

# ***Budget in Brief***

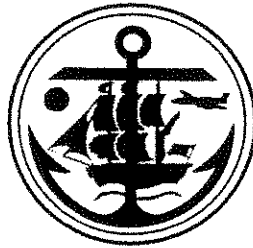
## **CITIZENS' GUIDE TO THE APPROVED 2000 GENERAL GOVERNMENT OPERATING BUDGET**



**Municipality of Anchorage**

**George Wuerch  
Mayor**

# Municipality of Anchorage



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*Rick Mystrom, Mayor*

## OFFICE OF THE MAYOR

December 17, 1999

Dear Residents of Anchorage:

Enclosed is the approved 2000 General Government Operating Budget.

I am pleased to report that the 2000 budget calls for no increase in property taxes for Municipal services on 1999 existing property if there are no further cuts in State revenues during the 2000 legislative session. Should the legislature pass on further cuts to Anchorage, this will result in increased taxes. The Municipality responded to reductions to State revenues made earlier this year by eliminating a planned reduction in 1999 property taxes, saving part of the 1999 budget, and reducing the 2000 budget including the elimination of 40 permanent positions.

In the 2000 budget we have added 15 new firefighters and 15 new police officers. Voter-approved debt service has increased by \$3.8 million. Even with such high priority increases, the 2000 budget is \$2.8 million below the 1999 budget.

Crime in Anchorage has continued its dramatic decline, our citywide cleanup and beautification efforts continue, the economy is growing and becoming much more diversified, and our future is healthy.

We will work to continue the safer city trend 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 actions work to reduce crime. Our fully integrated fire and emergency medical services have improved emergency response times, even as the number of emergency calls continues to increase due to population increases. This allows Anchorage to continue to receive favorable insurance ratings.

Diversification is key to maintaining a stable economy. Anchorage has shown resiliency in absorbing the loss of oil and gas and military jobs over the past several years. Much of the diversification of our economy has been growth in areas such as:

- Air cargo
- Tourism and the convention industry
- Hotel and lodging services
- Food and entertainment services
- Fisheries industry
- Retail industry
- Health care
- Communications

*"City of Lights and Flowers"*

As we enter the next century, I believe that 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.

I have always stressed during my five years as Mayor that the future belongs to the communities that understand the importance of quality of life. That is why it is so important that we continue our progress towards making Anchorage the safer, cleaner, healthier city we all would like it to be. The 2000 budget will allow us to continue our efforts to make Anchorage such a city.

Others around the United States have taken notice of our city.

- *Readers Digest* called Anchorage one of the fifty best places in America to raise a family
- Two different national publications have identified Anchorage as having the lowest taxes of any major American city
- The United States Conference of Mayors selected Anchorage's drinking water as "the best tasting in the Nation"
- Our Solid Waste Services received the "system excellence award" as the best overall landfill operation in North America
- Cities around the country are calling our office asking about our "Bridge Builders" and "Parent Network" programs

I believe that the service priorities and the program details provided in the 2000 budget continue the steps that we have undertaken to reach our goal of making Anchorage an even better place to live and raise our families. We will provide the highest level of service to the people of Anchorage within the budget constraints facing us.

Sincerely,

A handwritten signature in black ink, appearing to read "Rick Mystrom", with a stylized, flowing script.

