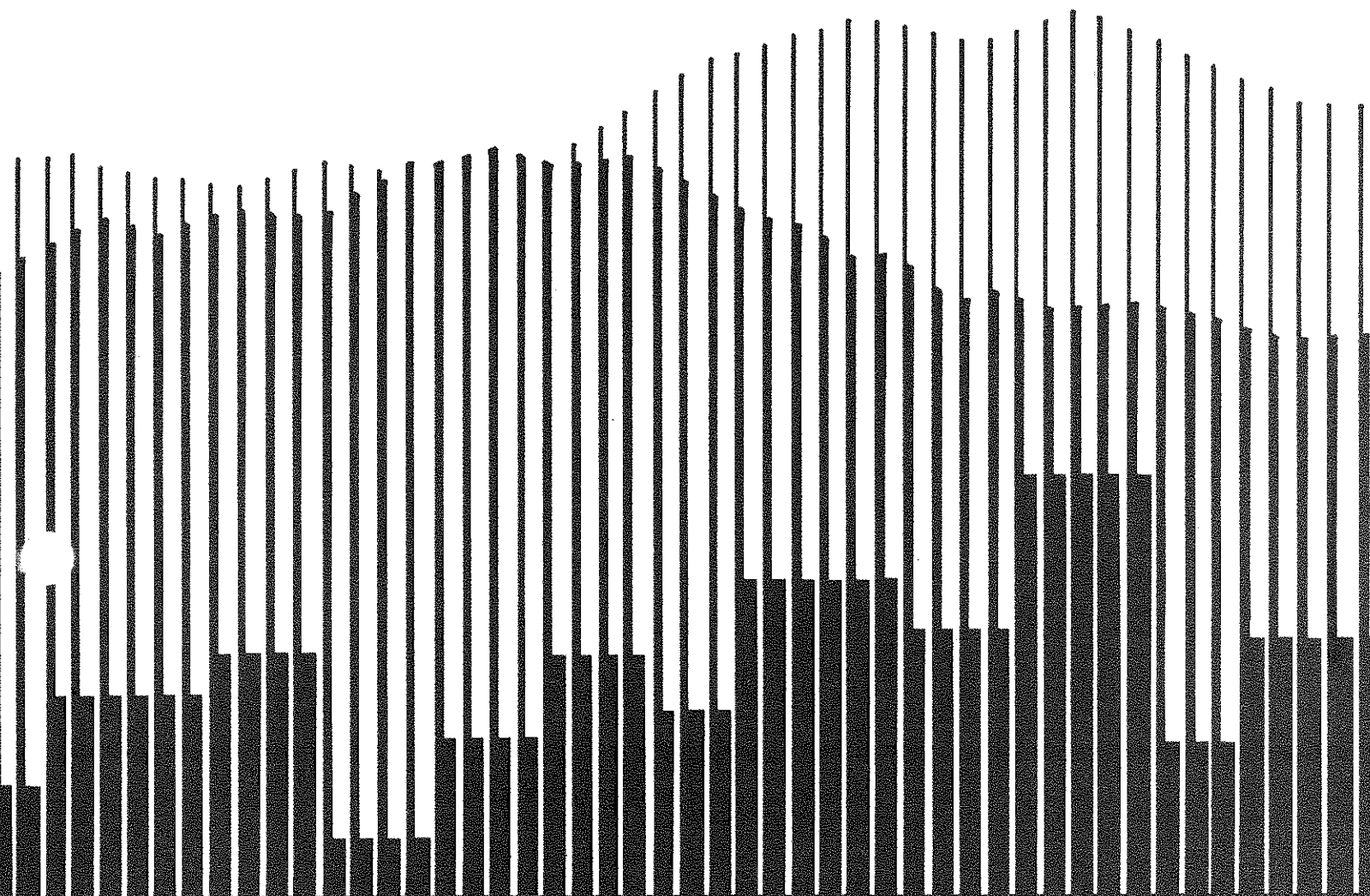


Municipality of Anchorage



1988 General Government Operating Budget



Tony Knowles, Mayor

Municipality of Anchorage



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TONY KNOWLES,
MAYOR October 2, 1987

OFFICE OF THE MAYOR

Dear Residents of Anchorage:


The past three years have involved tough budget challenges because we had to deal more quickly than expected with reduced state and federal revenues. The job has been complicated by stress in our economy and the need to incorporate the operation of facilities funded during economic growth.

This budget stands for continuation of the level of public services Anchorage residents now receive. It fulfills our commitment to public safety, transportation and neighborhoods. Last year, we cut the budget \$17 million and held the line on taxes. This year, we propose cutting \$4.8 million. However, when major cost increases such as prisoner care, insurance, Bartlett Pool and the Performing Arts Center are taken into account, the cut to existing services is \$13 million or 6.6%. More than 150 full time positions will be eliminated and we are asking all employees to share in budget reductions through a 5% roll-back from 1988 contractual wage and benefit levels.

In the past, we presented budgets far below the tax limit: \$9.9 million in 1987. This year we are maximizing user fees and asking for increased state aid. We will draw our fund balances down as low as possible within prudent financial limits. But despite these revenue measures, large budget cuts, employee roll-backs and layoffs, we will need to tax to the allowable limit for 1988. Property tax collections will increase from \$87.3 million in 1987 to \$90.3 million. Of this, \$1.1 million will come from new construction; the increase on existing property will be 2.2%. It may be small comfort that Anchorage still has one of the lowest tax burdens in the nation, but we are no longer in the enviable position of having state and federal aid pay 44% of our services. That aid is now only 25%.

We can make this budget work effectively for Anchorage, but it will take the combined efforts of municipal employees, taxpayers, the Assembly, Anchorage legislators and others. I encourage you to participate in the community discussion of our 1988 budgets.

Sincerely,


Tony Knowles
Mayor

**1988 PROPOSED
GENERAL GOVERNMENT
OPERATING BUDGET**



MUNICIPALITY OF ANCHORAGE
Tony Knowles, Mayor

**1988 PROPOSED
GENERAL GOVERNMENT OPERATING BUDGET
MUNICIPALITY OF ANCHORAGE
TONY KNOWLES, Mayor**

ASSEMBLY

Larry Baker, Chairman

Jim Barnett	Fred Dyson	Jim Kubitz
Brad Bradley	Joe Evans	Pat Parnell
Craig Campbell	Bill Faulkner	John Wood
Heather Flynn		

ADMINISTRATION

Bob SmithMunicipal Manager
Jerry Wertzbaugher Municipal Attorney
Ron OtteActing Public Safety Commissioner
Annalee McConnell Director, Office of Management and Budget

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

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