

**Municipality of
Anchorage**



**BUDGET
OVERVIEW**

March 1993

MUNICIPALITY OF ANCHORAGE

BUDGET OVERVIEW

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**ANCHORAGE
MUNICIPAL GOVERNMENT
BUDGETARY ENVIRONMENT**

ANCHORAGE MUNICIPAL GOVERNMENT BUDGETARY ENVIRONMENT

SERVICE AREA CONCEPT

Municipal fiscal philosophy incorporates a service concept where taxpayers in different areas or taxing districts pay only for those services which they receive.

The City of Anchorage was created on November 23, 1920. The city provided the same type and level of services to all taxpayers within its boundaries and also managed three utilities: telephone, electric and water.

The Greater Anchorage Area Borough was created on January 1, 1964. State law mandated that certain services had to be provided on an areawide basis to all taxpayers (e.g., property assessment, tax collection, education, planning). All other services had to be voted on and approved by the taxpayers who were to receive the services. This service area concept gave the taxpayers more control over the type and level of service that they were willing to be taxed for, but created the need for a complex budgeting and accounting system.

These two governmental entities were unified to become the Municipality of Anchorage on September 16, 1975. The service area concept was retained in the charter of the new government.

INTRAGOVERNMENTAL CHARGE SYSTEM (IGCS)

The Intragovernmental Charge System used by the Municipality of Anchorage is a refinement of that originally developed by the Greater Anchorage Area Borough in 1972 to meet the requirements of service area accounting.

All governmental entities incur both direct and indirect costs. Direct costs are those which can be readily identified with a single project or program and can be directly charged to them. Indirect costs are not so easily identified with any single project or program, since they benefit more than one program.

In order to determine the full cost of projects and programs (e.g., utilities, police, fire and transportation) these indirect charges must be distributed to the appropriate budget units.

The Municipality of Anchorage requires the Intragovernmental Charge System or a comparable system for several reasons:

- The most important reason is the organization of the municipality itself. This organizational structure separates the total population into a number of taxing districts and provides different levels or types of services to each (the service area concept). Each service within the taxing districts has its own millage rate based on cost. The sum of these service millage rates within a taxing district is the millage rate by which taxes are levied.

- Costs of common central support activities, such as personnel or accounting, must be distributed equitably to all service areas and taxing districts. Because of the number of taxing districts and service areas, the extent of differences in services for each and the interaction of services, a sophisticated system of intragovernmental unit charges or allocations is necessary.
- Municipal utilities receive administrative and other support from many organizations within the municipality. The costs of utility operations are supported by revenues from individual users or rate payers. The IGCS provides the tool for charging the utility, and therefore, rate payers, for the costs of the services received. If these charges were not made, taxpayers would be subsidizing utility operations and reducing rates below the full cost of utility services.
- The IGCS provides a mechanism for identifying most indirect costs of Federal and State grant support activity. These costs can be readily accumulated and included in an indirect cost allocation plan for the municipality.
- Capital improvement projects are funded by bonds, general and state revenues and local sources. Accurate project costs are necessary and must include indirect costs of project administration as well as direct costs of engineering and construction.
- Efficient use of municipal resources is enhanced by managers being more fully aware of the costs of resources utilized. The IGCS makes the costs of services provided by other organizations visible to requestors. The IGCS also fosters a buyer/seller atmosphere in which the servicer becomes more sensitive to the requestor's view of the quality and cost of services received.

THE MUNICIPAL BUDGET

The municipal budget is the financial plan of operation for the government of the Municipality of Anchorage. The municipal budget is divided into three parts: general government, utilities and capital improvement.

General Government

This portion of the budget is of particular interest to the Anchorage taxpayer since it is partially financed by property taxes. The general government budget covers the operation and maintenance of police, fire, street maintenance, parks and recreation and other organizations that provide general government services. Approximately 40% of the general government budget is funded by property taxes. The remainder comes from federal and state revenues and other local sources.

State and federal grants are not included in the general government budget. They are considered supplemental appropriations and are appropriated at the time the grant notice of award is received. Local match contributions for certain on-going grants are included in the non-departmental portion of the general government budget.

Utilities

The utilities budget, (which covers the operations and maintenance of the light and power, telephone, water and wastewater utilities, solid waste, port, airport services) is financed primarily from the sale of utility services. For these utilities, user rates must be adequate to generate sufficient operating funds to meet consumer growth.

Capital Improvements

The capital improvement budget is for the purchase and construction of high-cost, long-lasting assets such as roads, buildings and land. A portion of this budget is financed by long-term borrowing through the sale of municipal general obligation bonds. Property taxes are used to repay the loan and to operate and maintain the assets (these costs are reflected in the general government budget). In addition, federal grant, local revenue and state grant revenue sources are used to finance capital improvements. The capital improvement projects which are dependent on general obligation bond issues must be approved by the voters. Voter approval may also be requested for certain state-funded capital projects.

IMPACT OF THE 1983 TAX LIMITATION CHARTER AMENDMENT

On October 4, 1983, the voters of Anchorage passed an amendment to the municipality's charter. The measure limits the taxes the municipality can levy, with certain exceptions, to the amount levied in the previous year, increased by inflation (as measured by the federal consumer price index for Anchorage from the preceding year) and population (as measured by the five-year average population growth). The charter amendment limits tax increases; it does not limit expenditures if there are sufficient revenues to pay for them.

The budget process reflects the changes that have been made to accommodate the tax limitation. Since a maximum allowable budget can be computed early in the budget preparation process, more and intensive preliminary planning now takes place to determine trade-offs of existing programs that must be eliminated or reduced to pay for new programs and facilities. Once the maximum allowable budget, the maintenance level budget and desired new programs and facilities are determined, a funding level for each department/agency is authorized.

With regard to funding structures, the tax limitation means that Anchorage must rely to a greater extent than ever before on locally generated revenues. In addition, the municipality is much more dependent on stable federal and state funding. Dips in these funding sources may necessitate reductions in budgeted programs. One-time monies will affect the tax base in subsequent years. Taxes will be fairly stable and easily predicted, although mill rates may change if market conditions affect the value of existing property.

OVERVIEW OF ZERO-BASE BUDGETING

The Municipality of Anchorage uses zero-base budgeting (ZBB) in the analysis of current programs and activities and in the planning of future year's programs and activities.

ZBB is a planning tool which requires that the organization identify desired output by defining programs, setting objectives and making basic policy decisions. Activities are planned that lead to accomplishing measurable results which identify progress toward a stated goal or objective. ZBB is also a budgeting tool. By using this tool, the organization can identify the input required to analyze in detail the cost related to activities, describe alternative ways to achieve the mission and identify trade-offs between priorities.

The underlying concept of ZBB is that community needs, priorities and available resources have a dynamic relationship. It assumes resources required to achieve objectives are limited and constantly changing with the times. In some cases, cost constraints or changing organizational direction may require the funding of new high-priority programs and objectives. Therefore, one must determine whether achieving the last 10% of each objective requires 25% of the cost, or vice versa; whether each objective can be achieved within available funding limits or whether some objectives must be eliminated or reduced.

Zero-base budgeting can be an especially useful tool for program and fiscal planning within the constraints of the tax limitation. Because tax revenues are limited, the budgets cannot increase markedly over that of the preceding year. This compels managers to scrutinize their programs and activities, assess performance to see if service delivery targets are being met effectively, examine cost-saving alternatives for existing or new programs and identify activities that must be reduced or eliminated to make way for new programs/facilities or expansions of existing ones.

In summary, ZBB can help managers:

- Identify each current and planned activity requiring the evaluation of each function in terms of need, benefit and different levels of effort or alternative ways of performing the function.
- Identify key results of planned activities and progress toward stated goals and objectives.
- Provide a forum to identify and communicate needs and recommendations during budget preparation.
- Provide a format so changes to desired expenditure levels for budget units require only the addition or deletion of service levels, rather than complete revision of budget inputs.
- Provide a list of ranked service levels that can be used to identify activities or objectives that may be reduced or expanded if funding levels change or workload is added during the year. Identify the impact that reductions/expansions will have on performance measures.

- Promote management skills in planning and budgeting.

In developing budget requests, the interrelationship between the operating budget and the capital improvement program must be carefully considered. Projects scheduled for the first year of the capital improvement program, which is the capital budget for the forthcoming year, affect the operating budget of any departments involved in the planning, design, construction or inspection of capital improvements. Any improvements scheduled to come on-line in the budget year can affect the operating budget, sometimes for several departments. The impacts of facilities coming on-line are to be addressed individually during service level analysis. All such impacts are to be presented as separate service levels and costed separately.

**GENERAL GOVERNMENT
OPERATING BUDGET**

GENERAL GOVERNMENT OPERATING BUDGET

Budget Priorities

MUNICIPAL BUDGET PRIORITIES SURVEY

Dittman Research Corporation, under contract with the Municipality of Anchorage, conducted a "budget priority survey" of Anchorage citizens to determine the relative importance of Municipal programs and services among Anchorage residents in order to guide budget decisions. Public opinion regarding current levels of services was also measured to determine whether citizens support reducing current levels of service or are willing to pay higher taxes to maintain them.

The survey was conducted during May 13-16 by a telephone random sample of 409 adult residents of Anchorage. Dittman Research Corporation feels that, correctly administered, a sample of 400 will provide a clear evaluation of overall Anchorage citizen opinion.

GENERAL ATTITUDES

Anchorage citizens by almost a ratio of 3:1 (72% to 26%) feel that the Municipality is doing an adequate or better job of delivering services to the people.

The number of Anchorage citizens who are willing to increase local taxes to continue current Municipal services has declined from 48% in a similar survey conducted two years ago to 40%.

This "no increased taxes" attitude is also reflected in Anchorage citizens' support for specific new or increased taxes. In each case, the support has declined from that in the survey two years ago:

<u>New/Increased Tax</u>	<u>People Supporting</u>	
	<u>1990</u>	<u>1992</u>
• Year Round Sales Tax	54%	37%
• Seasonal Sales Tax During Summer Months	46%	37%
• Increasing Property Taxes	40%	24%
• Local Tax on Alcohol	84%	80%
• Local Tax on Gasoline	49%	45%

This year's survey also shows that 61% of Anchorage citizens support an increase to the Hotel-Motel Tax. A similar question was not asked in the 1990 survey.

ATTITUDES TOWARD SPECIFIC PROGRAMS AND SERVICES

If local taxes are not increased, and if services have to be reduced, 68% of Anchorage citizens support selective reductions as opposed to across-the-board cuts.

Anchorage citizens were also asked their opinion of 22 specific local programs and services in order to guide budget priority decisions for next year. The following summary of their attitudes is prioritized by "willingness to pay higher taxes":

<u>Priority Rank</u>	<u>Program/Service</u>	<u>People Who Feel That Program/Service is Essential or Highly Desirable</u>	<u>People Who Would Support an Increase in Taxes to Continue This Program at It's Current Level</u>
1	Fire Protection	94%	71%
2	Paramedic Emergency Medical Services	93%	69%
3	Police	92%	66%
4	Road Maintenance	87%	61%
5	Anchorage Public Schools	86%	60%
6	Snow Removal	86%	56%
7	Public Health Programs	72%	52%
8	Libraries	73%	50%
9	Bus System	68%	46%
10	Environment Protection Services	53%	36%
11	Support for Non-Profit Health and Social Service Groups	43%	31%
12	Economic Development	53%	30%
13	Parks/Green Belts	46%	30%
14	Repair of Municipal Buildings	50%	29%
15	Animal Control	52%	26%
16	Community Planning, Zoning, and Land Use Control	47%	24%
17	Tourism & Convention Programs	50%	23%
18	Bike Trails	32%	23%
19	Recreation Facilities & Programs	34%	22%
20	Anchorage Museum of History and Art	34%	19%
21	Support for Alaska Center for the Performing Arts	16%	10%
22	Support for Non-Profit Art Groups	9%	4%

GENERAL GOVERNMENT OPERATING BUDGET

1993 Approved Budget

Municipality of Anchorage



P.O. BOX 196650
ANCHORAGE, ALASKA 99519-6650
(907) 343-4431
FAX 258-5210

TOM FINK
MAYOR

OFFICE OF THE MAYOR

December 15, 1992

Dear Residents of Anchorage:

On October 2, 1992 I presented to the Assembly a 1993 General Government Operating Budget which called for the reduction of \$8.7 million in the costs of existing government services if property taxes were to remain at the same level as 1992. It has consistently been my position that with the condition of our economy, we should not be in favor of raising taxes.

The development of my proposed General Government Operating Budget for 1993 was based on the following three goals:

1. Maintain property taxes at the 1992 level for the community.
2. Maintain police, fire, emergency medical, road maintenance, and essential public health services at essentially the 1992 levels of service.
3. Minimize reductions in other priority services and programs.

In order to achieve the above goals, rather severe reductions had to be made in those services and programs which my department directors and I deemed to be of lower priority. As I believe the approved budget indicates, we did a good job in prioritizing our programs and services within the available dollars. Supporters of those programs and services not included in my proposed budget were very vocal with their concerns. Since I did not propose raising taxes to the tax cap, I did leave room for the Assembly to restore some programs and services.

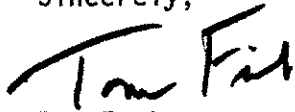
The Assembly added about \$4.5 million to the budget we submitted. By and large the add backs were in the correct priority. The general government budget, assuming that we should tax at the cap rate, is a reasonable budget.

The question of how much we pay in taxes is something which the voters ought to decide and not the Assembly or the Mayor. For considerable time, I have wanted the Assembly to put on the ballot the question of raising taxes or raising the tax cap. Although I am personally opposed to either of those changes, I want the public to vote. I am hopeful that the Assembly will put some question having to do with increased taxes on the ballot in April. Until government -- local, state, and national -- gets a better handle on its expenditures, I personally am not going to vote for any increases in taxes. Particularly in the Anchorage area budget, until we get our labor costs in line with labor costs in the private sector, I personally will not approve an increase. Over one half of our budget goes to cover the costs of labor. Obviously if we had that in line with the private sector pay and benefits, it would not have been necessary to make a reduction in services in the 1993 budget.

After all is said and done, the Assembly didn't do a bad job on the budget. They did turn down many of the requests for increased funding by many people. By passing the budget, however, which forces an increase in tax, I believe they are still out of step with the public and what they desire.

I want to thank the Assembly, Board and Commission members, and the general public for their efforts and advice during the budget process.

Sincerely,

A handwritten signature in black ink that reads "Tom Fink". The signature is written in a cursive style with a large, sweeping initial "T".

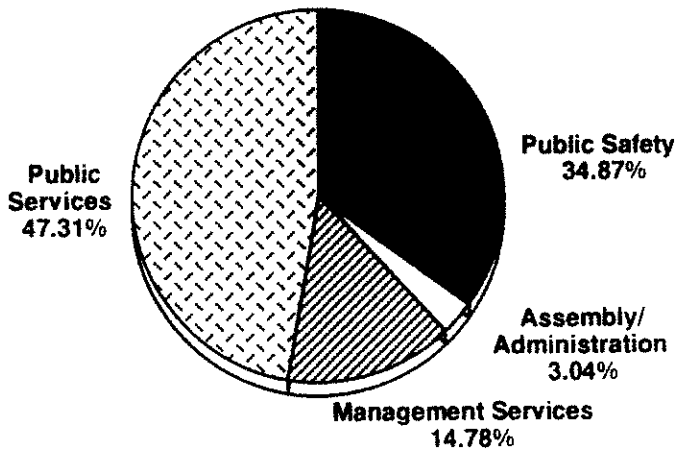
Tom Fink
Mayor

1993 General Government Operating Budget

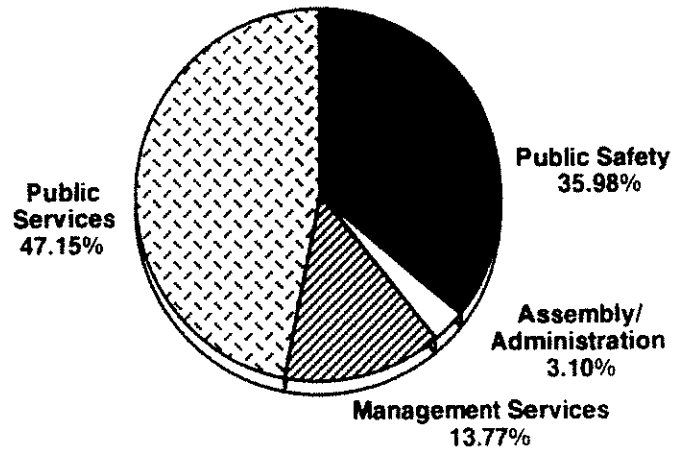
DIRECT COST APPROPRIATION BY FUNCTIONAL AREA

Public Services/ Transportation/ Neighborhoods	Public Safety	Management Services	Assembly/ Administration
Public Works \$ 45,409,720	Police \$37,648,350	Municipal Manager \$ 1,628,500	Assembly \$1,946,530
Cultural & Recreational Services 18,988,040	Fire 27,503,890	Finance 14,571,730	Equal Rights Commission 400,120
Transit 8,963,990	Health & Human Services 11,497,960	Management Information Systems 10,011,930	Internal Audit 472,660
Community Planning & Development 2,208,680		Employee Relations 2,223,360	Office of the Mayor 878,970
Property & Facility Management 16,394,000		Purchasing 904,630	Municipal Attorney 2,899,840
Non-Departmental 8,490,070			
TOTAL \$100,454,500	\$76,650,200	\$29,340,150	\$6,598,120

