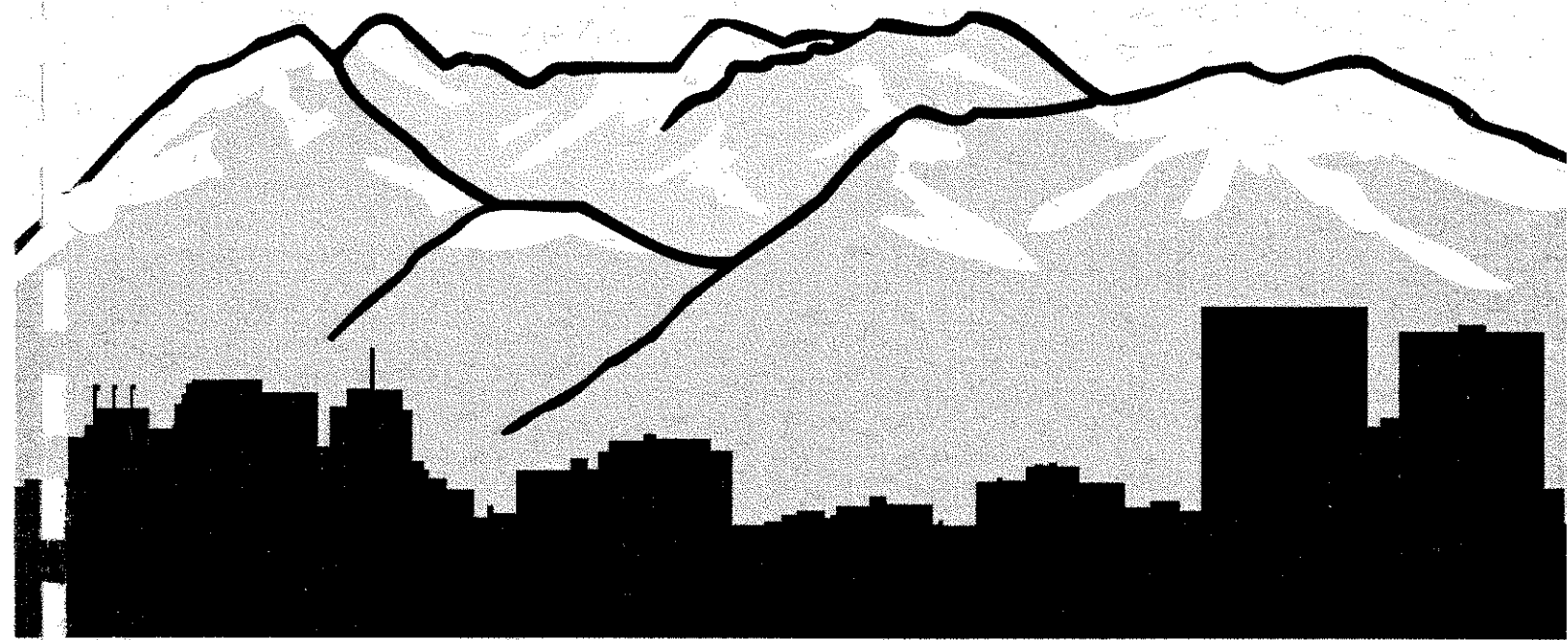


Municipality of Anchorage



Rick Mystrom
Mayor



1999 Proposed Public Utilities Operating and Capital Budgets

PUBLIC UTILITIES

1999 PROPOSED OPERATING AND CAPITAL IMPROVEMENT BUDGETS

1999 - 2004 PROPOSED CAPITAL IMPROVEMENT PROGRAM



**Municipality of Anchorage
Rick Mystrom, Mayor**

Municipality
of
Anchorage



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Rick Mystrom, Mayor

OFFICE OF THE MAYOR

September 29, 1998

Dear Residents of Anchorage:

I am pleased to provide you and the Assembly with the Proposed 1999 Public Utilities' Operating Budget and 1999-2004 Utility Capital Budget/Program for all seven of our Municipally-owned utilities, not including ATU which is by Charter under control of the Municipal Assembly.

I am also pleased to inform you that no rate increases are proposed for 1999. Over the past four years none of our utilities have filed for a rate increase. This stable utility rate environment coupled with the focus of our utilities on maintaining and modernizing their plant is a driving force in encouraging new businesses to locate in Anchorage.

During this past summer the U.S. Conference of Mayors selected the Anchorage Water Utility's drinking water as "the best tasting in the Nation". In addition, the Solid Waste Disposal Utility recently received the gold medal for best overall landfill operation in America.

Our utilities are well managed and financially sound and the 1999 budget reflects a continued positive direction. Each utility's budget was prepared following consistent planning assumptions and guidelines. The Administration reviewed each of the Utilities' Operating and capital budgets concentrating on key areas such as revenues, expenses, net income, workforce projections, and rate increase projections.

The primary goal of our utilities continues to be providing quality service at reasonable rates. Our utilities will continue to meet debt service requirements, prudently increase equity, adequately maintain cash reserves and generate sufficient revenues to maintain their plant in good working condition.

I am proud of the management and performance of our utilities and I intend to continue to encourage each utility to achieve greater efficiencies while maintaining quality service.

Sincerely,

A handwritten signature in black ink that reads "Rick Mystrom". The signature is written in a cursive style with a long, sweeping underline.

Rick Mystrom

"City of Lights and Flowers"

PUBLIC UTILITIES

1999 PROPOSED OPERATING AND CAPITAL IMPROVEMENT BUDGETS

1999 - 2004 PROPOSED CAPITAL IMPROVEMENT PROGRAM

Rick Mystrom, Mayor

ASSEMBLY

Pat Abney	Dan Kendall	Fay Von Gemmingen, Chair
Bob Bell	Kevin Meyer	Charles Wohlforth
Ted Carlson	Joe Murdy	George Wuerch
Cheryl Clementson	Melinda Taylor	

ADMINISTRATION

George J. Vakalis.....	Municipal Manager
Mary K. Hughes	Municipal Attorney
Thomas C. Tierney	Employee Relations Director
Elaine A. Christian	Executive Manager

**PUBLIC UTILITIES
PROPOSED
1999 OPERATING AND CAPITAL BUDGETS**

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