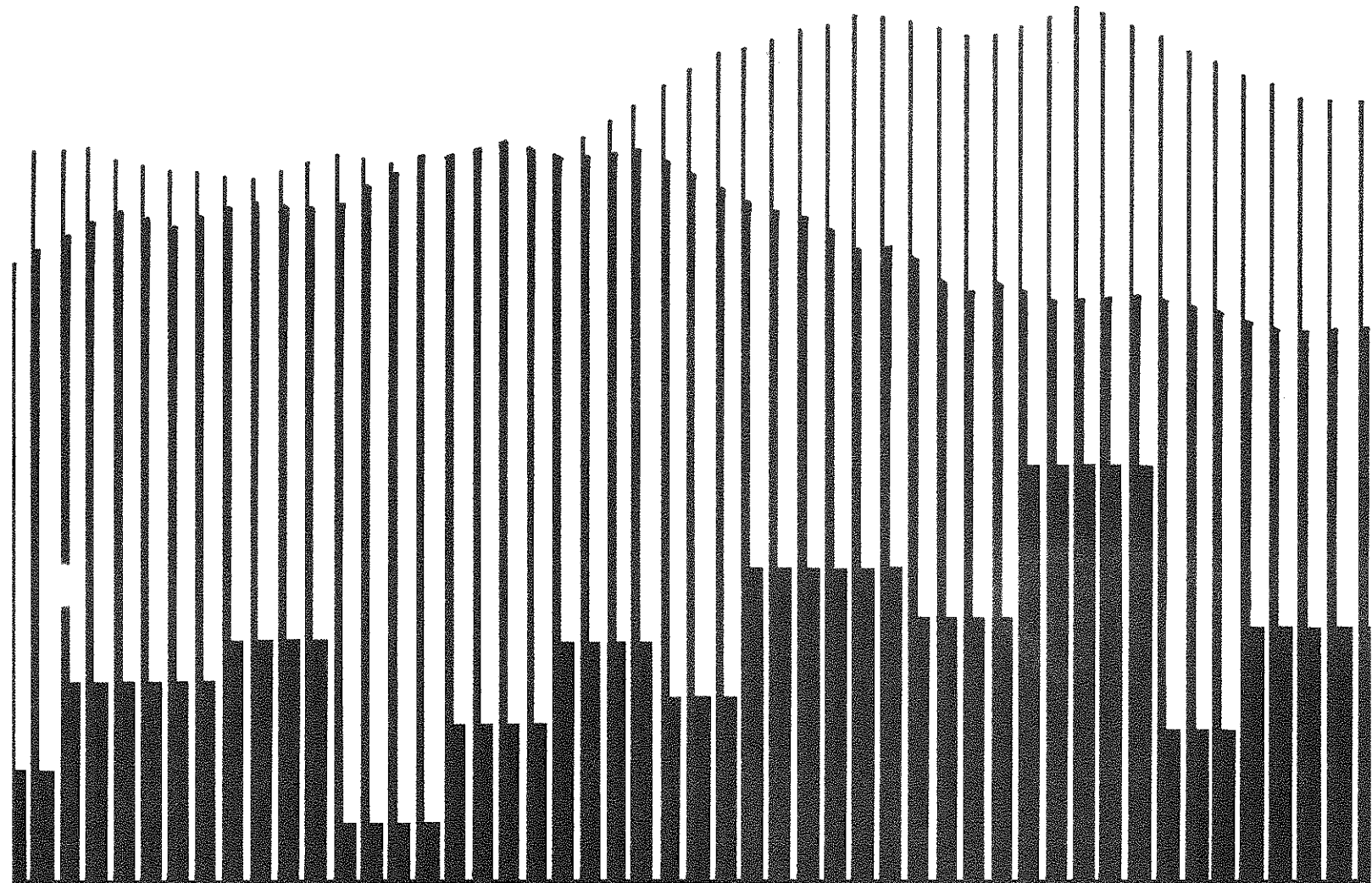


Municipality of Anchorage

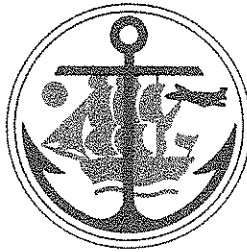


1987 Fiscal Trends Report



Tony Knowles, Mayor

Municipality of Anchorage



OFFICE OF THE MAYOR

P.O. BOX 6650
ANCHORAGE, ALASKA 99502-0650
(907) 264-4431

TONY KNOWLES
MAYOR

October 3, 1986

Dear Residents of Anchorage:

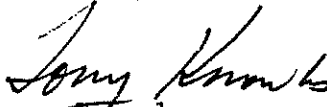
Predicting the future is risky business. For instance, the recent drop in oil prices certainly came sooner and more dramatically than economists - public or private - had anticipated. However, ignoring the future is even riskier. We can't say precisely what will happen to the economy and local government in the next few years, but we can look at the best information available and plan accordingly.

This Fiscal Trends Report draws our attention to some important information about our past revenue and expenditure patterns. It discusses implications of various levels of municipal activity for not only the 1987 budget, but the next five years as well. It does not attempt to predict exactly what will happen in the future, but rather to outline a range of possibilities. It sets the stage for public and Assembly discussion of both operating and capital budgets.

The report also suggests some basic guidelines for the fiscal planning and action we take throughout the year. These are essential in a time of reduced revenues, but we should not forget them when economic conditions are again on the upswing. Although discomfoting, our current economic situation is not permanent. We are working actively to help ensure new economic opportunities for Anchorage as a center for tourism and services for the development of our abundant natural resources.

Anchorage has always been a vibrant, energetic community. We have coped well with the pressures of rapid growth and the need to expand our road, sewer and other basic systems in a remarkably short time. We will also cope well with a slower pace of growth and a return to more typical local government revenue sources. This period will be as challenging and exciting as the last.

Sincerely,


Tony Knowles
Mayor

INTRODUCTION AND SUMMARY RESULTS

1987
FISCAL TRENDS
REPORT



MUNICIPALITY OF ANCHORAGE
Tony Knowles, Mayor

1987
FISCAL TRENDS REPORT
MUNICIPALITY OF ANCHORAGE
TONY KNOWLES, Mayor

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John Franklin	Commissioner of Public Safety
Jerry Wertzbauger	Municipal Attorney
Annalee McConnell	Director, Management and Budget

This budget book was prepared by the Office of Management and Budget and the staffs of the municipal agencies whose budget are included.

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1987 FISCAL TRENDS REPORT
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Fiscal Trends Report

I. INTRODUCTION AND SUMMARY RESULTS

One of the major policy issues facing the Municipality of Anchorage is how to best deal with the changing fiscal and economic circumstances. Falling oil prices translate into declining revenues from state and local sources. The situation is exacerbated by the simultaneous decline in federal funding as the Federal Revenue Sharing Program and other grants are reduced or eliminated through application of the Gramm-Rudman-Hollings Deficit Reduction Act. State and federal operating revenues (excluding most categorical grants) are projected to be \$49.9 million in 1987, down over 25% from the 1985 level of \$67 million. At their peak in 1983, state and federal revenues comprised over 42% of our general operating revenues, while in 1987 they will contribute only 25%.

Thanks to substantial state and federal revenues, the Municipality has been able to provide a high level of public services while maintaining one of the lowest tax requirements in the nation. The community must make hard choices about the level of services to be provided as these outside revenues are withdrawn. The purpose of this document is to help put the current fiscal circumstances in perspective by looking at where we are now, where we have been, and a range of potential fiscal futures.

The Proposed 1987 General Government Operating Budget is approximately \$17 million lower than the 1986 Revised Budget. Since the 1987 budget includes full-year operation of new facilities (e.g., the Headquarters Library) and debt service on bonds approved by the voters in October 1985, the reduction in previously "existing" services and activities is even more marked.

The proposed reductions in the 1987 budget have been developed with the aim of minimally impacting direct delivery of public services. Administrative costs have been reduced and efficiency gains through reorganization and innovation undertaken where possible. There are, however, limits beyond which expenditures cannot continue to be reduced without affecting the services provided by government. Although efficiency savings will continue to be pursued, the time has come for basic choices regarding which programs local government will continue to provide.

In the past few years we have enjoyed many public services without paying for them directly. A portion of the State's oil wealth has been used to fund local public services for Alaska residents. As our "external" sources of revenue decline, we must decide if the services we receive are worth the direct price tag

attached. If proposed service reductions are deemed unacceptable, trade-off reductions must be found, or alternative revenue sources developed.

These decisions do not end with the 1987 budget. Further declines in state revenues are expected as State government continues to adjust to the volatile world oil prices and expected declines in oil production. The community needs to approach these changing circumstances with a long term fiscal strategy rather than a series of one time or marginal cuts.

To help provide the background necessary for informed choices, the Fiscal Trends Report has been expanded. In addition to the traditional 6-year fiscal projections and policy considerations (Section 3), the report includes a profile of Anchorage's fiscal structure (Section 2); a utility profile with summary data on the major municipal utilities (Section 4); and a community profile with general descriptive information on the community, its resources, and public services (Section 5).

Summary Findings

- 1 - The composition of municipal revenue sources is returning to the pattern of the late 1970's; that is, more reliance on local sources rather than state and federal funding. (Figure 2-2.)
- 2 - Real (inflation adjusted) per capita property taxes proposed for 1987 are approximately 83% of the 1978 level.
- 3 - Local taxes have been well within the level allowed under the charter tax limitation in each of the three years since the limit took effect. (Table 2-1.)
- 4 - Anchorage residents enjoy low property tax rates when compared with other large cities, and a low overall tax burden (Tables 2-2 and 2-3, and Figure 2-9.)
- 5 - The Utility Revenue Distribution of profits from Anchorage Telephone Utility has played a crucial role in easing the tax burden in 1986 and in the proposed 1987 budget.
- 6 - In addition to declining state and federal revenues for general operations, categorical grants for specific activities such as Health and Social Services (most of which are not included in Operating Budget totals) have also begun to decline. (Figures 2-4 and 2-5.)
- 7 - Budgeted expenditures per capita, when adjusted for inflation (using 1986 dollars) have declined from \$980 in 1978 to \$871 in 1986 and are proposed at \$809 for 1987.

- 7 - 1987 proposed per capita spending when adjusted for inflation is approximately 83% of the 1978 level and represents a 7.1% reduction compared with 1986. See #2
- 9 - The composition of expenditures of the last few years shows an increased emphasis on public safety. (Figure 2-12.)
- 10 - State capital grants to the Municipality of Anchorage since 1980 exceed \$800 million. Most of these funds have been devoted to roads and transportation, recreation and cultural facilities (Project 80's), educational facilities, and utilities. (Figures 2-16 and 2-17.)
- 11 - From October 1978 through October 1985, local voters have approved \$581.9 million in general obligation bonds -- approximately 46% for sewer, water and solid waste utilities; 33% for schools; and 21% for general government purposes such as roads, drainage, water quality and parks. (Figures 2-14 and 2-15.)
- 12 - Anchorage School District revenues from state and federal sources have fallen from nearly 80% of the total budget in the 1981-82 school year to 68% for 1986-87. Property taxes have risen from less than 16% to 26.5% of the total budget over the same period. (Figure 2-21.)
- 13 - Anchorage School District budgeted expenditures (inflation-adjusted) grew at an average annual rate of 6.7% between FY83 and FY86, and declined 9.0% in FY87. (Figure 2-20.)
- 14 - The trend toward municipal reliance on local revenue sources is projected to continue through 1992. (Figure 3-2.)
- 15 - Under the current revenue structure, projections of municipal revenues would require a reduction of inflation adjusted expenditures from \$871 per capita in 1986 to \$654 in 1992. (Figure 3-4.)
- 16 - Projected mill rate increases allowed under the tax limitation from 1988 to 1992 range from an average of 1.5% to 4.5% per year from the proposed 1987 level, depending on the future levels of voter approved capital expenditures. (Table 3-2.)
- 17 - If Public Safety expenditures were held at the proposed 1987 real per capita level throughout 1992, current revenue projections indicate that all other services would have to be reduced by over one-third of their current level. See #9
- 18 - Reductions of the magnitude which appear to be required over the next few years necessitate serious choices among program reductions and/or revenue enhancements.

Fiscal Policy Recommendations

- 19 - The annual operating and capital budgets should be evaluated in the context of the best available information on out-year revenues and expenditures.
- 20 - It should be recognized that the current level of local public services can be maintained only if there are changes in the revenue structure to offset any further losses in state and federal funds.
- 21 - In making capital and operating budget reductions, consideration should be given to the following criteria:
- o Minimize impact on direct service delivery to the public;
 - o Minimize negative impact on the local economy;
 - o Emphasize retention of projects and programs which have a higher multiplier impact on the local economy;
 - o Minimize short-term reductions which will result in increased costs over the long-term;
 - o Invest in automation and other efficiency measures which will have a positive cost-benefit impact;
 - o Maintain financial integrity of funding for future liabilities such as retirement and health claims coverage;
 - o Target specific services or projects for reduction/elimination since multi-year "across the board" cuts and major reorganizations have already reduced general overhead and discretionary spending to a minimum;
 - o Involve the public in the process of setting priorities and making service reduction choices.
- Public safety represents a high priority for public funds and should remain a core service of local government. In addition to fire, police, health and emergency medical services, public safety includes programs for air and water quality and hazardous wastes.
- Capital expenditures should emphasize repair and rehabilitation of existing facilities, not just new projects.
- Downstream costs of capital expenditures (operations, maintenance and debt service) should be identified and considered in making spending decisions.

- Reductions in state and federal operating grants and capital appropriations will have a significant effect on the distribution of general government overhead as well as the potential requirement to include some of these services in future tax supported operating budgets. These impacts should be carefully considered in budget planning.
- The trend of debt service as a percentage of operating expenditures and other debt capacity indicators should continue to be monitored and considered in making decisions on bond authorizations and sales.
- Alternative sources of revenue should be evaluated as one of the options to further service reductions.
- Target rates of cost recovery from user fees should be developed, and actual rates of cost recovery evaluated annually in light of these targets.
- The fiscal impact of proposed ordinances and resolutions should continue to be identified and considered by decisionmakers.

Debt pay off analysis for bonds p43-1
 O&M of facilities brought on line in 2010
 consolidation into one office bldg - annual based
 elimination of overhead structure - public safety,
 utility coordinator, capital projects office
 elimination of duplicative functions - accounting,
 maintenance, vehicle pools
 Improvement of current code to maximize revenue
 taxes, fees, etc.
 Complete study of numerous positions + assistants
 etc to be minimized
 Evaluation of consultant use - cost/benefit
 Projections of revenue from other potential sources
 sales tax,

FISCAL PROFILE

II. FISCAL PROFILE

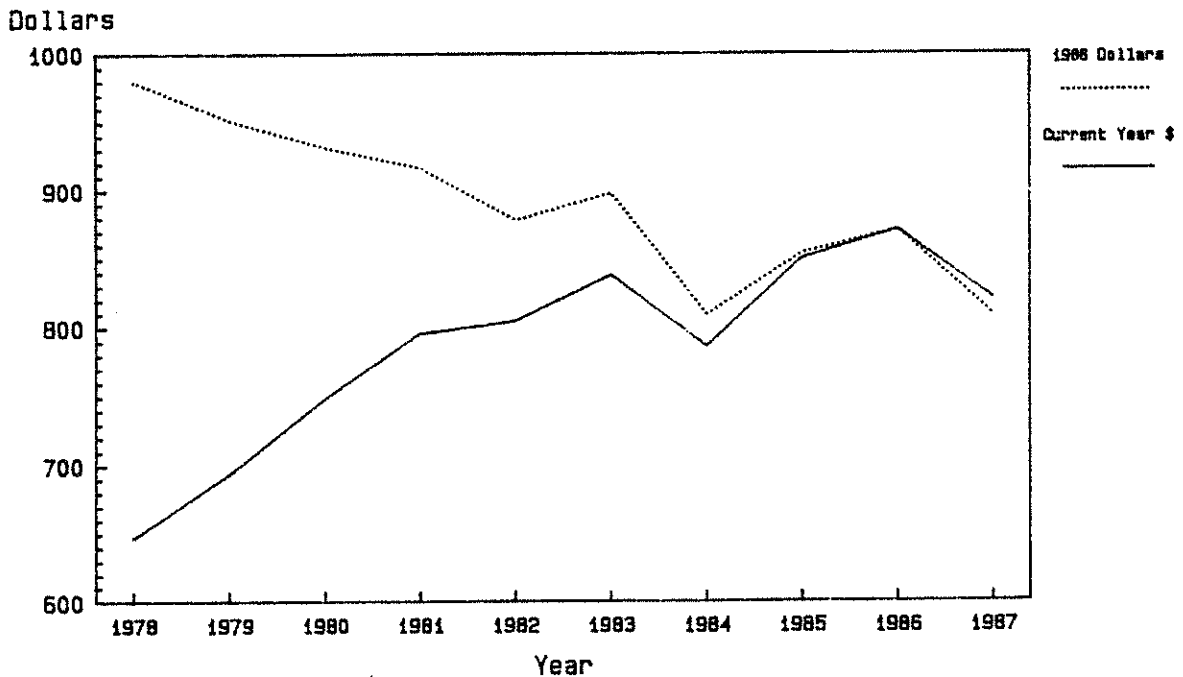
This section provides historical information on some important aspects of the Municipality of Anchorage's fiscal structure. Trends in these data give an indication of how the fiscal situation has changed over the last several years, and may lend perspective to current choices and projections of the future.

Operating Revenues

The level of local government services is dependent upon the availability of revenues with which to fund these activities. The charts which follow summarize the level and sources of operating revenues over the past several years.

Figure 2-1

Per Capita Revenues General Government Operating Purposes Revised Budgets 1978-1986

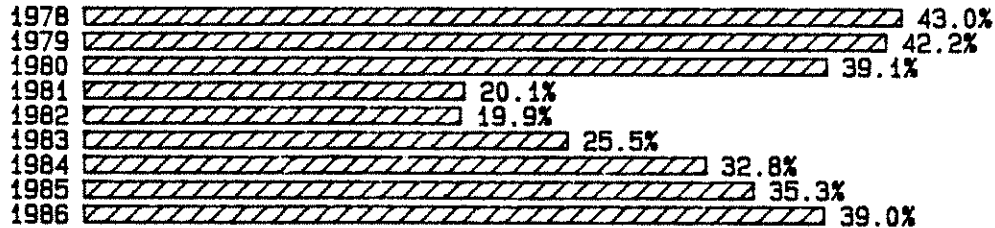


Revenues based on budgeted amounts revised as of June 30 of each year. These numbers may differ from actual collections. See appendix for population and consumer price index used to calculate data.

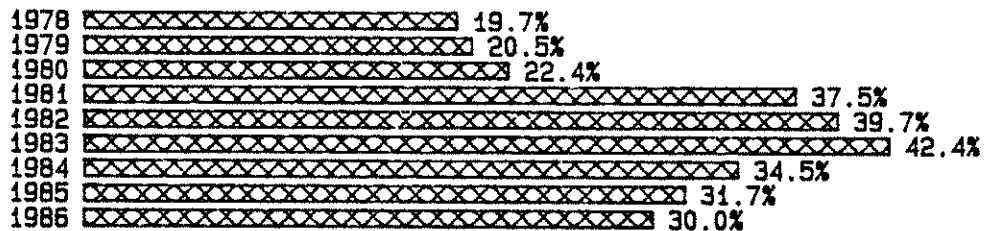
Figure 2-2

**Changes in
General Government Operating Revenue Sources**
(Revenues by Source as % of Total Revenues)

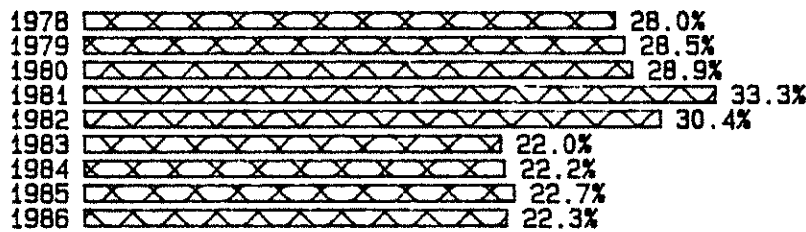
Property Taxes



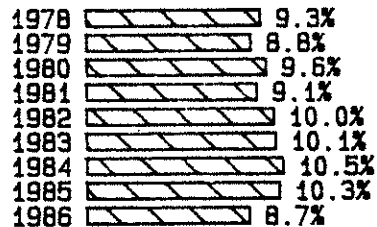
State and Federal Revenues



Other Local Sources



Intragovernmental Charges

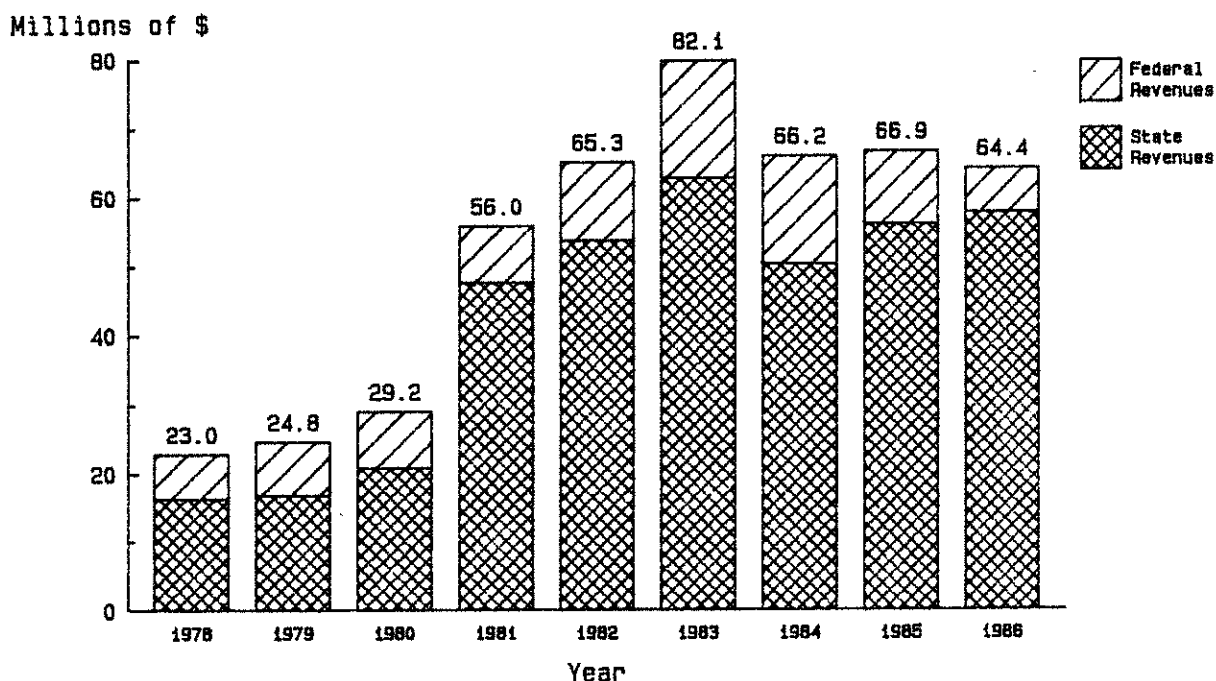


*Other local sources include fees, charges, interest earnings, fund balance contributions, Utility Revenue Distribution, hotel/motel tax, automobile registration fee, and other miscellaneous revenues.

The major shifts among revenue sources has occurred in state/federal sources and property taxes. Figures 2-3 through 2-8 provide more detailed information on these sources.

Figure 2-3

State and Federal Revenues
General Government Operating Budget
(Millions of Dollars)



1978-1986 numbers are based on revised budgets.

*Should have been
As of actual
How much...?*

In addition to state and federal revenues which are reflected in the General Government Operating Budget, the Municipality receives categorical grants, summarized by purpose or recipient department in Figures 2-4 and 2-5.

Figure 2-4

**Summary of State and Federal
Operating Grants By Purpose**
(not included in General Govt. Operating Budget)

Millions of Dollars

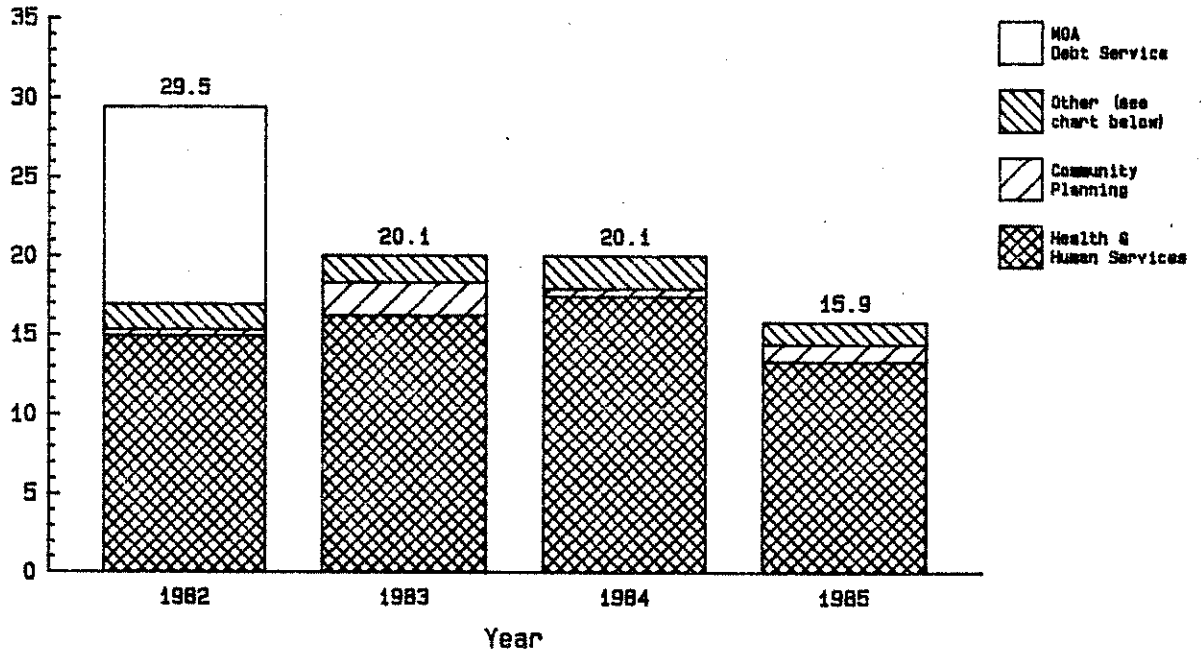
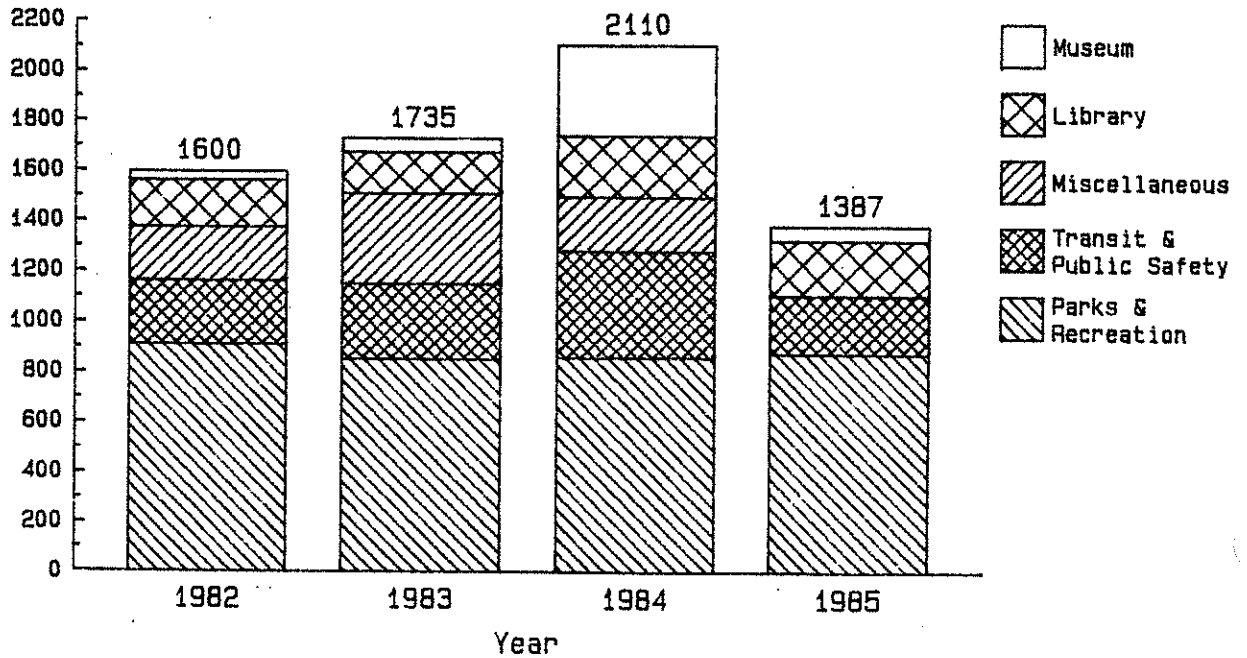


Figure 2-5

**Detail on "Other" Category
Operating Grants**
(Thousands of Dollars)

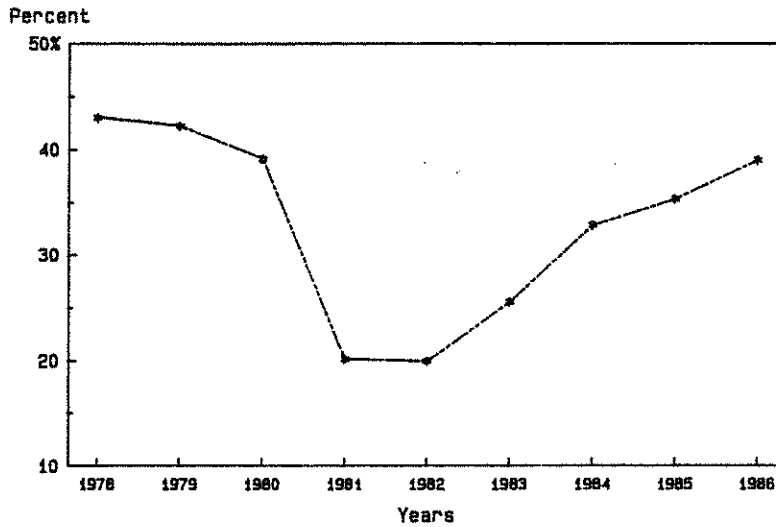
Thousands of \$



Local property taxes and mill rates have tended to move in the opposite direction from state and federal revenues.

