type of employee. There are currently 4 Administrative Officers. For purposes of the fiscal impact analysis it is assumed that one new Administrative Officer is hired for every 1,562 purchase orders (6,250 purchase orders divided by 4 positions).

However, in order to help maintain the current level of service, it is assumed each position is hired when 80% of the 1,562-purchase order threshold is reached. Therefore, a new Administrative Officer with an associated salary and benefits of \$62,757 will be hired by the Municipality for every additional 1,250 purchase orders.

Marginal Purchasing Staffing Assumptions

Position	Number	Salary*	FY1999 LOS Threshold
Administrative Officer	4	\$62,757	1 per 1,562 purchase orders
Deputy Purchasing Officer	2	\$95,462	1 per 3,125 purchsae orders
Office Assistance	8	\$33,954	1 per 781 purchase orders

*Includes benefits

G. Non-Departmental

The table below summarizes Non-Departmental expenditures by activity. Direct expenditures total \$10,229,650 in FY1999. Variable operating expenditures are estimated at \$1,092,660. Non-Departmental expenditures include the Youth and Indigent Defense Programs, Convention and Visitors Bureau expenditures, Miscellaneous Programs, and various other expenditures. Discussions with Municipal staff indicate that most of these expenditures are not directly attributable to new growth. For example, the 5th and C Garage Lease is based on the bond debt service for this facility and ACPA Operations is a subsidy, which is currently being reduced 5% per year. Therefore, these expenditures will remain fixed in the fiscal impact analysis. Variable expenditures include the Indigent Defense Program and Miscellaneous Programs, which are projected to increase with additional population. A marginal cost approach is used for the ACVB expenditure, which is based on 50% of the Hotel/Motel Tax collected, and will increase/decrease accordingly.

**Cost Projection Methodologies
Non-Departmental**

Cost	FY99 Budget	Fixed Portion	Variable Portion	Projection Methodology	LOS Standard
Egan Center	\$730,000	\$730,000	\$0	Fixed	\$0.00
5th and C Garage Lease	\$1,553,800	\$1,553,800	\$0	Fixed	\$0.00
ACPA Operations	\$1,148,500	\$1,148,500	\$0	Fixed	\$0.00
Indigent Defense	\$750,160	\$0	\$750,160	Per Capita	\$3.04
Fur Rondy/Iditarod	\$100,000	\$100,000	\$0	Fixed	\$0.00
Youth Offender Program	\$367,000	\$367,000	\$0	Fixed	\$0.00
AEDC	\$328,500	\$328,500	\$0	Fixed	\$0.00
School Safety Program	\$270,000	\$270,000	\$0	Fixed	\$0.00
ACVB	\$4,500,000	\$4,500,000	\$0	Marginal	See Text
Employee Relations Board	\$139,190	\$139,190	\$0	Fixed	\$0.00
Miscellaneous Programs	\$342,500	\$0	\$342,500	Per Capita	\$1.39
Total	\$10,229,650	\$9,136,990	\$1,092,660		\$4.43

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

XIII. PUBLIC WORKS OPERATING EXPENDITURES

A. Administration

The table below summarizes Public Works Administration expenditures by activity. Direct expenditures total \$375,840 in FY1999. Public Works Administration provides policy guidance, direction, and assistance to Public Works divisions. Discussions with Municipal staff indicate these expenditures are administrative in nature and are not directly attributable to new growth. Therefore these expenditures will remain fixed in the fiscal impact analysis.

**Cost Projection Methodologies
Administration**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Administration	\$220,160	\$220,160	\$0	Fixed	\$0.00
Cemetery	\$155,680	\$155,680	\$0	Fixed	\$0.00
Total	\$375,840	\$375,840	\$0		\$0.00

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

B. Administrative Support

The table below summarizes Administrative Support expenditures by activity. Direct expenditures total \$181,230 in FY1999. Public Works Administration provides budgetary, fiscal and personnel functions to the Department. Discussions with Municipal staff indicate these expenditures are administrative in nature and are not directly attributable to new growth. Therefore these expenditures will remain fixed in the fiscal impact analysis.

**Cost Projection Methodologies
Administrative Support**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Personal Services	\$172,350	\$172,350	\$0	Fixed	\$0.00
Supplies	\$4,610	\$4,610	\$0	Fixed	\$0.00
Other Services	\$2,830	\$2,830	\$0	Fixed	\$0.00
Capital Outlay	\$1,440	\$1,440	\$0	Fixed	\$0.00
Total	\$181,230	\$181,230	\$0		\$0.00

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

C. Project Management/Engineering

The table below summarizes Project Management/Engineering expenditures by activity. Direct expenditures total \$4,184,580 in FY1999. Project Management/Engineering provides in-house design, project management, surveys, geotechnical and environmental subsurface investigations for Municipal CIP projects. Discussions with Municipal staff indicate that Private Development is a fee sustained operation and will not be factored in the analysis, nor are the corresponding revenues. Discussions also indicate that Project Management/Engineering expenditures, for the most part, are not directly attributable to new

growth, and will remain fixed in the fiscal impact analysis. This is because the Municipality will always make capital improvements, whether they are growth related (which is a small percentage of the work load), infrastructure replacement or improvements to existing infrastructure.

**Cost Projection Methodologies
Project Management/Engineering**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Administration	\$365,560	\$365,560	\$0	Fixed	\$0.00
Design Services	\$455,420	\$455,420	\$0	Fixed	\$0.00
Project Admin. Support	\$291,970	\$291,970	\$0	Fixed	\$0.00
Project Management	\$1,156,650	\$1,156,650	\$0	Fixed	\$0.00
Geotechnical Services	\$236,020	\$236,020	\$0	Fixed	\$0.00
Survey	\$162,560	\$162,560	\$0	Fixed	\$0.00
Private Development	\$359,080	\$359,080	\$0	Fee Sustained	N/A
Watershed Management	\$807,880	\$807,880	\$0	Fixed	\$0.00
R-O-W Acquisition	\$161,790	\$161,790	\$0	Fixed	\$0.00
Special Assessment	\$187,650	\$187,650	\$0	Fixed	\$0.00
Total	\$4,184,580	\$4,184,580	\$0		

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

D. Building Safety

The table below summarizes Building Safety expenditures by activity. Direct expenditures total \$6,052,520 in FY1999. Variable operating expenditures are estimated at \$1,452,493. Building Safety is responsible for plan review, building inspections, issuing building permits, code enforcement and mapping services. Discussions with Municipal staff indicate that Building Inspections, Building Permit Counter and Plan Review expenditures are fee sustained operations and are not factored in the analysis, nor are the corresponding revenues. Mapping and Administration expenditures are not directly attributable to new growth and will therefore remain fixed in the fiscal impact analysis. Variable Land Use Review expenditures tend to be one-time in nature and do not compound annually. Therefore, a one-time cost is calculated. This unique methodology is discussed below. Variable expenditures for Computer Services are projected to increase with additional population and employment. Costs for the Land Use Enforcement, Public Counter and Code Abatement were projected using a marginal approach discussed in greater detail below.

**Cost Projection Methodologies
Building Safety**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Administration	\$205,310	\$205,310	\$0	Fixed	\$0.00
Public Counter	\$202,330	\$6,520	\$195,810	Marginal	See Text
Building Permit Counter	\$728,510	\$728,510	\$0	Fee Sustained	N/A
Building Inspection	\$2,028,960	\$2,028,960	\$0	Fee Sustained	N/A
Plan Review	\$947,910	\$947,910	\$0	Fee Sustained	N/A
Land Use Review	\$74,460	\$0	\$74,460	One-Time Cost	See Text
Land Use Enforcement	\$1,116,750	\$237,447	\$879,303	Marginal	See Text
Code Abatement	\$224,710	\$1,500	\$223,210	Marginal	See Text
Computer Services	\$318,560	\$238,850	\$79,710	Per Capita/Job	\$0.22
Mapping	\$205,020	\$205,020	\$0	Fixed	\$0.00
Total	\$6,052,520	\$4,600,027	\$1,452,493		

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

1. Marginal Public Counter Operating Costs

a. Personnel

A review of work measure data indicates the best indicator for projecting the need for variable Public Counter personnel costs is phone call inquiries. There were 14,500 inquiries in 1998. When this is compared to the population and employment estimate of 369,046, there are .0393 inquiries generated per capita and job. In order to project additional inquiries, it is assumed this relationship continues throughout the analysis period.

In order to project the marginal personnel increases that will occur as a result of additional growth in the Municipality, TA has documented the current level of service in terms of inquiries by type of employee. There are currently 3 Engineering Technicians. For purposes of the fiscal impact analysis it is assumed that one new Engineering Technician is hired for every 4,833 inquiries received (14,500 inquiries divided by 3 positions). However, in order to help maintain the current level of service, it is assumed each position is hired when 80% of the 4,833-inquiry threshold is reached. Therefore, a new Engineering Technician with an associated salary and benefits of \$35,653 will be hired by the Municipality for every additional 3,866 inquiries received.

Marginal Public Counter Staffing Assumptions

Position	Number	Salary*	FY1999 LOS Threshold
Engineering Techs	3	\$35,653	1 per 4,833 inquiries

*Includes benefits

b. Non-Salary Operating Cost

The FY1999 budget contains an estimated \$34,050 in variable non-salary operating expenditures, which are expected to increase with additional inquiries received. Therefore, the variable expenditures of \$34,050 are divided by the 14,500 inquiries received, for a per inquiry cost of \$2.35.

