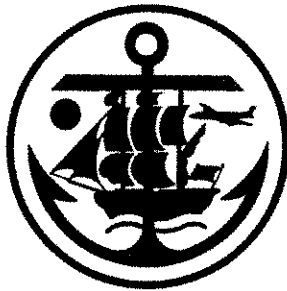


**THE
FISCAL
TRENDS
REPORT**

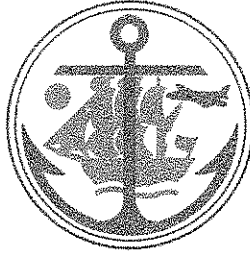
1994

**Focus
on
Planning
for the
Future**



**Municipality of Anchorage
Tom Fink, Mayor**

Municipality of Anchorage



P.O. BOX 196650
ANCHORAGE, ALASKA 99519-6650
TELEPHONE: (907) 343-4431
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Tom Fink, Mayor

OFFICE OF THE MAYOR

October 1, 1993

Dear Residents of Anchorage:

The 1994 Fiscal Trends Report, which has been prepared by the office of Management and Budget (OMB) under the direction of the Municipal Manager, presents a strategic planning approach to solving the projected fiscal gap facing the Municipality over the next six years. This process was designed so that the Assembly and citizens can provide input and recommendations on problem determination, strategy evaluation and identification of solutions for the Municipality's long-range fiscal planning objectives.

1994 Fiscal Gap

Earlier this year I informed the Assembly that Anchorage General Government faced a projected \$22 million fiscal gap in 1994. I am now happy to report that we have worked hard to virtually eliminate that projected fiscal gap. Several of our employee groups have accepted pay freezes to help reduce the fiscal gap. For 1993, all employee groups except the Fire and IBEW unions have accepted pay freezes. My Proposed 1994 General Government Operating Budget assumes that no pay increases will be granted in 1994, except for applicable step and longevity increases. The State Legislature helped to reduce the projected fiscal gap by appropriating more revenues to Anchorage than had originally been proposed by the Governor.

My proposed 1994 budget includes the use of \$2.5 million of revenues from the sale and lease of Heritage Land Bank properties to help reduce the projected fiscal gap. This action will probably stimulate debate during the Assembly's review of the budget. However, I do not believe that the Municipality should be a major property owner; the properties not needed by the Municipality should be in private ownership and paying taxes.

Fiscal Gap Beyond 1994

Based on the Administration's Proposed 1994 General Government Operating Budget, this Fiscal Trends Report shows the 1994 fiscal gap to be virtually eliminated. However, significantly increasing fiscal gaps are projected beyond 1994 unless positive actions are taken.

- Two-thirds of the General Government Operating Budget, excluding debt service costs, is for the compensating of employees. We must continue our efforts to bring these costs under control.

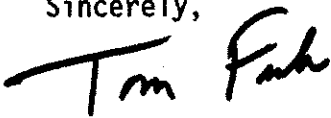
- If falling State revenues require the reduction of the State government budget, we feel that it is only fair for local governments to share in that reduction. However, the current trend for the State to balance its budget on the backs of local governments by disproportionate reductions in State Revenue Sharing and Municipal Assistance must be stopped.
- The Federal and State governments cannot continue to mandate service requirements on local governments without providing the funds necessary to pay for those services.
- One of the most difficult financial problems still facing the Municipality is the potential unfunded medical liability for Police and Fire retirees. Since this item is a subject of binding arbitration, per Assembly ordinance, it is unlikely to be resolved in the short term. The longer this problem exists, the more difficult it will be to resolve.
- Maximize the use of our assets (sale of land and utilities).

We are seeing a turnaround in the Anchorage economy. The town is very busy. Construction activity during the first six months of 1993 has increased significantly over comparable levels in 1991 and 1992. The most important element in the long-term expansion of the Anchorage economy is the development of a new oil field in Cook Inlet. Continuing support for Cook Inlet oil development from Anchorage and other Cook Inlet communities will be a key element in bringing this new oil field on-line as quickly as possible.

* * * * *

In conclusion, all projections in the Fiscal Trends Report were developed with information that was considered the most reliable and current at the time of development. It is important to keep in mind that circumstances may arise which could change the assumptions and thus the projected results of the various scenarios.

Sincerely,



Tom Fink
Mayor

**1994
FISCAL TRENDS REPORT
MUNICIPALITY OF ANCHORAGE**

Tom Fink, Mayor

ASSEMBLY

Mark Begich, Chairman

Pat Abney

Cheryl Clementson

Joe Murdy

Bob Bell

Bill Faulkner

Dick Traini

Craig Campbell

Chuck Landers

Charles Wohlforth

Kevin Meyer

ADMINISTRATION

Larry D. Crawford Municipal Manager

Joe C. Fouts Executive Manager, Enterprise Activities

Richard L. McVeigh Municipal Attorney

Jerry Anderson Chief Fiscal Officer

This Fiscal Trends Report was prepared by the Office of Management and Budget.

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I. EXECUTIVE SUMMARY

I. EXECUTIVE SUMMARY

Real estate values, construction activity and employment figures are showing positive signs. At the same time, the Municipality of Anchorage continues to face declining State revenues and must strive to further contain labor costs. Determining the long-term net economic effect of positive and negative factors affecting our economic future involves varied speculation. This report is not intended to reach conclusions but to provide pertinent information regarding the Municipality's fiscal outlook.

The primary objective of this document is to enhance public understanding of the Municipality's fiscal situation by:

- Presenting a preview of the 1994 General Government Operating Budget outlook and the anticipated long-range fiscal forecast;
- Describing the various trade-offs and corresponding implications for services and revenues; and
- Providing information to allow for participation in the budget balancing process.

The budget for 1994 along with outyear projections indicate a need for the Municipality to become more active in setting the path for a six-year planning process coupled with the implementation of a corrective strategy. Strategic planning, management control and updated fiscal projections provide a framework through which Anchorage can adjust to economic conditions. After the planning process, the management control system becomes the forum through which Anchorage can achieve the strategies established under the planning process. Finally, joint involvement by the Administration, Assembly, and interested citizen groups create the nucleus through which solutions to solve a Fiscal Gap can be realized.

ASSUMPTIONS

Although three cases using optimistic, most likely and pessimistic assumptions were developed, the focus will be on the most likely case and the corresponding assumptions and corrective strategies.

Revenue assumptions are:

- Federal revenues will remain fairly consistent with prior years and experience a 0% growth.

- State revenues will decrease 5% per year beyond 1994 based on historical data.
- Given both an 11.5% reduction in State Revenue Sharing and a 7% reduction in Municipal Assistance over the prior year, we can expect the following in 1994: (1) \$17.5 million of Municipal Assistance which has already been appropriated by the State Legislators in 1993; and (2) \$9.8 million of State Revenue Sharing which will be appropriated in the spring of 1994 assuming it remains the same as 1993.
- No new State revenues are assumed for the purposes of this report; however, we will continue to propose greater State support and economic relief from mandated requirements.
- Local revenues are assumed to increase 2% over the base because of projected increases in population and consumption spending patterns. Also included in the local revenue estimate is a \$3.0 million Utility Revenue Distribution (URD) from the Anchorage Telephone Utility.
- Property taxes are assumed to be held constant with increases for new construction and increased debt service only.

Fund balances have been reduced as much as possible, consistent with cash flow requirements, maintenance of bond ratings and various contingencies with respect to a specific fund.

Intragovernmental charges (IGC's) are estimated to increase 5.2% per year after 1994.

Population growth is projected at +1.0% in 1994 per the Municipality's demographer.

Inflation for 1994 is projected to be 3.8% per recent historical Urban Consumer Price Index data.

The Fiscal Gap projections beyond 1994 assume no solutions have been implemented. New revenues and/or cost reduction measures would reduce the magnitude of the Fiscal Gap in the outyears. For example, a 1994 wage freeze not only benefits our 1994 fiscal standing, but also carries over as a benefit to the Fiscal Gap in years 1995-1999.

CORRECTIVE STRATEGIES

To effectively deal with projected budgetary shortfalls facing the Municipality, some of the following options should be considered in addressing fiscal gap projections:

- Compensation concessions.
- Service/program reductions.
- Postponement of high priority new requirements.
- Funding of Police and Fire Retiree Medical benefits through an affordable benefit program.
- New revenues.
- Sale of ATU and ML&P.

II. INTRODUCTION

II. INTRODUCTION

The Fiscal Trends Report presents a strategic planning approach for the Municipality to solve projected Fiscal Gaps over the next six years. This process was designed so that the Assembly and citizen groups can provide input and recommendations on problem determination, strategy evaluation and identification of solutions for the Municipality's long-range fiscal objectives.

The Assembly and the Administration need to work toward developing and implementing long-range solutions to address projected Fiscal Gaps.

* * * * *

The 1994 Proposed Operating Budget for general government services is currently proposed at \$213.9 million and is based on the following goals:

1. Economic Development -- The Municipality shall strive to contribute to the long-term stable recovery and growth of the Anchorage economy.
2. Fiscal Stability -- The Municipality shall strive to maintain vital services to the public while adjusting to changing fiscal circumstances and assuring the long-term financial integrity of local government.
3. Public Safety -- The Municipality shall strive to provide services necessary to ensure a safe environment for its residents. These services include police, fire, emergency medical and emergency preparedness, public health and environmental services.
4. Maintenance of Municipal Facilities -- The Municipality shall strive to maintain existing facilities on a schedule that will allow users to enjoy the benefits of these improvements for many years. We believe maintaining basic facilities, roads and public buildings, as well as parks, bike trails and cultural facilities should be a high priority.
5. Balanced Community Values -- The Municipality shall strive to achieve a balance in meeting expressed community needs despite diminished resources. Basic services will continue to be given the highest priority. The Municipality will continue to provide recreation and leisure activities and city beautification within funding constraints.

These goals have been attained in the 1993 General Government Operating Budget with the exception of partial funding of the retiree medical cost, which is part of Goal #2 (Fiscal Stability), and deferred maintenance items, which is part of Goal #4 (Maintenance of Municipal Facilities).

LONG RANGE PLANNING

Currently, the Municipality of Anchorage requires a one-year operating budget, a six-year program for fiscal policies and a six-year capital improvement plan (AMC 6.10). By examining the Fiscal Trends Report, the Administration, Assembly and citizen groups can get a good indication of future funding requirements for services and programs as well as anticipated revenues.

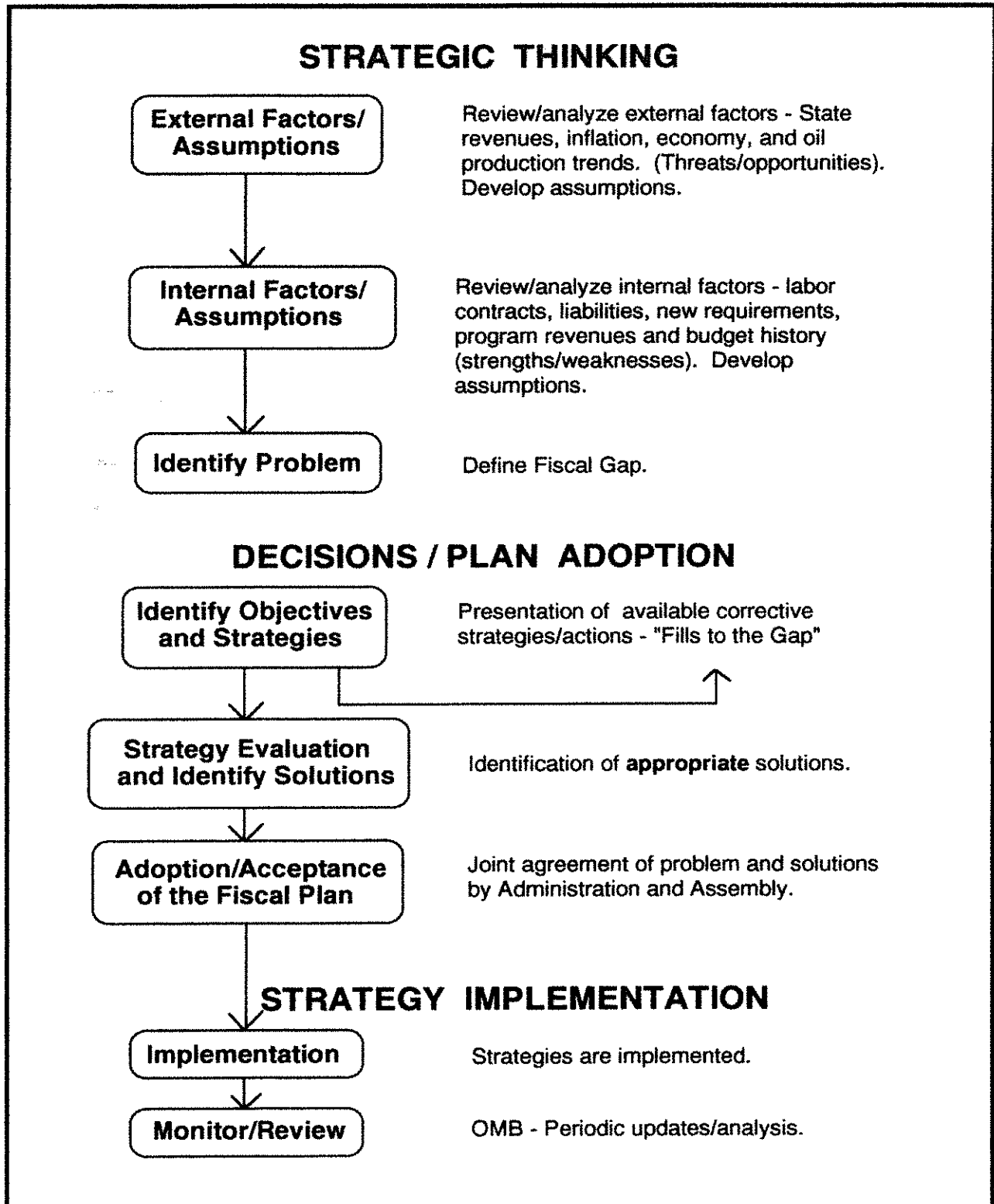
PLANNING PROCESS

For your reference, Page 2-3 contains a flow chart of the planning process that was used in the development of this year's long-range budget forecast. The planning process consisted of three key phases:

- I. Strategic Thinking - This is the phase where the external and internal factors affecting the budget are reviewed and analyzed, in conjunction with the development of assumptions. At the end of this phase, the problem is identified and the Fiscal Gap defined.
- II. Decisions - During this phase, three cases and available corrective strategies are presented. Each of the strategies is then evaluated and the optimal solution to each case identified. The final step in this phase is intended to be the joint agreement of the problem and solution by the Administration and the Assembly.
- III. Strategy Implementation - This final phase centers on the implementation, monitoring and review of the Fiscal Plan.

Figure 2-1

**GENERAL GOVERNMENT
SIX-YEAR BUDGET FORECAST
PLANNING PROCESS**



In line with the six-year planning process described in the introduction, the following pages outline and describe the external factors directly impacting Anchorage. Some of these factors are more consistent with operational problems at the State level, but it is realistic to assume that some of these could also influence Anchorage's economy.

We have offered a list of "THREATS" looming on the horizon which could be negated if some of the offsetting positive "OPPORTUNITIES" occur. A greater number of new opportunities in comparison to the prior year have emerged to stimulate the Anchorage economy. However, great uncertainty exists as to what the net long-term benefits of these opportunities will provide.

We must not lose sight of our dependence on State monies and that 85% of the State's revenues come from the production of oil. If falling State revenues require the reduction of the State government budget, we feel that it is only fair for local governments to share in that reduction. However, the current trend for the State to balance its budget on the back of local governments by disproportionate reductions in State Revenue Sharing and Municipal Assistance revenues must be stopped.

Finally as you read through the list of Threats and Opportunities facing Anchorage, keep in mind that all economic assessments are probable at best and are subject to many unknown external influences.

Figure 2-2

IMPACT ON ANCHORAGE

Threats/Opportunities

THREATS

- Continued Overall Decline in Prudhoe Bay Oil Production
- Decline in Oil Prices
- Continued Decline in State Revenue Assistance
- Increasing Number of Service/Retail Jobs; Decreasing Number of Management/ Professional Jobs
- Potential Threat of Further Reduction in Anchorage-based Federal Military
- Future Increases in Federal and State Mandates
- Potential Inflation Increase
- Increases in Various Federal Taxes
- Possible Housing Shortage
- Potential Loss of Jobs in Existing Retail Sector Due to Overexpansion
- Intra-State Airlines' Economic Uncertainties

OPPORTUNITIES

- New Jobs Created (i.e., Retail, Service, and Construction)
- New Construction (i.e., Retail, Schools, Utilities, Housing, Military, Native Hospital, Court House)
- Newly Discovered Oil Drilling Sites (i.e., Cook Inlet)
- National Retail Chains Opening/Expanding
- Expansion of Tourism (i.e., Ship Creek, Hatcher Pass, Larger Cruise Ships, Alyeska)
- Cold Storage and Secondary Processing Center for Alaskan Fisheries
- International Warehousing and Distribution Center
- Expansion of Facilities and Services at the International Airport
- Expansion of the Port
- Operations/Staging Location for Russian/Siberian Exchange
- Expansion of Winter Facilities/Tourism Enhancement
- ISTEPA Money (\$1.4 Billion Over 6-Year Life of the Act)

UNCERTAINTIES

- National Health Care Mandates
- Funding of Police/Fire Retiree Medical Benefits
- Effects of Future Labor Contracts
- Future State and Local Government Taxing Policies

III. FISCAL PROFILE

III. FISCAL PROFILE

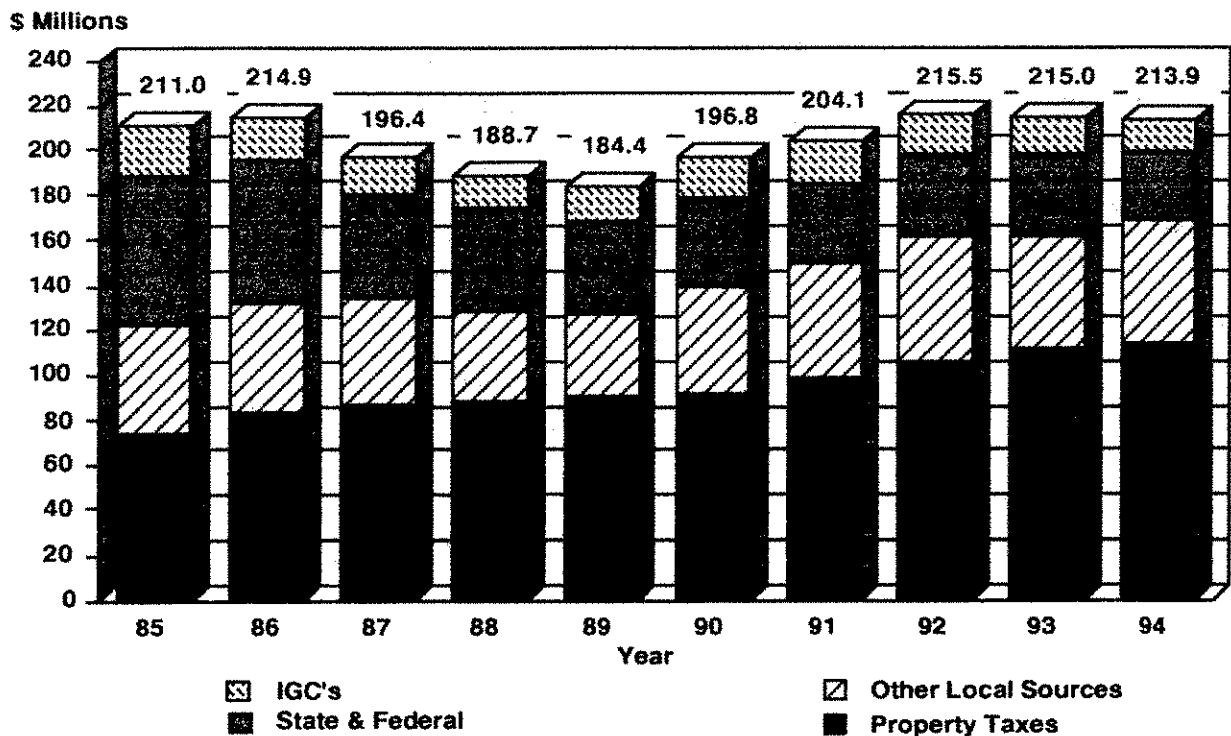
This section provides historical information on some important aspects of the Municipality of Anchorage's fiscal structure. Trends in this data give an indication of how the fiscal situation has changed over the last several years, and may lend perspective to current choices and projections of the future.

Operating Revenues

Under our balanced budget requirement, the level of local government services is dependent upon the availability of same-year revenues with which to fund these activities. The following charts summarize the level and sources of operating revenues over the past several years.

Figure 3-1

Budgeted Revenues General Government Operating Purposes 1985 - 1994 *

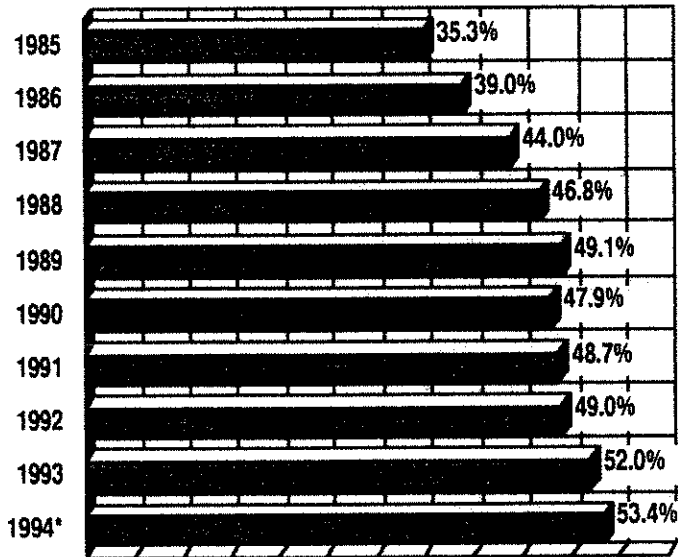


* 1985 - 1993 Revised Budgets; 1994 Proposed Budget.

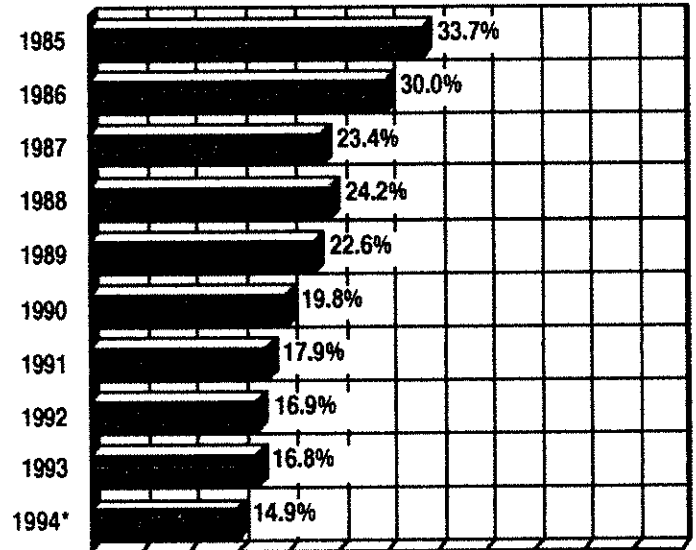
Figure 3-2

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

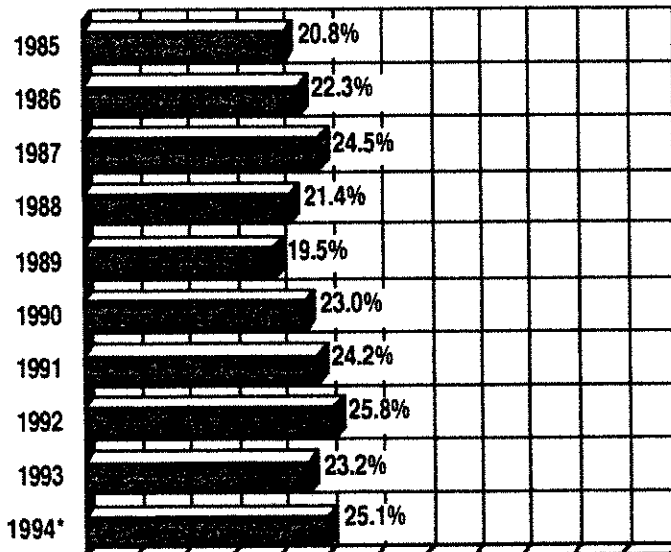
Property Taxes



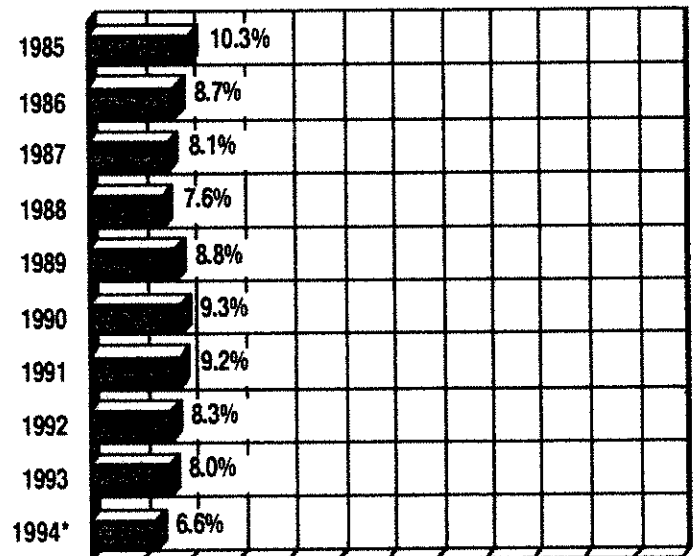
State and Federal Revenues



Other Local Sources **



Intragovernmental Charges



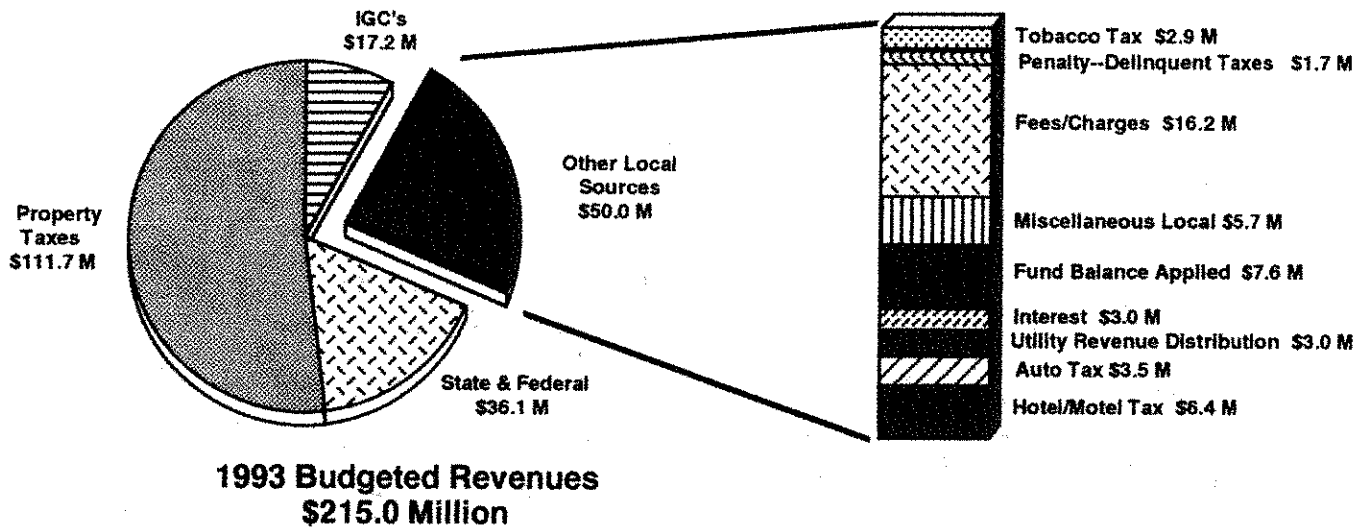
* 1985-1993 Revised Budgets; 1994 Proposed Budget.

** Other local sources include fees, charges, interest earnings, fund balance contributions, Utility Revenue Distribution, hotel/motel tax, automobile taxes, and other miscellaneous revenues. See Figure 3-3 for more detail on this category.

As state revenues decline, the revenue category labeled "Other Local Sources" becomes more important. Figure 3-3 shows some detail for this grouping based on the revised 1993 budget.

Figure 3-3

**Local Sources -- Detail
1993 Revenues ***

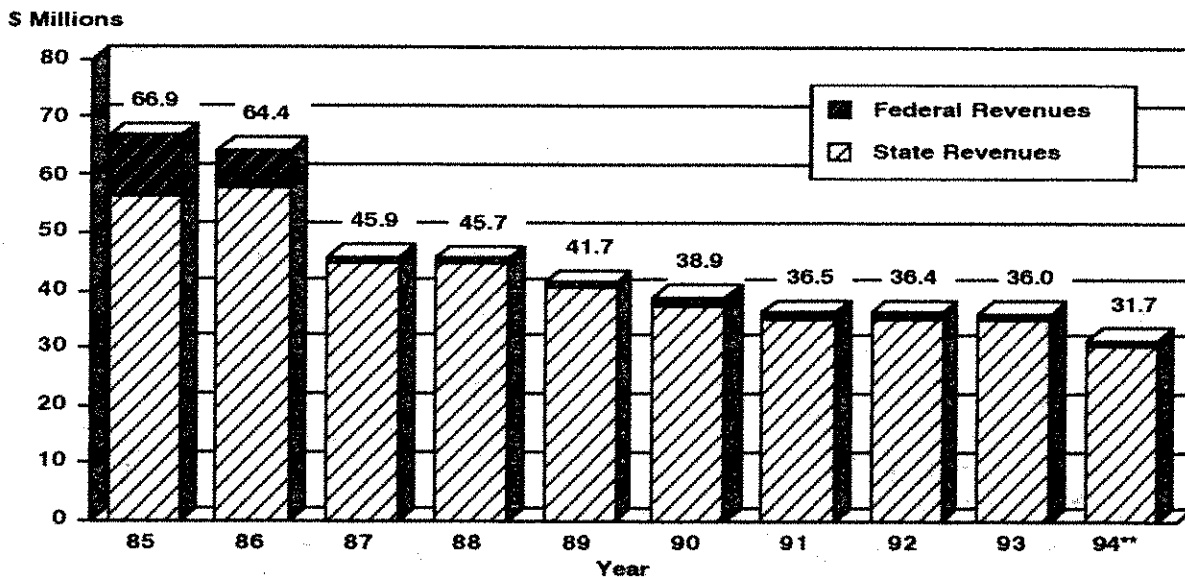


Revised Budget as of June 30, 1993.

The major shifts among revenue sources have occurred in state/federal sources and property taxes. Figures 3-4 through 3-11 provide more detailed information on these sources.

Figure 3-4

**State and Federal Revenues
General Government Operating Budget ***

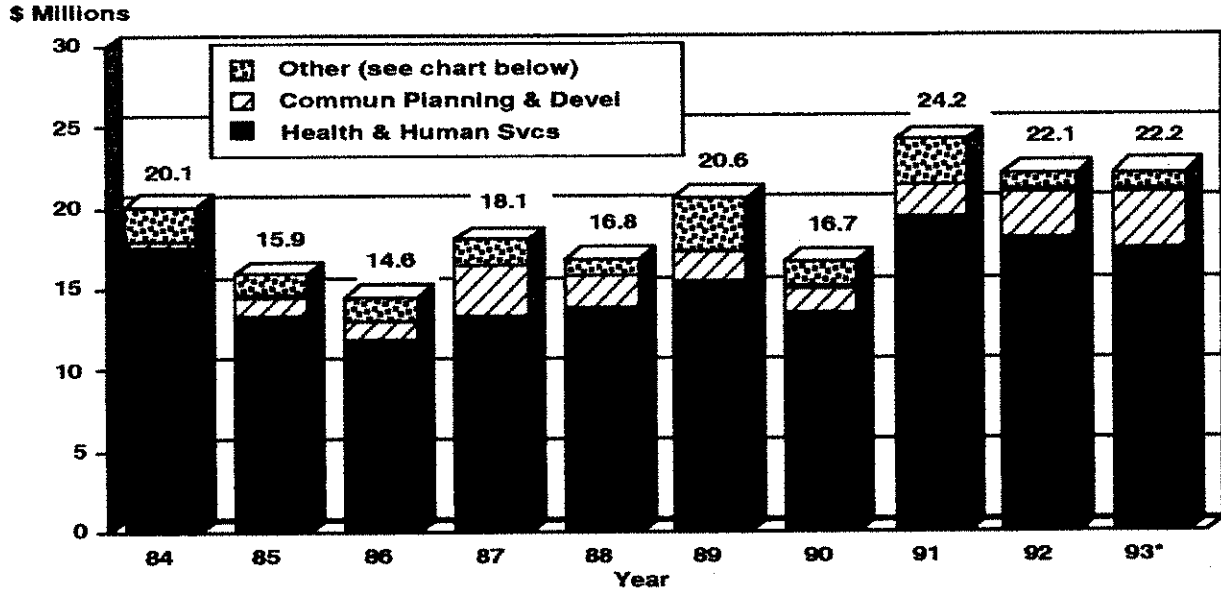


* Includes revenue sharing programs and Urban Mass Transit grants but not special categorical grants which are not part of the operating budget (see next page).

** 1985-1993 Revised Budgets; 1994 Proposed Budget.

In addition to state and federal revenues which are reflected in the General Government Operating Budget, the Municipality receives categorical grants, summarized by purpose or recipient department in Figures 3-5 and 3-6.

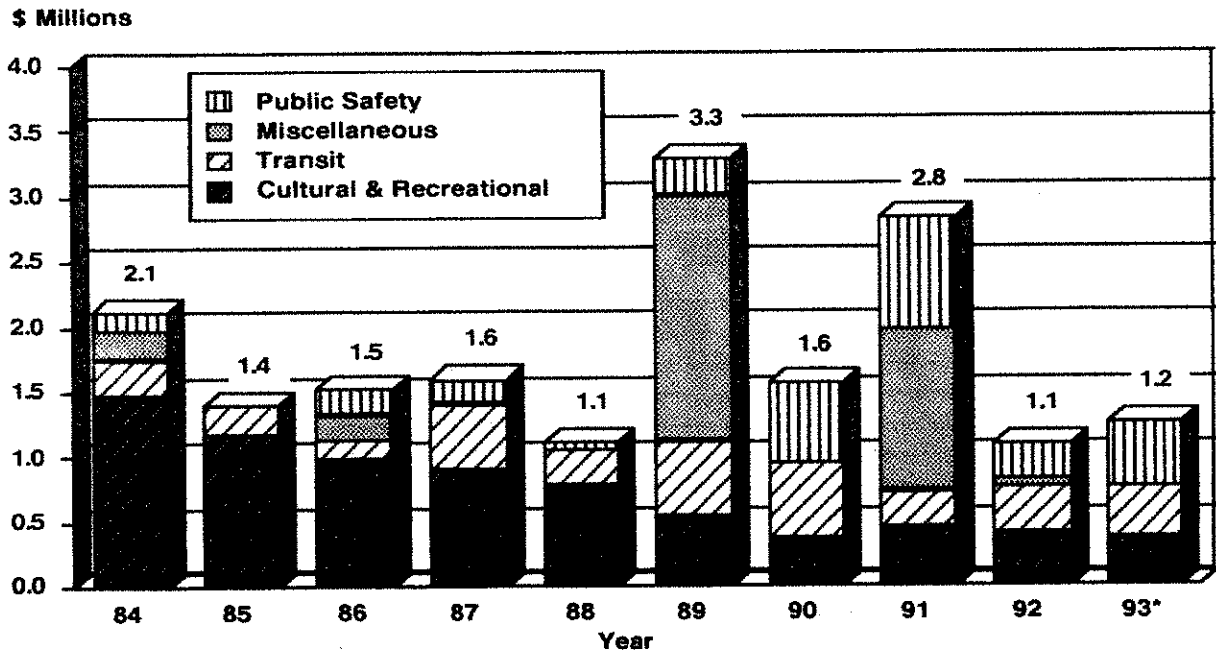
Figure 3-5
Summary of State and Federal Categorical Grants By Purpose **



* As of September, 1993.

** These grants are not included in Figure 3-4 (State and Federal revenues which are part of the Municipal operating budget).

Figure 3-6
Detail on "Other" Category Categorical Grants

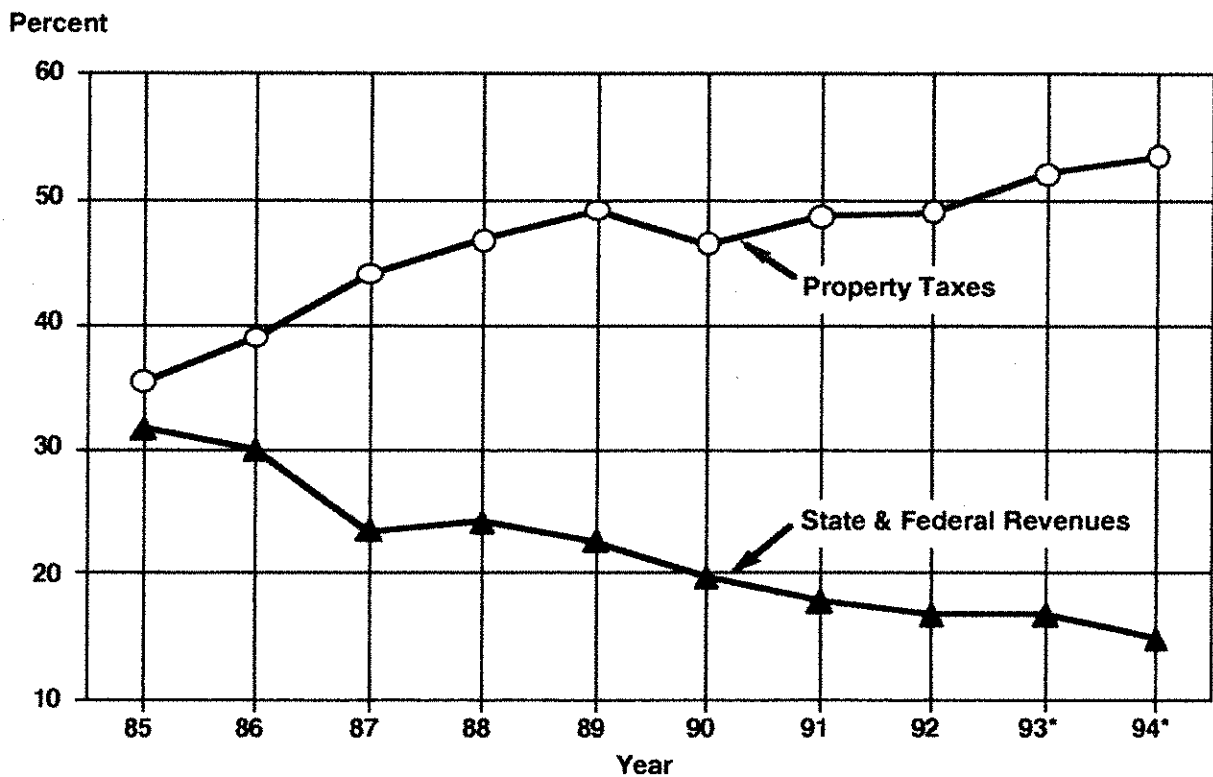


* As of September, 1993.