**1992 Revised
\$215,531,570**



**1993 Budget
\$213,042,970**

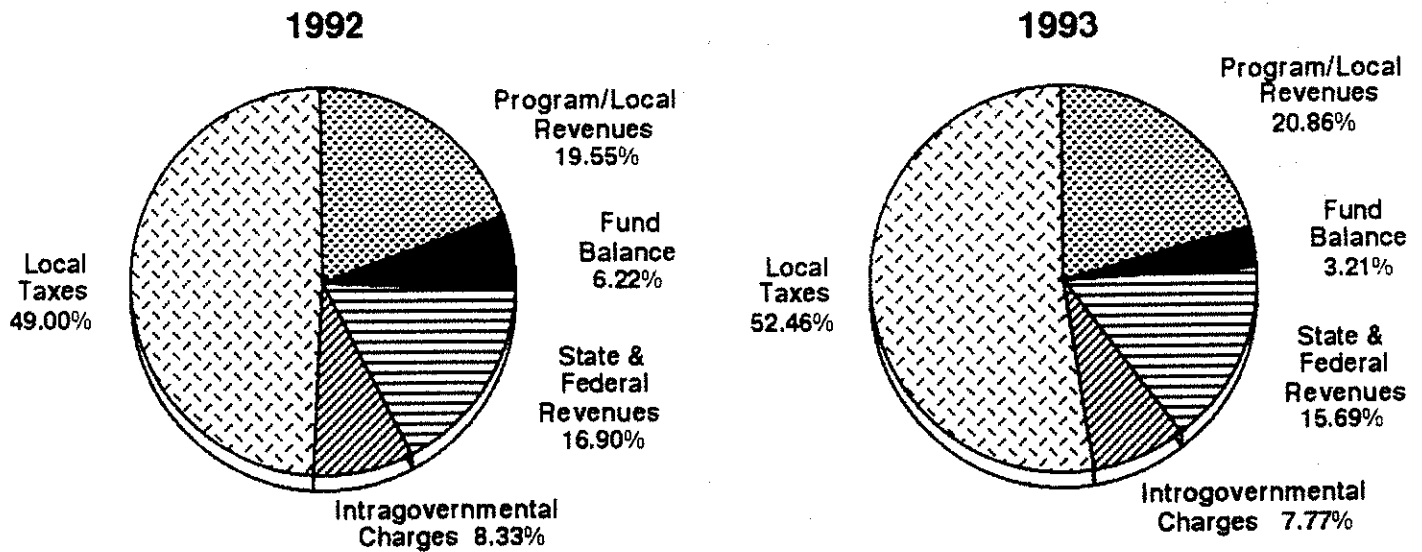


1993 General Government Operating Budget

SOURCE OF FUNDS

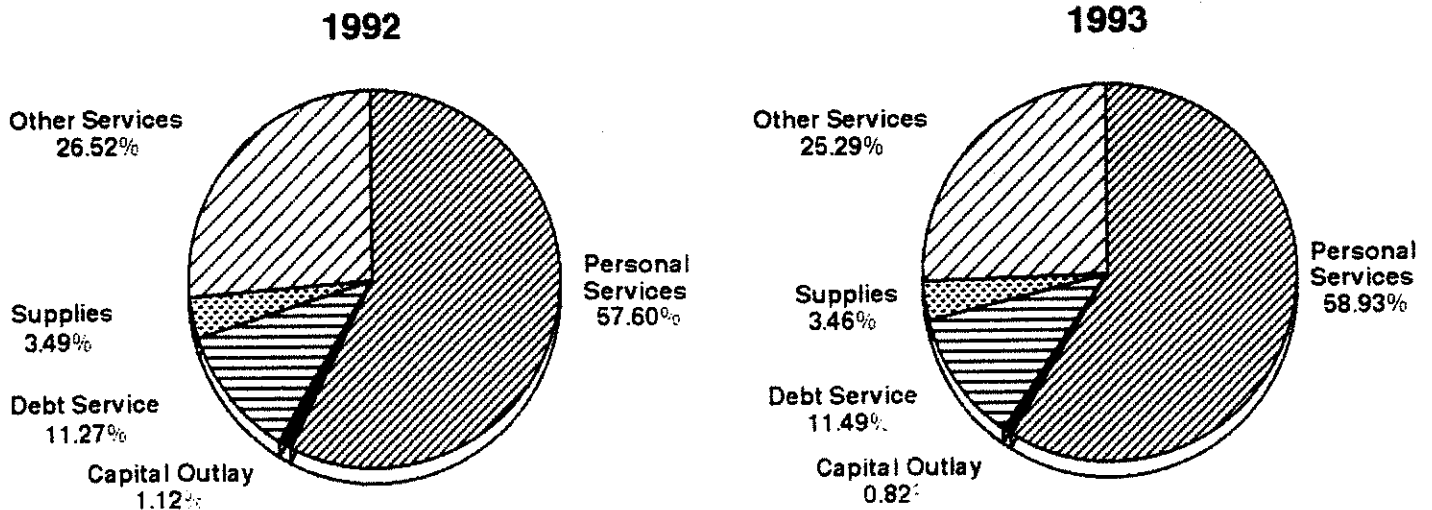
	<u>1992 Revised</u>	<u>1993 Budget</u>
State and Federal Revenues	\$ 36,415,590	\$ 33,428,940
Program/Local Revenues	42,127,890	44,454,330
Property Taxes	105,621,380	111,758,980
Intragovernmental Charges	17,958,250	16,562,550
Applied Fund Balance	13,408,460	6,838,170
TOTAL	\$215,531,570	\$213,042,970

* Does not include \$639,010 property taxes added by the Assembly by raising the Areawide millrate beyond that required to fund the 1992 Revised Budget to the maximum allowed under the tax cap.



DIRECT COST BY TYPE OF EXPENDITURE

	<u>1992 Revised</u>	<u>1993 Budget</u>
Personal Services	\$124,158,740	\$125,541,250
Supplies	7,520,870	7,381,250
Other Services	57,151,600	53,884,420
Debt Service	24,293,900	24,479,300
Capital Outlay	2,406,460	1,756,750
TOTAL	\$215,531,570	\$213,042,970



1993 General Government Operating Budget

1992/1993 DEPARTMENT OPERATING BUDGETS AT A GLANCE

Department	Direct Costs				Total Positions			
	1992 Revised	1993	Increase/ (Decrease)		1992		Increase/ (Decrease)	
			Amount	%	Revised	1993	Number	%
Assembly	\$ 2,010,660	\$ 1,946,530	\$ (64,130)	(3.2%)	26	26	0	0.0%
Equal Rights Commission	484,050	400,120	(83,930)	(17.3%)	8	7	(1)	(12.5%)
Internal Audit	481,520	472,660	(8,860)	(1.8%)	8	7	(1)	(12.5%)
Office of the Mayor	749,650	878,970	129,320	17.3%	8	9	1	12.5%
Municipal Attorney	2,821,460	2,899,840	78,380	2.8%	44	43	(1)	(2.3%)
Municipal Manager	2,468,950	1,628,500	(840,450)	(34.0%)	21	19	(2)	(9.5%)
Finance	14,224,750	14,571,730	346,980	2.4%	130	129	(1)	(0.8%)
Management Information Systems	11,288,880	10,011,930	(1,276,950)	(11.3%)	75	67	(8)	(10.7%)
Community Planning and Development	1,921,160	2,208,680	287,520	15.0%	26	30	4	15.4%
Property and Facility Management	16,836,030	16,394,000	(442,030)	(2.6%)	94	92	(2)	(2.1%)
Employee Relations	2,888,620	2,223,360	(665,260)	(23.0%)	30	28	(2)	(6.7%)
Purchasing	987,960	904,630	(83,330)	(8.4%)	16	13	(3)	(18.8%)
Health & Human Services	10,945,820	11,497,960	552,140	5.0%	92	89	(3)	(3.3%)
Fire	27,751,400	27,503,890	(247,510)	(0.9%)	269	270	1	0.4%
Police	36,458,540	37,648,350	1,189,810	3.3%	403	400	(3)	(0.7%)
Cultural & Recreational Services	19,609,630	18,988,040	(621,590)	(3.2%)	445	438	(7)	(1.6%)
Transit	9,217,270	8,963,990	(253,280)	(2.7%)	133	132	(1)	(0.8%)
Public Works	45,991,680	45,409,720	(581,960)	(1.3%)	260	259	(1)	(0.4%)
Non-Departmental	8,393,540	8,490,070	96,530	1.2%	0	0	0	0.0%
TOTAL	\$215,531,570	\$213,042,970	\$ (2,488,600)	(1.2%)	2,088	2,058	(30)	(1.4%)

1993 General Government Operating Budget

DIRECT COST BY EXPENDITURE TYPE

Department	Personal Services	Supplies	Other Services	Debt Service	Capital Outlay	Total Direct Cost
Assembly	\$ 1,236,890	\$ 19,510	\$ 685,130	\$ 0	\$ 5,000	\$ 1,946,530
Equal Rights Commission	372,410	2,000	25,710	0	0	400,120
Internal Audit	453,000	2,750	16,910	0	0	472,660
Office of the Mayor	699,050	19,880	160,040	0	0	878,970
Municipal Attorney	2,665,020	18,300	160,450	0	56,070	2,899,840
Municipal Manager	1,358,350	12,300	243,020	13,030	1,800	1,628,500
Finance	7,405,400	79,190	7,054,430	0	32,710	14,571,730
Management Information Systems	4,939,030	314,700	4,758,200	0	0	10,011,930
Community Planning & Development	1,970,500	22,600	185,580	0	30,000	2,208,680
Property & Facility Management	5,373,260	2,066,310	8,733,360	221,070	0	16,394,000
Employee Relations	1,833,130	47,990	342,240	0	0	2,223,360
Purchasing	805,370	12,000	87,260	0	0	904,630
Health & Human Services	5,426,120	223,190	3,646,280	2,111,420	90,950	11,497,960
Fire	21,924,160	583,450	4,053,580	650,710	291,990	27,503,890
Police	32,196,890	601,090	4,065,070	634,500	150,800	37,648,350
Cultural & Recreational Services	12,716,420	425,120	2,105,960	2,832,700	907,840	18,988,040
Transit	7,329,240	1,059,810	464,080	107,860	3,000	8,963,990
Public Works	16,837,010	1,870,560	9,481,640	17,033,920	186,590	45,409,720
Non-Departmental	0	500	7,615,480	874,090	0	8,490,070
TOTAL	\$ 125,541,250	\$7,381,250	\$53,884,420	\$24,479,300	\$1,756,750	\$213,042,970

1993 General Government Operating Budget

PERSONNEL SUMMARY

Department	1992 REVISED				1993 BUDGET				CHANGE			
	FT	PT	Temp	Total	FT	PT	Temp	Total	FT	PT	Temp	Total
Assembly	26	0	0	26	26	0	0	26	0	0	0	0
Equal Rights Commission	8	0	0	8	6	1	0	7	(2)	1	0	(1)
Internal Audit	6	2	0	8	6	1	0	7	0	(1)	0	(1)
Office of the Mayor	8	0	0	8	9	0	0	9	1	0	0	1
Municipal Attorney	44	0	0	44	43	0	0	43	(1)	0	0	(1)
Municipal Manager	21	0	0	21	19	0	0	19	(2)	0	0	(2)
Finance	126	4	0	130	121	8	0	129	(5)	4	0	(1)
Management Information Systems	74	1	0	75	66	1	0	67	(8)	0	0	(8)
Community Planning & Development	26	0	0	26	29	1	0	30	3	1	0	4
Property & Facility Management	80	5	9	94	78	6	8	92	(2)	1	(1)	(2)
Employee Relations	30	0	0	30	28	0	0	28	(2)	0	0	(2)
Purchasing	15	1	0	16	13	0	0	13	(2)	(1)	0	(3)
Health & Human Services	81	11	0	92	72	17	0	89	(9)	6	0	(3)
Fire	269	0	0	269	270	0	0	270	1	0	0	1
Police	402	1	0	403	399	1	0	400	(3)	0	0	(3)
Cultural & Recreational Services	186	95	164	445	153	133	152	438	(33)	38	(12)	(7)
Transit	117	16	0	133	109	23	0	132	(8)	7	0	(1)
Public Works	236	14	10	260	234	9	16	259	(2)	(5)	6	(1)
TOTAL	1,755	150	183	2,088	1,681	201	176	2,058	(74)	51	(7)	(30)

1993 General Government Operating Budget

EXPLANATION OF TAXING DISTRICT MILL LEVIES

The Municipality of Anchorage operates under a "service area concept" whereby taxpayers in different areas or taxing districts of the Municipality pay property taxes only for those services which they vote to receive within the district. Some services provided by the Municipality must be offered on an "areawide" basis under state law. These include education, planning and zoning, property assessment, and tax collection. Other services require voter approval -- these include road maintenance, police and fire protection and parks and recreation. This "service area concept" gives the taxpayers more control over the types and levels of service for which they are taxed.

The mill levy of a service area is computed in four steps:

1. Total Direct Costs of Service Area	+	Net Intragovernmental Charges	=	Function Cost of Service Area
2. Function Cost of Service Area	-	Program Revenues of Service Area	=	Net Program Cost of Service Area
3. Net Program Cost of Service Area	-	Other Revenues Allocated to Service	=	Tax Requirement of Service Area
4. Tax Requirement of Service Area	÷	Assessed Value of Service Area	x 1,000 =	Mill Rate (Levy) for Service Area

Each service within the taxing district has its own mill rate. The sum of these service mill rates within a taxing district comprises the mill rate by which taxes are levied. The table below shows how one taxing district mill levy has been computed for 1993. For more detailed definitions of the terms used here, consult the Glossary of Terms in the Budget Overview Section.

CALCULATION OF MULDOON TAXING DISTRICT MILL LEVY

Service Area (Services Approved by Muldoon Taxing District Voters)	Function Cost of Service Area	Program Revenues of Service Area	Other Revenues Allocated to Service Area	Tax Require- ment of Service Area	Estimated Assessed Valuation of Service Area (\$000's)	Approved Mill Levy of Service Area
Areawide	\$68,502,770	\$10,443,250	\$33,568,510	\$24,491,010	\$10,336,214	2.37
Fire	24,061,390	242,250	6,088,850	17,730,290	9,731,541	1.82
Road	35,122,610	2,191,100	8,397,030	24,534,480	8,277,127	2.97
Police	44,089,340	2,004,510	9,694,880	32,389,950	8,439,627	3.84
Parks & Recreation	11,473,450	2,067,860	2,563,680	6,841,910	9,036,261	0.76
Road Debt Service	2,541,650	148,000	425,590	1,968,060	4,211,535	0.47
Building Safety	2,706,990	2,624,810	8,620	73,560	9,036,149	0.01
						Total Mill Levy - General Government
						12.24
						Total Mill Levy - School District
						6.59
						Total Levy for Muldoon Residents
						18.83

NOTE: The 1993 Assessed Valuations in this appendix are based on preliminary estimates which may change prior to April 1993 when the actual 1993 mill rates will be approved by the Assembly.

1993 General Government Operating Budget

1993 PRELIMINARY MILL LEVIES

Taxing District	Areawide	School District	Fire	Roads	Police	Parks and Recreation	Bldg Safety	Road Debt Service	Total
Anchorage	2.37	6.59	1.82	2.97	3.84	.76	.01	.00	18.36
*Upper Hillside/ Rabbit Creek	2.37	6.59	1.82	-	-	.76	.01	-	11.55
Lower Hillside	2.37	6.59	1.82	2.97	-	.76	.01	-	14.52
Spenard/Muldoon/ Sand Lake/ Oceanview	2.37	6.59	1.82	2.97	3.84	.76	.01	.47	18.83
Girdwood	2.37	6.59	1.40	0.96	-	0.53	-	-	11.85
Glen Alps	2.37	6.59	-	2.46	-	-	-	-	11.42
*Eagle River	2.37	6.59	1.82	2.05	3.84	.53	-	-	17.20
Chugiak	2.37	6.59	0.77	2.05	3.84	.53	-	-	16.15
Eagle River/ Chugiak Valley	2.37	6.59	-	2.05	3.84	.53	-	-	15.38
Other Outside Bowl	2.37	6.59	-	-	-	-	-	-	8.96

*Mill levies for Limited Road and Street Lighting Service Areas, where applicable, are not included. Other Road Service Areas are included.

NOTE: The 1993 Mill Levies in this appendix are based on preliminary assessed valuation estimates which may change prior to April 1993 when the actual mill rates will be approved by the Assembly.

1993 General Government Operating Budget

**1992 - 1993 MILL LEVY COMPARISONS BY TAXING DISTRICT
(including Anchorage School District)**

<u>Taxing District</u>	<u>1992 Actual</u>	<u>1993 Preliminary</u>	<u>Increase (Decrease)</u>
Anchorage	17.98	18.36	0.38
* Upper Hillside/Rabbit Creek	10.93	11.55	0.62
Lower Hillside	14.15	14.52	0.37
Spenard/Muldoon/Sand Lake/Oceanview	18.33	18.83	0.50
Girdwood	11.42	11.85	0.43
Glen Alps	11.04	11.42	0.38
Eagle River	16.52	17.20	0.68
Chugiak	15.78	16.15	0.37
* Eagle River/Chugiak Valley	14.76	15.38	0.62
Other Outside Bowl	8.41	8.96	0.55

* Mill levies for Limited Road Service Areas and Street Lighting Service Areas, where applicable, are not included. Other Road Service Areas are included.

NOTE: The 1993 mill levies in this appendix are based on preliminary assessed valuation estimates which may change prior to April 1993 when the actual 1993 mill rates will be approved by the Assembly.

1993 General Government Operating Budget

1984-1993 MILL LEVY TRENDS

Taxing District	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993
Anchorage (Former City)	9.91	9.40	10.18	13.39	16.41	18.62	18.47	17.96	17.98	18.36
Upper Hillside *	6.55	6.33	6.60	8.81	10.65	11.99	11.45	10.58	10.93	11.55
Lower Hillside	7.88	7.42	7.83	10.40	12.75	14.45	14.46	13.83	14.15	14.52
Spenard	10.10	9.59	10.04	13.26	16.18	18.33	18.45	18.15	18.33	18.83
Girdwood	6.99	6.28	6.79	8.92	10.41	11.72	11.75	10.56	11.42	11.85
Glen Alps	5.41	5.38	5.44	8.08	10.14	11.76	10.72	10.02	11.04	11.42
Sand Lake	10.10	9.59	10.04	13.26	16.18	18.33	18.45	18.15	18.33	18.83
Muldoon	10.10	9.59	10.04	13.26	16.18	18.33	18.45	18.15	18.33	18.83
Rabbit Creek *	6.55	6.33	6.60	8.81	10.65	11.99	11.45	10.58	10.93	11.55
Eagle River	8.18	8.55	8.85	11.85	14.10	16.01	15.30	15.29	16.52	17.20
Chugiak	7.00	7.53	7.78	11.05	12.85	15.04	14.35	14.21	15.78	16.15
Oceanview	10.10	9.59	10.04	13.26	16.18	18.33	18.45	18.01	18.33	18.83
Eagle River/ Chugiak Valley	6.99	7.53	7.78	10.55	12.42	14.43	13.35	13.33	14.76	15.38
Other/Outside Bowl	4.89	4.86	5.05	6.92	8.25	9.76	8.72	7.91	8.41	8.96

* Mill levies for Limited Road and Street Lighting Service Areas, where applicable, are not included.
Other road service areas are included.