Rick Mystrom

# ***BUDGET IN BRIEF***

## **CITIZENS' GUIDE TO THE APPROVED 2000 GENERAL GOVERNMENT OPERATING BUDGET**

Rick Mystrom, Mayor

### **ASSEMBLY**

George Wuerch, Chair

Dan Kendall

Allen Tesche

Pat Abney

Kevin Meyer

Dick Tremaine

Cheryl Clementson

Dan Sullivan

Fay Von Gemmingen

Anna Fairclough

Melinda Taylor

### **ADMINISTRATION**

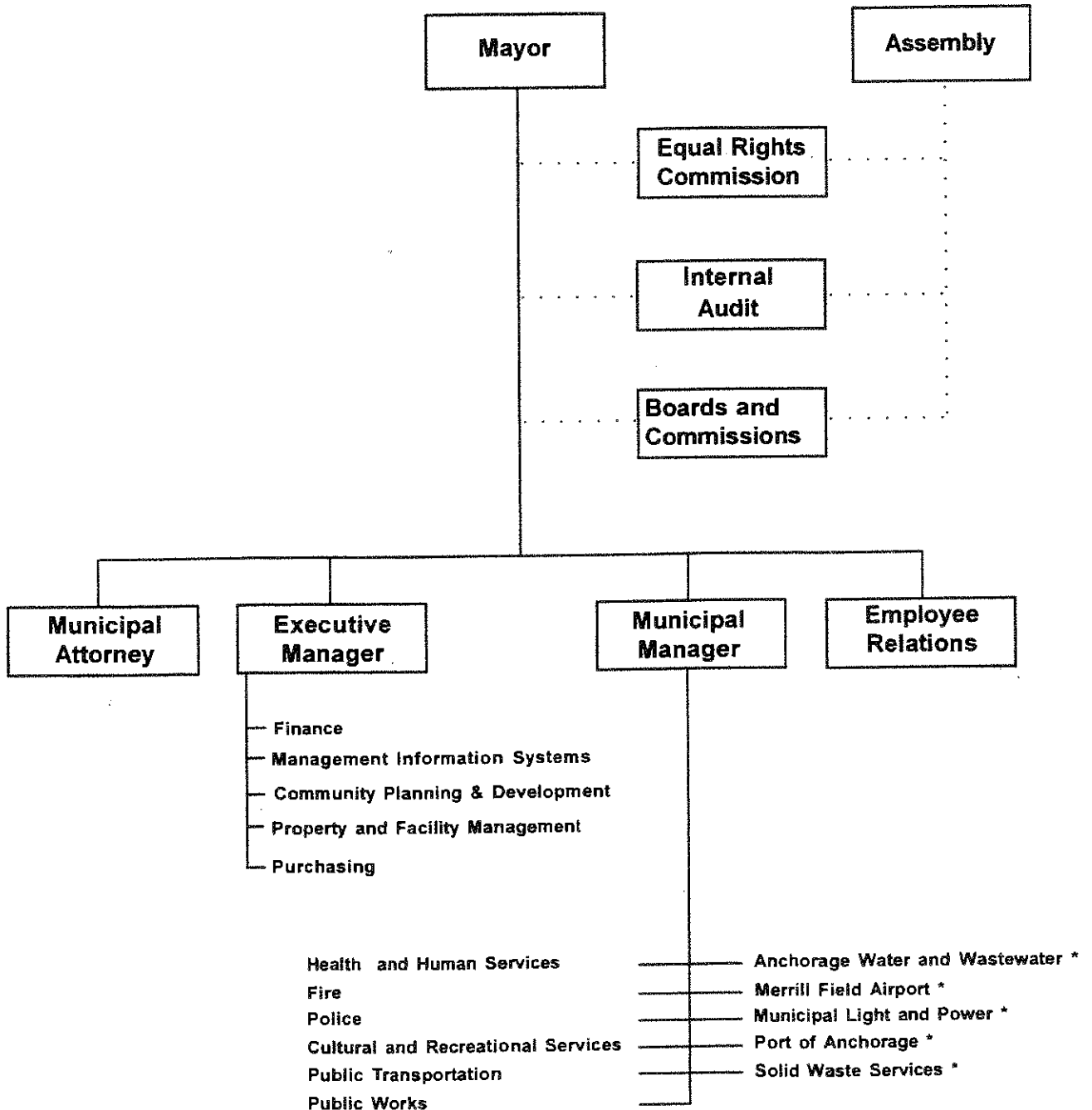
George J. Vakalis ..... Municipal Manager

Mary K. Hughes ..... Municipal Attorney

Thomas C. Tierney ..... Employee Relations Director

Elaine A. Christian ..... Executive Manager

# MUNICIPALITY OF ANCHORAGE ORGANIZATION



\* The enterprise activities publish a separate budget document.

## **WELCOME**

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

The General Government Operating Budget is of particular interest to the Anchorage taxpayer since it is partially financed by property taxes. The general government budget covers the operation and maintenance of police, fire, street maintenance, parks and recreation and other organizations that provide general government services. Approximately 58% of the general government budget is funded by property taxes. The remainder comes from Federal and State revenues and other local sources.