Figure 2-6

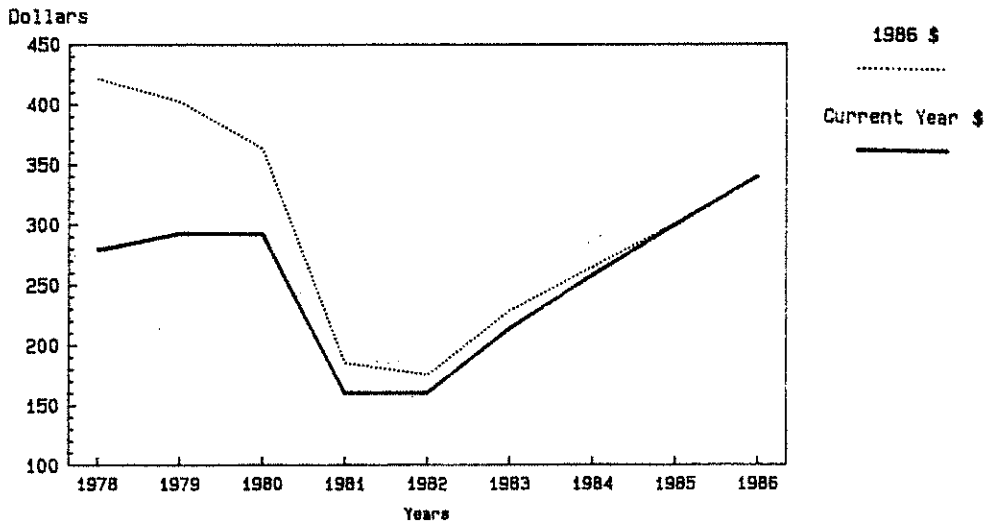
Property Taxes As Percentage of General Government Operating Revenues
 (General Government Purposes)



General Government operating revenues include revenues received for services to utilities, capital budgets and grants.

Figure 2-7

Per Capita Property Taxes
 General Government Purposes

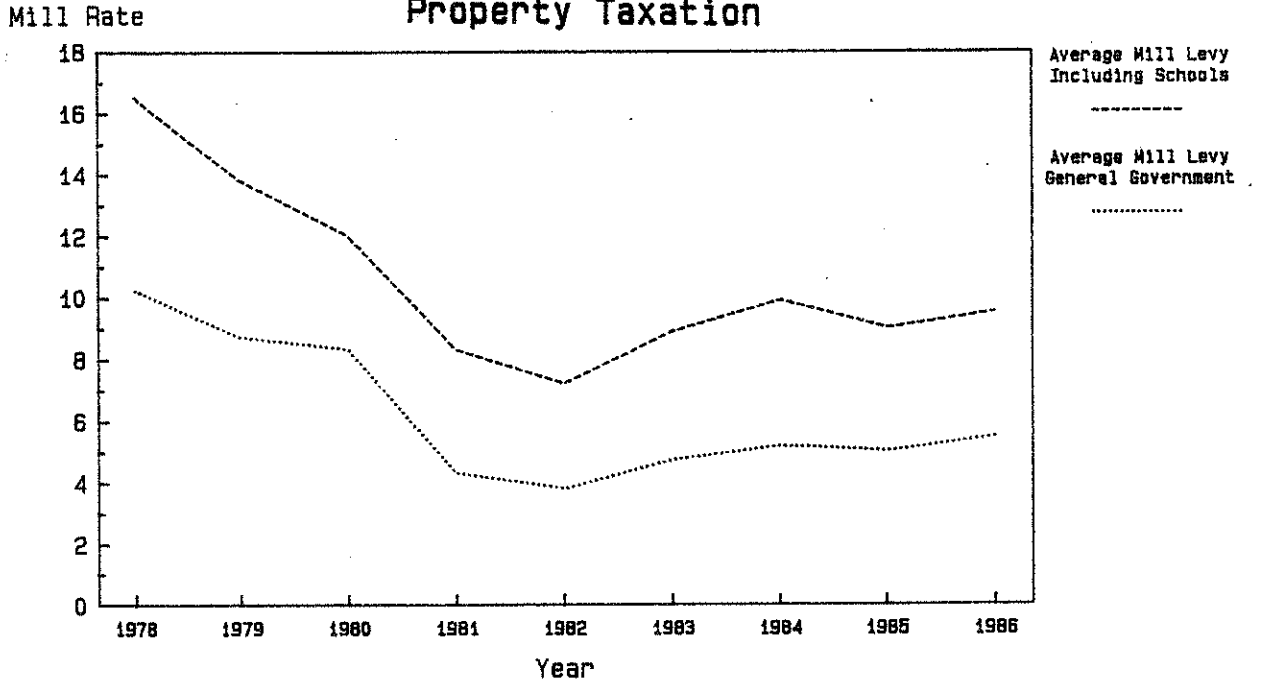


See appendix for population and consumer price index used to calculate this chart.

Local mill rates trended sharply downward in the late 1970's and early 1980's as state revenues increased. Mill rates began to rise in 1983 and by 1986 were approximately 58% of the 1978 level.

Figure 2-8

**Average Mill Rates for
Property Taxation**



In 1984 Anchorage voters approved an amendment to the Municipal Charter limiting local taxes. Table 2-1 shows the level of property taxes allowed under this limitation vis-a-vis the amount contained in the revised budget for 1985 and 1986, and in the 1987 proposed budget.

Table 2-1

**Property Taxes Under Charter Limitation
(millions of dollars)**

	<u>1985</u>	<u>1986</u>	<u>1987</u>
Property Taxes			
Allowed by Tax Limit	76.6	85.3	94.2
Budgeted*	74.4	83.9	85.8
Under Tax Limit	<u>2.2</u>	<u>1.4</u>	<u>8.4</u>

* Revised budgets 1985, 1986; Proposed budget 1987.

Table 2-2 shows the ranking of effective property tax rates in the largest city in each state and the District of Columbia. Effective property tax rates (rates adjusted for differences in assessments as a percent of market value) ranged from 54.6 mills to 5.8 mills, with an unweighted average of 18.3 mills.

Table 2-2

**RESIDENTIAL PROPERTY TAX RATES IN
SELECTED LARGE CITIES; 1985
(Ranked from Highest to Lowest Effective Rates)**

<u>City</u>	<u>Rank</u>	<u>Tax Per \$100,000</u>	<u>City</u>	<u>Rank</u>	<u>Tax Per \$100,000</u>
Newark, NJ	1	\$5460	Chicago, IL	26	\$1630
Wilmington, DE	2	4260	Jackson, MS	27	1610
Bridgeport, CT	3	4210	Boise, ID	28	1500
Detroit, MI	4	4160	Fargo, ND	29	1470
Indianapolis, IN	5	3320	New York City, NY	30	1370
Milwaukee, WI	6	3220	Louisville, KY	31	1300
Providence, RI	7	3210	New Orleans, LA	32	1300
Des Moines, IA	8	2730	Billings, MT	33	1260
Baltimore, MD	9	2700	Charlotte, NC	34	1160
Philadelphia, PA	10	2620	Norfolk, VA	35	1150
Portland, OR	11	2570	Columbia, SC	36	1150
Manchester, NH	12	2380	Washington, DC	37	1140
Minneapolis, MN	13	2270	Phoenix, AZ	38	1090
Cleveland, OH	14	2080	Charleston, WV	39	1070
Sioux Falls, SD	15	2050	Salt Lake City, UT	40	1040
Portland, ME	16	2030	St. Louis, MO	41	1040
Omaha, NE	17	2010	Seattle, WA	42	990
Jacksonville, FL	18	1930	Wichita, KS	43	990
Albuquerque, NM	19	1820	Anchorage, AK	44	940
Memphis, TN	20	1750	Little Rock, AR	45	920
Atlanta, GA	21	1750	Las Vegas, NV	46	850
Burlington, VT	22	1710	Denver, CO	47	740
Oklahoma City, OK	23	1710	Birmingham, AL	48	700
Houston, TX	24	1680	Los Angeles, CA	49	650
Boston, MA	25	1640	Honolulu, HI	50	610
			Casper, WY	51	580
			Unweighted Average		\$1830
			Median		\$1630

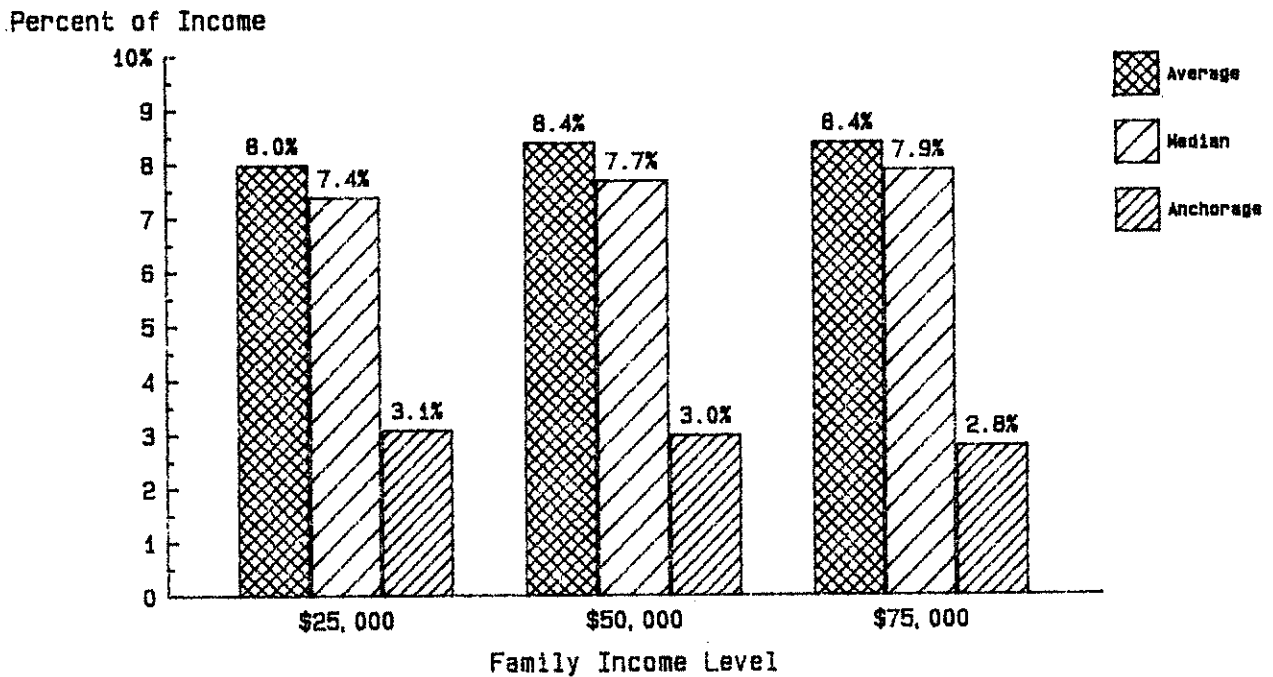
Manufacturing
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Source: Government of the District of Columbia, Department of Finance and Revenue, Tax Rates and Tax Burdens in the District of Columbia: A Nationwide Comparison, June 1986.

One measure of the burden of taxation is the percent of income devoted to paying taxes. The Department of Finance of the Government of the District of Columbia has estimated this burden for the largest city in each state. Figure 2-9 and Table 2-3 summarize some of their results.

Figure 2-9

**Estimated Burden of Major Taxes for a Family of Four by Income Level, 1985
Average for 51 Cities compared to Anchorage**



Source: Department of Finance, Government of the District of Columbia, June 1986.

Table 2-3

**Estimated Burden of Major State and
Local Taxes for a Family of Four, 1985**

<u>Family Income Level</u>	<u>Rank</u>		<u>City</u>	<u>Percent Of Income</u>
\$ 15,000	Highest	1	Bridgeport, CT	18.0%
		49	Anchorage, AK	3.5%
	Lowest	51	Jacksonville, FL	2.2%
\$ 25,000	Highest	1	Newark, NJ	17.0%
		50	Anchorage, AK	3.1%
	Lowest	51	Jacksonville, FL	3.0%
\$ 35,000	Highest	1	Newark, NJ	17.0%
	Lowest	51	Anchorage, AK	3.0%
\$ 50,000	Highest	1	Newark, NJ	17.1%
	Lowest	51	Anchorage, AK	3.0%
\$ 75,000	Highest	1	Newark, NJ	16.4%
	Lowest	51	Anchorage, AK	2.8%

NOTE: Burden is defined here as the percent of income going to pay taxes. Taxes included are state and local income taxes, sales, property, and automobile taxes.

Permanent Fund Dividend payments which are, in a sense, negative taxes are not included in the calculation.

Source: Government of the District of Columbia, Department of Finance and Revenue, Tax Rates and Tax Burdens in the District of Columbia: A Nationwide Comparison, June 1986.

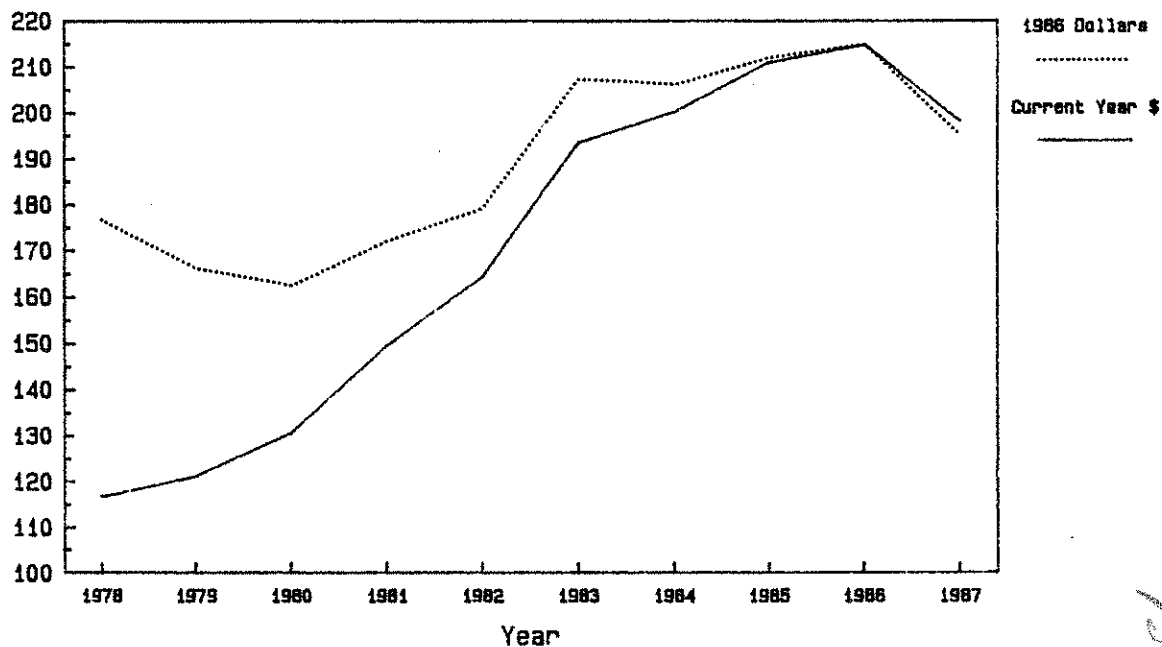
Budgeted Operating Expenditures

The level of budgeted expenditures follows from the revenue data presented in the previous charts and tables. Here we present additional information on how those revenues have been allocated over the last few years.

Figure 2-10

Budgeted Operating Expenditures General Government Purposes

Millions of \$



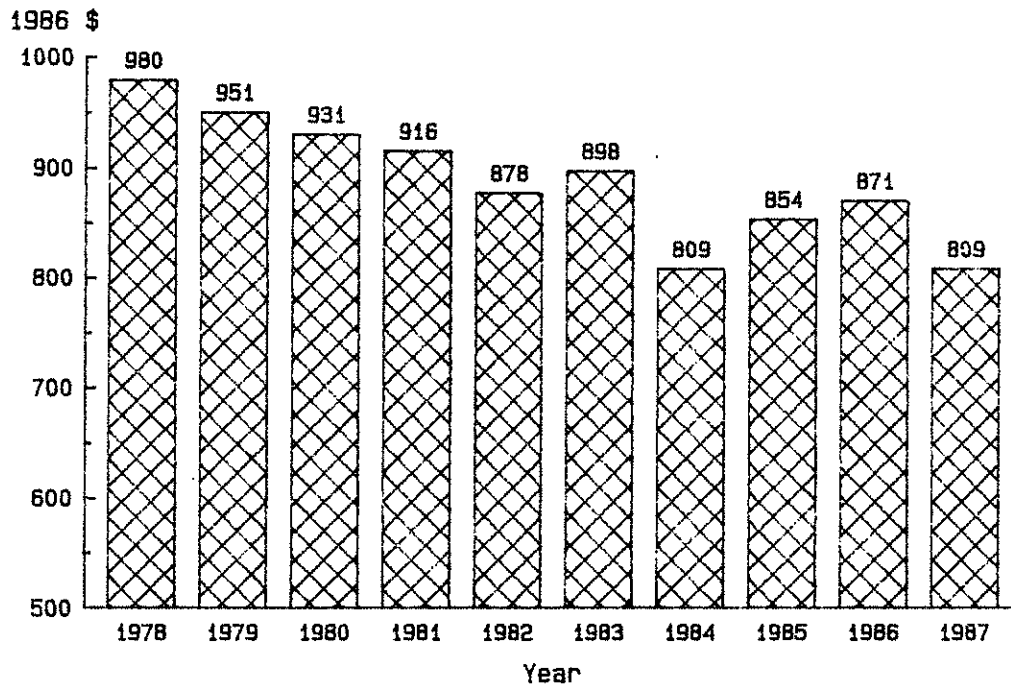
1978-1986 Revised General Operating Budgets, 1987 Proposed Budget. Includes expenditures for services provided to utilities, capital and grant projects.

Actual should show budgeted

There has been a general upward trend in total budgeted expenditures over the period; however, when adjusted for population growth and inflation, the trend is slightly downward.

Figure 2-11

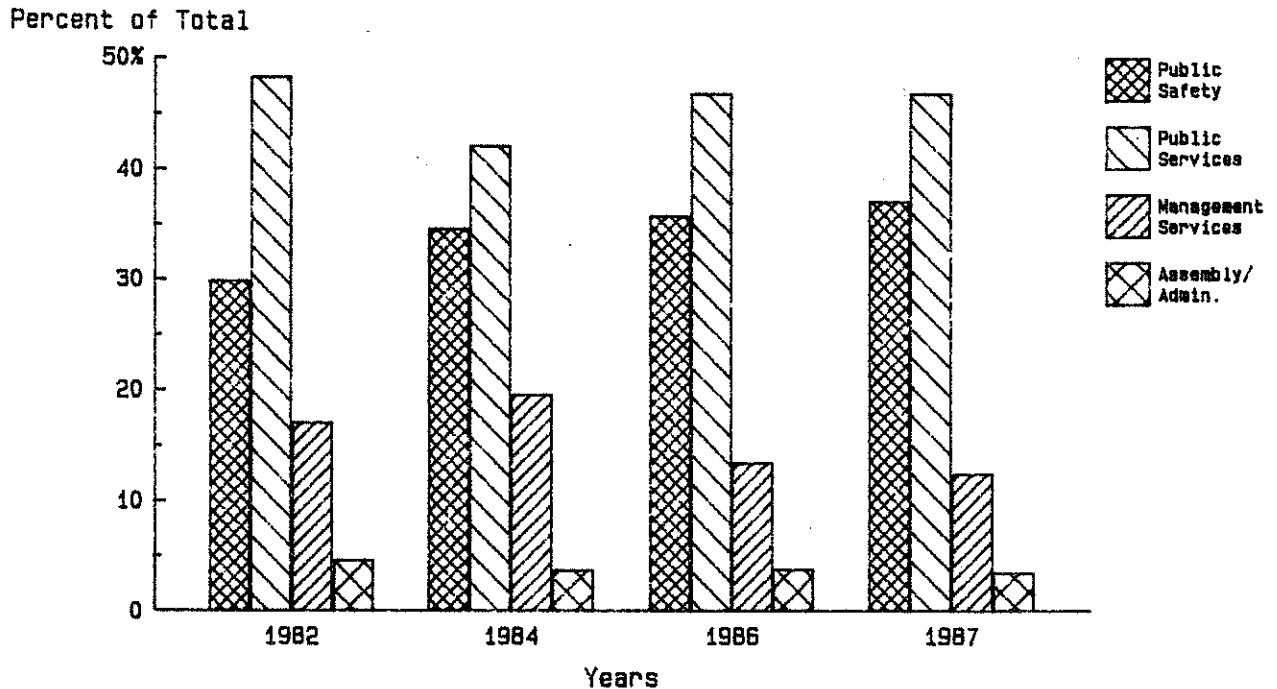
Budgeted Expenditures Per Capita Inflation Adjusted - 1986 Dollars



Revised General Government Operating
Budgets, 1978-1986. Proposed Budget, 1987.

Figure 2-12

**Distribution of Budgeted Expenditures
by Major Functions**
(as a percentage of total Expenditures)



Revised Budgets 1982-1986, Proposed Budget 1987.

Public Safety includes the Office of Public Safety, Health and Human Services, Fire, Police, and Transportation Inspection.

Public Services include Public Works, Parks and Recreation, Transit, Community Planning, Capital Projects Office, Library, Museum, and Non-Departmental.

Management Services include the Municipal Manager, Finance, Information Systems, Employee Relations, and Purchasing.






Assembly/Administration includes Assembly, Equal Rights Commission, Internal Audit, Office of the Mayor and Municipal Attorney.

Figure 2-13






General Government Budgeted Expenditures
Direct Cost By Type
Percentage Distribution

Personal






Personal Services (% of total)

1983		59.9%
1984		62.0%
1985		62.1%
1986		61.0%
1987		61.8%






Supplies (% of total)

1983		3.6%
1984		4.2%
1985		4.0%
1986		3.9%
1987		3.4%






Other Services (% of total)

1983		24.6%
1984		21.1%
1985		21.6%
1986		22.0%
1987		22.0%

Debt Service (% of total)

1983		9.0%
1984		9.7%
1985		9.5%
1986		10.2%
1987		11.9%

Capital Outlay (% of total)

1983		2.8%
1984		3.1%
1985		2.7%
1986		2.9%
1987		0.9%

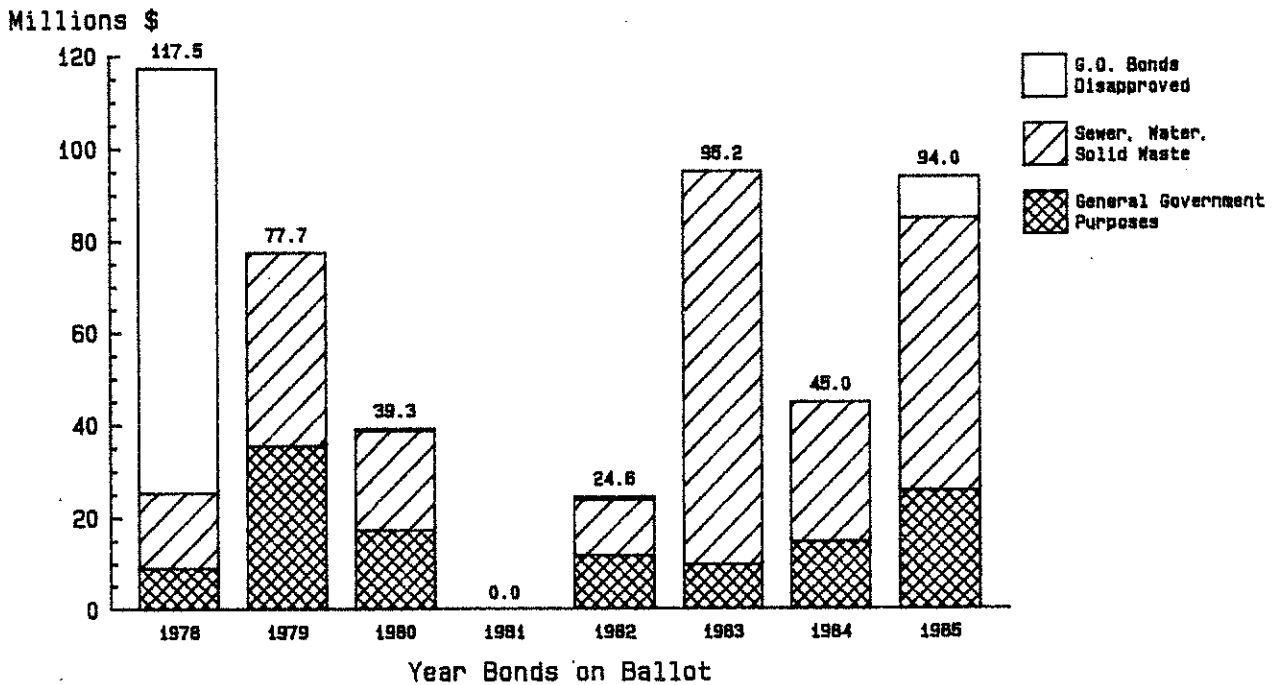
Revised General Government Operating
Budgets 1978-1986. Proposed Budget, 1987

Capital Funding

Operating and capital spending are interrelated in terms of funding sources and downstream costs of capital projects. Figures 2-14 through 2-19 present historical information on the source of capital funds and uses of those funds.