NOTE: The 1993 mill levies in this appendix are based on preliminary assessed valuation estimates which may change prior to April 1993 when the actual 1993 mill rates will be approved by the Assembly.

GENERAL GOVERNMENT OPERATING BUDGET

Major Budgetary Issues

GENERAL GOVERNMENT OPERATING BUDGET

MAJOR BUDGETARY ISSUES

LABOR COSTS

Labor costs account for 67% (two-thirds) of the costs of the 1993 General Government Operating Budget, excluding debt service. This element of the operating budget must be brought under control. The Mayor's position is that it is important to bring the overall personnel costs in line with private sector wages. The Municipality can no longer afford to pretend that the current collective bargaining environment will limit wages of Municipal employees to such levels. We have seen, especially with public safety employees who have binding interest arbitration, that it does not.

Every labor agreement will be open for negotiations in 1994. Mayor Fink has proposed five ordinances that would provide the framework to bring Municipal labor costs under control. They would:

- Limit the extent to which Municipal wages may be modified through the collective bargaining process (a cap would be established on wages not to exceed those paid in the private sector).
- Eliminate binding interest arbitration for police and fire.
- Establish a uniform leave program for all Municipal employees.
- Provide that all newly hired police officers and firefighters would participate in the State of Alaska Public Employee's Retirement System (PERS) instead of the local Police and Fire Retirement System.
- Require Assembly approval of Anchorage Telephone Utility (ATU) collective bargaining agreements, amendments, and administrative letters.

MUNICIPAL ASSISTANCE AND STATE REVENUE SHARING

In 1986, the Municipality received nearly \$56 million in State Revenue Sharing and Municipal Assistance revenues for purposes of funding its operating budget. In 1992, the Municipality received less than \$27 million in State Revenue Sharing and Municipal Assistance revenues. In the State budget for FY94, the Governor has proposed that State Revenue Sharing and Municipal Assistance be cut to less than \$22 million. This represents a 61% drop in State assistance in an eight-year period.

Attachment 2-A shows the decreasing amounts of State Revenue Sharing and Municipal Assistance revenues that the Municipality of Anchorage has received since 1986. As these revenues decreased and labor costs increased, the property taxes paid by Anchorage residents have increased (Attachment 2-B).

As a result of the decline in State assistance, the Municipality faced a \$7 million plus deficit in 1993. The Municipality was able to balance its budget only after cutting numerous existing programs and services. The Governor's proposed State FY94 Operating Budget, if enacted, would force Anchorage to cut an additional \$3.1 million in programs and services in 1993 (Attachment 2-C).

The Municipality is facing another major fiscal gap for 1994. If the Governor's proposed State FY94 Operating Budget prevails, the gap will increase by another \$9 million.

The Municipality of Anchorage is requesting that funding for Municipal Assistance and State Revenue Sharing remain at the FY93 level. The Municipality provides critical and needed services to a multitude of Alaskans, not just those who reside within city limits. The Municipality has absorbed inflation and reduced expenditures by every means practicable since 1986, while the State budget has continued to grow. Attachment 2-D compares the growth in the State operating budget with the reduction in State Revenue Sharing and Municipal Assistance revenues.

Municipal Assistance

A.S. 29.60.350(a) says, in part, "The legislature may appropriate to the municipal assistance fund during each fiscal year an amount equal to greater than 30 percent of the income tax received by the State . . ."

The Municipal Assistance Program was restructured in 1978 as a means for the State of Alaska to share its oil wealth with Alaska local governments. For many years, the State funded Municipal Assistance at the minimum statutory entitlement. In recent years, however, Alaska local governments have taken a double hit in Municipal Assistance revenues. Not only have the petroleum related corporate income tax revenues gone down, the State has also reduced the percent being appropriated for Municipal Assistance.

Based on the 30% minimum statutory entitlement for Municipal Assistance, the minimum statutory entitlement exceeds the FY93 authorization by \$17 million and the FY94 Governor's proposed amount by \$43 million (Attachment 2-E).

Based on the newly released Spring 1993 State revenue forecast the corporate income tax revenues at the mid-scenario for FY93 have increased by over 57% since the Fall 1992 forecast on which the Governor's proposed State FY94 State Operating Budget is based. The FY93 corporate income tax revenues were \$158 million in the Fall 1992 forecast; they are \$249 million in the Spring 1993 forecast. Per AS 29.60.350(a), the FY93 corporate income tax revenues are the basis for the FY94 Municipal Assistance minimum statutory entitlement (MSE).

Although the statutes provide for 30% of the prior year's corporate income tax revenues as the Municipal Assistance MSE, the Governor's FY94 budget proposed amount is 20.4% based on the then available revenue forecast. If this Governor's proposed 20.4% were applied to the new revenue forecast, the FY94 Municipal Assistance appropriation would be \$50.8 million versus the \$32.2 million currently in the Governor's budget (compared to last year's \$42.9 million Municipal Assistance appropriation).

The large increase in the Department of Revenue's forecast for FY93 corporate income tax revenues should, as an absolute minimum, provide the basis for (1) the Legislature to increase the amount of the Municipal Assistance in the State FY94 budget to the same amount as was appropriated last year, and (2) the Governor not to reduce the amount of such Legislative appropriation through veto action.

SOCIAL SERVICES BLOCK GRANT

Social Service agencies based in Anchorage provide far-ranging support of community and statewide programs. These agencies continue to face fiscal problems as the demand for their services increase. We urge funding at \$1,981,600.

In 1992, the Municipality received \$1,656,600 from the Social Services Block Grant. This combined with \$536,000 of Anchorage funds was granted to 36 non-profit agencies which provided health services and other care services to the underprivileged. These agencies augmented the funds with local contributions receiving \$2,382,000 from the United Way alone.

Attachment 2-F provides additional information on homeless and public inebriates costs in Anchorage which often benefit people who come to Anchorage from outlying communities.

BILL OF MANDATES

The Municipality of Anchorage supports a constitutional amendment requiring cost reimbursement for state mandated existing, new or expanded programs which must be provided by local governments. Many legislative programs either mandate or inadvertently require expenditures by local communities of local funds, causing

local government significant budgetary stress. We strongly urge passage of Mandated Municipal Services legislation (prior year SJR 32) to address this problem.

RECOVERY OF ASH CLEANUP COSTS

The August 18, 1992 eruption of Mt. Spurr blanketed Anchorage with a layer of ash that required immediate cleanup by the municipality and resulted in significant costs to the municipality. On August 19, Mayor Fink declared an "Air Emergency" and excused non-essential municipal employees from work due to extremely high airborne particulate levels. While the Municipality was able to adequately respond during and after the ashfall with available resources, the required cleanup resulted in significant costs to the Municipality.

It is now apparent that our response has severely impacted operating budgets and curtailed programmed projects of both general government and the municipal utilities. Ash cleanup disrupted various programs and presented new problems for public sewer, building maintenance, garbage collection, and vehicle maintenance. Since volcanic ashfall is natural infrequently recurring phenomenon, it is difficult to assess long term effects on equipment. It is known that volcanic ash is normally abrasive and corrosive. Immediate effects included excessive wear on cleanup equipment, fouling garbage removal equipment, damaging sensitive electronic equipment and clogging storm drain systems.

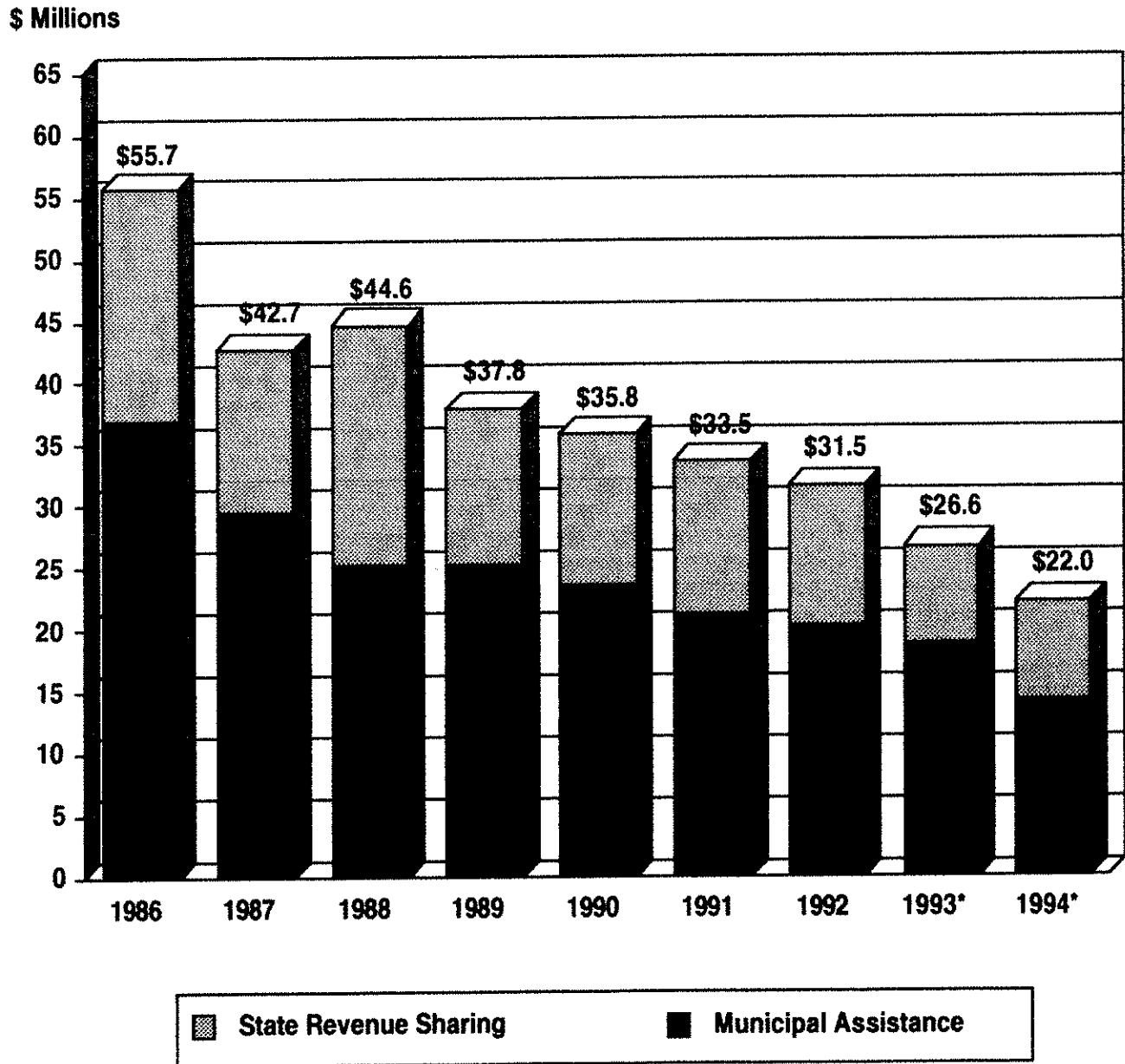
Projected costs are our best estimates based on available information and technical data. Some long term problems are just beginning to surface such as replacement of compressor blades and parts in turbine electric power generators due to ash abrasion. We are continuing our efforts to develop long term effects and technical data. Our best estimates of documented ashfall costs for the Municipality currently total \$2,009,701.

The Municipality of Anchorage must have help to avoid significant adverse impacts on 1993 essential municipal services, and major repair and maintenance projects.

SENIOR CITIZEN/DISABLED VETERAN PROPERTY TAX EXEMPTION

The Municipality of Anchorage continues to request full funding under this program, according to the original intent. In 1992, the Municipality exempted approximately \$7.9 million in taxes under this program and yet will only be reimbursed between \$1.1 and \$1.4 million, an underfunding of over \$6.5 million. Due to the increase in the number of applications for this program, the Municipality has seen its revenue loss for this program increase almost 41% over last year. This shortfunding will have to be made up from either an increase in taxes for the remaining taxpayers or the loss of more government services. Anchorage residents cannot afford to continue to subsidize the program. The State should fully fund the exemption or repeal the exemption program.

MUNICIPAL ASSISTANCE / STATE REVENUE SHARING TREND FOR ANCHORAGE

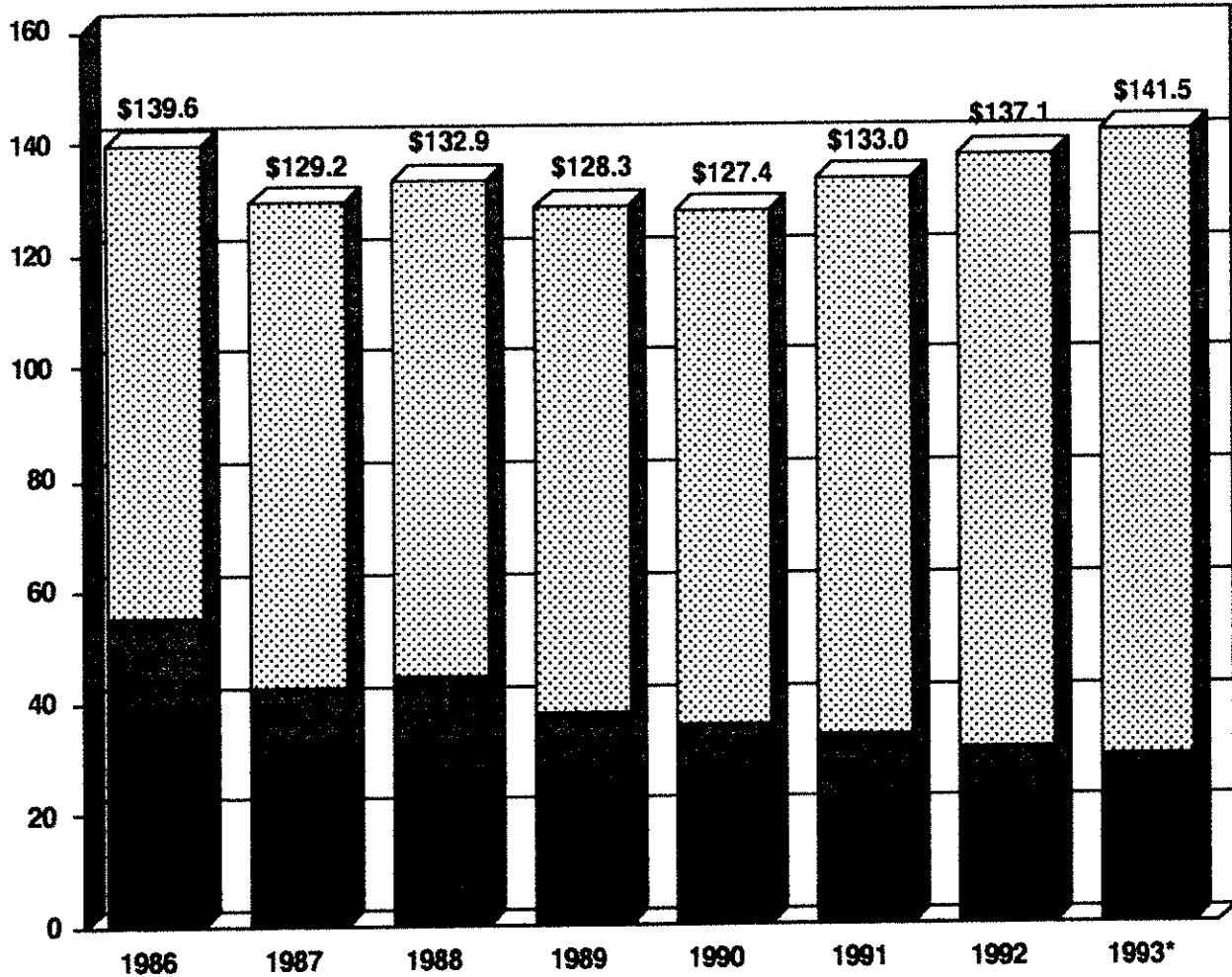


* Governor's proposed.

MUNICIPAL ASSISTANCE / STATE REVENUE SHARING / PROPERTY TAXES

TREND FOR ANCHORAGE

\$ Millions



* Governor's proposed.

IMPACTS OF GOVERNOR'S PROPOSED FY94 OPERATING BUDGET ON MUNICIPALITY OF ANCHORAGE

The following is a preliminary analysis of the impacts on the Municipality's 1993 and 1994 General Government Operating Budgets of the Governor's proposed FY94 Operating Budget submitted to the Legislature on December 15, 1992.

A. PROPOSED GOVERNOR'S REDUCTIONS

1. Calculation of Proposed Reduction:

	<u>1992 State Appropriation</u>	<u>Governor's Proposed Reduction</u>		<u>MOA Budget Year</u>
		<u>Amount</u>	<u>Percent</u>	
State Revenue Sharing	\$11,051,360	\$3,094,380	28% ^(a)	1993
Municipal Assistance	<u>18,718,080</u>	<u>4,679,520</u>	25%	1994
	\$29,769,440	\$7,773,900		
 Sr. Citizens Exemption	 <u>1,484,690</u>	 <u>1,484,690</u>	 100%	 1994
	<u>\$31,254,130</u>	<u>\$9,258,590</u>		

(a) Anchorage reduction will be greater than the 25% state-wide reduction due to the minimum payment, hold-harmless provision for small communities and villages.