2. Marginal Land Use Enforcement Operating Costs

a. Personnel

Variable Land Use Enforcement personnel costs are expected to increase as additional zoning code violation complaints, code interpretations, etc. are received as a result of new growth. For purposes of the fiscal impact analysis, it is assumed that zoning code complaints received is the primary driver of Land Use Enforcement personnel costs. In 1998, there were 1,800 zoning code complaints received. When this is compared to the existing population and employment estimate of 369,046, there is an average of .005 zoning code complaints generated per capita and job. In order to project additional inquiries, it is assumed this relationship continues throughout the analysis period.

In order to project the marginal personnel increases that will occur as a result of additional growth in the Municipality, TA has documented the current level of service in terms of zoning code complaints by type of employee. There are currently 10 Engineering Technicians. For purposes of the fiscal impact analysis it is assumed that one new Engineering Technician is hired for every 180 zoning code complaints generated by new development (1,800 complaints divided by 10 positions). However, in order to help maintain the current level of service, it is assumed each position is hired when 80% of the 180-complaint threshold is reached. Therefore, a new Engineering Technician with an associated salary and benefits of \$46,505 will be hired by the Municipality for every additional 144 zoning code complaints generated.

Marginal Land Use Enforcement Staffing Assumptions

Position	Number	Salary*	FY1999 LOS Threshold
Engineering Technicians	10	\$46,505	1 per 180 complaints

*Includes benefits

b. Non-Salary Operating Cost

The FY1999 budget contains an estimated \$79,580 in variable non-salary operating expenditures, which are expected to increase with additional population and employment. Therefore, the variable expenditures of \$79,580 are divided by the estimated population and employment (369,046), for a per capita and job cost of \$0.22.

3. Marginal Code Abatement Operating Costs

a. Personnel

Variable Code Abatement personnel costs are expected to increase as code abatement inspections increase as a result of new growth. In 1998, there were 1,000 code abatement inspections. When this is compared to the existing population and employment estimate of 369,046, there is an average of .0027 inspections generated per capita and job. In order to project additional inquiries, it is assumed this relationship continues throughout the analysis period.

In order to project the marginal personnel increases that will occur as a result of additional growth in the Municipality, TA has documented the current level of service in terms of inspections by type of employee. There are currently 2 Building Inspectors. For purposes of the fiscal impact analysis it is assumed that one new Building Inspector is hired for every 500

abatement inspections generated by new development (1,000 inspections divided by 2 positions). However, in order to help maintain the current level of service, it is assumed each position is hired when 80% of the 500-inspection threshold is reached. Therefore, a new Building Inspector with an associated salary and benefits of \$82,663 will be hired by the Municipality for every additional 400 code abatement inspections generated.

Marginal Code Abatement Staffing Assumptions

Position	Number	Salary*	FY1999
			LOS Threshold
Building Inspectors	2	\$82,663	1 per 500 inspections

*Includes benefits

b. Non-Salary Operating Cost

The FY1999 budget contains an estimated \$24,650 in variable non-salary operating expenditures, which are expected to increase with additional code abatement inspections generated. Therefore, the variable expenditures of \$24,650 are divided by the 1,000 inspections in 1998, for a per inspection cost of \$24.65.

4. One-Time Land Use Review Operating Costs

As discussed above, variable Land Use Review expenditures tend to be one-time in nature and do not compound annually. To determine the one-time cost, the projected increase in population and employment between 1999 and 2000 is used. For example, the projected population and employment increase under the Current Trends scenario between 1999 and 2000 is 5,459. When this is compared to the variable operating expenditures of \$74,460, the one-time cost per capita and job is \$13.64.

E. Street Maintenance

The table below summarizes Street Maintenance expenditures by activity. Direct expenditures total \$35,641,040 in FY1999. Variable operating expenditures are estimated at \$11,243,765. Street Maintenance is responsible for maintaining streets in the Municipal road system and right-of-way inspections. *Not factored from this budget is the cost to provide services to the various Road Service Areas (RSA) and Limited Road Service Areas (LRSA). That is because each of these Areas is funded through their own assessment and are essentially fee sustained.* Discussions with Municipal staff indicate that administration-related personnel expenditures are not directly attributable to new growth and will therefore remain fixed in the fiscal impact analysis. The majority of variable growth-related personnel and operating expenditures are projected to increase as additional roads are added to the Municipal system. A marginal cost approach is used to project these costs, which are discussed further below.

**Cost Projection Methodologies
Street Maintenance**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Administration	\$472,510	\$472,510	\$0	Fixed	\$0.00
Debt Service	\$22,689,110	\$22,689,110	\$0	Fixed	\$0.00
R-O-W Permit Inspections	\$811,120	\$724,500	\$86,620	Per Road Mile	\$140.85
Operations	\$11,668,300	\$511,155	\$11,157,145	Marginal	See Text
Total	\$35,641,040	\$24,397,275	\$11,243,765		\$140.85

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

1. Marginal Street Maintenance Costs

a. Personnel

Street Maintenance personnel expenditures are projected to increase as additional road mileage is added to the Municipal road system as a result of additional development. Additional road mileage will be added as a result of new collector/arterial road construction and local streets constructed with residential subdivisions. The table below summarizes the front foot assumptions for local roads attributable to residential uses. It is assumed that nonresidential uses do not add local road frontage, as office and industrial development is typically located on privately maintained roads and retail uses typically access existing public roads.

Road Frontage Assumptions

Prototype	FAZ FACTOR (percentage of new residential units built on new roads)				
	NW	NE	CE	SW	SE
SF-Rural 160 feet per unit	N/A	75%	N/A	N/A	75%
SF-Urban/Suburban 55 feet per unit	N/A	N/A	75%	75%	75%
Multifamily*	N/A	N/A	N/A	N/A	N/A

*It is assumed MF units are built on existing or private streets

N/A assumes new units are built on existing streets

The Municipality currently maintains 615 miles of roadway. In order to project the marginal personnel increases associated with new growth within the Municipality, TA has documented the current level of service in terms of miles maintained by type of employee. For example, there are currently 92 Equipment Operators. For purposes of the fiscal impact analysis it is assumed that one new Equipment Operator is hired for every 7 miles added to the Municipal road system (615 miles divided by 92 positions), with salary and benefits of \$38,553.

Marginal Street Maintenance Staffing Assumptions

Position	Number	Salary*	FY1999 LOS Threshold
Equipment Oper. Tech.	2	\$74,625	1 per 308 miles
Equipment Operators	92	\$38,553	1 per 7 miles
Street Maint. Superv.	5	\$73,698	1 per 123 miles

*Includes benefits

b. Non-Salary Maintenance Cost

The FY1999 budget contains an estimated \$4,761,920 in variable non-salary operating expenditures, which are expected to increase with additional vehicle trips on Municipality roads. As the table below indicates, there are 924,484 average weekday vehicle trips in the Municipality of Anchorage. When this is compared to the non-salary operating costs of \$4,761,920, the operating cost per trip is \$5.15.

Vehicle Trips on an Average Weekday

Municipality of Anchorage

*Residential Prototypes**

SF-Rural

SF-Urban/Suburban

Multifamily

*Average Weekday Vehicle Trip Ends per Unit***

SF-Rural

SF-Urban/Suburban

Multifamily

Residential Vehicle Trip Ends of an Average Weekday

SF-Rural

SF-Urban/Suburban

Multifamily

Total Residential Trips

<i>Assumptions</i>	
3,196	
47,316	
37,419	
	<i>Trip Factor</i>
8.51	50%
8.51	50%
6.54	50%

13,599

201,330

122,360

337,289

*Nonresidential Gross Floor Area (1,000 sq. ft.)**

Retail

Office

Services

Lodgings

Industrial

*Average Weekday Vehicle Trips Ends per 1,000 Sq. Ft.****

Retail

Office

Services

Lodgings

Industrial

Nonresidential Vehicle Trips on an Average Weekday

Retail

Office

Services

Lodgings

Industrial

Total Nonresidential Trips

<i>Assumptions</i>	
15,368	
12,022	
4,140	
3,786	
13,988	
	<i>Trip Factors</i>
68.17	32%
18.31	50%
68.17	32%
8.92	50%
4.96	50%

335,248

110,064

90,308

16,886

34,690

587,195

TOTAL TRIPS

924,484

*Unit and floor area estimates are from the Municipality of Anchorage

**Residential trip rates were provided by the Municipality of Anchorage

***Trip rates are from Institute of Transportation Engineers (ITE) Trip Generation Manual (1997).

F. Traffic Engineering

The table below summarizes Traffic Engineering expenditures by activity. Direct expenditures total \$4,298,930 in FY1999. Variable operating expenditures are estimated at \$2,506,731. Traffic Engineering is responsible for signal maintenance, installation and maintenance of traffic control devices, intersection and pedestrian improvements, and radio communications. Discussions with Municipal staff indicate that some of the personnel expenditures are not directly attributable to new growth and will therefore remain fixed in the

fiscal impact analysis. The majority of variable growth-related personnel and operating expenditures are projected to increase as additional roads are added to the Municipal system. A marginal cost approach is used to project these costs, which are discussed further below. Variable Communications expenditures are projected to increase with additional population and employment.

