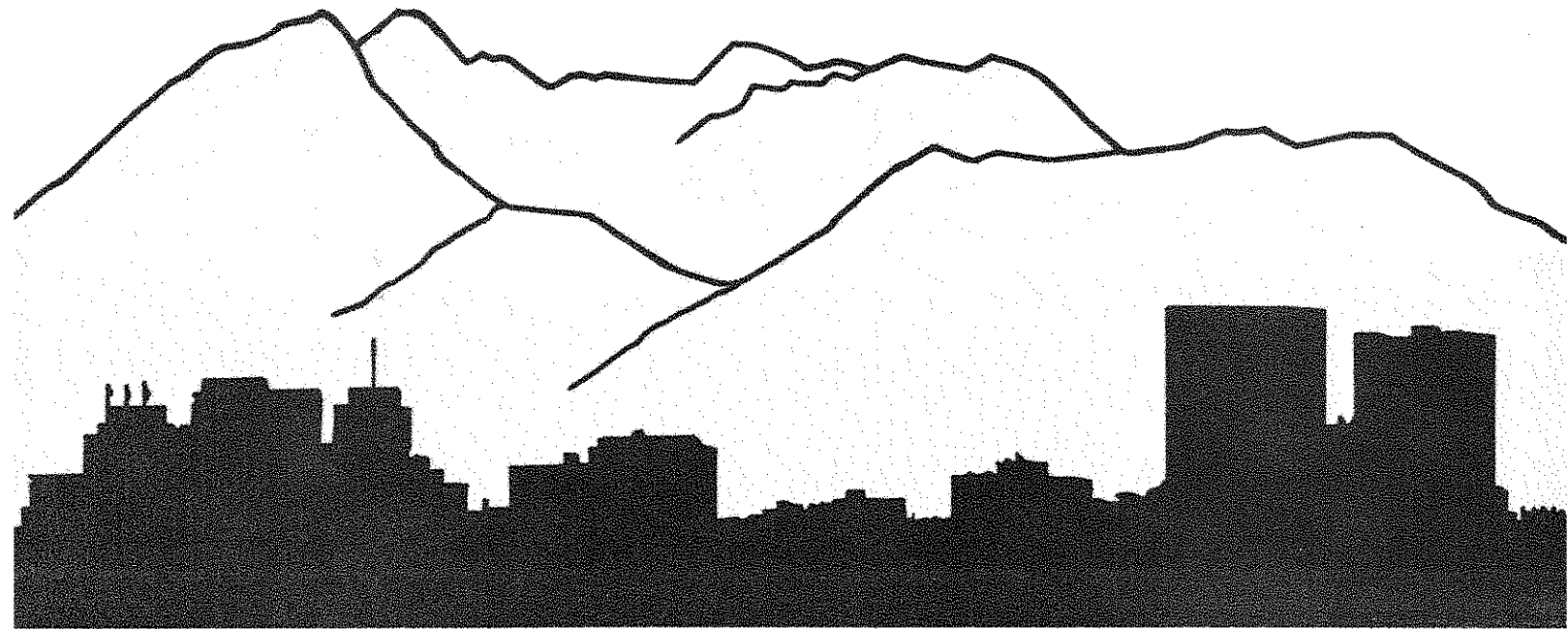


Municipality of Anchorage



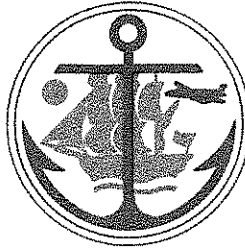
Tom Fink
Mayor



**1992
General Government
Operating Budget**

**1992
Fiscal Trends
Report**

Municipality of Anchorage



P.O. BOX 196650
ANCHORAGE, ALASKA 99519-6650
(907) 343-4431
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TOM FINK
MAYOR

OFFICE OF THE MAYOR

October 2, 1991

Dear Residents of Anchorage:

The 1992 General Government Operating Budget that I am proposing shows that the Municipality of Anchorage will have to reduce the costs of existing general government services by slightly over \$10 million in 1992 if property taxes are to remain at the same level as 1991.

