

**PRELIMINARY
GENERAL GOVERNMENT
OPERATING BUDGET
INFORMATION**

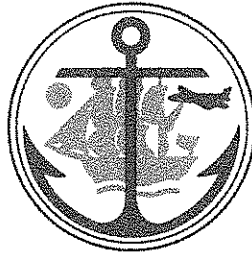
1994



Municipality of Anchorage

**Tom Fink
Mayor**

Municipality of Anchorage



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Tom Fink, Mayor

OFFICE OF THE MAYOR

August 24, 1993

Dear Residents of Anchorage:

The 1994 Preliminary General Government Operating Budget has been designed to provide the Assembly and you with some initial summary information in the areas of service priorities, revenues, taxes, and pending reorganizations. It also provides preliminary information as to which programs and services I will propose be reduced or eliminated in 1994 together with those programs and services which I will propose be added or increased. As in the past, a more detailed proposed 1994 General Government Operating Budget will be provided by October 2, 1993 as required by the Municipal Charter.

Earlier this year I informed the Assembly that Anchorage General Government faced a projected \$22 million fiscal gap in 1994. I am now happy to report that we have worked hard to virtually eliminate that projected fiscal gap. Several of our employee groups have accepted pay freezes to help reduce the fiscal gap. For 1993, all employee groups except the Fire and IBEW unions have accepted pay freezes. My proposed budget assumes that no pay increases will be granted in 1994, except for applicable step and longevity increases. The State Legislature helped to reduce the projected fiscal gap by appropriating more revenues to Anchorage than had originally been proposed by the Governor; and the Governor helped by not reducing the legislative appropriation to his originally proposed amount.

My proposed 1994 budget includes the use of \$2.5 million of revenues from the sale of Heritage Land Bank properties to help reduce the projected fiscal gap. This action will probably stimulate debate during the Assembly's review of the budget. However, I do not believe that the Municipality should be a major property owner; the properties not needed by the Municipality should be in private ownership.

We are seeing a turnaround in the Anchorage economy. The town is very busy. Construction activity during the first six months of 1993 has increased significantly over comparable levels in 1991 and 1992. This year the stores are still at it. There will be a couple of WalMarts, a couple of K Marts, one new Fred Meyer and the expansion of another, the expanded Sears store, a new Pace and a Toys R Us. There are new activities at the Port of Anchorage and at the Anchorage International Airport. Both areas are continuing to grow. Although over the next 16 months Fort Richardson will decline by about 2,000 soldiers, there is a good chance that more military will be sent here once the Clinton Administration and Congress agree on a defense policy. We still are strategically located for defense purposes and we still have the only large

military exercise areas in the United States. Ground work will be done this year at the new hospital at Elmendorf. Also, the Alaska Native Hospital starts above ground work this year.

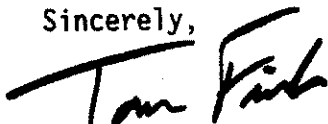
With Anchorage's increasing growth, more pressure will be put on our Municipal programs and services. I am confident that we can respond.

Although the Anchorage economy is on the rebound, the overall economic environment is still such that taxes should not be increased. Anchorage voters clearly expressed their opposition to a sales tax last October. Last year's budget priorities survey showed that Anchorage citizens do not support increasing property taxes. My 1994 proposed budget maintains property taxes at the 1993 level, plus \$2.2 million taxes on new construction, plus \$1.4 million taxes for voter approved increases in service (e.g., Police expansion), less \$1.2 million decreased taxes required to pay debt service. My proposed 1994 property tax amount is \$3.6 million under the amount allowed by the tax cap.

As you know, there are a number of uncertainties relative to revenues and expenditures. As a result, some of our assumptions may change between this preliminary document and my 1994 proposed budget to be submitted to the Assembly by October 2, 1993.

The decisions that will be made by the Assembly in the process of considering the 1994 General Government Operating Budget will have a significant impact on all of our lives. I believe that this preliminary budget presents a reasonable balance in meeting the service needs of our community, given the limited funding available.