State and federal revenues have acted as an offset to local property taxes over the past ten years. As shown in Figure 3-7, the percentages of operating revenues from local property taxes and State and federal revenues have tended to move in opposite directions.

Figure 3-7

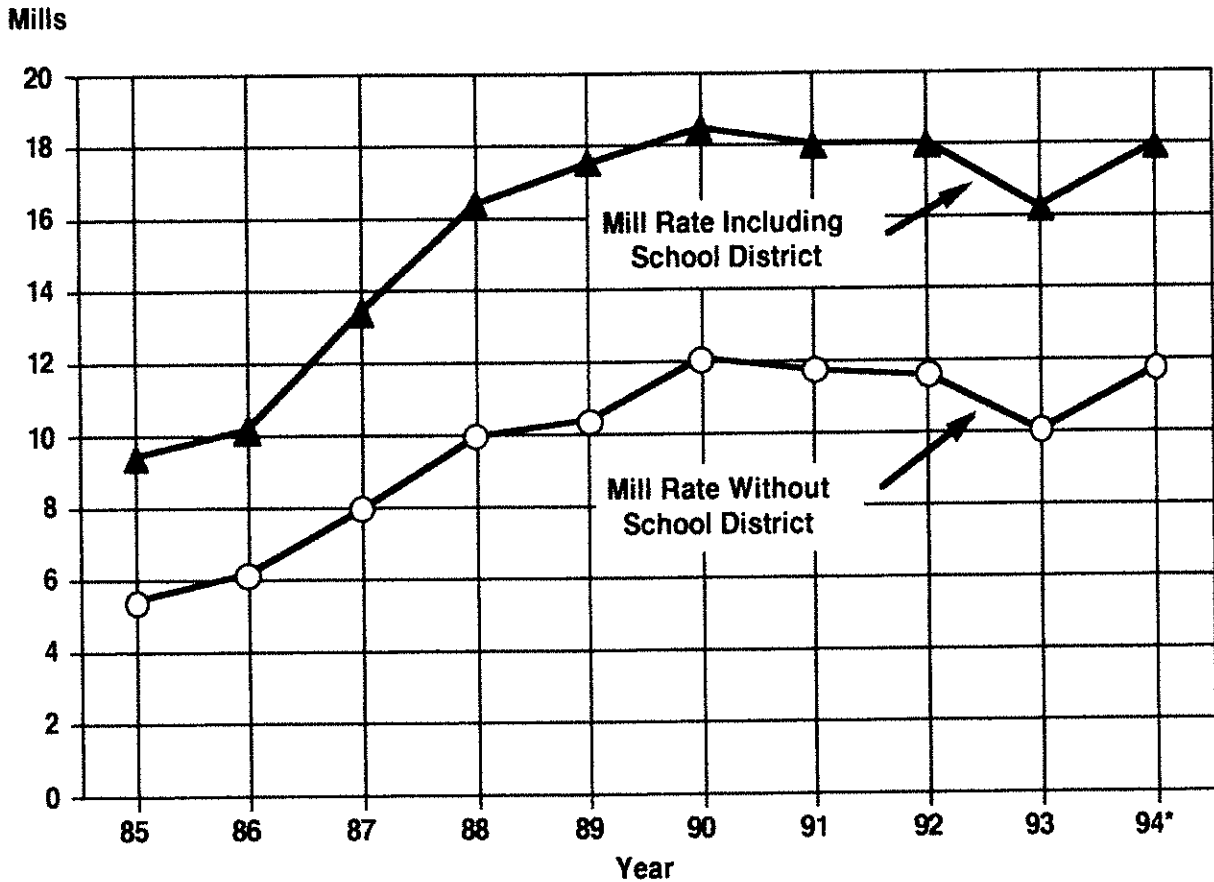
**Property Taxes and State/Federal Revenues
As Percentage of General Government Operating Revenues ***



* 1985-1993 Revised Budgets; 1994 Proposed Budget.

Figure 3-8

**Mill Rate Trends
for Property Taxation *
(Downtown Area)**



* 1985-1993 Revised Budgets; 1994 Proposed Budget.

A mill is one-tenth of 1¢. For each mill of taxation, the tax equals .001 times the assessed valuation of a property (one mill equals \$100 for each \$100,000 of assessed valuation).

The net property tax billings for 1992 exceeded the 1992 Assembly-approved levy; therefore, the 1993 mill levy was reduced to offset this over-billing.

These figures depict the amount of taxes the Municipality collects each year and the ratio of tax collections to the tax levy. Keep in mind that tax collections will at times exceed the levy because of prior year collections.

Figure 3-9

Percent of Delinquent Taxes to Tax Levy

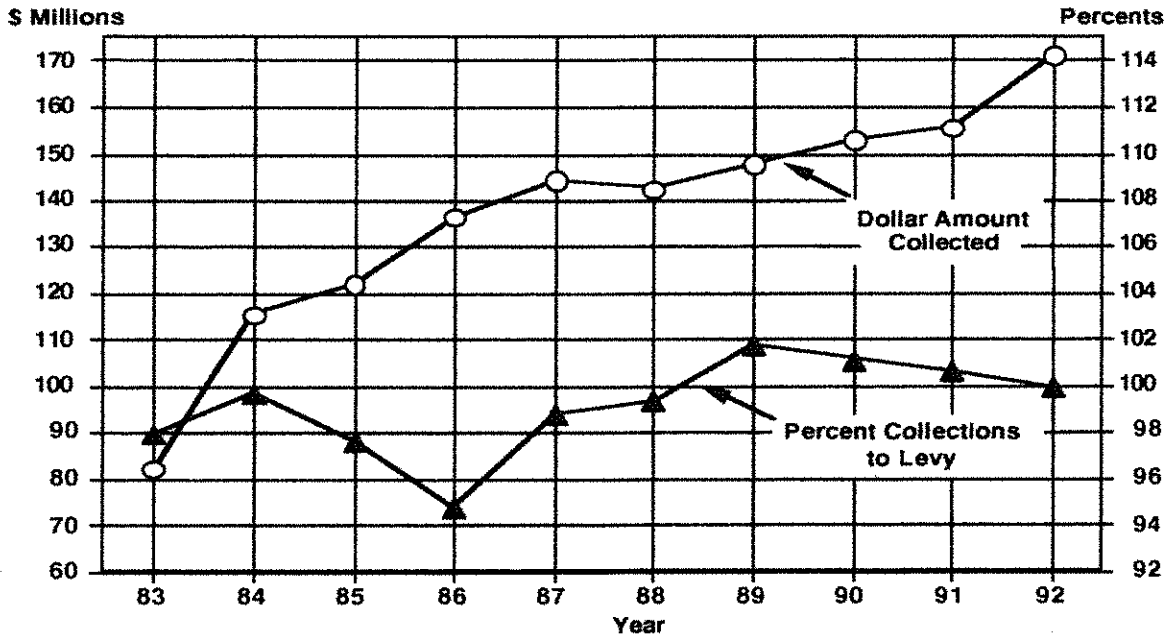
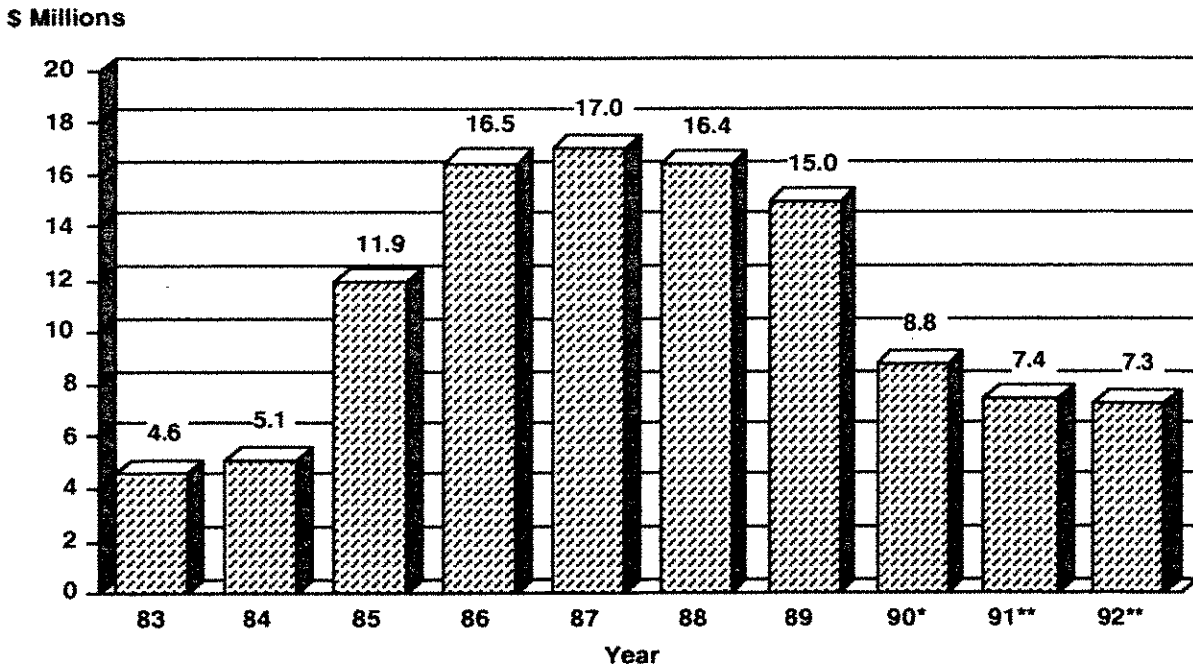


Figure 3 - 10

Outstanding Delinquent Taxes

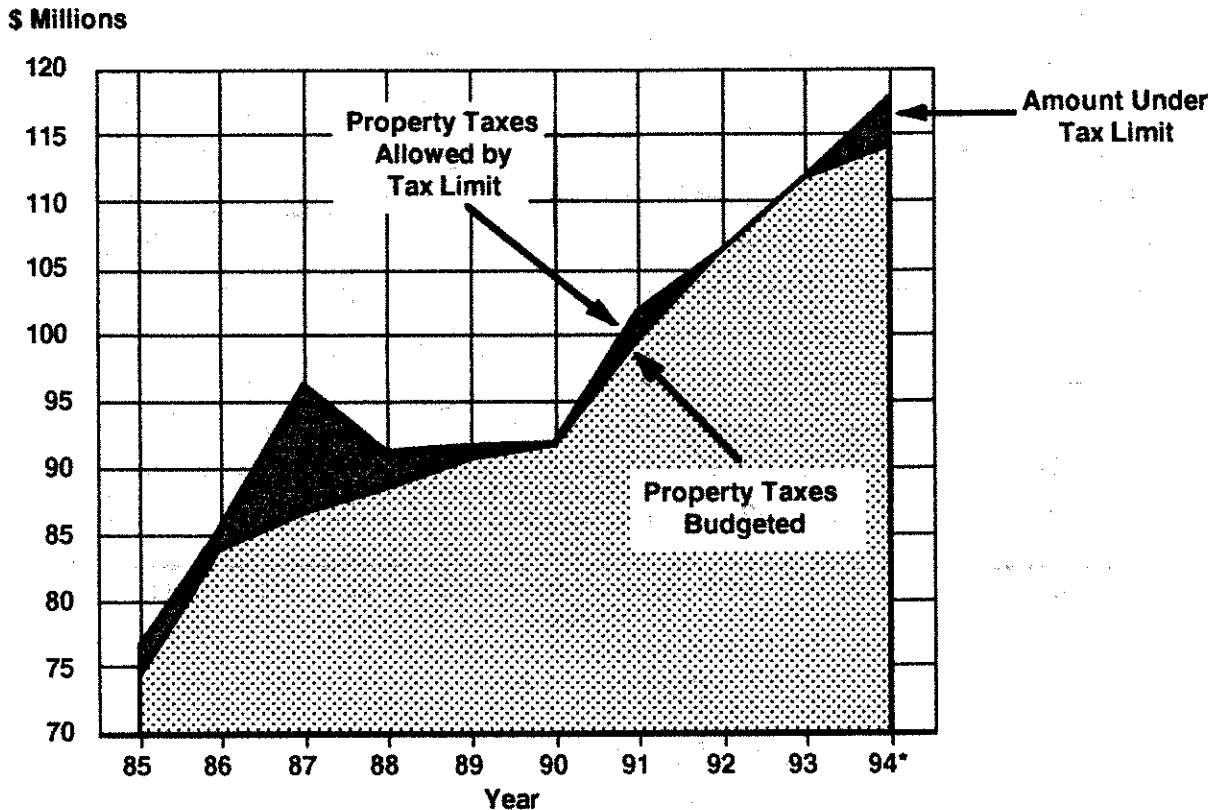


* Restated to exclude Senior Tax Credit Receivable.

** Excludes Senior Tax Credit Receivable.

Figure 3-11 shows the level of property taxes allowed under the charter tax limitation vis-a-vis the amount in the 1985-1993 revised budgets and in the 1994 proposed budget.

Figure 3-11
Property Taxes Under Charter Limitation
(Millions of Dollars) *



* 1985-1993 Revised Budgets; 1994 Proposed Budget is \$3.6 million under the tax limit.

The actual amounts the Assembly levied which were under the property tax limit for 1985 through 1993 are as follows (shown in millions):

1985	\$2.2 M	1988	\$3.0 M	1991	\$2.2 M
1986	1.4	1989	1.1	1992	0.0
1987	9.8	1990	0.2	1993	0.0

In a nationwide comparative study of taxes, the Department of Finance and Revenue of the District of Columbia analyzed residential property taxes in the largest city in each state. The table on the following page summarizes the effective real estate taxes for single-family owner-occupied dwellings within each of the cities. Shown are "effective" taxes, which represent the "announced" rates levied by jurisdictions adjusted for the relationship between each area's assessment levels and market values. Thus, if assessments were less than market values, effective tax rates were adjusted downward to reflect that discrepancy. As the data indicates, effective rates range from a high of \$4,400 per \$100,000 of assessed value in Detroit to a low of \$370 per \$100,000 of assessed value in Honolulu, Hawaii.

Figure 3-12

**Residential Property Tax Rates in
Selected Large Cities; 1991
(Ranked from Highest to Lowest Effective Rates)**

<u>City</u>	<u>Rank</u>	<u>Tax Per \$100,000</u>	<u>City</u>	<u>Rank</u>	<u>Tax Per \$100,000</u>
Detroit, MI	1	\$4,400	Jackson, MS	26	\$1,470
Milwaukee, WI	2	3,750	Burlington, VT	27	1,440
Newark, NJ	3	3,140	Billings, MT	28	1,430
Des Moines, IA	4	2,660	Columbia, SC	29	1,430
Philadelphia, PA	5	2,640	Minneapolis, MN	30	1,390
Portland, OR	6	2,640	Charlotte, NC	31	1,200
Manchester, NH	7	2,590	Kansas City, MO	32	1,150
Providence, RI	8	2,550	Virginia Beach, VA	33	1,090
Bridgeport, CT	9	2,490	Salt Lake City, UT	34	1,080
Baltimore, MD	10	2,460	Seattle, WA	35	1,050
Sioux Falls, SD	11	2,360	Oklahoma City, OK	36	1,040
Omaha, NE	12	2,310	Albuquerque, NM	37	1,040
Jacksonville, FL	13	2,150	Las Vegas, NV	38	1,020
Chicago, IL	14	2,050	Denver, CO	39	970
Houston, TX	15	2,000	Little Rock, AR	40	950
Columbus, OH	16	2,000	Louisville, KY	41	950
Boise City, ID	17	1,920	Wilmington, DE	42	940
Fargo, ND	18	1,780	Washington, DC	43	910
Wichita, KS	19	1,760	Boston, MA	44	890
Indianapolis, IN	20	1,750	New York City, NY	45	870
Atlanta, GA	21	1,740	Cheyenne, WY	46	720
Anchorage, AK	22	1,740	Birmingham, AL	47	700
Portland, ME	23	1,740	Charleston, WV	48	650
New Orleans, LA	24	1,610	Los Angeles, CA	49	630
Phoenix, AZ	25	1,470	Memphis, TN	50	540
			Honolulu, HI	51	370
		Unweighted Average			\$1,640
		Median			\$1,470

Source: Government of the District of Columbia, Department of Finance and Revenue, Tax Rates and Tax Burdens in the District of Columbia: A Nationwide Comparison, June 1992.

Using the same source of information as the preceding table, Figure 3-13 shows the historical ranking of Anchorage in residential property tax rates from 1985 through 1992 as compared to selected large cities.

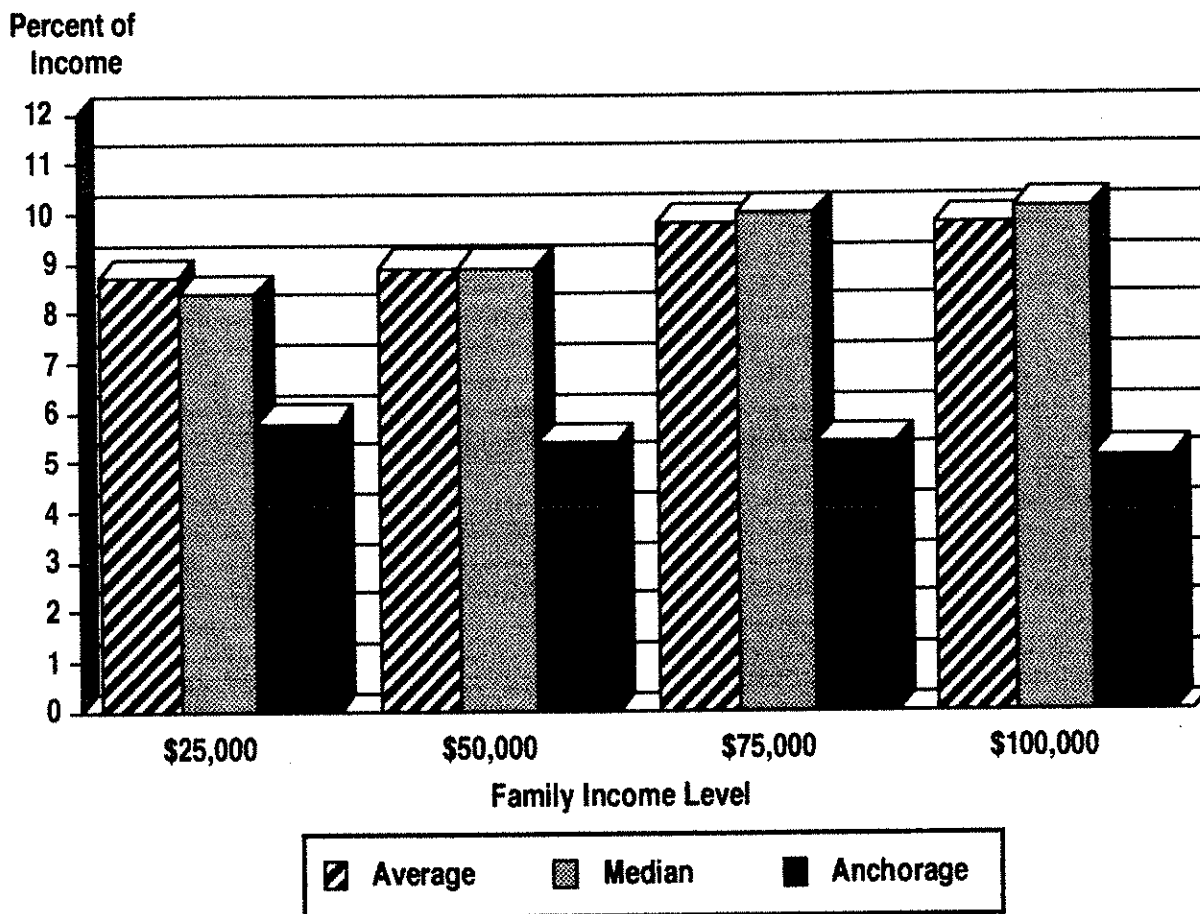
Figure 3-13

**Historical Ranking of Anchorage Residential Property Tax Rates
Compared to Selected Large Cities
1985 - 1991**

<u>Year</u>	<u>Ranking</u>	<u>Tax Per \$100,000</u>	<u>Year</u>	<u>Ranking</u>	<u>Tax Per \$100,000</u>
1985	#44	\$ 940	1989	#19	\$1,710
1986	#43	940	1990	#20	1,760
1987	#37	1,100	1991	#22	1,740
1988	#26	1,480			

One measure of the burden of taxation is the percent of income devoted to paying taxes. The Department of Finance of the Government of the District of Columbia has estimated this burden for the largest city in each state. Figure 3-14 summarizes their results specific to Anchorage.

Figure 3-14
Estimated Burden of Major Taxes
For a Family of Four by Income Level
1991 Average for 51 Cities Compared to Anchorage



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

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

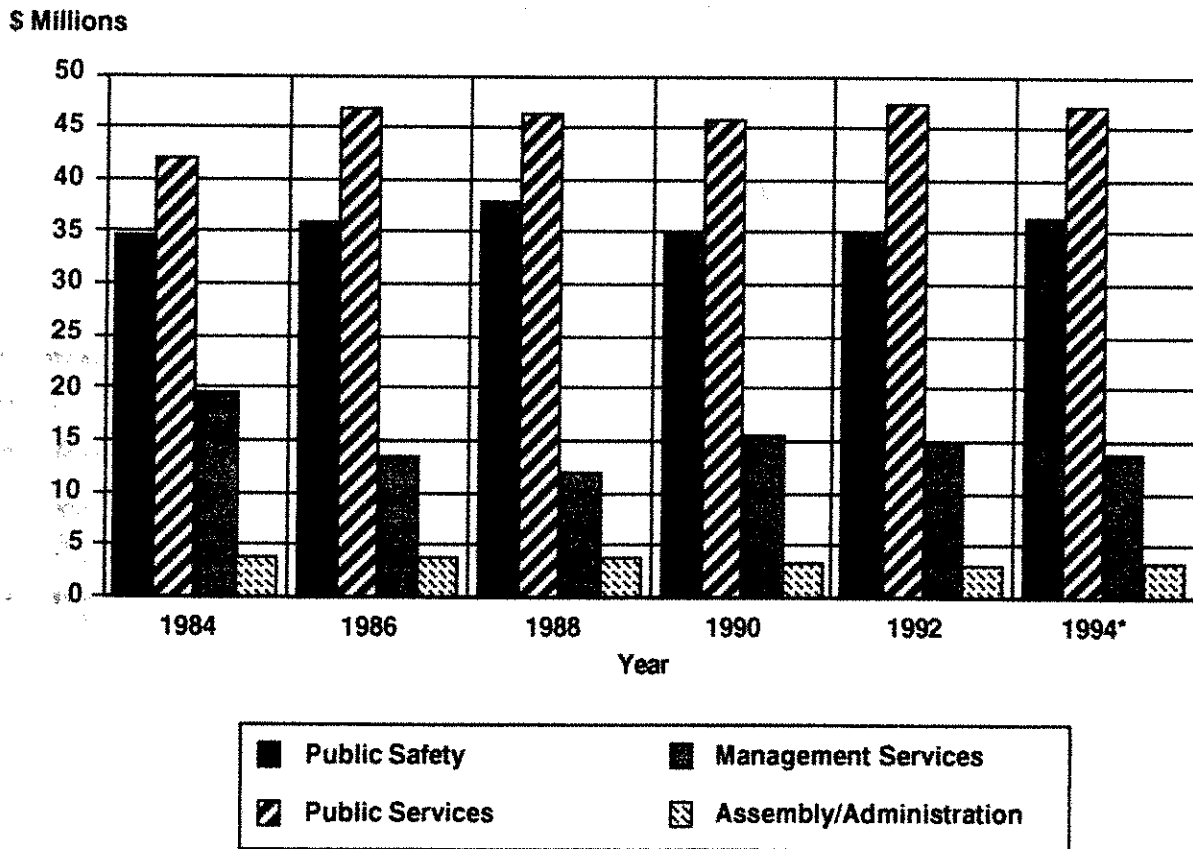
SOURCE: Government of the District of Columbia, Department of Finance and Revenue, Tax Rates and Tax Burdens in the District of Columbia: A Nationwide Comparison, June 1992.

Expenditures

The following chart describes the distribution of general government budgeted expenditures since 1984.

Figure 3-15

Distribution of Budgeted Expenditures by Major Functions *



Public Safety includes Health and Human Services, Fire, and Police.

Public Services includes Public Works, Cultural and Recreational Services, Transit, Community Planning and Development, Property and Facility Management, and Non-Departmental.

Management Services includes the Municipal Manager, Finance, Information Systems, Employee Relations, and Purchasing. In 1990, the increase is mainly attributable to the transfer of ATU's Management Information System section to General Government.

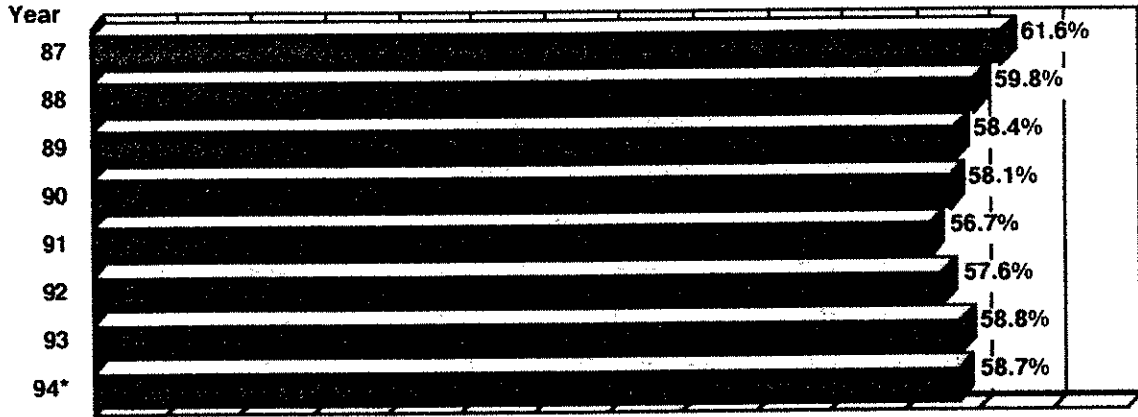
Assembly/Administration includes Assembly, Equal Rights Commission, Internal Audit, Office of the Mayor and Municipal Attorney.

* 1984-1993 Revised Budgets; 1994 Proposed Budget

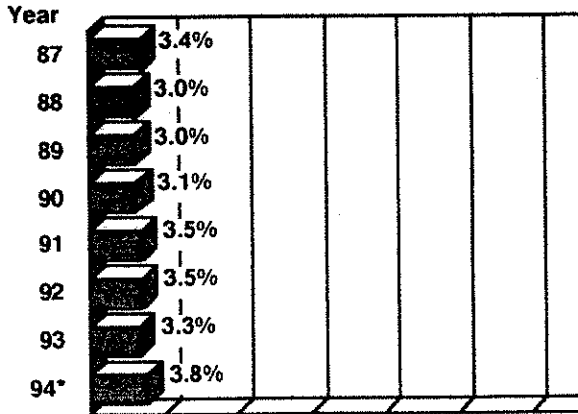
Figure 3-16

General Government Budgeted Expenditures
Direct Cost By Type *

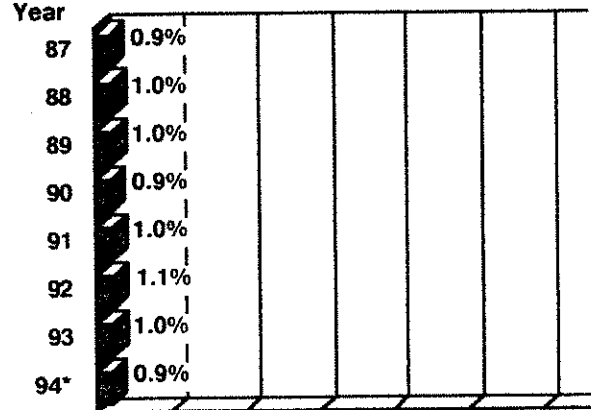
Personal Services



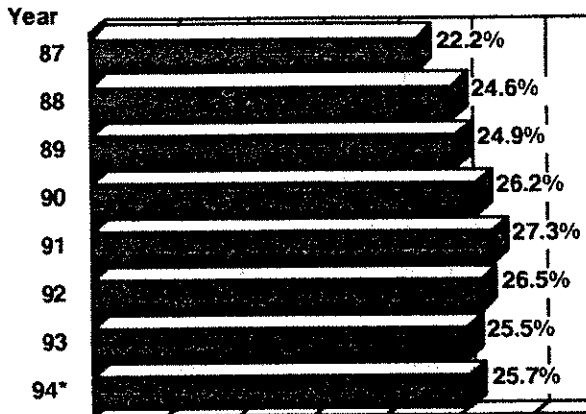
Supplies



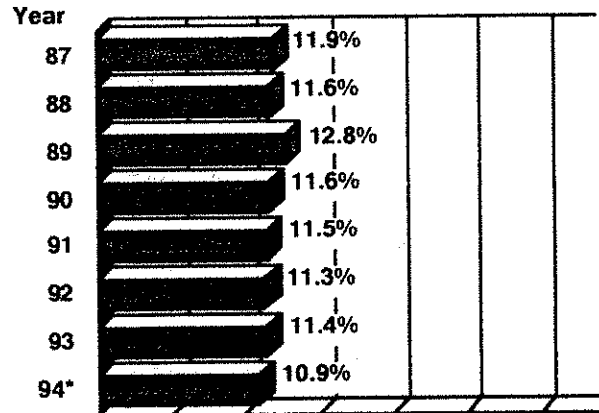
Capital Outlay



Other Services



Debt Service



* 1987 - 1993 Revised Budgets; 1994 Proposed Budget.

Capital Funding

The Municipality of Anchorage experienced substantial capital growth during the early 1980's with a substantial decrease during the last half of the decade. Figures 3-17 through 3-25 present historical information on the sources and uses of capital funds during this period.

Figure 3-17

Categories of Capital Projects Total Appropriations by MOA 1984 - 1993

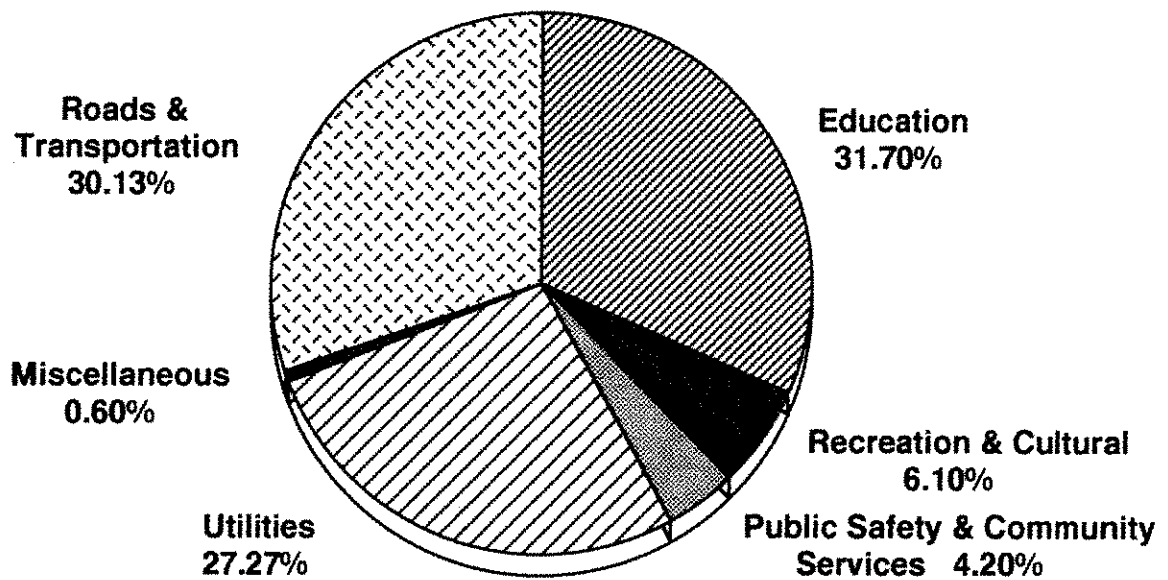
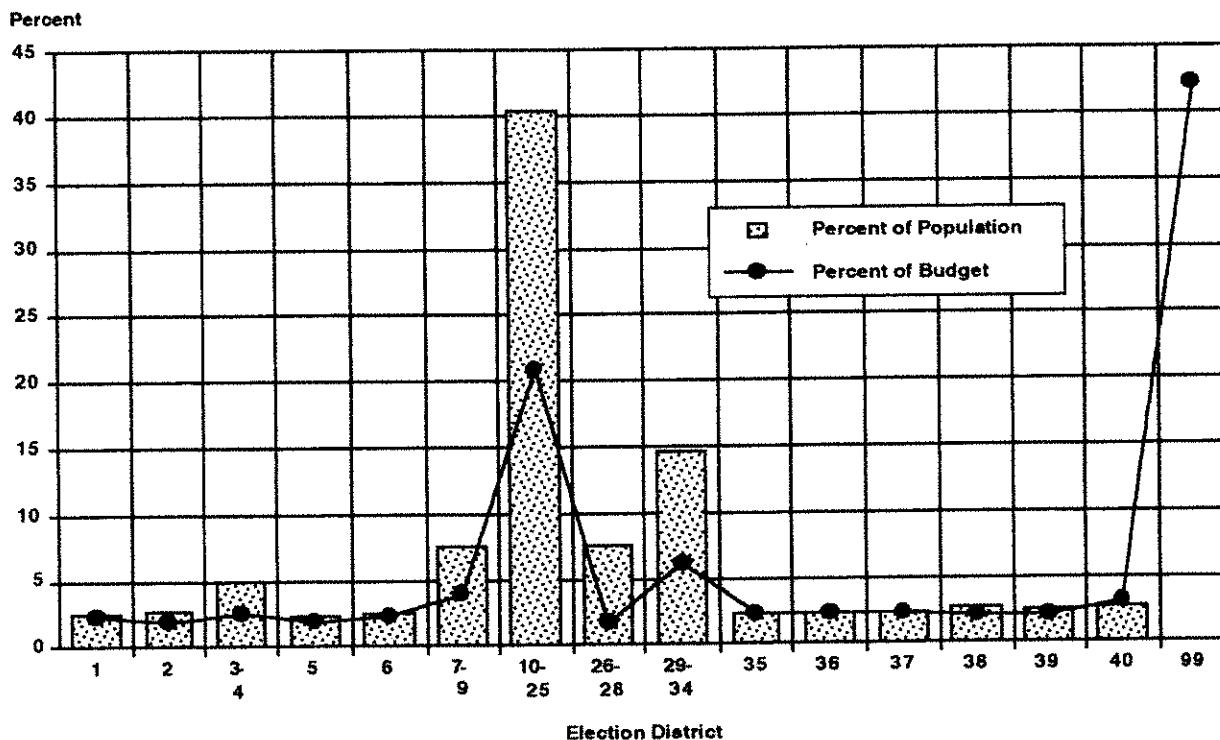


Figure 3-18

District Comparison of Population to Percentage of Fiscal Year 1994 State Capital Budget

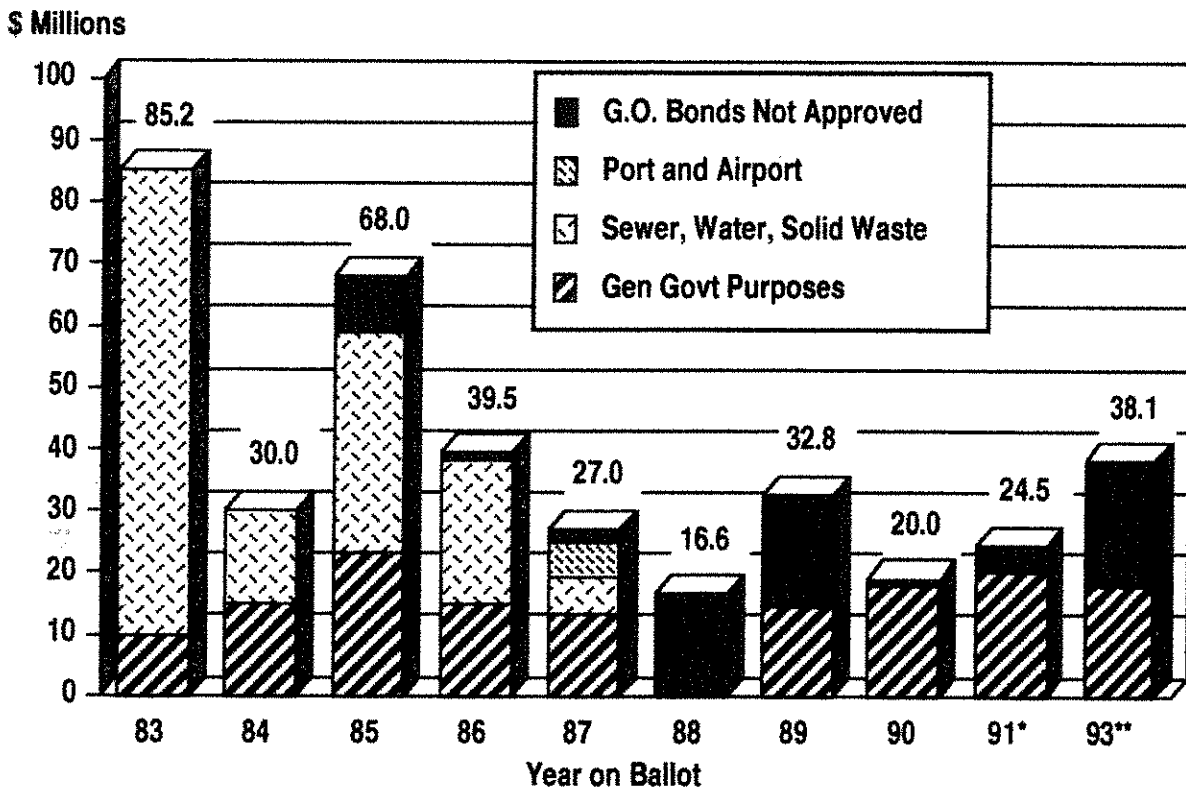


District	Population		Capital Budget	
	Amount	Percent	Amount	Percent
1 Ketchikan	13,985	2.5%	\$ 18.662 M	2.4%
2 Sitka/Petersburg/Wrangell	14,622	2.7%	15.175	1.9%
3-4 Juneau/Mendenhall/Lynn Canal	26,919	4.9%	20.180	2.5%
5 Southeast Islands	13,483	2.4%	15.444	1.9%
6 Kodiak	13,664	2.5%	17.807	2.3%
7-9 Homer/Kalifornsky/Soldotna/Seward/Kenai	41,544	7.6%	30.540	3.9%
10-25 Anchorage	222,324	40.4%	165.324	20.9%
26-28 Matanuska/Susitna	41,135	7.5%	12.571	1.6%
29-34 Fairbanks	80,122	14.6%	49.108	6.2%
35 Prince William Sound/Delta	13,215	2.4%	18.346	2.3%
36 Rural Interior	12,741	2.3%	18.748	2.4%
37 Arctic Slope/Northwest	13,346	2.4%	16.994	2.2%
38 Nome/Norton Sound	14,098	2.6%	16.921	2.1%
39 Bristol Bay/Bethel	13,858	2.5%	15.479	2.0%
40 Aleutians	14,987	2.7%	24.800	3.1%
99 Statewide			333.822	42.3%
TOTAL STATE	550,043		\$789.921 M	

SOURCE: "Alaska Population Overview: 1990 Census & Estimates" by the Alaska Department of Labor and "Election District Report: Fiscal Year 1994" by the Alaska Legislative Finance Division. Election district population estimates are based on 1990 census figures. The election district population distribution differs from the prior year due to the implementation in 1993 of the State's revised reapportionment plan.

