

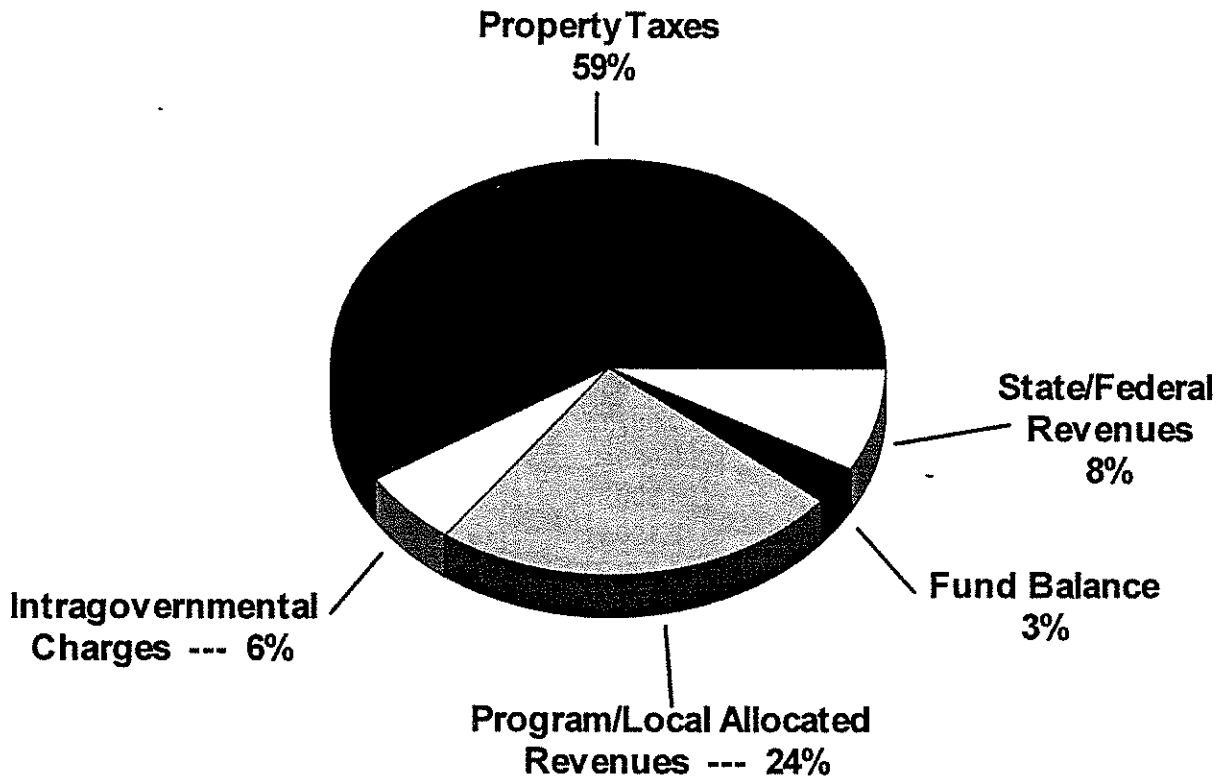
BUDGET OVERVIEW

HOW THE 1999 BUDGET COMPARES TO 1998

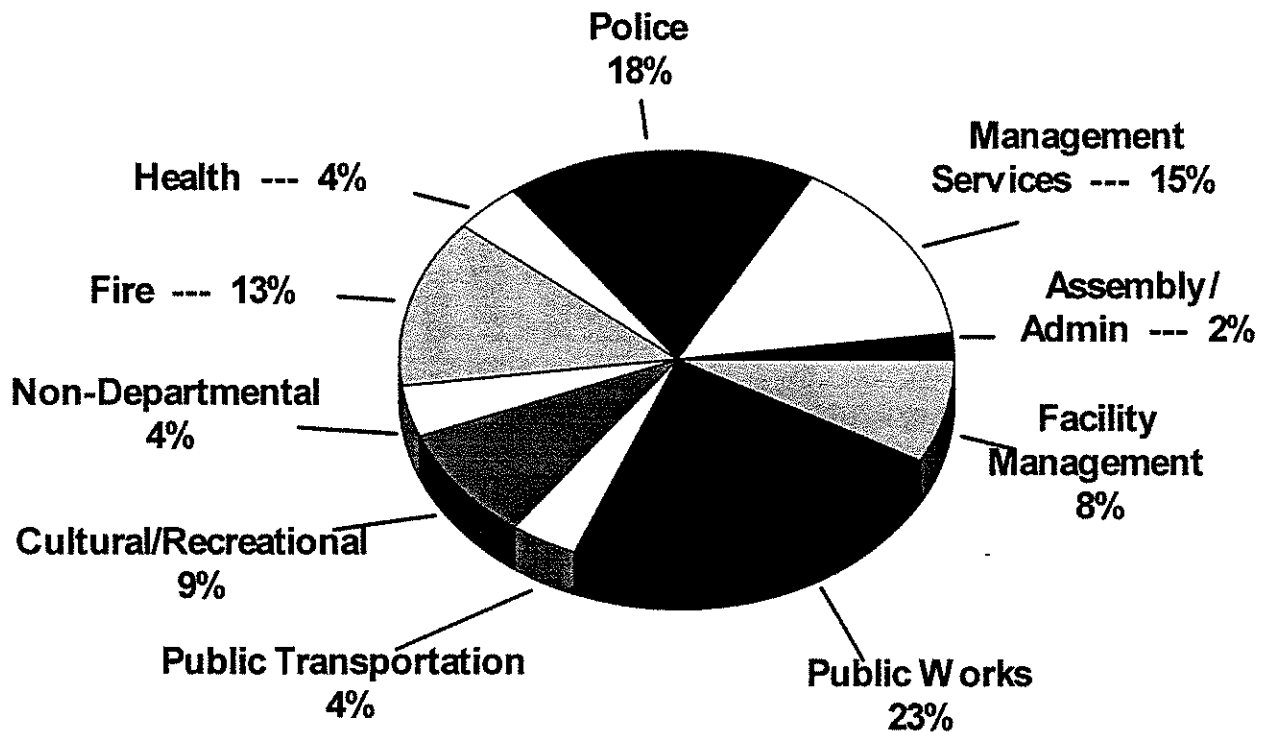
	<u>1998 Revised</u>	<u>1999 Approved</u>	<u>Increase/(Decrease)</u>	
			<u>Amount</u>	<u>Percent</u>
EXPENDITURES (DIRECT COSTS)	\$ 251,084,978	\$ 257,014,620	\$ 5,929,642	2.4 %
 <u>REVENUES (NON-PROPERTY TAX)</u>				
State/Federal	\$ 20,987,050	\$ 21,186,630	\$ 199,580	
Local Allocated	35,539,430	36,339,430	800,000	
Program	24,306,150	25,879,140	1,572,990	
IGCs to Non-General Government	16,110,720	15,691,850	(418,870)	
Applied Fund Balance	12,442,773	6,632,090	(5,810,683)	
Total	<u>\$ 109,386,123</u>	<u>\$ 105,729,140</u>	<u>\$ (3,656,983)</u>	
 PROPERTY TAXES REQUIRED TO FUND BUDGET	 <u>\$ 141,698,855</u>	 \$ 151,285,480	 \$ 9,586,625	
 PROPERTY TAX CAP		<u>151,632,685</u>		
 AMOUNT UNDER TAX CAP		<u>\$ (347,205)</u>		
 PROPERTY TAX ON NEW CONSTRUCTION			 3,677,220	
 PROPERTY TAX INCREASE ON EXISTING PROPERTY			 <u>\$ 5,909,405</u> *	4.2 %

* \$ 2,467,135 Public Safety Increases
 2,062,020 Voter Approved Increases
 600,000 Reduced ATU Dividend
 260,040 Library Books Increase
 117,000 Paratransit ADA Federal Mandate Increase
 403,210 Other Increases/(Decreases) [Net]
\$ 5,909,405

Where the Money Comes From . . .



. . . Where It Goes



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**1999 General Government Operating Budget
ADMINISTRATION'S SERVICE PRIORITIES**

THE ADMINISTRATION AND MUNICIPAL EMPLOYEES ARE COMMITTED TO THE GOAL OF MAKING ANCHORAGE AN EVEN BETTER PLACE TO LIVE AND RAISE OUR FAMILIES. THE ADMINISTRATION WILL PROVIDE THE HIGHEST POSSIBLE LEVEL OF SERVICE TO THE PEOPLE OF ANCHORAGE WITHIN THE BUDGET CONSTRAINTS FACING US IN 1999.