Sincerely,

A handwritten signature in black ink that reads "Tom Fink". The signature is written in a cursive style with a large, sweeping initial "T".

Tom Fink
Mayor

**1994 GENERAL GOVERNMENT
PRELIMINARY OPERATING BUDGET**

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1994 General Government Operating Budget

ADMINISTRATION SERVICE GOALS AND PRIORITIES

GOALS FOR THE MUNICIPALITY OF ANCHORAGE

The Administration and Municipal employees are committed to the goal of excellence in local government. We will endeavor to provide the highest possible level of service to the public within the budget constraints facing us in 1994.

In carrying out this mission, the Administration will focus on five general goals. The specific goals and objectives are:

- Economic Development

The Municipality shall strive to contribute to the long-term stable recovery and growth of the Anchorage economy.

- Fiscal Stability

The Municipality shall strive to maintain vital services to the public while adjusting to changing fiscal circumstances and assuring the long-term financial integrity of local government.

- Public Safety

The Municipality shall strive to provide services necessary to ensure a safe environment for its residents. These services include police, fire, emergency medical and emergency preparedness, public health and environmental services.

- Maintenance of Municipal Facilities

The Municipality shall strive to maintain existing facilities on a schedule that will allow our children to enjoy the benefits of these improvements for many years. We believe maintaining basic facilities, roads and public buildings, as well as parks, bike trails and cultural facilities should be a high priority.

- Balanced Community Values

The Municipality shall strive to achieve a balance in meeting expressed community needs despite diminished resources. Basic services will continue to be given the highest priority. The Municipality will continue to provide recreation and leisure activities and city beautification within funding constraints.

OPERATING BUDGET SERVICE PRIORITIES

- Priority 1: Maintain essential police, fire, emergency medical and road maintenance services at the 1993 levels of service.
- Priority 2: Minimize reductions in other 1993 high-priority services as funding permits.
- Priority 3: Provide for an increased level of street maintenance through development of an aggressive program to obtain state grant funding.
- Priority 4: Provide for an increased level of maintenance for other Municipal infrastructure needs through development of an aggressive program to obtain state grant funding.
- Priority 5: Obtain Assembly approval of a plan to resolve the level of support for potential unfunded liability in the Police and Fire Retiree Medical Program.

1994 General Government Operating Budget
TAX LIMIT CALCULATION
(Preliminary Estimate)

1993 TAXES		
Real/Personal/MUSA		\$111,769,630
Payment in Lieu of Taxes (State/Federal)		1,913,810
Auto Taxes		3,534,000
Tobacco Tax		<u>2,862,470</u>
1993 Total Taxes		\$120,079,910
Less Taxes to Pay Judgments		(602,190)
Less Taxes to Pay Debt Service		<u>(22,068,640)</u>
1993 Net Taxes		\$ 97,409,080
 ADJUSTMENT FACTORS		
Population 5 Year Average	0.03%	
Change in Consumer Price Index	<u>3.80%</u>	
Total	3.83%	
Base Taxes Allowed		<u>3,730,770</u> \$101,139,850
 PLUS EXCLUSIONS		
Tax on New Construction (a)		\$ 2,223,600
Tax to Pay 1994 Debt Service		20,894,220
Voter Approved New/Expanded Services		1,399,880
Voter Approved Special Taxes		28,440
Judgments		<u>0</u>
TAX LIMITATION		\$125,685,990
LESS: AUTOMOBILE TAXES		(3,764,640)
PILT		(1,230,850)
TOBACCO TAX		<u>(2,862,470)</u>
MAXIMUM PROPERTY TAX ALLOWED		\$117,828,030
MAYOR'S PROPOSED PROPERTY TAX		\$114,247,130
AMOUNT UNDER (OVER) TAX CAP		<u><u>\$ 3,580,900</u></u>

NOTES: (a) Tax on new construction computed as follows: \$218,000,000 (estimated new construction value) x 10.20/1000 (1993 average mill rate) = \$2,223,600.

(b) 1993 property tax plus tax on new construction plus voter approved increases less decreased tax to pay debt service.