The 2000 ***Budget in Brief*** is intended to provide the reader with an overview of the 2000 General Government Operating Budget. If you are interested in more detailed information regarding the 2000 budget than presented in this ***Budget in Brief***, copies of the 2000 General Government Operating Budget are available for your review in the Alaska Collection at the Loussac Library and the reference area of each branch library. Copies of the General Government Capital Budget and the Utilities Operating and Capital Budgets are also available for your review at each library. General Government Capital Budget and Utility Budgets summary information as well as the Municipal 2000-2005 Fiscal Program are also available at the Municipality's web site (see bottom of this page).

*Visit the Municipality's Home Page at <http://muni.org>*

## **APPROVED BUDGET**

### **IMPACT ON PROPERTY TAXES**

#### **NO INCREASE IN PROPERTY TAXES ON 1999 EXISTING PROPERTY**

**SHOULD THE LEGISLATURE PASS ON FURTHER  
STATE REVENUE SHARING REDUCTIONS TO THE MUNICIPALITY,  
THIS WILL RESULT IN AN INCREASE IN PROPERTY TAXES**

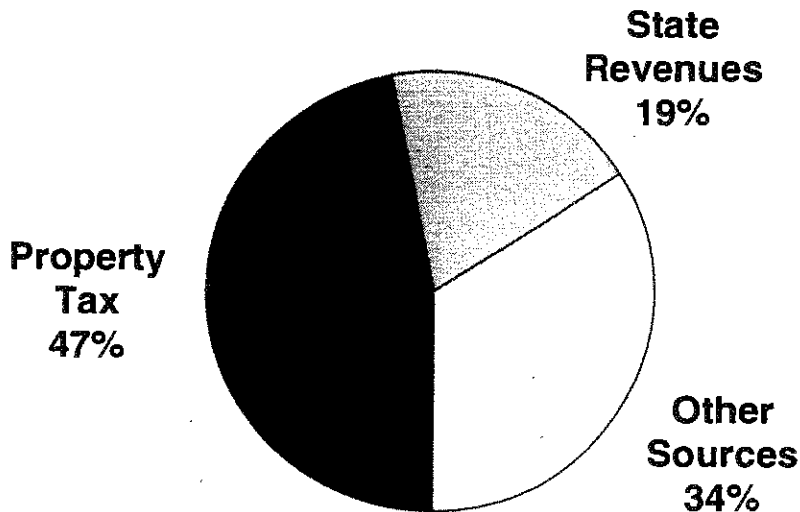
	<b><u>1999</u></b>	<b><u>Approved 2000 Budget</u></b>
<b>*Property Taxes on 1999 Existing Property</b>	<b>\$ 145,436,460</b>	<b>\$ 145,067,980</b>
Property Taxes on 2000 New Construction	N/A	2,638,910
Total 2000 Property Taxes	N/A	\$ 147,706,890
Tax Cap	<u>148,920,905</u>	<u>156,848,450</u>
Property Tax Under Cap	<u><u>\$ (3,484,445)</u></u>	<u><u>\$ (9,141,560)</u></u>

\* \$368,480 decrease from 1999 to 2000

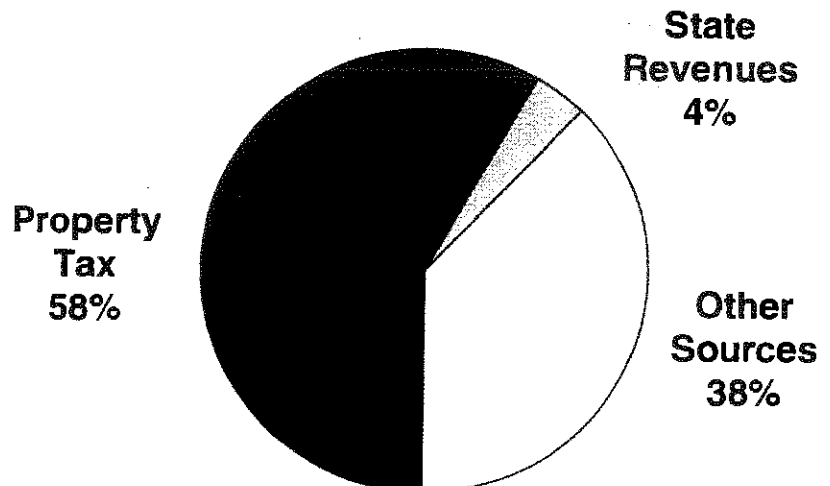
**General Government Operating Budget  
Revenue Sources  
1990 - 2000**