**Cost Projection Methodologies
Traffic Engineering**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
Administration	\$211,500	\$180,470	\$31,030	Per Mile	\$50.46
Traffic Engineering	\$1,051,480	\$393,948	\$657,532	Marginal	See Text
Signal Maintenance	\$1,006,560	\$158,716	\$847,844	Marginal	See Text
Communications	\$980,250	\$872,650	\$107,600	Per Capita/Job	\$0.29
Paint & Signs	\$1,049,140	\$186,415	\$862,725	Marginal	See Text
Total	\$4,298,930	\$1,792,199	\$2,506,731		\$50.75

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

1. Marginal Traffic Engineering Costs

a. Personnel Costs

Variable Traffic Engineering personnel expenditures are projected to increase as additional road mileage is added to the Municipal road system as a result of additional development. Additional road mileage will be added as a result of new collector/arterial road construction and local streets constructed with residential subdivisions. The Municipality currently maintains 615 miles of roadway. In order to project the marginal personnel increases associated with new growth within the Municipality, TA has documented the current level of service in terms of miles maintained by type of employee. There are currently 11 Engineering Technicians. For purposes of the fiscal impact analysis it is assumed that one new Engineering Technician is hired for every 56 miles added to the Municipal road system (615 miles divided by 11 positions). However, in order to help maintain the current level of service, it is assumed each position is hired when 80% of the 56-mile threshold is reached. Therefore, a new Engineering Technician with an associated salary and benefits of \$45,371 is hired by the Municipality for every 45 additional miles of new road added to the Municipal system.

Marginal Traffic Engineering Staffing Assumptions

Position	Number	Salary*	FY1999 LOS Threshold
Engineering Technicians	11	\$45,371	1 per 56 miles

*Includes benefits

b. Non-Salary Maintenance Cost

The FY1999 budget contains an estimated \$158,780 in variable non-salary operating expenditures, which are expected to increase with additional road mileage. Therefore, the variable expenditures of \$158,780 are divided by the current mileage of 615, for a per mile cost of \$258.18.

2. Marginal Signal Maintenance Costs

a. Personnel Costs

Variable Signal Maintenance personnel expenditures are projected to increase as additional road mileage is added to the Municipal road system as a result of additional development. As discussed earlier, additional road mileage will be added as a result of new collector/arterial road construction and local streets constructed with residential subdivisions. The Municipality currently maintains 615 miles of roadway. In order to project the marginal personnel increases associated with new growth within the Municipality, TA has documented the current level of service in terms of miles maintained by type of employee. For example, there are currently 5 Electronic Technicians. For purposes of the fiscal impact analysis it is assumed that one new Electronic Technician is hired for every 123 miles added to the Municipal road system (615 miles divided by 5 positions). However, in order to help maintain the current level of service, it is assumed each position is hired when 80% of the 123-mile threshold is reached. Therefore, a new Electronic Technician with an associated salary and benefits of \$72,902 is hired by the Municipality for every 98 additional miles of new road added to the Municipal system.

Marginal Signal Maintenance Staffing Assumptions

Position	Number	Salary*	FY1999
			LOS Threshold
Electronic Tech. Leadman	2	\$106,063	1 per 308 miles
Electronic Tech.	5	\$72,902	1 per 123 miles

*Includes benefits

b. Non-Salary Maintenance Cost

The FY1999 budget contains an estimated \$82,790 in variable non-salary operating expenditures, which are expected to increase with additional road mileage. Therefore, the variable expenditures of \$82,790 are divided by the current mileage of 615, for a per mile cost of \$134.61.

3. Marginal Paint & Signs Costs

a. Personnel Costs

Variable Paint & Signs personnel expenditures are projected to increase as additional road mileage is added to the Municipal road system as a result of additional development. As discussed earlier, additional road mileage will be added as a result of new collector/arterial road construction and local streets constructed with residential subdivisions. The Municipality currently maintains 615 miles of roadway. In order to project the marginal personnel increases associated with new growth within the Municipality, TA has documented the current level of service in terms of miles maintained by type of employee. For example, there are currently 5 Paint & Sign Technicians. For purposes of the fiscal impact analysis it is assumed that one new Paint & Sign Technician is hired for every 123 miles added to the Municipal road system (615 miles divided by 5 positions). However, in order to help maintain the current level of service, it is assumed each position is hired when 80% of the 123-mile threshold is reached. Therefore, a new Paint & Sign Technician with an associated salary and benefits of \$64,332 is hired by the Municipality for every 98 additional miles of new road added to the Municipal system.

Marginal Paint & Signs Staffing Assumptions

Position	Number	Salary*	FY1999 LOS Threshold
Paint & Sign Tech.	5	\$64,332	1 per 123 miles

*Includes benefits

b. Non-Salary Maintenance Cost

The FY1999 budget contains an estimated \$259,200 in variable non-salary operating expenditures, which are expected to increase with additional road mileage. Therefore, the variable expenditures of \$259,200 are divided by the current mileage of 615, for a per mile cost of \$421.46.

XIV. SCHOOL DISTRICT OPERATING EXPENDITURES

The Anchorage School District currently operates 84 schools, with a full-time equivalent (FTE) enrollment of 49,312, based on the September 30, 1999 membership report.

A. General Fund Operating Revenues

The tables below show General Fund revenues for the Anchorage School District and their allocation methodology. Property Tax revenue will increase with additional development in the Municipality. Therefore, the current tax rate of \$7.79 mills will be applied against the assessed value assumptions for new residential and nonresidential construction. The amount of Federal Aid revenue received each year is uncertain because it is subject to proration based on annual funding appropriated by Congress. Since this revenue source is not directly attributable to new growth it will remain fixed in the analysis. State revenues are projected to increase with additional enrollment. Therefore this revenue source is allocated per pupil.

**Revenue Projection Methodologies
General Fund**

Revenue	FY99 Budget	Projection Methodology	LOS Standard
Property Taxes	\$97,960,000	Per \$1,000 Ass. Value	\$7.79
State Sources	\$218,836,897	Per Pupil	\$4,438
Federal Sources	\$8,015,000	Fixed	\$0.00
Total	\$324,811,897		

Other Local revenues are from a variety of sources. The majority of revenues are considered fixed. However, a few are projected to increase with additional enrollment.

**School District General Fund Revenue Projection Methodologies
Other Local Revenues**

Revenue	FY99 Budget	Projection Methodology	LOS Standard
Career Center	\$89,000	Fixed	\$0.00
Facility Rentals	\$340,000	Fixed	\$0.00
Nonresident Tuition	\$25,000	Fixed	\$0.00
Graduation Support Services	\$40,000	Fixed	\$0.00
Summer School	\$100,000	Per Pupil	\$2.03
Music Instrument Usage	\$9,000	Fixed	\$0.00
Middle School Activity	\$112,000	Per Pupil	\$2.27
High School Activity	\$335,000	Per Pupil	\$6.79
Community Schools Fees	\$80,000	Fixed	\$0.00
Other Fees	\$18,000	Fixed	\$0.00
Property Sales	\$164,000	Fixed	\$0.00
Interest	\$2,175,000	Fixed	\$0.00
Fund Balance	\$77,515	Fixed	\$0.00
Total	\$3,564,515		

B. General Fund Operating Expenditures

The table below shows School District General Fund expenditures and their allocation methodology. These expenditures will increase with enrollment and as additional schools are constructed to serve new residential development in the Municipality. It was determined through conversations with the School District that the best way to project several expenditures is through a per pupil approach. Instructional Support, Elementary, Middle and High Education and Operation and Maintenance of the physical plant (i.e. schools) are projected using a marginal cost approach. This approach is discussed below.

**School District Cost Projection Methodologies
General Fund Expenditures**

Cost	FY99 Budget	Fixed Portion*	Variable Portion	Projection Methodology	LOS Standard
General Administration	\$8,963,903	\$7,171,122	\$1,792,781	Per Pupil	\$36.36
Instructional Support	\$14,834,042	\$992,646	\$13,841,396	Marginal	See Text
Oper./Maint. of Plant	\$18,164,839	\$0	\$18,164,839	Marginal	See Text
Pupil Transportation	\$15,878,468	\$0	\$15,878,468	Per Pupil	\$322.00
Elementary Education	\$104,487,414	\$878,004	\$103,609,410	Marginal	See Text
Charter Schools	\$5,760,653	\$0	\$5,760,653	Per Pupil	\$116.82
Special Education	\$54,437,761	\$172,590	\$54,265,171	Per Pupil	\$1,100.45
Middle School Education	\$36,023,807	\$191,384	\$35,832,423	Marginal	See Text
Secondary Education	\$59,237,104	\$413,251	\$58,823,853	Marginal	See Text
Bilingual/Multicultural	\$6,001,937	\$0	\$6,001,937	Per Pupil	\$121.71
Community Services	\$1,873,876	\$0	\$1,873,876	Per Pupil	\$38.00
Non-Departmental	\$2,712,608	\$2,490,342	\$222,266	Per Pupil	\$4.51
Total	\$328,376,412	\$12,309,339	\$316,067,073		

*Estimated through conversations with Municipal staff and examination of the FY99 Budget

1. Marginal Personnel Operating Costs

a. Classroom Teachers (Instruction)

As additional students are generated by new development, additional classroom teachers will have to be hired to maintain the current level of service of 1 teacher per 24 elementary school pupils, 1 teacher per 26.25 middle school pupils, and 1 teacher per 27.08 high school pupils. Additional school children generated by new residential development will be forecasted using pupil generation rates, by type of housing. These pupil generation rates were developed by the Anchorage School District. These rates are discussed below. The fiscal impact model will hire classroom teachers as new students enter the school system, based on the level of service factors discussed above. The School District provided TA with an average cost per new teacher of \$60,000, including benefits.

The table below summarizes elementary school pupil generation rates by type of unit for each FAZ, based on attendance area data.