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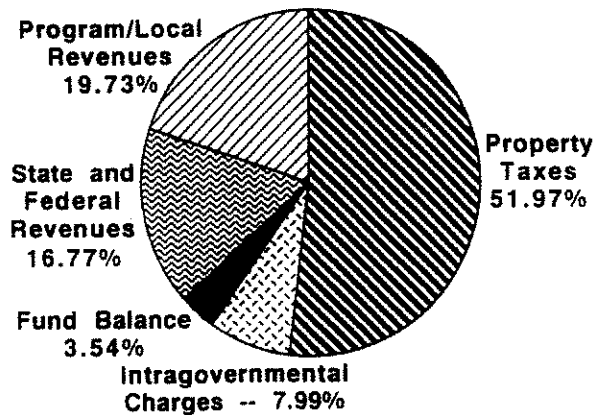
1994 General Government Operating Budget

PRELIMINARY REVENUE PLAN

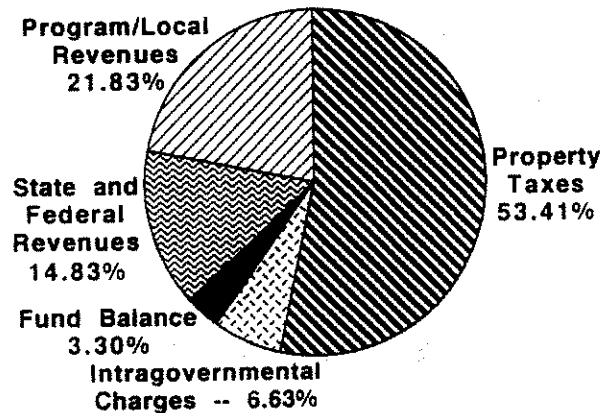
	<u>1993 Revised</u>	<u>1994 Preliminary</u>	<u>Increase (Decrease)</u>
State and Federal Revenues	\$ 36,064,960	\$ 31,720,110	\$(4,344,850)
Program/Local Revenues	42,414,750	46,684,760	4,270,010
Property Taxes	111,758,980 *	114,247,130	2,488,150
Intragovernmental Charges	17,179,440	14,189,870	(2,989,570)
Fund Balance	<u>7,604,730</u>	<u>7,046,980</u>	<u>(557,750)</u>
Total	\$215,022,860	\$213,888,850	\$(1,134,010)

* Does not include additional \$10,650 property taxes levied by the Assembly by raising the Areawide (Fund 0101) mill rate beyond that required to fund the 1993 revised budget to the maximum allowable under the tax cap.

1993 REVISED



1994 PRELIMINARY



1. State and Federal Revenues: The \$17.5 million of Municipal Assistance and \$0.8 million State Senior Property Tax Credit included in this budget have already been appropriated by the State Legislature. The \$9.8 million of State Revenue Sharing will not be appropriated until the spring of 1994 and is assumed to be the same amount as received in 1993. No new State revenues are assumed in this budget; however, we will continue to propose greater State support and economic relief. Federal revenues are forecast to be slightly less than in 1993.

2. Program and Local Revenues: User fees have been reviewed. Some small adjustments have been made to fee totals. Rates remain unchanged and no new fees are being proposed. A \$3.0 million utility revenue distribution of profits from Anchorage Telephone Utility is included; however, Alaska Public Utilities Commission approval is required. A \$2.5 million contribution from the Heritage Land Bank fund balance is also included in the 1994 budget.
3. Property Taxes: The Administration recommends holding property taxes at the 1993 level for the community as a whole, allowing for tax on new construction, voter approved increases in services, and decreased debt service costs.
4. Intragovernmental Charges: The 1994 IGC's outside of the General Government Operating Budget (to the utilities, grants, and capital) are based on continuation of existing service and management relationships. The IGC's to ATU are \$1.2 million less in 1994 than in 1993 (\$3.0 million vs. \$4.2 million); however, the Management Information Systems Department will continue to provide computer data processing services to ATU in 1994.
5. Fund Balance: To help cushion the negative economic effect on the community of major employee layoffs and to ensure adequate levels of public services, fund balances have been reduced as much as possible, consistent with cash flow needs, maintenance of bond ratings and type of contingencies which could require additional support from a particular fund. There will be less available fund balance in 1994 than in 1993 because of anticipated smaller 1993 expenditure lapses.