Figure 3-19

General Obligation Bond Propositions
(Excluding School Bonds)
1983 - 1993



* 1991 was the last year to have an October ballot. There were no Municipal propositions in 1992.

** \$23.1 million was proposed on the April 20, 1993 ballot. Of this amount only a \$3 million Road Improvement District (RID) bond was approved. A special election will be held October 19, 1993 when Public Works will propose an additional \$15 million road bond.

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

Figure 3-20

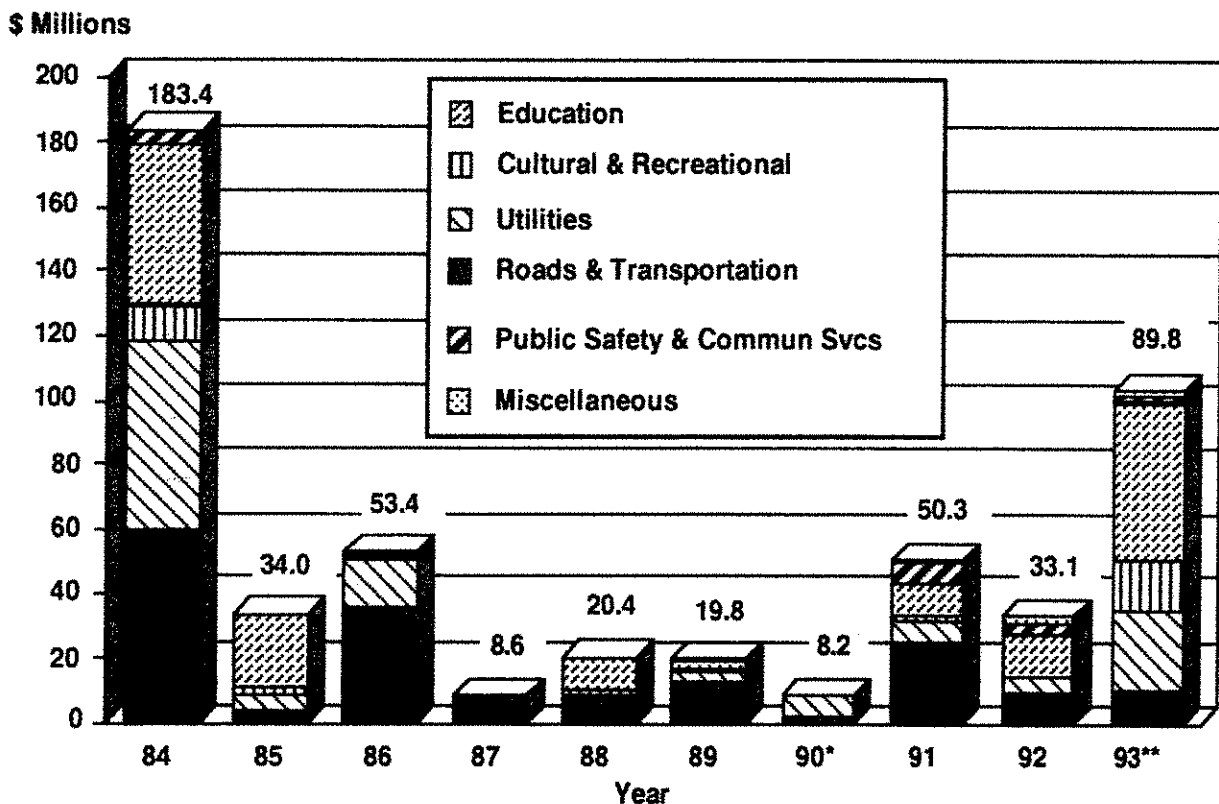
**General Obligation Bond Proposals/Approvals
(in \$ Millions)**

General Obligation Bond Type	1985	1986	1987	1988	1989	1990	1991	1992	1993	TOTAL
School District										
Proposed	\$103.0				\$ 29.7		\$ 51.9		\$176.9	\$361.5
Approved	\$103.0				\$ 29.7		\$ 24.4		\$ 22.2	\$179.3
Total % Approved	100%				100%		47%		13%	50%
Utilities (AWWU, ML&P, SWS)										
Proposed	\$ 35.6	\$ 23.0	\$ 6.0							\$ 64.6
Approved	\$ 35.6	\$ 23.0	\$ 6.0							\$ 64.6
Total % Approved	100%	100%	100%							100%
Roads & Transit										
Proposed	\$ 15.5	\$ 11.0	\$ 11.5	\$ 11.0	\$ 20.2	\$ 11.0	\$ 15.0		\$ 18.0	\$113.2
Approved	\$ 15.5	\$ 10.0	\$ 11.5	\$ ---	\$ 14.7	\$ 11.0	\$ 15.0		\$ 3.0	\$ 80.7
Total % Approved	100%	91%	100%	0%	73%	100%	100%		17%	71%
Property & Facility Management										
Proposed				\$ 2.2	\$ 1.7		\$ 4.5		\$ 3.0	\$ 11.4
Approved				\$ ---	\$ ---		\$ ---		\$ ---	\$ ---
Total % Approved				0%	0%		0%		0%	0%
Public Safety										
Proposed	\$ 7.9	\$ 5.5	\$ 2.0	\$ 3.4	\$ 2.4	\$ 6.9				\$ 28.1
Approved	\$ 7.9	\$ 5.5	\$ 2.0	\$ ---	\$ ---	\$ 6.9				\$ 22.3
Total % Approved	100%	100%	100%	0%	0%	100%				79%
Cultural & Recreational										
Proposed	\$ 9.0					\$ 1.2	\$ 5.0		\$ 2.2	\$ 17.4
Approved	\$ ---					\$ ---	\$ 5.0		\$ ---	\$ 5.0
Total % Approved	0%					0%	100%		0%	29%
Port & Merrill Field										
Proposed			\$ 9.5							\$ 9.5
Approved			\$ 7.5							\$ 7.5
Total % Approved			79%							79%
TOTAL										
Proposed	\$171.0	\$ 39.5	\$ 29.0	\$ 16.6	\$ 54.0	\$ 19.1	\$ 76.4	N/A	\$200.1	\$605.7
Approved	\$162.0	\$ 38.5	\$ 27.0	\$ ---	\$ 44.4	\$ 17.9	\$ 44.4	N/A	\$ 25.2	\$359.4
Total % Approved	95%	97%	93%	0%	82%	94%	58%	N/A	13%	59%

Figure 3-21 shows capital grants from the State of Alaska to the Municipality. When final notice of these grants is received, the Assembly appropriates the funds for the purposes outlined in the grants. Grants are shown here in the year appropriated by the Assembly, which may differ from the State fiscal year of appropriation and from the year in which the funds are actually expended. Amounts shown are net of repeals and reappropriations.

Figure 3-21

**State Capital Grants
Appropriated by MOA
Net of Repeals ***



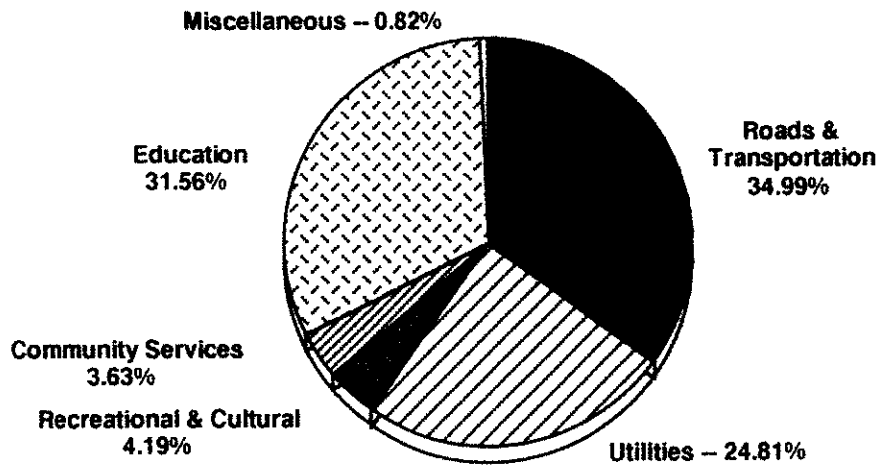
* The Governor's line item veto in July 1990 resulted in net negative appropriations for the Anchorage School District and Department of Cultural and Recreational Services due to repeals of existing grants. Railbelt Energy Fund appropriations were composed of \$2.5 million for the Ship Creek Original Townsite Redevelopment Project and \$2.3 million to reconstruct and upgrade the Girdwood water system.

** As of August 1993. Includes \$44.5 million of Anchorage School District grants and a \$6.5 million AWWU grant which require 30% local matching funds in addition to the usual DEC grants (\$2.5 million in 1993) which require a 50% match.

Figure 3-22 summarizes the purposes of State grants over this period.

Figure 3-22

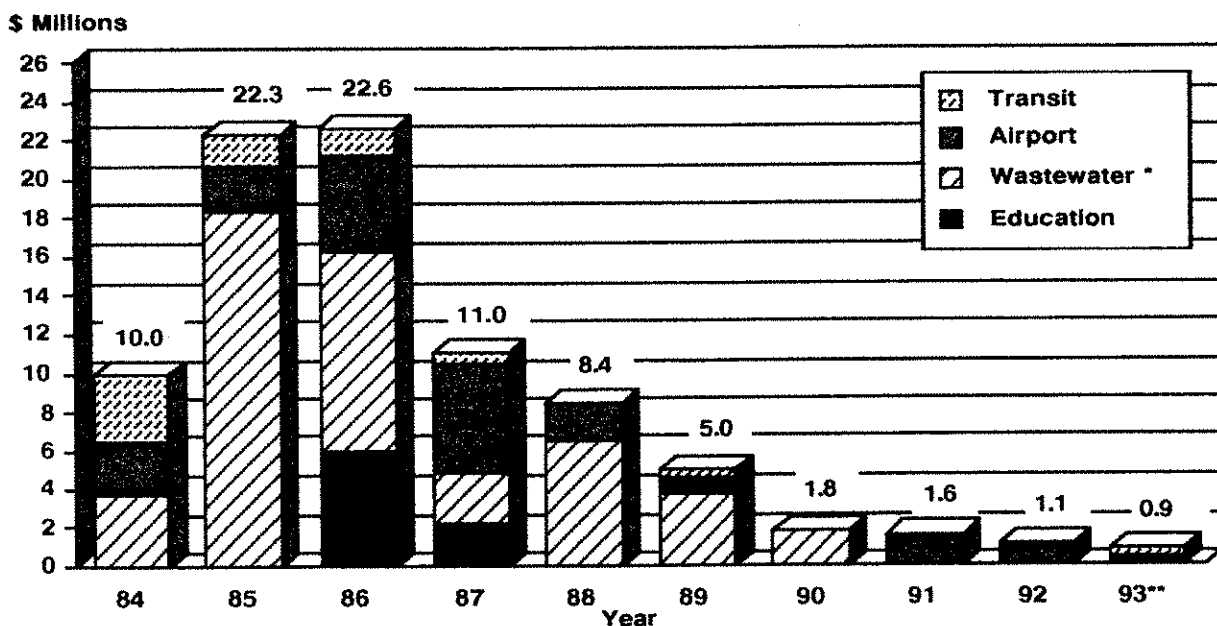
**State Capital Grants Appropriated by MOA
Total Distribution by Purpose 1984-1993 ***



Federal capital grants have been more modest in proportion. The bulk of federal capital funding has gone to Transit and Wastewater over the years shown.

Figure 3-23

**Major Federal Capital Grants
1984-1993**

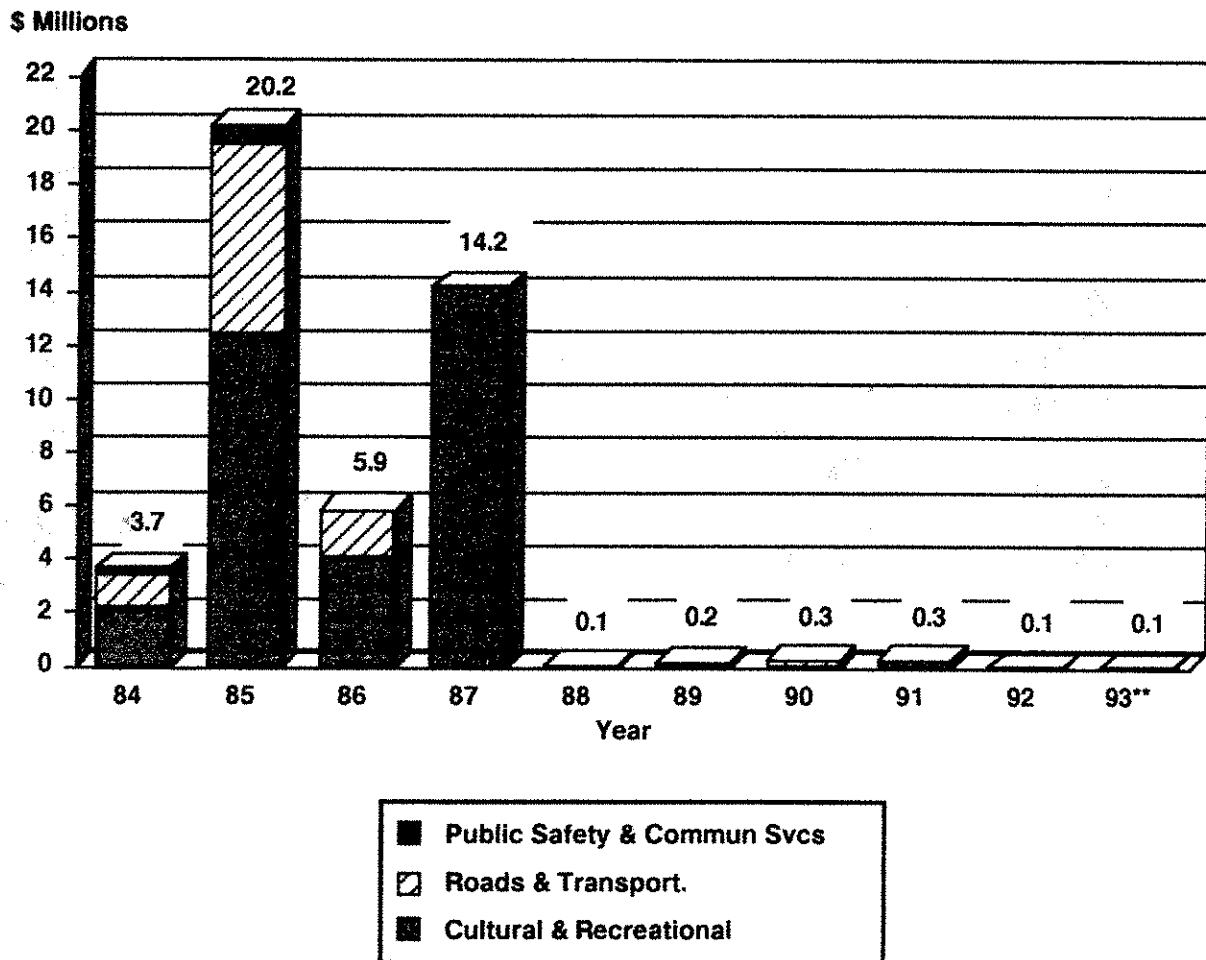


* Excludes the Alaska Clear Water Revolving Loan Program begun by the Federal Government in 1992 which replaced wastewater grants. In 1993, AWWU borrowed \$3.4 million through this program.

** As of August 1993. In addition to the two new grants shown, the Wastewater Utility returned \$174,000 due to the final eligible expenditures being less than the original grant request.

Through the mid 1980's, interest earned on capital grants was a funding source for capital projects. Figure 3-24 summarizes interest appropriation by broad program groupings. In prior years these interest earnings served to balance out the declines in State capital grants. Due to reduced State grants and a change in State grant payment procedures, the Municipality has had substantially lower grant fund balances in recent years and lower interest earnings.

Figure 3-24
Interest Appropriations
for General Government Capital Projects *
(1984 - 1993)

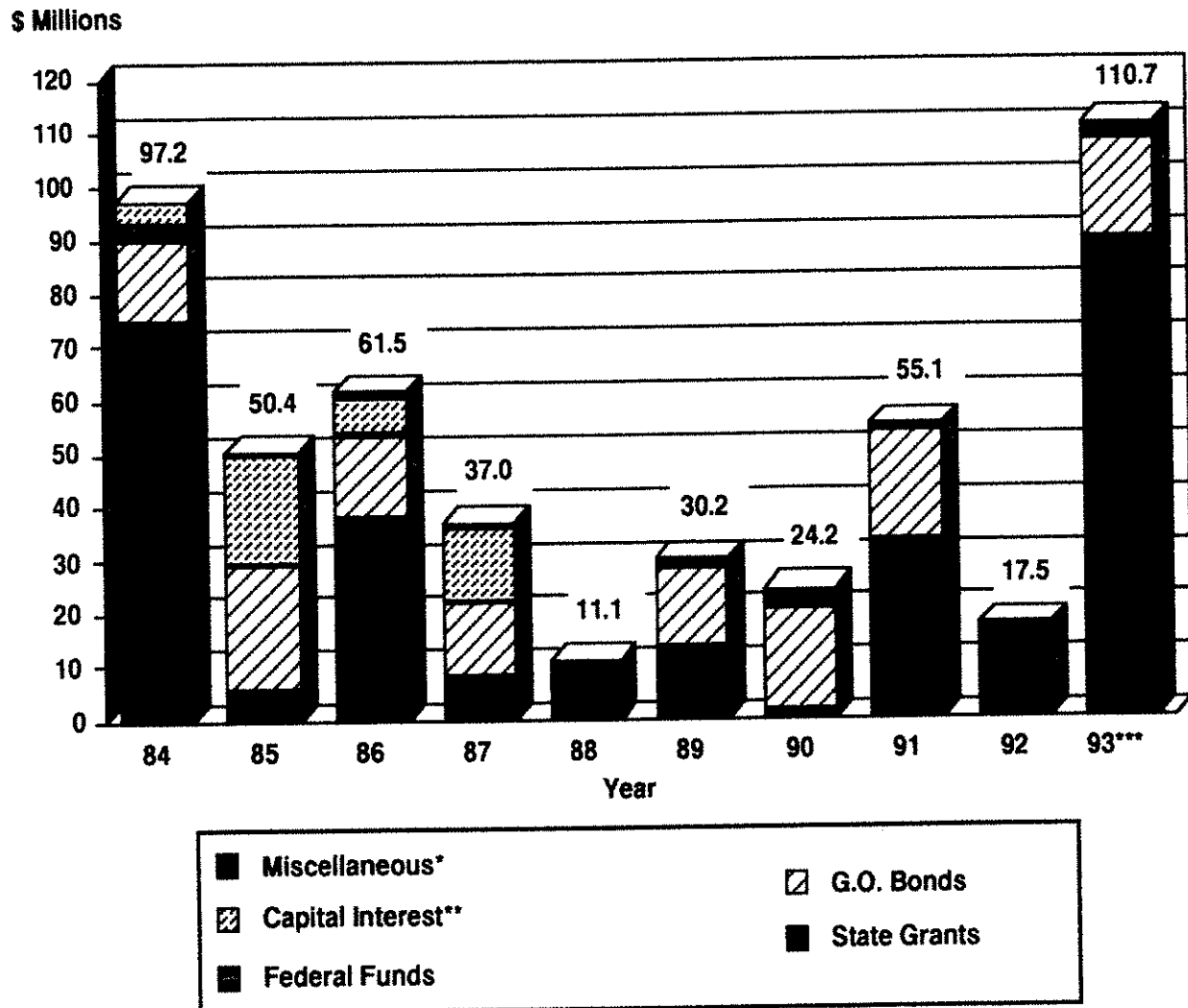


* Interest earned on General Government and Port of Anchorage State capital grants.

** As of August, 1993.

Figure 3-25 gives an overall summary of general government capital funding by source of funds. Here general obligation bonds are shown in the year in which voters approved.

Figure 3-25
Summary of Appropriations to General Government
Capital Projects -- MOA



* The Miscellaneous category consists of contributions from Heritage Land Bank, Anchorage School District, fund balance, assessment bonds, private donations, capital mill levy, miscellaneous revenues, etc. Figures prior to 1985 represent Heritage Land Bank contributions only.

** Interest earned on General Government and Port of Anchorage State capital grants.

*** As of August 1993.

**IV. "FISCAL GAP" --
PROBLEM AND SOLUTIONS**

IV. "FISCAL GAP" - PROBLEM AND SOLUTIONS

Developed in 1990, this section is intended to identify corrective actions 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 and Economic Trends Committee. Input from these various groups provided a strong base for the planning process involved in the fiscal gap model.

"FISCAL GAP"

Per Figure 4-1, the primary Fiscal Gap estimate is that amount which includes Mandated New Requirements. In addition to the primary Fiscal Gap amount, High Priority New or Increased Discretionary Programs/Services and the Unfunded Police and Fire Retiree Medical Benefits have also been shown.

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 1994 to 1999 time frame. All cost information reflects expenditures over the 1993 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. Legally 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. High Priority New or Increased Programs/Services -- This category entails the increased discretionary 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.

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 1994 Legislative Program for the Municipality. Some of these key projects include:

- Building Maintenance (deferred and ongoing)
- Road Rehabilitation
- Park and Trail Compliance with ADA

By far the largest component of New Requirements would be the potential unfunded medical liability for Police and Fire retirees. This \$21.6 million number is shown below the line, but by no means is it any less important. An actuarial valuation as of January 1, 1991 of the future expected benefit payments under the Anchorage Police and Fire Health plan is \$1.3 billion. The present value of benefits -- over \$159.7 million -- resulting from an updated valuation of the Municipality's Police, Fire and command officers Retiree Health Plan originally estimated by William M. Mercer, Inc., and confirmed by Martin E. Segal Company. In other words, \$159.7 million plus interest at an annual rate of 8% would cover the future expected payments under the plan.

All assumptions for revenues at Figure 4-1 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 5.9% during the future years. With recent projections on health care benefits indicating potential increases of 9-11% in 1994, the expenditure portion is probably conservative.

Figure 4-1

"Fiscal Gap"
(In \$ Millions)

	1994	1995	1996	1997	1998	1999
REVENUES						
Federal Revenues (0%)	\$ 1.10	\$ 1.10	\$ 1.10	\$ 1.10	\$ 1.10	\$ 1.10
State Revenues (-5% after 1994)	30.62	29.09	27.63	26.25	24.94	23.69
Local Revenues (2%)	46.77	47.70	48.65	49.63	50.62	51.63
Property Taxes (Constant + New Construction)	114.25	115.45	116.65	117.85	119.05	120.25
Fund Balance Applied (2% Prior Yr. Expend.)	7.02	4.28	4.48	4.69	4.91	5.15
IGC's (+5.2% after 1994)	14.13	14.86	15.63	16.45	17.30	18.20
TOTAL REVENUES	\$213.88	\$212.48	\$214.15	\$215.96	\$217.92	\$220.02
EXPENDITURES						
Personal Services (5.9% After 1994*)	\$125.46	\$132.86	\$140.70	\$149.00	\$157.79	\$167.10
Debt Service	23.29	23.29	23.29	23.29	23.29	23.29
Other (4%)	65.14	67.75	70.46	73.28	76.21	79.25
TOTAL EXPENDITURES	\$213.88	\$223.89	\$234.44	\$245.56	\$257.28	\$269.64
FISCAL GAP (Reference Figure 3-2)	\$ 0.00	\$ 11.41	\$ 20.29	\$ 29.59	\$ 39.36	\$ 49.62
NEW REQUIREMENTS - INCREASES TO THE GAP						
Legally Mandated Services:						
Employee Relations -- ADA & ISTEA Compliance	\$ 0.00	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02	\$ 0.02
Employee Relations -- New Labor Contracts	0.00	0.22	0.22	0.66	0.22	0.22
H&HS - ADA (Supplemental Trans. Vans)	0.00	0.05	0.10	0.14	0.14	0.14
Asbestos Removal -- P&FM	0.00**	0.64	0.00	0.00	0.00	0.00
Handicapped Access (ADA) -- P&FM	0.00**	2.90	0.00	0.00	0.00	0.00
Underground Storage Tanks -- P&FM	0.00**	1.00	0.20	0.15	0.15	0.00
PW -- EPA Non-Point Discharge Regulations	0.00	0.00	0.07	0.17	0.28	0.40
Emergency Mgmt -- ADA & Training Requirements	0.00	0.03	0.02	0.02	0.02	0.02
Cultural & Rec Svcs -- Required ADA	0.00**	0.21	0.14	0.14	0.14	0.14
Subtotal	\$ 0.00	\$ 5.27	\$ 0.77	\$ 1.30	\$ 0.97	\$ 0.94
Additional Cost of Existing Programs/Services:						
Increased Utility Charges to General Govt.	\$ 0.00	\$ 0.01	\$ 0.01	\$ 0.02	\$ 0.02	\$ 0.02
Police/Fire Retiree Medical Pay-As-You-Go Costs	0.00	0.87	0.58	0.63	1.43	0.85
Subtotal	\$ 0.00	\$ 0.88	\$ 0.59	\$ 0.65	\$ 1.45	\$ 0.87
FISCAL GAP Before Addition of Discretionary New Requirements or Potential Unfunded Police/Fire Retiree Medical Liability	\$ 0.00	\$ 17.56	\$ 21.64	\$ 31.54	\$ 41.78	\$ 51.43

* Applicable step and longevity increases plus annual salary increases based on assumed inflation rate of 3.8%. Annual salary increases are shown in the outyears for purposes of illustration of potential fiscal gap impacts only and are not necessarily supported by the Administration.

** Funding will be pursued through 1994 State Legislative Capital grants and/or through April 1994 bonds. Assuming 1994 State grants and/or April 1994 bond dollars are not forthcoming, the 1994 deferred costs will need to be funded as part of the 1995 General Government Operating Budget.

NOTE: Due to rounding, amounts shown in Figure 4-1 may not total exactly.

	1994	1995	1996	1997	1998	1999
High Priority New or Increased Discretionary Programs/Services:						
P&FM -- Deferred/Ongoing Building Maint.	\$ 0.90	\$ 0.90	\$ 0.90	\$ 0.90	\$ 0.90	\$ 0.90
P&FM -- Replacement of Heavy Equipment	1.20	0.00	0.00	0.00	0.00	0.00
Employee Relations -- Add'l Staff Support	0.22	0.23	0.23	0.23	0.23	0.23
Pub. Works -- Deferred/Ongoing Maintenance	11.01	12.28	13.40	13.28	13.28	13.28
Finance	0.68	0.68	0.68	0.68	0.68	0.68
Transit -- Repair/Maint -- Older Vehicles	0.25	0.20	0.20	0.00	0.00	0.25
Cultural & Recreation	2.28	2.85	4.16	3.03	3.17	3.18
Fire -- Replace/Expand Equipment Inventory	2.07	2.18	2.30	2.42	2.55	2.69
Emergency Mgmt. -- Maintain/Upgrade Equip.	0.05	0.03	0.03	0.03	0.03	0.02
Subtotal	\$ 18.66	\$ 19.34	\$ 21.89	\$ 20.57	\$ 20.83	\$ 21.23
Total New Requirements	\$ 18.66	\$ 25.49	\$ 23.25	\$ 22.51	\$ 23.25	\$ 23.05
TOTAL FISCAL GAP with Increases	\$ 18.66	\$ 36.90	\$ 43.54	\$ 52.11	\$ 62.61	\$ 72.66
Police/Fire Retiree Medical Benefits (Based on 40-Year Partial Advance Funding)	\$ 21.60	\$ 21.60	\$ 21.60	\$ 21.60	\$ 21.60	\$ 21.60
Fiscal Gap Including Unfunded Medical Liability for Police/Fire	\$ 40.26	\$ 58.50	\$ 65.14	\$ 73.71	\$ 84.21	\$ 94.26

Figure 4-2
Total Fiscal Gap
"Most Likely Case"

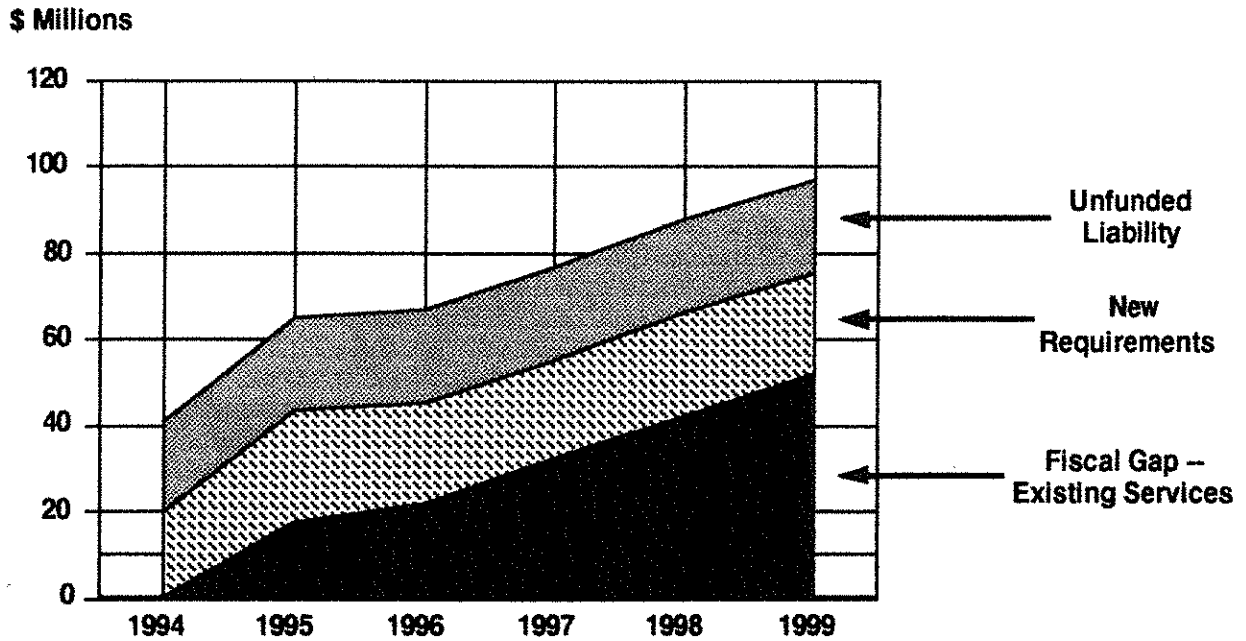
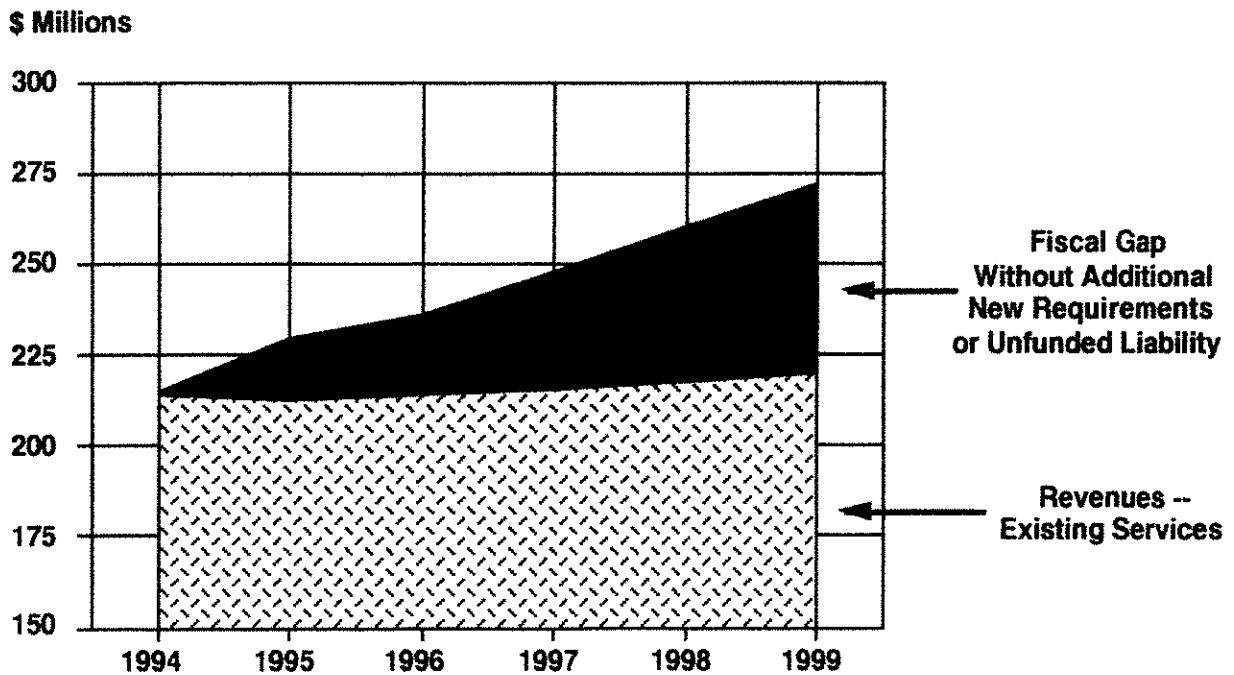


Figure 4-3
Current Level Expenditures
Minus Expected Revenues



FISCAL POLICY ANALYSIS

This portion of the Fiscal Trends document explains the preliminary policy analysis related to the evaluation of potential Fiscal Gap solutions.

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

With the Fiscal Gap identified, the next logical step is the establishment of proposed solutions necessary to remedy the problem. Policy options include 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 to be proposed in the 1994 Operating Budgets.

Compensation Concessions

Salaries - Labor contracts for all Municipal labor groups are currently scheduled to expire in 1994. Labor concessions from the various bargaining units would reduce the threat of corresponding departmental reductions. Wage freezes have been successfully negotiated over the past year for most all labor groups, with the exception of the IBEW and Fire unions.

Cost of Living Adjustments (Benefits) - Inflationary increases and projected experience factors related to health benefits have not been included in the Fiscal Gap model beyond 1994. Should unfavorable changes occur, they would increase the Fiscal Gap.

Police and Fire Retiree Medical Benefits - An actuarial valuation as of January 1, 1991 of the future expected benefit payments under the Anchorage Police and Fire Retiree Health Plan is \$1.3 billion. An April 1993 update of the actuarial valuation estimates the present value of benefits related to the Municipality's Police and Fire retiree health plan at \$159.7 million. In other words, \$159.7 million plus interest at an annual rate of 8% would cover the future expected payments made under the plan. This amount equates to a \$21.6 million a year (FASB 106) potential expense based on a 40-year partial advance funding. The 1994 solution to the Gap does not account for any

funding of this potential liability, yet the need still exists and should be resolved. Funding of the full actuarial liability will likely be mandated by the Government Accounting Standards Board (GASB) by 1996.

Utility Policy

Sale of ATU - One of the options available for reducing a fiscal gap is for the Municipality to sell ATU and use some of the revenues to assist in offsetting a Fiscal Gap. If the terms of sale were similar to those proposed during the previous sale attempt, the Municipality would benefit as follows:

- \$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 \$150 - \$200 million. The interest earnings after inflation-proofing are approximately \$3.3 - \$4.4 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 - ML&P appears to be the only other feasible candidate and would produce an estimated permanent fund addition of \$50 million.

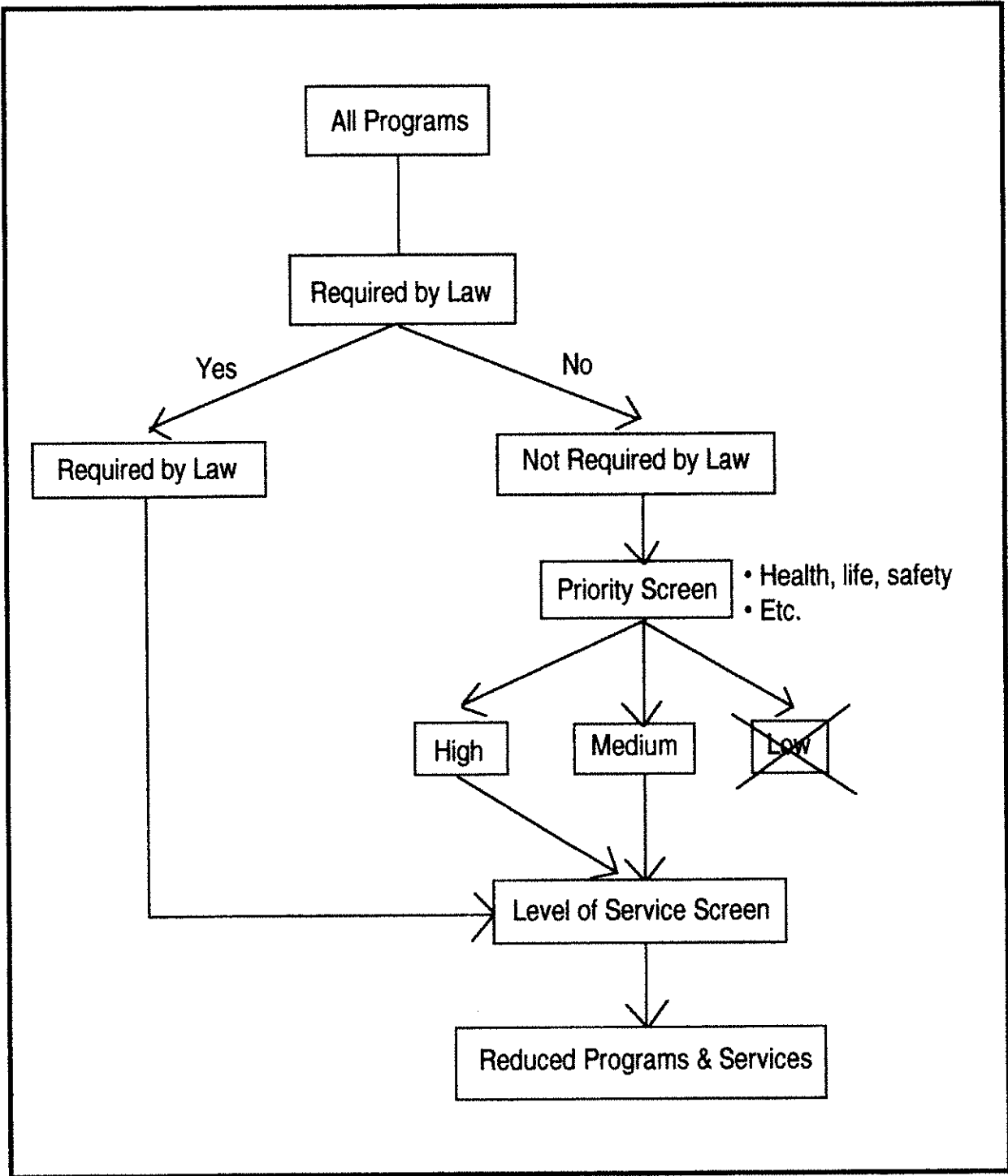
Increased Utility Revenue Distribution - These amounts are directly dependent on the Municipality's dividend policy and the Utilities' ability to pay. Projected utility rates will be affected by the anticipated URD's.

