



MUNICIPALITY OF ANCHORAGE

OFFICE OF THE MAYOR

MEMORANDUM

DATE: November 30, 2021

TO: Anchorage Assembly
Suzanne LaFrance, Assembly Chair

FROM: Mayor Dave Bronson 

SUBJECT: Vetoes of AO 2021-98

Pursuant to the authority vested in me by Charter section 5.02(c), I hereby, by veto, strike or reduce the following amendments to **AO 2021-98: AN ORDINANCE ADOPTING AND APPROPRIATING FUNDS FOR THE 2022 MUNICIPAL UTILITIES/ENTERPRISE ACTIVITIES OPERATING BUDGETS AND THE 2022 MUNICIPAL UTILITIES/ENTERPRISE ACTIVITIES CAPITAL IMPROVEMENT BUDGETS**, that were moved and approved by the Assembly at the meeting of November 23, 2021.

The Assembly's proposed increases creates increased pressure on the utilities' net income, decreases the dividends to the general government operating budget, requires an amendment to the general government operating budget, and requires an increase to the utilities' already-approved rates.

Strike Amendment #1: \$119,000 – Solid Waste Services (SWS) - Administration, Reinstates the filled Senior Code Enforcement Officer position.

My reasons are as follows: The senior code enforcement officer functions would be provided through Development Services and will be charged to SWS for services rendered; this is anticipated to be significantly less than the cost of a full-time position. SWS will change office procedures to address code enforcement communication issues with our customers.

Strike Amendment #2 – \$130,000 – SWS - Disposal, Restores funding to the SWS composting program.

My reasons are as follows: A current feasibility study is underway that is expected to be completed in 2022; until the cost is determined this expenditure is premature. My Administration is willing to revisit this issue in the 2022 Revised Budget process when costs have been identified.

Reduce Amendment #3 – Economic development Grant to the Anchorage Economic Development Corporation (AEDC) as follows:

Department	Assembly Amendment	Veto Reduction	Budget after Veto
Port	86,000	(46,000)	40,000
AWU	42,000	(17,000)	25,000
ASU	42,000	(17,000)	25,000
SWS-Ref	42,000	(17,000)	25,000
SWS-Disp	42,000	(17,000)	25,000
	<u>\$ 254,000</u>	<u>\$ (114,000)</u>	<u>\$ 140,000</u>

My reasons are as follows: This action funds AEDC at the pre-2021 levels, taking into consideration the sale of ML&P. The proposed increase of \$42,000 per utility creates increased pressure on the utilities' net income, decreases the dividends to the general government operating budget, requires an amendment to the general government operating budget, and requires an increase to the utilities' already-approved rates.

Strike Amendment #4 – Funds the Director of Enterprise Services position through the MOA utilities and enterprise departments as follows:

Department	Assembly Amendment	Veto Amount	Budget after Veto
AWWU	50,000	(50,000)	-
SWS	50,000	(50,000)	-
Port	50,000	(50,000)	-
Merrill Field	46,057	(46,057)	-
	<u>\$ 196,057</u>	<u>\$ (196,057)</u>	<u>\$ -</u>

My reasons are as follows: This position is already budgeted as being partially funded by the utilities / enterprise departments via intragovernmental charges (IGCs) from the Municipal Manager but in amounts resulting from the IGC factors to be in line with cost causer / cost payer. Regulatory Commission of Alaska stipulates that only allowable costs in line with approved methodologies can be charged to the utilities.