In achieving our goal to make Anchorage a more livable city, the Administration will continue to focus on seven broad priorities. Although shown as seven separate priorities, there is in fact much overlap. For example, public safety and quality of life are very important economic development forces; and fiscal stability is key in ensuring adequate funding for the other six priorities.

- **Public Safety**

We will continue to provide a safe environment for our City's residents and visitors by maintaining the appropriate quality and quantity of Anchorage police officers, keeping our police department connected with the community, keeping the community involved in public safety issues, and keeping up the momentum for a cleaner city. All of these work to reduce crime.

Crime in Anchorage for 1997 was down from 1996 in all categories. Comparisons of the 1997 crime rate per 100,000 population to 1995 show how much crime conditions have improved in the last two years. Based on the population statistic, Anchorage has experienced a 28% decrease in homicides, 36% decrease in rape, 43% decrease in robbery, 43% decrease in stolen autos, 32% decrease in burglary, 27% decrease in assaults, and a 20% decrease in theft during the last two years. The downturn in the crime statistics can be largely credited to the Anchorage Police Department; to a good job by the Municipal Prosecutor's Office, State District Attorney's Office, and the U.S. Attorney's Office in prosecuting offenders; and to the volunteer support and commitment of the general public.

The continued downward trend in crime gives a good indication that Anchorage's aggressive stance against crime, including the move to community policing, is really beginning to show good results. Although we can be pleased by this information, we should not yet be satisfied. These crime statistics are a good sign that Anchorage is moving toward being the safer city we all want, but there is still work to be done. The community's constant vigilance and high level of awareness to criminal activities is one of the major keys to making Anchorage a safer city.

We must ensure that the Police Department is properly staffed and scheduled to ensure the continued reduction in the occurrence of violent crime in Anchorage. Increased on-street presence is having a dramatic impact in the areas of domestic violence, DWI arrests, and juvenile crime. The 1999 budget provides for 15 additional police officers. In addition, it provides full Municipal funding of the 15 police officers hired under the 1995 federal grant that expired September 30, 1998. Funding has also been included for the increased local match required of the federal grant received in mid-1997 that provided for an additional 6 police officers.

At full strength in 1999, we will have 370 sworn officers compared to 248 sworn officers actually on board in November 1994 --- this equates to a 49% increase in the number of sworn officers over the past four years.

Our fire and emergency medical response capabilities are increased in the 1999 budget with the addition of 24 new positions. The fully integrated fire and medical services have improved emergency response times, while the number of emergency calls continues to increase due to population increases. In 1999, our major emphasis on public education and cost-effective fire and medical response will continue.

The Public Safety Financial Plan introduced by the Mayor and approved by the Assembly in 1997 continues the Municipality's ability to provide financial support for public safety programs while reducing the impact on property taxpayers. The Plan utilized Anchorage's \$12.1 million share of the State's "Safe Communities" legislation early one-time payment to reduce existing long-term bonds or was used in lieu of selling new bonds associated with public safety programs which will save \$22 million over the life of the-bonds.

- **Fiscal Stability**

Two of our biggest challenges during recent years have been trying to keep taxes down in the wake of decreasing State revenues and effecting the sale of the Anchorage Telephone Utility.

If falling State Revenues require the reduction of the State government budget, it is only fair for local governments to share in that reduction. However, the trend for the State to balance its budget by disproportionate reductions in State revenues to municipalities is inequitable and only serves to increase the pressure on local taxpayers. Such reductions represent a form of tax shifting from the State to the local level. We will continue to work with other Alaska communities to help prevent this trend from continuing.

In April 1998 Anchorage voters approved going forward with the sale of the Anchorage Telephone Utility (ATU). We are aggressively proceeding with the sale process and plan on closing the ATU transaction during the first half of 1999.

We are well along in the process of converting to a new financial accounting, payroll, and personnel system and addressing the year 2000 computer problem.

As a result of our stable financial outlook, strong financial performance, and excellent cash management, national bond rating agencies rate Anchorage among the best in the nation.

In the most recent annual study of taxes in the largest city in each state plus the District of Columbia, called the "Tax Rates and Tax Burdens: A Nationwide Comparison", Anchorage again was identified as having the lowest taxes in the nation.