Service and Program Adjustments

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

Internal Management Review - A current review program began May 1993. In general, this review is intended to find ways to save money (efficiency) and to make operational improvements (effectiveness). Specific recommended actions may include deletions, reductions, consolidation, reorganization, elimination of duplication, privatization, operational improvements, new or additional cost saving technology, and other alternate, less costly ways of performing services.

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



New Revenues

State/Federal Assistance for Mandated Programs - More emphasis should be put on assistance with State or federal mandated requirements.

Major Repairs and New Requirements - Additional State grants and bond funds should be sought to provide more funding for major repair and maintenance of the existing infrastructure and for new, mandated requirements.

Exemption Program for Senior Citizens and Disabled Veterans - The Municipality could reduce taxes to existing taxpayers if we were given a local option for the property tax exemption program and if we amend the Municipal Code to provide a needs-based or smaller exemption. The Municipality is anticipating State funding at approximately 12% for 1994. 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. Generally, the Administration does not recommend this as a new revenues solution.

Property Tax - This solution would incorporate taxing the maximum allowed under the cap. Generally, the Administration does not recommend this as a new revenues solution.

Heritage Land Bank - The opportunity for sales of land to private developers is expected to increase significantly in the next several years. As real estate market prices continue to rebound from the late 80's, the Municipality can begin to generate new revenues from land sales as well as new property tax revenue to support existing government services.

Re-distribution of Hotel/Motel Tax - The Municipal Charter requires 50% of the collected Hotel/Motel tax to be used in promoting tourism. Since the Charter does not specify the recipient, some portion of the 50% collected could be re-distributed to support Municipal agencies whose functions directly promote tourism (i.e., downtown flowers, parks, trails, etc.)

Additional Taxes - This solution has various possibilities for generating a range of revenues. It is presented here for analytical purposes. The Administration does not support new taxes at this time without voter approval. Note that voters rejected by a 2-to-1 margin the sales tax proposition which appeared on the April 1993 ballot. Examples of additional taxes are as follows:

- **Alcohol Tax** - Current revenue estimates from a retail alcohol sales tax are \$1 million annually per 1 percent of tax.

- Sales Tax - \$10 million annually per 1 percent of sales tax. This current estimate applies to retail sales only and assumes certain exemptions (i.e., food, prescriptions, professional services, etc.).
- Hotel/Motel Tax - Currently the tax of 8% generates approximately \$6 million. Therefore, an increase from 8% to 10% could be expected to generate an additional \$1.5 million in revenues without any real increase in administration costs.

PROPOSED SOLUTIONS TO THE 1994 FISCAL GAP

The \$22 million projected Fiscal Gap in 1994 has virtually been eliminated, assuming the assumptions regarding revenues, expenditures, and proposed solutions occur. Figure 4-4 is an explanation of those solutions brought forth by the Administration to eliminate the 1994 Gap as reflected in the Administration's Proposed 1994 General Government Operating Budget.

Figure 4-4

1994 Fiscal Gap Solutions (\$ Million)

FISCAL GAP PRESENTED AT MAY 18 ASSEMBLY WORKSESSION	\$22.1
<u>Increase/(Reductions) to Fiscal Gap:</u>	
• State Revenues (Governor Not Reducing Legislative Appropriations)	(9.7)
• State Revenue Sharing Additional Reduction Due to Minimum Entitlements (1993/94)	0.8
• 1994 Savings from Two-Year Wage Freeze	(4.2)
• Heritage Land Bank Fund Balance	(2.5)
• Self Insurance Fund Additional Fund Balance	(2.3)
• Additional Applied Fund Balance from 1992 Savings	(2.0)
• Increased Auto Taxes and Tobacco Taxes Revenues	(0.3)
• Captain Cook Parking Garage "Balloon Payment"	(0.3)
• Additional Property Taxes on New Construction	<u>(0.3)</u>
REVISED GROSS FISCAL GAP (Unfunded Current Service Levels)	\$ 1.3
• Programs/Services Transferred to Grant Support	(0.2)
• Reduced Costs of Providing MISD Computer Services to ATU	(0.3)
• Funded High Priority Discretionary New Service Level Deemed by Department Directors to be of Higher Priority Than Unfunded Current Service Level	(0.3)
• Reduce Lower Priority Costs/Services	<u>(0.5)</u>
1994 FISCAL GAP	\$ 0.0

Funding for certain mandated new requirements for 1994 will be pursued through 1994 State Legislative Capital grants and/or bond propositions. To the extent this is not successful, the 1994 deferred costs will need to be funded as part of the 1995 General Operating Budget and will increase the 1995 fiscal gap accordingly.

Again, the Administration's Proposed 1994 General Government Operating Budget does not fund the potential Police/Fire retiree medical liability at this time, but we continue to recommend that this problem be resolved by the Assembly, and not by an arbitrator.

OTHER/LONG-TERM SOLUTIONS TO THE FISCAL GAPS BEYOND 1994

A number of possible solutions exist, in addition to those mentioned above, where implementation and affect most likely would reduce the Fiscal Gap projected beyond 1994. Below is a short list of suggested long-term solutions to the Fiscal Gap:

- 1994 labor concessions
- Sale of utilities (i.e., ML&P and ATU)
- Privatization of certain functions
- Consolidation measures (e.g., School District)
- Efficiency measures
- Heritage Land Bank sales of land
- On-going internal management review program
- New taxes are not supported by this Administration until three primary goals are achieved:
 - (1) labor costs brought in line,
 - (2) maximum use made of our resources, and
 - (3) the public convinced that goals #1 and #2 have been achieved.

V. ENTERPRISE ACTIVITIES PROFILE

V. ENTERPRISE ACTIVITIES

The Municipality of Anchorage owns and operates seven Enterprise Activities -- Municipal Light and Power, Anchorage Water and Wastewater Utilities, Solid Waste Disposal and Municipal Refuse Collection Utilities, the Port of Anchorage, and Merrill Field Airport. Detailed information on each of these entities is contained in the 1994 Public Utilities Operating and Capital Budgets document. The eighth Enterprise Activity is the Anchorage Telephone Utility. Beginning in 1992, management authority for ATU has been vested in a Board of Directors appointed by the Municipal Assembly.

The intent here is to extract and summarize some information to provide an overview of these important Municipal activities. This section highlights some of the interrelationships which exist among General Government functions and Enterprise Activities ---- Intragovernmental Charges (IGC's), the Municipal Utility Service Assessment (MUSA), and Utility Revenue Distribution. Following a discussion of these linkages, summary income, expense, debt and rate data are also presented.

INTRAGOVERNMENTAL CHARGES

The intragovernmental charge system is the mechanism used by the Municipality to account for the costs of certain services provided by one unit of government for another. An IGC represents the cost for a service which one budget unit (servicer) provides to another (requestor). Net charges to utilities, operating grants and capital improvements are counted as general government revenues.

General government provides administrative services to the Municipal utilities, e.g., financial services, insurance, purchasing, and management. Utilities also provide services to general government, but in general these charges are handled through the regular customer billing procedures of the utilities, rather than through a charge-back system.

Figure 5-1 summarizes the IGC's to utilities contained in the 1994 budgets. Charges to utilities are \$8.7 million, approximately 62% of the total of \$14.1 million IGC revenues in the general government operating budget. Figure 5-1 also summarizes the changes in IGC's since 1988. The increase in utility charges in 1989 reflects centralization of the Management Information System Department from ATU. The decrease projected in 1995 reflects the proposed establishment of an independent ATU management information systems.

Major components of utility IGC's are for self-insurance and general liability funds, labor and human relations, financial information system accounting services, utility collections and remittance processing, purchasing, and information systems.

Figure 5-1

**Intragovernmental Charges
From General Government
(\$ Thousands)**

	<u>ATU</u>	<u>ML&P</u>	<u>Water</u>	<u>Waste- Water</u>	<u>Disposal</u>	<u>Refuse</u>	<u>Port</u>	<u>Merrill Field</u>
<u>Actual</u>								
1988	\$ 2,558	\$1,417	\$ 734	\$ 807	\$ 234	\$ 179	\$ 198	\$ 57
1989	7,488	1,465	807	1,089	220	174	225	62
1990	7,808	1,299	941	1,225	219	180	234	57
1991	8,268	1,401	1,050	1,383	307	215	258	73
1992	7,718	1,467	1,300	1,397	327	248	311	80
1993	<u>5,840</u>	<u>1,670</u>	<u>1,351</u>	<u>1,324</u>	<u>355</u>	<u>323</u>	<u>293</u>	<u>88</u>
TOTAL	\$39,680	\$8,719	\$6,183	\$7,225	\$1,662	\$1,319	\$1,519	\$417
<u>Projected</u>								
1994	\$ 4,082	\$1,570	\$1,160	\$1,068	\$ 207	\$ 201	\$ 258	\$ 90
1995	1,138	1,748	1,404	1,320	285	253	277	96
1996	1,197	1,839	1,477	1,389	300	266	291	101
1997	1,259	1,935	1,554	1,461	315	280	307	106
1998	1,325	2,035	1,635	1,537	332	295	322	112
1999	1,394	2,141	1,720	1,617	349	310	339	118

MUNICIPAL UTILITY SERVICE ASSESSMENT (MUSA)

Utilities receive general services provided by the Municipality to all residents and businesses in the service area, such as fire and police protection, and street maintenance. Therefore, utilities which are financially self-supporting help pay for these services through a MUSA, which is analogous to property taxes paid by private property owners. The mill rate applied is the same as that applied against the value of private properties; however, there are differences in the way in which the value of the property is assessed. The utilities are assessed on the book value of the property, not the market value.

The income approach is often used by private utilities as the basis for appeal of the assessed valuation computed by the Municipality using the cost approach.

Figure 5-2 summarizes MUSA payments by utilities since MUSA was established by ordinance in 1976. Initially MUSA was applied to the telephone, electric and water utilities. Wastewater and Refuse Collection Utilities were included in 1986. Merrill Field

and the Port are exempt from MUSA. Beginning in 1989, MUSA was applied to Solid Waste Disposal Utility. MUSA revenues are used in the Anchorage School District and general government in the same ratio as other property tax collections.

Figure 5-2

**MUSA Paid 1976 Through 1993
(\$ Thousands)**

<u>Year</u>	<u>ATU</u>	<u>ML&P</u>	<u>Water</u>	<u>Wastewater</u>	<u>Refuse Collections</u>	<u>Solid Waste Disposal</u>	<u>Total</u>
1976	\$ 443	\$ 152	\$ 190	\$	\$	\$	\$ 785
1977	1,378	414	511				2,303
1978	1,536	438	556				2,530
1979	1,442	386	444				2,272
1980	1,372	561	387				2,320
1981	994	416	302				1,712
1982	904	348	279				1,531
1983	1,287	502	395				2,184
1984	1,477	679	493				2,649
1985	1,524	870	888				3,282
1986	1,657	1,025	1,299	1,424	25		5,430
1987	2,439	1,480	2,156	2,082	32		8,189
1988	3,185	1,788	2,661	2,832	65		10,531
1989	4,773	2,755	1,265	1,134	69	419	10,415
1990	4,422	967	1,527	831	65	404	8,216
1991	4,271	1,747	1,561	1,031	62	428	9,100
1992	4,242	1,760	1,371	1,101	58	435	8,967
1993	<u>4,026</u>	<u>1,705</u>	<u>1,273</u>	<u>894</u>	<u>48</u>	<u>405</u>	<u>8,351</u>
TOTAL	\$41,372	\$17,993	\$17,558	\$11,329	\$424	\$2,091	\$90,767

**MUSA Projected 1994 Through 1999
(\$ Thousands)**

<u>Year</u>	<u>ATU</u>	<u>ML&P</u>	<u>Water</u>	<u>Wastewater</u>	<u>Refuse Collections</u>	<u>Solid Waste Disposal</u>	<u>Total</u>
1994	\$ 4,381	\$ 1,835	\$ 1,376	\$ 1,117	\$ 49	\$ 436	\$ 9,194
1995	4,827	1,915	1,439	1,162	51	452	9,846
1996	5,366	2,020	1,492	1,207	53	469	10,607
1997	5,704	2,130	1,546	1,221	55	488	11,144
1998	6,038	2,240	1,470	1,248	57	506	11,559
1999	6,349	2,360	1,449	1,248	60	525	11,991

UTILITY REVENUE DISTRIBUTION

The Home Rule Charter for the Municipality of Anchorage (September 1975) provided that Municipal utilities could operate at a reasonable profit and that net profits from former city utilities would be applied for the benefit of the old City Service Area for five years after unification. This was, in effect, the way in which the new Municipality "purchased" the utilities from the city. In 1978, the Assembly passed an ordinance which halved the payment rate (from 100% to 50% of net profits) and lengthened the payment period (from five to ten years) for ATU and the Anchorage Water Utility. The following chart details the actual payments which were made in conformance with these requirements.

Figure 5-3

Utility Net Profit Distributions to Former City Service Area 1976-1985

(\$ Thousands)

<u>Year</u>	<u>ATU</u>	<u>ML&P</u>	<u>Water</u>	<u>Total</u>
1976	\$ 730	\$ 566	\$ 15	\$ 1,311
1977	914	608	292	1,814
1978	978	503	314	1,795
1979	1,046	474	337	1,857
1980	1,119	----	----	1,119
1981	1,198	223	----	1,421
1982	1,281	----	----	1,281
1983	1,371	----	----	1,371
1984	1,467	----	----	1,467
1985	<u>1,570</u>	<u>----</u>	<u>----</u>	<u>1,570</u>
TOTAL	\$11,674	\$2,374	\$958	\$15,006

In 1985, the net profit distribution was succeeded by an ordinance providing for an investment return to all the residents of the Municipality from their ownership of the utilities. This Utility Revenue Distribution is somewhat analogous to the return paid to owners of private utilities. The Utility Revenue Distribution allows for a distribution to general government from surplus utility revenues. A maximum of 5% of gross revenues may be distributed "where prudent fiscal management permits." Payment is made following evaluation of revenues restricted by grants or contracts, cash needed for reinvestment in the utility, bond ratings, prudent cash flow and debt management considerations.

The ordinance applies to ATU, AWWU, ML&P, SWS and the Port. To date, only ATU and the Port have met the evaluation criteria. Distributions from ATU and the Port are shown in the following table:

Figure 5-4

**Utility Net Profit Distributions
From Anchorage Telephone Utility and Port of Anchorage
1986 - 1993**

	<u>Anchorage Telephone Utility</u>	<u>Port of Anchorage</u>
1986	\$5,500,000	N/A
1987	7,000,000	N/A
1988	5,000,000	N/A
1989	2,583,000	\$1,000,000
1990	4,000,000	177,500
1991	2,500,000	177,500
1992	2,500,000	178,500
1993	3,000,000	178,500
1994	3,000,000 *	178,500 **

* Preliminary figure not yet approved by ATU's Board of Directors

** 1994 Proposed Budget

Revenue distributions paid by the utilities have reduced the level of property taxes which would otherwise have been necessary to fund services at the levels provided over the last few years.

FISCAL SUMMARIES

This section presents fiscal information pertaining to Municipally-owned utilities. The information is not a complete fiscal picture of the utilities; rather, the charts provide a brief overview. More information regarding the financial history and the budget summaries for each of the utilities are contained in the 1994 Public Utilities Operating and Capital Budgets.

The Municipal utilities are self-supported through user rates and have received no local tax assistance since 1984. The utilities have eased the tax burden for the taxpayers, through the Utility Revenue Distribution, MUSA, and their self-supported businesses.

A brief description of some of the fiscal indicators used here may be useful.

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

Income and expenses for the regulated utilities (Anchorage Water and Wastewater Utility, Anchorage Telephone Utility, and Municipal Light and Power) have been computed using methodology prescribed by the Alaska Public Utilities Commission. The major difference between the regulatory and non-regulatory approach is the exclusion of depreciation on contributed plant under the regulatory rules.

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

All of the utilities have met their debt coverage requirements in recent years and have been able to issue new debt to finance their growth as needed. The minimum debt service coverage requirement contained in each utility's bond covenants is included as a benchmark on each of the following graphs. No debt service coverage graphs are included for the Anchorage Wastewater Utility or Merrill Field Airport because those entities have not issued revenue bonds. A \$4.0 million Solid Waste Disposal revenue bond was sold in August 1989. The pro forma coverage ratio on this bond is estimated to be 6.35 while the bond covenant requirement is 1.25.

ANCHORAGE TELEPHONE UTILITY

The Anchorage Telephone Utility is the largest municipally-owned local telephone operating system in the United States. The following two figures summarize ATU's revenues, expenses, and net income, 1985-1994.

Figure 5-5

Anchorage Telephone Utility Revenues and Expenses

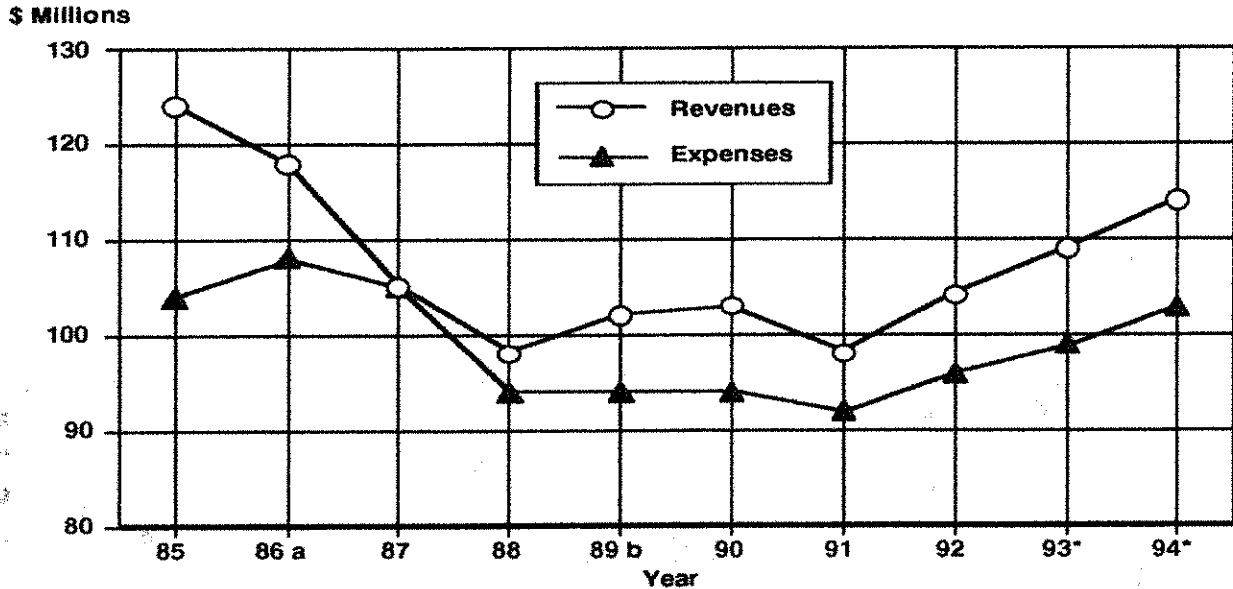
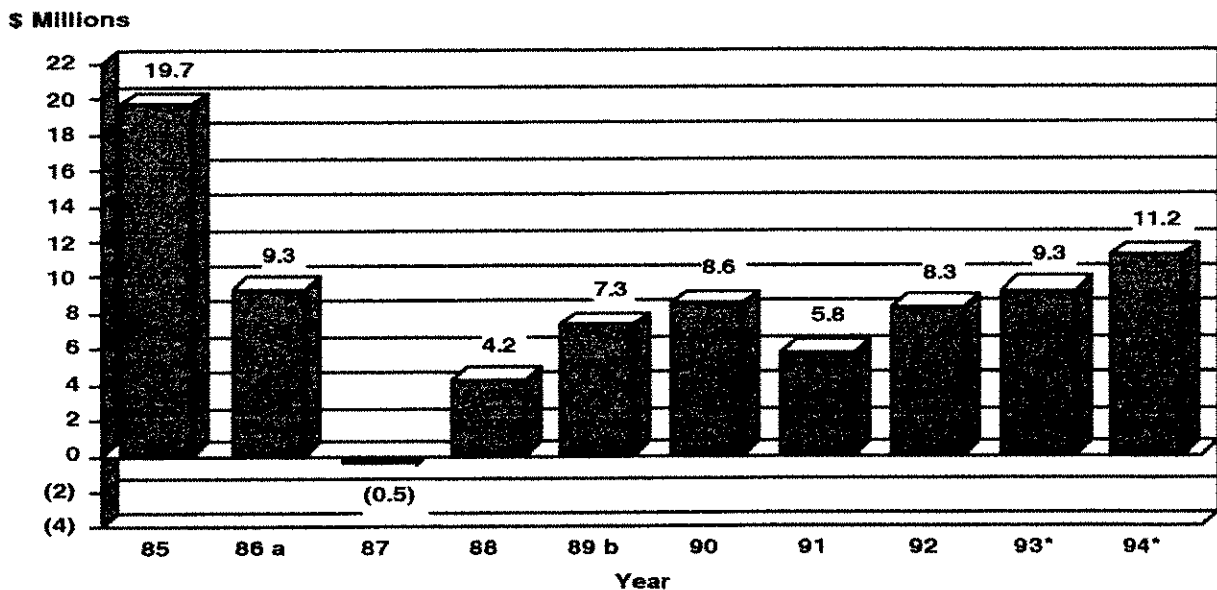


Figure 5-6

Anchorage Telephone Utility Net Income



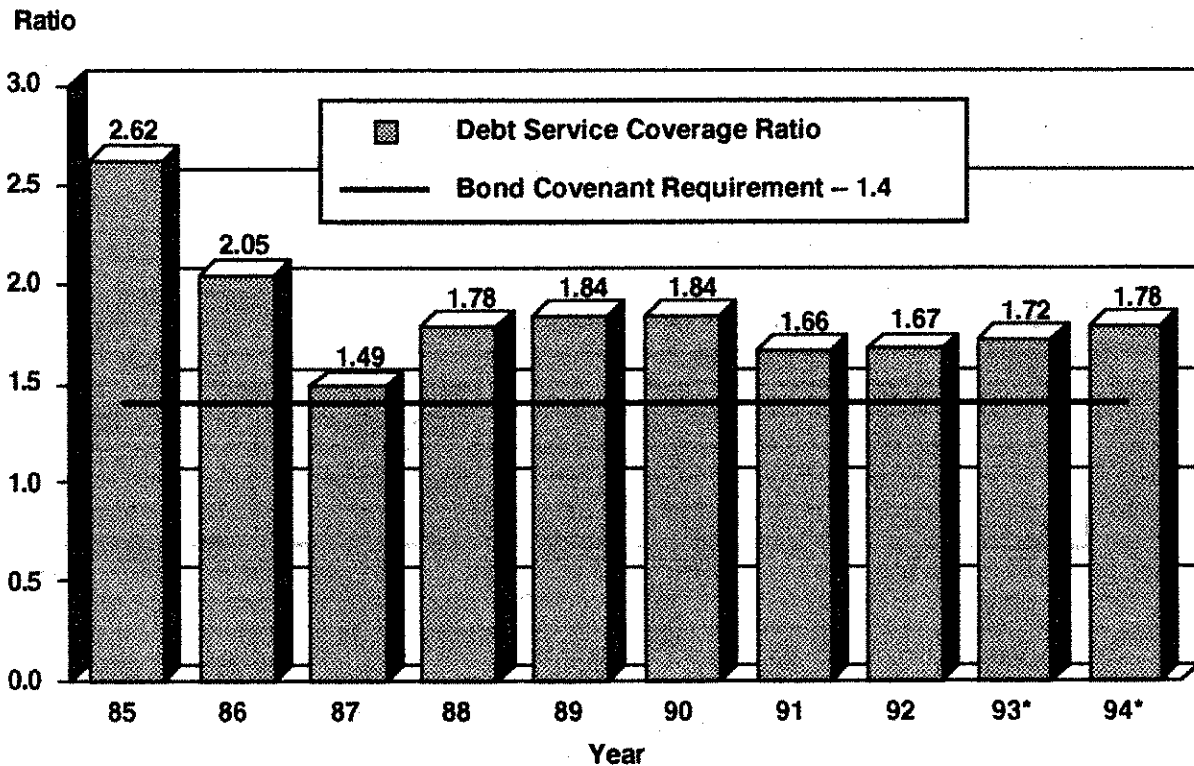
* Preliminary budget figures not yet approved by ATU's Board of Directors.

Notes a) Expenses and adjusted net income don't include refunding loss of approximately \$12 million
 b) Prior to extraordinary and unusual item adjustments totaling a loss of \$21.7 million

As of December 31, 1992, ATU had \$140 million in revenue bonds outstanding. Current debt service payments are approximately \$24 million per year. The following figure shows the debt service coverage ratio.

Figure 5-7

**Anchorage Telephone Utility
Debt Service Coverage**



* Preliminary figures not yet approved by ATU's Board of Directors.

Figure 5-8

**Anchorage Telephone Utility
Actual Employees at Year End**

<u>Year</u>	<u>Employees</u>	<u>Year</u>	<u>Employees</u>
1985	871	1990	619
1986	1047	1991	614
1987	859	1992	653
1988	760	1993*	700
1989	642		

* ATU's estimate not yet approved by ATU's Board of Directors.

The table below provides some comparative rates.

Figure 5-9

**Average Telephone Rates for
Private Line Rotary Service with Unlimited Calling,
Subscriber Line Charges, Surcharges, and Taxes**

<u>U.S. Cities</u>	<u>Average Rate*</u>	<u>Alaska Cities</u>	<u>Average Rate*</u>
National Average	\$18.64	Anchorage, AK	\$16.27
Honolulu, HI	\$17.59	Juneau, AK	\$ 9.40
Seattle, WA	\$16.35	Eagle River, AK	\$14.15
Buffalo, NY	\$31.65		

*These rates do not include additional charges for customer premise equipment.

Figure 5-10

**Anchorage Telephone Utility
Residential Line Rate Summary
1988 - 1993**

<u>Year</u>	<u>Average Residential Line Rate</u>
1988	\$ N/A
1989	8.60
1990	9.43
1991	9.49
1992 *	12.78
1993 *	16.27

* The rate changes in 1992 and 1993 impacted individual customers differently because of other changes in the rate structure. There is no longer a separate charge for touch tone service -- it is now included in the base rate -- and Anchorage's 11 rate zones have been eliminated and replaced by universal base rates.

NOTE: APUC granted ATU a 53.03% permanent compounded rate increase on January 1, 1993.

ANCHORAGE WATER AND WASTEWATER UTILITY

Figures 5-11 through 5-14 summarize revenue and expenses for water and wastewater operations.

Figure 5-11

Anchorage Water Utility Revenues and Expenses

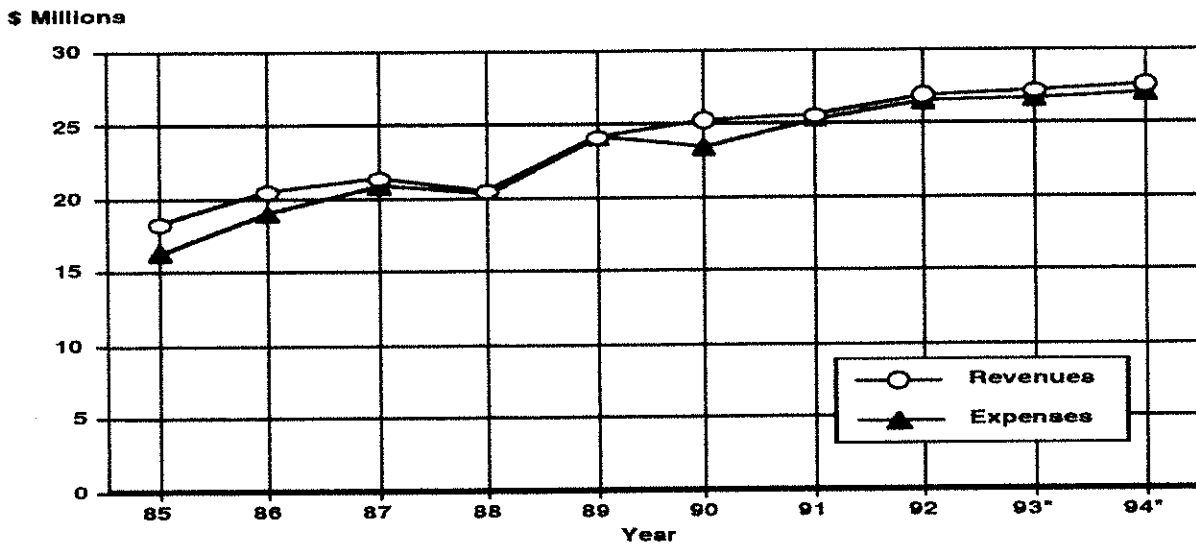
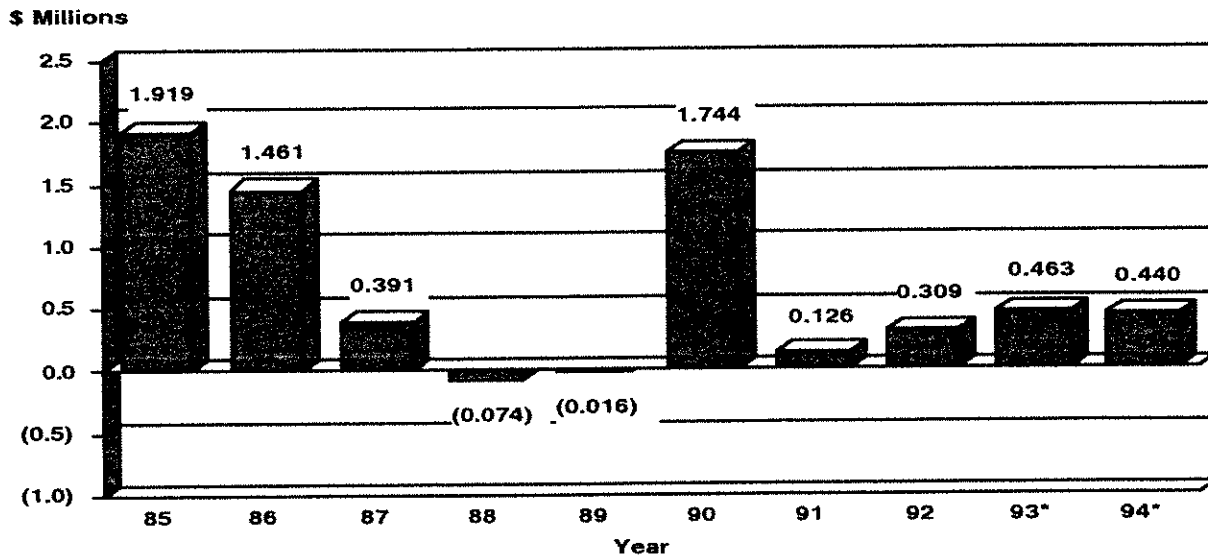


Figure 5-12

Anchorage Water Utility Net Income (Regulatory)



*Estimate

Figure 5-13

Anchorage Wastewater Utility
Revenues and Expenses

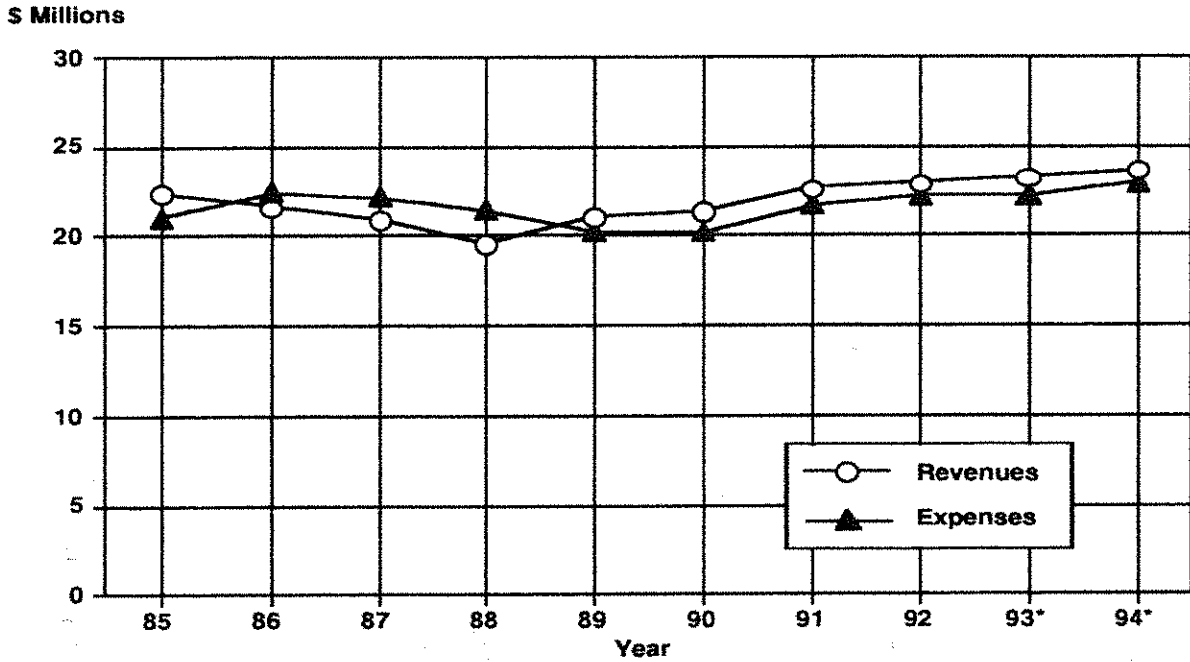
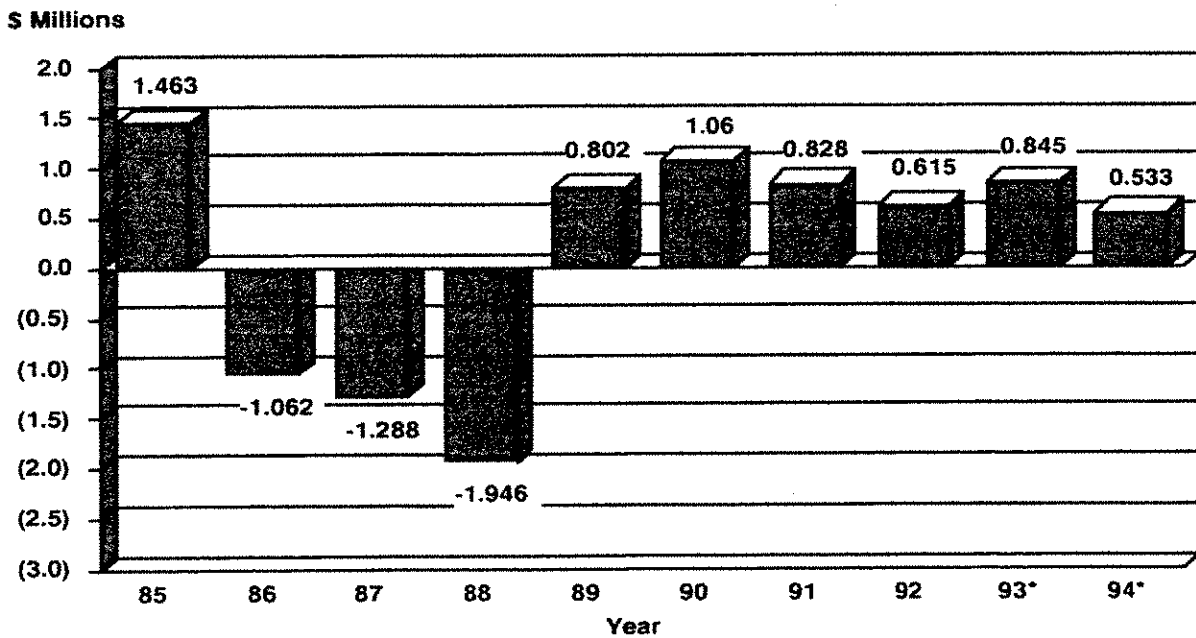


Figure 5-14

Anchorage Wastewater Utility
Net Income (Regulatory)

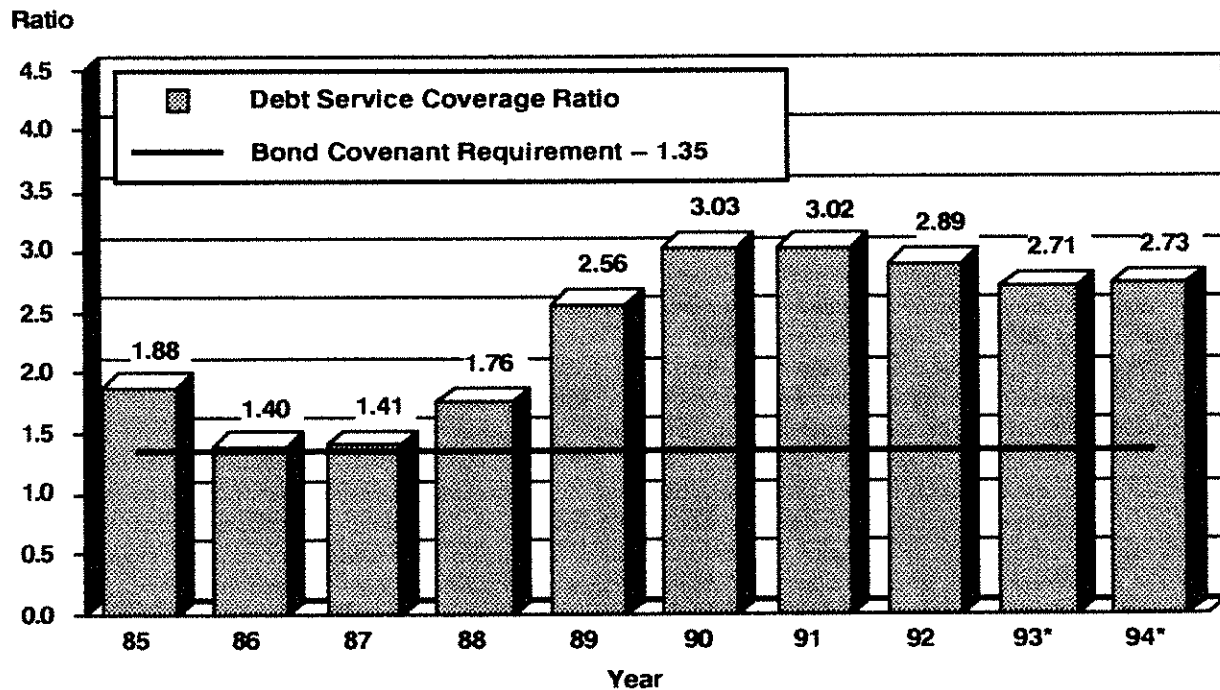


* Estimate

As of the end of 1992, the Water Utility had approximately \$44.8 million in revenue bonds and \$61.4 million in general obligation bonds outstanding, with combined debt service payments currently averaging about \$8.6 million per year. Wastewater has approximately \$73.6 million general obligation bonds outstanding with current debt service of about \$9.5 million annually. Debt coverage ratio applies only to revenue bonds and therefore is only shown for the Water Utility.