**Pupil Generation Rates
Elementary Schools**

FAZ (Attendance Area)	Single Family	Multifamily
Northwest (West)	0.30	0.10
Northeast (Bartlett/East)	0.39	0.19
Central (District Average)	0.38	0.15
Southwest (Dimond)	0.40	0.15
Southeast (Service)	0.39	0.23
Chugiak-Eagle River (Chugiak)	0.43	0.22

Source: Municipality of Anchorage

The table below summarizes middle school pupil generation rates by type of unit for each FAZ, based on attendance area data.

**Pupil Generation Rates
Middle Schools**

FAZ (Attendance Area)	Single Family	Multifamily
Northwest (Romig)	0.11	0.03
Northeast (Clark/Wendler)	0.11	0.04
Central (District Average)	0.11	0.03
Southwest (Mears)	0.12	0.03
Southeast (Hanshaw)	0.11	0.03
Chugiak-Eagle River (Gruening)	0.13	0.05

Source: Municipality of Anchorage

The table below summarizes high school pupil generation rates by type of unit for each FAZ, based on attendance area data.

**Pupil Generation Rates
High Schools**

FAZ (Attendance Area)	Single Family	Multifamily
Northwest (West)	0.15	0.03
Northeast (Bartlett/East)	0.21	0.05
Central (District Average)	0.20	0.04
Southwest (Dimond)	0.23	0.05
Southeast (Service)	0.19	0.05
Chugiak-Eagle River (Chugiak)	0.23	0.08

Source: Municipality of Anchorage

b. Core Staff and Operating Impacts for New Schools

As additional school facilities are constructed to accommodate new development in the Municipality, there will be an increase in non-classroom staff (i.e. principal and administrative staff), as well as an increase in non-salary operating costs for supplies, materials and operation of the physical plant. Using information from the School District budget, TA developed the following assumptions for marginal operating costs new "prototype" elementary, middle and high schools.

Prototype School Assumptions

Cost	High	Middle	Elem.
Core Staff	\$2,175,000	\$1,216,000	\$774,000
Operating Costs	\$857,500	\$509,300	\$251,150
Total	\$3,032,500	\$1,725,300	\$1,025,150

XV. CAPITAL EXPENDITURES

This section discusses growth-related capital facility needs by governmental function. Growth-related facilities are those projects that are necessitated purely by new development occurring within the Municipality. This analysis does not include replacement facilities, renovation projects and projects that will be constructed regardless of whether the Municipality experienced an increase in residential and nonresidential development. In some cases, there are projects that are being constructed to as a result of an existing deficiency as well as to provide excess capacity to serve future growth. The cost of these projects is allocated on a percentage basis, as discussed below.

A. Fire

1. Growth-Related Stations in FY2000-2005 CIP

There are two new growth-related Fire Stations included in the adopted FY2000-2005 Capital Improvement Program. Discussions with the Fire Department indicate that under all scenarios, these two additional stations are required. These stations are located in Southport and in the area of Tudor and Patterson. The cost of the Southport Station is estimated at \$845,000, with \$390,000 being funded through G.O. Bonds and the remaining \$455,000 being funded through matching state grants. This station is assumed to open in 2004. The station at Tudor and Patterson is anticipated to open in 2005. Updated cost estimates provided by the Fire Department indicate this station is likely to be a larger, multi-company station, which entails a larger capital cost. The estimated cost is approximately \$2,000,000, with \$940,000 being funded through G.O. Bonds and the remaining through matching state grants. These assumptions are shown in the table below.

Growth-Related Fire Stations in FY2000-2005 CIP

Station	Year Constructed	FAZ	G.O. Bond	State Match	Total Cost
Southport	2004	Southwest	\$390,000	\$455,000	\$845,000
Tudor/Patterson	2005	Northeast	\$940,000	\$1,060,000	\$2,000,000

2. Growth-Related Stations, 2005-2020

In addition to the two stations contained in the current Capital Improvement Program, the Anchorage Fire Department estimates the need for three additional Fire Stations in order to maintain the current level of service as it relates to response time and station location. Since specific design and cost information is not readily available for these stations, the cost of the Southport station is used as a proxy for two of the stations and the cost for the Tudor/Patterson station is used for the Arctic/68th station, as TA is told this is likely to be a larger, multi-company station. These assumptions, as well as information related to funding source, year constructed and location are shown in the table below.

Growth-Related Fire Stations, 2005-2020

Station	Year Constructed	FAZ	G.O. Bond	State Match	Total Cost
68th/Abbott Loop	2007	Central	\$390,000	\$455,000	\$845,000
Arctic/68th	2012	Central	\$940,000	\$1,060,000	\$2,000,000
DeArmoun/Elmore	2014	Southeast	\$390,000	\$455,000	\$845,000

B. Health and Human Services

1. Office Space

At the time of this analysis, there are no definitive plans for additional growth-related Health and Human Services facilities. However, unless additional space is provided over the 22-year analysis period, the level of service provided to the Municipality will decrease. Therefore, TA will document the current level of service and design the fiscal impact model to construct growth-related space.

Health and Human Services operates out of a Main Building located in downtown Anchorage. This building is 65,000 square feet. However, usable square footage totals 42,974. Although certain Health and Human Services activities benefit residential and nonresidential development, the overwhelming consumer of Health and Human Services activities and programs is population. Therefore, population will be used to determine the level of service standard. When the total Health and Human Services square footage (42,974) is compared to the current Municipal population estimate of 246,800, there is .174 square feet of Health and Human Services space per capita in Anchorage. The table below indicates the amount of square footage required for each FAZ under each scenario in order to maintain the current level of service.

Health and Human Services Space Need By FAZ

FAZ	SCENARIO							
	Trends	Sq. Ft. Needed	Neighbor.	Sq. Ft. Needed	Transition	Sq. Ft. Needed	Slow	Sq. Ft. Needed
NE	16,150	2,810	11,950	2,079	19,250	3,350	8,650	1,505
NW	8,850	1,540	6,850	1,192	19,250	3,350	4,750	827
CE	12,200	2,123	15,550	2,706	17,900	3,115	8,200	1,427
SW	16,600	2,888	22,250	3,872	10,400	1,810	11,350	1,975
SE	22,900	3,985	20,100	3,497	15,000	2,610	15,300	2,662
ER	25,550	4,446	25,550	4,446	20,450	3,558	34,000	5,916
Total	102,250	17,792	102,250	17,792	102,250	17,792	82,250	14,312

As the table above indicates, a total of 17,792 square feet is needed under the Trends, Neighborhoods and Urban Transition scenarios and 14,312 square feet is needed under the Slow Growth scenario. According to information provided by the Municipality, the construction cost per square foot is estimated at \$200, exclusive of land. The table below shows the cost estimate to maintain the current level of service for each scenario. For purposes of the analysis, the fiscal impact model will build an office facility when 80% of the *total municipality-wide* required square footage threshold is reached. It is assumed that construction is financed through G.O. bonds.

Health and Human Services Costs By FAZ

FAZ	SCENARIO							
	Sq. Ft. Trends	Cost	Sq. Ft. Neighbor.	Cost	Sq. Ft. Transition	Cost	Sq. Ft. Slow	Cost
NE	2,810	\$562,020	2,079	\$415,860	3,350	\$669,900	1,505	\$301,020
NW	1,540	\$307,980	1,192	\$238,380	3,350	\$669,900	827	\$165,300
CE	2,123	\$424,560	2,706	\$541,140	3,115	\$622,920	1,427	\$285,360
SW	2,888	\$577,680	3,872	\$774,300	1,810	\$361,920	1,975	\$394,980
SE	3,985	\$796,920	3,497	\$699,480	2,610	\$522,000	2,662	\$532,440
ER	4,446	\$889,140	4,446	\$889,140	3,558	\$711,660	5,916	\$1,183,200
Total	17,792	\$3,558,300	17,792	\$3,558,300	17,792	\$3,558,300	14,312	\$2,862,300

2. Senior Center

Health and Human Service oversees the management of the Anchorage Senior Center, which is via contract with Anchor-Age, Inc. a non-profit corporation. The Senior Center is 23, 000 square feet with plans to expand the facility underway. This project consists of an 8,406 square ft. addition to the existing Center. The estimated cost, which includes project contingency at 10% and all permits and equipment, is \$2,482,480.

A federal appropriation of \$2.2 million has been made to Anchorage. For purposes of this analysis, the remaining balance is assumed to be funded through a general obligation bond.

3. Chugiak Senior Center

The Chugiak Senior Center provides 43 senior apartment units and 20 assisted living units. The current occupancy rate is 100%. When these 63 units are compared to the current Municipal population estimate of 246,800, there are .000255 units per capita in Anchorage. The table below indicates the amount of square footage required for each FAZ under each scenario in order to maintain the current level of service.

Senior Center Bed Space Need By FAZ

FAZ	SCENARIO							
	Trends	Beds Needed	Neighbor.	Beds Needed	Transition	Beds Needed	Slow	Beds Needed
NE	16,150	4	11,950	3	19,250	5	8,650	2
NW	8,850	2	6,850	2	19,250	5	4,750	1
CE	12,200	3	15,550	4	17,900	5	8,200	2
SW	16,600	4	22,250	6	10,400	3	11,350	3
SE	22,900	6	20,100	5	15,000	4	15,300	4
ER	25,550	7	25,550	7	20,450	5	34,000	9
Total	102,250	26	102,250	26	102,250	26	82,250	21

As the table above indicates, a total of 26 units are needed under the Trends, Neighborhoods and Urban Transition scenarios and 21 units are needed under the Slow Growth scenario. In order to develop a cost estimate for Senior Center bed space, TA utilized data from Marshal & Swift Valuation Service. As shown in the table below, the estimated cost per unit (bed) is

\$57,723. This is based on the assumption of Good Class C construction and a 20% multiplier for land.