1994 General Government Operating Budget

SUMMARY OF ALL REVENUE ACCOUNTS

Revenue Source	1993 Revised	1994 Budget
FEDERAL REVENUES		
9312 Federal in Lieu of Property Tax	\$ 337,520	\$ 337,520
9324 Mass Transportation	760,000	700,000
9331 Other Federal Grant Revenue	43,080	43,120
9357 National Forest Allocation	2,630	2,630
9376 Civil Defense	20,000	20,000
Total Federal Revenues	\$ 1,163,230	\$ 1,103,270
STATE REVENUES		
9346 Health Facilities	\$ 806,500	\$ 750,050
9349 Road Maintenance	895,690	832,990
9362 Tax Equalization Entitlement	9,349,170	8,183,190
Total State Revenue Sharing	\$ 11,051,360 ^a	\$ 9,766,230
9022 State in Lieu of Taxes	91,600	91,600
9342 Municipal Assistance	18,811,480	17,494,680
9344 Fisheries Tax	93,280	93,280
9347 Liquor Licenses	363,610	363,610
9348 Amusement Device Licenses	30,480	30,480
9355 Electric Co-Op Allocation	663,680	663,680
9356 State Senior Tax Credit	1,484,690 ^b	801,730
9363 State Traffic Signal Reimbursement	1,311,550	1,311,550
9364 Ash Clean-up Reimbursement	1,000,000 ^c	-0-
Total State Revenues	\$ 34,901,730	\$ 30,616,840

^a 1993 Actual: \$9,766,228

^b 1993 Actual: \$1,470,937

^c 1993 Actual: \$ 180,000

LOCAL REVENUES

ALLOCATED

9003 Penalty/Interest on Delinquent Taxes	\$ 1,688,050	\$ 1,688,050
9004 Tax Cost Recoveries	48,670	48,670
9006 Auto Tax	3,534,000	3,764,640
9007 Delinquent Taxes	600,000	600,000
9011 Tobacco Tax	2,862,470	2,934,340
9021 Franchises	779,000	779,000
9023 Hotel and Motel Taxes	6,362,360	6,362,360
9024 Penalty/Interest on Hotel/Motel Taxes	21,020	21,020
9601 Contributions From Other Funds	1,079,750	2,847,700

1994 General Government Operating Budget

SUMMARY OF ALL REVENUE ACCOUNTS

Revenue Source	1993 Revised	1994 Budget
9602 Utility Revenue Distribution From ATU	3,000,000	3,000,000
9615 Contribution of Interest From G.O. Bonds	473,330	541,020
9737 Arena Loan Surcharge	150,000	150,000
9743 Gain/Loss-Sale-Property		300,000
9761 Cash Pool Short-Term Interest	1,946,410	2,224,750
9762 Other Short-Term Interest	594,940	680,020
Total Allocated Local Revenues	\$ 23,140,000	\$ 25,941,570
PROGRAM		
9008 Collection Service Fees	\$ 300,000	\$ 330,000
9111 Building and Trade Licenses	54,000	44,820
9112 Taxicab Permits	162,330	162,330
9113 Contractor Certificates and Examinations	3,000	1,640
9114 Chauffeur Licenses	10,500	10,500
9115 Taxicab Permit Revisions	10,630	10,630
9116 Local Business	59,000	56,800
9117 Chauffeur License Renewal	17,500	17,500
9131 Plan Checking Fees	1,080,000 *	952,620 *
9132 Building Permits	958,610 *	1,133,440 *
9133 Electrical Permits	240,000	275,000
9134 Gas and Plumbing Permits	360,000	335,000
9135 Moving Fence/Sign Fees	7,200	9,900
9136 Construction and Right-of-Way Permits	165,000	200,000
9137 Elevator Inspection Fees	111,000	88,000
9138 Mobile Home Inspection Fees	21,600	20,100
9139 Land Use Permits	33,000	40,000
9141 Subdivision Inspection Fees	58,000	50,000
9142 Site Plan Review Fees	16,000	14,000
9143 Parking and Access Agreement Fees	200	350
9151 Emission Certificate Fee	1,500,000	1,497,000
9152 Emission Inspection Test Fee	12,000	15,000
9191 Animal Licenses	95,000	95,000
9199 Miscellaneous Permits	45,500	46,800
9211 Court Fines and Forfeitures	1,861,460	1,935,510
9213 Library Book Fines	262,120	217,630
9215 Other Fines and Forfeitures	24,000	434,280
9216 Pre-Trial Diversion	54,500	54,500
9411 Platting Fees	160,000	155,000
9412 Zoning Fees	46,000	57,000
9413 Sale of Publications	130,000	41,400
9415 Miscellaneous Map Sales	19,500	9,500
9416 Rezoning Inspections	1,000	1,000
9421 Septic System Annual Permit	400,000	335,500
9423 Family Planning Fees	65,000	90,000
9425 Dispensary Fees	55,000	63,000