Adjustments have been made to the General Government Operating Budget over the last decade to absorb inflation, and accommodate for reductions in State shared revenues. State and federal mandates such as ADA requirements and underground storage tank removal, have contributed to increases in expenditures in order to meet associated requirements. A major reason for the increase in property taxes over the past decade, however, is a direct response to reductions made to State shared revenues. The following charts illustrate the effect of the tax shifting caused by the State shared revenues reductions.

**1990**



**2000**





## APPROVED BUDGET

### IMPACT ON PERMANENT POSITIONS

**Public Safety has been made stronger while reducing the overall number of permanent positions.**

Department	1999 Revised Budget	(Reductions)/Increases			2000 Approved Budget
		Reductions	Increases	Net Change	
Assembly	26	0	0	0	26
Equal Rights Commission	6	0	0	0	6
Internal Audit	7	0	0	0	7
Office of the Mayor	9	(1)	0	(1)	8
Municipal Attorney	64	(5)	0	(5)	59
Employee Relations	32	(1)	0	(1)	31
Municipal Manager	23	(1)	0	(1)	22
Health and Human Services	84	(3)	0	(3)	81
<b>Fire</b>	<b>309</b>	<b>0</b>	<b>15 (a)</b>	<b>15</b>	<b>324</b>
<b>Police</b>	<b>529</b>	<b>0</b>	<b>15 (b)</b>	<b>15</b>	<b>544</b>
Cultural and Recreational Services	333	(11)	2 (c)	(9)	324
Public Transportation	132	(6)	0	(6)	126
Public Works	300	(2)	0	(2)	298
Executive Manager	9	0	0	0	9
Finance	122	(8)	0	(8)	114
Management Information Systems	85	(2)	0	(2)	83
Community Planning and Development	36	0	0	0	36
Property and Facility Management	85	0	0	0	85
Purchasing	15	0	0	0	15
<b>Total</b>	<b>2,206</b>	<b>(40)</b>	<b>32</b>	<b>(8)</b>	<b>2,198</b>