2. Summary of Proposed Reductions:

CY 1993 \$3,094,380
 CY 1994 \$9,258,590^(b)

(b) Assumes 1994 legislature makes no further reductions in State Revenue Sharing.

B. POTENTIAL AREAS OF REDUCTION

1. 1993 Fiscal Year:

Based on the priorities in our 1993 operating budget, the programs and services identified in Exhibit "A" would quite likely be candidates for reduction or elimination. This list is comprised of the Assembly add-backs to the 1993 operating budget and by coincidence equals \$3.1 million in net tax cost, approximately the same amount our State Revenue Sharing would be reduced if the Governor's proposal stands.

This \$3.1 million reduction would be in addition to the reduction in programs and services already planned in the 1993 budget below the 1992 level of service.

2. 1994 Fiscal Year:

The elimination of State funding for the Senior Citizens/Disabled Veterans Property Tax Exemption would not necessarily result in a reduction of programs and services. If the exemption program is continued as a local option, the costs could be shifted within the tax cap to those taxpayers not benefiting from the exemption thereby increasing the property taxes they pay. This issue needs further evaluation before a policy decision can be made; however, assuming that this were done, an additional \$4.7 million of budget cuts still must be made in 1994 above those required for 1993. A reduction of this magnitude will most likely result in whole programs being deleted and will surely impact essential services.

In order to minimize reductions in essential police, fire, emergency medical, road maintenance, and health programs and services, even more dramatic reductions will have to be made in library, museum, parks and recreation, transit and non-safety net health programs and services. Only the bare minimum of service will be able to be maintained in these areas, should we be required to reduce \$3.1 million in 1993 and another \$4.7 million in 1994.

POTENTIAL AREAS OF REDUCTIONS - 1993

- Sunday bus service eliminated.
- Saturday bus service reduced by one-third.
- Chugiak-Eagle River branch library staff reduced.
- Library books and materials purchases reduced.
- Alaska Center for the Performing Arts Center subsidy reduced by over 60% (Center may have to be "moth-balled" if sufficient non-Municipal funding is not found).
- Museum fall, winter, and spring hours reduced from 44 to 36 per week (no change in summer hours).
- Museum research, cataloging, and conservation reduced.
- Federation of Community Councils funding eliminated.
- Fairview and Spenard Recreation Centers closed two days per week.
- Spenard and Jewel Lake beaches closed.
- Swimming pool operations reduced.
- Summer swim/recreation day camp programs eliminated.
- Summer playground programs eliminated.
- Russian Jack Spring Park operations reduced (Chalet will be closed except for rentals; winter rope tow operations eliminated; adult league basketball, soccer, and baseball programs eliminated; tennis lessons eliminated).
- Lions Camper Park closed.
- Girdwood parks maintenance and beautification projects reduced.
- Right-of-Way tree and shrub maintenance reduced.
- Walkway snow removal at school routes and trails eliminated.
- Therapeutic recreation programs reduced.
- Grants to Anchorage Bowl non-profit recreation providers eliminated.
- Grants to non-profit art groups eliminated.
- Grants to social services non-profit organizations reduced.
- Grants to other non-profit groups eliminated.
- Long-range planning activities reduced.
- Anchorage Economic Development Corporation subsidy eliminated.
- Spring creek cleanup support eliminated.
- Alcoholism DETOX services reduced.
- Anchorage Senior Center operations reduced.
- Environmental protection services activities reduced
- Dust oiling program on gravel roads eliminated.
- Amenity street lights in Central Business District and Spenard eliminated.

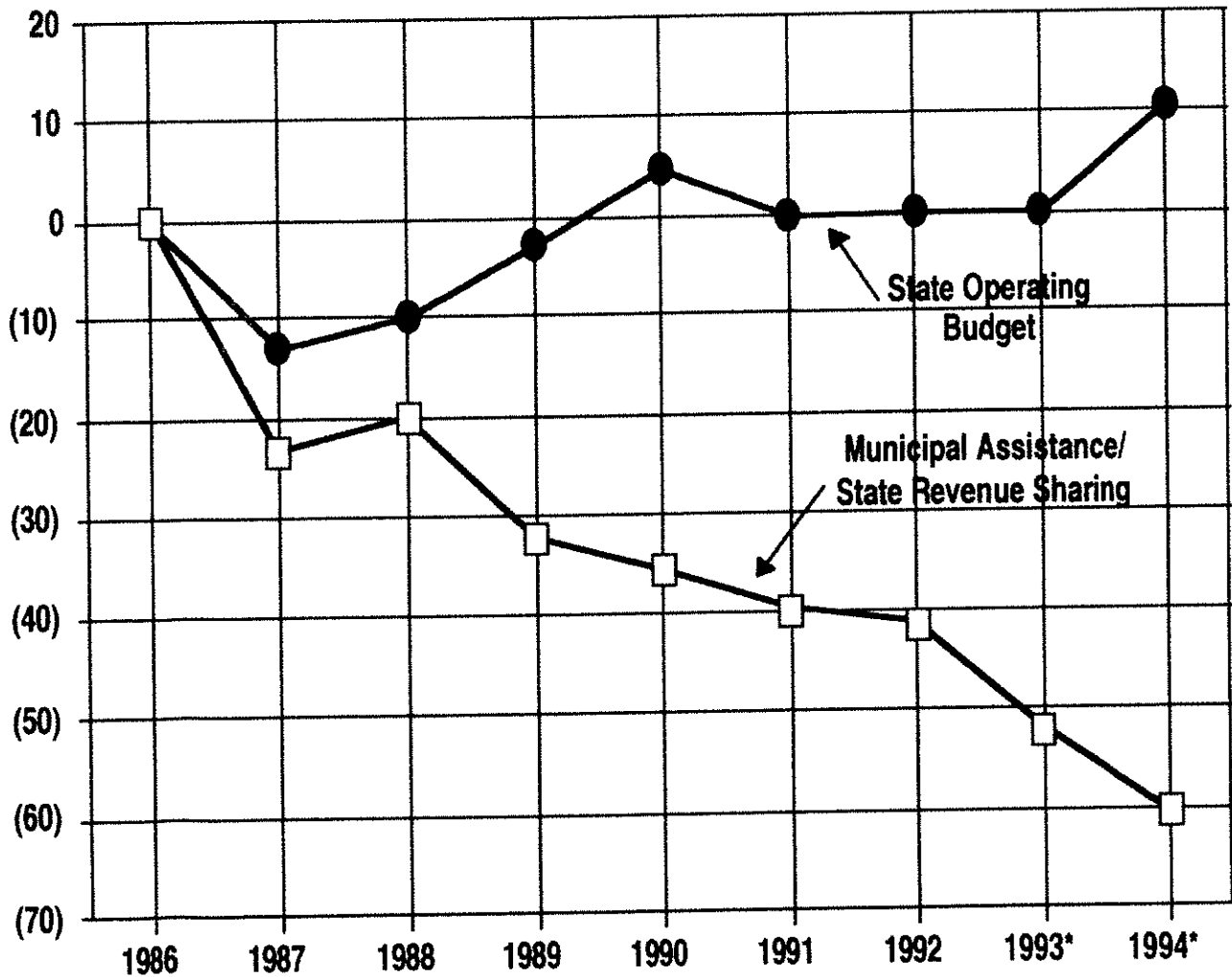
The above reduction in programs and services will save approximately \$3.1 million in costs if they were made effective January 1, 1993. Since legislative and possible Governor's veto actions will probably not be completed until mid-to-late June 1993, in reality about another \$3.1 million (total of \$6.2 million) in annualized cuts will have to be made if they are not effective until July 1993.

In order to minimize reductions in essential police, fire, emergency medical, road maintenance, and health programs and services, substantial reductions will have to be made in library, museum, parks and recreation, transit, and non-safety net health programs and services.

The above cuts are the most likely based on our 1993 budget process; however, a new public hearing process could result in some changes. Without doubt, however, any reduction in State Revenue Sharing and Municipal Assistance revenues will mean reductions in services and elimination of programs.

CUMULATIVE PERCENT OF CHANGE
MUNICIPAL ASSISTANCE / STATE REVENUE SHARING
PAID TO ANCHORAGE
COMPARED TO
STATE OPERATING BUDGET CHANGES

Percent



* Governor's proposed.

FULL FUNDING OF MUNICIPAL ASSISTANCE MINIMUM STATUTORY ENTITLEMENT

Alaska Statutes Section 29.60.350(a) is quoted as follows:

"There is established in the department the municipal assistance fund. The legislature may appropriate to the municipal assistance fund during each fiscal year an amount equal to or greater than 30 percent of the income tax revenue received by the state under AS 43.20.011(e) for the previous fiscal year."

AS 43.20.011(e) cited above are corporate income taxes.

Over 80% of the State corporate income tax revenues are related to the petroleum industry. The Municipal Assistance Program was restructured in 1978 as a means for the State of Alaska to share its oil wealth with Alaska local governments. For many years the State did indeed fund Municipal Assistance at least at the minimum statutory entitlement. In recent years, however, Alaska local governments have taken a double hit in Municipal Assistance revenues. Not only have the petroleum related corporate income tax revenues gone down, the State has also reduced the percent being appropriated for Municipal Assistance. For FY94, the Governor is proposing that only 20% of the prior year's corporate income tax revenues be appropriated for Municipal Assistance rather than the statutory 30%. While not much can be done about the reduction in the total dollar amount of corporate income tax revenues, action should be taken to restore the percent of those revenues used to fund the Municipal Assistance Program to the minimum statutory entitlement. As an absolute minimum, the FY94 Municipal Assistance funding should not be reduced from the FY93 level; the Governor is proposing a 25% reduction.

Per the State Department of Revenue Spring 1993 revenue forecast (March 5, 1993), the following are the corporate income tax forecasts at the mid-scenario:

FY92 Preliminary Actuals (Basis for FY93 Municipal Assistance)	\$199,200,000
FY93 Estimate (Basis for FY94 Municipal Assistance)	\$249,000,000

Based on the 30% minimum statutory entitlement for Municipal Assistance, the following is a comparison of the minimum statutory entitlement together with the FY93 authorization and the amount proposed by the Governor for FY94:

	<u>FY93</u>	<u>FY94</u>
Minimum Statutory Entitlement	\$59,760,000	\$74,700,000
Authorized/Proposed	<u>42,916,200</u>	<u>32,187,200</u>
Shortfall	<u>\$16,843,800</u>	<u>\$42,512,800</u>
Estimate Anchorage Share of Shortfall	<u>\$ 7,343,900</u>	<u>\$18,535,580</u>

Revised March 12, 1993
to Reflect Spring 1993 Revenue Forecast

HOMELESS AND PUBLIC INEBRIATES COSTS TO ANCHORAGE

Anchorage has a large population of homeless, many of whom have serious problems with alcohol. Frequently these people come to Anchorage from outlying communities, yet Anchorage must use its resources to deal with the problems associated with this segment of the population. In 1992, Anchorage provided \$578,000 of the Social Services Block Grant funding to non-profit agencies providing services to the homeless and public inebriates. During 1992, Anchorage also used over \$1 million of local tax dollars to provide services to the homeless and public inebriates.

Homeless

Many of the homeless are not residents of Anchorage or are new to the city. More than 1/3 have lived in Anchorage for less than a year. One-third are Native and 30% were born outside of Anchorage, but in Alaska. We believe that on an average winter night there are 620 homeless people. One hundred thirty of these are children and their parents. For 47% the primary cause of their homelessness is substance abuse, primarily alcohol. Other reasons are economic dislocation (18%), mental illness (18%), and physical illness (9%). Between 1987 and 1991 the number of homeless increased 8% per year. This is due in part to a tighter low cost housing market, continued rural to urban migration, and the lower 48 recession.

Public Inebriates

In 1974, the legislature passed the Uniform Alcohol and Intoxication Treatment Act which called for the replacement of criminal prosecution for drinking violations with a "continuum of treatment." This included medically affiliated emergency services. According to the act, it is the State's responsibility to "insure that adequate and appropriate treatment is provided to alcoholics and intoxicated persons . . . within the limits of available state and federal funds." [AS 47.37.130(c)].

Because the State does not provide adequate funds for the protection and treatment of public inebriates, the burden is shifted to Anchorage's Health and Human Services, Police, and EMS as well as local hospitals and social services agencies. Also burdened are our neighborhoods and businesses, especially those in the downtown area.

Most of the public inebriates are not from Anchorage. Almost 80% are Alaskan Natives, 73.2% were born in rural Alaska, and 74% belong to a Native Regional Corporation. Between July 1 and December 31, 1992 our emergency holding facility, called the Transfer Station, admitted 1,092 different people 5,151 times. Eighty-nine percent were homeless and their average Breath Alcohol Content (BAC) was .240.

The economic burden on the community is great. Although the state funds some detoxification and treatment services it provides no funding to pick up and hold intoxicated people in need of protection. For instance, between July and December 1992 our police responded to 478 calls concerning public drunks. When they are not in the Transfer Station they are frequently using and adding to the strain in our homeless shelters, hospitals, and jails.

GENERAL GOVERNMENT OPERATING BUDGET

The Fiscal Gap

IV. "FISCAL GAP" - PROBLEM AND SOLUTIONS

This section was developed in 1990 and has been continued in this report to identify corrective action to resolve the Fiscal Gap facing the Municipality. The term Fiscal Gap is derived from the shortfall that exists when desired expenditures are greater than available revenues. The Administration's recommendation to resolve the Gap is contained later in this section.

PROCESS

Many of the factors directly impacting the model have been reviewed and analyzed by the administration, department directors, and the Fiscal Policy Committee. Input from these various groups provided a strong base for the planning process involved in the fiscal gap model.

"FISCAL GAP"

The proposed General Government operating budget contains a recommended reduction of about \$9 million in various programs and services. Additional cuts will also have to be made if the \$3.0 million major maintenance bond proposition fails, since it entails federally mandated improvements to handicap access problems throughout the city. Figure 4-1 depicts the assumptions utilized for revenues and expenditures, resulting in the Fiscal Gap of \$20 million in 1993, which does not include the potential Police and Fire unfunded retiree medical liability that could approximate \$22 million per year, or high priority new/increased programs and services. Three cases with different Fiscal Gaps were developed during the planning process. We have presented the "Most Likely Case" for purposes of evaluating solutions to the Fiscal Gap in this document.

The new requirements have been developed by each of the departments in General Government. The direction given to these departments centered on providing realistic new requirements that would impact the operating budget during the 1993 to 1998 time frame. All cost information reflects expenditures over the 1992 approved budget level, adjusted for first quarter revisions and one-time expenditures.

The New Requirements section of the Fiscal Gap Report is divided into several sections, which are outlined below:

1. Federal/State Mandated Services -- This category encompasses services or programs mandated by Federal, State, or Municipal law, statute, ordinance, code, or regulation. The components of this category should receive priority funding because of the implications of non-compliance.

2. Additional costs of existing programs/services -- This category centers on the additional cost of current contracts or programs, other than inflationary increases, needed to provide the same level of service.
3. Utility Increases -- This area focuses on utility rate increases.
4. High Priority New or Increased Programs/Services -- This category entails all the increased programs/services that would be beneficial to the Municipality to increase. This is not a wish list, but a well developed management plan for the effective functioning of the various Municipal departments.

Items 1 though 3 (subtotal \$4.5 million) are additive to the Fiscal Gap that results from the shortfall between planned revenues and anticipated expenditures (subtotal \$15.5 million) to arrive at the combined Fiscal Gap of \$20 million. The high priority new requirements (\$19.6 million) nor the potential Police/Fire retiree medical liability (\$21.8 million) have not been included and would raise the fiscal gap to over \$60 million for 1993.

In order to cover the costs of certain mandated new requirements, it is anticipated that the city will receive State grant assistance or voter approved bonds in the following areas:

- Underground Storage Tanks
- National Pollution Discharge Elimination System (NPDES)
- Americans with Disabilities Act (ADA)

Additionally, certain High Priority new or increased programs/services will comprise the 1993 Legislative Program for the Municipality. Some of these key projects include:

- Building Maintenance (deferred and ongoing)
- Street Maintenance and Repair
- Police -- Communications System Upgrade
- Park and Trail Compliance with ADA

By far the largest component of New Requirements would be the potential unfunded liability for Police and Fire retirees. This \$22 million number is shown below the line, but by no means is it any less important. The present value of benefits -- over \$142 million -- resulting from a valuation of the Municipality's Police, Fire and command officers Retiree Health Plan has been estimated by Mercer, Inc., health case consultants for the Municipality, and confirmed by Martin E. Segal Company.

Figure 4-1 on the following page outlines the Fiscal Gap if nothing is done to correct our current situation. All assumptions for revenues have been delineated within parentheses next to the revenue source. Wages and benefits are increasing per existing contractual obligations and other services increasing at a rate of 4% during the future years. With recent projections on health care benefits indicating potential increases of 16%, the expenditure portion is probably conservative.