In last year's budget message I cautioned that failure to obtain wages and benefit reductions comparable to the private sector would most probably lead to widespread and unnecessary service reductions in the short-term and substantial tax increases in the longer term. Had it not been for the actions taken by the Assembly on the labor ordinance requiring binding arbitration on the Fire and Police labor contracts, Assembly action on the other labor contracts, and the necessary associated equity adjustments, we could have added about \$1.6 million in new programs and services in 1992.

A number of high priority new requirements not addressed in my 1992 proposed budget would require further reductions in lower priority existing services if they are to be funded in 1992. These include:

- Police and Fire Retiree Medical problem which is currently \$173 million and growing.
- Any expansion of police and fire services.
- Previously deferred street maintenance.
- Previously deferred maintenance of Municipal facilities.

At least another \$530,000 of current programs and services will have to be cut if Proposition No. 1 is not approved by the voters in the October election. This is for federally mandated handicapped access requirements. Additional cuts may also be required in current programs and services if the voters do not approve Proposition No. 2 (replacement of underground storage tanks).

In addition to my 1992 proposed budget of \$205.9 million, I am submitting to the Assembly:

- "B" BUDGET (\$2.9 million) - High priority current programs and services not included in the 1992 proposed budget which should be funded by the Assembly if additional revenues become available.
- "C" BUDGET (\$4.2 million) - Lower priority current programs and services not included in either my 1992 proposed budget or the "B" Budget which should be considered for funding by the Assembly if sufficient additional revenues become available.

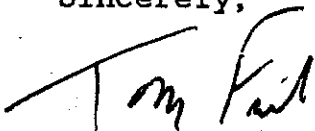
If the voters approve the sale of the Anchorage Telephone Utility, and assuming a sale completion date of July 1, 1992, about \$3.8 million of programs and services could be restored in 1992.

My 1992 proposed budget maintains property taxes at the 1991 level, plus about \$1.4 million taxes on new construction. Although the Anchorage economy is on the rebound, the overall economic environment is still such that taxes should not be increased. I do not believe the people of Anchorage support any increase in taxes. If however, during the course of Assembly budget deliberation it becomes apparent that Anchorage citizens have weighed increased taxes against reduced services and a clear public consensus develops for increasing taxes, I would not oppose the Assembly's taxing up to the tax cap. This would restore about \$2.9 million of programs and services.

In the next two months I hope that Anchorage residents will carefully review the budget I have proposed together with the alternatives I have presented for the Assembly to consider. I am certain that you will find gaps in your favorite programs. However, without increasing taxes or finding other sources of revenue, Municipal Government will have to make major cuts in current programs and services in 1992. The decisions that will be made by the Assembly in the process of considering this budget will have a great impact on all of our lives.

It is my hope that the public, the Assembly, and the Administration will be able to consider the good of the whole of Anchorage as we embark on the deliberations of the next two months.

Sincerely,



Tom Fink
Mayor

**1992 PROPOSED
GENERAL GOVERNMENT OPERATING BUDGET**



MUNICIPALITY OF ANCHORAGE
Tom Fink, Mayor

**1992 PROPOSED
GENERAL GOVERNMENT OPERATING BUDGET
MUNICIPALITY OF ANCHORAGE**

Tom Fink, Mayor

ASSEMBLY

Jim Kubitz, Chairman

| | | |
|--------------------|----------------|---------------|
| Jim Barnett | Craig Campbell | Heather Flynn |
| Mark Begich | Fred Dyson | Brian Porter |
| H.A. "Red" Boucher | Joe Evans | John Wood |
| | Bill Faulkner | |

ADMINISTRATION

| | |
|-----------------------------|--|
| Larry D. Crawford. | Municipal Manager |
| Will Gay. | Executive Manager, Enterprise Activities |
| Richard L. McVeigh. | Municipal Attorney |
| Jerry Anderson. | Chief Fiscal Officer |

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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Cover design by Nina Pruitt

1992 Proposed General Government Operating Budget

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