Figure 5-15

**Anchorage Water Utility
Debt Service Coverage**



* Estimate

Figure 5-16 shows the employment history of AWWU.

Figure 5-16

**Anchorage Water and Wastewater Utility
Number of Authorized Positions**

1985	299	1990	285
1986	315	1991	285
1987	330	1992	285
1988	312	1993 *	275
1989	285	1994 *	269

* Projected.

Number of employees may be different than number of positions.

Figure 5-17 shows some comparative rates for water and wastewater services for a single family residence.

Figure 5-17

**Comparison of Rates for
Water and Wastewater Services**

<u>Utility</u>		<u>Water Rate</u>	<u>Wastewater Rate</u>
Anchorage Water & Wastewater Utility Anchorage, Alaska		\$24.75	\$21.65
Norfolk Utilities Eagle River, Alaska		\$30.45	
Eklutna Utilities Eagle River, Alaska		\$34.97	
College Utilities Fairbanks, Alaska		\$54.85	\$43.91
Fairbanks Municipal Utilities Fairbanks, Alaska	Metered Flat	\$22.30 \$11.60	\$23.45 \$18.18
City/Borough of Juneau Juneau, Alaska		\$19.00	\$38.85
Barrow City		\$160.00	
North Slope Borough (Seven villages excluding Barrow)		\$140.00	

Rates as of August, 1993.

The following tables summarize the history of rate changes for both water and wastewater services.

Figure 5-18

**Anchorage Water and Wastewater Utility
Rate Change Summary
1988 - 1997**

WATER

<u>Year</u>	<u>Single Family Rate</u>	<u>Rate Change</u>
1988	\$18.25	(7%)
1989	23.35	28% (a)
1990	23.35	0%
1991	24.75	6%
1992	24.75	0%
1993	24.75	0%
1994	24.75	0%
1995	26.24	6% (b)
1996	26.24	0%
1997	26.24	0%

WASTEWATER

<u>Year</u>	<u>Single Family Rate</u>	<u>Rate Change</u>
1988	\$18.85	19% (c)
1989	18.85	0%
1990	20.15	7%
1991	21.10	5%
1992	21.65	3%
1993	21.65	0%
1994	21.65	0%
1995	22.95	6% (b)
1996	22.95	0%
1997	22.95	0%

- (a) Rate change covered addition of Eklutna Water Treatment Plant debt service plus associated depreciation.
- (b) Rate increases shown in the outyears are for purposes of projections only and have not been approved for implementation. It is intended that they be reviewed closely each year in conjunction with establishing operating budgets. Each utility will continue to strive to find ways to avoid projected rate increases.
- (c) Rate change due to cost-of-service study which shifted costs from commercial customers to residential customers. No overall revenue increase to the utility.

Figure 5-19

Anchorage Water and Wastewater Utility Financial Indicators

Debt to Equity Ratio (Regulatory)

<u>Year</u>	<u>Water</u>	<u>Wastewater</u>
1988	84/16	100/0
1989	85/15	99/1
1990	84/16	91/9
1991	83/17	90/10
1992	83/17	88/12
1993	83/17	87/13
1994 *	83/17	86/14
1995 *	82/18	84/16
1996 *	81/19	82/18
1997 *	81/19	80/20

* Projected

MUNICIPAL LIGHT AND POWER

Revenues, expenses and net income for the power utility, calculated on the regulatory basis prescribed by the Alaska Public Utilities Commission, are shown below.

Figure 5-20

Municipal Light and Power Revenues and Expenses

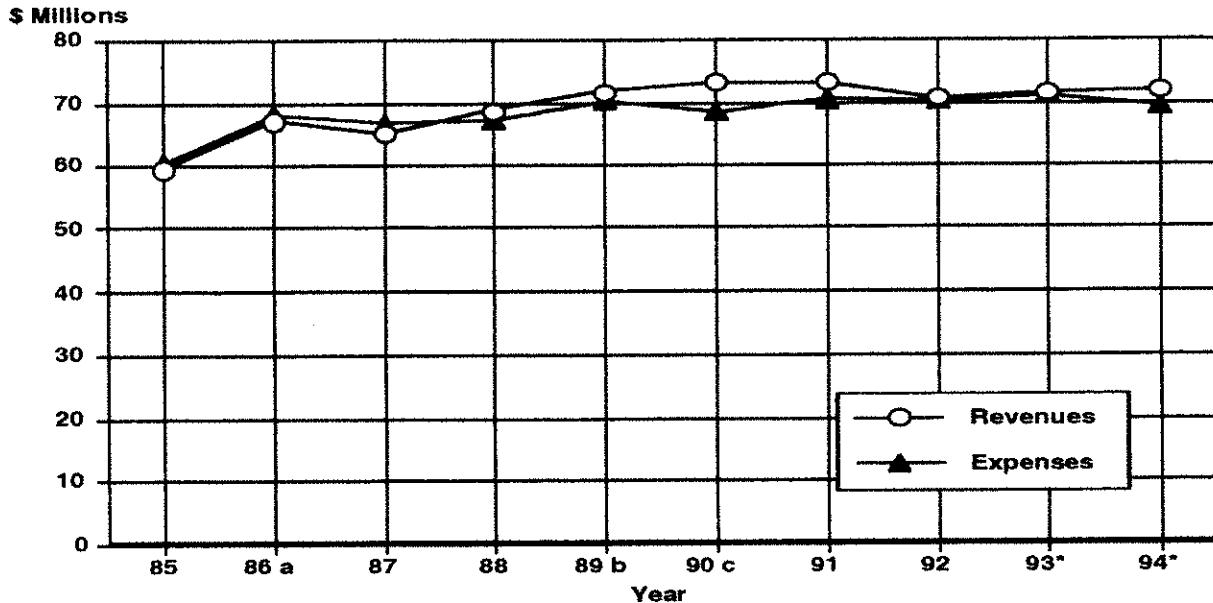
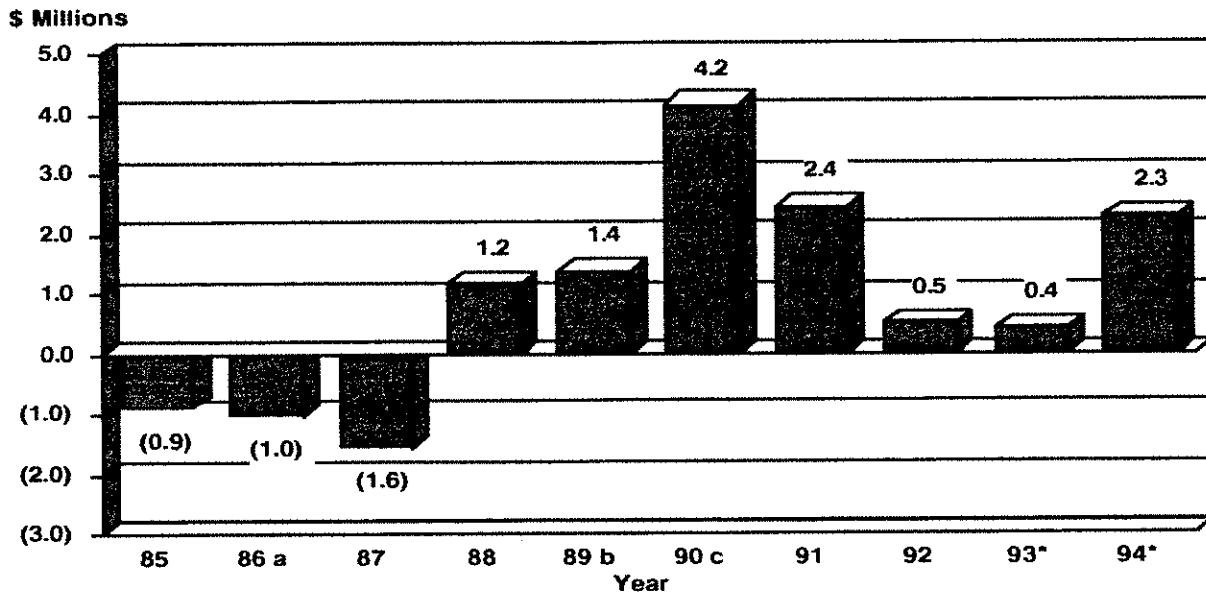


Figure 5-21

Municipal Light and Power Net Income (Regulatory)



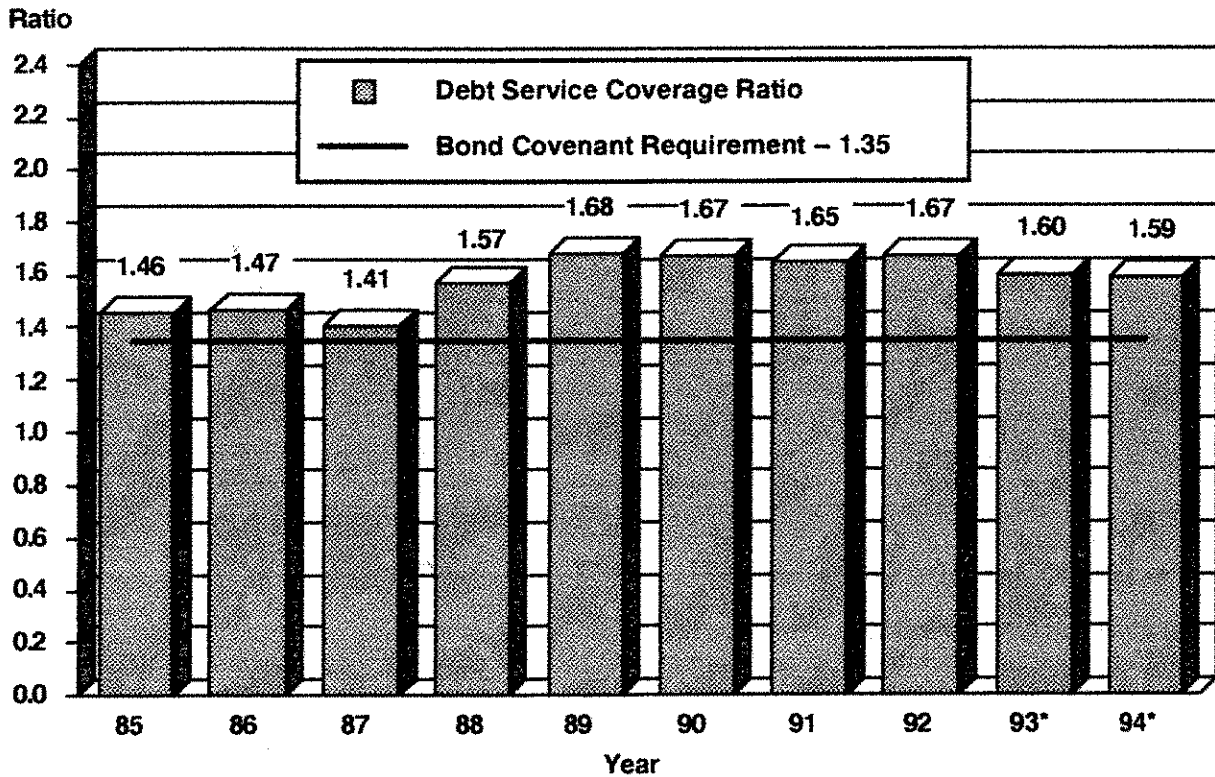
* Estimate

- Notes
- a) 1986 expenses and adjusted net income do not include refunding loss of \$19.7 million
 - b) 1989 does not include \$2,053,997 Extraordinary Gain
 - c) 1990 does not include unusual item of \$830,088 (return of the 1.25% gross receipts portion of MUSA rebated to ML&P by the Municipality in compliance with APUC Order U.89.60)

Municipal Light and Power will have \$186.165 million in revenue bonds outstanding as of December 31, 1993. Debt service coverage is shown below.

Figure 5-22

**Municipal Light and Power
Debt Service Coverage**



* Estimate

The employment history of ML&P is shown in the following figure.

Figure 5-23

**Municipal Light and Power
Number of Authorized Positions**

1985	206	1990	203
1986	213	1991	209
1987	203	1992	216
1988	194	1993 *	216
1989	198	1994 *	217

* Projected

NOTE: Number of employees may be different than number of positions.

The following table compares ML&P typical billings to those of selected electric utilities in Alaska and elsewhere in the United States.

Figure 5-24

**Municipal Light and Power
Comparison of Average Revenues and Typical Billings**

Utility	Typical Billings *			
	Residential (500 kWh)	Residential (1,000 kWh)	Commercial (3,500 kWh) (15 kW)	Commercial (10,000 kWh) (40 kW)
Selected Alaska Utilities:				
Municipal Light & Power	\$48.91	\$ 92.33	\$322.18	\$ 954.66
Chugach Electric Association	49.28	92.31	344.97	893.06
Homer Electric Association	65.13	117.06	372.78	1,020.52
City of Seward	58.30	101.20	394.25	1,063.75
Fairbanks Municipal Utilities	50.50	88.80	365.19	1,144.79
GVEA (Fairbanks, Alaska)	57.37	95.99	365.83	1,081.66
Matanuska Electric Association (Palmer)	59.03	108.06	330.21	882.36
Selected Utilities Outside Alaska:				
Consolidated Edison Co. of New York	\$75.75	\$148.74	\$757.87	\$1,578.89
Florida Power & Light Co.	39.87	76.59	269.93	696.60
Georgia Power Co.	38.15	79.87	396.11	1,000.05
Houston Lighting & Power Co.	43.82	95.58	298.70	834.10
Los Angeles Department of Water & Power	49.74	99.17	367.10	1,145.30
Portland General Electric	26.12	49.63	202.09	546.60
Sacramento Municipal Utility District	40.29	94.50	298.46	904.22

* Compiled by ML&P staff based on rates in effect July 1, 1993.

The following table summarizes the history of rate changes since 1988 and proposed changes in the future.

Figure 5-25

**Municipal Light and Power
Rate Summary
1988 - 1997**

	<u>Energy Charge</u> <u>(Per kWh) *</u>	<u>Rate Change</u>	<u>Effective Date</u> <u>of Rate Change **</u>
1988	\$0.06218	1.68%	January 1988
1989	0.06424	0.51%	January 1989
1990	0.06424	2.86%	October 1990
1991	0.07883	1.29%	October 1991
1992	0.07994	0.41%	October 1992
1993	0.08030	0.00%	
1994	0.08134	1.30% ***	Proposed
1995	0.08134	0.00%	
1996	0.08378	3.00% ***	Proposed
1997	0.08638	3.10% ***	Proposed

* Effective as of July 1.

** For bills rendered on or after the effective date.

*** Rate increases shown in the outyears are for purposes of projections only and have not been approved for implementation. It is intended that they be reviewed closely each year in conjunction with establishing operating budgets. Each utility will continue to strive to find ways to avoid projected rate increases.

SOLID WASTE SERVICES

Solid Waste Services is composed of two utilities, Refuse Collection Utility and Solid Waste Disposal Utility. The information for these utilities is presented separately below.

Figure 5-26

Refuse Collection Utility Revenues and Expenses

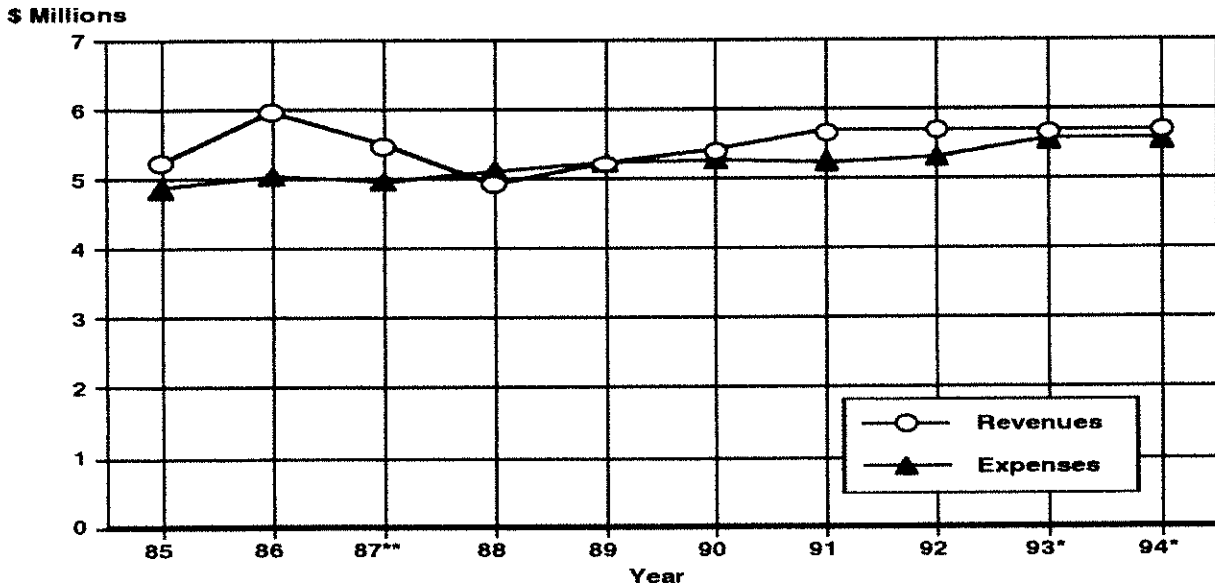
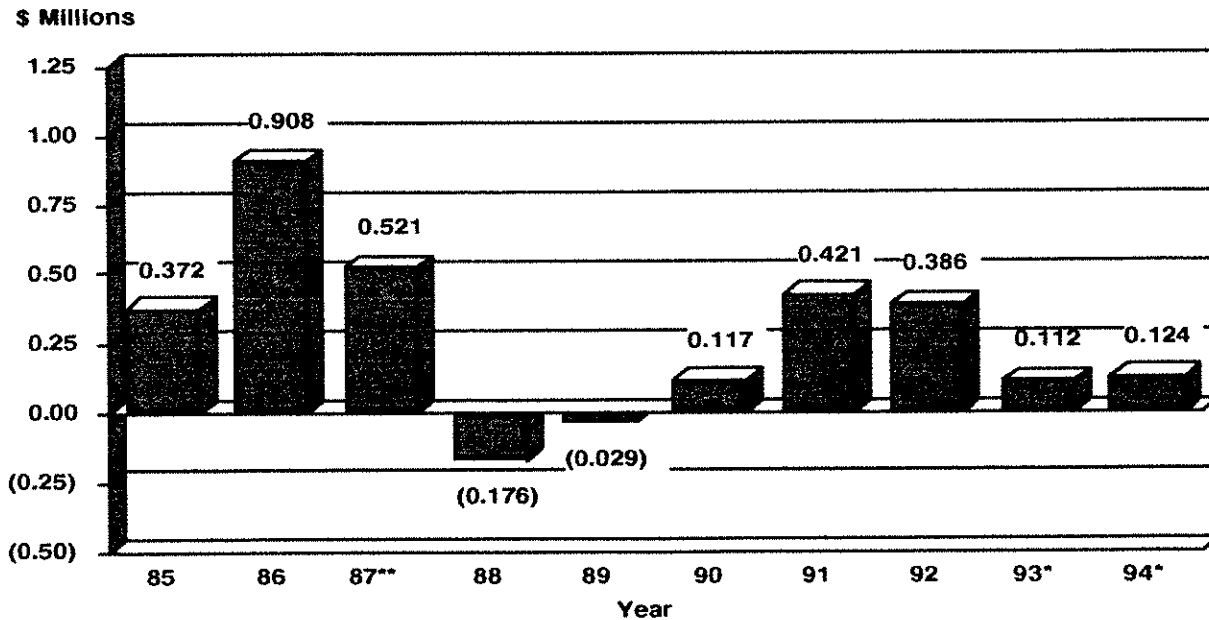


Figure 5-27

Refuse Collection Utility Net Income (Regulatory)



* Estimate

** 1987 expenses and net income do not include bond refunding loss of approximately \$600,000.

Figure 5-28
Solid Waste Disposal Utility
Revenues and Expenses

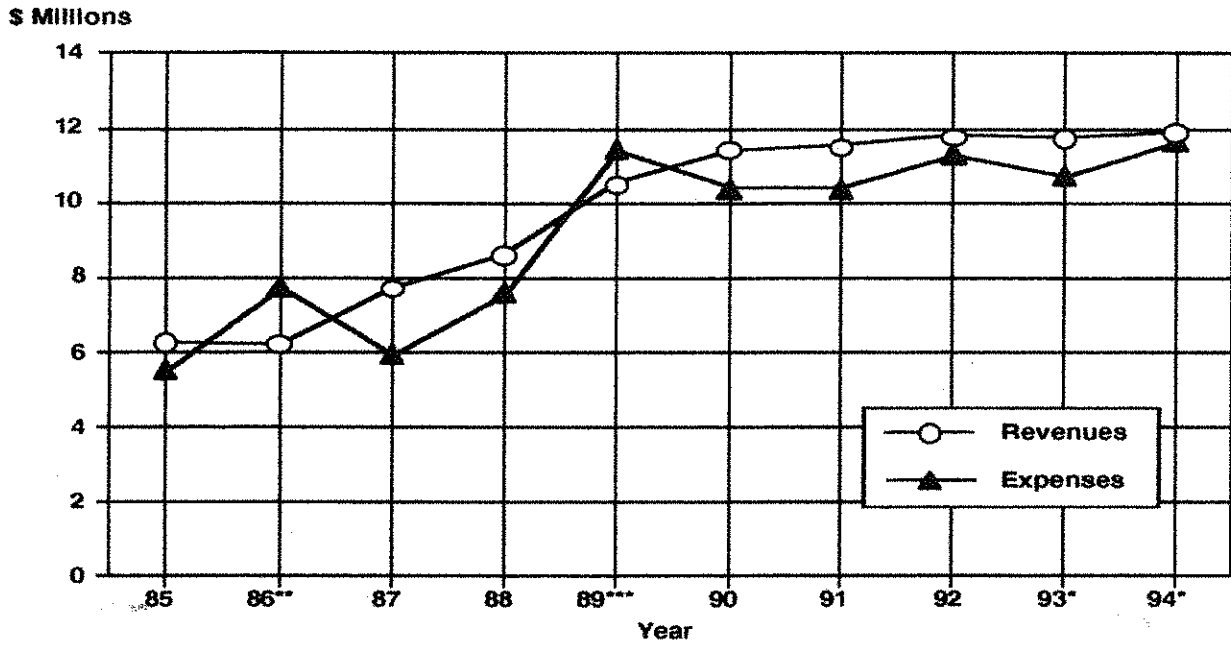
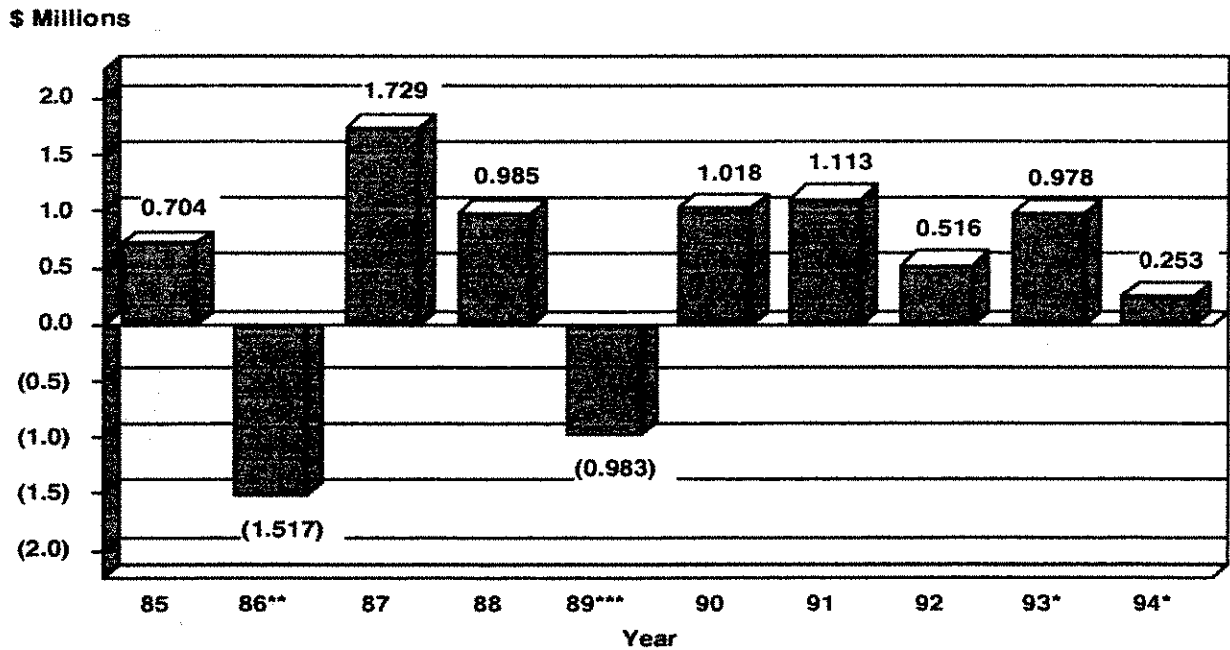


Figure 5-29
Solid Waste Disposal Utility
Net Income (Regulatory)



* Estimate
 ** 1986 loss due to accounting adjustment to reflect closing of shredder plant
 *** 1989 loss includes approximately \$2,800,000 in Merrill Field landfill closure costs

As of the end of 1992 the Refuse Collection Utility had approximately \$2.975 million in revenue bonds outstanding. Debt service for the Refuse Collection Utility is currently averaging about \$355,000 per year. As of the end of 1992 the Solid Waste Disposal Utility had approximately \$3.705 million in revenue bonds and \$23.105 million in general obligation bonds outstanding, with combined debt service averaging about \$2.7 million per year. The debt service coverage is shown below. Both utilities are required to maintain a ratio of at least 1.25.

Figure 5-30

**Refuse Collection Utility
Debt Service Coverage**

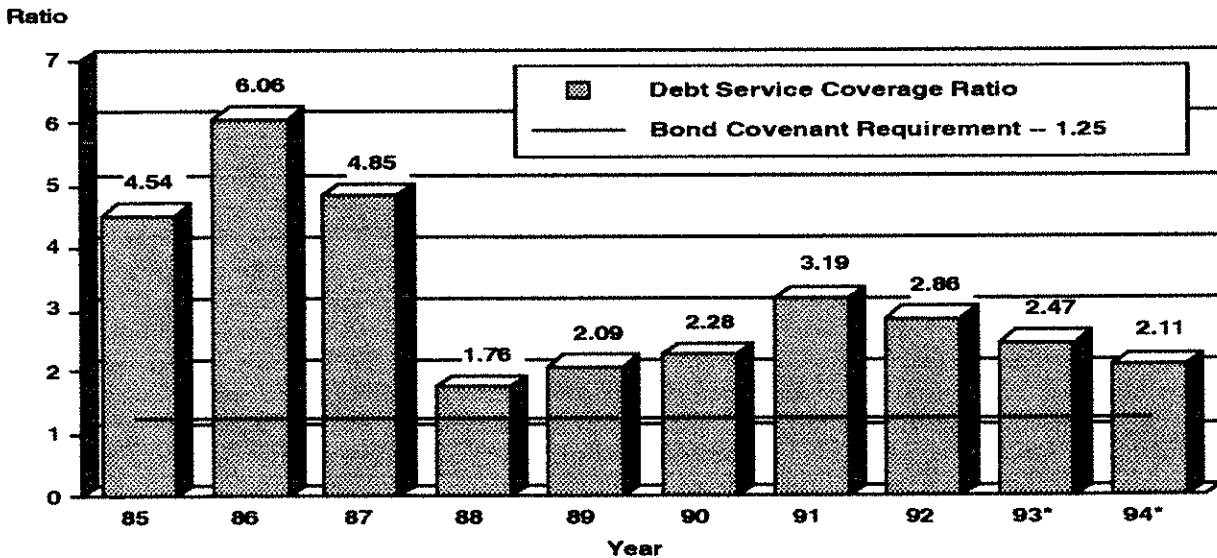
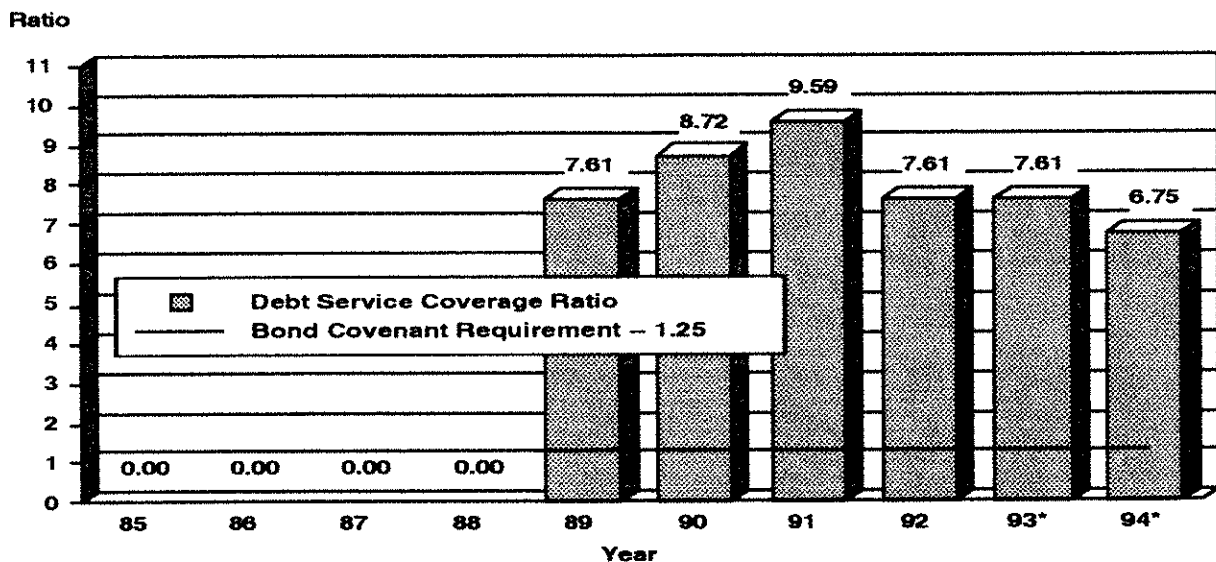


Figure 5-31

**Solid Waste Disposal Utility
Debt Service Coverage ****



* Estimate

** The Solid Waste Disposal Utility did not have any revenue bonds outstanding until 1989. Thus debt service coverage for the years 1985-1988 is not applicable.

The employment history of both the Refuse Collection Utility and the Solid Waste Disposal Utility are shown below.

Figure 5-32

**Refuse Collection Utility
Number of Authorized Positions**

1985	30	1990	25
1986	30	1991	25
1987	30	1992	23
1988	29	1993 *	23
1989	25	1994 *	23

**Solid Waste Disposal Utility
Number of Authorized Positions**

1985	34	1990	40
1986	50	1991	40
1987	50	1992	40
1988	45	1993 *	42
1989	42	1994 *	42

* Projected

Number of employees may be different than number of positions.

A few comparative rates for refuse collection in other Alaska communities are shown below.

Figure 5-33

**Refuse Collection Utility
Comparative Rates**

<u>Utility</u>	<u>Approved</u>	<u>Residential Monthly</u>	<u>Commercial Monthly</u>
MOA Refuse Collection	07/31/90	\$15.00	\$ 50.50
Anchorage Refuse Inc.	05/17/93	15.15	71.94
Eagle River Refuse	05/17/93	15.97	63.79
Arrow Refuse (Juneau)	05/01/93	23.77	108.64
Peninsula Sanitation (Kenai)	08/01/93	14.59	57.76
Wasilla Refuse	09/01/93	23.17	75.31
Peninsula Sanitation (Girdwood)	06/11/91	21.37	105.82

It is difficult to make a valid comparison between the solid waste disposal rates charged in Anchorage and those charged in other Alaska communities. The type of disposal facility (landfill or waste to energy), the location of the landfill relative to population centers and the use of transfer facilities all complicate the comparison. In addition, some communities fund their disposal facilities fully or in part with tax dollars. There are currently no disposal systems in Alaska that are comparable to the Anchorage system. King County and the City of Seattle, Washington, have systems similar to Anchorage. A comparison of rates is shown below.

Figure 5-34

**Solid Waste Disposal Utility
Comparative Rates**

<u>Utility</u>	<u>Cars</u>	<u>Pickups</u>	<u>Commercial</u>
MOA Solid Waste Disposal	\$5.00 fixed	\$10.00 fixed (1)	\$45.00/ton
King County, Washington	\$10.75 minimum	\$10.75 fixed (2)	\$71.77/ton
City of Seattle, WA	\$7.00 fixed	\$13.50 fixed (3)	\$83.00/ton

- (1) For up to 1,000 pounds
- (2) For up to 280 pounds
- (3) For up to 320 pounds

The rate histories of both the Refuse Collection Utility and the Solid Waste Disposal Utility are shown below.

Figure 5-35

**Solid Waste Services
Rate History
1988 - 1997**

Refuse Collection Utility

	<u>Residential</u>		<u>Commercial</u>	
	<u>Effective Rate</u>	<u>Rate Change</u>	<u>Effective Rate</u>	<u>Rate Change</u>
1988	\$13.60	---	\$43.30	---
1989	14.30	5.15%	45.50	5.08%
1990	15.00	4.90%	50.50	10.99%
1991	15.00	---	50.50	---
1992	15.00	---	50.50	---
1993	15.00	---	50.50	---
1994 *	15.00	---	50.50	---
1995 *	15.00	---	50.50	---
1996 *	15.00	---	50.50	---
1997 *	15.00	---	50.50	---

Solid Waste Disposal Utility

	<u>Effective Rate</u>	<u>Rate Change</u>
1988	\$39.00	15.38%
1989	45.00	---
1990	45.00	---
1991	45.00	---
1992	45.00	---
1993	45.00	---
1994 *	45.00	---
1995 *	48.15	7.00% **
1996 *	48.15	---
1997 *	48.15	---

* Projected

** Rate increases shown in the outyears are for purposes of projections only and have not been approved for implementation. It is intended that they be reviewed closely each year in conjunction with establishing operating budgets. Each utility will continue to strive to find ways to avoid projected rate increases.