Figure 2-14

General Obligation Bond Propositions (Excluding School Bonds) 1978-1985

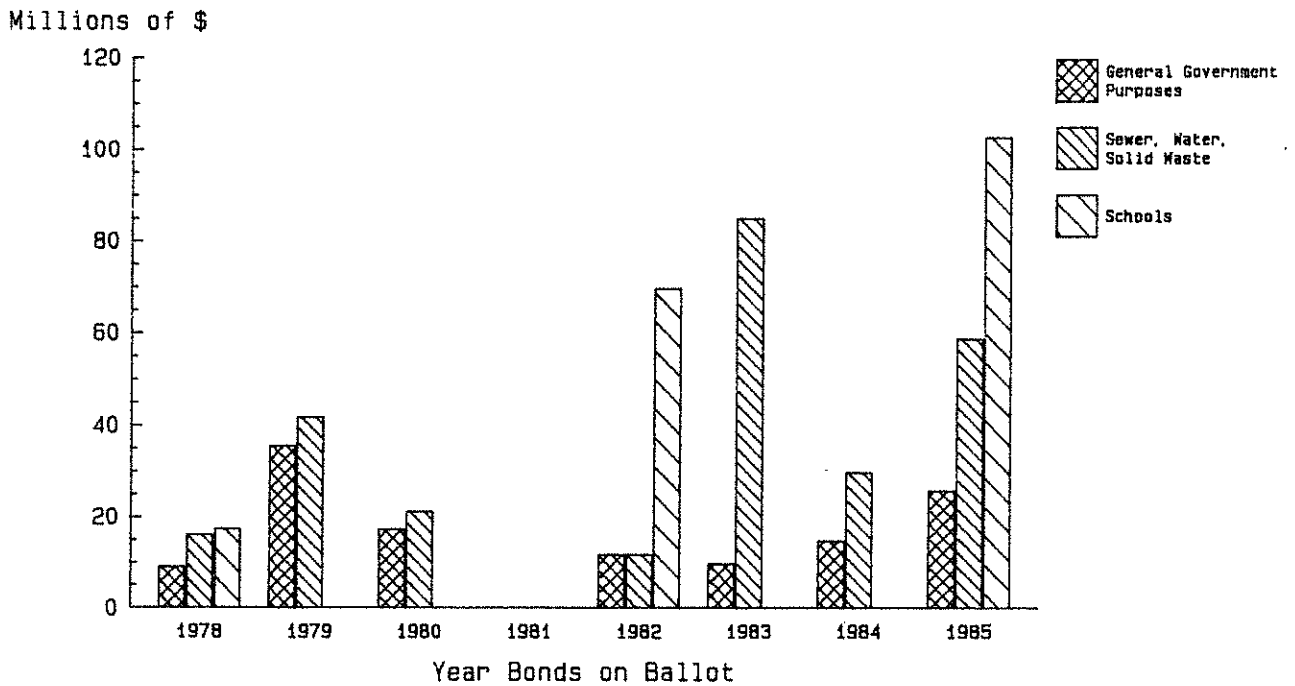


General Government purposes include roads, parks, fire, police, library, etc. Sewer, Water and Wastewater totals include only general obligation bonds for these utilities. Utility revenue bonds are excluded. Additional information on major municipal utilities is presented in Section IV of this report.

Local voters have approved \$581.9 million in general obligation bonds between 1978 and 1985. Approximately 46% of these bonds were for sewer, water and solid waste utilities; 33% were for schools; and 21% for general government purposes such as roads, drainage, water quality and parks.

Figure 2-15

General Obligation Bonds Approved by Voters

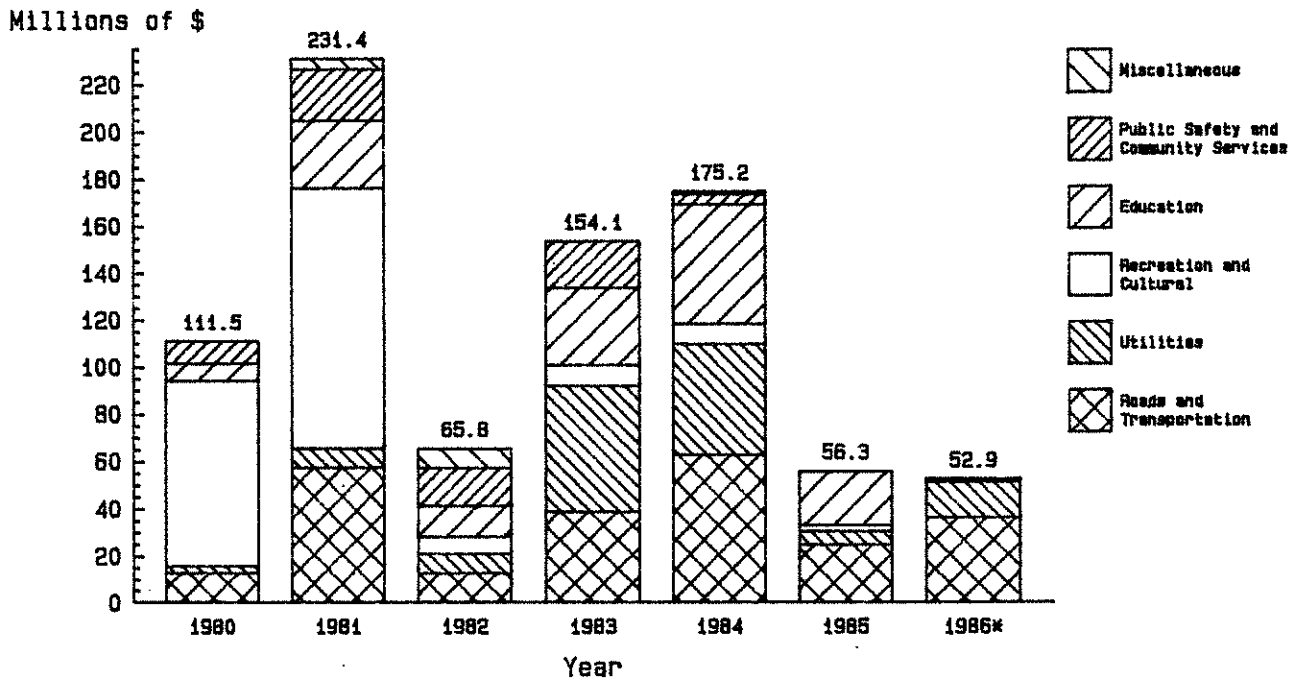


Sewer, Water, Wastewater total for 1983 includes \$55 million bond issue for Eklutna Water Project.

Figure 2-16 shows capital grants from the State of Alaska to the Municipality. When final notice of these grants is received, the Assembly appropriates the funds for a variety of purposes. Grants are shown here in the year appropriated by the Assembly, which may differ from the State fiscal year of appropriation and also varies from the year in which the funds are actually expended.

Figure 2-16

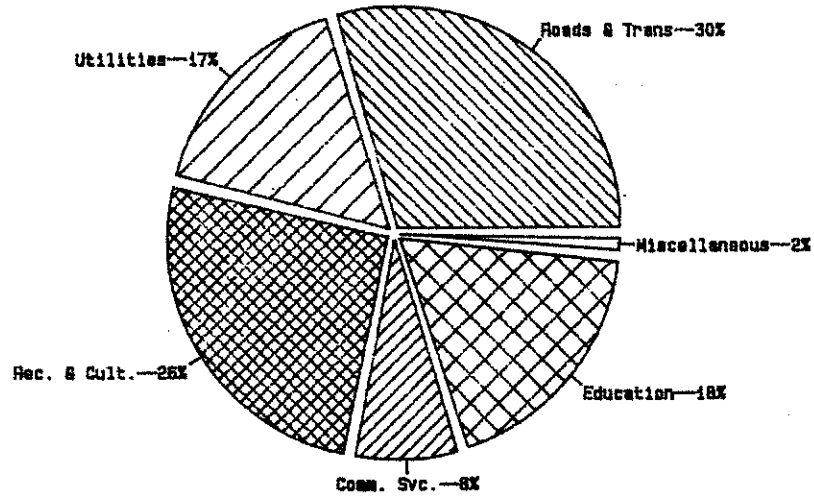
State Capital Grants Appropriated by M.O.A



*Grants totaling \$52.9 million have been appropriated in 1986. However, given restrictions imposed by the State as the result of oil revenue shortfalls, only 35% of this amount has been released to date.

Figure 2-17

State Capital Grants Appropriated by MOA
Total Distribution by Purpose 1980-86



Federal capital grants have been more modest in proportion. The bulk of Federal capital funding has gone to Transit

Figure 2-18

Major Federal Capital Grants
1980-1986

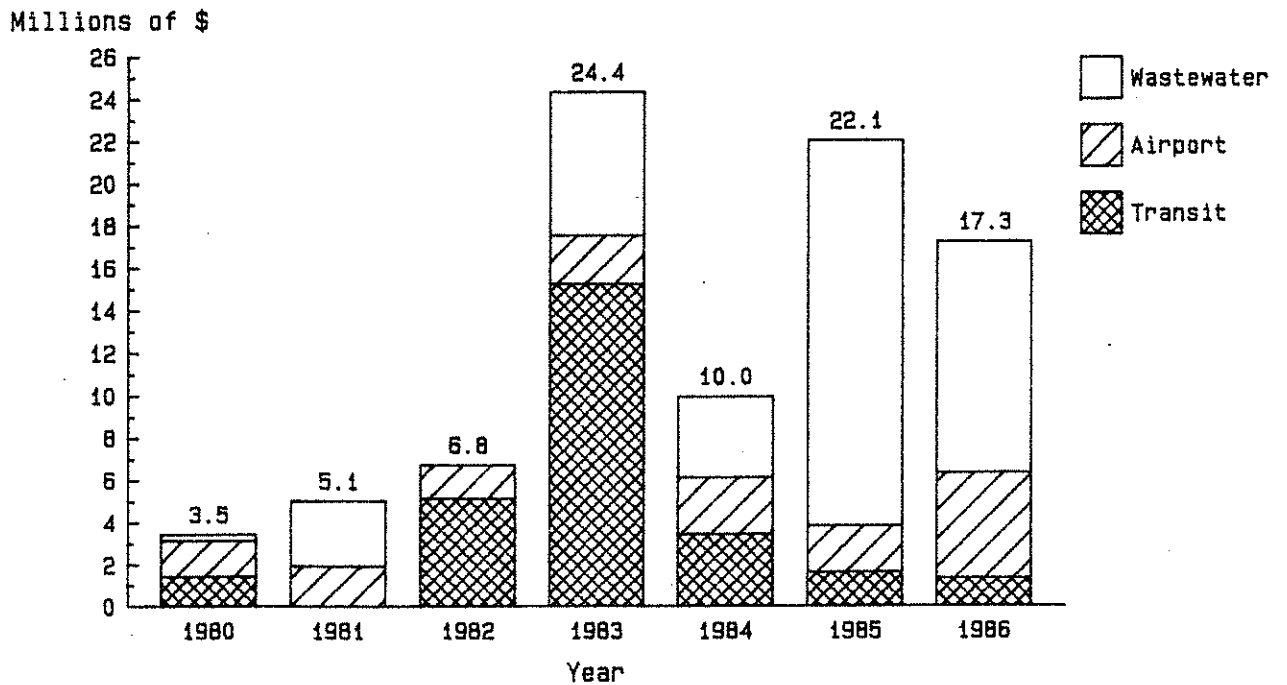
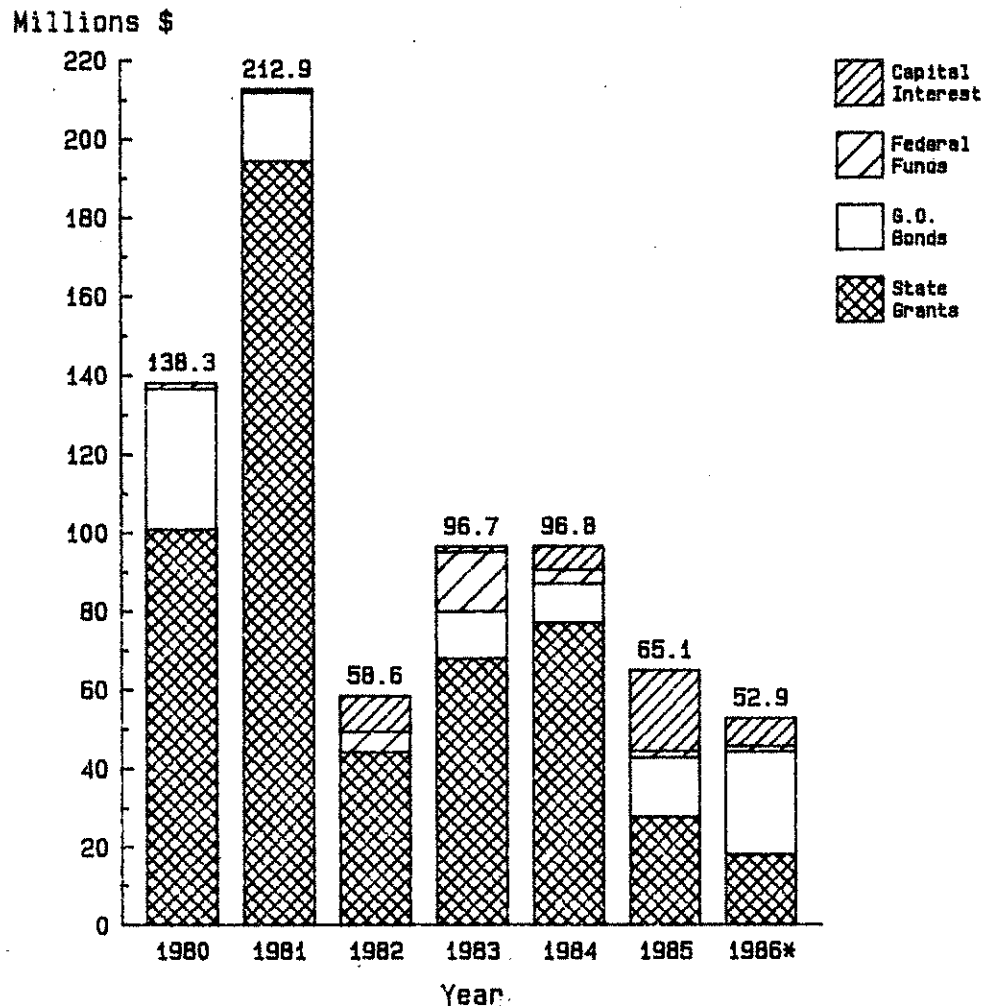


Figure 2-19

**Summary of General Government
Capital Appropriations - MOA**
(Excludes Utilities and School District)



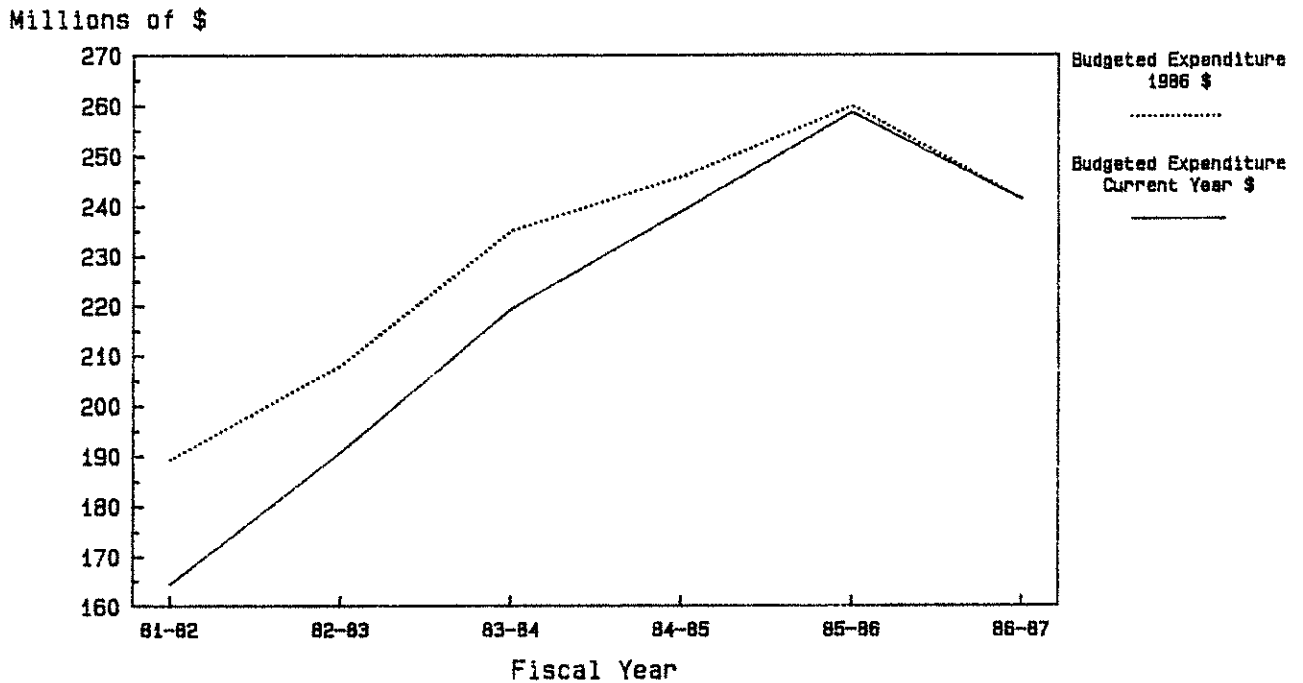
1986 Capital Appropriations assumes that the state funds will be 35% of appropriated amount (see Figure 2-15).

ANCHORAGE SCHOOL DISTRICT

The Anchorage School District has similarly experienced fiscal changes over the last several years. Although not treated in detail here, Figures 2-20 through 2-22 give a brief overview of some of these changes.

Figure 2-20

Anchorage School District Budgeted Expenditures (millions of dollars)









Budgeted Expenditures through FY86 based on Adopted Financial Plans. FY87 based on Revised Financial Plan.

School District expenditures have relied heavily on funding by the State of Alaska. Figure 2-21 shows the distribution of revenue sources.







Figure 2-21

**Anchorage School District
Budgeted Revenues
% Distribution of Sources**







Federal Revenues (% of Total)

FY 81-82		4.2
FY 82-83		2.5
FY 83-84		2.5
FY 84-85		2.6
FY 85-86		2.3
FY 86-87		3.0







State Revenues (% of Total)

FY 81-82		75.4
FY 82-83		76.0
FY 83-84		72.1
FY 84-85		70.9
FY 85-86		69.6
FY 86-87		65.0

Local & Fund Balance (% of Total)

FY 81-82		4.4
FY 82-83		6.0
FY 83-84		4.1
FY 84-85		2.8
FY 85-86		4.2
FY 86-87		5.6

Property Taxes (% of Total)

FY 81-82		15.9
FY 82-83		15.5
FY 83-84		21.2
FY 84-85		23.8
FY 85-86		23.9
FY 86-87		26.5

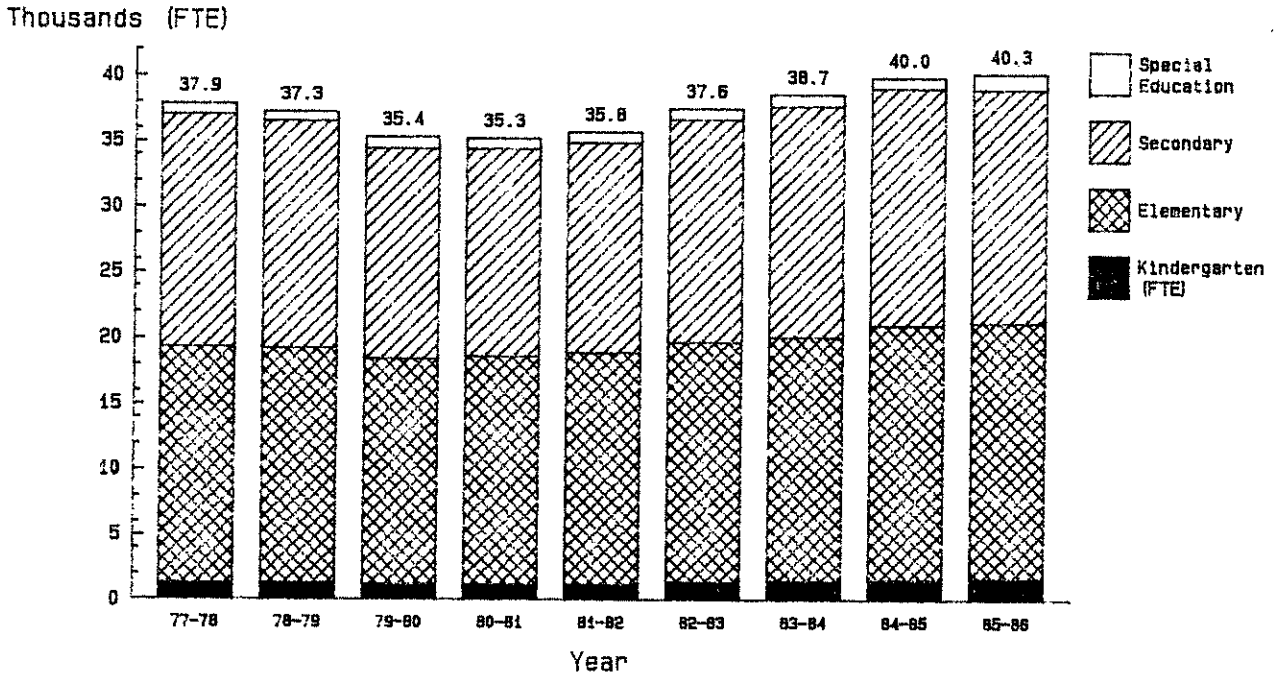
The expenditure growth shown in Figure 2-20 has been driven, in part, by growing enrollments.

Small part

Figure 2-22

Anchorage School District Student Enrollment

(as of Sept. 30th each year)



Enrollment measured in full-time equivalents (FTE). Special education figure includes only those students requiring the highest level of services and students in self-contained programs.

Student enrollment by student count is included in the appendix to Section III, Fiscal Projections and Policy Considerations.

**FISCAL PROJECTIONS
AND
POLICY CONSIDERATIONS**

III. FISCAL PROJECTIONS AND POLICY CONSIDERATIONS

This section of the report presents six year revenue and expenditure projections for general government services of the Municipality of Anchorage and the Anchorage School District. The projections are intended to answer some of the "what if" questions that may occur as fiscal choices are discussed. The purpose is not to predict what the future will be, or even to suggest what it should be.

Prior fiscal trends reports projected expenditures necessary to maintain the current level of services then compared the result with projected revenues, calculating property taxes at the tax limitation. However, considering the magnitude of recent state and federal revenue reductions, the "current services" approach no longer seems realistic. Instead, we have projected available revenues under alternative scenarios, all of which assume the existing revenue structure. Expenditure implications are discussed in view of the demonstrated revenue constraints.

Revenues

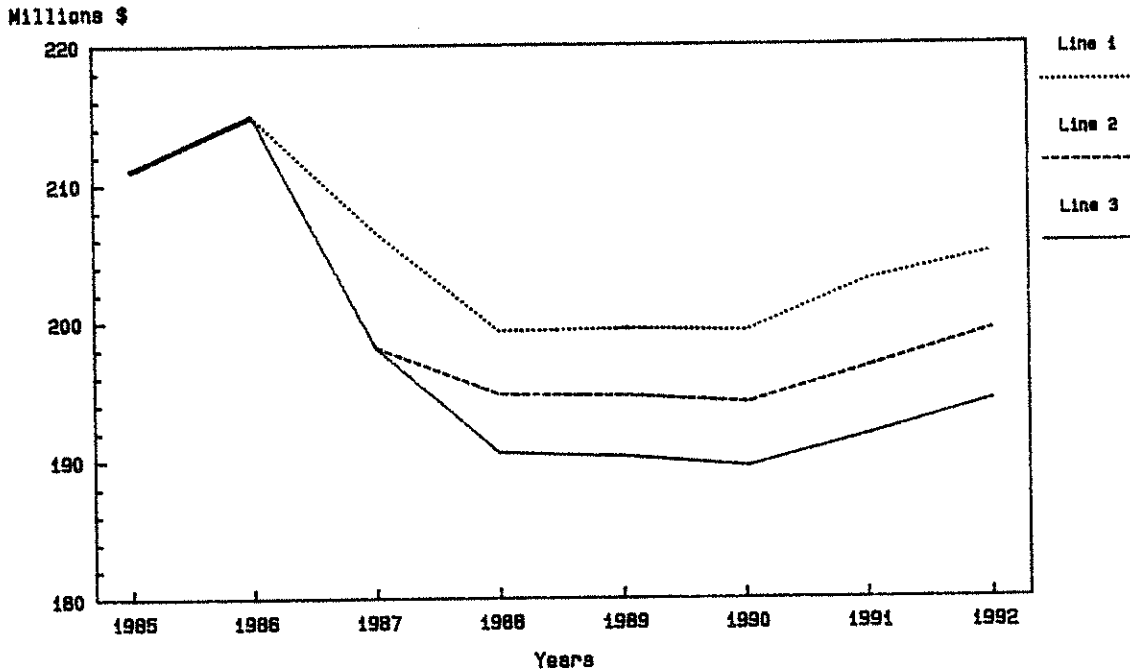
Major components of revenues and expenditures are interdependent. For instance, under the tax limitation, future allowable levels of property taxes depend upon current tax collections (and thus on past and current budget decisions). Potential revenues also depend upon the composition of expenditures since some types of spending, such as debt service on new general obligation bonds, are exempt from the tax limit. Thus budget decisions in each year can dramatically alter the options available for future years.

Figure 3-1 demonstrates these interdependencies by showing a range of potential revenues, and since the budget must be balanced, a range of potential expenditures. Line 1 shows projected revenues 1987 through 1992 under the tax limitation if property taxes in 1987 were levied at the maximum allowable level of \$94.2 million. Line 3 shows allowable revenues over the period if 1987 property taxes are held to the Mayor's proposed level of \$85.8 million. This proposed level holds 1987 taxes on existing property at the 1986 level of \$83.9 million, plus an additional \$1.88 million of taxes on new construction coming on the tax rolls for 1987. Line 2 represents allowable revenues if an anticipated \$4.0 million in Federal Revenue Sharing fails to materialize and taxes are used to offset this loss (i.e., property taxes of \$89.8 million for 1987). Potential expenditures in 1992 range from \$194.3 million to \$205.4 million under these alternatives.

Throughout this section, we use two basic sets of projections for illustrative purposes. Case 1 shows the effects on the future of a "no capital growth" scenario. Case 2 shows the effects of a relatively modest capital program in which new bond debt is roughly equivalent to the amount of debt retired each year. These cases are described more fully in the appendix to this section.

Figure 3-1

**Case 1 Projections -- Total Revenues
(Alternative Levels of Property Taxes in 1987)**



Line 1 - Projections of total revenues with 1987 property taxes at \$94.2 million as allowed by charter tax limitation.

Line 2 - Projections of total revenues with 1987 property taxes at \$89.8 million -- Mayor's proposed level plus \$4 million to replace Federal Revenue Sharing.

Line 3 - Projections of total revenues with 1987 property taxes at \$85.8 million, 1987 Proposed Budget.