Figure 4-1

**"Fiscal Gap"
Before Implementation of Solutions
(In \$ Millions)**

	1993	1994	1995	1996	1997	1998
REVENUES						
Federal Revenues (0%)	\$ 1.22	\$ 1.22	\$ 1.22	\$ 1.22	\$ 1.22	\$ 1.22
State Revenues (-2% after 1993)	32.44	31.79	31.16	30.53	29.92	29.32
Local Revenues (2%)	40.97	41.79	42.62	43.48	44.35	45.23
Property Taxes (Constant + New Construction)	107.83	109.03	110.23	111.43	112.63	113.83
Fund Balance Applied (2% Prior Yr. Expend.)	3.99	4.41	4.61	4.81	5.03	5.26
IGC's (5% after 1993)	18.46	19.38	20.35	21.37	22.44	23.56
TOTAL REVENUES	\$204.90	\$207.62	\$210.19	\$212.84	\$215.59	\$218.43
EXPENDITURES						
Personnel Services (5.6%)	\$129.14	\$136.37	\$144.01	\$152.07	\$160.59	\$169.58
Debt Service	24.30	24.30	24.30	24.30	24.30	24.30
Other (4%)	66.97	69.65	72.43	75.33	78.34	81.48
TOTAL EXPENDITURES	\$220.41	\$230.32	\$240.74	\$251.70	\$263.23	\$275.36
FISCAL GAP (Reference Figure 4-2)	\$ 15.51	\$ 22.70	\$ 30.56	\$ 38.86	\$ 47.65	\$ 56.93
ADDITIONAL REQUIREMENTS - INCREASES TO THE GAP						
Federally/State Mandated Services:						
Internal Audit	\$ 0.00	\$ 0.00	\$ 0.01	\$ 0.00	\$ 0.00	\$ 0.01
Clerk -- S.S./Add. Election Work	0.03	0.03	0.03	0.03	0.03	0.03
Law -- ADA Req.	0.00	0.50	0.50	0.10	0.05	0.03
P&FM -- ADA	0.22	0.22	0.00	0.00	0.00	0.00
Employee Relations -- ADA	0.04	0.02	0.02	0.02	0.02	0.02
Cost of Medicare for Certain Employees	0.00	0.00	0.00	0.00	0.00	0.00
H&HS -- ADA (Suppl. Trans. Vans)	0.05	0.05	0.05	0.04	0.04	0.04
H&HS -- Clean Air Conf. Analysis	0.04	0.04	0.04	0.04	0.04	0.04
Cultural & Rec -- ADA	0.19	0.17	0.14	0.14	0.14	0.14
Fire -- OSHA Req.	0.17	0.18	0.19	0.20	0.21	0.21
NPDES	0.39	0.23	0.23	0.23	0.23	0.23
Full Accrual of Leave	0.00	0.00	0.00	0.00	0.00	0.00
Police/Fire Unfunded Liability	0.00	0.00	0.00	0.00	0.00	0.00
Asbestos Removal	0.07	0.42	0.42	0.00	0.00	0.00
Underground Storage Tanks	0.25	0.25	0.25	0.20	0.15	0.15
Subtotal	\$ 1.44	\$ 2.10	\$ 1.87	\$ 1.00	\$ 0.90	\$ 0.89
Additional Cost of Existing Programs/Services:						
COBRA Liability for Health Insurance	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Police/Fire Retiree Medical	0.83	0.45	0.46	0.49	0.50	1.48
Police -- Jail Contract	2.00	2.00	2.00	2.00	2.00	2.00
Police -- Repair/Maint. of Equipment	0.00	0.00	0.00	0.00	0.00	0.00
Fire Hydrant Maintenance	0.00	0.00	0.00	0.00	0.00	0.00
Non-Departmental	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal	\$ 2.83	\$ 3.15	\$ 3.16	\$ 3.19	\$ 3.20	\$ 4.18
Utility Increases or IGC's:						
P&FM	\$ 0.14	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.01	\$ 0.01
Police	0.03	0.03	0.03	0.03	0.03	0.03
Cultural & Rec Services	0.06	0.06	0.06	0.06	0.06	0.06
Subtotal	\$ 0.23	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.10	\$ 0.10
FISCAL GAP (Prior to New Requirements and Police/Fire Retiree Medical Liability)	\$ 20.01	\$ 28.05	\$ 35.69	\$ 43.15	\$ 51.85	\$ 62.10

	1993	1994	1995	1996	1997	1998
High Priority New or Increased Programs/Services:						
Health & Human Services	\$ 0.24	\$ 0.29	\$ 0.35	\$ 0.35	\$ 0.35	\$ 0.35
P&FM -- Deferred/Ongoing Building Maint.	2.20	2.50	2.60	2.60	2.60	2.60
P&FM -- Replacement of Heavy Equipment	1.20	0.00	0.00	0.00	0.00	0.00
Employee Relations	0.33	0.35	0.35	0.35	0.35	0.35
Pub. Works -- Deferred/Ongoing Maintenance	8.07	10.66	11.97	13.27	13.27	13.27
Finance	0.63	0.63	0.63	0.63	0.63	0.63
Law	0.00	0.00	0.00	0.00	0.00	0.00
Cultural & Recreation	3.56	4.61	2.78	3.03	3.39	3.53
Police	0.33	0.33	0.33	0.33	0.33	0.33
Police -- 911 System Upgrade	2.00	0.20	0.20	0.20	0.20	0.20
Fire	1.04	2.93	3.12	3.33	3.35	3.36
Subtotal	\$19.60	\$22.51	\$22.34	\$24.09	\$24.47	\$24.63
Total New Requirements	\$24.10	\$27.85	\$27.46	\$28.38	\$28.67	\$29.80
TOTAL FISCAL GAP	\$39.61	\$50.55	\$58.02	\$67.25	\$76.32	\$86.73
Police/Fire Retiree Medical Benefits (Based on 20-year % of Payroll)	\$21.76	\$21.97	\$22.23	\$22.53	\$22.53	\$22.53
Gap with Unfunded Liability for Police/Fire	\$61.36	\$72.52	\$80.25	\$89.78	\$98.85	\$109.27

Figure 4-2

**TOTAL FISCAL GAP
"MOST LIKELY CASE"**

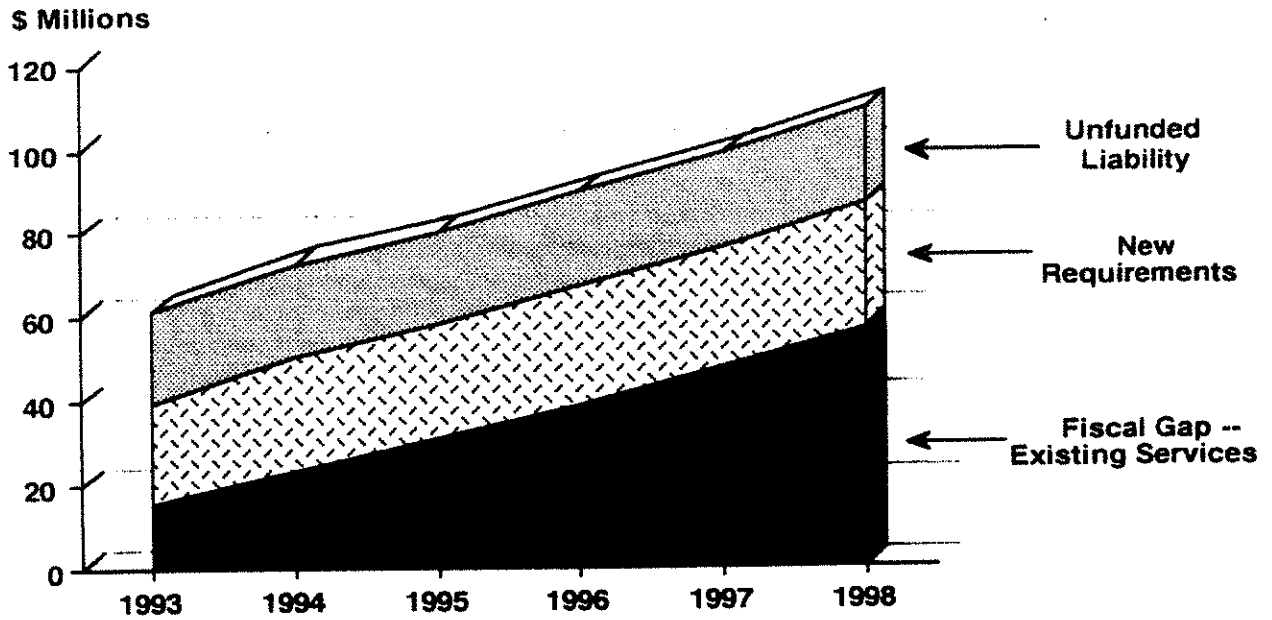
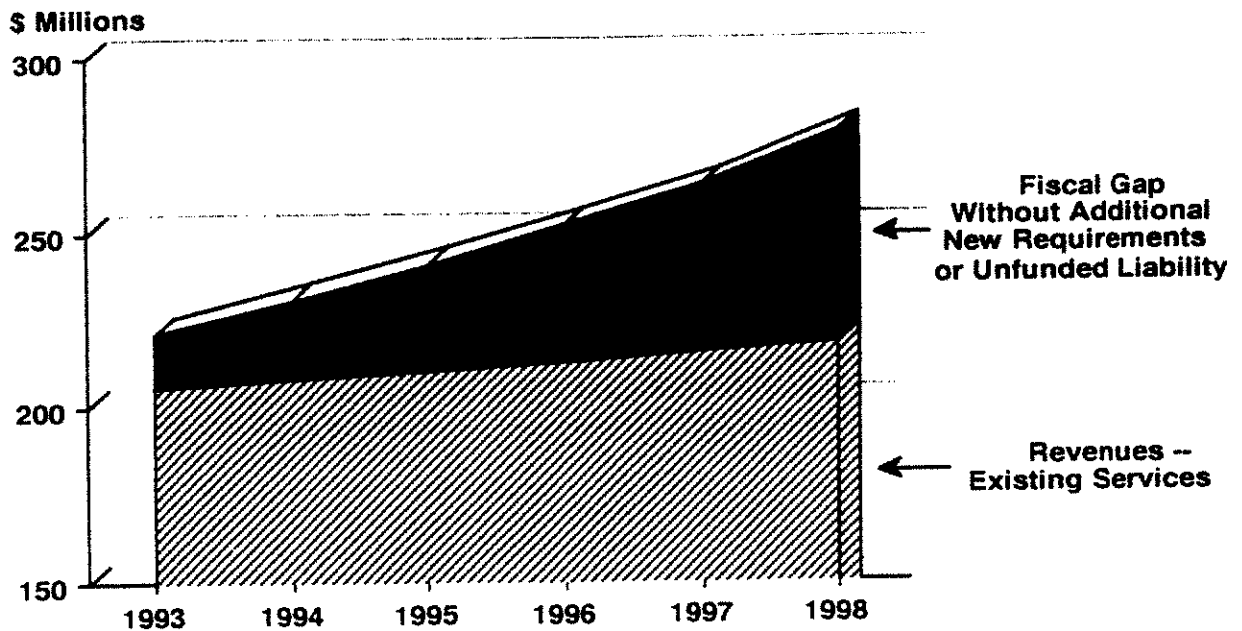


Figure 4-3

**CURRENT LEVEL EXPENDITURES
MINUS EXPECTED REVENUES**



FISCAL POLICY ANALYSIS

This portion of the Fiscal Trends document explains the policy analysis that took place when solutions to the Fiscal Gap were being evaluated.

In order to develop a comprehensive plan to solve the Fiscal Gap, it was necessary to agree on the solution option that would resolve the projected gap. The feasibility of the most desirable public policy solution options was assessed as the final step in the process.

Once the Gap was identified, the next logical step was the establishment of solutions necessary to remedy the problem. Policy options were defined in the following categories:

- Compensation Concessions
- Utility Policy
- Service and Program Adjustments
- New Revenues

These options are presented for analytical purposes. The Administration does not support higher utility rates, taxes or user fees beyond those already proposed in the 1993 Operating Budgets.

Compensation Concessions

Salaries - The result of labor negotiations has increased the cost of the various bargaining units and non-reps in the 1992 operating budget, which carries over to 1993 and the outyears. Labor concessions from the various bargaining units would alleviate some of the potential departmental reductions.

Cost of Living Adjustments (Benefits) - Inflationary increases for health benefits have not been included in the Fiscal Gap model. Should they occur, they would increase the Fiscal Gap.

Police and Fire Retiree Medical Benefits - Martin E. Segal Company has confirmed the present value of benefits resulting from a valuation of the Municipality's Police and Fire retiree health plan at over \$142 million. This amount equates to a \$22-\$24 million a year (FASB 106) potential expense. A prudent fiscal policy objective would be to implement certain cost containment measures. The 1993 solution to the Gap does not account for any funding of this potential liability, yet the need still exists and should be resolved.

Utility Policy

Sale of ATU - Under this solution, the Municipality could sell ATU and use some of the revenues to assist in closing the Fiscal Gap.

- \$150 million of outstanding debt at ATU would be eliminated.
- Invest \$100 million for retiring general obligation debt, which has a corresponding impact on the taxpayer.
- Establish a permanent fund for approximately \$201 - \$251 million. The interest earnings after inflation-proofing are approximately \$7.6 - \$9.5 million annually, which could be used to close the Fiscal Gap.

In addition, this solution would provide a source of funds for critical priorities upon approval of the voters.

Sale of Other Utilities - Solid Waste Collections and ML&P appear to be the only other feasible candidates. These two would not be expected to generate near the revenues predicted from the sale of ATU.

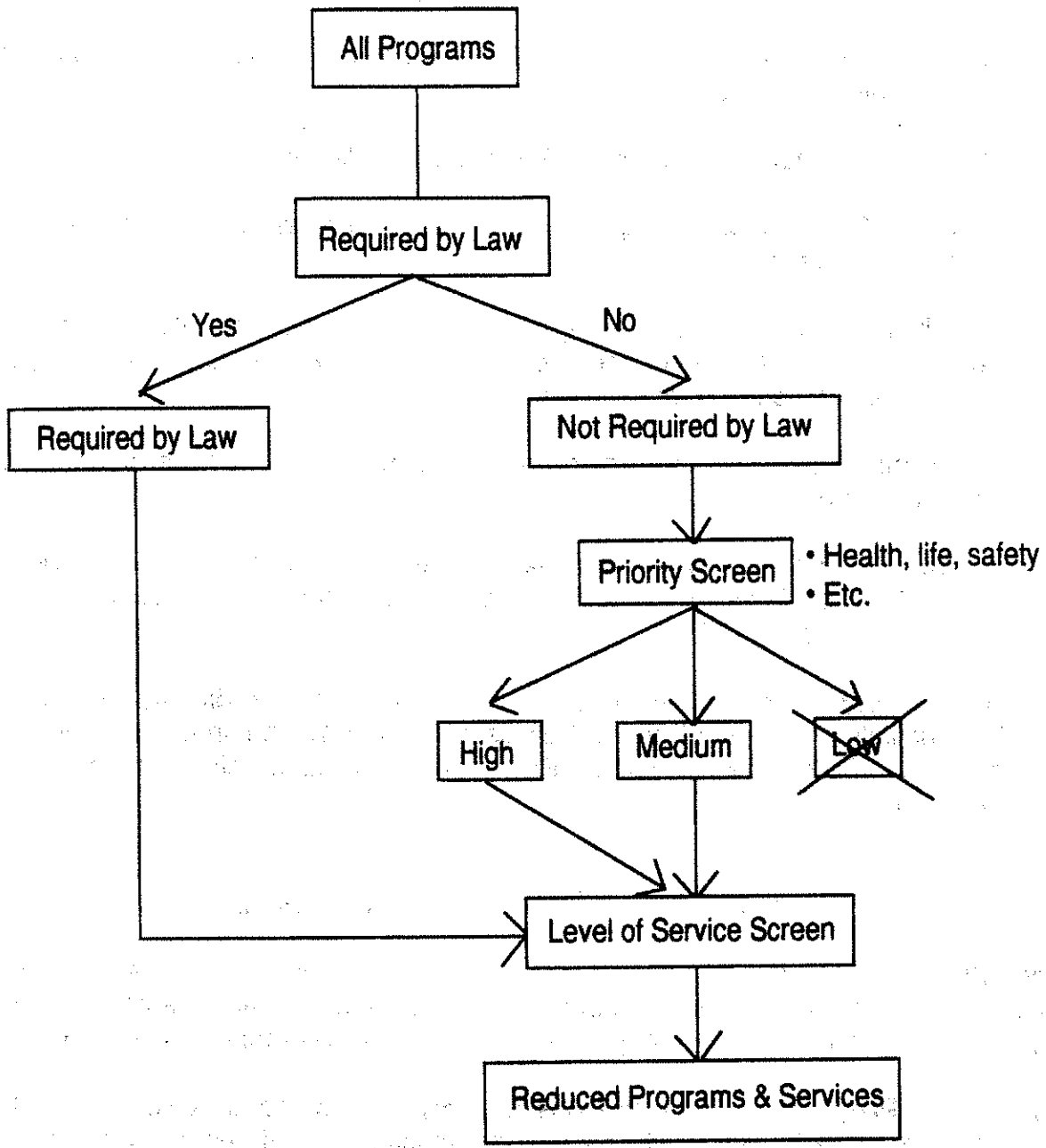
Increased Utility Revenue Distribution - These amounts are directly dependant on the Municipality's dividend policy, the Utilities' ability to pay and, in most cases, Alaska Public Utilities Commission rulings. Projected utility rates will be affected by the anticipated URD's.

Service and Program Adjustments

Consolidation and Efficiency Savings - Many of these reductions have already been implemented. The identification of additional savings in this category will likely require a more comprehensive analysis. Any substantial savings will require time to implement.

Service and Program Reductions - This category will encompass a wide range of dollar savings for 1993, which will vary with the assumptions utilized in determining service/program priorities and desired levels of service.

The model on the following page was utilized in establishing priorities for services and programs.



New Revenues

State Assistance for Mandated Programs - More emphasis should be put on assistance with federally mandated requirements.

Major Repairs and New Requirements - Under this solution, Anchorage would place emphasis on major repair and maintenance of the **existing** infrastructure.

Exemption Program for Senior Citizens and Disabled Veterans - The Municipality could reduce taxes to existing taxpayers if the Legislature would fully fund the exemption program for senior citizens and disabled veterans, as set forth in Alaska Statute 29.45.030. Fully funded, this program would generate an additional \$5.6 million, which would be available for reallocation. The Municipality is anticipating funding at approximately 20% for 1993. This option would be a redistribution of taxes rather than additional money.

User Fees - This category would entail an increase to the fee structure imposed by the Municipality on its users.

Property Tax - This solution would incorporate taxing the maximum allowed under the cap.

Additional Taxes - This solution has various possibilities for generating a range of revenues. It is presented here for analytical purpose. The Administration does not support substantial new taxes at this time without voter approval. Additionally, recent surveys indicate that the public is opposed to any new form of general taxation. Examples are as follows:

- **Alcohol Tax** - Average package store retail prices from local sources (\$10 for a bottle of liquor, \$7 for a bottle of wine and \$12 for a case of beer) were used to estimate package store sales. Sales volumes for the remaining 18% of alcohol volume from restaurants and bars were calculated on a per drink basis. Both of the aforementioned sales were then multiplied by a 6% tax to arrive at estimated revenues of \$6.57 million per year after administrative costs.
- **Sales Tax** - \$10 million annually. Current estimates indicate that a broadly based tax at a 1% rate would raise approximately \$10 million after administrative costs.
- **Sales Tax with a Sunset Clause** - Same as above, but it would be for a fixed term.
- **Seasonal Sales Tax** with effective dates during the summer season (mainly May through September). The revenue from this tax varies with the level imposed. For purposes of this model, we can assume that \$3 million would be the net yield on a 1% sales tax, after administrative costs.