1994 General Government Operating Budget

SUMMARY OF ALL REVENUE ACCOUNTS

Revenue Source	1993 Revised	1994 Budget
9426 Sanitary Inspections Fees	669,100	864,490
9427 Clinic Fees	37,500	61,800
9428 Cook Inlet Air Pollution	14,300	14,300
9431 Public Transit Fees	1,604,000	1,670,000
9433 Transit Advertising Fees	42,000	42,000
9441 Recreational Activities	501,800	496,300
9443 Swim Fees	1,208,570	1,202,570
9445 Cemetery Fees	131,400	131,400
9446 Ski Fees	17,840	15,840
9447 Golf Fees	112,400	109,800
9448 Camper Park Fees	92,500	92,500
9449 Admission Fees	375,580	384,260
9451 Ambulance Service Fees	1,600,000	1,606,000
9452 Fire Training Center	20,000	0
9453 Fire Alarm Fees	38,700	38,700
9455 Hazardous Waste Fees	116,750	138,000
9463 Mapping Fees	33,000	33,000
9478 Parking Authority Income	400,000	400,000
9481 State of Alaska - 911	0	883,500
9484 Animal Shelter Fees	220,000	240,000
9485 Defensive Driving Fees	43,600	0
9491 Address Fees	7,500	8,000
9492 Service Fees - School District	442,450	462,420
9493 Microfiche Sales	13,000	10,000
9495 Parking Authority Service Fees	6,000	6,000
9496 Typewriter User Fees	4,170	0
9497 Computer Time Fees	5,000	5,000
9498 Unbilled Revenue (Flex-Benefits)	10,000	10,000
9499 Reimbursed Costs	326,000	357,750
9711 Assessments	872,640	872,640
9712 Penalty/Interest on Assessments	493,010	493,010
9723 Loan Proceeds	52,990	0
9731 Lease & Rental Revenues	462,790	443,590
9732 Lease State Land Conveyance	32,040	32,040
9733 Building Rental	53,000	55,360
9735 Amusement Surcharge	87,800	88,600
9736 Arena Loan Surcharge	221,070	167,500
9741 State Land Sales	217,990 *	185,110 *
9742 Other Property Sales	37,500	52,500
9752 Parking Garages and Lots	52,000	52,000
9763 State Land Sale Interest	53,990	53,990
9782 Lost Book Reimbursement	12,890	14,320
9783 Library Fees	26,610	800
9785 Sale of Books	0	30,000
9793 Liquor Licenses	1,000	1,500
9794 Appeal Receipts	4,100	3,550
9795 Sale of Contractor Specifications	14,000	14,000