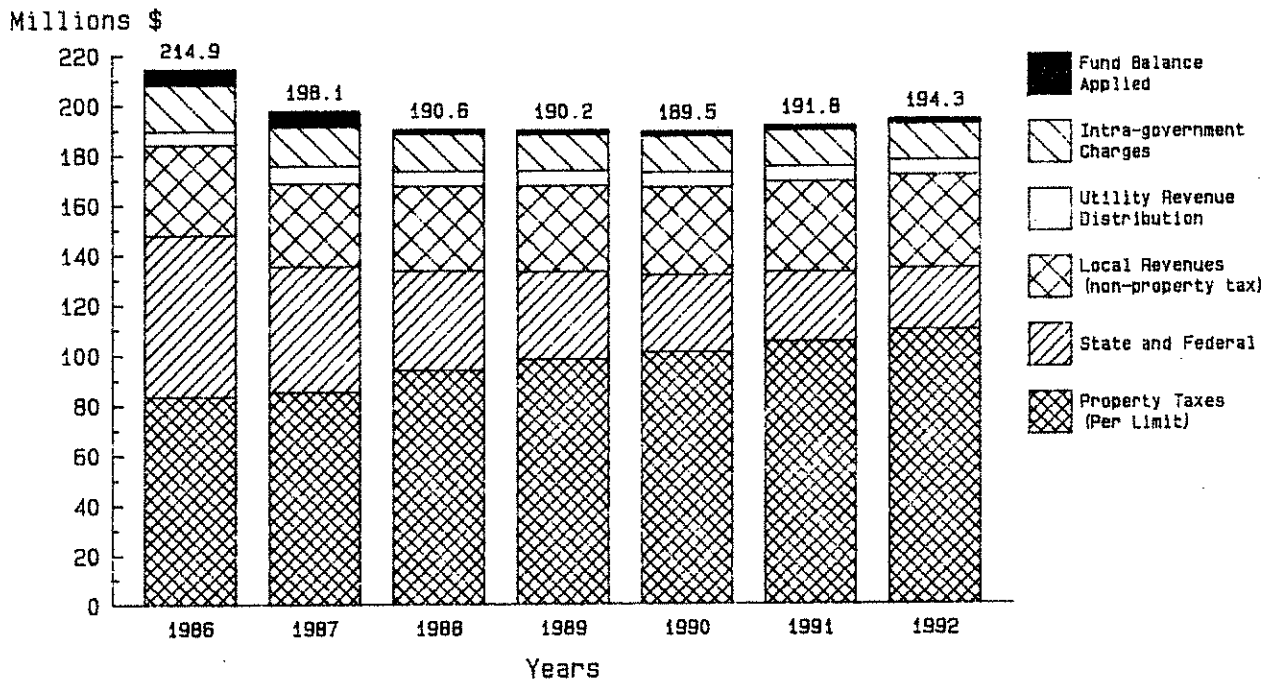
1985 and 1986 Revised Budgets, 1987 Proposed Budget, 1988 - 1992 Fiscal Model Projections. Assumptions and scenario descriptions are contained in appendix at the end of this section.

Figure 3-2 shows projected revenues by source. The declines are primarily due to continued reductions in state and federal sources. Local non-property tax revenues also show some declines with population in 1986-1988. A major cutback in revenue results from the assumption of a lower level of fund balance contribution (\$1.8 million per year 1988-1992). Over the last several years of growth, the availability of excess fund balance has been a source of tax relief. However, as revenues continue to tighten and growth slows, the fund balance available to supplement expenditures is likewise expected to decline.

Figure 3-2

**Case 1 - Projected Revenues
By Source**

(millions of dollars)

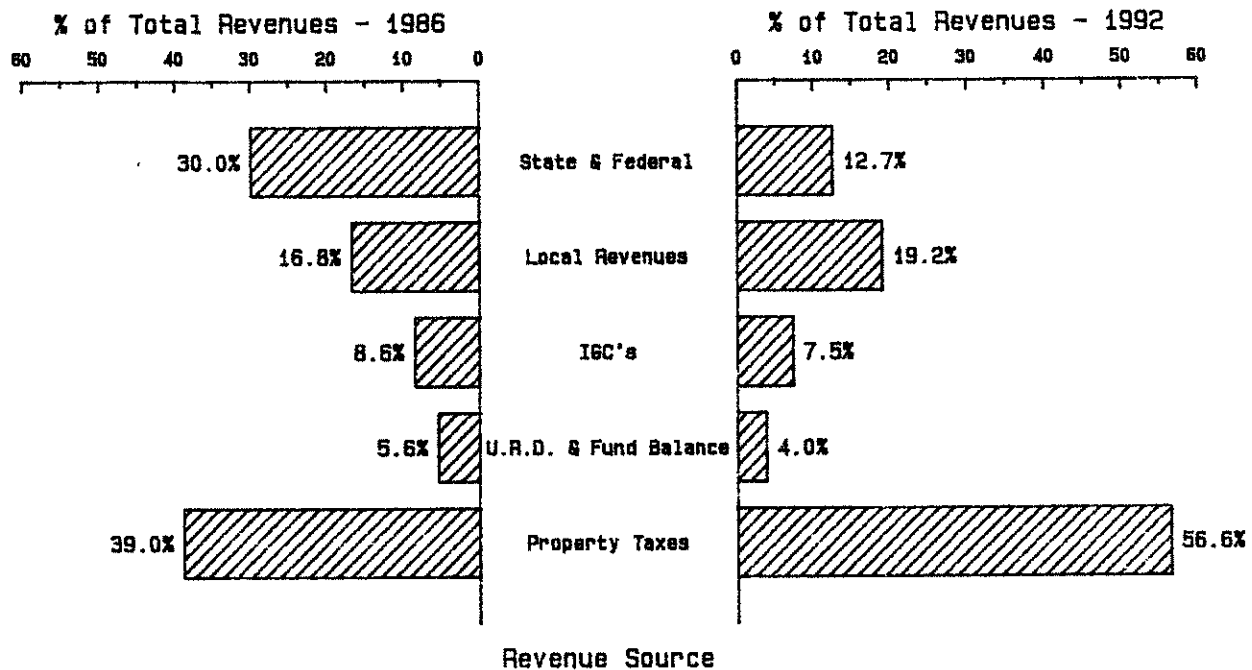


1986 Revised Budget, 1987 Proposed Budget, 1988-1992 Projections.

Figure 3-3 contrasts the percentage distribution of revenues in 1986 with the distribution projected for 1992. This emphasizes the continuing shift toward reliance on property taxes for funding community services in the absence of development of new revenue generators.

Figure 3-3

Case 1 - Projections
Comparative Revenue Source Distribution
1986 and 1992



Local Revenues include user fees and charges, interest earnings, hotel/motel tax, automobile registration fee, and other miscellaneous revenues.

IGC's - Intragovernmental Charges
 U.R.D. - Utility Revenue Distribution

1986 Revised Budget
 1992 Projection

See appendix for assumptions and details.

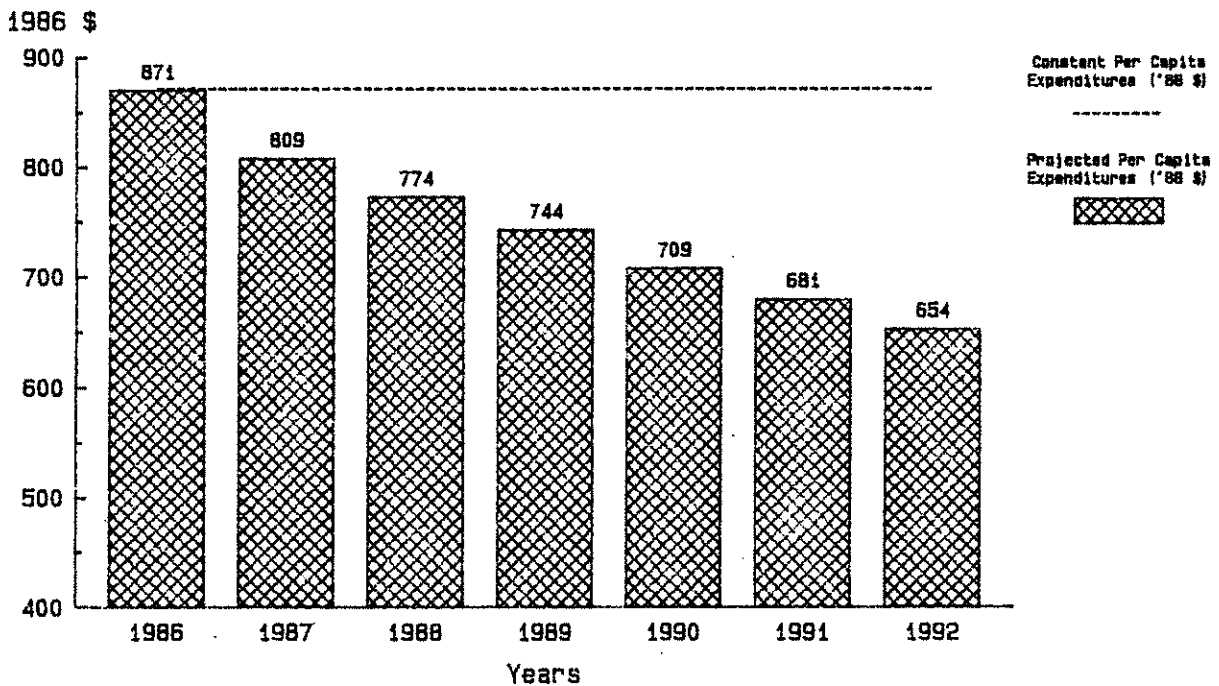
Expenditures

Since Municipal budgets must be balanced, projected expenditures here are those implied by the revenue totals discussed above. Given the revenue scenario which assumes property taxes of \$85.8 million in 1987, the implicit per capita expenditure level is shown in Figure 3-4.

In 1986 expenditures for general government services totaled approximately \$871 per capita. If we assume Case 1 (no new bonds past 1987), per capita expenditures in 1986 dollars would fall to \$809 in 1987 and to \$654 by 1992, a decline of nearly 25% over the period. If consideration is given to additional capital related costs for projects already approved but not yet on-line (e.g., the Performing Arts Center) and for the bonds on the

Figure 3-4

Case 1
Projected Real Per Capita Expenditures
for General Government Operations



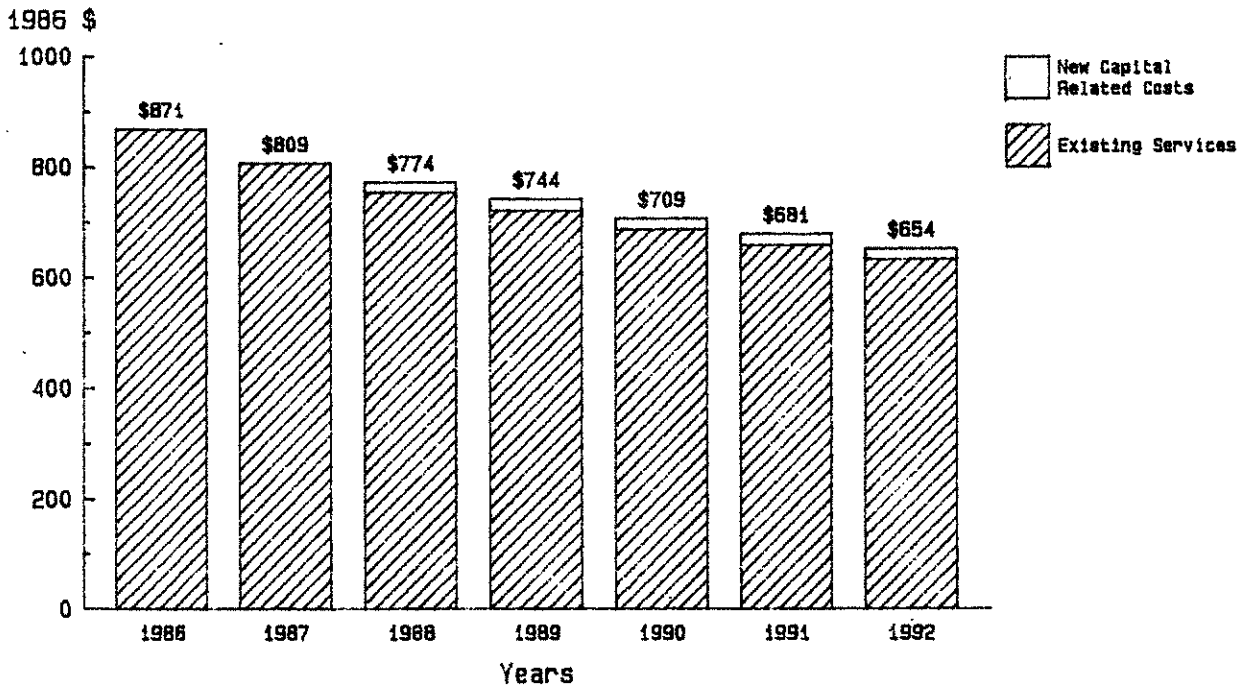
1986 Revised Budget; 1987 Proposed Budget; 1988-1992 Fiscal Model Projections. See appendix for assumptions and details.

October 1986 ballot, the 1992 expenditures on existing services would decline to approximately \$635 per capita in 1986 dollars, a drop of over 27% from the 1986 level.

Figure 3-5 shows the impact of new capital related costs, in inflation adjusted per capita terms, rising from \$18 per person in 1988 to \$21 in 1989 and declining to \$19 by 1992. The primary components of these costs are operations of the Performing Arts Center (expected to open in early 1988) and the debt service on bonds on the October 1986 ballot. New capital costs for Case 1 decline in the outyears because few additional projects are brought on line and no additional bonds are issued.

Figure 3-5

**Case 1 - Projected Per Capita Expenditures
Existing and New Capital Related Costs
(1986 Dollars)**



1986 Revised Budget; 1987 Proposed Budget; 1988-1992 Fiscal Model Projections. See appendix for details and assumptions.

Case 2 changes these assumptions regarding future capital activity. We include again the downstream costs associated with the October 1986 \$15.5 million bond proposal, and further assume \$10 million per year for bonded projects in 1988 through 1992. This amount of bonding would keep the level of general government

debt near the current level, offsetting each year's retired debt with new borrowing. Operations and maintenance costs resulting from the non-bond funded portion of the Proposed 1987-1992 General Government Capital Improvement Program are also included. Table 3-1 summarizes these capital assumptions as they differ between Case 1 and Case 2.

TABLE 3-1
 Projections of Downstream Costs
 Associated with New Facilities
 (Millions of Dollars)

	<u>CASE 1</u>				
	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>
Debt Service - Bonds Oct 1986	1.6	1.6	1.6	1.6	1.6
Operations and Maintenance Costs - New Facilities and Proposed 1987 Capital Budget	2.9	3.8	3.9	4.0	4.1
Total**	<u>4.5</u>	<u>5.4</u>	<u>5.5</u>	<u>5.6</u>	<u>5.7</u>
Amount which is Voter Approved Exclusion Under Tax Limit (cumulative)	4.0	4.2	4.3	4.3	4.4
	<u>CASE 2</u>				
	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>
Debt Service					
Bonds Oct. 1986	1.6	1.6	1.6	1.6	1.6
Bonds Oct. 1987-1992 (\$10 m/yr.)	.5	1.5	2.6	3.7	4.8
Operation and Maintenance					
Case 1 - O & M's*	2.9	3.8	3.9	4.0	4.1
O&M - CIP 88-92	.0	1.3	3.1	5.7	7.5
Total**	<u>4.9</u>	<u>8.1</u>	<u>11.2</u>	<u>15.0</u>	<u>18.0</u>
Amount Which is Voter Approved Exclusion Under Tax Limit (cumulative)	4.4	6.5	9.2	12.7	15.5

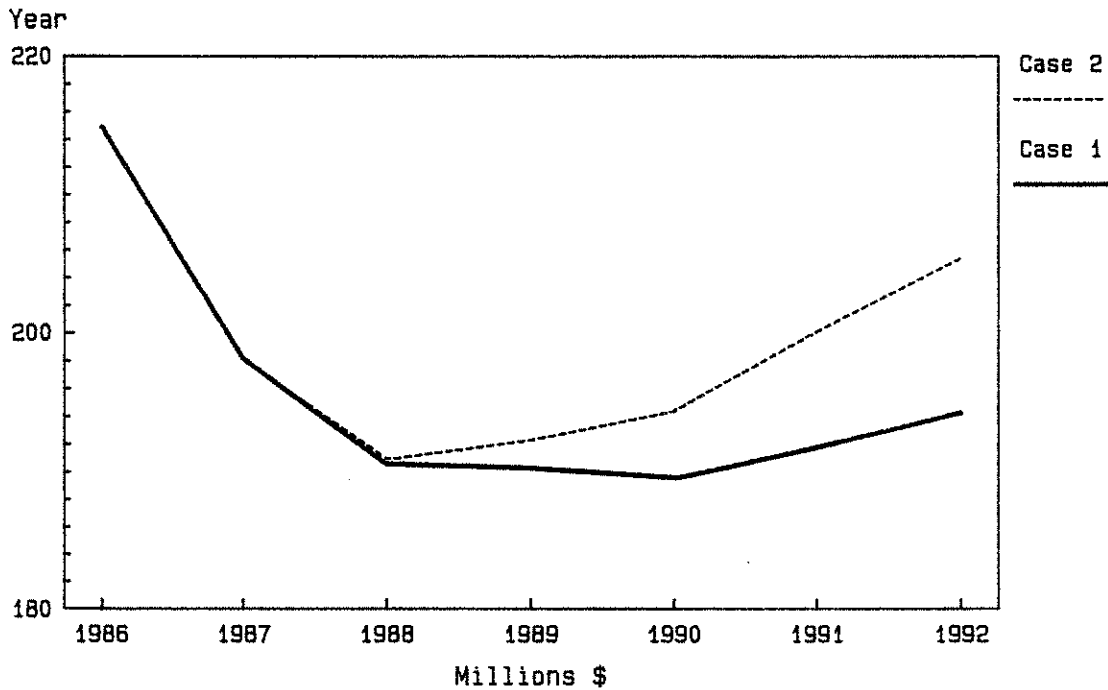
*Case 1 operation and maintenance costs include the Performing Arts Center, and projects in 1986 and 1987 Capital Improvement Budgets including \$15.5 million bonds on the October 1986 ballot.

** Columns may not total due to rounding.

Since downstream capital related costs of voter approved projects are exemptions under the tax limitation, the amount of allowable property taxes would be higher in Case 2 and thus total revenues and expenditures could also be higher. Figure 3-6 shows the range of projected expenditures for these two cases, using the proposed \$198.1 million budget for 1987 as the base for both.

Figure 3-6

**Projected Expenditures
Allowed Under Tax Limit Cases 1 and 2**
(millions of dollars)



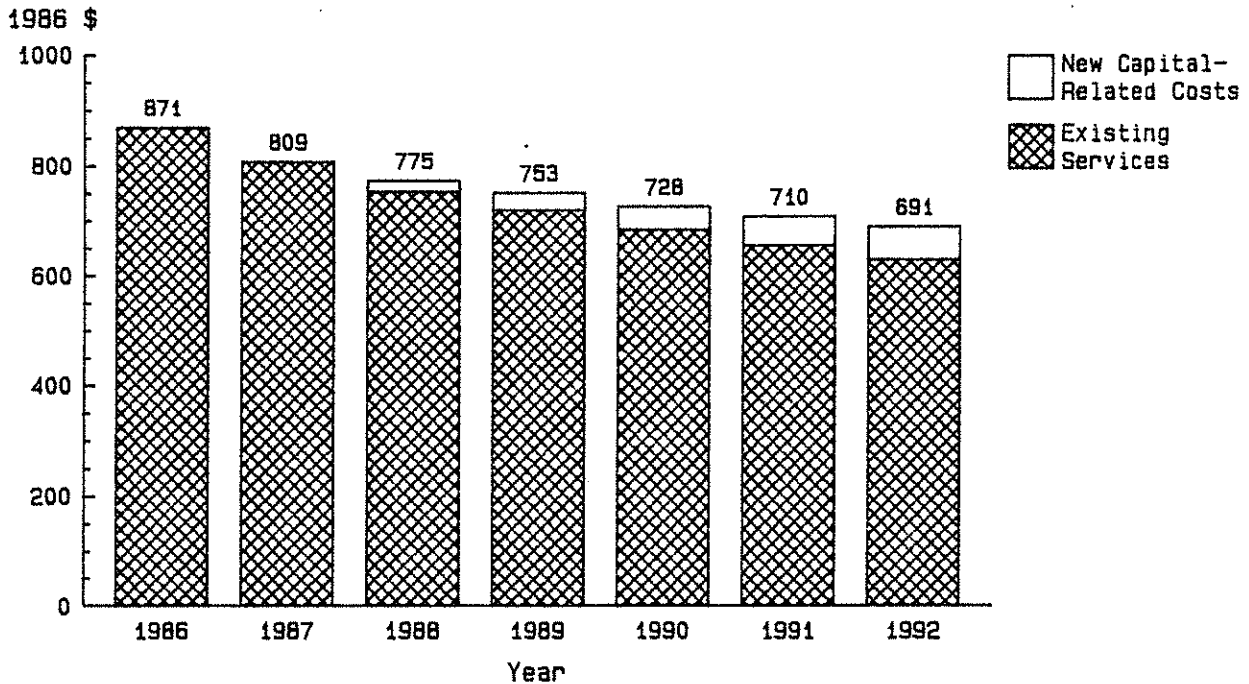
1986 Revised Budget; 1987 Proposed Budget; 1988-1992 Fiscal Model Projections. See appendix for detail.

Allowable expenditures rise to \$205.4 million in Case 2, nearly \$11 million more than in Case 1. The difference is made up in higher property taxes allowed with the larger volume of voter approved projects. Not all additional operation and maintenance costs contained in this scenario are voter approved, however (e.g., O&M's on state or federally funded projects). As a

result, costs go up further than do allowable revenues. The difference (absent new revenues) must be made up by decreases in expenditures on currently existing services. Figure 3-7 shows projected per capita expenditures in Case 2, divided between existing services and new capital costs. When adjusted for inflation, new capital related costs rise from \$20 in 1988 to \$61 per capita in 1992, while existing services decrease over 27% from \$871 in 1986 to \$631 in 1992.

Figure 3-7

**Case 2 - Projected Per Capita Expenditures
Existing and New Capital Related Costs
1986 Dollars**



1986 Revised Budget; 1987 Proposed Budget; 1988-1992 Fiscal Model Projections. See appendix for details.

By 1992 expanded transit operations comprise approximately 60% of the total operation and maintenance costs of projects in the Proposed 87-92 CIP, if bonding is adjusted to \$10 million per year. Without a voter-approved tax exclusion for these capital related operational costs, existing service decreases (or increased non-tax revenues) of an additional \$16 per capita would be required.

Table 3-2 shows the mill rates which are implied by the tax revenues in Case 1 and 2. As noted, the property taxes projected are those allowed under the tax limitation. Budgeted expenditures could be lower than implied by "allowable" tax revenues as they have been in each year since the charter limitation was approved. If budget decisions in the outyears yield lower tax levels than those shown in Table 3-2, mill rates would likewise be less than those projected. As shown in Figure 3-1, the level of taxes selected for any year alters the range of allowable taxes in later years. To the extent that decisions are made to reduce property taxes below the limit, either spending must be reduced beyond the levels discussed above or other revenue sources must be developed.

Table 3-2

Projections of Property Taxes and Mill Rates
Using Alternative Assumptions*

	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>
<u>Case 1</u>							
Allowable Property Taxes (millions \$)	83.9	85.8	94.3	98.6	101.4	105.7	110.2
Implied Mill Rates**	5.5	6.44	7.06- 7.25	7.21- 7.56	7.05- 7.39	6.99- 7.33	6.94- 7.27
<u>Case 2</u>							
Allowable Property Taxes (millions \$)	83.9	85.8	94.6	100.6	106.2	113.8	121.1
Implied Mill Rates**	5.5	6.44	7.08- 7.28	7.36- 7.72	7.39- 7.75	7.55- 7.91	7.65- 8.01

* 1986 Revised Budget; 1987 Proposed Budget; 1988-1992 Fiscal Model Projections. See appendix for assumptions.

** Mill rate projections 1988-1992 shown as a range based on alternative assessed valuation projections.

Although the percentage changes are dramatic, it may be difficult to imagine what expenditure reductions of this magnitude might imply in terms of programs. An example may lend perspective. Public Safety in the broad sense of not only police and fire protection but Health and Human Services (including air and water and hazardous wastes programs), is a high priority in the Anchorage community. This priority is reflected in the Proposed 1987 General Government Operating and Capital Budgets. In 1987, proposed Public Safety operating expenditures are 37% of the budget or \$304 per capita. This is a somewhat higher percentage than of the 1986 budget but a slight decline from \$312 per capita in 1986.

If we were to hold Public Safety expenditures at this inflation adjusted level throughout 1988-1992, and to bring on the new capital facilities for Case 1 (\$19 per capita), remaining services would need to be reduced by over one-third of the proposed 1987 level. Public Safety would comprise 46% of the budget by 1992. All other services would fall from 63% of the 1987 budget to 51% of the much smaller 1992 budget. These services include Public Works (e.g., street maintenance, engineering and building safety), Parks and Recreation, Transit, Planning, Library, Museum, and all general management and administrative departments.

Reductions of this magnitude clearly are not feasible solely through reorganizations or efficiency savings. Choices will be required among program reductions and/or revenue enhancements.

THE FOLLOWING SECTION PREPARED
BY THE
ANCHORAGE SCHOOL DISTRICT

ANCHORAGE SCHOOL DISTRICT

FISCAL TRENDS FY 1982-83 to FY 1991-92

Introduction

By District policy, the Superintendent presents a recommended revenue and expenditure pro-forma budget to the School Board for consideration and approval prior to directing the development of the School District's financial plan. The School Board then establishes a planned budget cost ceiling and sets the outside spending limits for the annual budget preparation process. The Board has approved the base level General Fund budget plan for FY 1987-88 at \$201.25 million. This is at the same level as the revised budget for FY 1986-87. The Revised FY 1986-87 budget is \$11.41 million lower than the previously adopted General Fund current year budget of \$212.67 million. The total budget approved for planning purposes was \$245.87 million. This is a decrease of \$7.29 million from the FY 1986-87 Adopted budget of \$253.16 million. The total also includes the following funds: Food Service \$7.05 million, Debt Service \$27.97 million, State/Federal Projects \$9.60 million.

From October 1986 through January 1987 the FY 1987-88 budget will be developed by the school and administrative staff with the input and involvement of teachers, staff members, community members, and community organizations.

Several key factors are major determinants of the pro-forma budget. These factors include student population projections, debt service levels, the tax limitation, state revenue entitlements, and the prevailing inflation rate. There is a substantial degree of uncertainty in these factors. Therefore the the budget planning process will include the development for School Board consideration of expenditure reduction options to facilitate matching the revenues and expenditures.

The School Board will hold public budget development hearings and consider the FY 1987-88 Preliminary Financial Plan in February 1987. The revisions made pursuant to School Board decisions will then be incorporated into the next version of the budget which is the Proposed Financial Plan. The Municipal Assembly will hold public hearings and consider the Proposed Financial Plan in April 1987. At that time, they will approve and appropriate the total budget and the property taxes included in the approved budget. Any revisions which may then be necessary will be made and incorporated into the final version of the budget, the Adopted Financial Plan, for next fiscal year which begins July 1, 1987.