Cost Per Senior Center Bed

Component	Amount
Construction*	\$47,444
Heating	\$4,288
Fire Sprinklers	\$1,299
Appliances	\$1,150
Share of Elevator	\$3,541
Total	\$57,723

*Assumes 640 sq. ft. per bed and 20% multiplier for land

The table below shows the cost estimate to maintain the current level of service for each scenario, using the cost estimate discussed above. For purposes of the analysis, the fiscal impact model will build additional Senior Center bed space when 80% of the *total municipality-wide* required bed threshold is reached. It is assumed that construction is financed through G.O. bonds.

Senior Center Bed Costs By FAZ

FAZ	SCENARIO							
	Beds Trends	Cost	Beds Neighbor.	Cost	Beds Transition	Cost	Beds Slow	Cost
NE	4	\$237,716	3	\$175,895	5	\$283,346	2	\$127,322
NW	2	\$130,266	2	\$100,827	5	\$283,346	1	\$69,917
CE	3	\$179,575	4	\$228,885	5	\$263,475	2	\$120,698
SW	4	\$244,340	6	\$327,504	3	\$153,081	3	\$167,064
SE	6	\$337,072	5	\$295,858	4	\$220,789	4	\$225,205
ER	7	\$376,078	7	\$376,078	5	\$301,009	9	\$500,456
Total	26	\$1,505,047	26	\$1,505,047	26	\$1,505,047	21	\$1,210,661

C. Roads

The Anchorage Bowl Long-Range Transportation Plan (LRTP) is the document that guides long-term transportation improvements within the Anchorage Bowl. The current LRTP (1997) identifies needed transportation improvements through the year 2020, with the Capital Improvement Program guiding short-term transportation improvements. Most of the roadway construction projects in the LRTP are funded through federal transportation dollars (requires a 10% State match) and as a result are not factored into the fiscal impact analysis. However, seven of these projects are for local roads, which the Municipality must maintain. These road improvements and the estimated length are shown in the table below.

Federally and State Funded Road Projects With Local Operating Impacts

Project	FAZ	Const. Year	Improvement Type	Estimated Extent of work	Length (miles)
Arctic Blvd. (Dimond to E. 68th)	C	2000	Expansion	Add new center turn lane (CTL)	1.3
Bragaw St. (Northern Lights to Providence)	NE	2020	Expansion	Add new 2 to 4 lanes	0.5
Boniface Pkwy. (Tudor to Bragaw)	NE	2020	Extension	Add new 2 to 4 lanes	2
Bragaw Rd (DeBarr to 20th)	NE	2000	Reconstruction	Add CTL	0.75
Northern Lights Blvd. (Lake Otis to Bragaw)	NE	2015	Expansion	Expand to 6 lanes	1
Northern Lights Blvd. (Bragaw to Boniface)	NE	2015	Expansion	Expand to 6 lanes	1
92nd Ave. (Old Seward Highway to Seward Highway)	C	2010	New Road	Expand from 2 to 4 lanes w/ CTL	0.5

According to information provided by the Municipality, there are 25 road projects in the LRTP that can be considered growth-related that are assumed to be funded by the Municipality. These roads are shown in the table below. Not included in this table are rehab and resurfacing projects, which would be completed regardless of whether new growth is to occur. These projects total \$86 million and are anticipated to be completed by 2007. It is assumed these projects are funded through Municipal bonds.

Locally Funded Road Projects (x\$1,000)

Project	FAZ	Const. Year	Bond Amount by Year								Total
			2000	2001	2002	2003	2004	2005	2006	2007	
100th Ave Extension-Minnesota Dr to King St	C	2007	\$0	\$0	\$0	\$0	\$250	\$500	\$800	\$4,000	\$5,550
92nd Ave Extension-Minnesota Dr to King St	C	2008	\$0	\$0	\$0	\$0	\$0	\$250	\$500	\$800	\$1,550
Aero Ave/40th Ave-Milky Way Dr to	NW	2001	\$350	\$1,650	\$0	\$0	\$0	\$0	\$0	\$0	\$2,000
Arlene St Upgrade-Opal St to Dimond Blvd	SW	2001	\$500	\$2,000	\$0	\$0	\$0	\$0	\$0	\$0	\$2,500
Baxter Rd/Beaver Pl. Upgrade and Surface Rehab Phase II	NE	2000	\$1,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,500
Boston St and 12th Ave Upgrades-Mall entrance to DeBarr Rd	NE	2000	\$600	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$600
Christensen Dr/1st Ave Reconst.-ARR Depot to 3rd Ave	NW	2000	\$2,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,000
Elmore Rd Upgrade - Huffman Rd to DeArmoun Rd	SE	2002	\$150	\$1,100	\$4,000	\$0	\$0	\$0	\$0	\$0	\$5,250
King St Upgrade Phase II-Dimond Blvd to 96th Ave	C	2000	\$3,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,500
Lake Otis Pkwy Upgrade-15th Ave to Northern Lights Blvd	NE	2005	\$0	\$150	\$500	\$4,500	\$0	\$4,000	\$0	\$0	\$9,150
North. Lights Blvd Upgrade (Ph III)- Aircraft Av. to Wisconsin St	NW	2004	\$0	\$150	\$600	\$1,100	\$3,000	\$0	\$0	\$0	\$4,850
North. Lights Blvd Upgrade (Ph IV)- Postmark Dr to Aircraft Av.	NW	2007	\$0	\$0	\$0	\$150	\$0	\$450	\$600	\$3,000	\$4,200
Northwood Dr Extension-88th Ave to Dimond Blvd	SW	2006	\$0	\$0	\$0	\$200	\$700	\$0	\$4,700	\$0	\$5,600
Northwood Dr Upgrade-Spenard Rd to International Airport Rd	SW	2004	\$0	\$200	\$350	\$400	\$3,200	\$0	\$0	\$0	\$4,150
Patterson St Upgrade-Northern Lights Blvd to Tudor Rd	NE	2002	\$150	\$800	\$3,400	\$0	\$0	\$0	\$0	\$0	\$4,350
Pine St Extension-DeBarr Rd to Reka Dr	NE	2003	\$150	\$300	\$200	\$1,500	\$0	\$0	\$0	\$0	\$2,150
Raspberry Rd Extension-Chad St to Arctic Blvd	C	2004	\$0	\$150	\$350	\$200	\$1,600	\$0	\$0	\$0	\$2,300
Raspberry Rd Upgrade-Sand Lake Rd to Kincaid Park	SW	2000	\$3,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,500
Southport Blvd Upgrade-Ensign Dr to Spyglass Cir	SW	2007	\$0	\$0	\$0	\$0	\$150	\$400	\$300	\$3,500	\$4,350
Southport Blvd Upgrade/Reconst.-100th Ave to Ensign Dr	SW	2002	\$400	\$300	\$2,000	\$0	\$0	\$0	\$0	\$0	\$2,700
Spenard Rd at 36th Ave Realignment	NW	2007	\$0	\$0	\$0	\$300	\$0	\$1,500	\$0	\$1,500	\$3,300
Strawberry Rd Upgrade-Jewel Lake Rd to Northwood Dr	SW	2001	\$0	\$4,150	\$0	\$0	\$0	\$0	\$0	\$0	\$4,150
Turpin Rd Upgrade-Glenn Hwy to DeBarr Rd	NE	2004	\$0	\$150	\$450	\$300	\$3,000	\$0	\$0	\$0	\$3,900
UAA Dr Upgrade-Northern Lights Blvd to Providence Dr	NE	2006	\$0	\$0	\$0	\$0	\$150	\$500	\$1,600	\$0	\$2,250
Whitney Rd Upgrade-Ocean Dock Rd to Post Rd	NW	2008	\$0	\$0	\$0	\$0	\$0	\$200	\$400	\$400	\$1,000
Total			\$12,800	\$11,100	\$11,850	\$8,650	\$12,050	\$7,800	\$8,900	\$13,200	\$86,350

The table below shows local road project construction assumptions by scenario. With the exception of the two Raspberry Road projects, all road projects are assumed to be constructed in each scenario. Because the Trends and Urban Transition scenarios assume expansion of

the International Airport, it is assumed the two Raspberry Road projects are necessary to facilitate this expansion.