(a) 15 voter approved firefighters for new fire truck

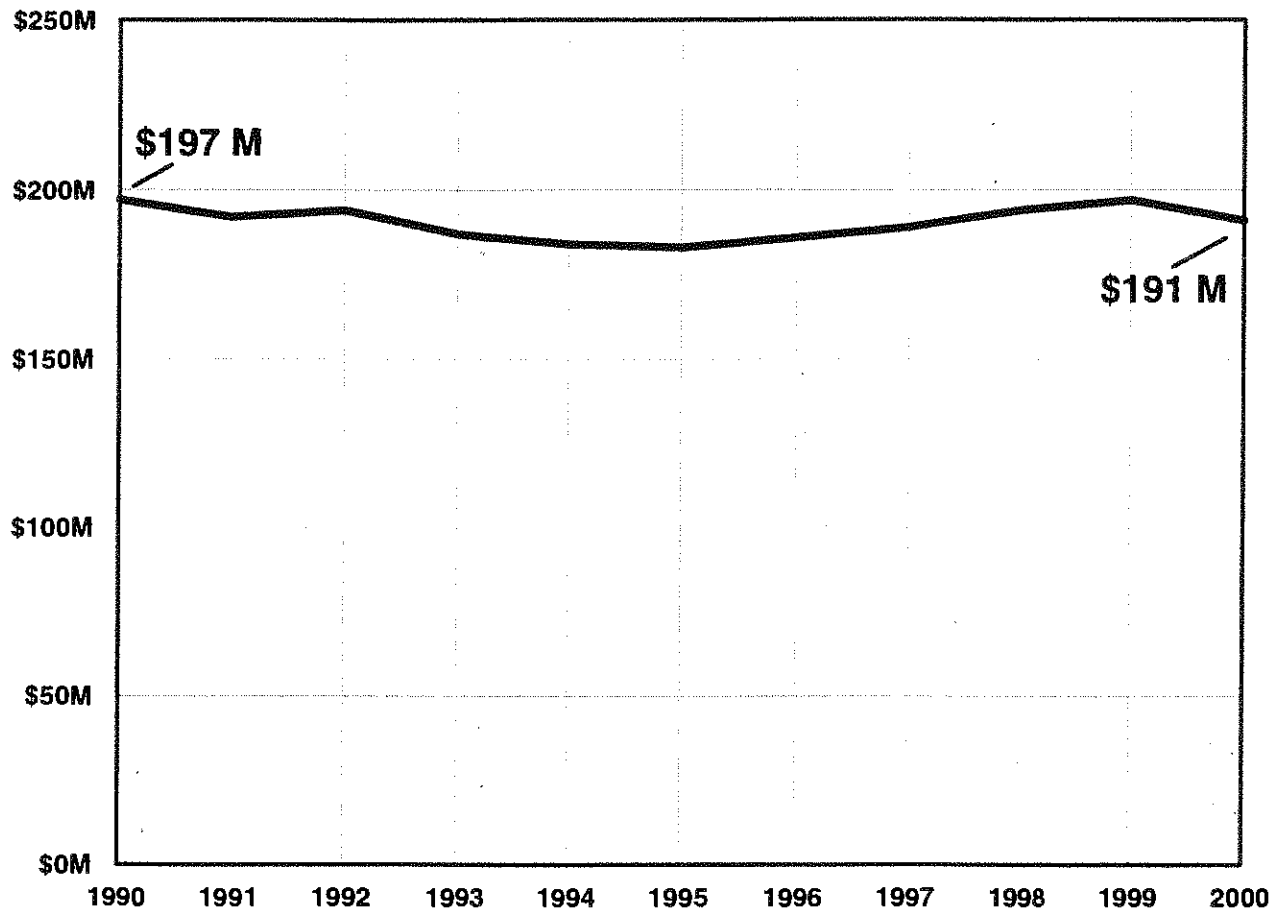
(b) 15 new police officers to be partially funded by a Federal grant

(c) 2 new Museum positions to be funded 100% by increased Museum admission fees

**1990-2000**  
**GENERAL GOVERNMENT OPERATING BUDGET**

**ADJUSTED FOR INFLATION  
(IN CONSTANT 1990 DOLLARS)**

(\$ Millions)



**In real dollars, Anchorage is spending less in 2000 than at the start of this decade.**

**Yet during this 10-year period . . .**

- **Population has increased by 17%,**
- **Population served by police has increased by 35%,**
- **We have added 91 more police officer positions,**
- **We have added 54 more firefighters/emergency medical positions, and**
- **We are now maintaining 52 additional miles of Municipal roads.**