Anchorage School District - Expenditures

The student enrollment for FY 1986-87 was projected to be 41,700 at September 30, 1986, which is the baseline date. This enrollment was actually 41,997 at that date. The enrollment is projected to decrease to approximately 41,500 students in FY 1987-88, and then to range between 41,500 and 42,900 through FY 1990-91. In FY 1991-92 the projection is 44,000. For fiscal years after FY 1986-87 the year to year percentage change ranges from a 1.2% decrease for FY 1987-88 to a 2.6% increase for FY 1991-92. The full time equivalent enrollment (FTE) counts kindergarten students at one-half which is consistent with their half day program. The FTE enrollment is 5-6% lower than the full count enrollment. The incoming kindergarten classes are substantially larger than the out going senior classes. These large incoming classes offset much of the out migration in the projections.

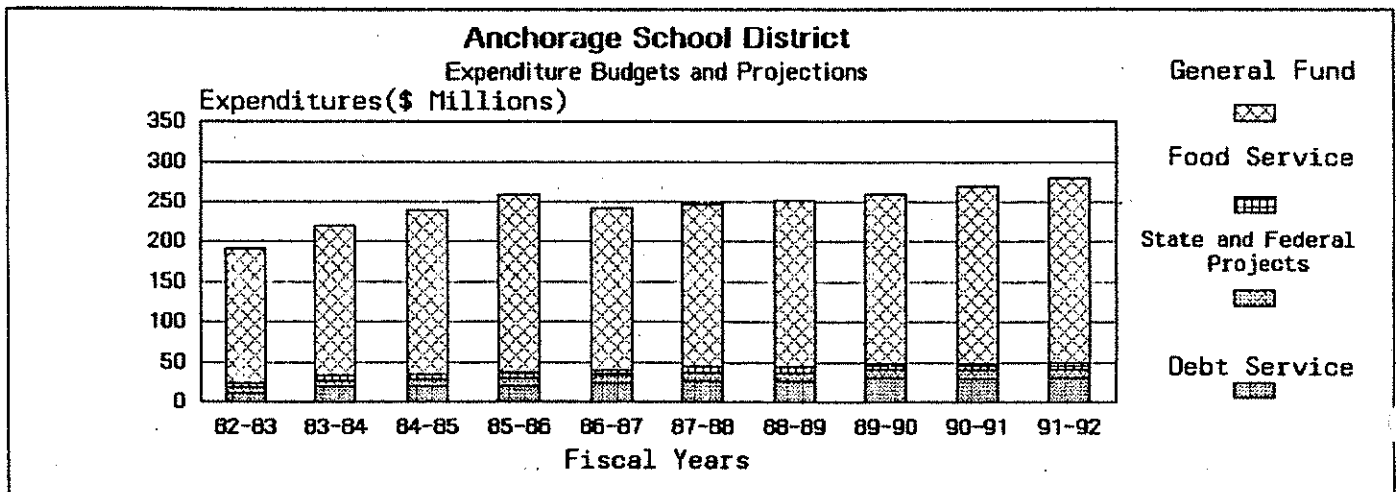
The continuation of a reduced service level of program expenditures is projected. Existing programs are presumed to continue if funds are available but program increases would not be available. Cost decreases or increases due to enrollment changes are estimated by providing for a reduced but acceptable level of teaching and direct instructional support staff and services as well as the necessary student supplies and equipment.

Operations and maintenance costs for the new school facilities included in the approved 1985 bond propositions are included in the financial projections. The new facilities are planned to open in various fiscal years from FY 1987-88 to FY 1991-92.

Cost increases are estimated using rates which vary depending on the expenditure object category group. These projected rates are intended to approximate the estimate of the School District's cost increases for employee salaries and benefits, supplies, equipment, contracted services, utilities, maintenance, etc. Annual rates of increase used are as follows: Salaries and Benefits 0% in FY 1987-88 and 1.5% thereafter, Purchased Services 2-4%, Supplies and Materials 2.75%, Capital Outlay, and Other 1%. Overall inflation, based on the Anchorage area urban consumers' price index (CPI), is assumed to be approximately 0.5% for FY 1986-87 and 1.5% to 2.75% from FY 1987-88 through FY 1991-92.

Debt service expenditure projections are prepared using the existing indebtedness and the estimated debt service on the remaining amount of approved but unissued bonds. Under the existing state reimbursement program 80% of new debt service is to be reimbursed in the same year that the debt service is paid. A pro-rata reduction of 10% in this reimbursement rate is projected for FY 1987-88 and 15% thereafter.

Food Service expenditures are projected on a per student basis using per student yearly increases of 1% per year. State Projects expenditures for special State programs are projected using per student yearly increases of 1% per year. Federal Projects expenditures for special Federal programs are projected using per student yearly increases of 2% per year. The following graph and schedule summarize the budgeted and projected expenditures for the ten fiscal years through FY 1991-92.



ANCHORAGE SCHOOL DISTRICT
EXPENDITURES
(\$ MILLIONS)

<u>Budgeted/Projected</u>		FY 82-83	83-84	84-85	85-86	86-87	87-88	88-89	89-90	90-91	91-92
Expenditures											
Operating Funds:											
General Fund		166.4	185.8	203.4	221.7	201.3	201.3	206.6	212.3	220.6	230.3
Food Service Fund		5.8	6.3	7.0	7.2	6.8	7.0	7.2	7.5	7.9	8.3
State & Federal Projects		<u>7.2</u>	<u>7.1</u>	<u>8.4</u>	<u>9.6</u>	<u>9.6</u>	<u>9.6</u>	<u>9.8</u>	<u>9.9</u>	<u>10.7</u>	<u>10.6</u>
Total - Operating		179.4	199.2	218.8	238.5	217.7	217.9	223.6	229.7	238.8	249.2
Debt Service Fund											
Through June 1986		11.4	20.2	20.1	20.1	22.8	22.7	22.7	22.7	22.1	22.6
Later Issues		—	—	—	—	.7	5.3	5.3	8.0	8.2	8.1
Total-Debt Service		11.4	20.2	20.1	20.1	23.5	28.0	28.0	30.7	30.3	30.7
Total Expenditures Projected (\$ Millions)		<u>190.8</u>	<u>219.4</u>	<u>238.9</u>	<u>258.6</u>	<u>241.2</u>	<u>245.9</u>	<u>251.6</u>	<u>260.4</u>	<u>269.1</u>	<u>279.9</u>
Total Expenditures Adjusted to FY 1986-87 Base Year Dollars		<u>218.0</u>	<u>237.8</u>	<u>252.6</u>	<u>265.1</u>	<u>241.2</u>	<u>242.3</u>	<u>243.0</u>	<u>244.8</u>	<u>246.1</u>	<u>249.2</u>
Student Enrollment (Thousands)		<u>39.3</u>	<u>40.4</u>	<u>42.1</u>	<u>42.4</u>	<u>42.0</u>	<u>41.5</u>	<u>41.6</u>	<u>41.9</u>	<u>42.9</u>	<u>44.0</u>

Budgeted expenditures through FY 1985-86 are from the Adopted Financial Plans for those years. The FY 1986-87 expenditures have been decreased by \$11.98 million in accordance with the budget revisions made in August, 1986. The Adopted Financial Plan for FY 1986-87 was \$253.16 million.

The expenditure projections presented previously in this section assume 2.75% annual increases in the Anchorage CPI after FY 1988-89. The total expenditures projected by year are presented in the accompanying schedule. The parity or equivalent service level projections indicate that expenditures would significantly exceed revenues from FY 1987-88 through FY 1990-91. Therefore, the expenditure projections were reduced to match the revenue available. If additional revenue is unavailable, and if School District costs cannot be significantly decreased, it would be necessary to implement significant further cost reduction measures. Every effort would be made so that such cost reduction measures would impact the classroom educational programs as little as possible. However most of the expenditures of the School District are for direct student instruction and services and very significant reductions and eliminations have already been made. Therefore any further substantial cost reductions would have a significantly adverse effect on the educational programs.

Anchorage School District - Revenues

Revenues for next year, FY 1987-88, are projected using as a base the current year's revised budget as well as the most recent available information as to student enrollment and availability of funding. The remainder of the years are projected using the projected FY 1987-88 revenue as the base year revenue.

State Revenue - The State Public School Foundation Program is the largest single revenue source. For FY 1986-87 it provides 57.6% of the General Fund revenues and 48.1% of total revenues. The revenue from this program is allocated on a Public School Foundation unit basis. For projection purposes the revenue was estimated using the effective base amount of \$2,927 per student, on a full time equivalent (FTE) basis. This is 10% less than the legislatively established amount of the Public School Foundation funding for FY 1985-86. Because of the State revenue uncertainty no increase in the per student funding for this program is projected for FY 1987-88. Increases starting at 1.0% per year and increasing to 3% per year are projected for the fiscal years 1988-89 through 1991-92.

State Projects revenue for special State contracted programs was projected assuming increases per student of 1% per year.

The remaining State revenue is computed using the following bases.

- Tuitions - 3% per year increase
- Pupil Transportation - 2% per year increase
- Indirect Costs - 2% per year increase

Local Revenue

Using the budgeted FY 1986-87 revenue as the base year revenue the following rates of increase are assumed in the projections:

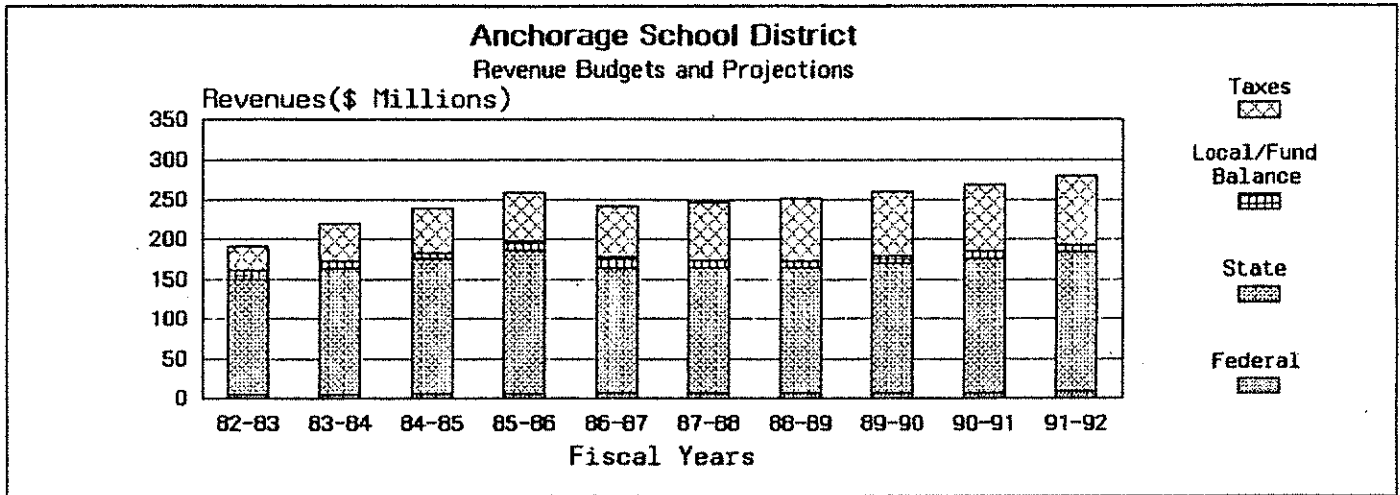
- Sale of Property per year, and Miscellaneous - 2% increase per year
- Interest - No annual increase
- Sales and Rentals - Career Center revenues and Facilities rentals are projected to increase by 3% per year. Food Service revenue is projected assuming 2.75% increases in per student sales to account for price increases as well as student participation increases.

Local Taxes - Computed increases necessary to balance revenues with expenditures while staying within the projected property tax limitation are projected. The Anchorage Municipal areawide assessed valuation projected decreases after 1986 are subject to substantial uncertainty and revision.

Federal Revenue

Increases of 2% per year in the ROTC program and PL 81-874 revenue are projected. Federal Projects revenue is projected using increases of 2% per student per year. Food Service federal reimbursement revenue is projected assuming increases of 1% per year per student in the amount of reimbursement.

The following graph and table summarize the budgeted and projected revenues for the ten fiscal years through FY 1991-92.



REVENUES
(\$ Millions)

Budgeted/Projected Revenues	FY 82-83	83-84	84-85	85-86	86-87	87-88	88-89	89-90	90-91	91-92
Federal	4.7	5.5	6.1	6.0	7.2	7.5	7.6	7.8	8.1	8.4
State	145.1	158.2	169.3	180.0	156.8	156.9	157.0	161.8	168.3	175.3
Locally Generated and Fund Balance	11.4	9.1	6.7	10.9	13.4	8.9	8.1	8.4	8.5	8.5
Property Taxes	29.6	46.6	56.8	61.7	63.8	72.6	78.9	82.4	84.2	87.7
Total Revenues Projected	190.8	219.4	238.9	258.6	241.2	245.9	251.6	260.4	269.1	279.9
Calendar Year	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991
Mill Rate	3.24	3.66	4.27	4.00	4.04	5.12	5.83	6.18	6.08	5.97

Budgeted revenues through FY 1985-86 are from the Adopted Financial Plans for those years. The projected FY 1986-87 revenues have been decreased in accordance with the budget revisions made in August, 1986. The Adopted Financial Plan for FY 1986-87 was \$253.16 million.

APPENDICES

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Table A-1

Description of Projection Scenarios

Case 1: 1987 Expenditures at \$198.1 million; Property taxes at \$85.8 million. Capital Expenditures -- Proposed 1987 Capital Improvement Budget (including \$15.5 million new bonds) plus projects already underway (e.g., Performing Arts Center). No additional bonds or new operation and maintenance costs 1988-1992.

Case 2: 1987 Expenditures at \$198.1 million; Property taxes at \$85.8 million. Capital expenditures -- Proposed 1987 Capital Improvement Budget, plus projects approved and underway (e.g., Performing Arts Center). Debt service and operation and maintenance costs associated with \$10 million in new general obligation bonds each year 1988-1992. This represents a level of bonding which approximately offsets the debt retired each year, thus holding total debt constant. Case 2 further assumes additional O & M costs associated with \$20-25 million capital funding per year from state, federal or local sources.

Table A-2

Summary of Major Assumptions

	<u>Consumer Price Index</u>	<u>Population</u>	<u>Assessed Valuation</u>
	(Percentage Change from prior year)		
1986	.50	(.6)	7.0
1987	1.50	(2.2)	(12.6)
1988	2.00	(1.4)	(2.5) - .2
1989	2.75	1.0	.3 - 2.2
1990	2.75	1.8	5.1 - 5.0
1991	2.75	2.7	5.0 - 5.0
1992	2.75	2.6	5.0 - 4.9

Table A-3

AREAWIDE ASSESSED VALUATION

\$ Millions

Year	Projection 1		Projection 2	
	New Construction	Total	New Construction	Total
1986	433.0	15,252.8	433.0	15,252.8
1987	343.0	13,330.0	343.0	13,330.0
1988	300.0	13,000.0	300.0	13,360.0
1989	300.0	13,040.0	300.0	13,660.0
1990	308.3	13,710.0	308.3	14,340.0
1991	316.7	14,400.0	316.7	15,050.0
1992	325.4	15,120.0	325.4	15,790.0

Table A-4
MUNICIPALITY OF ANCHORAGE
AREAWIDE POPULATION ESTIMATES

Year	Estimate/ Projection	% Change	Five Year Average
1982	204,216	12.99	
1983	230,846	13.04	
1984	244,030	5.71	5.01
1985	248,263	1.73	6.10
1986	246,800	(0.59)	4.39
1987	241,300	(2.23)	6.58
1988	237,800	(1.45)	3.53
1989	240,200	1.01	0.64
1990	244,500	1.79	(0.30)
1991	251,000	2.66	(0.29)
1992	257,600	2.63	0.36

Source: Department of Community
Planning Municipality of Anchorage.

Table A-5
CONSUMER PRICE INDEX

Year	CPI
1978	187.5
1979	207.0
1980	228.2
1981	246.5
1982	260.1
1983	264.8
1984	275.6
1985	282.3
1986	283.7
1987	288.0
1988	293.7
1989	301.8
1990	310.1
1991	318.6
1992	327.4

1978-1985 Consumer Price Index of
all Urban Consumers, Anchorage,
Alaska, Annual Average. Bureau of
Labor Statistics, U.S. Department
of Labor.

Table A-6
 PROJECTIONS—GENERAL GOVERNMENT OPERATING EXPENDITURE TRENDS
 CASE 1 *
 (millions of dollars)

EXPENDITURES							
	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>
Existing Services & Programs	214.9	198.1	186.1	184.9	184.1	186.3	188.6
Capital Costs of New Facilities							
Operation & Maintenance			2.9	3.8	3.9	4.0	4.1
Debt Service (Oct. 1986 Bonds)			1.6	1.6	1.6	1.6	1.6
TOTAL DIRECT COSTS	214.9	198.1	190.5	190.2	189.5	191.8	194.3
Function Costs	196.3	182.4	175.5	175.7	175.0	177.3	179.8
REVENUES							
	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>
Federal Revenues	6.4	5.1	3.0	2.0	0.9	0.9	0.8
State Revenues	58.0	44.8	36.6	33.0	29.8	26.9	23.9
Local (Non-property tax) Revenues	36.2	33.3	33.9	34.4	35.2	36.2	37.3
Utility Revenue Distribution	5.5	7.0	6.0	6.0	6.0	6.0	6.0
Property Taxes (actual or allowed)	83.9	85.8	94.3	98.5	101.3	105.5	110.0
Fund Balance Applied	6.3	6.4	1.8	1.8	1.8	1.8	1.8
Intra-Governmental Charges	18.7	15.7	15.0	14.5	14.5	14.5	14.5
TOTAL REVENUES	214.9	198.1	190.6	190.2	189.5	191.8	194.3
OVER/(UNDER) TAX LIMIT	(1.4)	(8.4)	0	0	0	0	0
Implied Mill Rate—Gen. Govt. (mills)	5.50	6.44	7.25	7.56	7.39	7.33	7.27
Assessed Valuation (millions \$)	15,252.8	13,330.0	13,000.0	13,040.0	13,710.0	14,400.0	15,120.0

* CASE 1: Revised budget figures are used for 1986, proposed budget for 1987, and projections from 1988 through 1992. Expenditures are assumed to equal total revenues allowed under the tax limitation and assume no change in the revenue structure. Lower property taxes in any year would result in lower allowable taxes and expenditures in the years which follow.

Capital Costs are those associated with approved projects adjusted for recent state funding decisions and projects in the Proposed 1987 CIB. It is assumed that the October 1986 bond propositions are approved by the voters. Estimated state and federal revenues for 1987 based on information as of September 15, 1986. Expenditures and revenues are in millions of dollars. It is assumed that \$1.8 million of fund balance is applied in 1988 through 1992. Debt service numbers are actuals plus estimates for bonds yet to be issued and for non-general obligation debt.

Columns may not add to total due to rounding.

Table A-6 Revised

PROJECTIONS--GENERAL GOVERNMENT OPERATING EXPENDITURE TRENDS

CASE 1

Revised as of 12/15/86*

(millions of dollars)

EXPENDITURES	1986	1987	1988	1989	1990	1991	1992
Existing Services & Programs	214.9	197.3	185.8	186.1	185.7	187.4	189.5
Capital Costs of New Facilities							
Operation & Maintenance			2.2	2.4	2.5	2.6	2.6
Debt Service (Oct. 1986 Bonds)			1.6	1.6	1.6	1.6	1.6
TOTAL DIRECT COSTS	214.9	197.3	189.5	190.0	189.7	191.5	193.7
Function Costs	196.3	181.6	175.5	176.7	177.1	179.5	182.3
REVENUES							
	1986	1987	1988	1989	1990	1991	1992
Federal Revenues	6.4	1.1	1.0	1.0	0.9	0.9	0.8
State Revenues	58.0	44.8	36.6	33.0	29.8	26.9	24.3
Local (Non-Property tax) Revenues	36.2	34.3	35.2	35.8	36.6	37.6	38.8
Utility Revenue Distribution	5.5	7.0	6.0	6.0	6.0	6.0	6.0
Property Taxes (actual or allowed)	83.9	86.9	94.9	99.2	102.0	106.3	110.6
Fund Balance Applied	6.3	7.5	1.8	1.8	1.8	1.8	1.8
Intra-Governmental Charges	18.7	15.7	14.0	13.3	12.6	12.0	11.4
TOTAL REVENUES	214.9	197.3	189.5	190.0	189.7	191.5	193.7
OVER/(UNDER) TAX LIMIT	(1.4)	(8.6)	0	0	0	0	0
Implied Mill Rate--Gen. Gov't. (mills)	5.50	6.39	7.30	7.61	7.44	7.38	7.32
Assessed Valuation (millions \$)	15,252.8	13,596.0	13,000.0	13,040.0	13,710.0	14,400.0	15,120.0

*CASE 1 Revision: This revision reflects 1987 Approved Budget figures rather than proposed budget figures. As before, expenditures are assumed to equal total revenues allowed under the tax limitation and no change in the revenue structure is assumed. Lower property taxes in any year would result in lower allowable taxes and expenditures in the years which follow. Federal revenues reflect the elimination of General Revenue Sharing in 1987. Capital Costs are those associated with approved projects adjusted for recent state funding decisions, bonds approved in October 1986, and other projects in the Approved 1987 CIB. Operation and maintenance costs have been adjusted downward to reflect a more realistic project timing and project modifications. It is assumed that \$1.8 million of fund balance is applied in 1988 through 1992. Debt service numbers are actuals plus estimates for bonds yet to be issued and for non-general obligation debt. Intra-governmental charges are assumed to decline over time as utilities request fewer accounting and computer services from general government.

Columns may not add to total due to rounding.

Table A-7
 PROJECTIONS — GENERAL GOVERNMENT OPERATING EXPENDITURE TRENDS
 CASE 2 *
 (millions of dollars)

EXPENDITURES	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>
Existing Services & Programs	214.9	198.1	186.0	184.1	183.2	185.1	187.4
Capital Costs of New Facilities							
Operation and Maintenance			2.9	5.0	7.0	9.7	11.6
1987 Debt Service (Oct.-1986 bonds)			1.6	1.6	1.6	1.6	1.6
1988-1992 Debt Service			0.5	1.5	2.6	3.7	4.8
TOTAL DIRECT COSTS	214.9	198.1	190.9	192.3	194.4	200.1	205.4
Function Costs	196.3	182.4	175.9	177.8	179.9	185.6	190.9
REVENUES							
	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>
Federal Revenues	6.4	5.1	3.0	2.0	0.9	0.9	0.8
State Revenues	58.0	44.8	36.6	33.0	29.8	26.9	23.9
Local (Non-property tax) Revenues	36.2	33.3	33.9	34.4	35.2	36.2	37.3
Utility Revenue Distribution	5.5	7.0	6.0	6.0	6.0	6.0	6.0
Property Tax (actual or allowed)	83.9	85.8	94.6	100.6	106.2	113.8	121.1
Fund Balance	6.3	6.4	1.8	1.8	1.8	1.8	1.8
Intra-Governmental Charges	18.7	15.7	15.0	14.5	14.5	14.5	14.5
TOTAL REVENUES	214.9	198.1	190.9	192.3	194.4	200.1	205.4
OVER/(UNDER) TAX LIMIT	(1.4)	(8.4)	0	0	0	0	0
Implied Mill Rate—Gen. Govt. (mills)	5.50	6.44	7.28	7.72	7.75	7.91	8.01
Assessed Valuation (millions of \$)	15,252.8	13,330.0	13,000.0	13,040.0	13,710.0	14,400.0	15,120.0

* Case 2: Same assumptions as Case 1, except capital projects also include those in the Proposed 1987-1992 Capital Improvement Program, adjusted to reflect \$10 million general obligation bonds per year 1988-1992.

Columns may not add to total due to rounding.

Table A-8
ANCHORAGE SCHOOL DISTRICT

EXPENDITURES
(\$ Millions)

Budgeted/Projected Expenditures	FY	82-83	83-84	84-85	85-86	86-87	87-88	88-89	89-90	90-91	91-92
Operating Funds:											
General Fund		166.4	185.8	203.4	221.7	201.3	201.3	206.6	212.3	220.6	230.3
Food Service Fund		5.8	6.3	7.0	7.2	6.8	7.0	7.2	7.5	7.9	8.3
State & Federal Projects		<u>7.2</u>	<u>7.1</u>	<u>8.4</u>	<u>9.6</u>	<u>9.6</u>	<u>9.6</u>	<u>9.8</u>	<u>9.9</u>	<u>10.7</u>	<u>10.6</u>
Total - Operating		179.4	199.2	218.8	238.5	217.7	217.9	223.6	229.7	238.8	249.2
Debt Service Fund											
Through June 1986		11.4	20.2	20.1	20.1	22.8	22.7	22.7	22.7	22.1	22.6
Later Issues		-	-	-	-	<u>3.7</u>	<u>5.3</u>	<u>5.3</u>	<u>8.0</u>	<u>8.2</u>	<u>8.1</u>
Total-Debt Service		11.4	20.2	20.1	20.1	23.5	28.0	28.0	30.7	30.3	30.7
Total Expenditures Projected		<u>190.8</u>	<u>219.4</u>	<u>238.9</u>	<u>258.6</u>	<u>241.2</u>	<u>245.9</u>	<u>251.6</u>	<u>260.4</u>	<u>269.2</u>	<u>279.9</u>
Total Expenditures Adjusted to FY 1986-87 Base Year Dollars		<u>218.0</u>	<u>237.8</u>	<u>252.6</u>	<u>265.1</u>	<u>241.2</u>	<u>242.3</u>	<u>243.0</u>	<u>244.8</u>	<u>246.1</u>	<u>249.2</u>

REVENUES
(\$ Millions)

Budgeted/Projected Revenues	FY	82-83	83-84	84-85	85-86	86-87	87-88	88-89	89-90	90-91	91-92
Federal		4.7	5.5	6.1	6.0	7.2	7.5	7.6	7.8	8.1	8.4
State		145.1	158.2	169.3	180.0	156.8	156.9	157.0	161.8	168.3	175.3
Locally Generated and Fund Balance		11.4	9.1	6.7	10.9	13.4	8.9	8.1	8.4	8.5	8.5
Property Taxes		<u>29.6</u>	<u>46.6</u>	<u>56.8</u>	<u>61.7</u>	<u>63.8</u>	<u>72.6</u>	<u>78.9</u>	<u>82.4</u>	<u>84.2</u>	<u>87.7</u>
Total Revenues Projected		<u>190.8</u>	<u>219.4</u>	<u>238.9</u>	<u>258.6</u>	<u>241.2</u>	<u>245.9</u>	<u>251.6</u>	<u>260.4</u>	<u>269.1</u>	<u>279.9</u>
Calendar Year		<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>
Mill Rate		3.24	3.66	4.27	4.00	4.04	5.12	5.83	6.18	6.08	5.97

TABLE A-9

Anchorage School District
Student Enrollment

<u>Year</u>	<u>Count/ Projection</u>
FY 82-83	39,291
FY 83-84	40,427
FY 84-85	42,063
FY 85-86	42,426
FY 86-87	41,997
FY 87-88	41,500
FY 88-89	41,600
FY 89-90	41,900
FY 90-91	42,900
FY 91-92	44,000

UTILITY PROFILE

INTRODUCTION

This section of the report presents fiscal information pertaining to municipally-owned utilities. The information is not a complete fiscal picture of the utilities; rather, the charts illustrate utility financial indicators which have not been included in budget documents in the past. For more information regarding the financial history and the budget summaries for each of the utilities, please refer to the 1987 Public Utilities Operating and Capital Budgets.

The municipal utilities are self-supported through user rates and require no local tax assistance. The utilities have, in fact, eased the tax burden for general government. In 1986, ATU distributed \$5.5 million in profits to its owners - the citizens of Anchorage - through a Utility Revenue Distribution (AO 85-200) to the general government budget. Additionally, most of the utilities pay Municipal Utility Service Assessments (MUSA) to general government equivalent to the mill levy paid by other businesses.