PORT OF ANCHORAGE

Figure 5-36

**Port of Anchorage
Revenues and Expenses ****

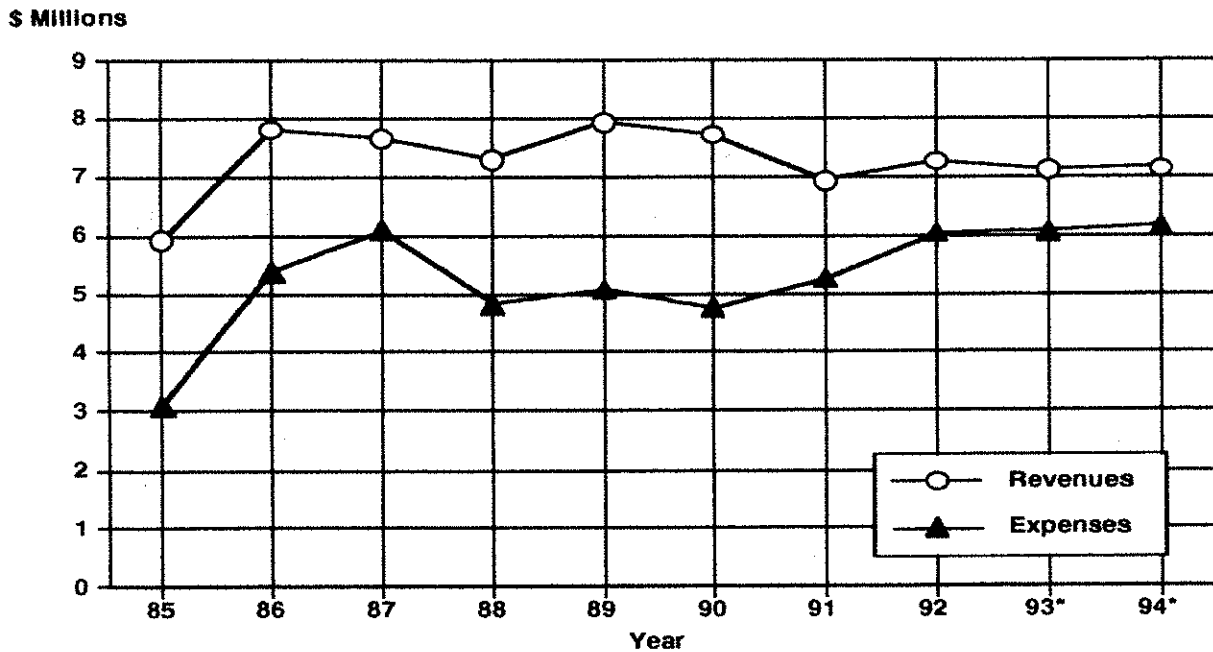
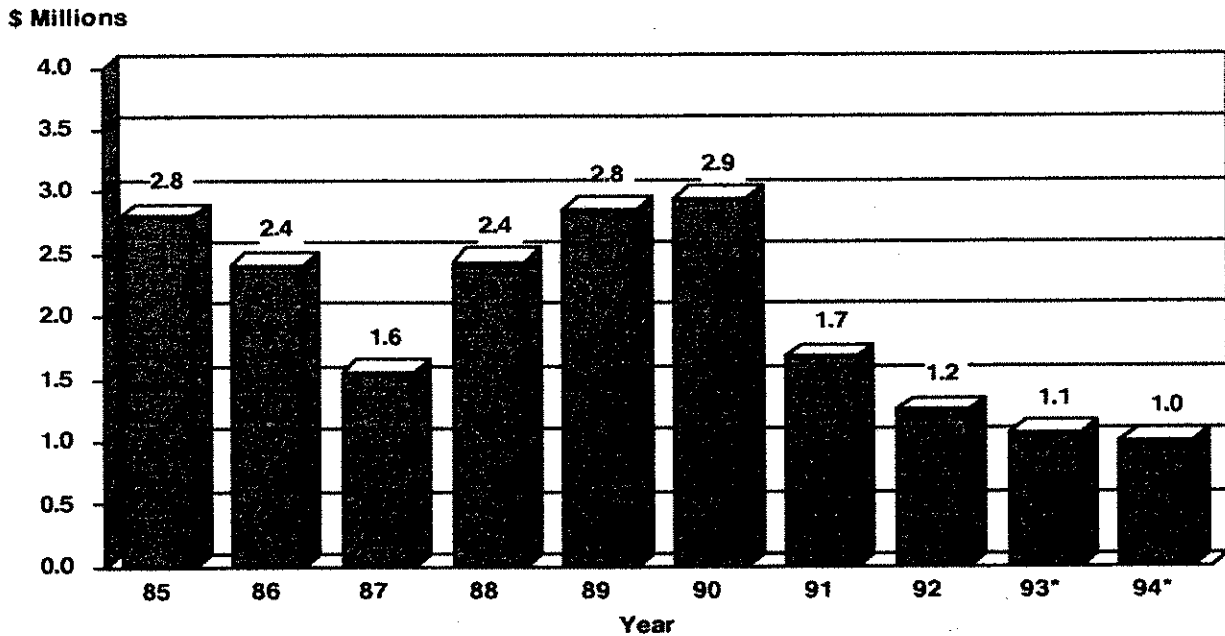


Figure 5-37

**Port of Anchorage
Net Income ****



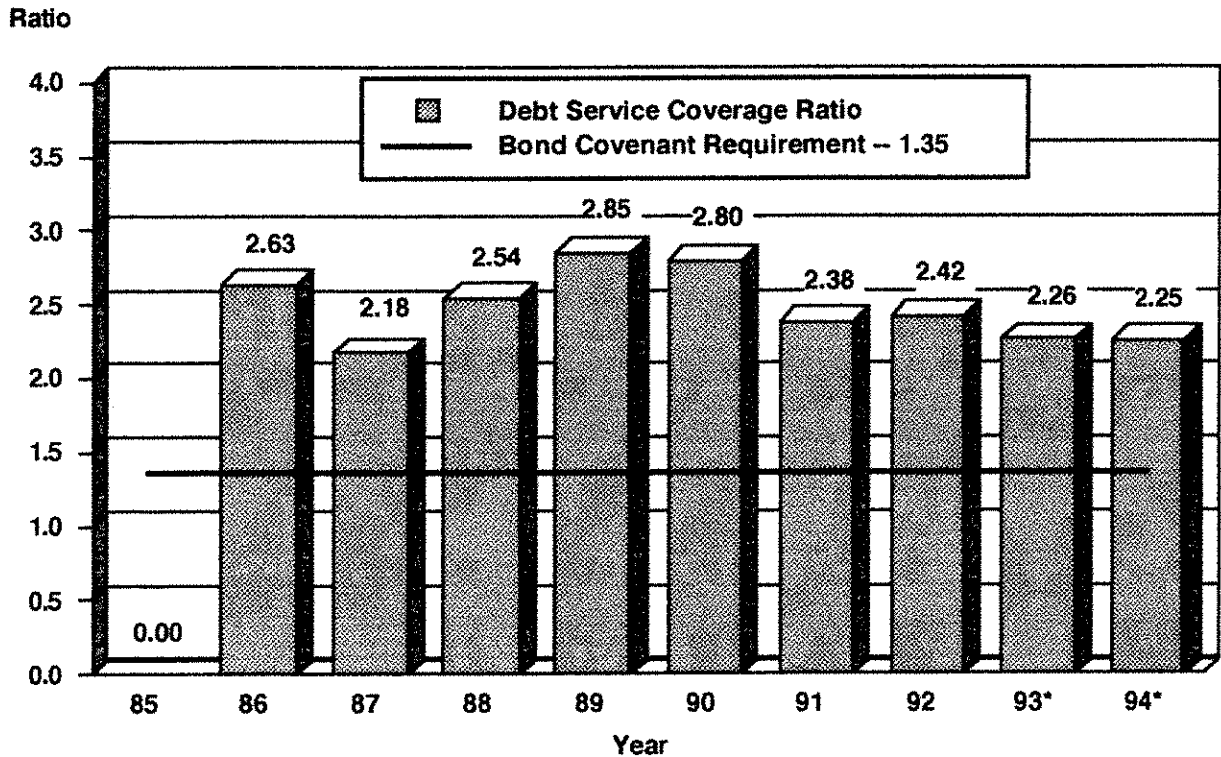
* Estimate

** Computed using methodology applied to regulated utilities.

As of December 31, 1992, the Port had \$2.8 million in general obligation bonds and \$15.1 million in revenue bonds outstanding. Combined debt service is currently about \$3.0 million per year. The coverage ratio for the revenue bond portion (approximately \$1.9 million in 1993) is shown below.

Figure 5-38

**Port of Anchorage
Debt Service Coverage ****



* Estimate

** No Port Revenue Bonds outstanding prior to December, 1985.

Figure 5-39

**Port of Anchorage
Number of Authorized Positions**

1985	17	1990	21
1986	18	1991	21
1987	19	1992	21
1988	19	1993 *	21
1989	21	1994 *	21

* Projected

Number of employees may be different than number of positions.

A summary of rate changes is shown below.

Figure 5-40

**Port of Anchorage
 Preferential Usage Agreement Rates
 Percent of Increase
 1988 - 1997**

<u>Revenue Category</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>
Preferential Usage Agreement Rate Changes	0%	0%	0%	(6%) *	0%	0%	0%	0%	15.0%**	0%

* Decrease in Preferential Usage Agreement rates was somewhat offset by increased revenues from Port Industrial Park leases of the PUA customers.

** Rate increases shown in the outyears are for purposes of projections only and have not been approved for implementation. It is intended that they be reviewed closely each year in conjunction with establishing operating budgets. Each utility will continue to strive to find ways to avoid projected rate increases.

MERRILL FIELD AIRPORT

Figures 5-41 and 5-42 summarize the airport's income picture, calculated on the regulatory basis.

Figure 5-41

**Merrill Field Airport
Revenues and Expenses ****

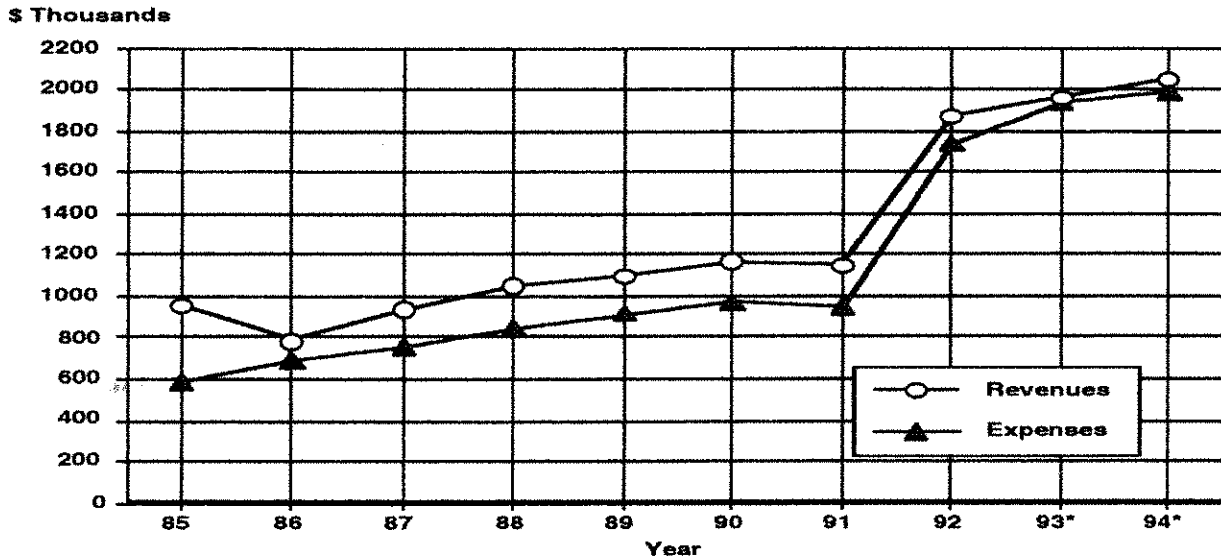
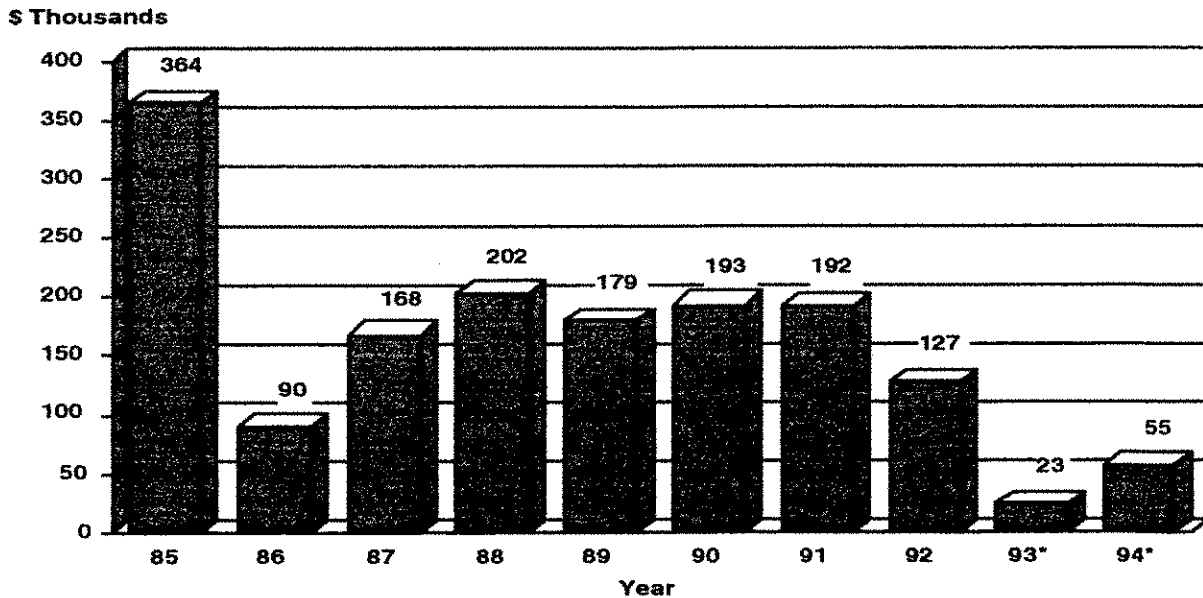


Figure 5-42

**Merrill Field Airport
Net Income ****



* Estimate

** Computed using methodology applied to regulated utilities.

Figure 5-43

**Merrill Field Airport
Number of Authorized Positions**

1985	15	1990	14
1986	15	1991	14
1987	14	1992	15
1988	15	1993 *	15
1989	15	1994 *	15

* Projected

Number of employees may be different than number of positions.

At the end of 1992, the Airport had no outstanding indebtedness.

The table below summarizes rate changes at Merrill Field.

Table 5-44

**Merrill Field -- Summary of Rate Changes
Percent of Increase
1988 - 1997**

<u>Revenue Category</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>
Lease/Access Fees	---	---	7.1 *	---	---	---	---	3.3 ***	3.2 ***	3.1 ***
Permanent Parking **	---	---	---	---	---	---	---	11.3 ***	---	---

* The 1990 rate increase represents a \$0.01 per square foot increase per year.

** 1995 projected rate increase represents an additional \$5 per month for both tail-in space and drive-thru space.

*** Rate increases shown in the outyears are for purposes of projections only and have not been approved for implementation. It is intended that they be reviewed closely each year in conjunction with establishing operating budgets. Each utility will continue to strive to find ways to avoid projected rate increases.

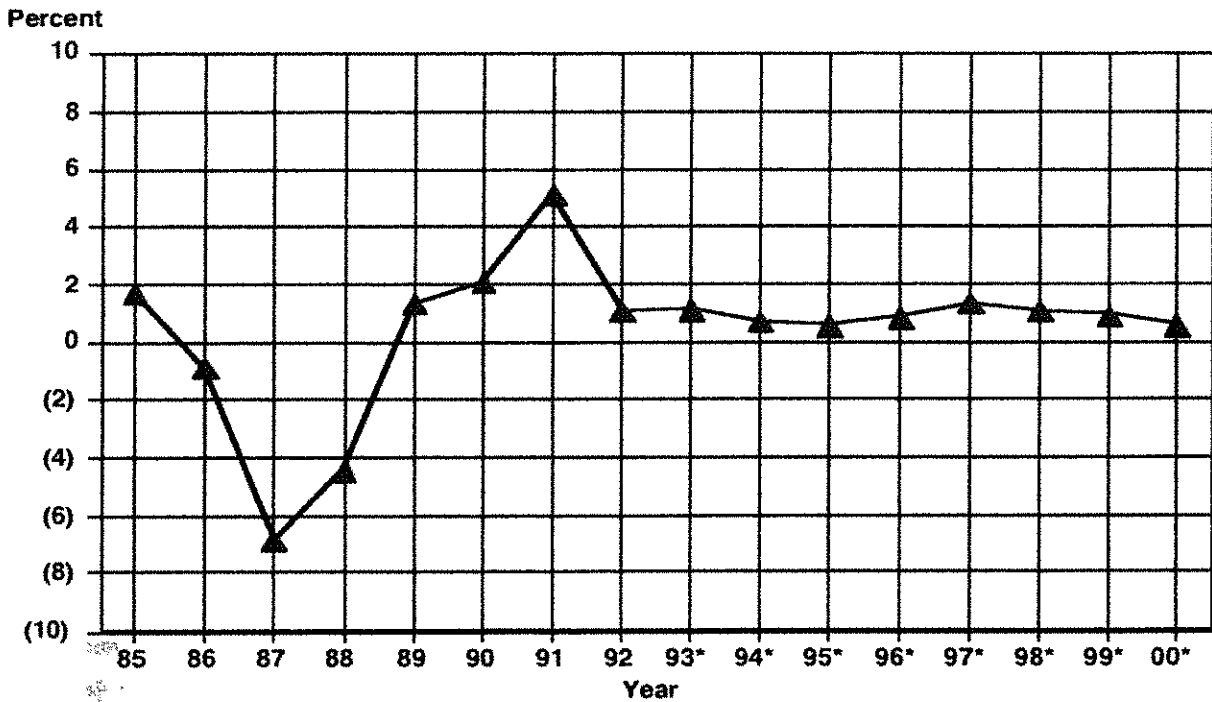
VI. COMMUNITY PROFILE

MUNICIPALITY OF ANCHORAGE

---- COMMUNITY PROFILE ----

The following pages contain a variety of indicators of general economic activity and public sector service delivery in Anchorage. Most of the historical data and projections are presented in graphic form, and are self-explanatory. Actual statistics for these charts are presented in the Appendix.

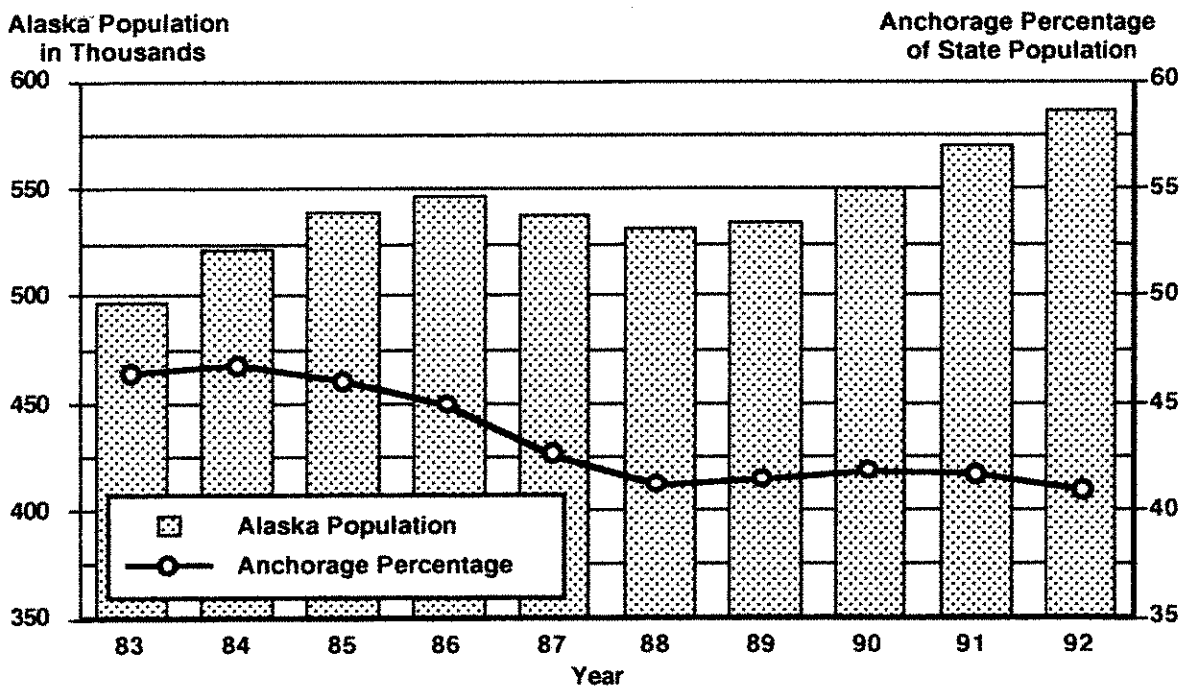
Percentage Change in Anchorage Population 1985 - 2000



* Estimate

SOURCE: Community Planning and Development Department, MOA

Anchorage as a Percentage of Alaska Population

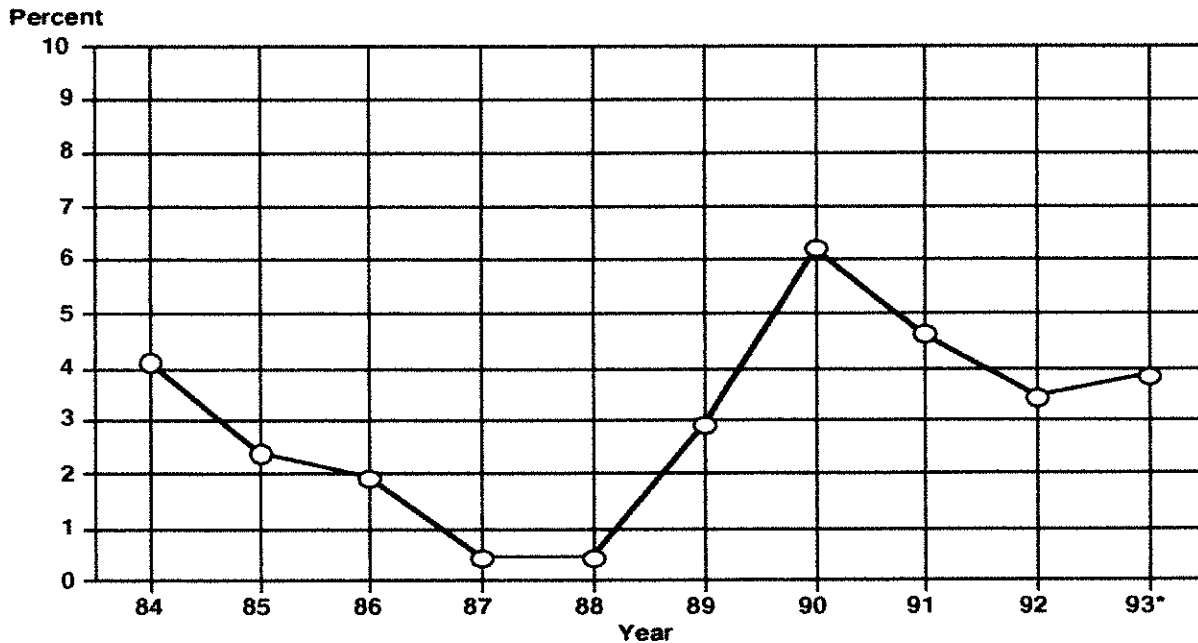


* Estimate

SOURCE: Community Planning and Development Department, MOA

ECONOMY

Inflation in Anchorage Annual Average Percent Change in Consumer Price Index



* Projected

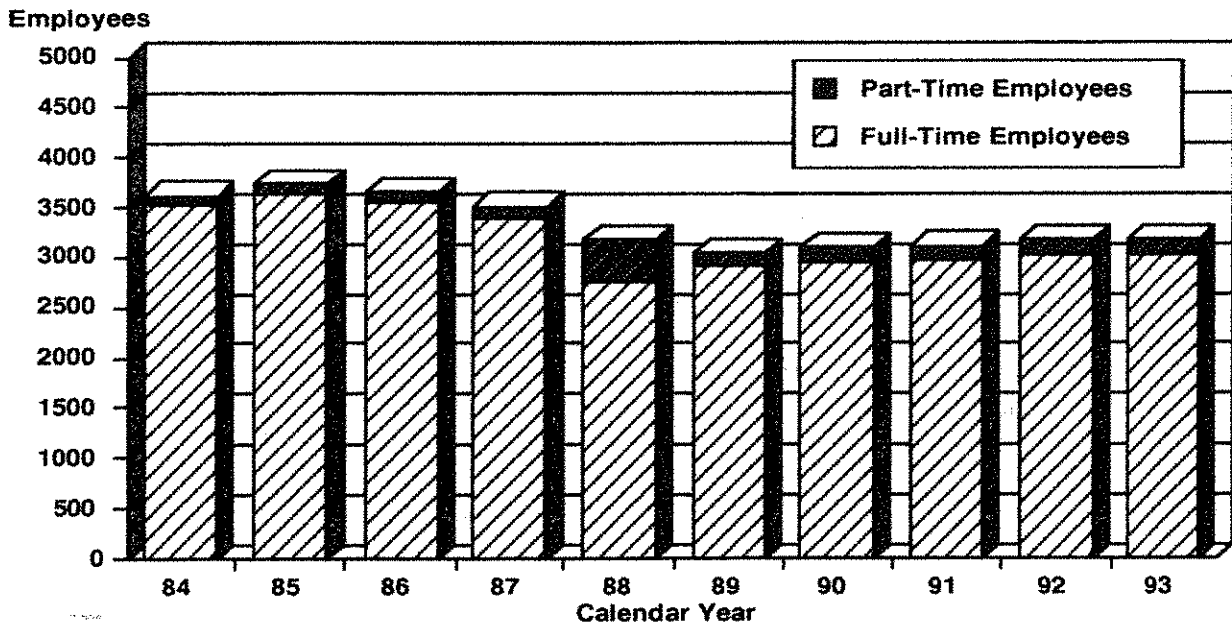
SOURCE: Community Planning and Development Department, MOA

Per Capita Personal Income Anchorage / Alaska / U.S.					
	Anchorage	Alaska	U.S. Average	Percent Anchorage Higher Than Nation	Percent Alaska Higher Than Nation
1985	\$20,853	\$18,752	\$14,155	47%	32%
1986	\$20,987	\$18,337	\$14,907	41%	23%
1987	\$20,035	\$17,777	\$15,638	28%	14%
1988	\$20,576	\$18,318	\$16,615	24%	10%
1989	\$22,637	\$19,918	\$17,696	28%	13%
1990	\$24,340	\$20,867	\$18,635	31%	12%
1991	\$24,464	\$21,144	\$19,091	28%	11%

SOURCE: Bureau of Economic Analysis, Regional Economic Measurement Division

EMPLOYMENT

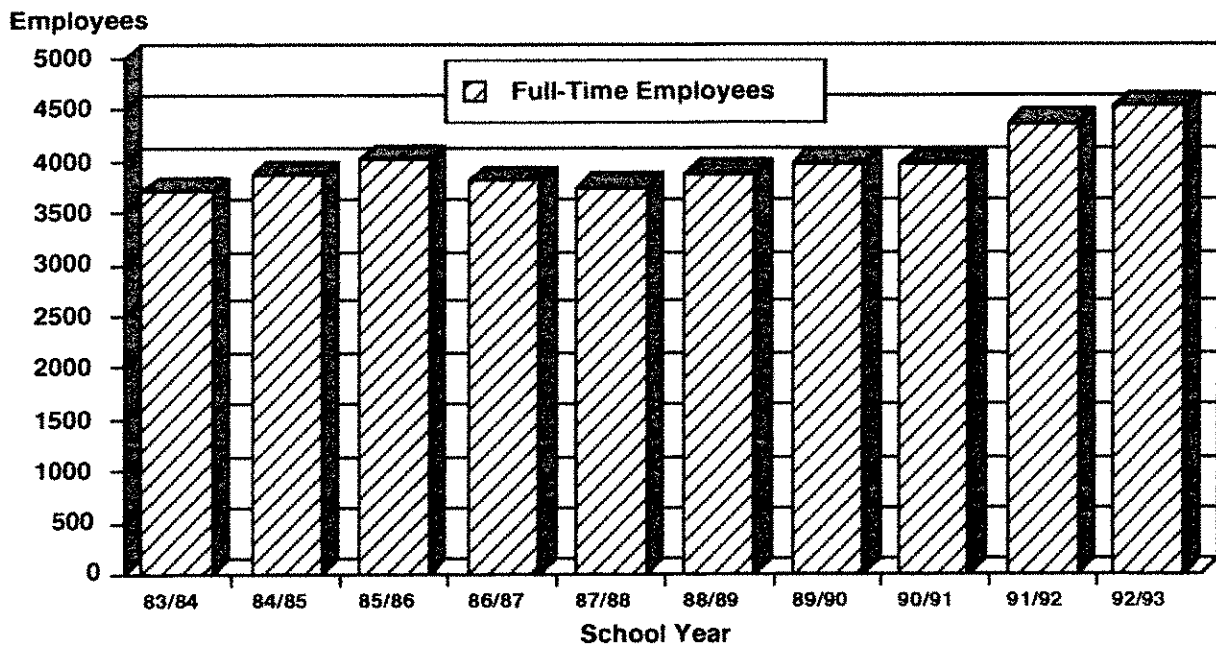
Municipality of Anchorage Employees 1984 - 1993



NOTE: A large number of AMEA positions were converted to part-time in 1988 and converted back to full-time in 1989.

SOURCE: Employee Relations Department, MOA

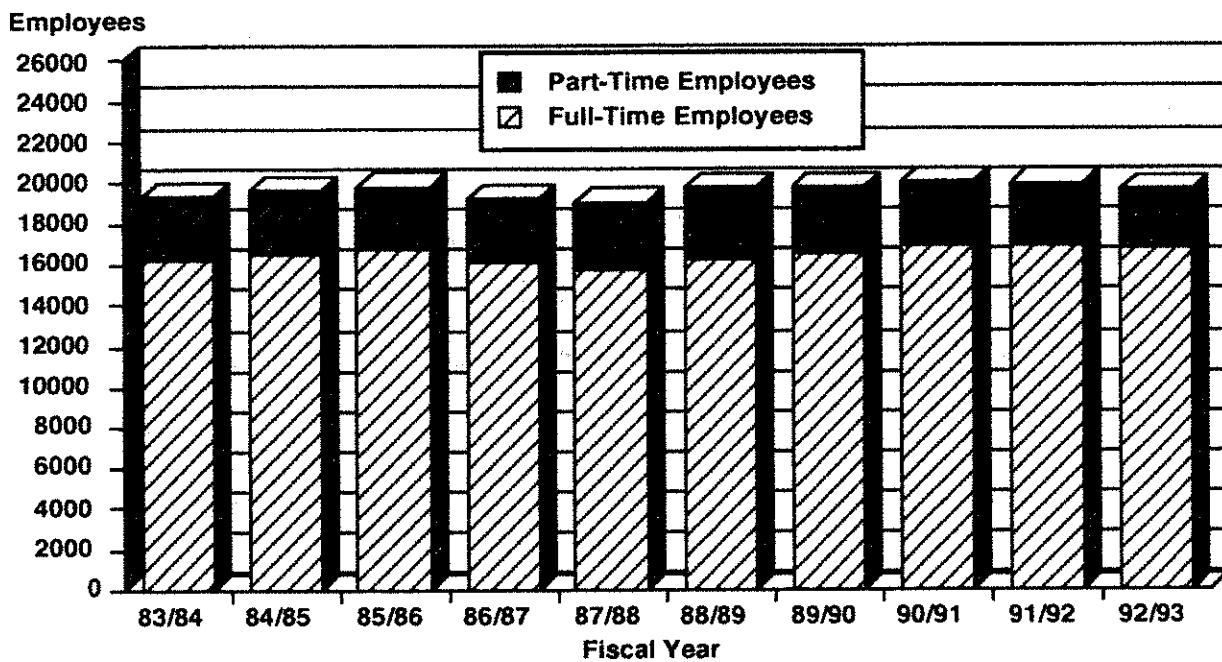
Anchorage School District Employees 1983/84 - 1992/93



NOTE: Part-time Noon Duty positions are included on a full-time-equivalency basis. Student Nutrition personnel and grant-funded personnel are not included.

SOURCE: Budgeting Department, Anchorage School District

State of Alaska Employees 1983/84 - 1992/93

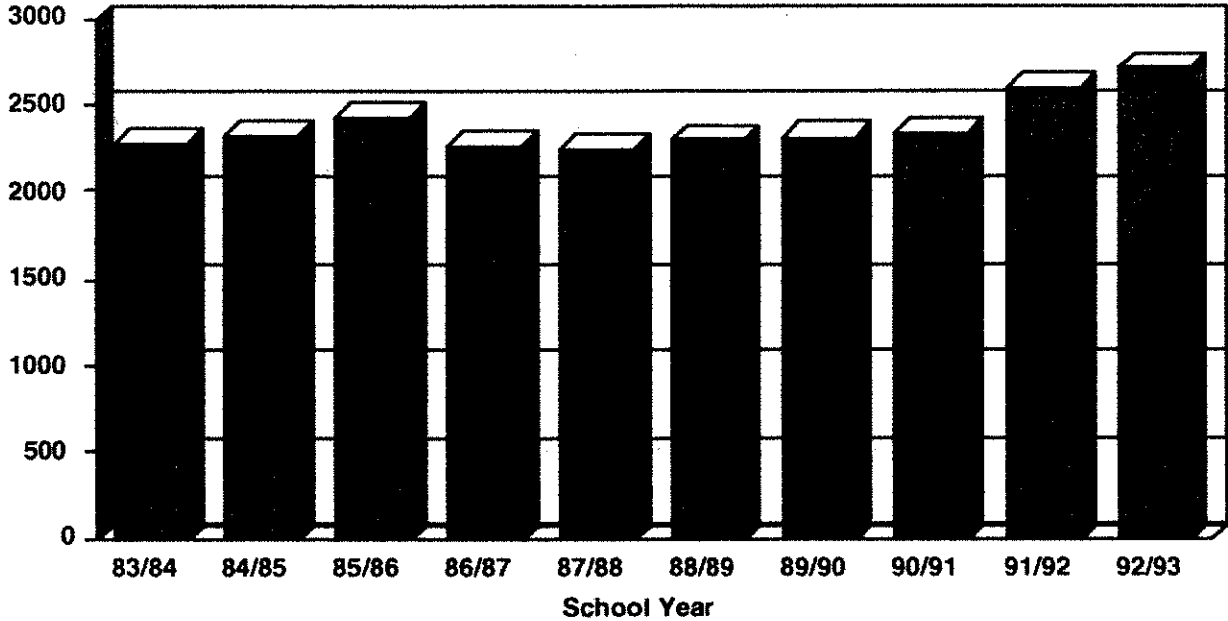


SOURCE: Office of Management and Budget, State of Alaska

Employee Statistics			
		Full-Time	Part-Time
Municipality of Anchorage *	1984	3,318	69
	1985	3,638	101
	1986	3,560	89
	1987	3,391	119
	1988	2,738	439
	1989	2,926	134
	1990	2,946	140
	1991	2,967	147
	1992	3,027	143
	1993	3,018	159
Anchorage School District	1983/84	3,713	
	1984/85	3,866	
	1985/86	4,019	
	1986/87	3,806	
	1987/88	3,742	
	1988/89	3,875	
	1989/90	3,986	
	1990/91	3,968	
	1991/92	4,366	
	1992/93	4,537	
State of Alaska	1983/84	16,262	3,097
	1984/85	16,577	3,030
	1985/86	16,763	3,083
	1986/87	16,038	3,194
	1987/88	15,788	3,247
	1988/89	16,245	3,506
	1989/90	16,451	3,296
	1990/91	16,861	3,160
	1991/92	16,933	3,053
	1992/93	16,773	2,903

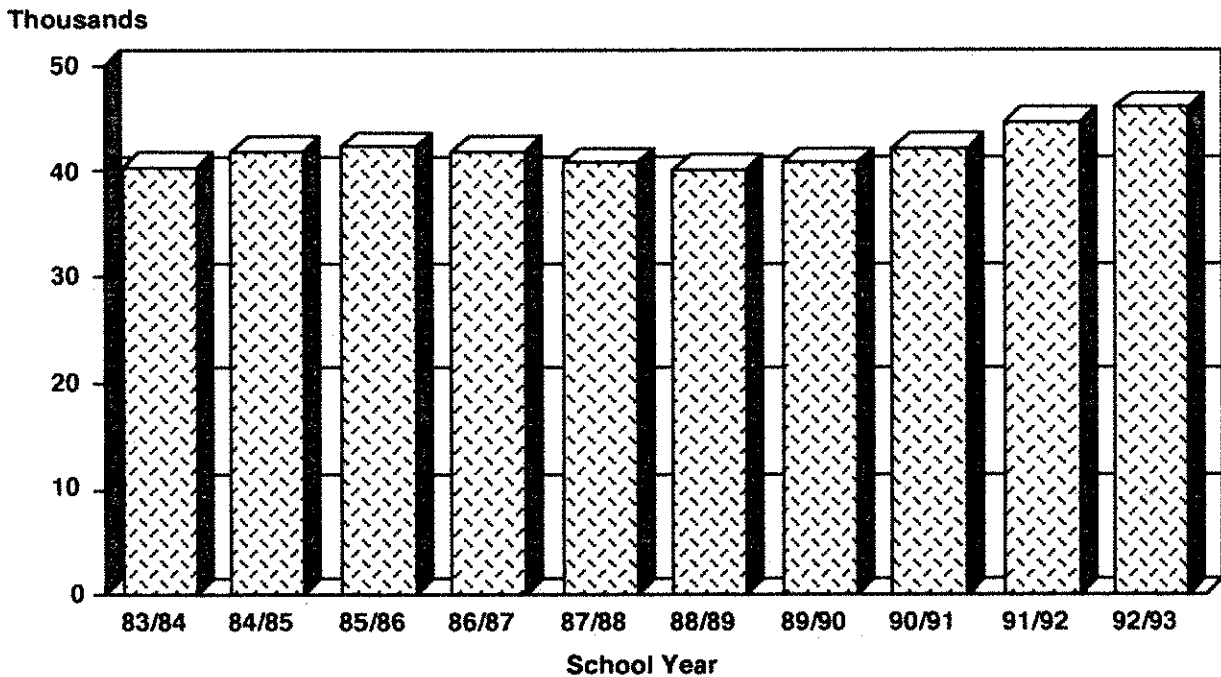
* Includes regular workforce (i.e., total filled positions, excluding temporary hires) for all General Government and all Utilities, including ATU. See Appendix for additional breakdown of employment figures over the last seven years.