- Automobile Registration Tax - This solution would include a revision to the State statute which sets the fee schedule for automobile registration taxes. This solution would be a redistribution of the taxes, rather than additive money, unless it was taken to the voters for specific approval.

* * * * *

Once the fiscal policy analysis was completed, the solutions to the Fiscal Gap were identified and presented to the Assembly in the 1993 Operating Budget. The remainder of this section of the report outlines the various solutions and presents future recommendations

PROPOSED SOLUTION TO THE FISCAL GAP

Since June, the development of the Fiscal Gap solution matrix has been an evolutionary process. The various options have been identified in Figure 4-4 for a consolidated view of the solutions. Option 1 is the recommendation of the Administration and focuses on program and service reductions, transfer of certain mandated increases into the General Government Capital Improvement Budget, and some assistance from the State.

The Proposed 1993 General Government Operating Budget reduces the costs of existing services by \$9 million. Additional cuts will have to be made if certain assumptions involving labor contracts and State assistance do not materialize.

Option 1 also establishes the use of \$1.2 million of bond proceeds to reduce the mandated new requirements.

Finally, this recommended option entails the postponement of \$20 million in high priority new or increased programs/services. This option does not fund the potential Police/Fire retiree medical liability at this time, but does come with the recommendation that this problem be resolved by the Assembly, and not by an arbitrator.

The "Most Likely" projection represents the Fiscal Gap if no solutions are implemented to solve the problem and the assumptions regarding revenues and expenditures actually occur. The reason for displaying the case in this manner is to present the full magnitude of the Fiscal Gap, which could materialize unless we take appropriate action. It is apparent from the submitted 1993 General Government Operating Budget that approximately \$11 million of the \$20 million has already been addressed in detail and the remaining \$9 million will result in reduced or eliminated services and programs, even if the Assembly taxes to the cap.

Figure 4-4

"FISCAL GAP" SOLUTION OPTIONS
1992

	Option #1	Option #2	Option #3	Option #4	Option #5	Option #6
Legislative Approved CIB	\$ 3.0 M	\$ 3.0 M	\$ 3.0 M	\$ 3.0 M	\$ 3.0 M	\$ 3.0 M
No Increase in Jail Contract	2.0	2.0	2.0	2.0	2.0	2.0
Repayment of Contribution to Bldg Safety	0.9	0.9	0.9	0.9	0.9	0.9
Move Certain Mandated/Continuing						
Increases to the 1993 CIB	1.2	1.2	1.2	1.2	1.2	1.2
Heritage Land Bank Funding	0.5	0.5	0.5	0.5	0.5	0.5
Subtotal A	\$ 7.6 M	\$ 7.6 M	\$ 7.6 M	\$ 7.6 M	\$ 7.6 M	\$ 7.6 M
Salary & Benefits Adjustment Reduction	0.8	0.8	0.8	0.8	0.8	0.8
Inflation Adjustment Reduction	0.5	0.5	0.5	0.5	0.5	0.5
Hill Building/MISD Reduction	0.5	0.5	0.5	0.5	0.5	0.5
Increased Program Revenues	1.2	1.2	1.2	1.2	1.2	1.2
Increased Hotel-Motel Tax Rev (92 & 93)	0.6	0.6	0.6	0.6	0.6	0.6
Net Savings to Enable Funding of Current Service Levels	3.1	3.1	3.1	3.1	3.1	3.1
Add'l State Revenue Sharing Reduction	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)
Reduction in IGC's Outside Gen Govt Due to Budget Reductions	(2.3)	(2.3)	(2.3)	(2.3)	(2.3)	(2.3)
Other/Rounding	0.1	0.1	0.1	0.1	0.1	0.1
Subtotal B	\$ 3.7 M	\$ 3.7 M	\$ 3.7 M	\$ 3.7 M	\$ 3.7 M	\$ 3.7 M
Subtotal of A + B	\$11.3 M	\$11.3 M	\$11.3 M	\$11.3 M	\$11.3 M	\$ 11.3 M
Service/Program Reductions	8.7	0.0	5.6	2.0	2.0	0.0
Compensation Concessions	0.0	0.0	0.0	0.0	6.7	0.0
Sale of ATU	0.0	0.0	0.0	0.0	0.0	8.7
Tax Cap	0.0	3.1	3.1	3.1	0.0	0.0
Increased User Fees	0.0	0.0	0.0	0.6	0.0	0.0
New/Increased Taxes	0.0	5.6	0.0	3.0	0.0	0.0
TOTAL FISCAL GAP SOLUTION	\$20.0 M	\$20.0 M	\$20.0 M	\$20.0 M	\$20.0 M	\$20.0 M

GENERAL GOVERNMENT OPERATING BUDGET

**Comparisons with
Anchorage School District Budget**

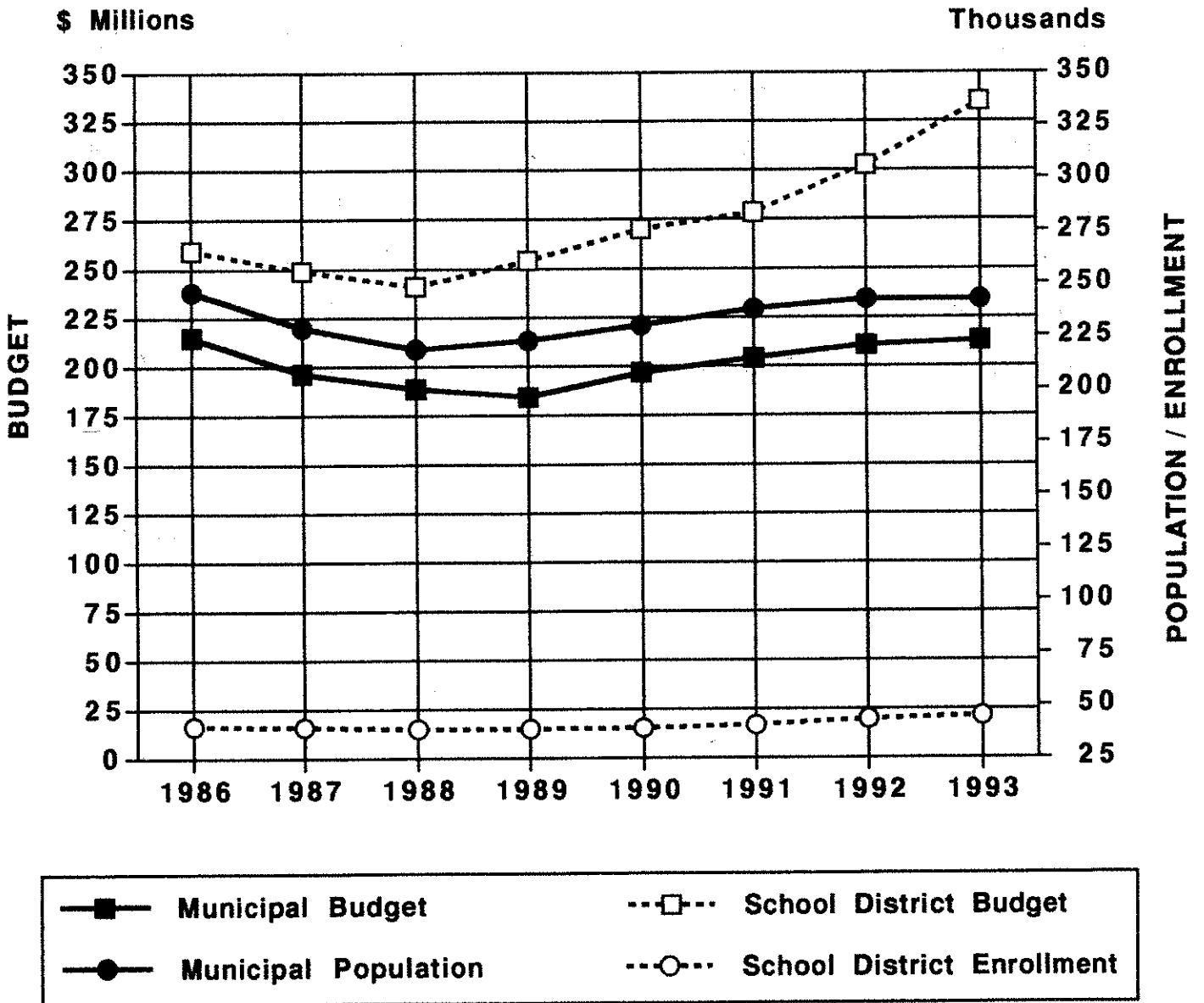
**ANCHORAGE GENERAL GOVERNMENT AND SCHOOL DISTRICT
BUDGET AND POPULATION/ENROLLMENT TRENDS
1986-1993**

<u>Gen. Gov't/ASD Budget Year</u>	<u>General Government</u>		<u>School District</u>	
	<u>Budget</u>	<u>Population</u>	<u>Budget</u>	<u>Enrollment</u>
1986/FY86-87	\$214,922,760	246,139	\$248,923,676	39,777
1987/FY87-88	196,417,130	229,117	240,861,990	38,910
1988/FY88-89	188,651,120	218,979	254,117,372	38,887
1989/FY89-90	184,396,840	221,870	270,093,944	39,300
1990/FY90-91	196,765,790	226,338	278,365,952	40,615
1991/FY91-92	204,110,080	237,907	307,703,435	43,300
1992/FY92-93	215,531,570	240,258	325,087,317	44,959
1993/FY93-94	213,042,970	245,657	335,200,192	46,189

PER CAPITA TRENDS

	<u>1986/FY86-87</u>	<u>1993/FY93-94</u>	<u>Increase (Decrease)</u>	
			<u>Amount</u>	<u>Percent</u>
General Government	\$ 873	\$ 867	\$ (6)	(0.7)%
School District	6,258	7,257	999	16.0%

ANCHORAGE GENERAL GOVERNMENT AND SCHOOL DISTRICT BUDGET AND POPULATION/ENROLLMENT TRENDS 1986 - 1993



GENERAL GOVERNMENT OPERATING BUDGET

Sales Tax Proposition

SALES TAX PROPOSITION

One of the propositions on the April 20, 1993 Municipal election ballot will ask Anchorage voters whether or not they want to establish a 4% sales tax subject to certain specific limits, exclusions, and exemptions.

The estimates of the revenues that would be collected from the sales tax range from \$35 million to \$45 million.

One-half of the revenues collected would be used to reduce existing property taxes; one-fourth of the revenues would fund Anchorage School District increased costs; and the other one-fourth would be used to fund increased transportation maintenance and support costs. For example, if \$40 million were collected, the monies would be used as follows:

\$20 million	Decrease existing property taxes
\$10 million	Increase the Anchorage School District Budget
\$10 million	Increase Municipal budget for transportation maintenance and support
<u>\$40 million</u>	

The \$20 million to decrease existing property taxes would be allocated as follows. Taxes collected by businesses in the Police Service Area would be used to decrease the taxes paid for police services. Taxes collected by businesses outside of the Police Service Area would be used to decrease taxes for areawide services such as libraries, emergency medical services, health and environmental services, transit, etc. Assuming that 94% of the taxes are collected by businesses within the Police Service Area, \$18.8 million would be used to decrease police services taxes with the remaining \$1.2 million used to reduce areawide taxes. Based on the latest (January 7, 1993) assessed valuation data provided by the Property Appraisal Division, annual property taxes would be reduced by about \$218 on a \$100,000 home located in the Police Service Area and about \$11 on a \$100,000 home located outside of the Police Service Area. Taxpayers would see the property taxes on a \$100,000 home paid for police services reduced from about \$356 per year to about \$149 per year; this amount could be even lower if the residents of areas currently outside of the Police Service Area vote to annex into the Police Service Area in the April 20, 1993 election.

**MUNICIPAL UTILITIES
OPERATING BUDGET**

MUNICIPALITY OF ANCHORAGE UTILITIES

AN OVERVIEW OF OPERATIONS AND FINANCIAL CONDITIONS

The Municipal Utilities of Anchorage represent \$1.2 billion in assets. In 1986, before the drop in world oil prices, expansion was underway to accommodate explosive population growth. That growth did not materialize. This administration's task has been to manage the debt associated with those projects with the least impact to our ratepayers. Our focus has been on cost containment. The customer base is almost back to the 1986 pre-crash levels. We are doing the same job with an average of 20% less people. Our current work force is more efficient and our focus continues to be cost containment.

Our financial guidelines for utility management is best summarized as follows:

- Debt service coverage to meet bond covenants
- Sufficient working capital to meet short-term obligations
- Maintain the plant of each utility in excellent working order
- Maintain a positive regulatory net income

Our philosophy behind these guidelines is to emphasize that a government owned utility can best serve the public by leaving capital in the private sector. This is as opposed to raising rates and paying dividends which we consider a "hidden tax." Low rates and excellent service have facilitated the recovery of our economy as a result. We have met our goals for the previous three years.

A highlight of last year resulted from ML&P's negotiation of gas contracts which will result in a savings of \$16 million over the next 10 years. Most of our efforts are unglamorous as we continue to pay down debt and offset inflation by finding efficiencies in operations. We are proud of our efforts to date.

CAPITAL BUDGET

CAPITAL BUDGET

The number one priority remains constant -- Anchorage should receive its fair share of state dollars (Attachments 4-A; 4-B). Legislators frequently cite the special needs of the Bush as a rationale for underfunding Anchorage, and while we sympathize with the unique problems of that area, little is ever mentioned about problems unique to urban areas.

As the largest urban city in Alaska, Anchorage has many unique qualities and special needs. Public facilities built by the Municipality of Anchorage are used and enjoyed by many other Alaskans. We serve as the major regional and statewide center for health care, education, social services, cultural and recreational services, sporting events, and other specialized public services not available elsewhere in Alaska. Other examples of services provided by the Municipality include the regional Port of Anchorage, which serves 80% of Alaska's populated area, from Homer extending all the way to Prudhoe Bay and Barrow by means of rail, road and air cargo connections. The Anchorage Water and Wastewater Utility's importance in providing water to the Anchorage International Airport was demonstrated during the recent eruption of Mt. Spurr.

The Municipality's capital requests for 1993 assume that the State will provide the appropriate match for Federally funded Intermodal Surface Transportation Efficiency Act (ISTEA) projects and a 70% match for full funding of Anchorage's road and drainage, facility improvements, and parks and recreation projects.

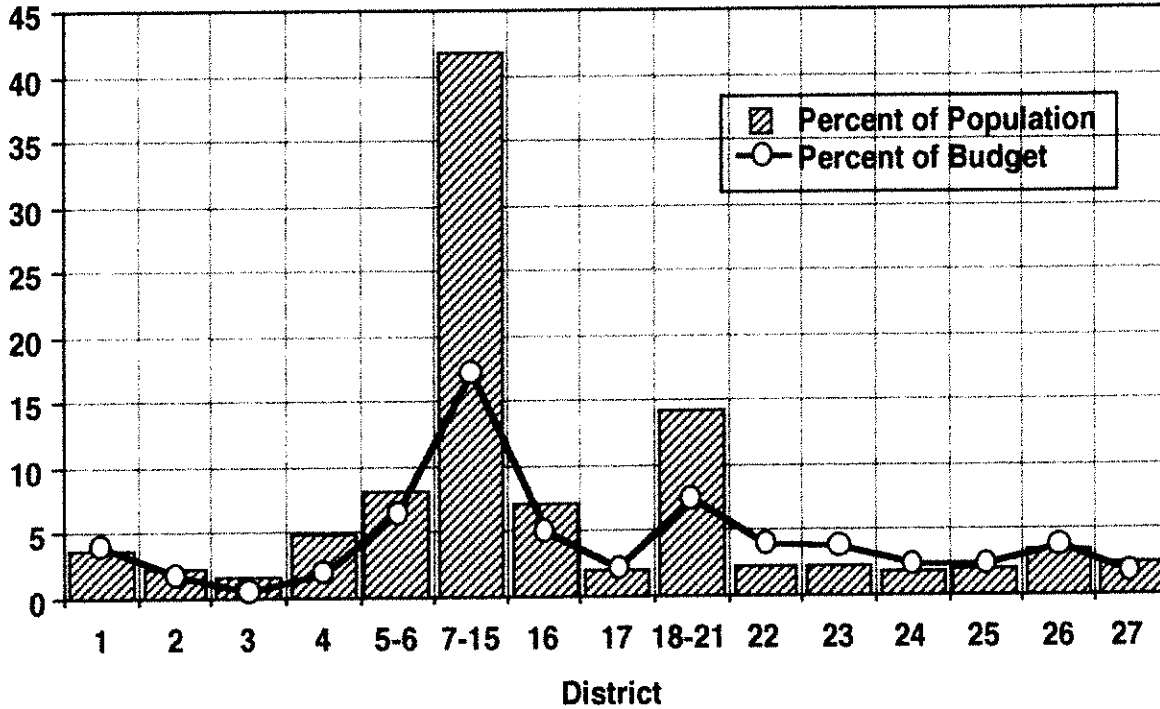
In 1993, Anchorage voters will be asked to support the largest set of bond proposals since 1985 in order to provide a significant (i.e., 30%) local match for the Municipality's capital projects (Attachment 4-I). On April 20, 1993, \$22 million of general obligation bonds will go before the voters to provide a local match to the State grants we have requested. Without a 70% match from the State projects will be constructed on a priority basis as funding allows, meaning many projects will not be completed. Attachment 4-D provides a history of legislative grants received by the Municipality since 1986.

For informational purposes, the Municipality's 1993 capital projects requesting matching state grant funds are shown in a matrix (Attachment 4-E). The Mayor and the Assembly have placed somewhat different emphasis on the selection and priority of the capital projects. The matrix represents a detailed comparative list of both areawide and district-by-district projects supported either by (1) Mayor only, (2) Mayor and Assembly jointly, or (3) Assembly only.