Local Road Project Assumptions by Scenario

Project	FAZ	SCENARIO			
		Trends	Neighbor.	Transition	Slow
100th Ave Extension-Minnesota Dr to King St	C	X	X	X	X
92nd Ave Extension-Minnesota Dr to King St	C	X	X	X	X
Aero Ave/40th Ave-Milky Way Dr to	NW	X	X	X	X
Arlene St Upgrade-Opal St to Dimond Blvd	SW	X	X	X	X
Baxter Rd/Beaver Pl. Upgrade and Surface Rehab Phase II	NE	X	X	X	X
Boston St and 12th Ave Upgrades-Mall entrance to DeBarr Rd	NE	X	X	X	X
Christensen Dr/1st Ave Reconst.-ARR Depot to 3rd Ave	NW	X	X	X	X
Elmore Rd Upgrade - Huffman Rd to DeArmoun Rd	SE	X	X	X	X
King St Upgrade Phase II-Dimond Blvd to 96th Ave	C	X	X	X	X
Lake Otis Pkwy Upgrade-15th Ave to Northern Lights Blvd	NE	X	X	X	X
North. Lights Blvd Upgrade (Ph III)- Aircraft Av. to Wisconsin St	NW	X	X	X	X
North. Lights Blvd Upgrade (Ph IV)- Postmark Dr to Aircraft Av.	NW	X	X	X	X
Northwood Dr Extension-88th Ave to Dimond Blvd	SW	X	X	X	X
Northwood Dr Upgrade-Spenard Rd to International Airport Rd	SW	X	X	X	X
Patterson St Upgrade-Northern Lights Blvd to Tudor Rd	NE	X	X	X	X
Pine St Extension-DeBarr Rd to Reka Dr	NE	X	X	X	X
Raspberry Rd Extension-Chad St to Arctic Blvd	C	X	X	N/A	N/A
Raspberry Rd Upgrade-Sand Lake Rd to Kincaid Park	SW	X	X	N/A	N/A
Southport Blvd Upgrade-Ensign Dr to Spyglass Cir	SW	X	X	X	X
Southport Blvd Upgrade/Reconst.-100th Ave to Ensign Dr	SW	X	X	X	X
Spenard Rd at 36th Ave Realignment	NW	X	X	X	X
Strawberry Rd Upgrade-Jewel Lake Rd to Northwood Dr	SW	X	X	X	X
Turpin Rd Upgrade-Glenn Hwy to DeBarr Rd	NE	X	X	X	X
UAA Dr Upgrade-Northern Lights Blvd to Providence Dr	NE	X	X	X	X
Whitney Rd Upgrade-Ocean Dock Rd to Post Rd	NW	X	X	X	X

D. Property and Facility Management

Property and Facility Management Capital Improvement Program expenditures are related to maintaining, refurbishing and upgrading Municipal facilities, equipment and vehicles. Many of these expenditures will not be factored since they are renovations and replacements not necessitated by new growth. Growth-related expenditures are discussed further below.

1. Police Vehicles

The cost for a new patrol vehicle is estimated at \$27,000, including equipment. The fiscal impact model will purchase these vehicles for every patrol officer hired as a result of new growth. These vehicles are assumed to have a useful life of 4 years.

2. Street Maintenance Fleet Purchases

Street Maintenance operates many vehicles and pieces of equipment. A review of the FY2000-2005 CIP indicates that rather than try to project the need for every item over time, the best methodology is to look at typical yearly expenditures and use a per trip approach to project the marginal cost attributable to new development. Total Street Maintenance Fleet purchases total \$6,450,000 over the five-year CIP, or \$1,290,000 annually. When this is compared to the 924,484 vehicle trips on an average weekday in Anchorage (see Public Works operating cost discussion), the cost per trip is \$1.40. This factor will be applied to additional trips generated by new growth to project the incremental increase in Street Maintenance Fleet purchases.

3. General Government Fleet Purchases

General Government departments operate many vehicles and pieces of equipment. A review of the FY2000-2005 CIP indicates that rather than try to project the need for every item over time, the best methodology is to look at typical yearly expenditures and use a per capita and job approach as a representative proxy. Total General Government Fleet purchases total \$1,393,000 over the five-year CIP, or \$278,600 annually. When this is compared to the population and job estimate of 369,046, the resulting cost per capita and job is \$0.75. This factor will be applied to new growth to project the incremental increase in General Government Fleet purchases.

E. Management Information Systems

Conversations with Municipal staff indicate that Management Information Systems capital expenditures can not be considered growth-related, as they would be made regardless of new development within the Municipality.

F. Parks

In order to project the need for new parks in the Municipality of Anchorage, TA has documented the level of service for each type of park the Municipality will have to build to maintain the current level for new growth. The fiscal model will use these levels of service standards to forecast the need for future parks for each of the FAZs based on the overall levels of service within the Anchorage Bowl and Chugiak-Eagle River. These facilities will be developed based on prototype assumptions provided by Cultural & Recreational Services.

1. Regional Parks

Regional parks in the Anchorage Bowl are designed to provide passive and active recreation opportunities to all residents of the Bowl. There are currently 7,097 acres of regional parkland. Regional parks are geographically unique, and given their large size and the limited amount of available land in the Bowl, the Municipality is not likely to develop additional regional parks. Therefore, these parks are not factored in the fiscal impact analysis.

2. Trails

Trails are designed to provide passive and active recreation opportunities to all residents of the Municipality. Given the limited amount of available land in the Bowl, there are limited opportunities for the Municipality to develop additional facilities of this type. For purposes of the fiscal impact analysis, the opportunities to develop additional trails is dependent in large part on the assumed densities and land development patterns assumed under each land use scenario. The FY2000 CIP contains several trail projects, as well as trail improvements to existing parks. Since many of these projects are already in the planning and design phase, it is assumed these trail projects are constructed under all the scenarios. The table below shows greenbelt and trail construction assumptions through the year 2005. Only the local share of the project costs are shown, which is assumed to be financed through general obligation bonds.

Trail Development, 2000-2005

Facility	FAZ	YEAR					
		2000	2001	2002	2003	2004	2005
Chester Creek/Tudor Crossing	NE	\$255,000	\$500,000	\$450,000	\$0	\$150,000	\$150,000
Greenbelt and Open Space Acq.	N/A	\$375,000	\$375,000	\$375,000	\$375,000	\$375,000	\$375,000
Campbell Creek Multi-Use	CEN	\$0	\$202,000	\$181,000	\$820,000	\$0	\$410,000
Mountain View Multi-Use	NE	\$0	\$0	\$0	\$450,000	\$0	\$0
Bayshore Trails	SW	\$0	\$0	\$0	\$0	\$0	\$100,000
ARR Trail Connect to Fish Creek	SW	\$0	\$0	\$0	\$0	\$0	\$500,000
Coastal Trail Access 9th & P St.	NW	\$0	\$0	\$0	\$0	\$0	\$500,000
Far North Bicentennial Impr.	CEN	\$0	\$0	\$0	\$0	\$230,000	\$0
Kincaid Park Upgrades	SW	\$0	\$0	\$0	\$0	\$275,000	\$350,000
E.R./Chugiak Greenbelt	ER	\$80,000	\$0	\$0	\$0	\$0	\$0
Cheney Lake Park	NE	\$0	\$0	\$250,000	\$0	\$0	\$0
Meadow Park Improvements	CEN	\$0	\$0	\$150,000	\$0	\$0	\$0
Sitka Park Trails	NE	\$0	\$0	\$195,000	\$0	\$0	\$0
Campbell Creek N/S Trail	CEN	\$0	\$0	\$0	\$0	\$250,000	\$0

The table below shows trail construction assumptions by scenario from 2005 to 2020. Because the Slow Growth/Satellite Communities scenario assumes that major additions are made to natural open space and greenbelts, it is assumed that four of the five trail facilities are built under this scenario. Conversely, under the Trends scenario, it is assumed that low residential densities and loss of residential land to airport expansion and other nonresidential uses heighten pressure to use undeveloped land, which limits opportunities to develop trails. Therefore, it is assumed there is no additional trail construction past 2005 under this scenario. It is assumed that three of the five trail facilities are built under the Urban Transition scenario since it assumes greenbelts and trails enhance higher density areas and more open space and regional trail extensions are developed. Since *local* parks, greenbelts, trails and recreational facilities are assumed under the Neighborhoods scenario, it is assumed that the three large, *regional* trails are constructed under this scenario.

Trail Development by Scenario, 2005-2020

Facility	FAZ	Year	Cost	SCENARIO			
				Trends	Neighbor.	Transition	Slow
Business Blvd. Sidewalks	ER	2007	\$2,300,000	No	No	No	Yes
ARR Trail: Tudor to Dimond	CEN	2009	\$1,520,000	No	Yes	Yes	Yes
ARR Trail: No. Lights to Tudor	NW	2012	\$550,000	No	Yes	Yes	Yes
Elmore:Rabbit Cr. To DeArmoun	SE	2008	\$190,000	No	Yes	Yes	Yes
Coastal Trail:Peters Prk to Eklutna	N/A	2014	\$9,500,000	No	No	No	Yes

3. Open Space

Open space has been historically provided in the Municipality through undeveloped passive recreation areas in existing local and state parks, as there are no adopted local standards for open space preservation. The growth scenarios being evaluated in this fiscal impact analysis all assume various amounts of open space preservation. For purposes of the fiscal impact analysis, the amount of open space preserved in each scenario is dependent on three factors: 1) the assumption regarding relative importance of open space preservation, 2) the assumption regarding where and when development occurs, and 3) the assumption regarding development pattern. The table below shows open space preservation assumptions by scenario from 2000

to 2020. Only the local share of the project costs are shown, which is assumed to be financed through general obligation bonds.

Open Space Preservation by Scenario

Scenario	Acres	Time Period	Annual Cost*	Annual Bond**
Trends	139	2000 to 2020	\$149,928	\$49,928
Neighborhoods	1,600	2000 to 2010	\$1,725,790	\$1,625,790
Urban Transition	1,600	2000 to 2010	\$1,725,790	\$1,625,790
Slow Growth	3,000	2000 to 2015	\$3,235,857	\$3,135,857

*Assumes cost of \$22,651 per acre

**Assumes that private sources contribute \$100,000 annually

The FY99 Capital Improvement Plan contains open space expenditures of \$150,000. Therefore, this figure is used as the base from which assumptions were developed by Municipal staff and TA for the growth scenarios. Through the Municipality’s geographic information system, staff estimated approximately 5,000 acres of potential open space available for conservation. However, it was determined that a more realistic maximum figure for acquisition is 3,000 acres because it takes into consideration current development patterns and competition for other uses, as well as geographic distribution of open space. Since the Trends scenario assumes low residential densities and loss of residential land to airport expansion, and other nonresidential uses heighten pressure to use undeveloped land, opportunities are limited for preserving open space. Therefore it is assumed that the current preservation level of \$150,000 annually is maintained throughout the 21-year analysis period, which results in the acquisition of 139 acres. The Neighborhoods and Urban Transition scenarios assume that 1,600 acres of open space is preserved. This figure excludes most of the Southeast (Hillside) area and targets the acquisition of open space in areas under pressure to develop in the Neighborhood and Urban Transition scenarios. However, because of the pattern of development, it is assumed this land is purchased between 2000 and 2010, otherwise it is assumed that land would not be available. The Slow Growth scenario assumes that major additions are made to open space and that a higher percentage of growth occurs in Eagle River, rather than the Anchorage Bowl. Therefore, it is assumed that 3,000 acres, including the Hillside acreage, is preserved.