1994 General Government Operating Budget

SUMMARY OF ALL REVENUE ACCOUNTS

<u>Revenue Source</u>	<u>1993 Revised</u>	<u>1994 Budget</u>
9797 Copier Fees	79,820	85,600
9798 Miscellaneous Revenue	7,700	12,700
<hr/> Total Program Local Revenues	<hr/> \$ 19,274,750	<hr/> \$ 20,743,190
<hr/> Total Local Revenues	<hr/> \$ 42,414,750	<hr/> \$ 46,684,760
OTHER REVENUES		
Intragovernmental Revenues	\$ 17,179,440	\$ 14,189,870
Fund Balance Applied	7,604,730	7,046,980
Property Taxes	111,758,980 **	114,247,130
<hr/> Total Other Revenues	<hr/> \$136,543,150	<hr/> \$135,483,980
TOTAL REVENUES	<u>\$215,022,860</u>	<u>\$213,888,850</u>

* Does not include Funds 0181 (Building Safety) and 0221 (Heritage Land Bank) Profit.

** Does not include \$10,650 in taxes approved by the Assembly to take taxes to the cap.

1994 General Government Operating Budget

DEPARTMENTAL REORGANIZATIONS

At this time, there are no programmed major departmental consolidations, reorganizations or establishments necessitating changes to AMC 3.20.010 (Executive Organization).

FUNDED NEW SERVICE LEVELS (PRELIMINARY)

<u>Department</u>	<u>Description</u>	<u>Tax Costs</u>
Mayor	<u>MANDATED INCREASE</u> - Compensation for Mayor-Elect.	\$ 23,040
	Funds for transition team expenses.	<u>10,000</u>
		\$ 33,040
Attorney	Additional clerical position for non-bankruptcy collections contract with ATU.	\$ 0
	<u>MANDATED INCREASE</u> - Prosecution costs associated with adding Basher and Southeast Midtown to the Police Service Area	141,050
	Proposed new zoning enforcement and vehicle inspection citations hearing officer program.	95,460
		\$ 236,510
Manager	More aggressive marketing of Heritage Land Bank land and facilities to get more property out of government ownership into private ownership and onto the tax rolls.	\$ 0
Management Information	Half-year depreciation and interest for new GEAC system for the library. The Library is charged these costs Systems through the intragovernmental charge system.	\$ 90,000
Property and Facility Management	<u>MANDATED INCREASE</u> - Provide additional lease space for the prosecutor's office and vehicle maintenance/fuel and depreciation as required by adding Basher and Southeast Midtown to the Police Service Area (tax costs to be paid by taxpayers in added areas).	\$ 88,800
	<u>MANDATED INCREASE</u> - Special custodial services/handling for the indoor firing range at the Police Training Facility per OSHA requirements.	25,000
	Providing funding for the APD portion of the Police Training Facility.	138,160
		\$ 251,960

<u>Department</u>	<u>Description</u>	<u>Tax Costs</u>
Employee Relations	<u>MANDATED INCREASE</u> - APDEA wage negotiations.	\$ 125,000
	<u>MANDATED INCREASE</u> - IAFF wage negotiations.	125,000
	<u>MANDATED INCREASE</u> - JCC wage negotiations.	44,360
	<u>MANDATED INCREASE</u> - ML&P wage negotiations.	12,440
	<u>MANDATED INCREASE</u> - AMEA wage negotiations.	66,260
	<u>MANDATED INCREASE</u> - Labor relations specialist for negotiations, grievances, etc.	70,000
	<u>MANDATED INCREASE</u> - Contract for professional consulting firm - Compensation survey.	60,000
	<u>MANDATED INCREASE</u> - Monitor contract compliance with OEO requirements.	64,000
	<u>MANDATED INCREASE</u> - Annual valuation of liabilities of Police/Fire Retiree Medical Program.	30,000
	<u>MANDATED INCREASE</u> - ADA compliance.	<u>2,500</u>
		\$ 599,560
Health and Human Services	<u>MANDATED INCREASE</u> - MOA's Paratransit Plan mandated by American Disabilities Act (ADA) requires an additional 8 hours per week day to 9 hours per weekend of transportation service for the handicapped.	\$ 35,000
	Contribution to Alcohol Services grant programs, i.e., CSP, DETOX. Monies are to be used to provide a coordinated response to alcohol related issues.	32,040
	Professional services contract for implementation of remaining I&M reporting issues pertaining to the Federal Clean Air Act.	25,000
	Contribution to Vehicle Maintenance for replacement of two vehicles.	17,400
	Increased contribution to the Substance Abuse Grant to enable part-time position to be increased to full-time.	10,000