Debt Service Coverage

Debt service coverage is determined by dividing income available for debt service (current net revenue before debt service payments with depreciation and in some cases Municipal Utility Service Assessment (MUSA) added to it) by the accrued debt service for the year. Debt service coverage is an indication of a utility's ability to pay for existing debt as well as its ability to finance new debt. For a utility to issue new debt, it must satisfy a number of criteria in the bond covenants and be able to show that projected debt service coverage will be at least equal to the minimum requirement contained in its covenants. Projected debt service coverage is one of several indicators used by the utilities financed with revenue bonds to determine when to file for a rate increase and the size of the increase needed.

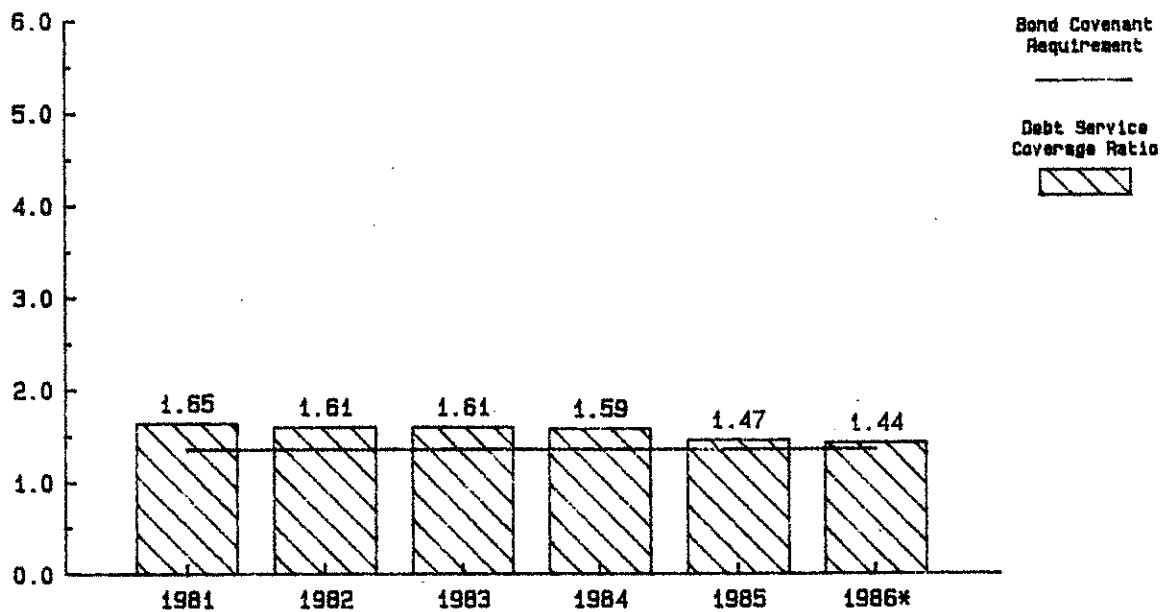
The minimum debt service coverage requirement contained in each utility's bond covenants is included as a benchmark on each of the following graphs. No debt service coverage graphs are included for the Anchorage Wastewater Utility, Merrill Field Airport or the Processing and Disposal section of the Solid Waste Utility because those entities have not issued revenue bonds.

All of the utilities have met their coverage requirements in recent years and have been able to issue new debt to finance their growth as needed. ML&P received a 16.13% interim rate increase in July, 1986, which had been budgeted for January 1986. The increase, received later than expected, contributed to a lower than anticipated coverage in 1986. A full year at the new rates and tight expenditure controls should improve coverage in 1987.

The Port of Anchorage debt service coverage has decreased in 1986, primarily due to revenue bonds sold in December 1985. The Port plans to maintain tight controls on expenses and monitor income projections closely to ensure that coverage does not fall below the requirement.

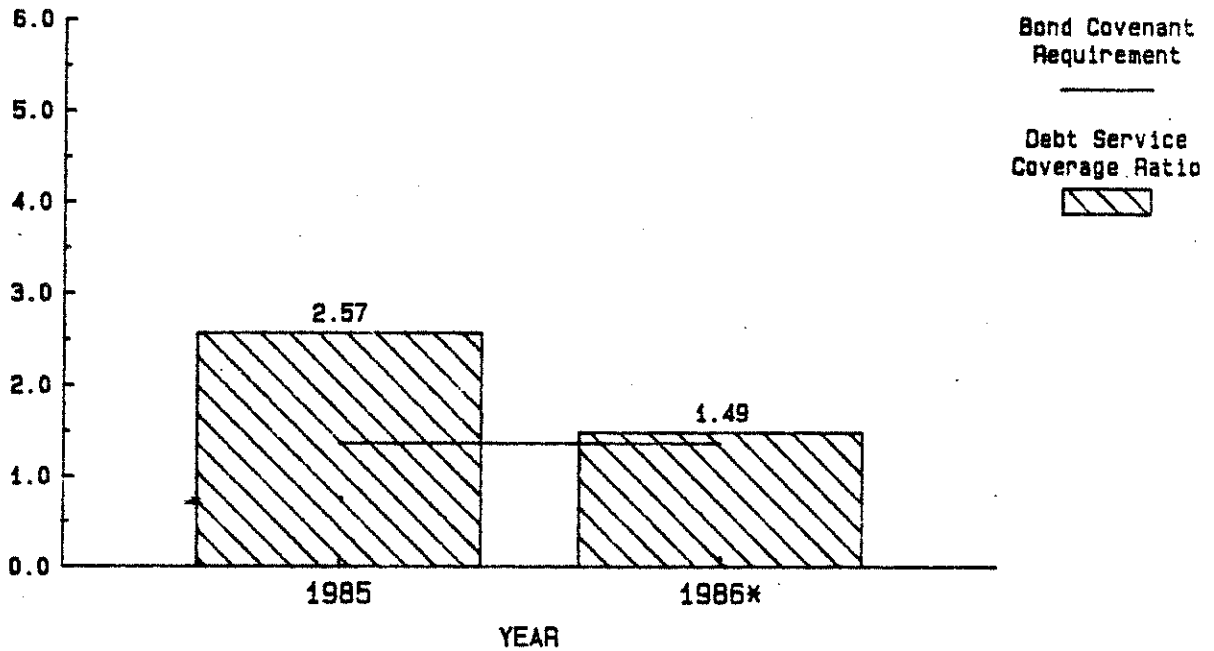
Figure 4-1

DEBT SERVICE COVERAGE MUNICIPAL LIGHT AND POWER



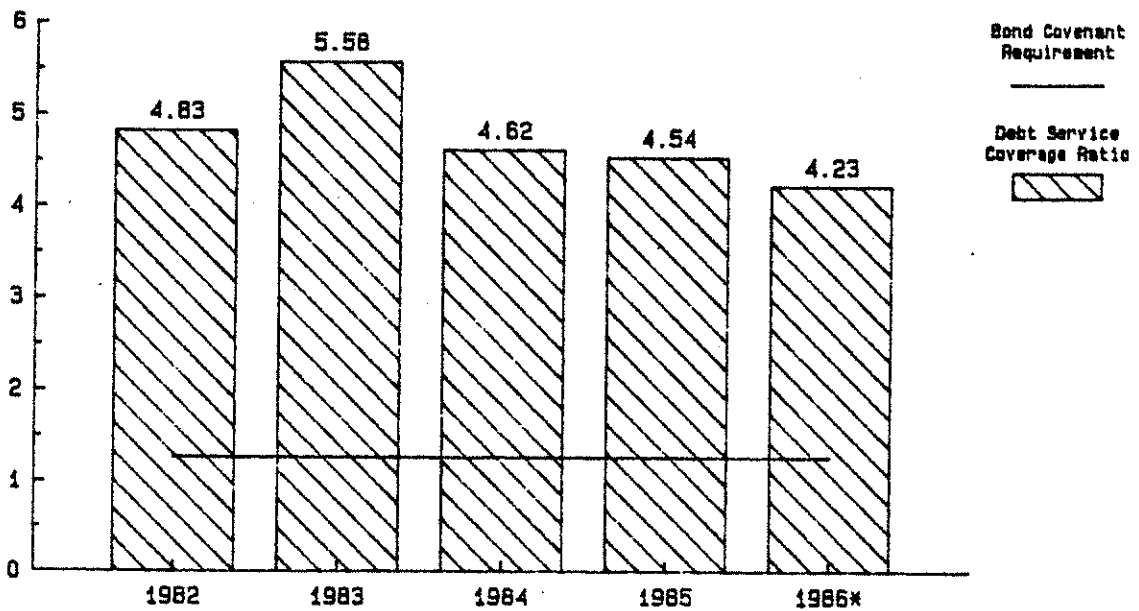
* Estimated

Figure 4-2
**DEBT SERVICE COVERAGE
 PORT OF ANCHORAGE**



* Estimated
 No Port Revenue Bonds outstanding prior to 1985.

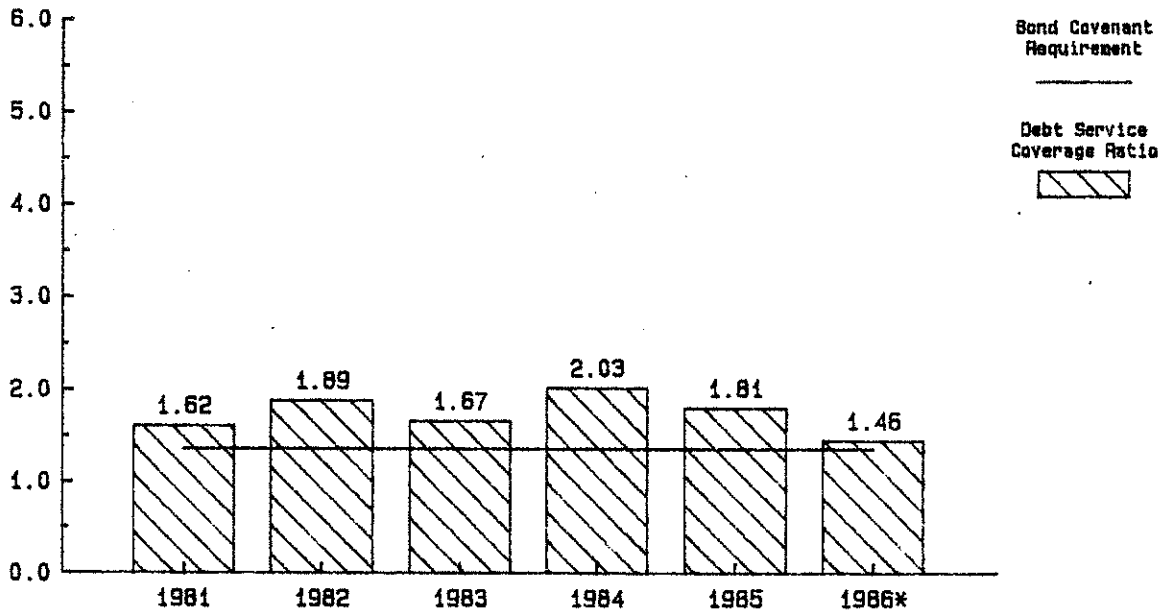
Figure 4-3
**DEBT SERVICE COVERAGE
 SOLID WASTE UTILITY
 REFUSE COLLECTION**



* Estimated
 No Refuse Revenue Bonds issued prior to 1982.
 No Disposal Revenue Bonds Issued.

Figure 4-4

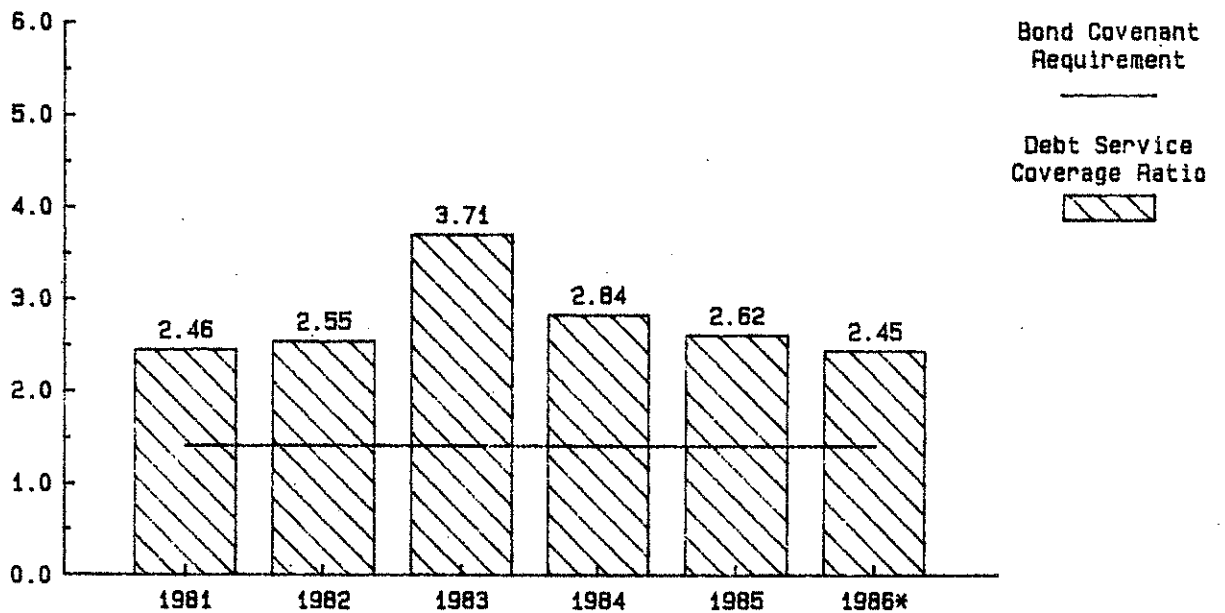
DEBT SERVICE COVERAGE WATER UTILITY



* Estimated

Figure 4-5

DEBT SERVICE COVERAGE ANCHORAGE TELEPHONE UTILITY



* Estimated

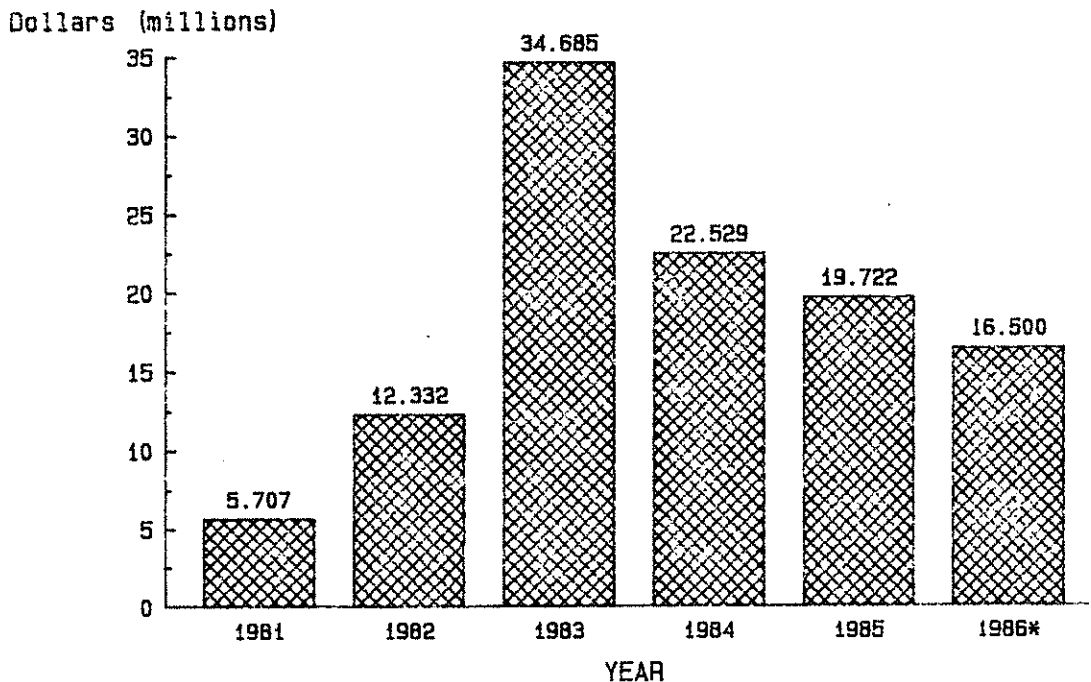
NET INCOME

Net income is calculated by subtracting total expenses from total revenues. It is closely tied to utility rates as most revenues are from charges for services provided. If net income is large, it may indicate that rates are sufficient and will not need to be raised in the near future. If it is low or negative, a utility's equity is being eroded and it may be an indicator that a rate increase needs to be requested. In either case, expenses are monitored closely to be sure they are being kept as low as possible while still providing services to all customers.

Net income for the regulated utilities, including Anchorage Water and Wastewater Utility, Anchorage Telephone Utility, and Municipal Light and Power, is computed using methodology prescribed by the Alaska Public Utilities Commission (APUC). Although other utilities, including Solid Waste utilities, the Port of Anchorage, and Merrill Field Airport, are not regulated by the APUC, net income is computed using the same methodology for rate-making purposes.

Figure 4-6

NET INCOME ANCHORAGE TELEPHONE UTILITY



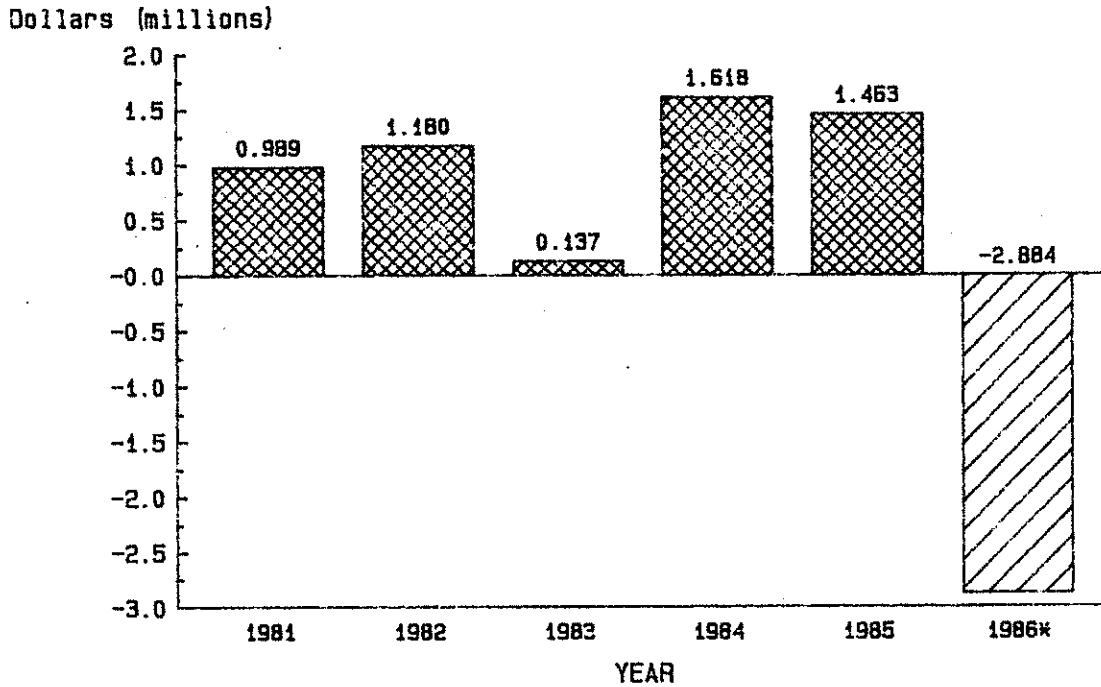
* Estimated

1982 included \$6.0 million in prior year toll settlement.

1983 included \$20.8 million in prior year toll settlement.

Figure 4-7

**NET INCOME (REGULATORY)
WASTEWATER UTILITY**

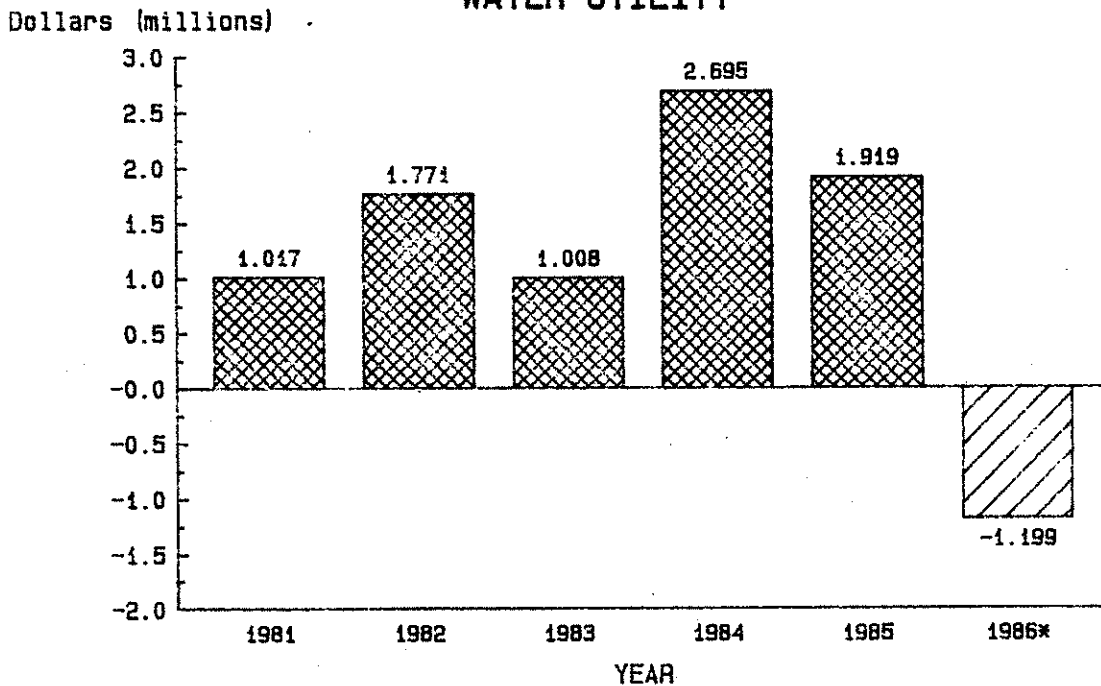


* Estimated

1986 projected loss primarily due to receiving a rate increase which was 6% less than anticipated.

Figure 4-8

**NET INCOME (REGULATORY)
WATER UTILITY**



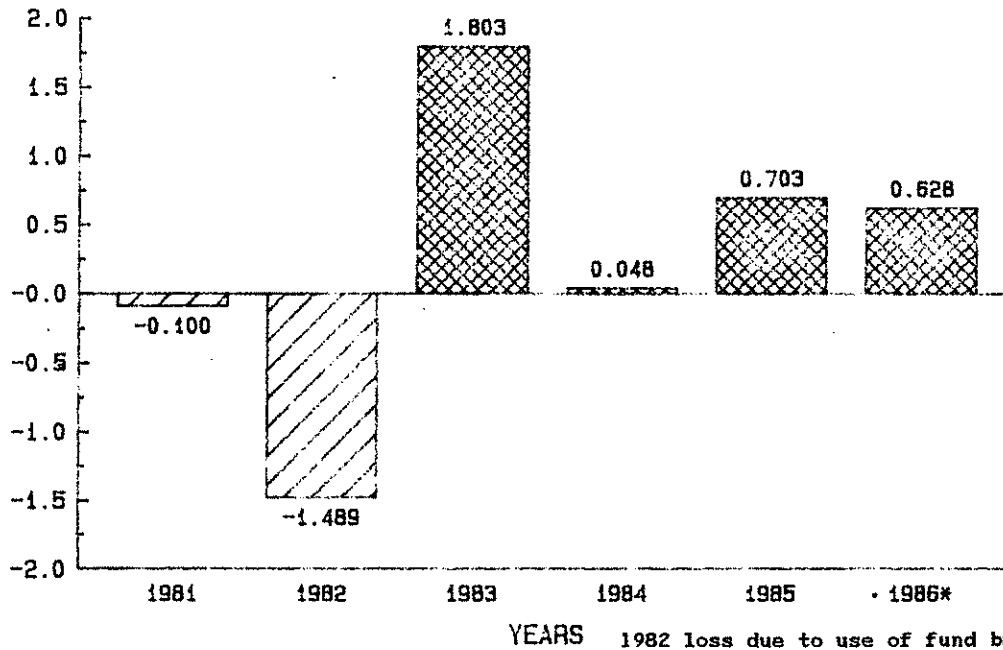
* Estimated

1986 projected loss primarily due to receiving a rate increase which was 9% less than anticipated.

Figure 4-9

**NET INCOME **
SOLID WASTE UTILITY
PROCESSING AND DISPOSAL**

DOLLARS (millions)



* Estimated

** Same methodology used to compute net income as used in regulated utilities.

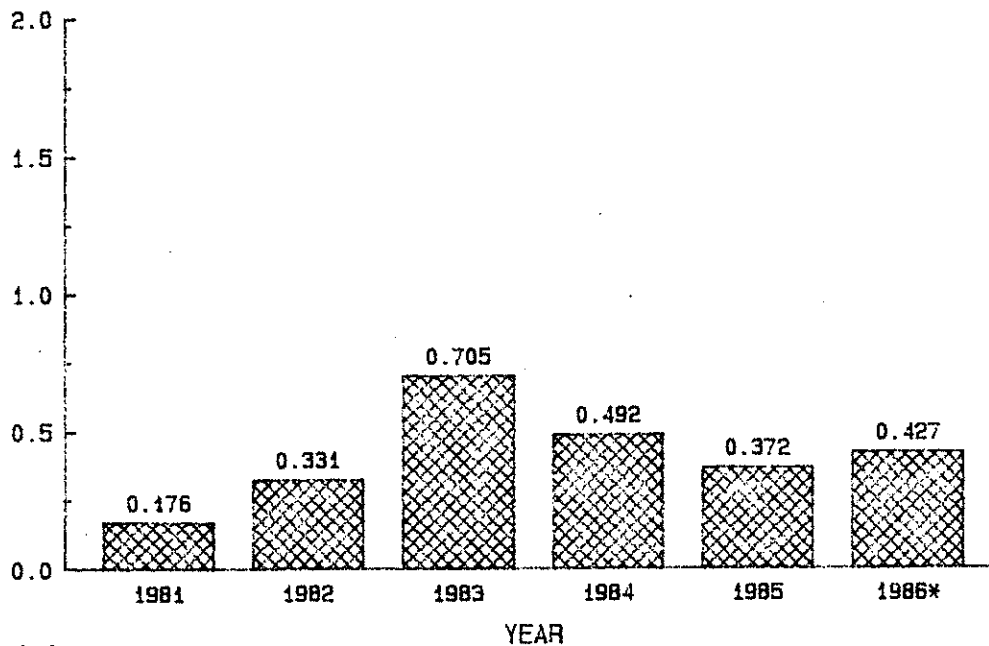
1982 loss due to use of fund balance to reduce taxes. (Solid waste was part of general government at that time.)

1983 profit due to replenish funded balance. (Solid waste was part of general government at that time.)