4. Athletic Facilities

There are several athletic facility (ballfields) construction projects in the FY2000-2005 CIP to serve new growth. These projects will be constructed in *existing* parks. After 2005, these athletic facilities are assumed to be constructed as part of neighborhood and community park development. The table below shows athletic facility construction assumptions through the year 2005. Only the local share of the project costs is shown, which is assumed to be financed through general obligation bonds.

Regional Park Development by Scenario

Facility	FAZ	YEAR					
		2000	2001	2002	2003	2004	2005
South Anchorage Sports Park	CEN	\$255,000	\$195,000	\$0	\$0	\$0	\$0
Abbott Loop Park Development	CEN	\$375,000	\$0	\$0	\$0	\$0	\$0
E. Anchorage Soccer/Bball Fields	NE	\$325,000	\$0	\$0	\$0	\$0	\$0
East/Midtown Softball Complex	CEN	\$285,000	\$0	\$0	\$0	\$0	\$0
Nunaka Valley	NE	\$250,000	\$0	\$0	\$0	\$0	\$0
Oberg Soccer Field	ER	\$300,000	\$0	\$0	\$0	\$0	\$0
Loretta French Park	ER	\$0	\$0	\$1,000,000	\$0	\$0	\$0
Spenard Rec. Center Addition	NE	\$0	\$0	\$0	\$0	\$225,000	\$0

5. Recreation and Community Centers (Special Parks)

Recreation and Community Centers (Special Parks) in the Anchorage Bowl house indoor recreation programs for all residents of the Bowl. As shown in the table below, there are currently four recreation centers totaling 110,000 square feet. When this square footage is compared to the current population estimate for the Bowl (216,500), there is .508 square feet per capita.

Existing Recreation Centers

Center	Sq. Ft.
Mt. View	30,000
Spenard	30,000
Fairview	30,000
Northeast	20,000
Total	110,000

The average size of a Recreation Center is 27,500 square feet. For purposes of the fiscal impact analysis, the .508 square foot level of service standard will be applied to new population under each scenario to determine the need for new Recreation Centers. Once population reaches the 80% (22,000 sq. ft.) threshold, the fiscal model will construct a 27,500 square foot Recreation Center. Using the square foot construction cost estimate provided by Property and Facilities Maintenance of \$200, it is estimated that a 27,500 square foot Recreation Center costs \$5,500,000.

6. Urban Parks

Urban parks in the Anchorage Bowl are small parks located in and around downtown Anchorage. These parks are designed to provide passive recreation opportunities to all residents of the Anchorage Bowl. There are currently 9.34 acres of urban parkland. Discussions with Municipal staff indicate that given the unique nature of these parks, it is not anticipated that additional urban parks will be constructed in the future. Therefore they are not factored in the fiscal impact analysis.

7. Community Parks

As the table below indicates, the Municipality currently operates 841.75 acres of community parkland. The table below shows the level of service in terms of community parkland per capita for the entire Anchorage Bowl, as well as for each of the five fiscal analysis zones. When community parkland is compared to the current population estimate for the Bowl (216,500), there are .0038 acres per capita.

Community Park LOS

FAZ	Acres	Population	Level of Service
Northwest	73.94	47,800	.0015 acres per capita
Northeast	304.81	72,200	.0042 acres per capita
Central	70.00	38,600	.0018 acres per capita
Southwest	373.00	36,000	.0104 acres per capita
Southeast	20.00	21,900	.0009 acres per capita
Total	841.75	216,500	.0038 acres per capita

In order to forecast the need for future community parks, the fiscal model will monitor the amount of parkland per capita for each of the FAZs and will purchase and develop the necessary community parkland in each FAZ to maintain the current *Bowl* level of service of .0038. The amount of parkland required under each scenario is shown in the table below.

Community Park Need By FAZ

FAZ	SCENARIO							
	Trends	Acres Needed	Neighbor.	Acres Needed	Transition	Acres Needed	Slow	Acres Needed
NE	16,150	63	11,950	46	19,250	75	8,650	34
NW	8,850	34	6,850	27	19,250	75	4,750	18
CE	12,200	47	15,550	60	17,900	69	8,200	32
SW	16,600	64	22,250	86	10,400	40	11,350	44
SE	22,900	89	20,100	78	15,000	58	15,300	59
Total	76,700	298	76,700	298	81,800	317	48,250	187

According to Municipal staff, a prototype community park is 20 acres in size, with a cost of \$3,060,000. This is shown in the table below. Whenever growth within each FAZ generates the need for 20 acres of community parkland, the model will purchase and develop a community park based on the prototype assumptions.

Prototype Community Park Costs-Bowl

Item	Cost
Land Cost (20 acres)	\$1,800,000
Development Cost	\$1,260,000
Total	\$3,060,000

8. Neighborhood

As the table below indicates, the Municipality currently operates 1,075.01 acres of neighborhood parkland. The table below shows the level of service in terms of neighborhood parkland per capita for the entire Anchorage Bowl, as well as for each of the five fiscal analysis zones. When neighborhood parkland is compared to the current population estimate for the Bowl (216,500), there are .0050 acres per capita.

Neighborhood Park LOS

FAZ	Acres	Population	Level of Service
Northwest	182.42	47,800	.0038 acres per capita
Northeast	139.84	72,200	.0019 acres per capita
Central	315.17	38,600	.0082 acres per capita
Southwest	113.94	36,000	.0032 acres per capita
Southeast	323.64	21,900	.0148 acres per capita
Total	1075.01	216,500	.0050 acres per capita

In order to forecast the need for future neighborhood parks, the fiscal model will monitor the amount of parkland per capita for each of the FAZs and will purchase and develop the necessary neighborhood parkland in each FAZ to maintain the current *Bowl* level of service of .0050. The amount of parkland required under each scenario is shown in the table below.

Neighborhood Park Need By FAZ

FAZ	SCENARIO							
	Trends	Acres Needed	Neighbor.	Acres Needed	Transition	Acres Needed	Slow	Acres Needed
NE	16,150	81	11,950	60	19,250	96	8,650	43
NW	8,850	44	6,850	34	19,250	96	4,750	24
CE	12,200	61	15,550	78	17,900	90	8,200	41
SW	16,600	83	22,250	111	10,400	52	11,350	57
SE	22,900	115	20,100	101	15,000	75	15,300	77
Total	76,700	384	76,700	384	81,800	409	48,250	241

According to Municipal staff, a prototype neighborhood park is 10 acres in size, with a cost of \$1,380,000. This is shown in the table below. Whenever growth within each FAZ generates the need for 10 acres of neighborhood parkland, the model will purchase and develop a neighborhood park based on the prototype assumptions.

Prototype Neighborhood Park Costs-Bowl

Item	Cost
Land Cost (10 acres)	\$900,000
Development Cost	\$480,000
Total	\$1,380,000

9. Mini-Parks

The Municipality currently operates 75.05 acres of mini-parks. Discussions with Municipal staff indicate these are unique parks that are not likely to be constructed in the future. Therefore they are not factored in the fiscal impact analysis.

10. Pools

Sports & Recreation operates six pools throughout the Municipality. Although there are no additional pool facilities contained in the Municipality’s Capital Improvement Plan, additional pool facilities are required to maintain the current level of service. In order to forecast the need for additional pools, TA has documented the current level of service in terms of pools per capita. For example, the current Municipal population is estimated at 246,800. This

equates to a level of service of one pool per 41,133 persons. Therefore, TA will design the fiscal impact model to construct a pool for every increase of 41,133. However, in order to help maintain the current level of service, it is assumed a pool is constructed when 80% of the 41,133-population threshold is reached. Utilizing information from the Marshal & Swift Valuation Service, TA has developed a cost of approximately \$1,750,000 for a “typical” indoor pool facility that is likely to be constructed in the Municipality.

11. Ice Rinks

Sports & Recreation operates 6 indoor and four outdoor ice rinks throughout the Municipality. Although there are no additional ice rink facilities contained in the Municipality’s Capital Improvement Plan, additional facilities are required to maintain the current level of service. In order to forecast the need for additional ice rinks, TA has documented the current level of service in terms of rinks per capita. For example, the current Municipal population is estimated at 246,800. This equates to a level of service of one ice rink per 24,680 persons. Therefore, TA will design the fiscal impact model to construct an ice rink for every increase of 24,680 persons. However, in order to help maintain the current level of service, it is assumed a rink is constructed when 80% of the 24,680-population threshold is reached. Discussions with Cultural & Recreational Services staff indicate additional ice rink construction will most likely be in the form of additions to existing indoor rinks in order to achieve economies of scale. The estimated cost of such as addition is \$3,500,000.