<u>Department</u>	<u>Description</u>	<u>Tax Costs</u>
Health and Human Services (Continued)	Increased contribution to the State Child/Adult Care Licensing Grant Program. Will enable 3 positions to be increased from part-time to full-time.	\$ 42,260
	Provide for a contract to dispose of medical waste from Division clinics.	4,500
	Increase hours of part-time Nurse to establish STD Clinic as a STD Training Center. Provide in-clinic training and a 3 day clinic to health professionals.	(3,120) ✓
	Increase staff in support of the recently approved biennial on-site septic system permit process. <u>This item was funded in CY 93 but not until after the First Quarter Budget Revision.</u>	(59,740)
	New Animal Control Notice of Violation Program. <u>This item was funded in CY 93 but not until after the First Quarter Budget Revision.</u>	(61,040)
	Contract services for testing of water related to the National Pollution Discharge Elimination System (NPDES).	10,000
	Purchase of computer to be used in the WIC program for scheduling.	4,600 ✓
		<u>\$ 56,900</u>
Police	<u>MANDATED INCREASE</u> - Increased cost of Police/Fire Retiree Medical coverage.	\$ 81,900
	<u>MANDATED INCREASE</u> - Increased costs of debt service.	33,740 ✗
	<u>MANDATED INCREASE</u> - Costs of adding Basher and Southeast Midtown to the Police Service Area (tax costs to be paid by taxpayers in added areas).	1,084,230
		\$1,199,870 1,166,130
Cultural and Recreational Services	<u>MANDATED INCREASE</u> - New special assessments on park lands.	\$ 25,000
	Move media materials to other parts of library.	6,000

<u>Department</u>	<u>Description</u>	<u>Tax Costs</u>
Cultural and Recreational Services (Continued)	ADA signage and computer stands.	\$ 25,000
	ADA accessibility and microform equipment for public access to Loussac collection.	16,250
	<u>MANDATED INCREASE</u> - Maintenance of new horticulture sites.	25,280
	<u>MANDATED INCREASE</u> - Maintenance of new ball fields and trails.	25,520
	Additional park maintenance in Eagle River (Funded with 0162 applied fund balance).	0
		<u>\$ 123,050</u>
Public Works	<u>MANDATED INCREASES</u> - Totem and Lakehill LRSAs (tax costs to be paid by taxpayers in these new LRSAs)	\$ 28,440
	Building permit counter position. <u>This item was funded in CY 93 but not until after the First Quarter Budget Revision.</u>	0
	Plan review - The building/plan review requirement is projected to remain high in 1994. These positions are necessary to keep up with the workload.	0
	Contribution to Fleet Services to cover increased cost of replacement vehicles. This provides for partial replacement of the construction inspection vehicles (CIP support).	0
		<u>\$ 28,440</u>
Non-Departmental	<u>MANDATED INCREASE</u> - Port Bond Debt.	\$ 159,270 ^X
	<u>MANDATED INCREASE</u> - Federal Express Loan Payment.	43,360
	<u>MANDATED INCREASE</u> - Parking Garage Debt.	190 ^X
	<u>MANDATED INCREASE</u> - Indigent Defense costs associated with adding Basher and Southeast Midtown to the Police Service Area (tax costs to be paid by taxpayers in added areas).	35,000
		<u>\$ 237,820 78,360</u>
TOTAL		<u>\$2,857,150</u>

NOTE: No funding has been added for enforcement of AO 93-87(S-2) regarding impoundment and forfeiture of motor vehicles involved in case of driving while intoxicated. Estimated 1994 tax costs would be \$348,270.