**Anchorage School District
Full-time Teaching Positions
1983/84 - 1992/93**



SOURCE: Budgeting Department, Anchorage School District

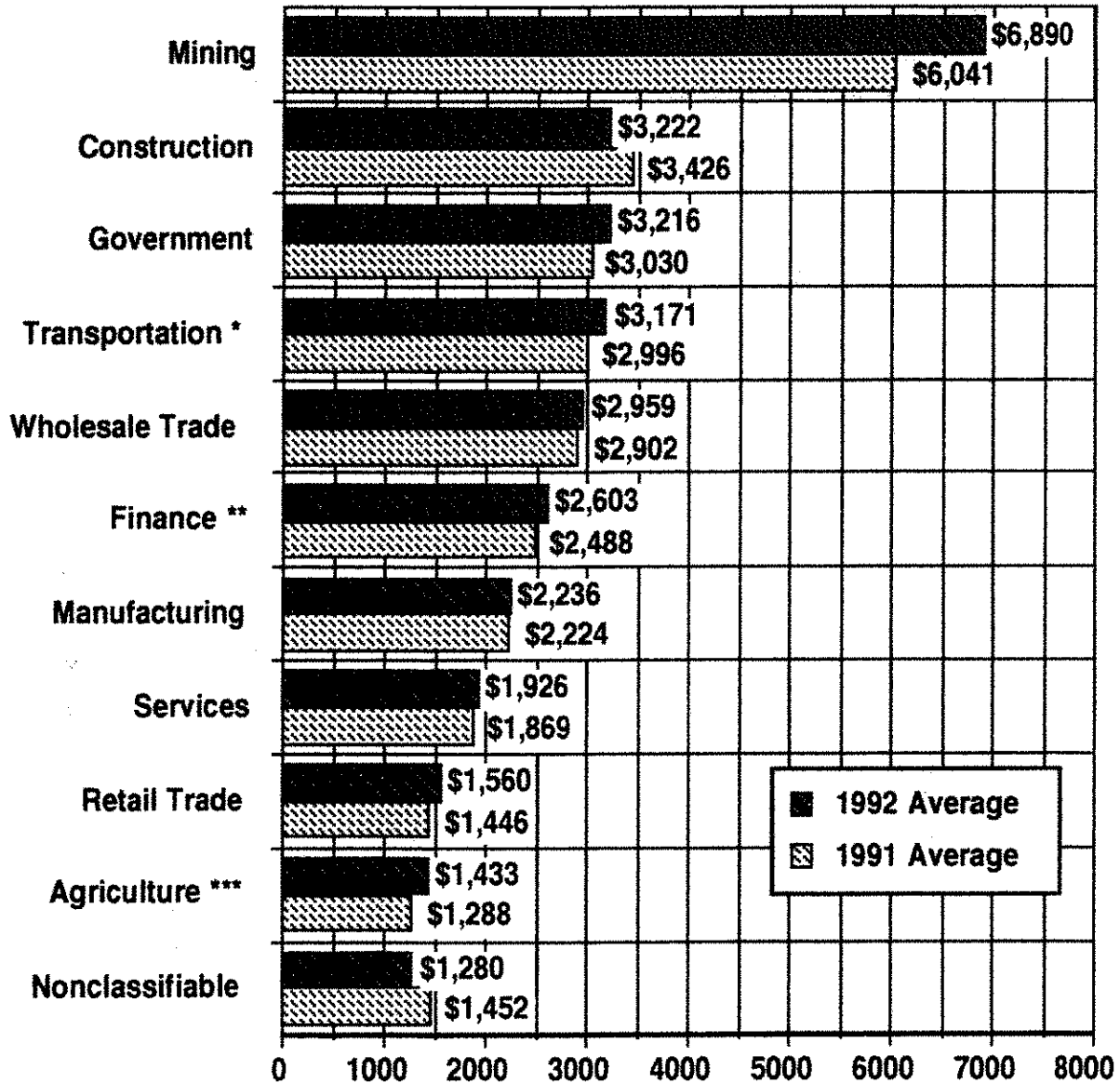
**Anchorage School District Student Enrollment
School Years 1983-84 Through 1992-93**



* Estimate

SOURCE: Budgeting Department, Anchorage School District

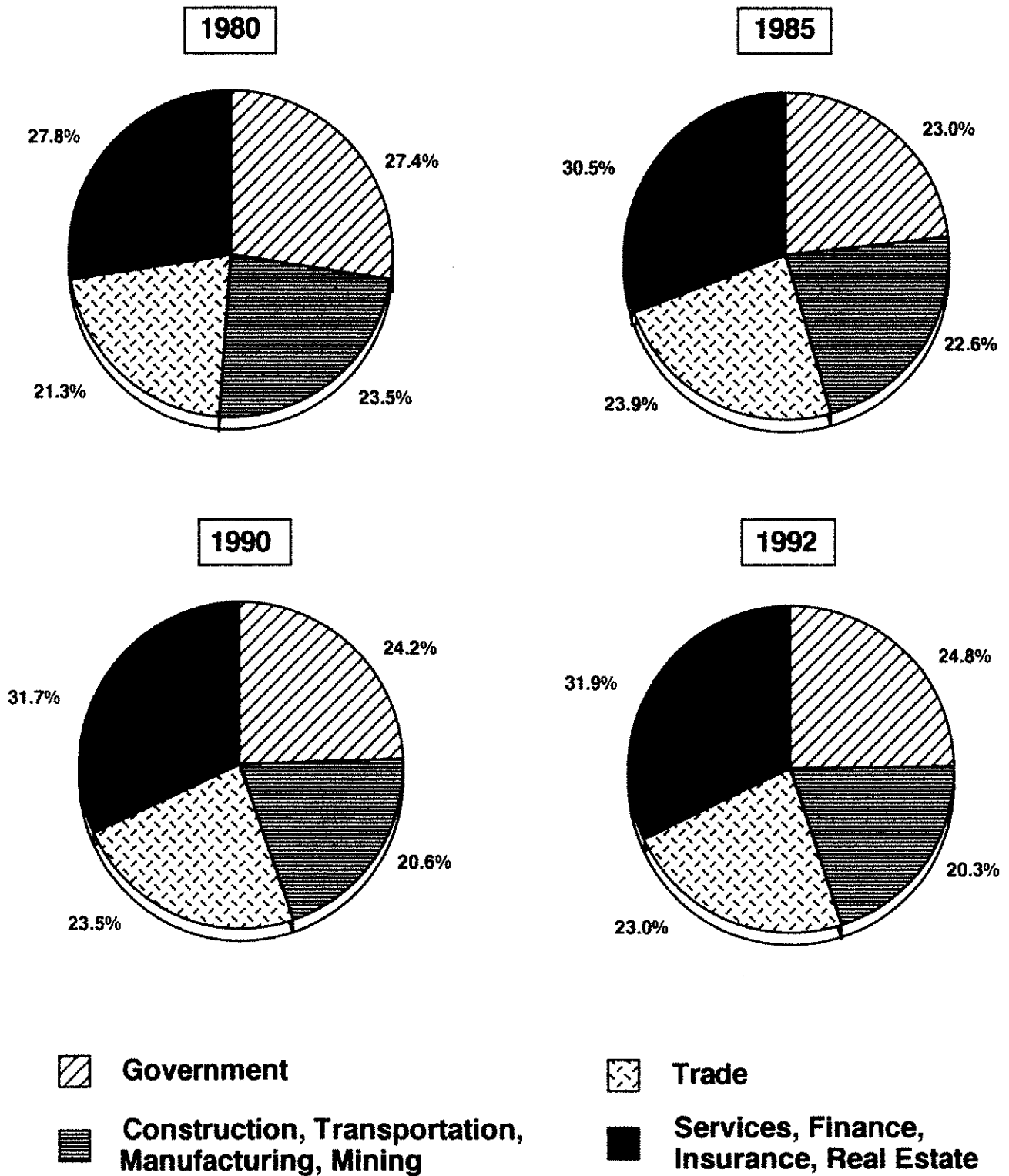
**Average Monthly Wage
Anchorage Labor Division
First Quarter, 1991 and 1992**



- * Transportation, Communication, & Utilities
- ** Finance, Insurance, & Real Estate
- *** Agriculture, Forestry, & Fisheries

SOURCE: Alaska Department of Labor, Statistical Quarterly, 1st Quarter, 1992

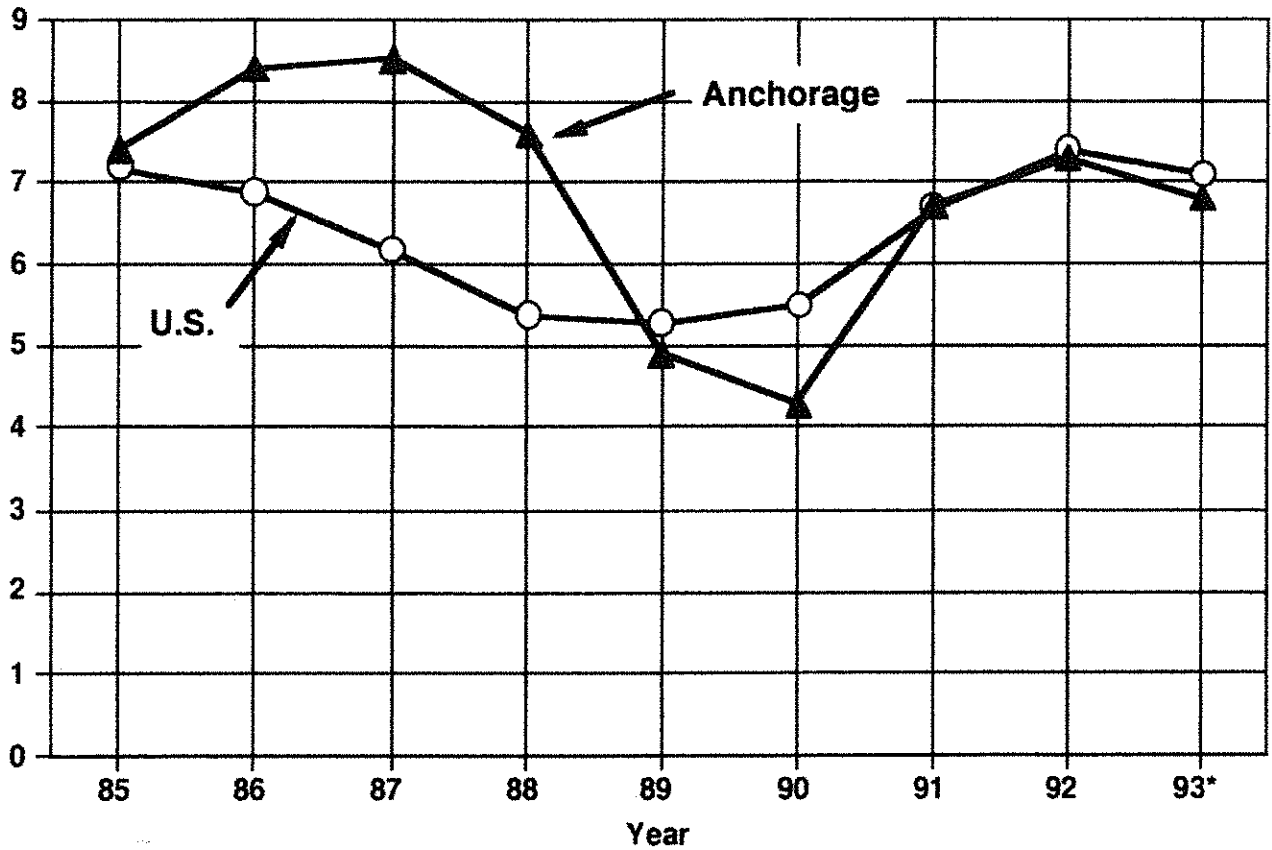
Anchorage Employment Distribution



SOURCE: Alaska Department of Labor

Average Annual Unemployment Rates

Percent

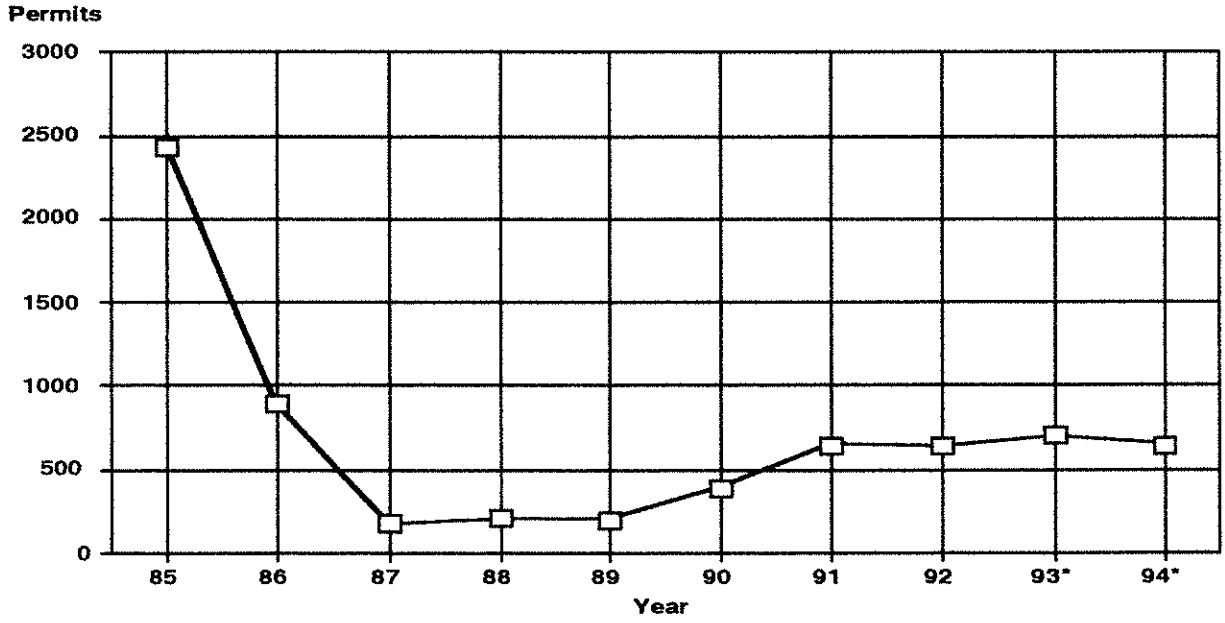


* The 1993 figure is an average of January through July.

SOURCE: Alaska Department of Labor

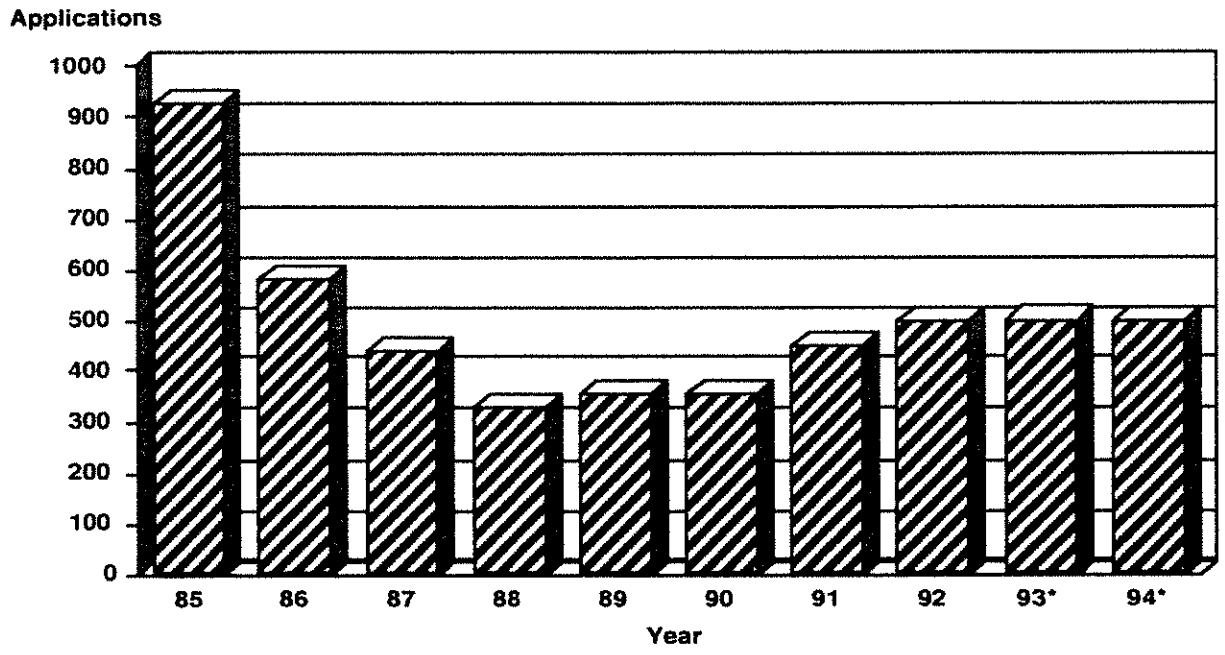
LAND AND HOUSING

Total New Housing Units Authorized By Permits



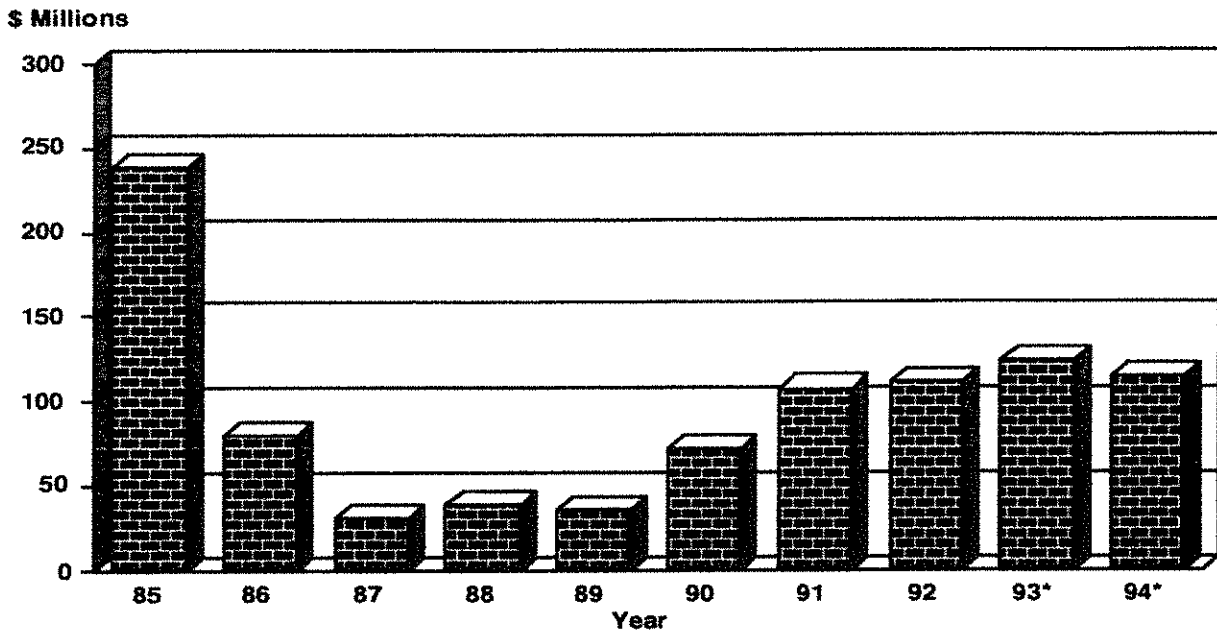
* Estimate
 Source: Public Works Department, MOA

Zoning Conditional Use and Subdivision Applications Processed



* Estimate
 SOURCE: Community Planning and Development Department, MOA

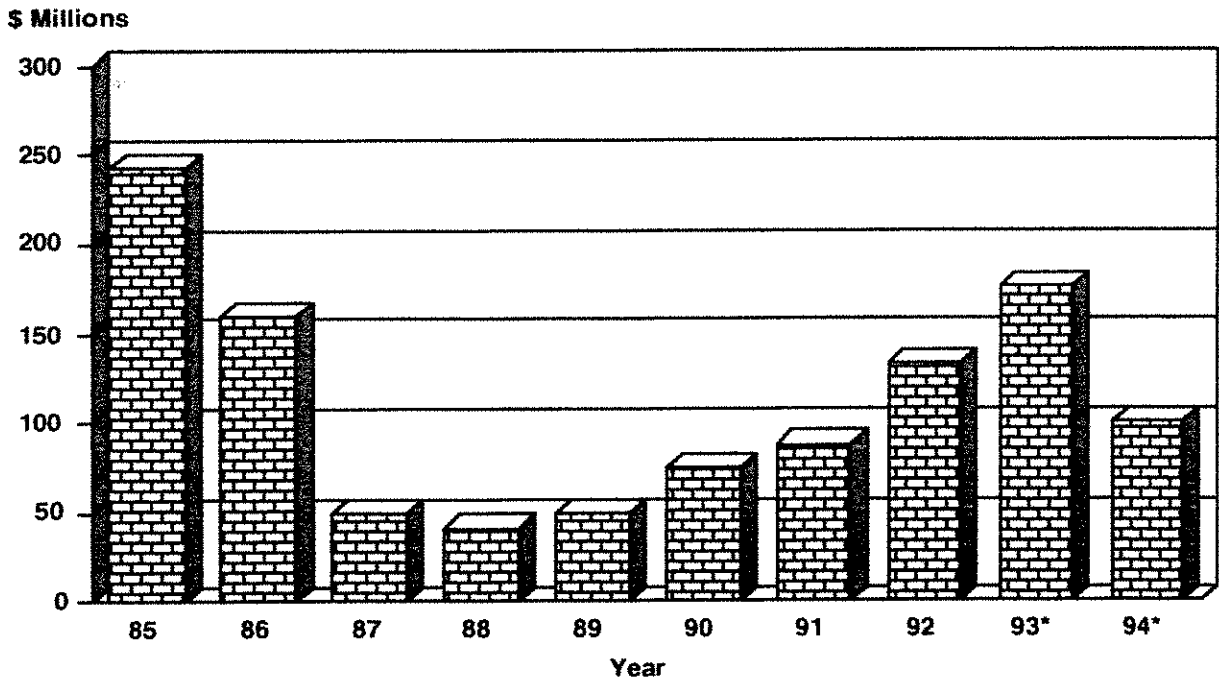
Construction Spending in Anchorage Residential



* Estimate

SOURCE: Public Works Department, MOA

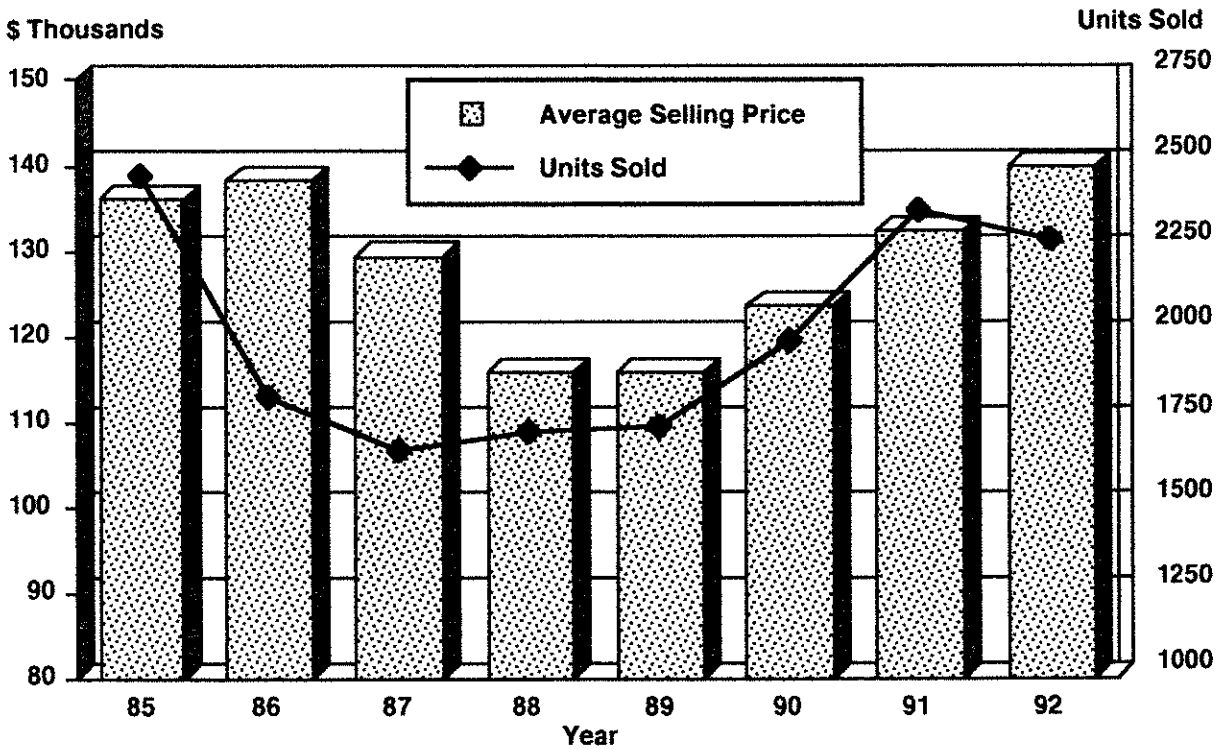
Construction Spending in Anchorage Non-residential



* Estimate

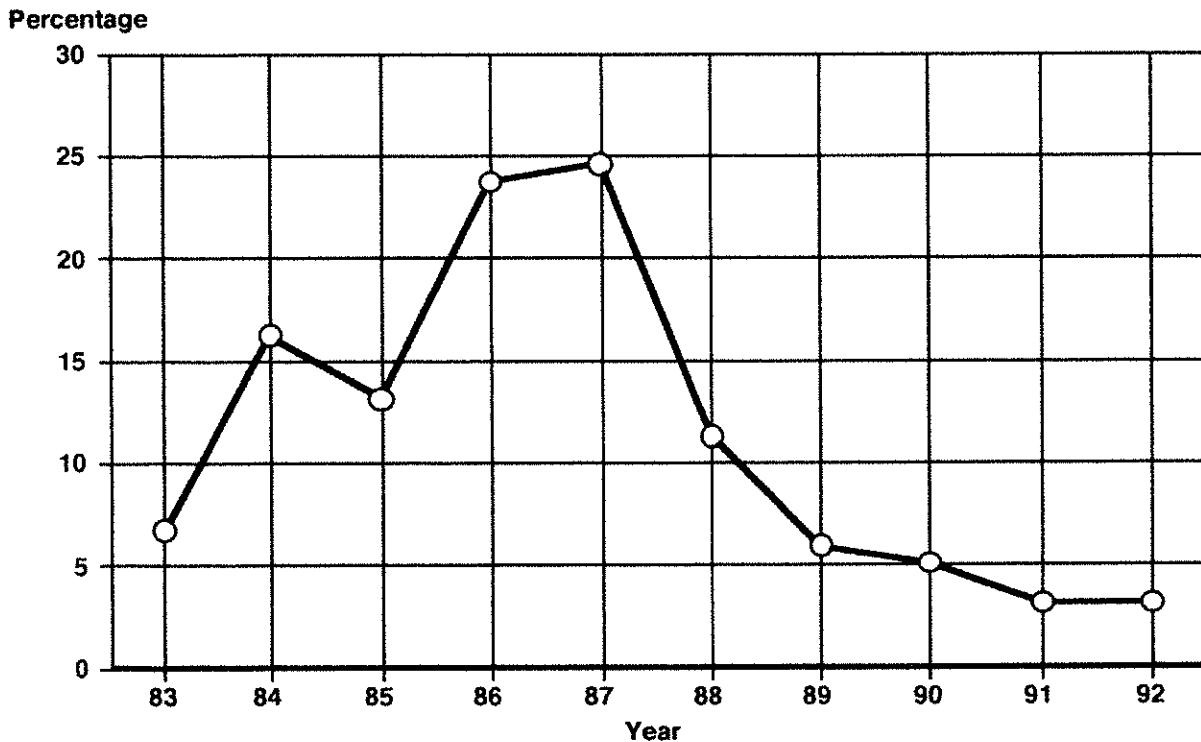
NOTE: Large increase from 1991 to 1992 due to several new construction projects including Alyeska Hotel, Costco, Federal Express, Red Robin, Mapco, Alaska USA Federal Credit Union, and Eagle Hardware.

Average Selling Price of a Single-family Home in the Municipality of Anchorage



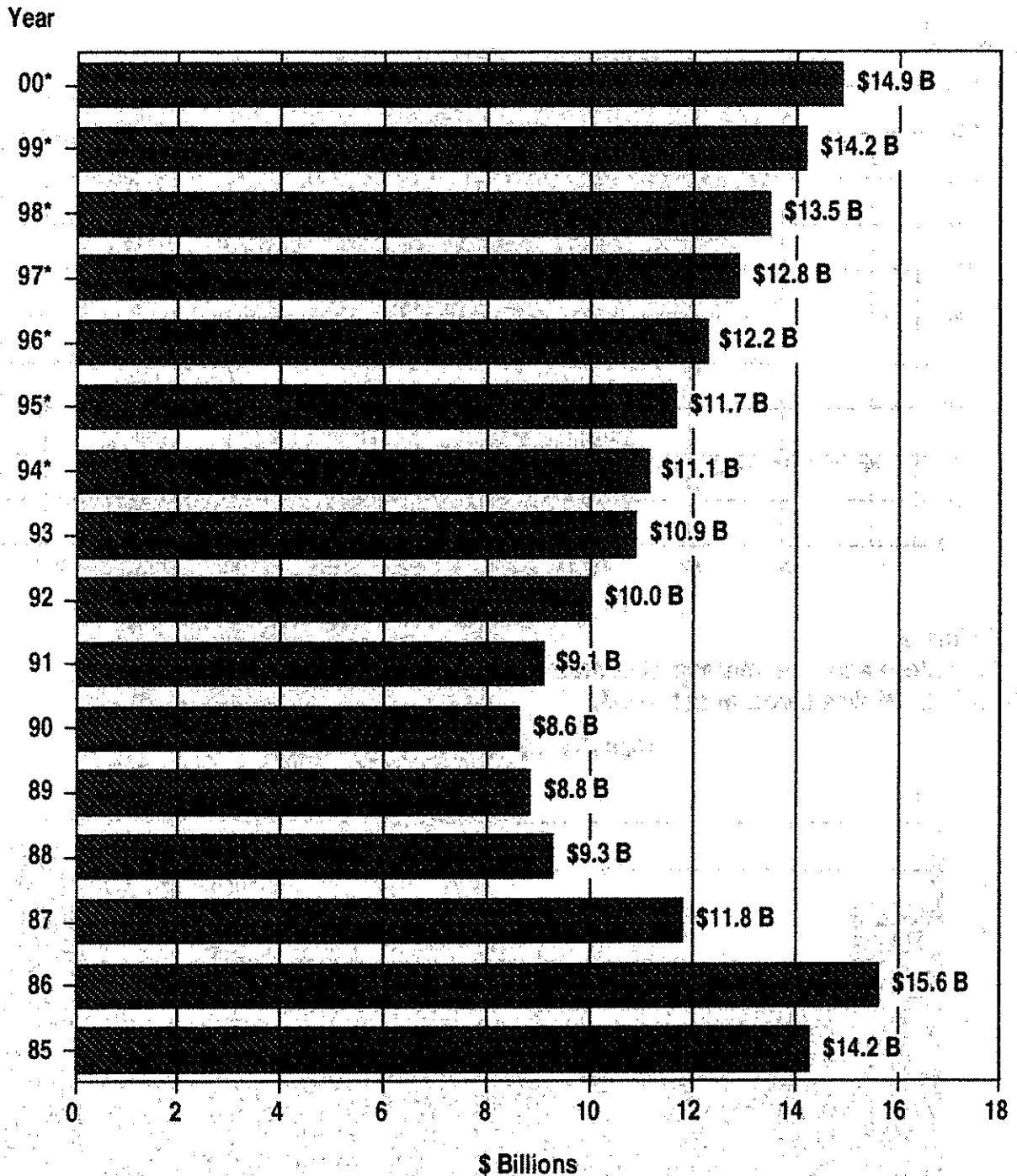
SOURCE: Multiple Listing Services.

Anchorage Apartment Vacancy Rate



SOURCE: Community Planning and Development Department, MOA

Assessed Valuation of Real and Personal Taxable Property



* Estimate

Note: The total number of real property parcels appraised in 1993 is estimated to be 85,600. Values shown above include residential property, personal property, commercial property, and Utility Net Plant (i.e., MUSA).

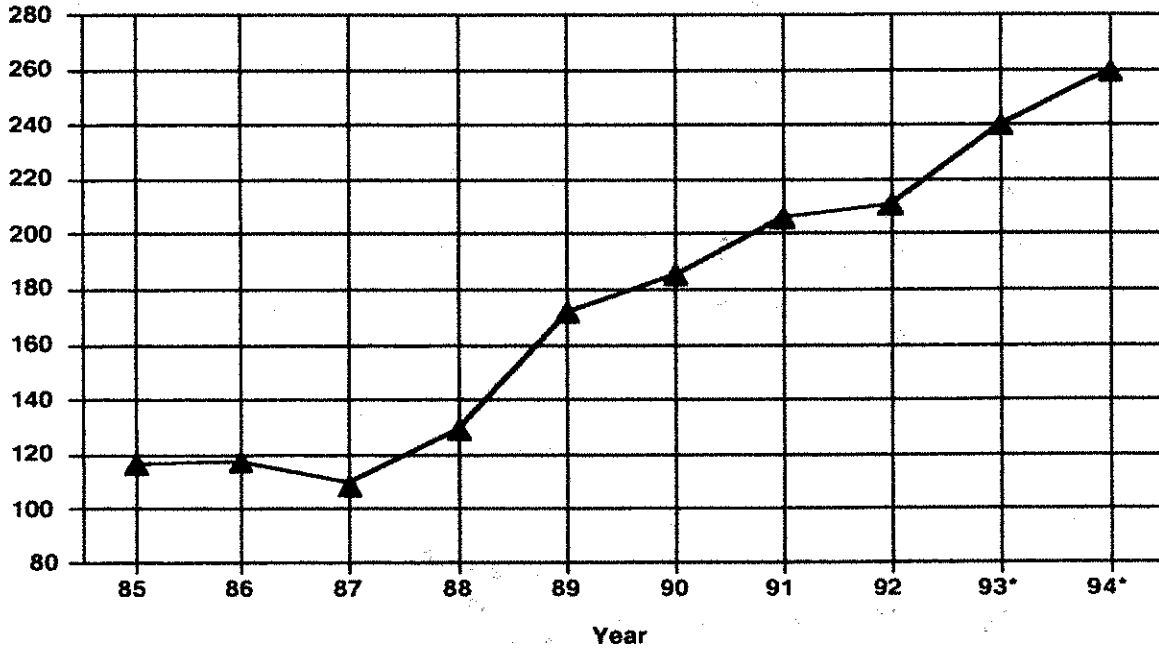
Note: Data is derived from "Annual Report on Assessment and Taxation."

SOURCE: Property Appraisal Division, MOA

PUBLIC SAFETY

Police Department Requests for Service

Thousands
of Requests



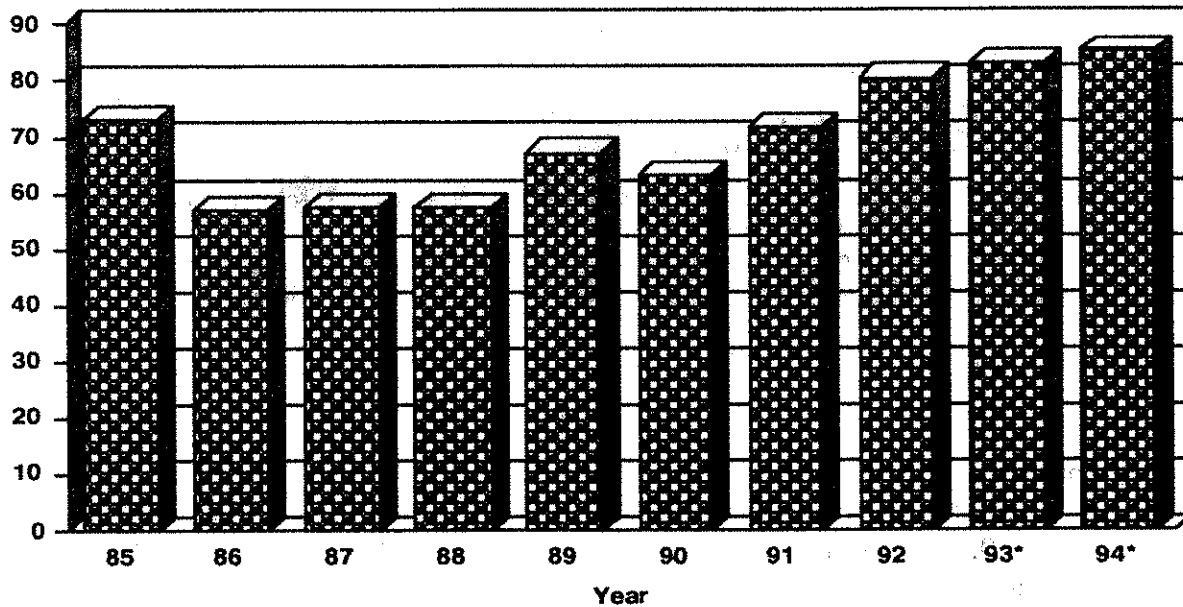
* Estimate

NOTE: More accurate method of computer tracking of incidents began in 1989.

SOURCE: Police Department, MOA

Health Clinic Visits

Thousands

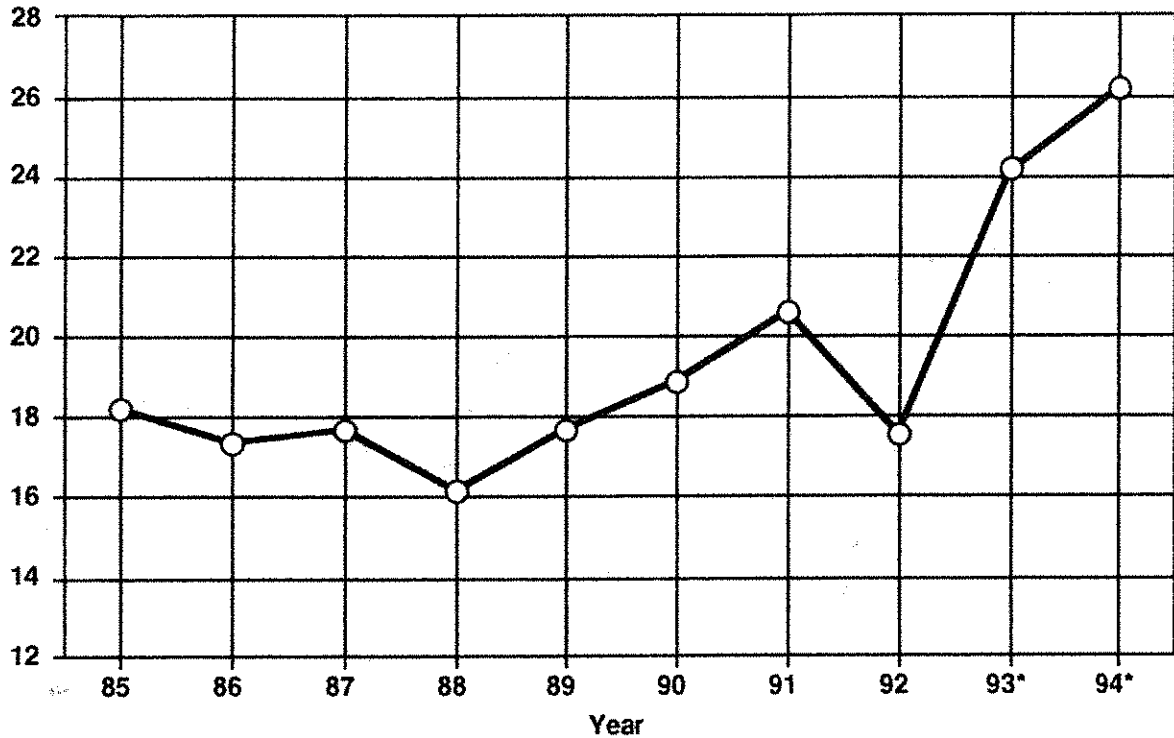


* Estimate

SOURCE: Health and Human Services Department, MOA

Fire/EMS Alarms

Thousands



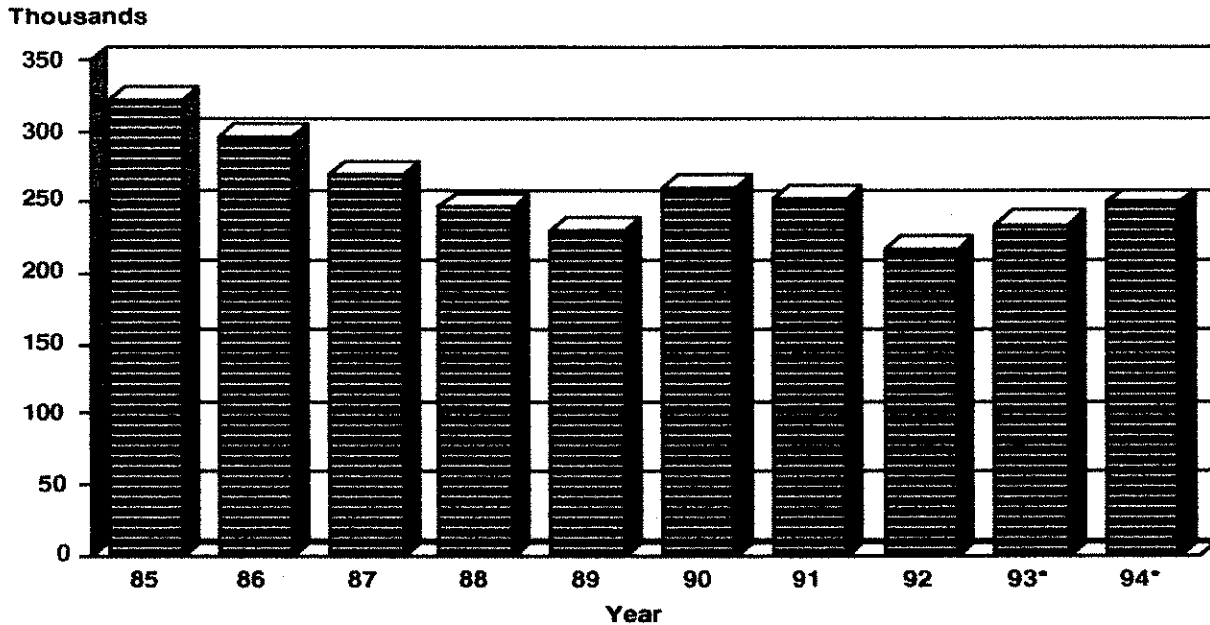
* Estimate

NOTE: Private ambulance service started in Anchorage in 1988. New numbering system initiated in 1992 counts each response only once even though both fire and medic units are dispatched.