12. Eagle River-Chugiak Service Area

The Eagle River-Chugiak Service Area currently operates 2,497 acres of parkland. However, much of this parkland is in the form of regional parks. As is the case for the Anchorage Bowl, is assumed there is no further development of regional parks due to lack of available land. For purposes of fiscal impact analysis, additional park development is assumed to be at the community and neighborhood scale. This is discussed further below.

a. Community Parks

The Eagle River-Chugiak Service Area currently operates two community parks, totaling 132 acres. When community parkland is compared to the current population estimate for the Eagle River-Chugiak Service Area (30,300), there are .0044 acres per capita. In order to forecast the need for future community parks, the fiscal model will monitor the amount of community parkland per capita for the Service Area and will purchase and develop the necessary community parkland to maintain the current Service Area level of service of .0044. The prototype community park factors used in the Bowl are used as a proxy for the Eagle River-Chugiak Service Area. These assumptions are shown in the table below.

Item	Cost
Land Cost (20 acres)	\$1,500,000
Development Cost	\$1,050,000
Total	\$2,550,000

b. Neighborhood Parks

The Eagle River-Chugiak Service Area currently operates five neighborhood parks, totaling 73 acres. When neighborhood parkland is compared to the current population estimate for the Eagle River-Chugiak Service Area (30,300), there are .0024 acres per capita. In order to forecast the need for future neighborhood parks, the fiscal model will monitor the amount of neighborhood parkland per capita for the Service Area and will purchase and develop the necessary neighborhood parkland to maintain the current Service Area level of service of .0024. The prototype neighborhood park factors used in the Bowl are used as a proxy for the Eagle River-Chugiak Service Area. These assumptions are shown in the table below.

Prototype Neighborhood Park Costs

Item	Cost
Land Cost (10 acres)	\$750,000
Development Cost	\$400,000
Total	\$1,150,000

I. Library

Anchorage Municipal Libraries operates six libraries throughout the Municipality. Four of these branch locations are within the Anchorage Bowl, one is in Chugiak-Eagle River and one is located in Girdwood. For purposes of the analysis, the Girdwood Library is not factored since the Municipality has not included Girdwood in its land use projections. Two of the five libraries factored in the analysis are located in leased space and Mountain View is shared space with Clark Middle School. This is shared space and does not maintain normal operating hours, the square footage is not factored in the determination of existing level of service. The table below shows Municipal Library square footage.

**Existing Libraries
Municipality of Anchorage, Alaska**

Branch	Sq. Ft.
Loussac	140,000
Muldoon*	8,000
Samson-Diamond*	10,200
Chugiak-Eagle River	12,000
Mountain View	N/A
Total	170,200

*Leased space

As the table above indicates there is 170,200 square feet of library space in the Anchorage Bowl and Chugiak-Eagle River. When the total square footage of the Library System (170,200) is compared to the current Municipal population in these areas, there is .69 square feet of library space per capita in the Anchorage Bowl and Chugiak-Eagle River. The table below indicates the amount of square footage required for each FAZ under each scenario in order to maintain the current level of service.

Library Space Need By FAZ

FAZ	SCENARIO							
	Trends	Sq. Ft. Needed	Neighbor.	Sq. Ft. Needed	Transition	Sq. Ft. Needed	Slow	Sq. Ft. Needed
NE	16,150	11,144	11,950	8,246	19,250	13,283	8,650	5,969
NW	8,850	6,107	6,850	4,727	19,250	13,283	4,750	3,278
CE	12,200	8,418	15,550	10,730	17,900	12,351	8,200	5,658
SW	16,600	11,454	22,250	15,353	10,400	7,176	11,350	7,832
SE	22,900	15,801	20,100	13,869	15,000	10,350	15,300	10,557
ER	25,550	17,630	25,550	17,630	20,450	14,111	34,000	23,460
Total	102,250	70,553	102,250	70,553	102,250	70,553	82,250	56,753

As the table above indicates, a total of 70,553 square feet is needed under the Trends, Neighborhoods and Urban Transition scenarios and 56,753 square feet is needed under the Slow Growth scenario.

The Municipality’s CIP contains a 15,000 square foot replacement to the existing Chugiak-Eagle River Library. For purposes of the analysis, it is assumed this facility opens in 2004 and is estimated to cost of \$4,670,000. The CIP also contains an expansion of 20,000 to the existing Loussac Library, at an estimated cost of \$11,200,000. It is assumed this facility opens in 2006 and the State pays the \$1,000,000 design cost in 2002. These cost assumptions are shown in the table below.

Capital Costs for Library CIP Projects

Cost	Chug-ER	Loussac
Design	\$420,000	\$1,000,000
Construction	\$4,200,000	\$10,000,000
Fixtures/Furnishings	\$150,000	\$200,000
Total	\$4,770,000	\$11,200,000

For purposes of the fiscal impact analysis, in order to provide the amount of space required to maintain the current level of service, it is assumed the Loussac and Chugiak-Eagle River Libraries are expanded under each scenario. In addition, it is assumed that three additional libraries are constructed to provide the necessary square footage generated under each scenario. These libraries include a Downtown facility and two facilities located in the southeast and southwest areas of the Anchorage Bowl. To determine the cost for these three facilities for each scenario, TA multiplied the square feet required under each scenario by a total cost of \$400 per square foot, which includes design, construction, fixtures and furnishings. This figure is based on information provided by the Library for a 14,000 square foot branch. These assumptions are shown in the table below.

Prototype Library Costs by Scenario*

Facility	Trends	Neighbor.	Transition	Slow
New Downtown Library	\$10,000,000	\$10,000,000	\$10,000,000	\$8,000,000
New Southeast Library	\$4,500,000	\$4,500,000	\$4,500,000	\$2,750,000
New Southwest Library	\$4,500,000	\$4,500,000	\$4,500,000	\$2,750,000
Total	\$19,000,000	\$19,000,000	\$19,000,000	\$13,500,000

*Based on total cost of \$400 per sq. ft., provided by the Municipal Library

J. Schools

In order to project the need for new schools in the Municipality of Anchorage, TA will design the fiscal impact model to monitor rated capacity and enrollments within high school attendance zone. Whenever enrollment exceeds 120% of capacity within a certain school type within the zone, the model will then construct a school based on prototype assumptions and the increase in system capacity provided by the facility will then be added to the calculations.

1. Growth-Related Schools FY 1999 to FY 2020

In order to forecast school facility needs to 2020, TA will design the FISCALS model to automatically keep track of school capacity by type of school (i.e. elementary, middle, and high) for each high school attendance zone. Whenever total system capacity in either of these areas exceeds 120%, the FISCALS model will automatically construct a new school, based on the following prototype assumptions. *(It is recognized that there may be other ways of accommodating new students without constructing new stand-alone facilities, such as expansion of existing facilities. In addition, it should be noted that individual school costs may be higher or lower depending on the circumstances.)*

Prototype New School Assumptions

School	Rated Capacity	Cost*
Elementary**	546	\$16,800,000
Middle#	1058	\$45,360,000
High##	1600	\$81,600,000

Includes a 20% factor for land

**Based on SE Anchorage Elementary

#Based on Muldoon Area Middle School cost

##Based on new S. Anchorage High School cost

The September 1999 enrollment and capacity information contained in the table below will be used in the fiscal impact model as the base point from which to add increased enrollment in each high school attendance zone and corresponding FAZ. This information was obtained from the Anchorage School District. Capacity reflects maximum use of all space in every facility without consideration for special programs or delivery of service. *It is important to note that these capacity and enrollment figures do not include schools at the military installation or those serving special populations.*

School Capacity and Enrollment by High School Attendance Zone, FY99

Attendance Zone (FAZ)	School Type	Enrollment*	Capacity*	% Utilization
Bartlett (Northeast FAZ)	Elementary	3,989	3,686	108%
	Middle (Clark/Wendler)	1,764	1,936	91%
	High	1,845	2,332	79%
Chugiak (Eagle River FAZ)	Elementary	3,135	3,445	91%
	Middle (Gruening/Mirror)	1,274	1,909	67%
	High	2,026	1,725	117%
Dimond (Southwest FAZ)	Elementary	4,701	4,504	104%
	Middle (Mears)	951	1,012	94%
	High	2,120	2,178	97%
East (Central FAZ)	Elementary	4,774	4,706	101%
	Middle (Hanshew)	907	1,012	90%
	High	1,962	2,244	87%
Service (Southeast FAZ)	Elementary	3,656	3,570	102%
	Middle (Goldenview)	868	1,012	86%
	High	2,330	2,093	111%
West (Northwest FAZ)	Elementary	4,004	4,014	100%
	Middle (Romig/Central)	1,521	1,976	77%
	High	1,674	1,826	92%

*Based on September 1999 enrollment and capacity information provided by School District

K. Public Transportation

Growth-related Public Transportation capital expenditures include expansions to the fleet, expansion of the Downtown Transportation Center, and Transit Centers. Fleet expansions are averaging approximately \$850,000 annually throughout the FY2000-2005 CIP. It is assumed in the analysis that this expansion continues for all scenarios with the exception of Slow Growth, which is assumed to be 81% of the other scenarios, due to its lower population increase.

The need for the Downtown Transportation Center (\$60,000) and Transit Centers (\$540,000) is assumed to be partly due to existing deficiencies as well as a need to provide additional space to serve future needs. Therefore, it is assumed that new growth's share of these facilities is the percentage increase of projected population and employment from 1999 to 2020. These percentages and associated costs are shown in the table below.

**New Growth's Share of Transit Facilities
Municipality of Anchorage, Alaska**

Scenario	% Population Increase	Downtown Center	Transit Centers
Trends	43%	\$26,037	\$234,335
Neighborhoods	43%	\$26,037	\$234,335
Urban Transition	43%	\$26,037	\$234,335
Slow Growth	35%	\$21,175	\$190,575

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