The continuing goal of the Fink Administration is to develop programs and policies to facilitate and encourage economic recovery and growth as well as projects to enhance public safety. In addition, new projects with a substantial operations and maintenance impact should be postponed until an economic upturn has been sustained. Our capital requests are designed to provide needed community improvements with an underlying theme of repair, maintenance and rehabilitation. It is important that the Municipality take appropriate action through the Capital Program to enhance our ability to strengthen our economic base.

District Comparison of Population to Percentage of Fiscal Year 1993 State Capital Budget

Percent



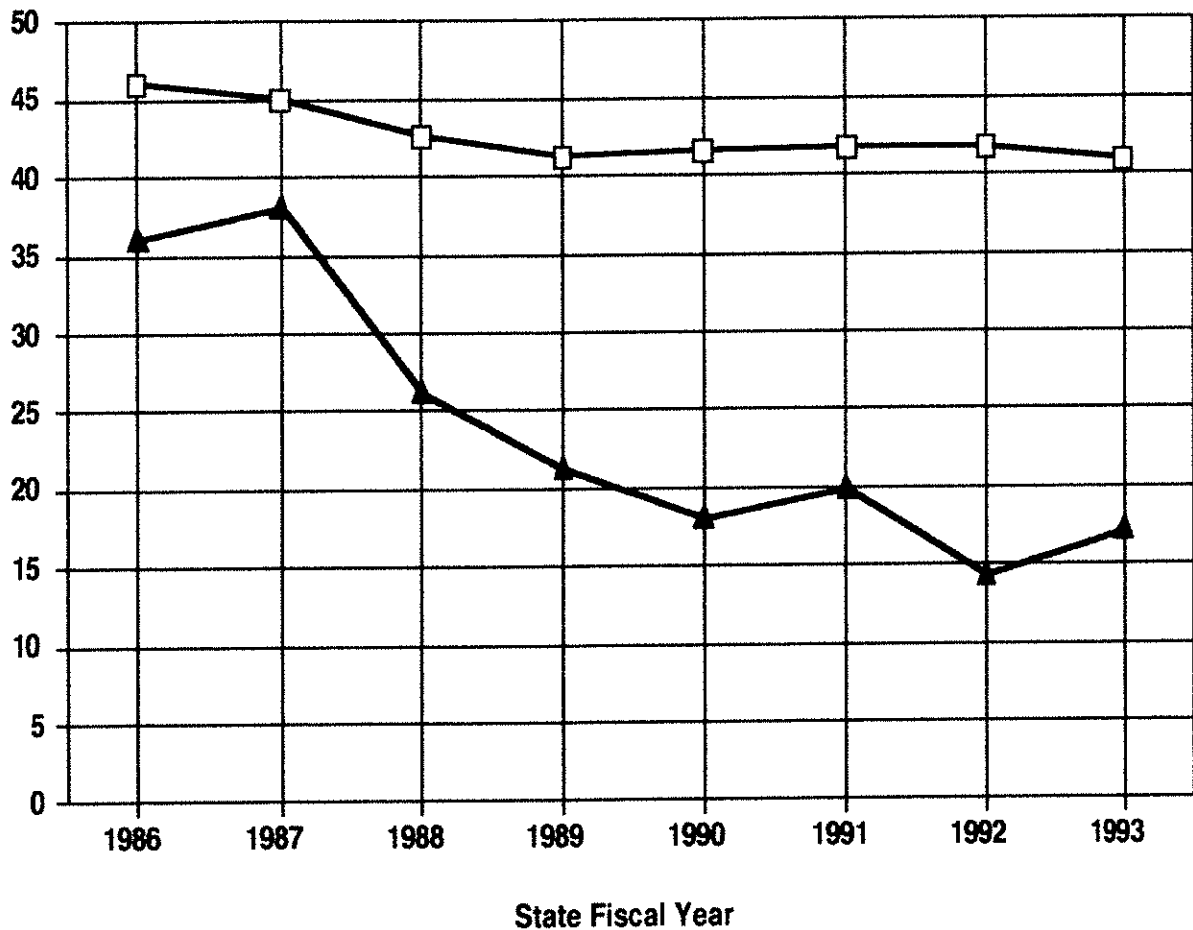
District	Population		Capital Budget		
	Amount	Percent	Amount	Percent	
1	Ketchikan - Wrangell - Petersburg	20,043	3.6%	\$ 31.513 M	4.0%
2	Inside Passage	12,914	2.3%	14.175 M	1.8%
3	Baranoff - Chichagof	9,281	1.7%	4.942 M	0.6%
4	Juneau	26,751	4.9%	16.522 M	2.1%
5-6	Kenai - Cook Inlet - North Kenai - South Coast	44,287	8.1%	51.442 M	6.5%
7-15	Anchorage	229,843	41.8%	135.832 M	17.3%
16	Matanuska - Susitna	39,683	7.2%	40.349 M	5.1%
17	Interior Highways	11,028	2.0%	17.708 M	2.2%
18-21	S.E. Fairbanks N. Star Borough - Fairbanks	77,950	14.2%	60.000 M	7.6%
22	North Slope- Kotzebue	12,092	2.2%	32.032 M	4.1%
23	Norton Sound	11,836	2.2%	29.608 M	3.8%
24	Interior Rivers	10,226	1.9%	19.632 M	2.5%
25	Lower Kuskokwim	11,768	2.1%	18.706 M	2.4%
26	Bristol Bay - Aleutians	18,889	3.4%	29.526 M	3.8%
27	Kodiak - East Alaska Peninsula	13,452	2.4%	14.568 M	1.9%
99	Other			269.986 M	34.3%
TOTAL STATE		550,043		\$786.541 M	

SOURCE: "Alaska Population Overview: 1990 Census & Estimates" by the Alaska Department of Labor and "Election District Report: Fiscal Year 1993" by the Alaska Legislative Finance Division.

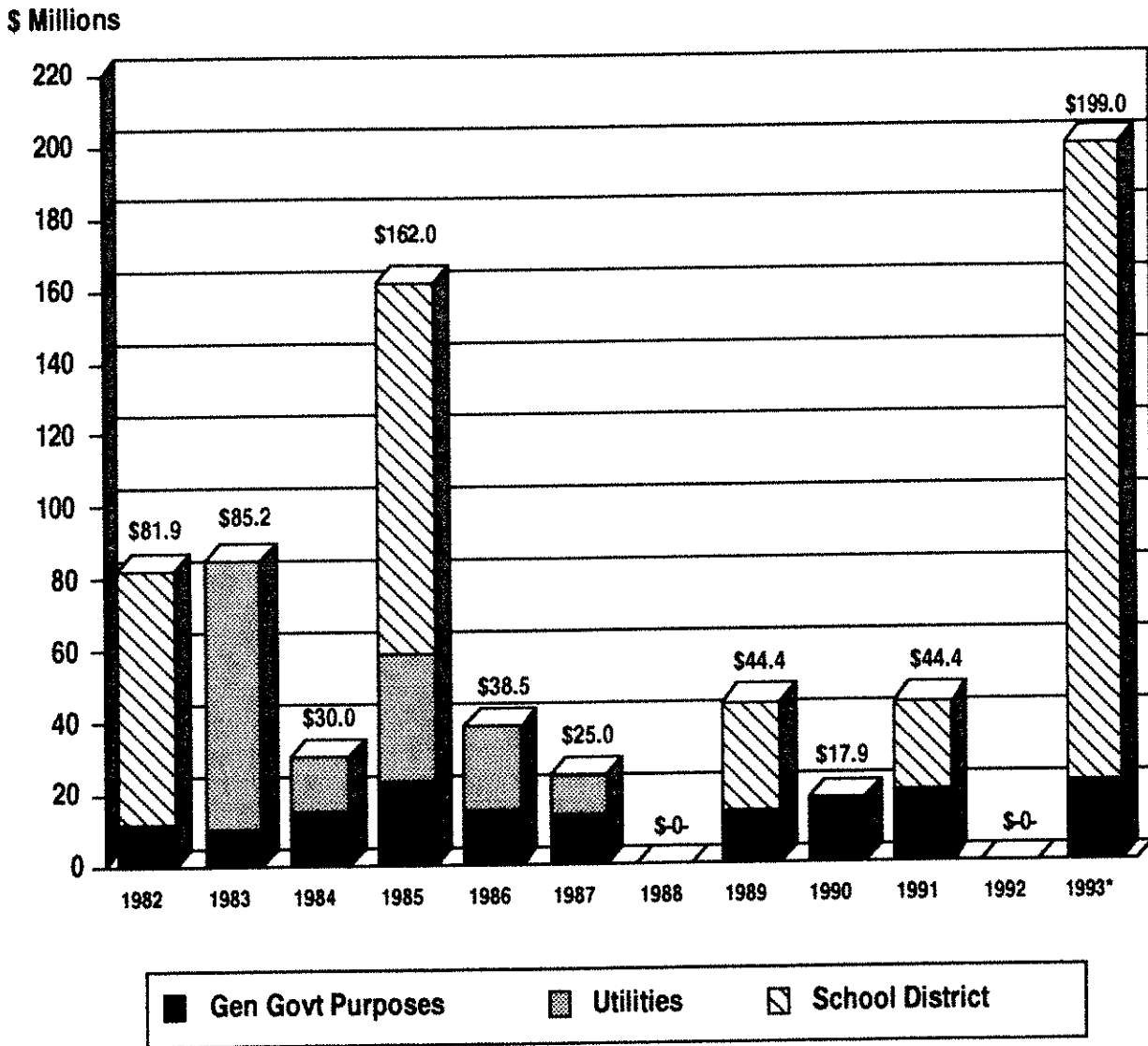
ATTACHMENT 4-A

STATE CAPITAL BUDGET APPROPRIATIONS: ANCHORAGE'S SHARE RELATIVE TO STATE'S POPULATION

Percents



GENERAL OBLIGATION BONDS APPROVED BY VOTERS 1982 - 1993*

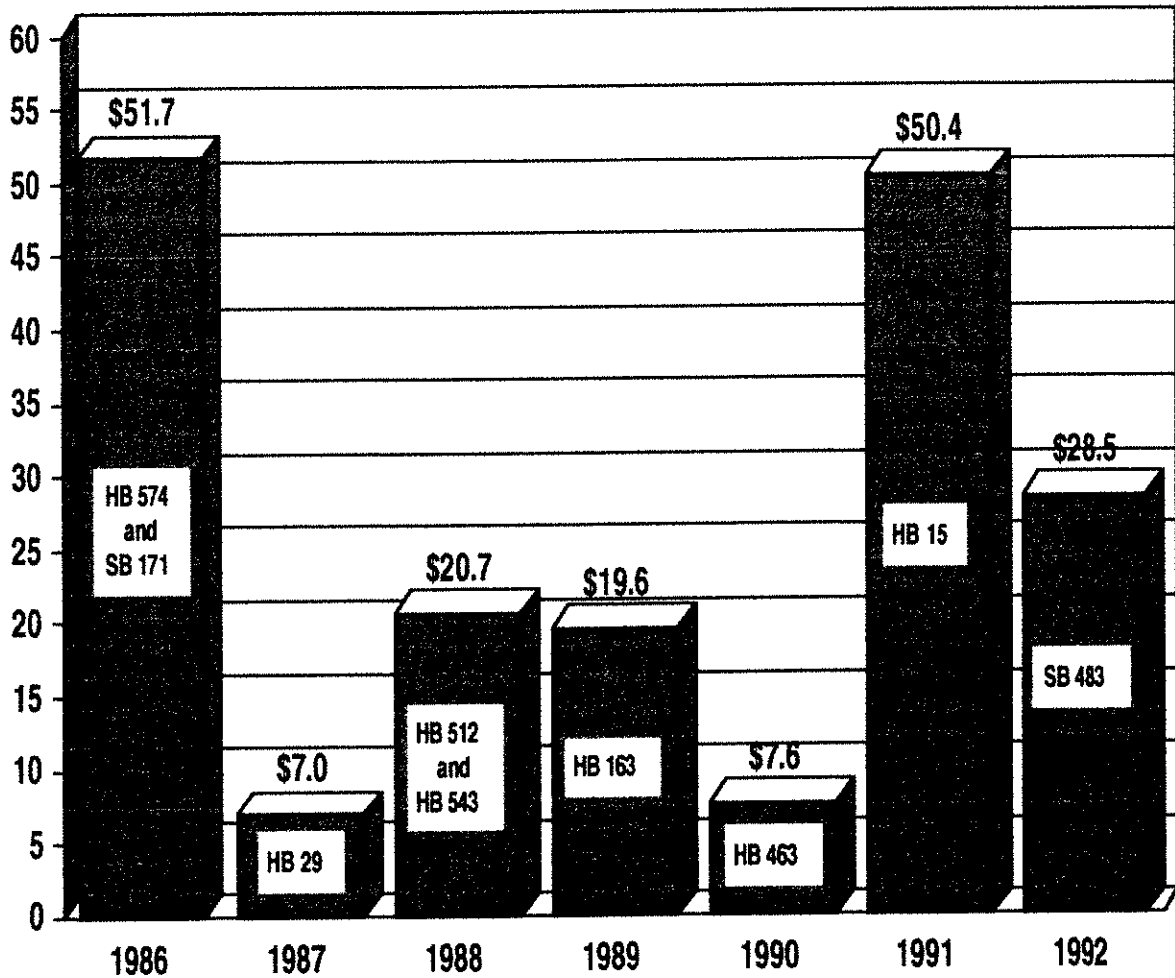


* Proposed on the April 20, 1993 bond ballots.

NOTE: In 1989, the voters in the Eagle River Rural Road Service Area (ERRRSA) voted to approve a \$5.5 million G.O. bond. When this proposition failed on the Areawide ballot, the ERRRSA voters began to seek alternative means of leveraging capital road projects. In 1991, the voters in the ERRRSA approved a 1 mill tax increase to be dedicated to capital road improvements in their area. This will amount to approximately \$920,000 per year.

MUNICIPALITY OF ANCHORAGE TOTAL LEGISLATIVE GRANTS BY YEAR

\$ Millions



**MUNICIPALITY OF ANCHORAGE
1993 LEGISLATIVE PROGRAM
CAPITAL PROJECT LIST
(in 000's)**

**HIGHEST PRIORITY
AREAWIDE CAPITAL PROJECTS**

	GRANT AMOUNT SUPPORTED BY:			
	<u>MAYOR</u>	<u>JOINT</u>	<u>ASSEMBLY</u>	<u>MATCH</u>
AMATS Alternative Corridor Study	\$ 1,200			
Charles Smith (Mulcahy) Park	565			20
Neighborhood Enhancement Youth Employment	30			50
ADA Program Requirements		206		
American Disabilities Act (ADA) Req. I		1,854		
Anchorage Fire Department				
- Major Repairs and Upgrade Projects		639		
Anchorage Loop - Water Transmission Main		7,500		450
Anchorage Memorial Park Cemetery		168		50
Arne Beltz Bldg. - 1st Floor Renovation		600		
Asbestos Abatement		522		300
Balto Seppala Park		70		
Baxter Rd - Northern Lights Blvd to Tudor Rd		1,500		812
Brother Francis Shelter and Bean's Cafe		50		
Bus Fleet Capital Maintenance Items		99		115
Chester Creek at Merrill Field		1,729		1,125
Chester Creek Trail Rehab & Lighting		175		
Clitheroe Center Access and Renovation		200		
Clitheroe Center Master Plan		50		
Coastal Trail		100		
Colonial Village Townhomes RID		854		686
Commercial Dr and Viking Dr Area		210		70
Countrywoods Dr and Harvest Cir - Northwood Dr. to Lamplighter St.		520		140
Delaney Park		50		
Dempsey Anderson Ice Arena - Construct		2,100		1,000
Denali St RID - 40th Ave to Tudor Rd		820		620
District 18 LRSAs (Hillside)		200		200
District 22 LRSA (Campbell/Stuckagain)		50		50
District 9 RSA (Girdwood)		100		100
Districts 24, 25 & 26 RSA (CBERRRSA)		1,669		715
Explosive Device Robot and Containment Vessel		150		
Fairview Lion's (Karluk) Park		100		
Fish Creek - McRae to Chugach Way		420		701
Girdwood Pavilion		75		
Girdwood Tennis Courts		30		
Government Hill Area		140		70
Handicapped Access Improvements		1,503		1,197
Health & Human Services - Facility Repairs		316		99
Hiland Rd (Phase II) - Mile Post 3.7 to 3.8		615		205
Hillside Drainage Study (Phase II)		300		
Hollywood Vista Apartment Complex		2,000		
Ingra St - Ship Creek to 3rd Ave (Design)		140		60
Javier De La Vega Park		250		
Lake Otis Pkwy - Tudor Rd to Huffman Rd (Phase I)		2,681		
Library Equipment Replacement		147		
Library Materials for Municipal Libraries		100		20
Library Shelving for Z.J. Loussac Library		278		