**2000 GENERAL GOVERNMENT OPERATING BUDGET**  
**DEPARTMENT OPERATING BUDGETS AT A GLANCE**

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
	Budget Reductions					Budget Increases						
				Revenue Increases in lieu of Expenditure Decreases	Reductions Over/(Under) Directed Reductions					Miscellaneous Adjustments Increases/ (Decreases)		
Department	1999 Revised Budget	Directed Reductions	2000 Base Budget			2000 Adjusted Base Budget	Voter- Approved Debt Service	Voter- Approved O&M Costs	Other		2000 Approved Budget	
Assembly	\$2,314,710	\$128,870	\$2,185,840		\$12,530	\$2,173,310			\$123,240	(a)	\$(166,450)	\$2,130,100
Equal Rights	462,860	26,810	436,050		(26,310)	462,360					(11,600)	450,760
Internal Audit	476,150	28,570	447,580		(11,770)	459,350					(9,030)	450,320
Office of the Mayor	851,940	51,120	800,820		28,020	772,800			43,000	(b)	(1,360)	814,440
Municipal Attorney	4,456,840	254,340	4,202,500		47,580	4,154,920					(94,560)	4,060,360
Employee Relations	2,947,510	142,320	2,805,190			2,805,190					75,010	2,880,200
Municipal Manager	1,587,330	93,070	1,494,260	6,000	30	1,500,230	(630)				11,190	1,510,790
Health	10,669,520	520,050	10,149,470		18,400	10,131,070	(1,750)				(182,560)	9,946,760
Fire	32,600,590	1,665,110	30,935,480	823,960	4,960	31,754,480	545,440	1,248,300	150,000	(c)	(272,480)	33,425,740
Police	47,450,720	2,726,980	44,723,740	427,500	10,370	45,140,870	27,310		137,140	(d)	598,580	45,903,900
C&RS	23,170,000	1,157,850	22,012,150	17,740	(4,120)	22,034,010	478,070		284,620	(e)	(760,340)	22,036,360
Public Transportation	9,984,450	591,470	9,392,980	52,340		9,445,320	49,180		43,000	(f)	159,240	9,696,740
Public Works	59,011,910	1,504,140	57,507,770	50,000	4,680	57,553,090	2,716,100		11,050	(g)	(274,270)	60,005,970
Executive Manager	911,950	22,130	889,820		370	889,450					(16,780)	872,670
Finance	13,313,840	474,580	12,839,260		1,990	12,837,270					31,820	12,869,090
MISD	13,450,580	494,540	12,956,040			12,956,040					313,570	13,269,610
CP&D	2,904,170	160,660	2,743,510	50,000	(110,660)	2,904,170					(189,050)	2,715,120
P&FM	20,301,460	664,710	19,636,750			19,636,750			1,006,770	(h)	70,160	20,713,680
Purchasing	1,075,040	64,500	1,010,540	31,830	(32,670)	1,075,040					(3,780)	1,071,260
Non-Departmental	10,842,280	85,540	10,756,740		1,160	10,755,580	(32,960)		581,000	(i)	(126,110)	11,177,510
Totals	\$258,783,850 - \$10,857,360* = \$247,926,490 + \$1,459,370 - \$(55,440) = \$249,441,300 + \$3,780,760 + \$1,248,300 + \$ 2,379,820 + \$(848,800) = \$256,001,380											

\* All departments were directed to cut 6% from their 1999 budget as a 2000 base budget. Excluded from the cuts were fixed costs such as debt service; long-term leases; the jail contract; and other obligations which cannot be reduced in the short-term. Also excluded were costs in small service areas with voter-approved mill rates (such as Limited Road Service Areas) and Building Safety and the Heritage Land Bank which are funded entirely by their own program revenues.

SEE NEXT TWO PAGES FOR DETAILS

**NOTE: The following information is provided regarding the indicated columns on pages 6 - 7.**

## **BUDGET REDUCTIONS**

### **Column 2 – Directed Reductions**

The Mayor's original 1999 revised budget proposal called for a \$4.1 million reduction in 1999 property taxes on 1998 existing property. However, in mid-May 1999 the State legislature reduced State revenue sharing to Anchorage by \$6.1 million. With this State revenue sharing reduction, the property tax decrease was no longer possible. Anchorage was faced with a potential \$18 million cumulative problem for 1999 and 2000. The following actions were taken by the Mayor to mitigate the cumulative impacts of the State revenue sharing reductions on the 1999 and 2000 budgets:

- Eliminated proposed \$4.1 million property tax cut for 1999
- Required a 4% reduction in all departments' 1999 spending\*
- Directed all departments to cut 6% from their 1999 budget as a 2000 base budget\*

\* Excluded from the cuts were fixed costs such as debt service; long-term leases; the jail contract; and other obligations which cannot be reduced in the short-term. Also excluded were costs in small service areas with voter-approved mill rates (such as Limited Road Service Areas) and Building Safety and the Heritage Land Bank which are funded entirely by their own program revenues.

The costs of 1999 one-time items were not part of the 6% reduction because 100% of the costs of 1999 one-time items were deleted from the 2000 budget --- see column 11. The reductions were based on the 1999 budget approved by the Assembly on November 24, 1998 rather than the 1999 Revised Budget since the 1999 first quarter budget revision was not approved until May 20, 1999 because of State revenues uncertainties. Some departments had budget increases in the first quarter budget revision while others had decreases; the net change was a decrease of \$302,010.

About half of the 2000 budget reductions were achieved through staffing efficiencies, department restructuring, and reductions in travel, supplies, equipment, and contracted services costs. Much of the efficiencies can be attributed to the productivity of Municipal employees, leave reductions made during the Mystem administration, and recent computerization.