Figure 4-10

**NET INCOME **
SOLID WASTE UTILITY
REFUSE COLLECTION**

Dollars (millions)

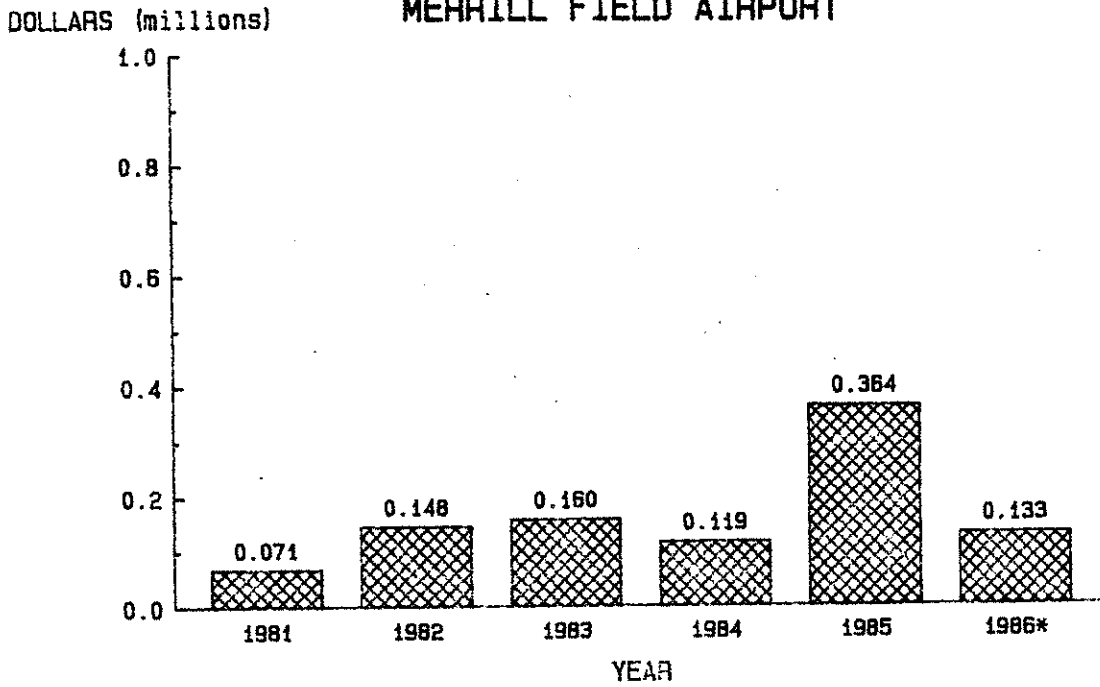


* Estimated

** Same methodology used to compute net income as used in regulated utilities.

Figure 4-11

**NET INCOME **
MERRILL FIELD AIRPORT**

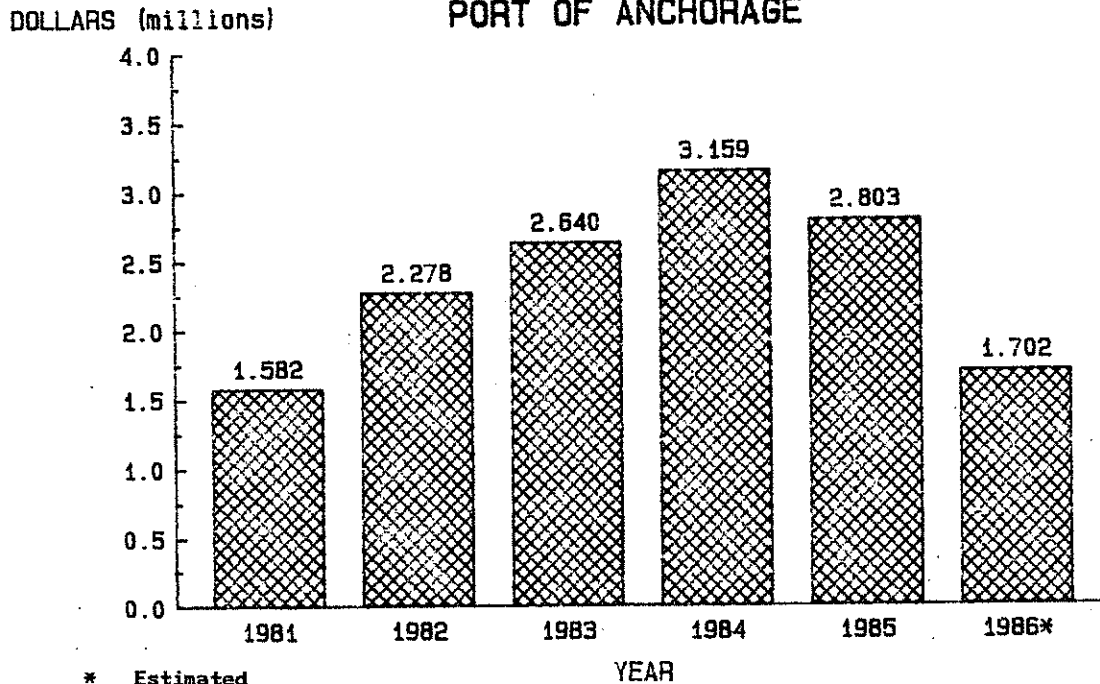


* Estimated

** Same methodology used to compute net income as used in regulatory utilities. Disproportional income increase in 1985 due to sale of hotel property.

Figure 4-12

**NET INCOME **
PORT OF ANCHORAGE**

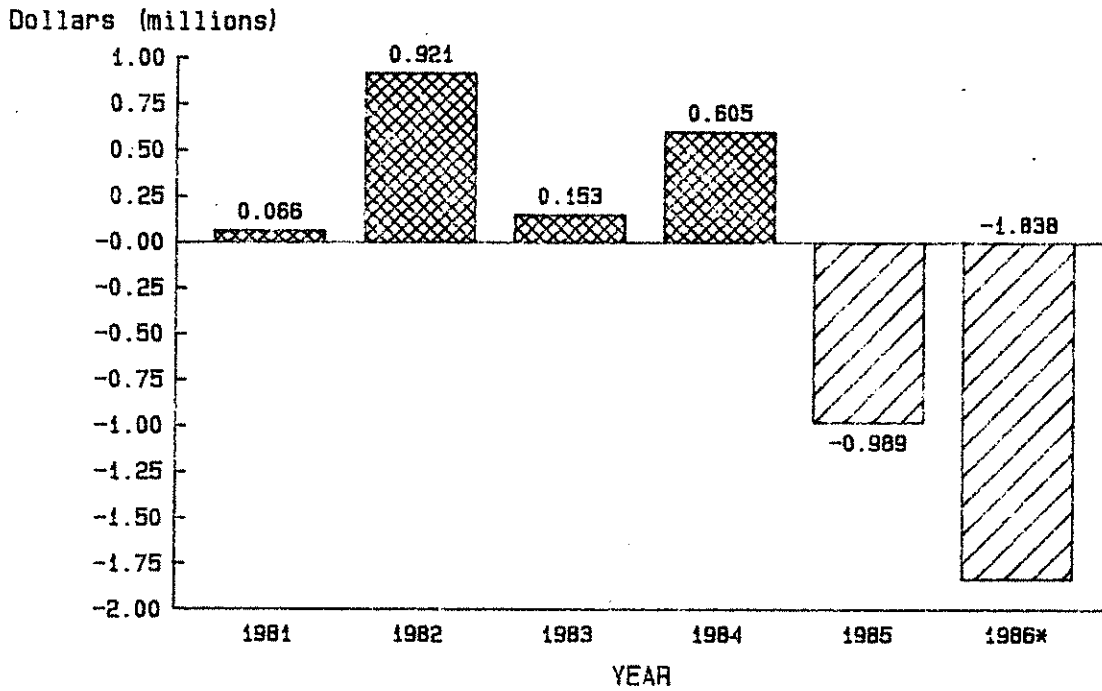


* Estimated

** Same methodology used to compute net income as used in regulated utilities.

Figure 4-13

NET INCOME (REGULATORY) MUNICIPAL LIGHT AND POWER

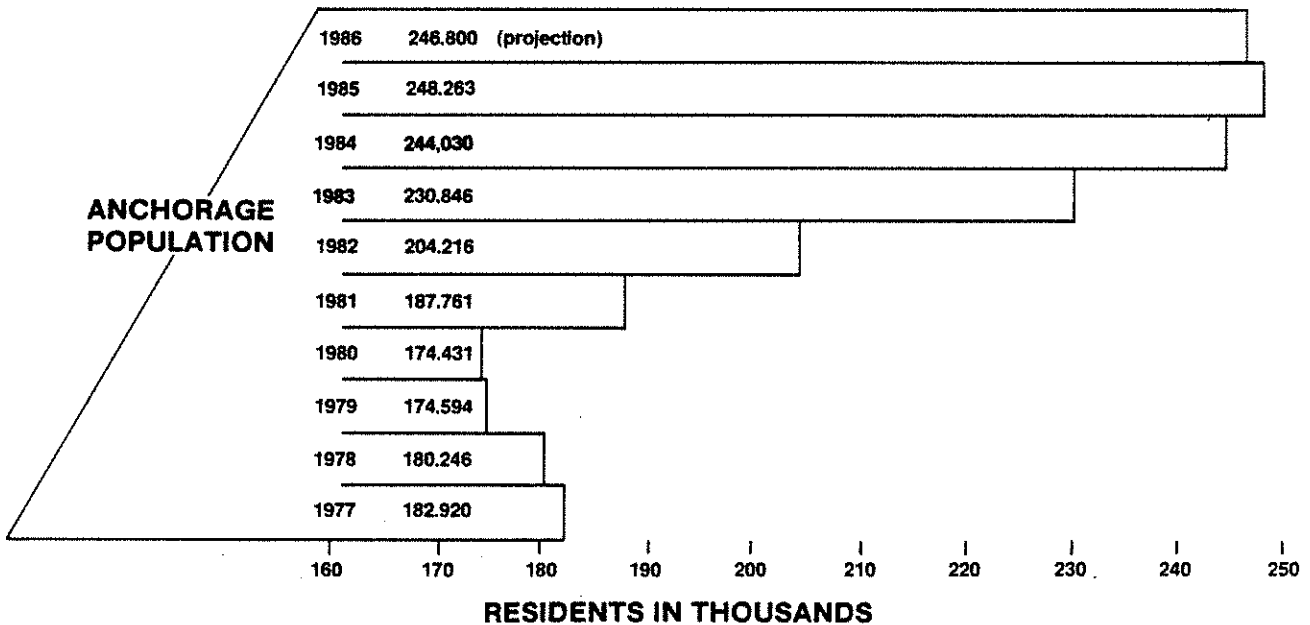


* Estimated

COMMUNITY PROFILE

MUNICIPALITY OF ANCHORAGE COMMUNITY PROFILE

GENERAL FACTS	Incorporation	September 16, 1975
	Form of Government	Unified, Home Rule — Mayor/Assembly
	Area	1,955 Square Miles
	Population	246,800 (1986 projection)

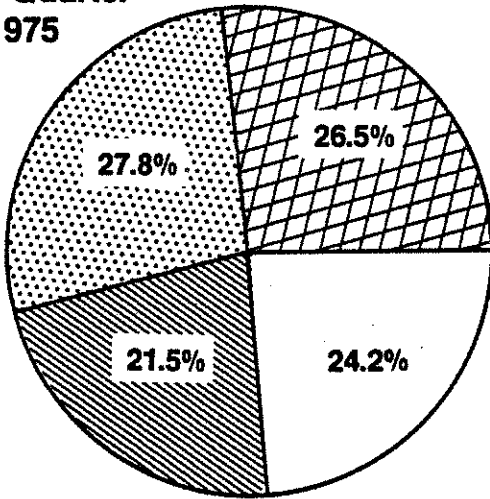


SOURCE: Community Planning Department, MOA
1977 - 1985 estimates; 1986 projection

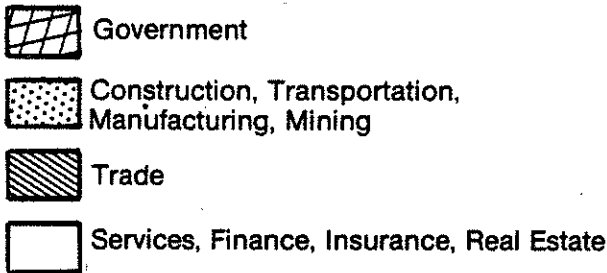
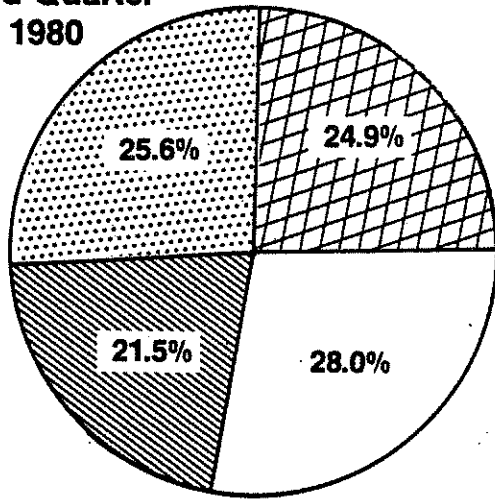
The following pages contain a variety of indicators of general economic activity and public sector service delivery in Anchorage. Most of the historical data and projections are presented in graphical form, and are self-explanatory. If the reader has questions or would like the numerical information which is portrayed in the charts, please contact the Office of Management and Budget, Municipality of Anchorage.

EMPLOYMENT

**Third Quarter
1975**

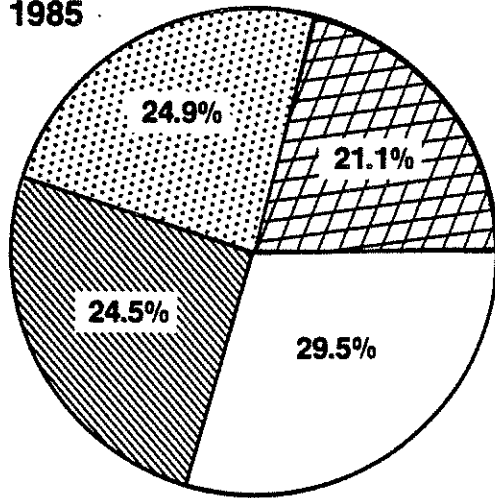


**Third Quarter
1980**

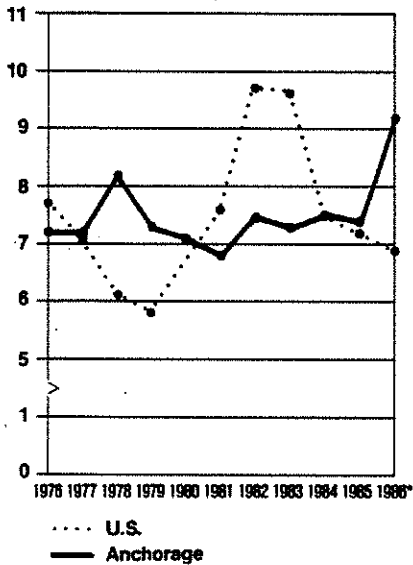


SOURCE: Alaska Department of Labor

**Third Quarter
1985**



**AVERAGE ANNUAL
UNEMPLOYMENT RATES**



*Preliminary figures for July, 1986.

SOURCE: U.S. Bureau of Labor Statistics

ANCHORAGE EMPLOYMENT

1985	109,800
1984	107,700
1983	102,600
1982	95,000
1981	86,000
1980	78,700
1979	77,500
1978	76,900
1977	77,000
1976	73,000

SOURCE: U.S. Bureau of Labor Statistics

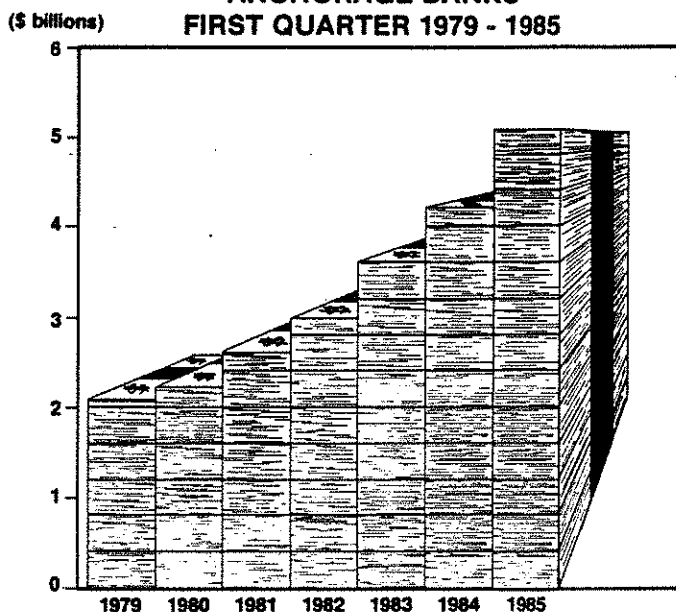
ECONOMY

PER CAPITA PERSONAL INCOME ANCHORAGE/ALASKA/U.S.

	Anchorage	Alaska	U.S.	Anchorage as % of State	Anchorage as % of Nation
1984	\$19,188	\$17,550	\$12,772	109	150
1983	\$18,736	\$17,380	\$11,681	108	160
1982	\$18,429	\$16,598	\$11,100	111	166
1981	\$16,563	\$14,819	\$10,495	112	158
1980	\$14,434	\$12,918	\$ 9,483	112	152
1979	\$12,200	\$11,252	\$ 8,706	108	140
1978	\$11,839	\$10,851	\$ 7,810	109	152
1977	\$11,430	\$10,497	\$ 7,026	109	163
1976	\$10,466	\$10,254	\$ 6,397	102	164
1975	\$10,006	\$ 9,654	\$ 5,861	104	171
1974	\$ 7,383	\$ 7,137	\$ 5,428	103	136
1973	\$ 6,050	\$ 6,066	\$ 4,980	100	121
1972	\$ 5,632	\$ 5,234	\$ 4,493	108	125
1971	\$ 5,470	\$ 4,939	\$ 4,132	111	132

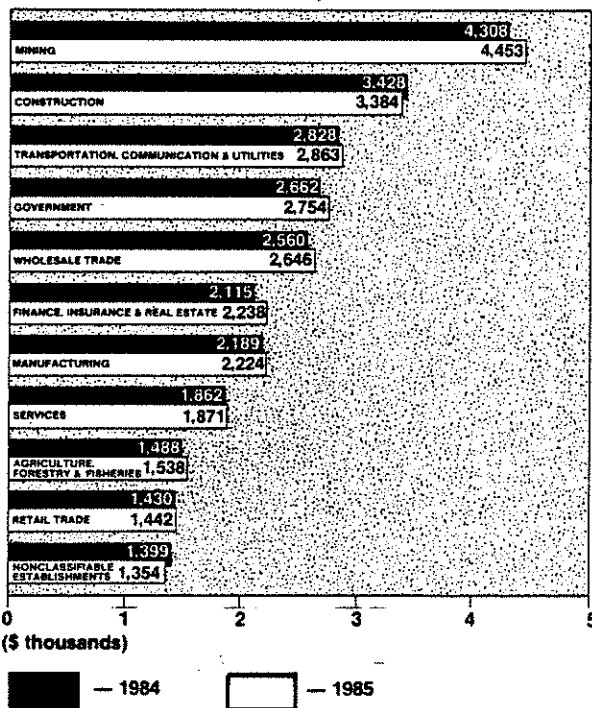
SOURCE: Survey of Current Business, U.S. Dept. of Commerce

TOTAL ASSETS ANCHORAGE BANKS FIRST QUARTER 1979 - 1985



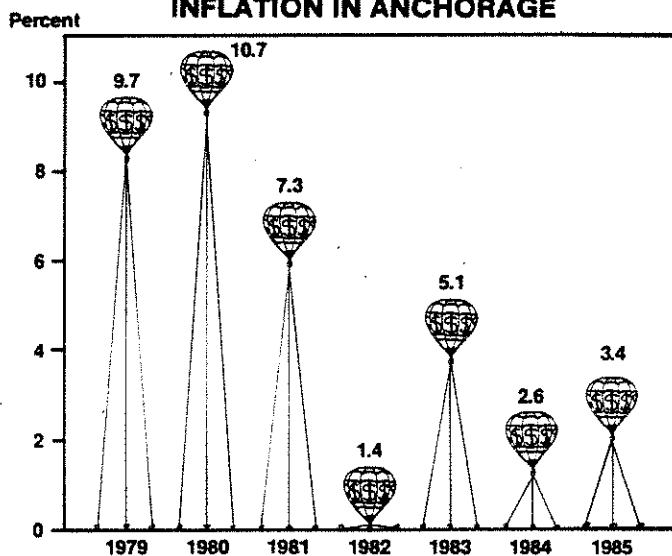
SOURCE: Alaska Dept. of Commerce and Economic Development

AVERAGE MONTHLY WAGE ANCHORAGE LABOR DIVISION THIRD QUARTER, 1984 AND 1985



SOURCE: Alaska Department of Labor

INFLATION IN ANCHORAGE



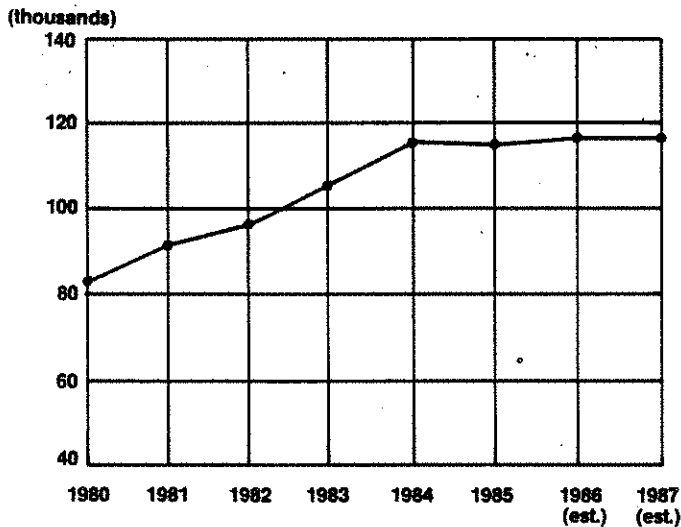
Actual change November to November.

SOURCE: U.S. Bureau of Labor Statistics

COMMUNITY SERVICE DELIVERY

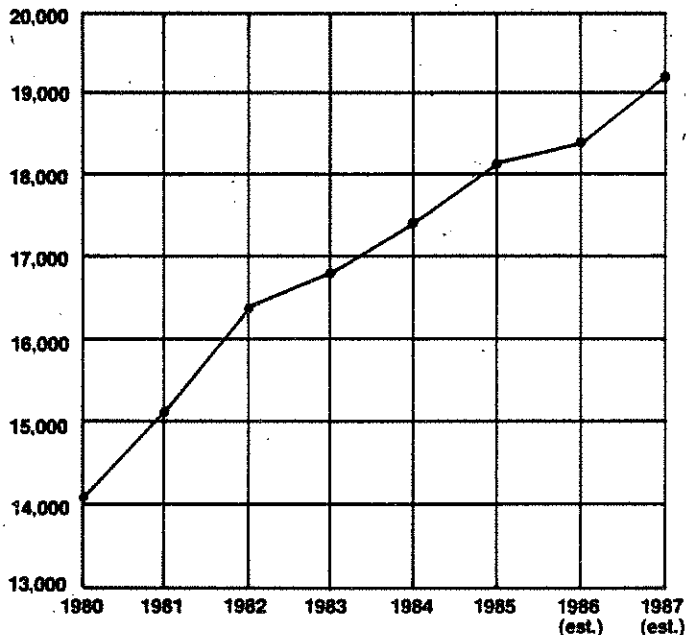
PUBLIC SAFETY

POLICE DEPARTMENT REQUESTS FOR SERVICE



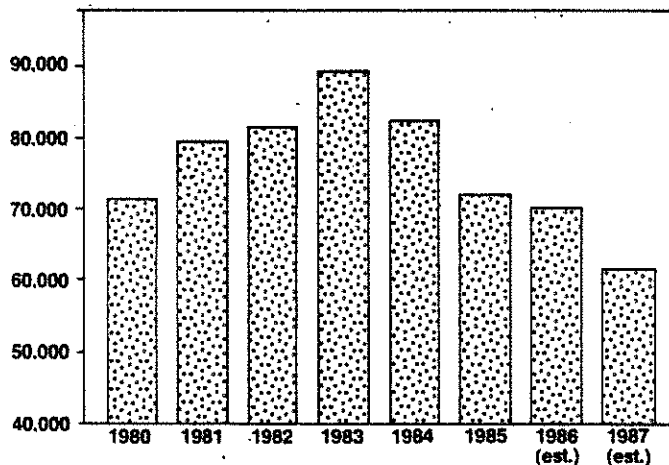
SOURCE: Police Department, MOA

FIRE/EMS ALARMS



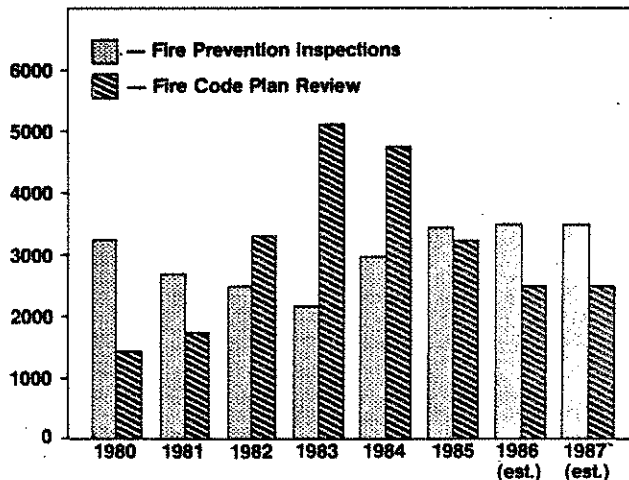
SOURCE: Fire Department, MOA

HEALTH CLINIC VISITS



SOURCE: Health and Human Services Department, MOA

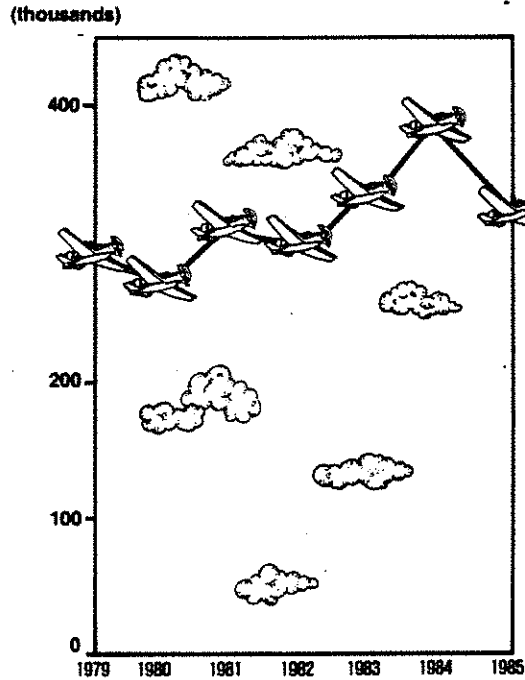
FIRE PREVENTION ACTIVITIES



SOURCE: Fire Department, MOA

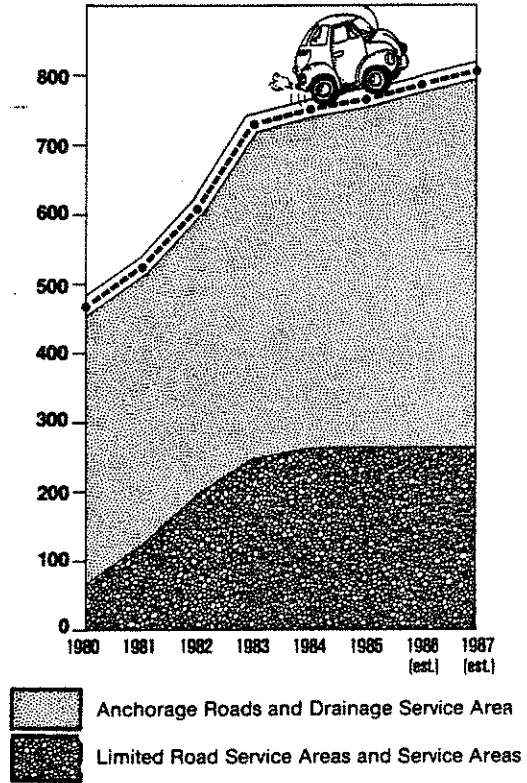
TRANSPORTATION

**MERRILL FIELD
TOTAL LANDINGS AND TAKEOFFS**



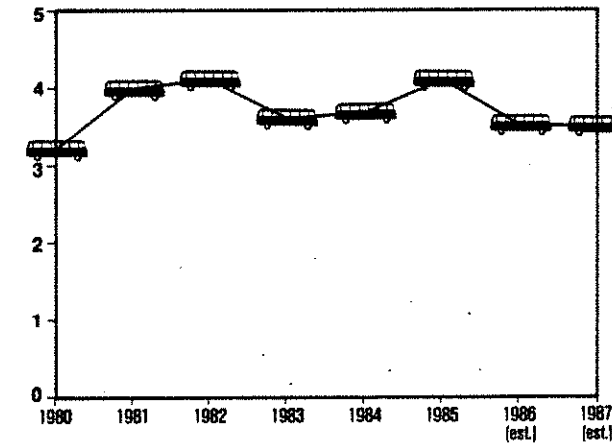
SOURCE: Merrill Field Airport, MOA

**MILES OF ROAD
MAINTAINED BY
MUNICIPALITY**



NOTE: 1987 ARDSA figure includes paved alleys.
SOURCE: Public Works Department, MOA

PEOPLE MOVER RIDERSHIP



SOURCE: Transit Department, MOA

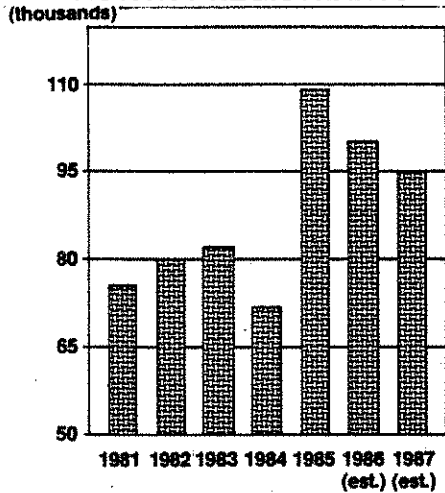
VEHICLE REGISTRATION IN ANCHORAGE

	Passenger Vehicles	Motor Cycles	Commercial Trailers	Commercial Trailers	Commercial Trucks	Pickups	Buses	Total
1985	130,445	5,453	6,627	17,204	12,779	43,409	609	216,526
1984	123,808	5,194	6,154	15,546	12,805	41,661	499	205,667
1979	86,794	3,625	3,898	12,580	10,871	31,716	531	150,015
% Change								
1984 - 1985	5.4	5.0	7.7	10.7	(0.2)	4.2	22.0	5.3

SOURCE: Alaska Department of Public Safety

LEISURE

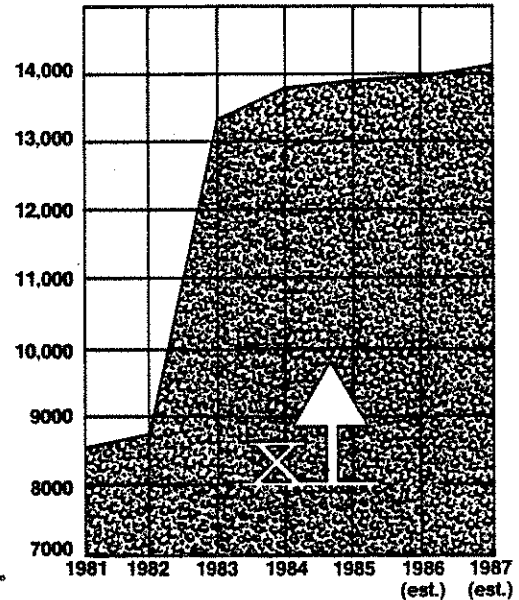
COMMUNITY SCHOOLS PROGRAM ACTIVITY REGISTRANTS*



*Large increase from 1984 to 1985 due to the addition of one community school and revised method of counting registrants.