**HIGHEST PRIORITY
AREAWIDE CAPITAL PROJECTS (Continued)**

**GRANT AMOUNT SUPPORTED BY:
MAYOR JOINT ASSEMBLY MATCH**

	MAYOR	JOINT	ASSEMBLY	MATCH
Library Stairway Renovation	\$	\$ 132	\$	\$ 56
M.E. Sullivan (Westchester Lagoon) Park		75		
Major Crime Scene Response Vehicle		125		
Major Municipal Facilities - Maintenance		740		235
Management Information Upgrades (Transit)		14		56
Merrill Field Leachate Collection System		1,050		450
National Pollution Discharge Elimination		1,500		
Nevilla Park Area RID		458		362
Northern Lights Blvd - ARCA Crossing		14		6
Northern Lights Blvd at Nichols St		126		54
Pamela Joy Lowry Memorial (Hathor) Park		75		
Pleasant Valley and Kobuk Area		1,700		1,939
Port - Flexible Rubber Fender System		4,900		2,100
Public Works - Maintenance Projects		95		30
Queens Court and Westminster Way - Wesleyan to End		330		387
Replacement Medic Units (Ambulances)		109		
Replacement Pumper Tanker		286		
Rovenna St - 70th Ave to 76th Ave		686		300
Ruth Arcand Park		150		
Supplemental Transportation Service Vehicles		43		84
Support Vehicles		18		70
Transit Communications System		81		240
Trunked Radio System (H&HS)		68		
Underground Storage Tanks (USTS)		1,545		893
Vanpool Vehicles		70		83
Wagner Estates Subdivision Area		800		432
Wickersham Park Subdivision Area		300		648
1996 Winter Games - Fire Lake Rec Center		665		
70th and 71st Aves Area RID		350		820
97th Ave - Minnesota Dr to Independence Park		420		1,226
AEDC - Air Passenger Service Incentive			500	
AEDC - Distribution Rent Incentive			500	
Arctic Blvd - Raspberry Rd to Dimond			245	
DeArmoun Rd - Westwind Dr to Elmore Dr (State Road)				2,400
***Eagle River 980 Zone Reservoir			4,000	
Fire Lake Recreation Center (Design)			350	
***Girdwood Wastewater Treatment Facility			2,500	
***Ingra St. - Ship Creek to 3rd Ave (Construction)			400	170
Klatt Rd - Southport Dr to "C" St (State Road)				3,300
Mulcahy, Sullivan and Ben Boeke/ Feasibility and Scoping Study			75	
Old Girdwood Sewer			1,000	1,000
***Wisconsin St - Northern Lights Blvd to 43rd			800	165
68th Ave - Lake Otis Pkwy to Abbott Loop Rd (State Road)			2,511	1,076
TOTAL HIGHEST PRIORITY	\$ 1,795	\$48,205	\$18,651	\$21,667

*** Supported by the Mayor at a Lower Priority

ADDITIONAL AREAWIDE PROJECTES

GRANT AMOUNT SUPPORTED BY:
MAYOR JOINT ASSEMBLY MATCH

	\$	190	\$	\$	\$	
Microbiology Laboratory						
ADEC State Funded Account - Loan Program			6,283			
ADEC 50% Matching Construction Grant Program			9,279		6,283	
Air Pollution Reduction Projects			2,500			
American Disabilities Act (ADA) Req. II			1,146			
Anch. Regional Landfill Design Cells 4,5&6			490		210	
Anchorage Fire Station - Construction			1,644			
Anchorage Senior Center - Construct Addition			210			
Anchorage Signal System Upgrade			1,167		500	
ARDSA Illumination			70		30	
Asbestos Abatement II			178		300	
Barrier Free Sidewalks			168		72	
Chip Seal Surfacing			1,167		500	
Cultural & Recreational Services - Construction			225			
Cultural & Recreational Services - Maintenance			621		17	
Disposal Operating Equipment			713		306	
Emergency Operations Center Upgrade			262		113	
Energy Recovery, Turbines #5 and #7			10,000			
Geographic-Based Crime Analysis System			534			
Health & Human Services - Construction			300			
Heat Tape Upgrades			105		45	
Merrill Field General Aviation Terminal			4,700			
National Pollution Discharge Elimination			100			
O'Malley Golf Course			350			
Police Department - Major Maintenance			78			
Police Trunked Radio Conversion			2,000			
Port of Anchorage, Land Improvement			4,900		2,100	
Public Works Department - Construction			340			
Road and Drainage System Rehab			5,717		2,450	
SKIF (School Kids and Fish)			200			
Soils Remediation Facility			350		150	
Sullivan Arena Storage Shed			140		60	
Underground Cable Replacement			20,000			
TOTAL ADDITIONAL AREAWIDE PROJECTS			<u>\$ 190</u>	<u>\$66,937</u>	<u>\$ 0</u>	<u>\$13,136</u>

DISTRICT PRIORITIES

GRANT AMOUNT SUPPORTED BY:
MAYOR JOINT ASSEMBLY MATCH

DISTRICT 9

** District 9 RSA (Girdwood)	\$	\$ 100	\$	\$ 100
Girdwood Fire Station		250		
** Girdwood Pavilion		75		
** Girdwood Tennis Courts		30		
*** Girdwood Wastewater Treatment Facility		2,500		
Bird and Indian Area (State Road)			100	
Girdwood Industrial Park			300	
Girdwood Public Safety/Community Center - Design and Construction			100	
** Old Girdwood Sewer			1,000	1,000

DISTRICT 10

* Bragaw St - Huffman Rd to DeArmoun Rd	420			245
* **Lake Otis Pkwy - Tudor Rd to Huffman Rd (Phase I)		2,681		
* Lake Otis Pkwy - Tudor Rd to Huffman Rd (Phase II)		4,319		
* **Hillside Drainage Study (Phase II)		300		
Aro Circle - Nora St to end			50	
Bragaw St - O'Malley Rd to Huffman Dr			120	
Commodore Park Area			300	
** DeArmoun Rd - Westwind Dr to Elmore Dr (State Road)				2,400
Klatt Area Drainage			100	
* **Klatt Rd - Southport Dr to "C" St (State Road)				3,300
Mariner Dr - Johns Rd to Kyak Dr			160	
O'Malley Rd at Commodore Dr (State Road)			100	

DISTRICT 11

* **Coastal Trail		100		
** Colonial Village Townhomes RID		854		686
Crossroads Business Park Area		195		65
* **Fish Creek - McRae to Chugach Way		420		701
** Javier De La Vega Park		250		
North Star Repair and Rehabilitation Project		2,150		
Replacement Medic Units		109		
** Rovenna St - 70th Ave to 76th Ave		686		300
Strawberry Rd - Arctic Blvd to "C" St		224		96
* Strawberry Rd - Jewel Lake Rd to Northwood Dr		500		145
48th Ave - Northwood Dr to Taft St		224		96
53rd Ave - Arctic Blvd to East end		378		162
** Arctic Blvd - Raspberry Rd to Dimond			245	
Old Seward Hwy at Campbell Ck			2	

- * Spans Multiple Districts
- ** Included in Highest Priority Areawide Capital Projects
- *** Supported by the Mayor at a Lower Priority

GRANT AMOUNT SUPPORTED BY:
MAYOR JOINT ASSEMBLY MATCH

DISTRICT PRIORITIES

DISTRICT 12

Hollywood Vista Apartment Complex (Phase II)	\$ 1,300	\$	\$
Campbell Woods Subdivision		808	346
** Countrywoods Dr and Harvest Cir - Northwood Dr. to Lamplighter St.		520	140
** Hollywood Vista Apartment Complex (Phase I)		2,000	
** Pamela Joy Lowry Memorial (Hathor) Park		75	
* **Replacement Medic Units		109	
Sand Lake at Sportsman Dr		120	120
Sand Lake Park		55	
* Strawberry Rd - Jewel Lake Rd to Northwood Dr		500	145
Town and Country Estates Subdivision Area		350	150

DISTRICT 13

** Balto Seppala Park		70	
Broadmoor Estates Subdivision Area		900	386
* **Coastal Trail		100	
Elderberry Park		90	
Hood Creek Storm - Lake Hood to Cook Inlet		504	216
Hood Ct - Westwood Dr to Westwood Dr		252	108
Lakeshore Dr - Aero Ave to Wisconsin St		1,840	360
Lyn Ary Park		60	
** M.E. Sullivan (Westchester Lagoon) Park		75	
* **Replacement Medic Units		109	
Spenard Beach Park		45	
Wagner Estates Subdivision Area		800	432
Westwood Dr - N. Lights Blvd to N. Lights Blvd		168	72
*** Wisconsin St - Northern Lights Blvd to 43rd		800	165
* Woodstave Vitrified Clay Replacement		5,000	

DISTRICT 14

** Government Hill Area		140	70
* **Replacement Medic Units		109	
Ship Creek at "C" St		150	150
Ship Creek at Post Rd		120	120
Ship Creek at Trade Center		120	120
* Woodstave/Vitrified Clay Replacement		5,000	

District 14 RID	250
Russian Jack Springs Park	100

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DISTRICT PRIORITIES

GRANT AMOUNT SUPPORTED BY:
MAYOR JOINT ASSEMBLY MATCH

DISTRICT 15

** Charles Smith (Mulcahy) Park	\$ 565	\$	\$ 20	\$
* ** Neighborhood Enhancement Youth Employment	30		50	
Chester Creek at Eagle St		150		150
* Chester Creek - Westchester Lagoon to New Seward Hwy		210		90
Cordova St - 9th Ave to 15th Ave		140		60
** Delaney Park		50		
* ** Fish Creek - McRae to Chugach Way		420		701
* Fish Creek Storm - Arctic Blvd to "C" St		245		105
* ** Ingra St - Ship Creek to 3rd Ave (Design)		140		60
* *** Ingra St - Ship Creek to 3rd Ave (Construct)		400		170
* Woodstave/Vitrified Clay Replacement		5,000		
* 3rd Ave - Gambell St to Post Rd		140		60
* 4th Ave - "A" St to Post Rd		252		108
** Mulcahy, Sullivan and Ben Boeke/ Feasibility and Scoping Study			75	

DISTRICT 16

* ** Neighborhood Enhancement Youth Employment	30		50	
Bragaw St - McPhee Ave to Mountain View Dr		112		48
** Chester Creek at Merrill Field		1,729		1,125
** Commercial Dr and Viking Dr Area		210		70
** Fairview Lion's (Karluk) Park		100		
* ** Ingra St - Ship Creek to 3rd Ave (Design)		140		60
* *** Ingra St - Ship Creek to 3rd Ave (Construct)		400		170
* ** Merrill Field Leachate Collection System		1,050		450
* 3rd Ave - Gambell St to Post Rd		140		60
* 4th Ave - "A" St to Post Rd		252		108
Boniface Dr at Mt. View Dr			600	
Mt. View Dr at Glenn Hwy			60	

DISTRICT 17

Bayshore Lake		150		150
C-5-7 Trunk Repair & Rehabilitation		2,500		
* ** Lake Otis Pkwy - Tudor Rd to Huffman Rd I		2,681		
* Lake Otis Pkwy - Tudor Rd to Huffman Rd II		4,319		
* Lore Rd (76th Ave) - New Seward Hwy to Lake Otis Pkwy		2,800		1,200
** 70th and 71st Aves Area RID		350		820
* 72nd Ave - Meadow Dr to Basel St		672		288
** 97th Ave - Minnesota Dr to Independence Park		420		1,226

- * Spans Multiple Districts
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DISTRICT PRIORITIES

GRANT AMOUNT SUPPORTED BY:
MAYOR JOINT ASSEMBLY MATCH

DISTRICT 17 (Continued)

* ** Klatt Rd - Southport Dr to "C" St (State Road)	\$	\$	\$ 3,300	\$
Victor Rd - Dimond Blvd to 100th Ave (State Road)				1,980
97th Ave - "C" St Sedimentation Basin			1,575	525
100th Ave - Minnesota Dr to Arctic			1,960	490

DISTRICT 18

* Bragaw St - Abbott Rd to O'Malley Rd	467			200
* Bragaw St - Huffman Rd to DeArmoun Rd	420			245
** District 18 LRSAs (Hillside)		200		200
* ** Hillside Drainage Study (Phase II)		300		
* ** Lake Otis Pkwy - Tudor Rd to Huffman Rd (Phase I)		2,681		
* Lake Otis Pkwy - Tudor Rd to Huffman Rd (Phase II)		4,319		
** Ruth Arcand Park		150		
Bear Valley at Francesca Rd			58	
O'Malley at Golf Course and Bragaw St (State Road)				300
Potter Valley Rd at NSH (State Road)			130	
Storck Park			130	

DISTRICT 19

Kimberlie Ct Area		168		72
* ** Lake Otis Pkwy - Tudor Rd to Huffman Rd I		2,681		
* Lake Otis Pkwy - Tudor Rd to Huffman Rd II		4,319		
* Lore Rd (76th Ave) - New Seward Hwy to Lake Otis		2,800		1,200
** Queens Court and Westminster Way - Wesleyan to End		330		387
* 72nd Ave - Meadow Dr to Basel St		672		288
Burlwood Dr - Oakwood to 72nd			70	30
* Castle Heights Park Improvements			15	15
* Districts 19 & 22 Safety Corridor Study			100	30
Oakwood Dr - 68th to Burlwood			70	30
** 68th Ave - Lake Otis Pkwy to Abbott Loop Rd (State Road)			2,511	1,076
* Midtown Recreation Center			250	
* Lake Otis Pkwy at Campbell Ck			2	

DISTRICT 20

* ** Chester Creek Trail Rehab & Lighting		175		
* Chester Creek - Westchester Lagoon to New Seward Hwy		210		90
College Village Subdivision Area		210		90
Denali St - Northern Lights Blvd to Benson Blvd		45		15
** Denali St RID - 40th Ave to Tudor Rd		820		620
* Fish Creek Storm - Arctic Blvd to "C" St		245		105
* ** Merrill Field Leachate Collection System		1,050		450

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DISTRICT PRIORITIES

GRANT AMOUNT SUPPORTED BY:
MAYOR JOINT ASSEMBLY MATCH

DISTRICT 20 (Continued)

	\$	\$	120	\$	\$	120
**	Otis Lake at Stanford Dr		300			648
	Wickersham Park Subdivision Area		70			30
	32nd Ave - East of Denali St					
	40th Ave - "A" St to Denali St		1,890			810
	42nd Ave - East of Old Seward Hwy		84			36
*	Midtown Recreation Center				250	
*	O&G Separator Study - Lake Otis at Campbell Ck				2	
	O&G Separator Study - NSH at Campbell Ck				2	
	O&G Separator Study - OSH at Campbell Ck				2	
	School Safety Corridor - Wickersham Dr to Bartlett Dr				20	
	School Safety Corridor - Wickersham Dr to Dimond Dr				20	
	School Safety Corridor - 53rd Ave to Little Tree St				30	
	Wickersham Pk Phase II				45	

DISTRICT 21

* **	Chester Creek Trail Rehab & Lighting		175			
* **	Merrill Field Leachate Collection System		1,050			450
**	Northern Lights Blvd - ARCA Crossing		14			6
**	Northern Lights Blvd at Nichols St		126			54
	District 21 RID				250	
	Nunaka Valley Park				75	

DISTRICT 22

	Alaska Botanical Gardens		50			150
	Apollo Dr and Cir - Saturn Cir to Lunar Dr		182			78
	Baxter Bog at Lunar Dr		120			120
**	Baxter Rd - Northern Lights Blvd to Tudor Rd		1,500			812
**	District 22 LRSA (Campbell/Stuckagain)		50			50
* **	Hillside Drainage Study (Phase II)		300			
	Baxter Bog Park Acquisition				100	
*	Castle Heights Park Improvements				15	15
*	Districts 19 & 22 Safety Corridor Study				100	30
	District 22 RID				250	

DISTRICT 23

	Creekside Park		40			
**	Nevilla Park Area RID		458			362
* **	Replacement Pumper Tanker		286			
*	Replacement Tanker Pumper		260			
* **	1996 Winter Games - Fire Lake Rec Center		665			

- * Spans Multiple Districts
- ** Included in Highest Priority Areawide Capital Projects
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GRANT AMOUNT SUPPORTED BY:
MAYOR JOINT ASSEMBLY MATCH

DISTRICT PRIORITIES

DISTRICT 23 (Continued)

	\$	\$	\$	250	\$
District 23 RID					
* Fire Lake Recreation Center (Construction)				10,600	
* ** Fire Lake Recreation Center (Design)				350	

DISTRICT 24

* Chugiak Senior Citizens Center		950			
* ** Districts 24, 25 & 26 RSA (CBERRRSA)		1,669			715
* ***Eagle River 980 Zone Reservoir		4,000			
Greendale St - 17th Ave to 20th Ave		105			35
** Hiland Rd (Phase II) - Mile Post 3.7 to 3.8		615			205
** Pleasant Valley and Kobuk Area		1,700			1,939
* ** Replacement Pumper Tanker		286			
* Replacement Tanker Pumper		260			
State St - 16th Ave to 20th Ave		112			48
* ** 1996 Winter Games - Fire Lake Rec Center		665			
Anchorage Neighborhood Housing Grant				50	
District 24 RID				250	
* Eagle River Signal System Upgrade				100	
Eagle River Visitors Center Feasibility Study				25	
* ERRRSA				600	
* Fire Lake Recreation Center (Construction)				10,600	
* ** Fire Lake Recreation Center (Design)				350	
Foothills/Windsong/Pleasant Valley Pk				38	
Little Peters Ck Park Trail Access				125	
Loretta French Park				923	

DISTRICT 25

* Chugiak Senior Citizens Center		950			
* ** Districts 24, 25 & 26 RSA (CBERRRSA)		1,669			715
* ***Eagle River 980 Zone Reservoir		4,000			
* ** Replacement Pumper Tanker		286			
* Replacement Tanker Pumper		260			
* ** 1996 Winter Games - Fire Lake Rec Center		665			
Baranoff Ave - Eagle River Loop to Liesellotte Cir				1,288	
Beach Lake Park and Access Rd				36	
Eagle River Rd Sewer Trunk Upgrade				2,500	
* Eagle River Signal System Upgrade				100	
* ERRRSA				600	
* ** Fire Lake Recreation Center (Design)				350	
* Fire Lake Recreation Center (Construction)				10,600	

- * Spans Multiple Districts
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- *** Supported by the Mayor at a Lower Priority

DISTRICT PRIORITIES

GRANT AMOUNT SUPPORTED BY:
MAYOR JOINT ASSEMBLY MATCH

DISTRICT 26

* Chugiak Senior Citizens Center	\$	\$ 950	\$	\$
* ** Districts 24, 25 & 26 RSA (CBERRRSA)		1,669		715
* ** Replacement Pumper Tanker		286		
* Replacement Tanker Pumper		260		
* ** 1996 Winter Games - Fire Lake Recreation Center		665		
* ERRRSA				600
* ** Fire Lake Recreational Center (Design)				350
* Fire Lake Recreational Center (Construction)				10,600

- * Spans Multiple Districts
- ** Included in Highest Priority Areawide Capital Projects
- *** Supported by the Mayor at a Lower Priority