UNFUNDED CURRENT SERVICE LEVELS (PRELIMINARY)

<u>Department</u>	<u>Description</u>	<u>Tax Costs</u>
Finance	Collect delinquent personal and business property taxes.	\$ 46,880
	Utility bills - handling and processing.	0 \$ 46,880
Management Information Systems	Provide technical support to agencies/users on "Application Systems."	\$ 65,700
	Design, develop, test and implement Computer Assisted Valuations procedures for Personal Property.	64,070
	Operations Supervisor responsible for the data centers three shifts of operation.	78,520
	Interface with ATU and municipal agencies to determine most efficient, cost effective methods of both voice and data communications.	74,530
	Reduced costs of providing computer services to ATU.	250,000 \$ 532,820
Property and Facility Management	Clerical support for the Contract Management Division.	\$ 43,210
	Clerical position deleted in 1993 as part of a division reorganization.	27,540 \$ 70,750
Employee Relations	Professional services to audit job sites, analyze ADA requirements.	\$ 35,000
Health and Human Services	Social Services Division Manager travel.	\$ 2,030
	Computer hardware for enhancement of department's information system.	9,500
	Contingency funds for contracted water analysis pertaining to failed on-site septic systems.	7,500
	Part-time Fiscal Support position transferred to grant.	32,590

Unfunded Current Service Levels
Page 2

<u>Department</u>	<u>Description</u>	<u>Tax Costs</u>
Health and Human Services (Continued)	Anchorage Senior Center contribution reduced. Non-municipal resource will be used to fund this reduction. Center has applied for a special grant which DHHS feels they have a very good chance of receiving.	\$ 75,000
	Day Care Supervisor transferred to grant.	75,480
	Special Admin. Assistant for Homeless Studies changed from a full-time 12 month position to a full-time 6 month position.	42,140
	Code Enforcement Officer for nuisance, noise and housing code complaints changed from a part-time 12 month position to a full-time 6 month position.	36,360
		<u>\$ 280,600</u>
Cultural and Recreational Services	Reduces funding for Library assistant at Chugiak-Eagle River by 100%.	\$ 36,430
	Reduces clerical support at Loussac for circulation of materials.	12,030
	Reduces staff for marketing and communications by 20%.	9,910
	Reduces contributions to non-profits arts groups by 3%.	7,050
	Reduces contribution to Arctic Resource Center (ARC formerly ARCA) by 10% of 1993 level.	14,250
	Reduces contribution to ALPAR by 25%.	7,500
	Eliminates contribution to Alaska Aviation Heritage Museum.	57,000
		<u>\$ 144,170</u>
Public Works	Reduction in overhead support to Capital Improvement Program.	\$ 0
Non-Departmental	Anchorage Economic Development Council subsidy deleted.	\$ 150,000
TOTAL		<u>\$1,260,220</u>

1994 FISCAL GAP SOLUTIONS
(\$ million)

FISCAL GAP PRESENTED AT MAY 18 ASSEMBLY WORKSESSION \$22.1

Increase/(Reductions) to Fiscal Gap:

• State Revenues (Governor Not Reducing Legislative Appropriations)	(9.7)
• State Revenue Sharing Additional Reduction Due to Minimum Entitlements (1993/94)	0.8
• 1994 Savings from Two-Year Wage Freeze	(4.2)
• Heritage Land Bank Fund Balance	(2.5)
• Self Insurance Fund Additional Fund Balance	(2.3)
• Additional Applied Fund Balance from 1992 Savings	(2.0)
• Increased Auto Taxes and Tobacco Taxes Revenues	(0.3)
• Captain Cook Parking Garage "Balloon Payment"	(0.3)
• Additional Property Taxes on New Construction	<u>(0.3)</u>
REVISED GROSS FISCAL GAP (Unfunded Current Service Levels)	\$1.3
• Programs/Services Transferred to Grant Support	(0.2)
• Reduced Costs of Providing MISD Computer Services to ATU	(0.3)
• Funded High Priority Discretionary New Service Level Deemed by Department Directors to be of Higher Priority Than Unfunded Current Service Level	<u>(0.3)</u>
NET 1994 FISCAL GAP	<u>\$ 0.5</u>