SOURCE: Parks and Recreation Department, MOA

MUNICIPAL ACREAGE MANAGED OR MAINTAINED AS PARK LAND*



*Totals include acreage in the Anchorage Bowl, Eagle River, Chugiak, and Girdwood.

SOURCE: Parks and Recreation Department, MOA

MUNICIPAL PARKS/TRAILS OPEN SPACE/RECREATION AREAS* 1987

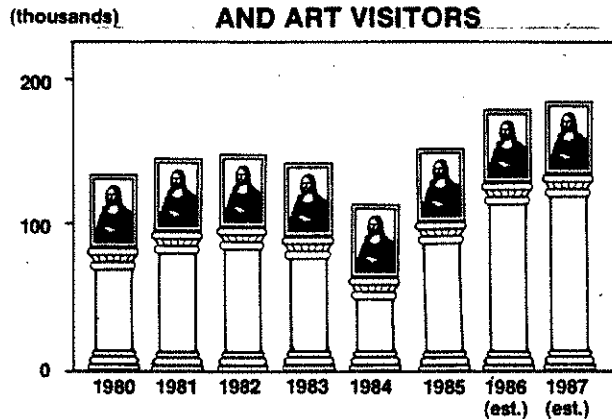
Bike Trails (Municipality Maintained)	78 Miles
Greenbelts	1,210 Acres
Ski Trails	99 KM
Tennis Courts	70
Ball Fields/Recreation Fields	85
Ice Skating Areas	22
Fitness Trails	6
Community Recreation Centers	4
Swim Beaches	3
Campgrounds/Ski Hills with Tow	2 each
Golf Course	2

	1980	1982	1984	1986	1987
Municipal Parks	103	123	160	170	181

*Totals include facilities in the Anchorage Bowl, Eagle River, Chugiak and Girdwood.

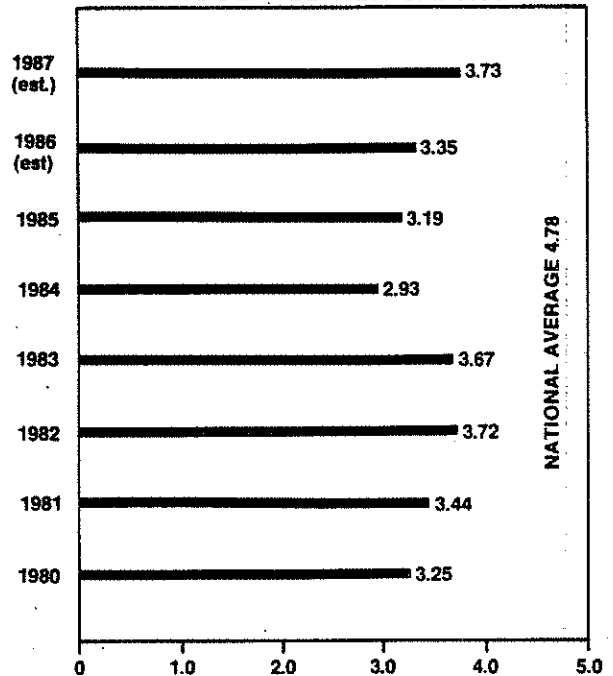
SOURCE: Parks and Recreation Department, MOA

ANCHORAGE MUSEUM OF HISTORY AND ART VISITORS



SOURCE: Anchorage Museum of History & Art, MOA

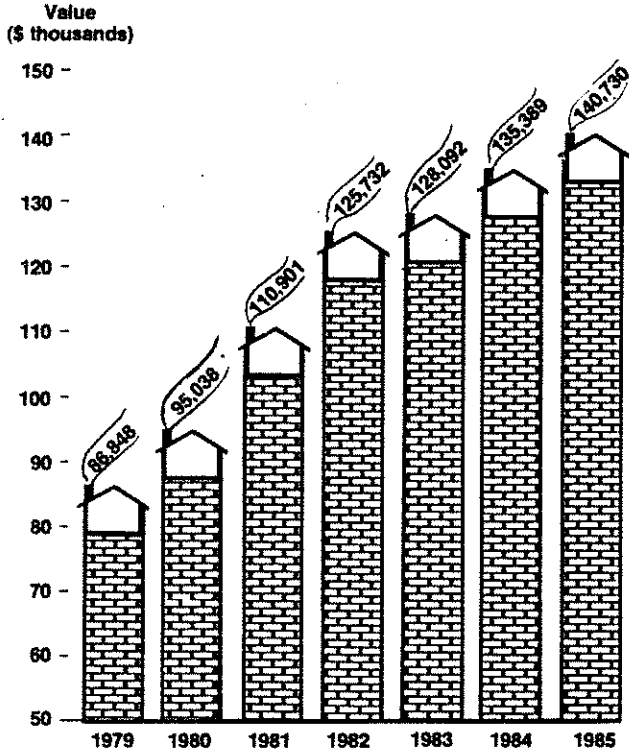
LIBRARY BOOKS/MATERIALS CIRCULATED PER CAPITA*



SOURCE: Anchorage Municipal Library, MOA

LAND AND HOUSING

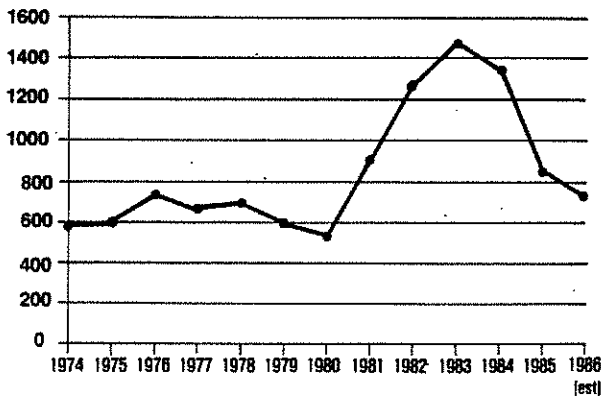
AVERAGE SELLING PRICE OF A HOME IN THE MUNICIPALITY OF ANCHORAGE*



*Includes single-family dwellings, duplexes, zero-lot lines but not condominiums.

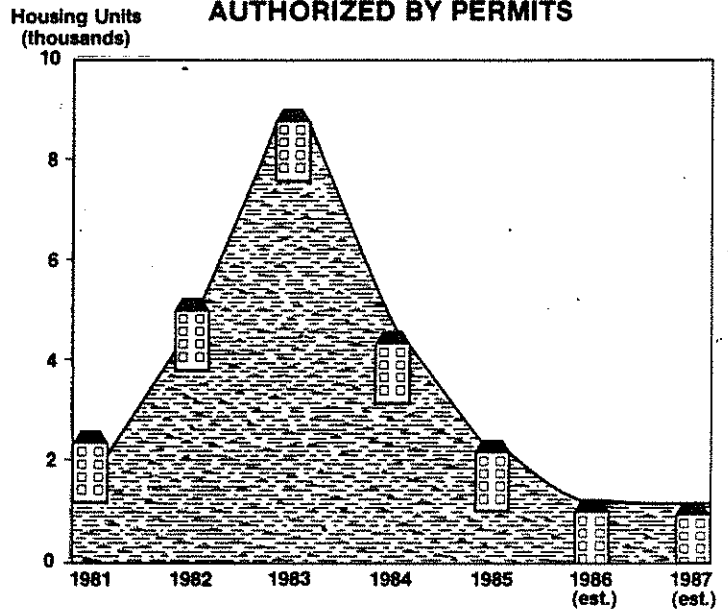
SOURCE: Multiple Listing Services, 1979-1985

ZONING CONDITIONAL USE AND SUBDIVISION APPLICATIONS PROCESSED



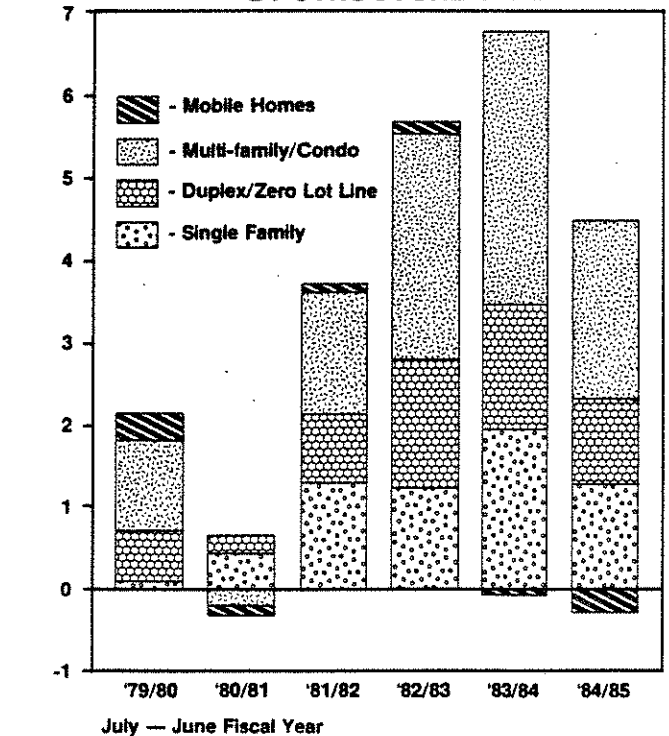
SOURCE: Public Works Department, MOA

TOTAL NEW HOUSING UNITS AUTHORIZED BY PERMITS



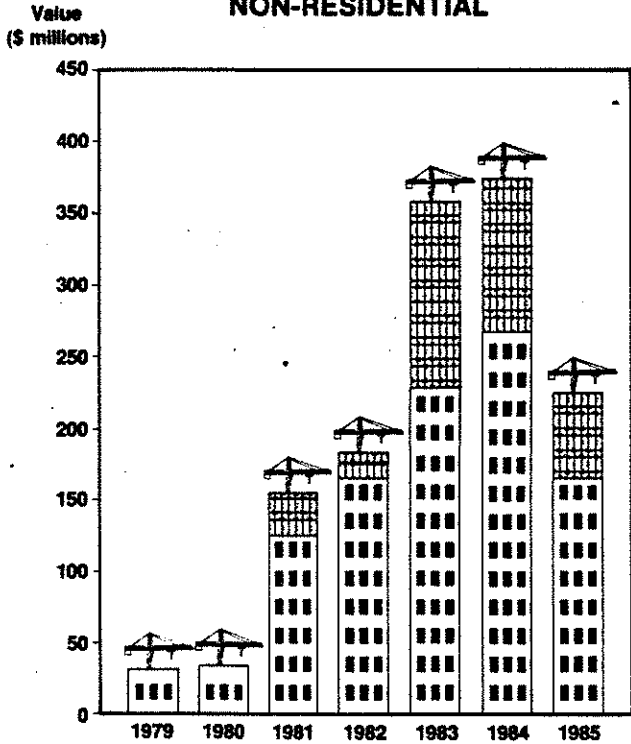
SOURCE: Public Works Department, MOA

ADDITIONAL HOUSING UNITS BY STRUCTURE TYPE



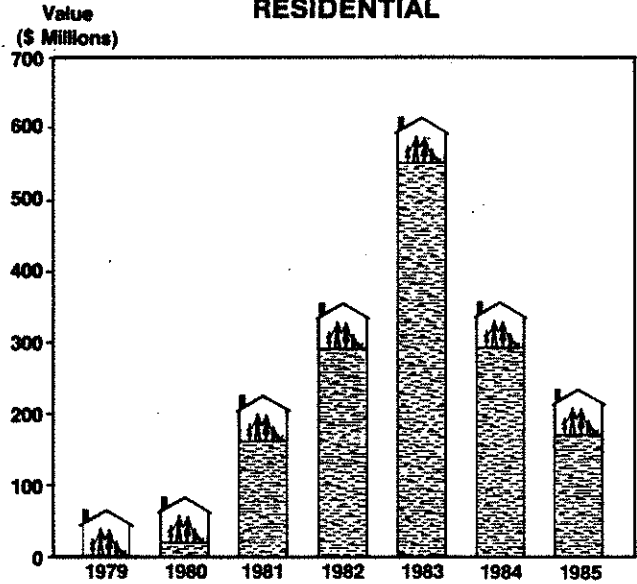
SOURCE: Community Planning Department, MOA

CONSTRUCTION SPENDING IN ANCHORAGE NON-RESIDENTIAL



SOURCE: Public Works Department, MOA

CONSTRUCTION SPENDING IN ANCHORAGE RESIDENTIAL



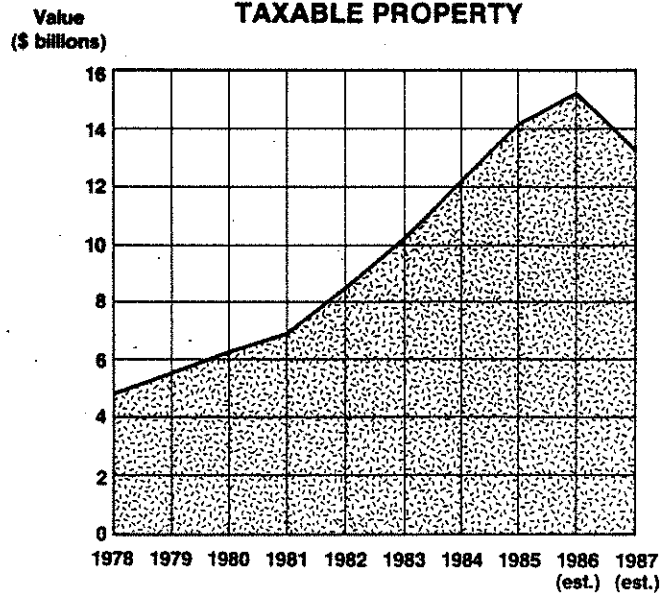
SOURCE: Public Works Department, MOA

REAL PROPERTY PARCELS APPRAISED

1980	1981	1982	1983	1984	1985 (est.)	1986 (est.)
66,000	68,000	71,200	76,000	78,138	82,332	84,141

SOURCE: Property Appraisal Division, MOA

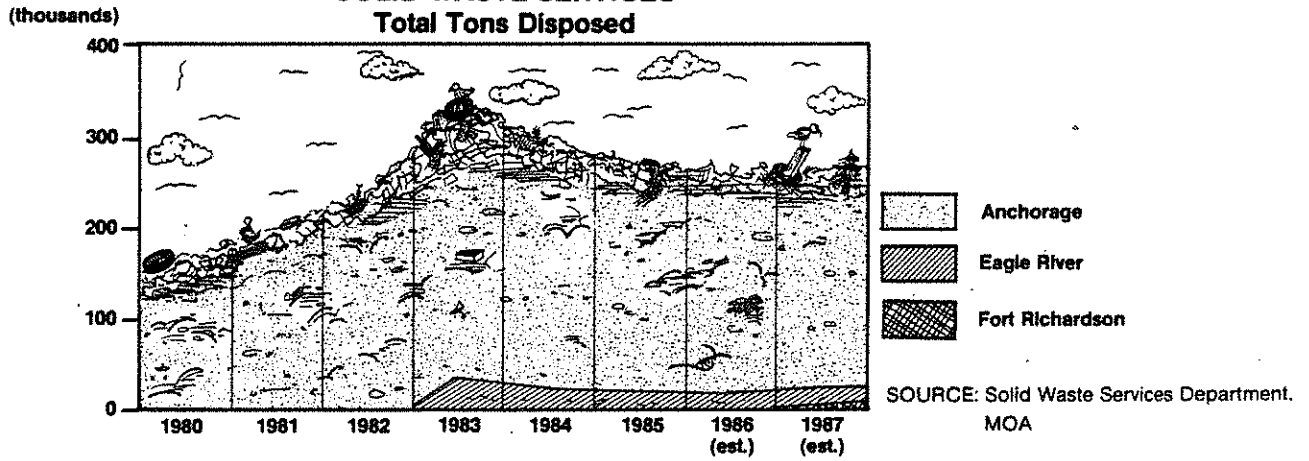
ASSESSED VALUATION OF TAXABLE PROPERTY



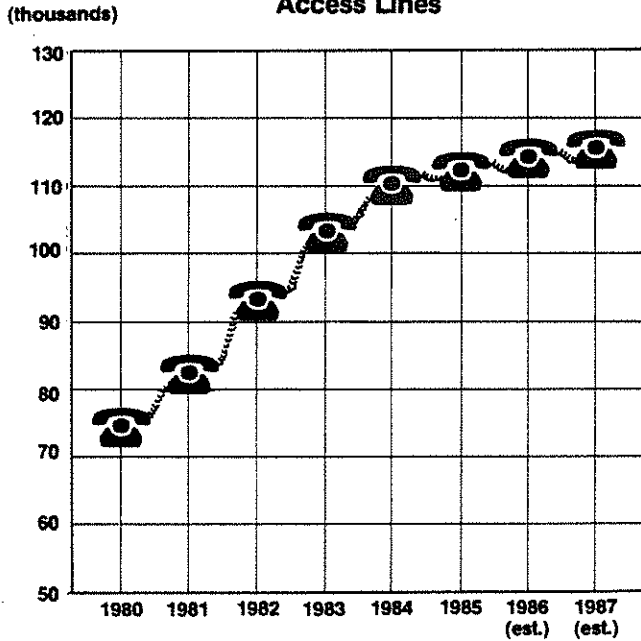
SOURCE: Property Appraisal Division, MOA

PUBLIC UTILITIES

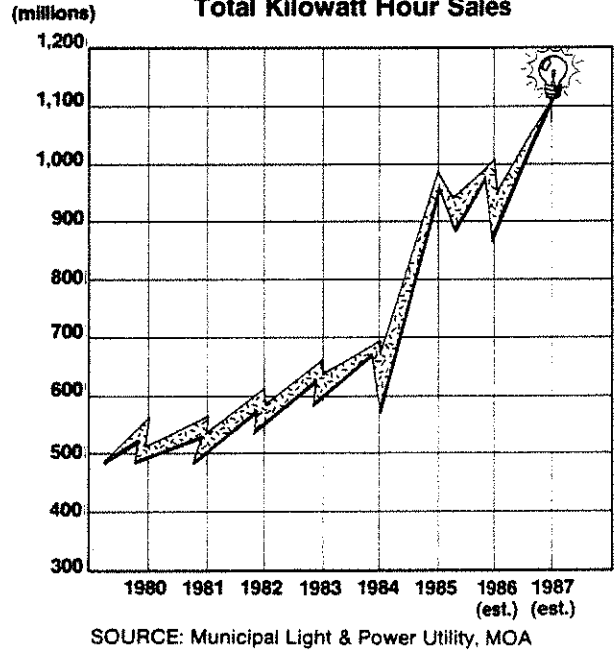
SOLID WASTE SERVICES Total Tons Disposed



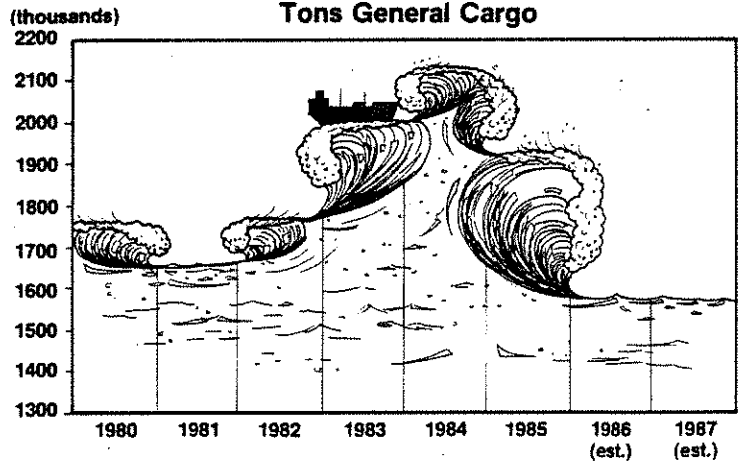
ANCHORAGE TELEPHONE UTILITY Access Lines



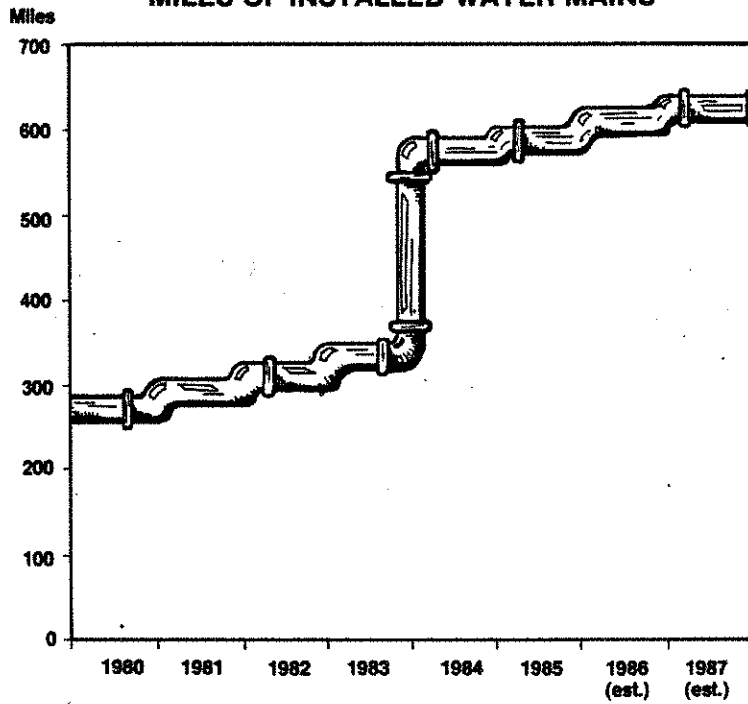
MUNICIPAL LIGHT AND POWER Total Kilowatt Hour Sales



PORT OF ANCHORAGE Tons General Cargo

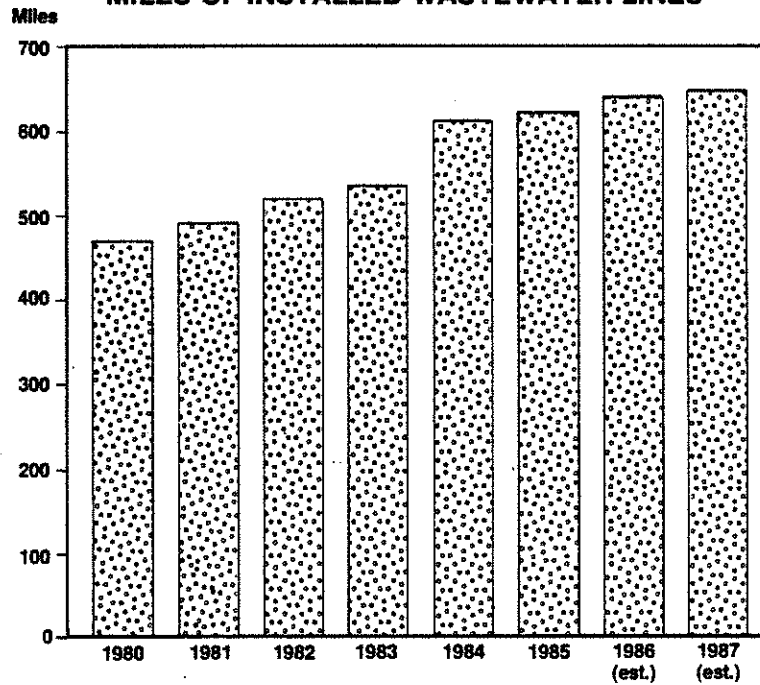


**ANCHORAGE WATER UTILITY
MILES OF INSTALLED WATER MAINS**



SOURCE: Anchorage Water & Wastewater Utility, MOA

**ANCHORAGE WASTEWATER UTILITY
MILES OF INSTALLED WASTEWATER LINES**



SOURCE: Anchorage Water & Wastewater Utility, MOA