SOURCE: Fire Department, MOA

TRANSPORTATION

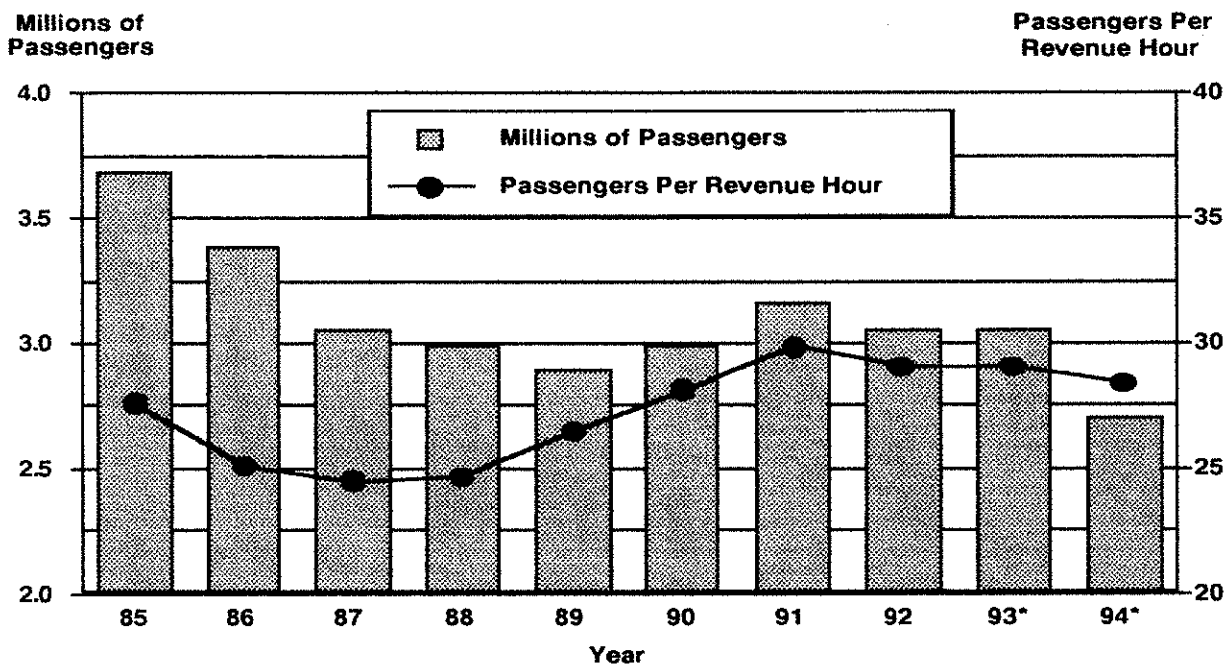
Merrill Field Total Landings and Takeoffs



* Estimate

SOURCE: Merrill Field Airport, MOA

People Mover Ridership

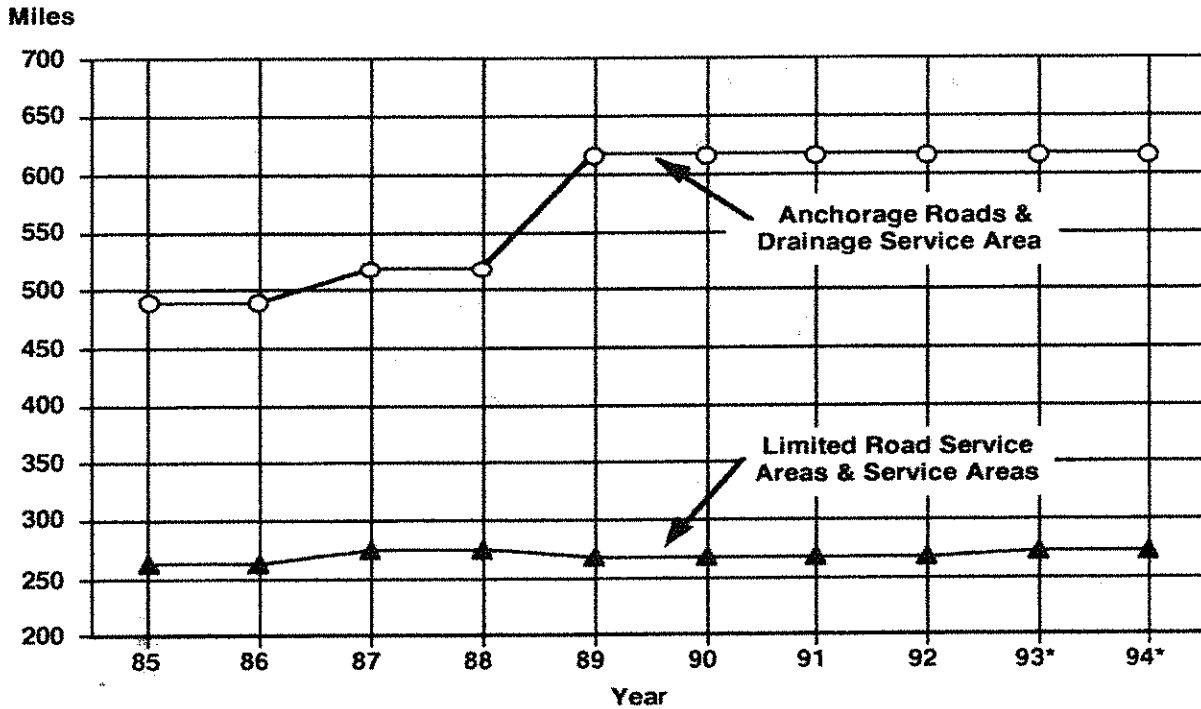


* Estimate

NOTE: 1993 Passengers Per Revenue Hour based on 96,840 operational hours.

SOURCE: Transit Department, MOA

Miles of Road Maintained by the Municipality



* Estimate

SOURCE: Public Works Department, MOA

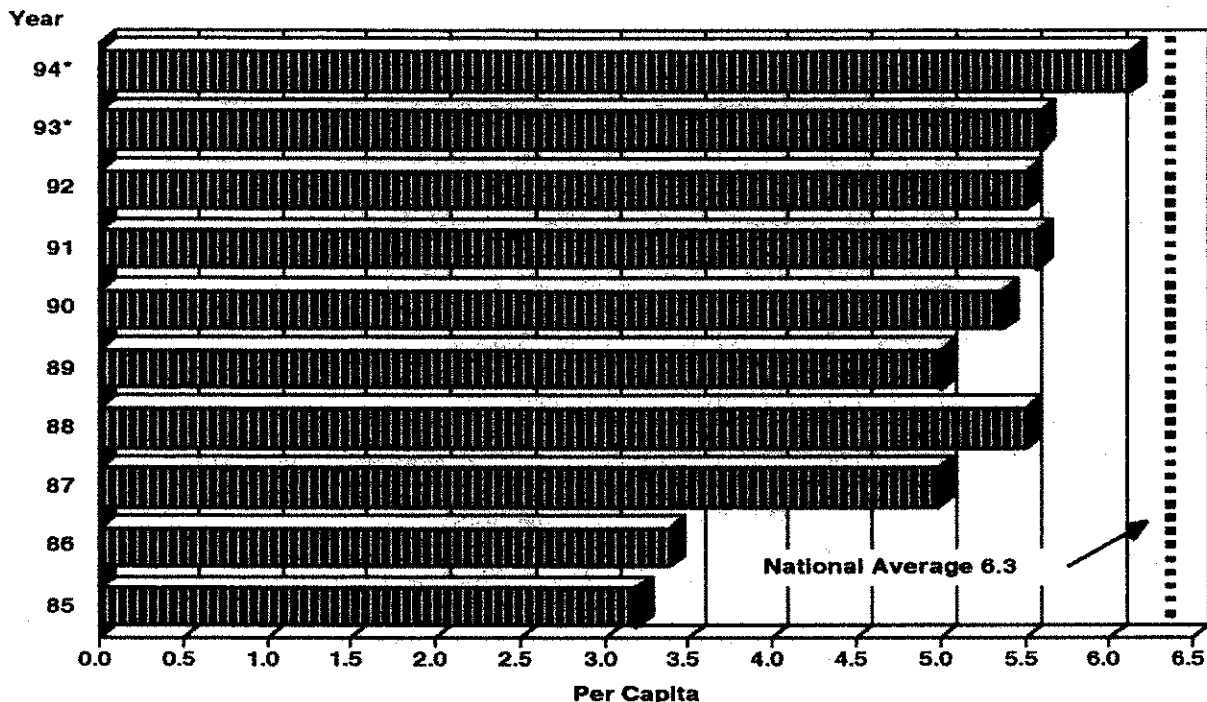
Vehicle Registration in Anchorage

	Passenger Vehicles	Motor Cycles	Commercial Trailers	Trailers	Commercial Trucks	Pickups	Buses	Total
1988	124,403	4,710	5,330	19,991	8,545	39,409	592	202,980
1989	128,237	4,413	5,141	20,212	8,290	40,224	501	207,018
1990	133,750	4,230	5,593	20,840	8,672	42,462	484	216,031
1991	137,091	4,195	5,797	21,561	8,660	43,727	330	221,361
1992	141,860	4,345	5,951	22,866	8,591	45,218	347	229,178
% Change 1991 - 1992	3.5%	3.6%	2.7%	6.1%	(0.8%)	3.4%	5.2%	3.5%

SOURCE: Alaska Department of Public Safety

LEISURE

Library Books/Materials Circulated Per Capita

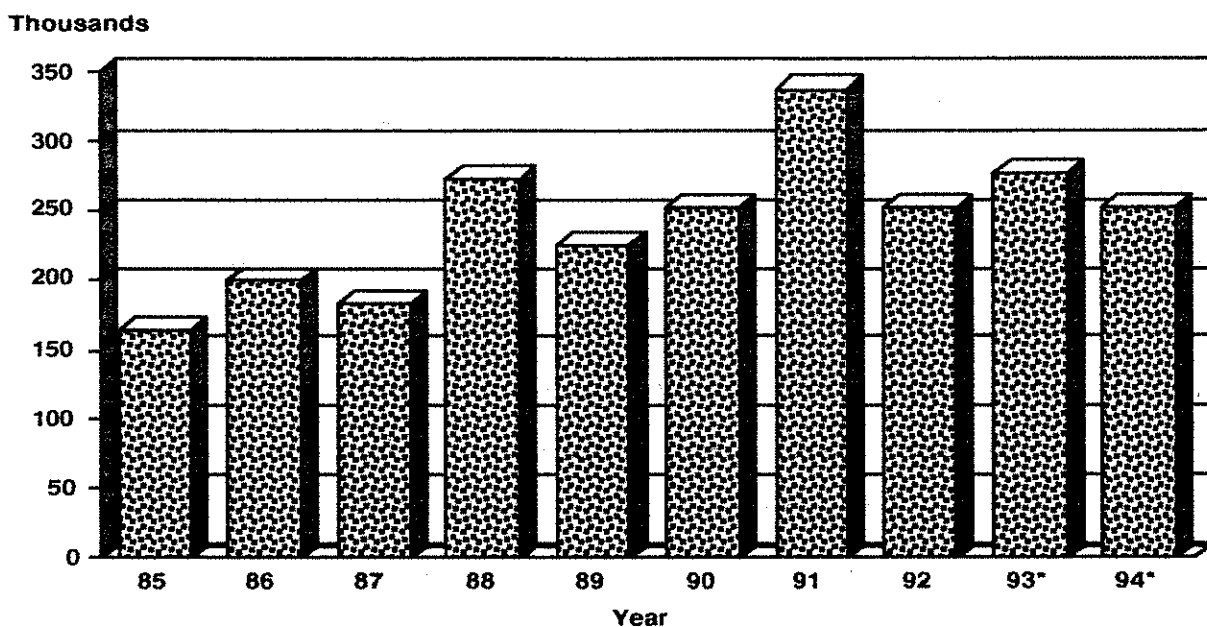


* Estimate

NOTE: National average is for libraries serving populations of 100,000 to 249,999.

SOURCE: Anchorage Municipal Library, MOA

Anchorage Museum of History and Art Visitors



* Estimate

NOTE: Unusually large attendance at dinosaur exhibit in 1988 (70,356) and whale exhibit in 1991 (80,617).

SOURCE: Anchorage Museum of History and Art, MOA

Municipal Parks / Trails / Recreation Areas - 1994

Bike Trails (Municipally Maintained)	94 Miles
Playgrounds	70
Ski Trails	132.5 KM
Tennis Courts	64
Ball Fields/Recreation Fields	82
Ice Skating Areas	5
Fitness Trails/Clusters	13
Community Recreation Centers	3
Swimming Pools	6
Lakes	15
Campgrounds	2
Golf Courses	1
Track and Field Area	1

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

	<u>1984</u>	<u>1986</u>	<u>1988</u>	<u>1990</u>	<u>1992</u>	<u>1994*</u>
Municipal Parks	160	170	189	194	199	202

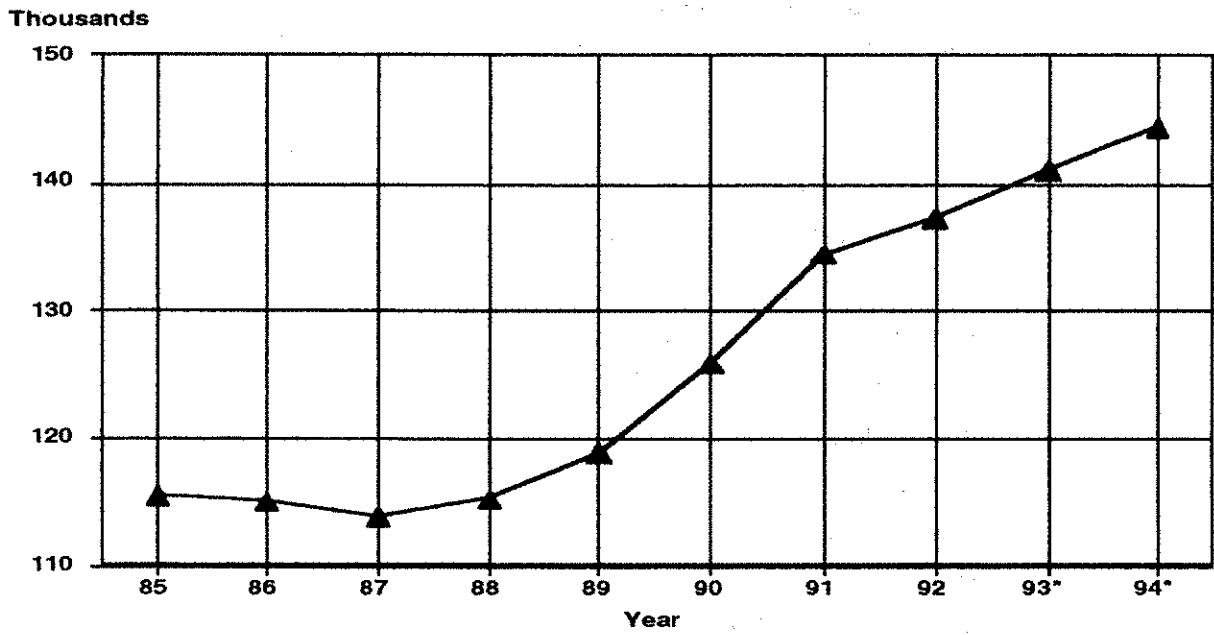
* Estimate

NOTE: In 1994, an estimated 15,275 acres of Municipal land will be managed or maintained as park land.

SOURCE: Parks and Recreation Division, MOA

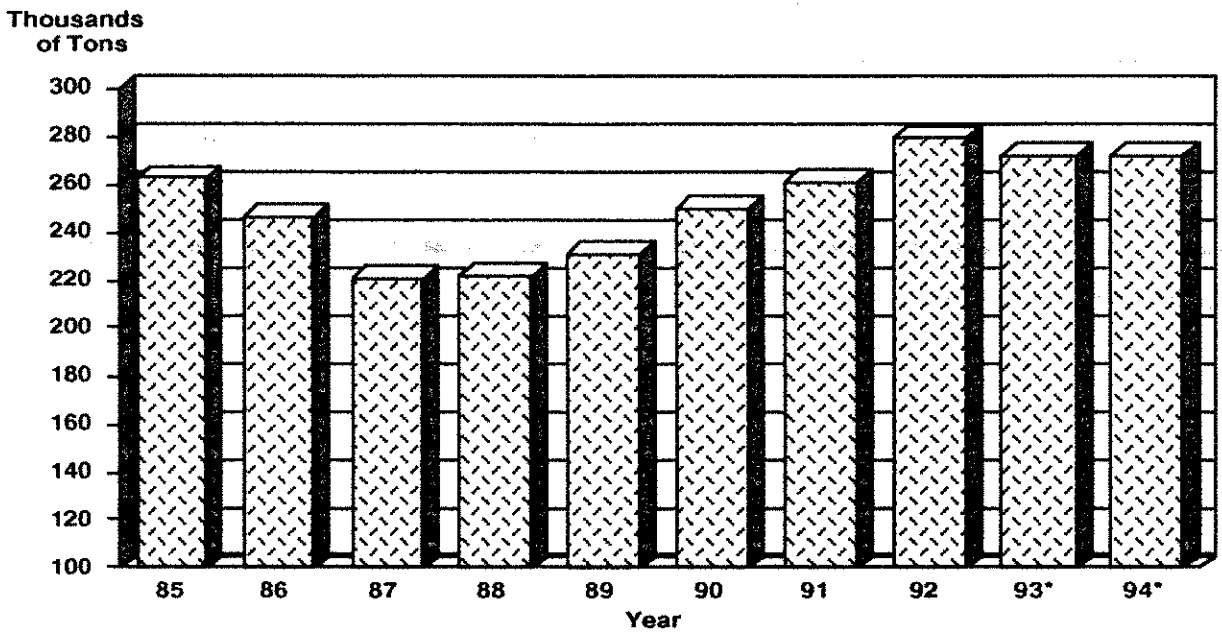
PUBLIC UTILITIES

Anchorage Telephone Utility Access Lines



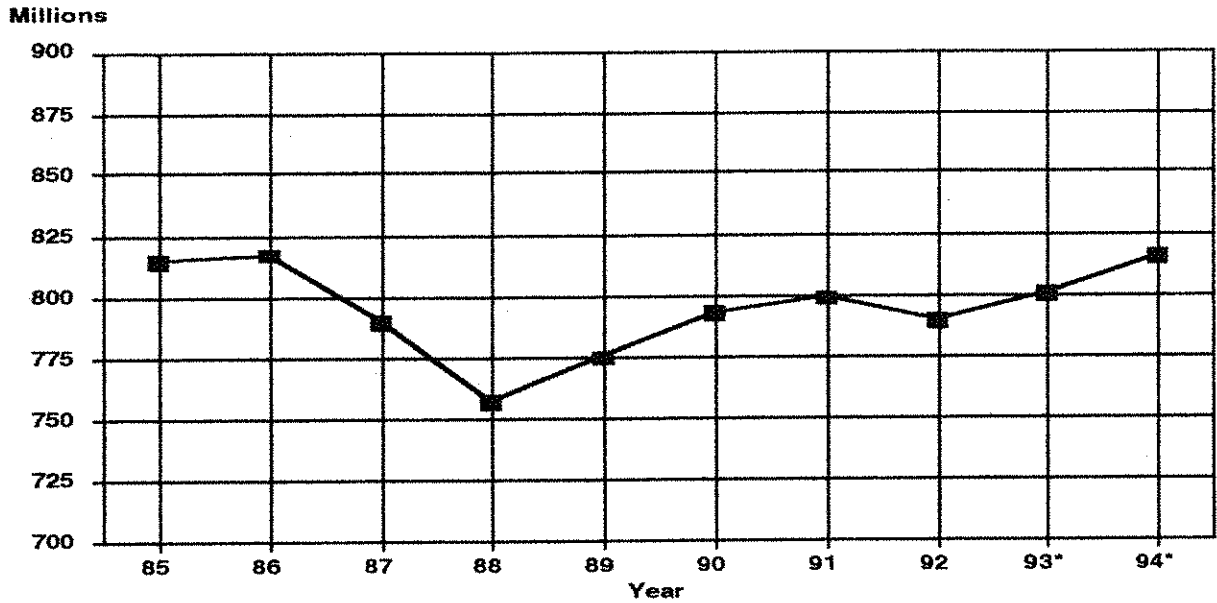
* Estimate
 SOURCE: Anchorage Telephone Utility, MOA

Solid Waste Services Total Tons Disposed



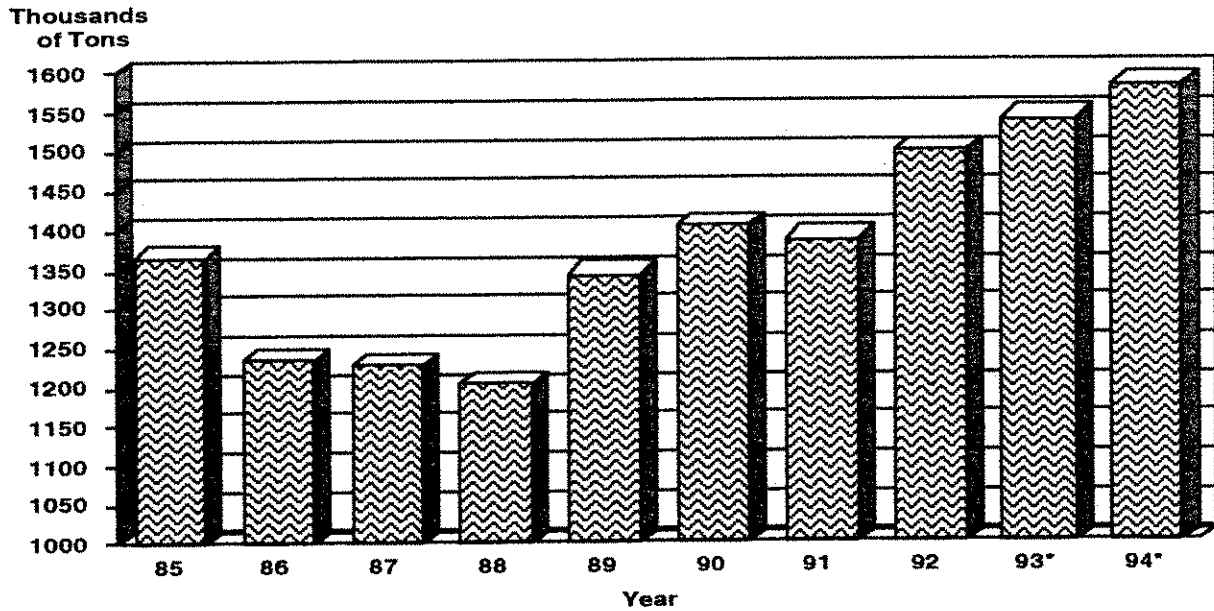
* Estimate
 NOTE: Facilities located at the intersection of Glenn Highway and Hiland Road and at 1111 East 56th Avenue opened November, 1987.
 SOURCE: Solid Waste Services Department, MOA

Municipal Light & Power Retail Kilowatt Hour Sales



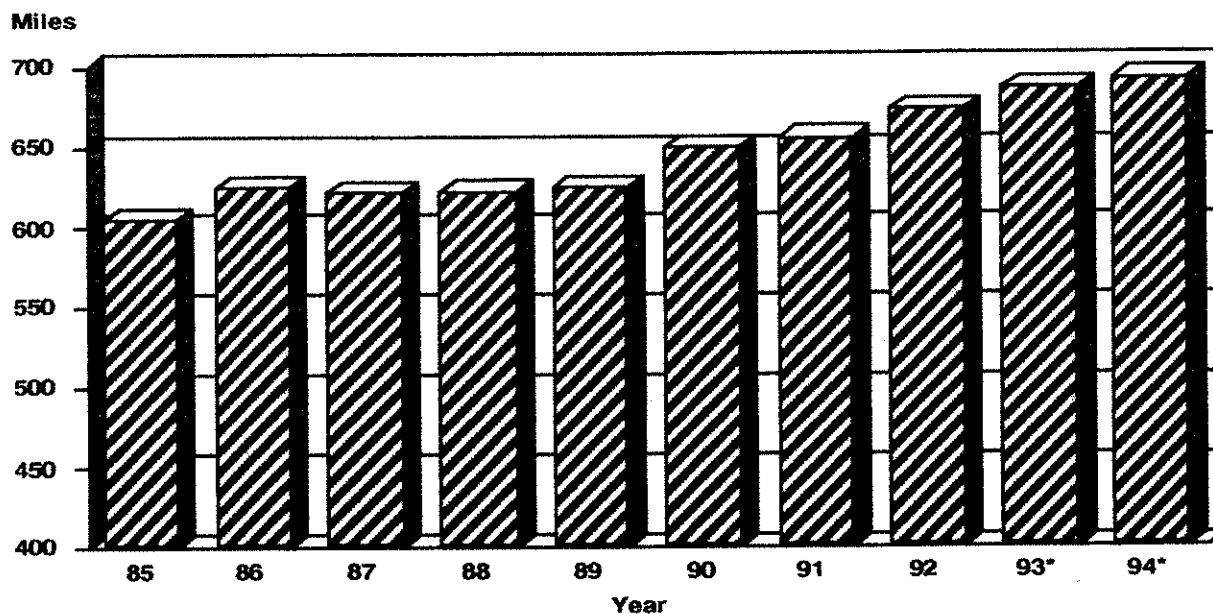
* Estimate
SOURCE: Municipal Light & Power Utility, MOA

Port of Anchorage Tons of General Cargo



* Estimate
SOURCE: Port of Anchorage, MOA

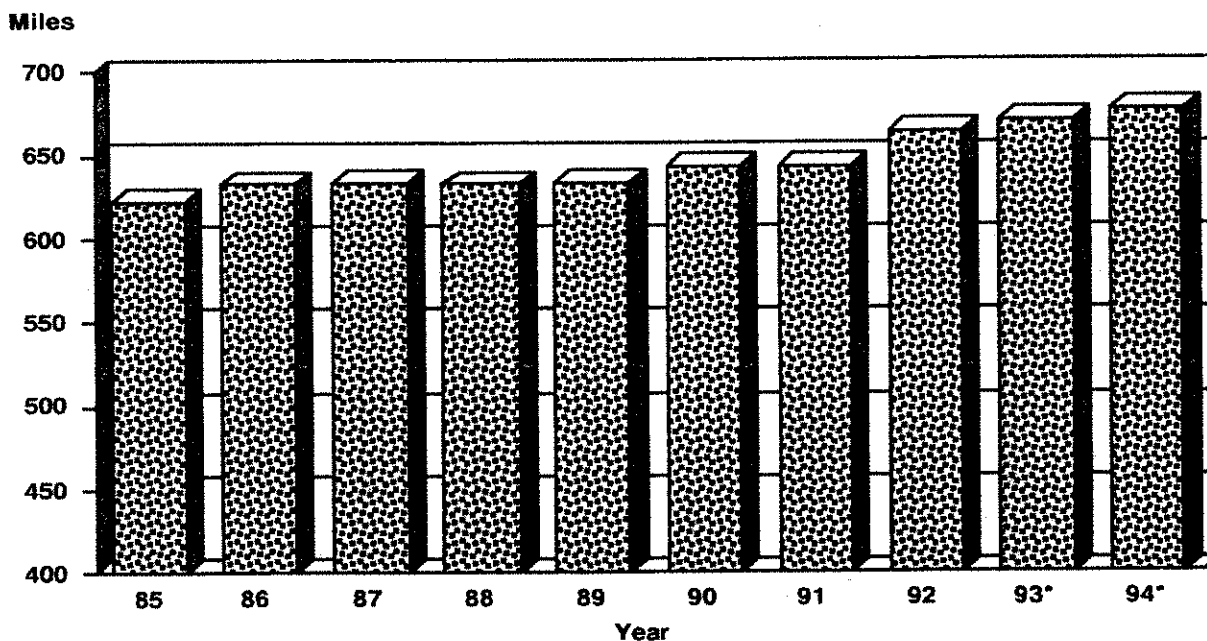
Anchorage Water Utility Miles of Installed Water Mains



* Estimate

SOURCE: Anchorage Water & Wastewater Utility, MOA

Anchorage Wastewater Utility Miles of Installed Wastewater Lines



* Estimate

SOURCE: Anchorage Water & Wastewater Utility, MOA

APPENDIX

STATISTICAL INFORMATION FOR SELECTED COMMUNITY PROFILE CHARTS

Anchorage Population Estimates

1985	248,263
1986	246,139
1987	229,117
1988	218,979
1989	221,870
1990	230,185
1991	237,907
1992	240,258
1993 *	243,000
1994 *	244,638
1995 *	245,745
1996 *	247,788
1997 *	251,066
1998 *	253,621
1999 *	255,956
2000 *	257,175

Percentage Change in Anchorage Population 1985 - 2000

<u>Year</u>	<u>Percentage Change</u>	<u>Year</u>	<u>Percentage Change</u>
1985	+ 1.7%	1993 *	+ 1.1%
1986	- 0.9%	1994 *	+ 0.7%
1987	- 6.9%	1995 *	+ 0.5%
1988	- 4.4%	1996 *	+ 0.8%
1989	+ 1.3%	1997 *	+ 1.3%
1990	+ 3.7%	1998 *	+ 1.0%
1991	+ 3.4%	1999 *	+ 0.9%
1992	+ 1.0%	2000 *	+ 0.5%

* Estimate

Anchorage Percentage of Alaska Population

<u>Alaska Population</u>		<u>Anchorage Percentage</u>	
1983	497,600	1983	46.4%
1984	522,000	1984	46.7%
1985	539,600	1985	46.0%
1986	547,600	1986	44.9%
1987	537,800	1987	42.6%
1988	531,000	1988	41.2%
1989	534,400	1989	41.5%
1990	550,043	1990	41.8%
1991	570,300	1991	41.7%
1992	586,872	1992	40.9%

Inflation in Anchorage -- Annual Average Percent Change in Consumer Price Index

1984	4.1%	1989	2.9%
1985	2.4%	1990	6.2%
1986	1.9%	1991	4.6%
1987	0.4%	1992	3.4%
1988	0.4%	1993 *	3.8%

Municipality of Anchorage Employee Statistics Detail

Combined Totals (Full-time & Part-time Filled Positions)

	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>
General Govt.	1,944	1,822	1,767	1,788	1,818	1,825	1,840
Grants	85	22	80	87	98	99	83
Utilities	622	573	571	581	584	593	588
ATU	<u>859</u>	<u>760</u>	<u>642</u>	<u>619</u>	<u>614</u>	<u>653</u>	<u>666</u>
Total	3,510	3,177	3,060	3,075	3,114	3,170	3,177

NOTE: Employee statistics shown above represent the regular workforce and do not include temporary hires. Regular workforce means filled rather than budgeted positions. Employee statistics are reported as of December 31 for all years, except 1993 which is reported as of September 15.

* Estimate

**Anchorage School District
Full-Time Teaching Positions**

1983/84	2,273	1988/89	2,301
1984/85	2,327	1989/90	2,318
1985/86	2,430	1990/91	2,342
1986/87	2,269	1991/92	2,601
1987/88	2,247	1992/93	2,716

**Anchorage School District
Student Enrollment**

<u>School Year</u>	<u>Students</u>	<u>School Year</u>	<u>Students</u>
1983/84	40,427	1988/89	40,320
1984/85	42,063	1989/90	40,819
1985/86	42,426	1990/91	42,222
1986/87	41,997	1991/92	44,700
1987/88	40,907	1992/93	46,200

**Average Monthly Wage
Anchorage Labor Division
Third Quarter, 1991 and 1992**

<u>Classification</u>	<u>1991</u>	<u>1992</u>
Mining	\$6,041	\$6,890
Construction	3,426	3,222
Government	3,030	3,216
Transportation, Communication and Utilities	2,996	3,171
Wholesale Trade	2,902	2,959
Finance, Insurance and Real Estate	2,488	2,603
Manufacturing	2,224	2,236
Services	1,869	1,926
Retail Trade	1,446	1,560
Agriculture, Forestry, and Fisheries	1,288	1,433
Nonclassifiable Establishments	1,452	1,280

Average Annual Unemployment Rates

	<u>Anchorage</u>	<u>U.S.</u>		<u>Anchorage</u>	<u>U.S.</u>
1985	7.4%	7.2%	1990	4.3%	5.5%
1986	3.4%	6.9%	1991	6.7%	6.7%
1987	8.5%	6.2%	1992	7.3%	7.4%
1988	7.6%	5.4%	1993 *	6.8%	7.1%
1989	4.9%	5.3%			

Total New Housing Units Authorized by Permits

1985	2,434	1990	395
1986	891	1991	643
1987	182	1992	640
1988	208	1993 *	704
1989	198	1994 *	650

Zoning Conditional Use and Subdivision Applications Processed

1985	928	1990	355
1986	583	1991	449
1987	442	1992	498
1988	330	1993 *	502
1989	356	1994 *	500

Construction Spending in Anchorage Residential

1985	\$238,711,974	1990	\$ 71,693,700
1986	80,227,309	1991	107,624,846
1987	30,875,386	1992	111,829,934
1988	39,208,421	1993 *	125,000,000
1989	36,708,914	1994 *	115,000,000

* Estimate

Construction Spending in Anchorage Non-residential

1985	\$242,789,387	1990	\$ 75,319,125
1986	160,084,372	1991	87,746,664
1987	49,302,101	1992	132,031,712
1988	41,320,929	1993 *	175,000,000
1989	49,963,746	1994 *	100,000,000

Average Selling Price of a Single-Family Home in the Municipality of Anchorage

Average Selling Price		Units Sold	
1985	\$135,990	1985	2,466
1986	138,277	1986	1,817
1987	129,183	1987	1,664
1988	115,646	1988	1,715
1989	115,772	1989	1,738
1990	123,494	1990	1,982
1991	132,101	1991	2,369
1992	139,777	1992	2,282

Anchorage Apartment Vacancy Rate

1983	6.8%	1988	11.3%
1984	16.2%	1989	5.9%
1985	13.2%	1990	5.1%
1986	23.8%	1991	3.2%
1987	24.6%	1992	3.2%

Assessed Valuation of Real and Personal Taxable Property

1985	\$14,242,118,528	1993	\$10,853,668,676
1986	15,603,882,386	1994 *	11,100,000,000
1987	11,814,534,957	1995 *	11,655,000,000
1988	9,253,471,394	1996 *	12,237,750,000
1989	8,810,431,622	1997 *	12,849,638,000
1990	8,631,142,023	1998 *	13,492,119,000
1991	9,052,125,977	1999 *	14,166,725,000
1992	10,030,367,575	2000 *	14,875,062,000

* Estimate

Police Department Requests for Service

1985	116,335	1990	184,841
1986	117,399	1991	205,256
1987	109,083	1992	210,299
1988	128,375	1993 *	239,369
1989	171,168	1994 *	259,162

Health Clinic Visits

1985	73,078	1990	63,080
1986	56,900	1991	71,465
1987	57,199	1992	80,287
1988	57,273	1993 *	82,695
1989	67,009	1994 *	85,176

Fire/EMS Alarms

1985	18,232	1990	18,870
1986	17,380	1991	20,641
1987	17,687	1992	17,582
1988	16,190	1993 *	24,150
1989	17,665	1994 *	26,200

Merrill Field Total Landings and Takeoffs

1985	321,955	1990	259,632
1986	296,395	1991	251,817
1987	269,536	1992	216,461
1988	246,853	1993 *	235,000
1989	229,831	1994 *	250,000

* Estimate

People Mover Ridership

<u>Total Passengers</u>		<u>Passengers Per Revenue Hour</u>	
1985	3,683,986	1985	27.61
1986	3,381,222	1986	25.06
1987	3,054,000	1987	24.49
1988	2,995,669	1988	24.65
1989	2,891,689	1989	26.46
1990	2,990,326	1990	28.12
1991	3,166,303	1991	29.86
1992	3,050,659	1992	29.02
1993 *	3,050,000	1993 *	29.06
1994 *	2,700,000	1994 *	28.42

Miles of Road Maintained by the Municipality

	<u>Anchorage Roads and Drainage Service Area</u>	<u>Limited Road Service Areas and Service Areas</u>
1985	488	263
1986	488	263
1987	518	274
1988	518	274
1989	615	269
1990	615	269
1991	615	269
1992	615	269
1993 *	615	273
1994 *	615	273

Library Books/Materials Circulated Per Capita

1985	3.19	1990	5.36
1986	3.39	1991	5.57
1987	4.99	1992	5.51
1988	5.50	1993 *	5.60
1989	5.00	1994 *	6.12

* Estimate

Anchorage Museum of History and Art Visitors

1985	162,988	1990	252,447
1986	199,165	1991	337,869
1987	182,761	1992	252,783
1988	273,639	1993 *	278,348
1989	225,720	1994 *	252,000

Anchorage Telephone Utility Access Lines

1985	115,524	1990	125,785
1986	114,976	1991	134,447
1987	113,852	1992	137,327
1988	115,264	1993 *	141,062
1989	118,881	1994 *	144,306

Solid Waste Services Total Tons Disposed

1985	262,963	1990	250,419
1986	246,729	1991	260,992
1987	220,697	1992	279,806
1988	222,222	1993 *	272,000
1989	230,936	1994 *	272,000

Municipal Light and Power Retail Kilowatt Hour Sales

1985	813,894	1990	792,397
1986	817,214	1991	798,618
1987	789,231	1992	788,710
1988	756,978	1993 *	799,607
1989	774,719	1994 *	815,708

* Estimate

**Port of Anchorage
Tons of General Cargo**

1985	1,364,000	1990	1,404,000
1986	1,234,000	1991	1,388,000
1987	1,228,000	1992	1,499,000
1988	1,204,000	1993 *	1,540,000
1989	1,344,000	1994 *	1,584,000

**Anchorage Water Utility
Miles of Installed Water Mains**

1985	604.5	1990	650.0
1986	624.3	1991	655.0
1987	620.8	1992	673.0
1988	622.1	1993 *	686.0
1989	624.5	1994 *	692.0

**Anchorage Wastewater Utility
Miles of Installed Wastewater Lines**

1985	623.5	1990	644.0
1986	632.9	1991	644.5
1987	633.8	1992	664.0
1988	633.5	1993 *	671.0
1989	634.3	1994 *	677.0

* Estimate