- **Economic Development**

We will continue to help facilitate orderly, attractive growth in our community.

We will work to create an anchor for coordinated development of the city's waterfront including a diversity of uses such as government and commercial offices, research facilities and conference facilities, recreational and educational opportunities, and tourism.

We are doing a funding feasibility study for the development of the Alaska Salmon Research and Fisheries Center which could be built in the Ship Creek area. The facility would be a tourist attraction and working salmon research center. We are working on the development of a Commercial Fisheries Center in Anchorage. The Center would be established as a central gathering location for the statewide commercial fishing industry.

We will assure that our local government is a partner, not a barrier, to business. Our reputation as a safe place to invest, to work, and to live can be among the best in America and the Pacific Rim. We are restructuring the current building permitting process to be more efficient and effective in responding to community needs.

The expansion of tourism will have a very positive impact on our economy. We will work to ensure Anchorage grows as a popular tourist destination.

We will continue to work in partnership with the Anchorage Convention and Visitors Bureau, the Anchorage Economic Development Corporation and the Anchorage and Eagle River Chambers of Commerce. By working with these groups and others, we can lead the way in building economic strength for our community.

- **Quality of Life**

As we enter the next century, quality of life will be the most important economic development force of our foreseeable future. People want to live and do business in a community that is safe, clean, and offers a healthy lifestyle. Business will seek out communities that can offer their employees a good place to live and raise a family.

A city must always strive to keep costs down just as a family must always live within its means. But within a tight budget we must provide, as efficiently as possible, those cultural and recreational amenities such as a museum, libraries, bike trails, parks and recreation opportunities that make a city livable and enjoyable. We will also provide basic social and public health services to those in need.

Cultural and arts facilities contribute to the quality and the economic strength of our community. We will be especially supportive of those facilities and programs which receive substantial portions of their revenue from user fees and private contributions.

Using cost effective non-profit organizations is the best way to deliver needed social, cultural, and recreational services. We must work closely with these groups to encourage them to play a major part in solving the challenge of providing social, cultural, and recreational services in a period of declining revenues.

- **Maintenance of Municipal Roads and Facilities**

Attractive, functional streets are an important asset of a community. We will continue to make the streets throughout our City safer and cleaner. Continued use of de-icing agents and high quality gravel combined with earlier street sweeping will reduce spring dust levels. Continued emphasis on streetlight maintenance will continue to improve the safety of our neighborhoods.

We will adequately maintain our municipal basic facilities, roads and public buildings, as well as parks, bike trails, and cultural facilities. We will maintain existing facilities to allow our children to enjoy the benefits of these improvements for many years.

Emphasis will continue to be placed on rehabilitating and maintaining our Municipal infrastructure through an aggressive program to obtain State grant funding and through the use of bond proceeds and other local funds identified for this purpose.

In addition to adequate roads, a basic public transportation program is an important element of our comprehensive transportation system. We expect to see continued improvement in People Mover ridership through a focused marketing program. Efficiencies in the Munilift paratransit program should continue to improve as combined ride scheduling for the disabled and seniors transportation programs are implemented. The increased commuter participation in the Share-A-Ride and Vanpool programs will help to reduce roadway congestion and improve local air quality.

- **Community Planning**

The preparation of a new Anchorage Bowl Comprehensive Plan which will provide guidance for the City's development over the next twenty years is well under way. This plan will be based on our community's vision of the future. It will present goals, policies, and strategies which can be used to guide our daily urban design decisions. Resources have been made available to produce data to do trend and population analysis, develop and identify essential planning districts and provide interface with current planning activities, and to develop transportation plans which are all necessary for the update of our Comprehensive Plan.

Our Community Planning and Development Department will efficiently respond to the increasing number of active rezoning, conditional use, and variance cases. We will build a new Permit and Development Center that will allow the public and the development/construction industry to obtain all necessary permits from one location.

- **Beautification**

We will continue our efforts to make Anchorage a more beautiful, attractive city for both the people who live here and those who visit. The maintenance and watering of our sports and parks facilities and road right-of-ways/medians will enjoy a high priority. The flowers throughout our city play an important role in its beauty. We will continue our efforts on timely zoning enforcement. Programs such as Operation Clean Sweep, junk car removal, and Graffiti Busters make our city more attractive and a better place in which to live or visit.