About half of the 2000 budget reductions do involve reductions in the level of service. However, care was taken to minimize impact on public priorities. There is no reduction in Police and Fire personnel and services, although some planned increases have been delayed. The 2000 budget continues the priority of the Comprehensive Plan. Although the 2000 budget of the Department of Community Planning and Development shows a reduction from the 1999 budget, the reduction is due to several large 1999 one-time items not related to the Comprehensive Plan. Where service reductions were required in other departments, they were always made in the lowest utilized programs and services or hours/days of operation.

### **Column 4 – Revenue Increases in Lieu of Expenditure Decrease**

In several cases departments were allowed to cut their budget (direct costs in column 3) less than 6% by increasing existing fees or implementing new fees. The allowed Mayor's 2000 budget for these departments, therefore, increased by the amount of revenue increase (the revenue increase had the same effect on 2000 property taxes as would have had the expenditure decrease). In the Approved Budget, some of the revenue increases in the Fire and Police Departments were not approved; however, the departments were not required to make a corresponding budget direct costs reduction.

#### **Column 5 – Reductions Over/(Under) Directed Reductions**

After considering any allowed revenue increases in lieu of expenditure decrease in column 4, column 5 shows how much over/(under) the directed reductions in column 2 are the 2000 budget reductions actually made by the department. Actual reductions over the directed reductions further decreased the 2000 budget; actual reductions under the directed reductions increased the 2000 budget.

### **BUDGET INCREASES**

***NOTE: The budget and related property tax increases for a total of \$5.0 million of these new requirements were approved by the voters (columns 7 and 8).***

#### **Column 7 – Voter-Approved Debt Service**

This is the increase in voter approved debt service (slight decrease in three departments).

#### **Column 8 – Voter-Approved Operations and Maintenance Costs Increases**

Operations (including the firefighters) and maintenance costs of additional fire trucks for Eagle River and south Anchorage for which the voters approved an increase in property taxes (and resulting budget).

#### **Column 9 – Other**

- a) Cost of anticipated run-off election due to new requirement that all candidates receive more than 50% of the vote (\$100,000), and other miscellaneous increases.
- b) Mandated compensation for Mayor-elect during transition and related transition costs.
- c) Fire Department management audit
- d) Local match for Federal grant for 15 new police officers.
- e) Two new Museum positions which will be 100% funded by an increase in Museum admission fees. Increases funded by Eagle River/Chugiak Parks and Recreation Service Area fund balance and Girdwood Valley Service Area property taxes (increases were requested by the respective Boards of Supervisors); and miscellaneous increases.
- f) Federal mandated ADA increase for AnchorRIDES system
- g) Cemetery grave markers and grave site/marker restoration (funded by burial fee revenues)
- h) New Permit and Development Center funded primarily by non-property tax revenues. The direct costs are reflected in the budget of the Department of Property and Facility Management who will then charge the various occupants of the building. Also includes \$100,000 Municipal match for a feasibility study for a new Downtown Convention Center.
- i) \$500,000 additional is budgeted to the Anchorage Convention and Visitors Bureau based on projected \$1,000,000 additional Hotel-Motel Tax revenues (at the current of 8% tax rate). \$81,000 increased contribution to the Anchorage Economic Development Corporation based on a formula to match private donations.

### **MISCELLANEOUS ADJUSTMENTS – INCREASES/(DECREASES)**

#### **Column 10**

Includes salary and benefits increases, including full Municipal funding of six partially Federal grant-funded Police officers; decreases for 1999 one-time costs; reduction in costs of Police–Fire retiree medical contribution costs based on new actuarial study; and pay-off of the loan for Sullivan Arena floor repair (the loan was actually repaid in 1999 and the Municipal ticket surcharge has been eliminated).

## 2000 APPROVED BUDGET COMPARED TO 1999 REVISED BUDGET

	1999 REVISED BUDGET	2000 APPROVED BUDGET	INCREASE/ ( DECREASE)
EXPENDITURES (DIRECT COSTS)	\$ 258,783,850	\$ 256,001,380	\$ (2,782,470)
<u>REVENUES (NON-PROPERTY TAX)</u>			
State	\$ 14,595,250	\$ 14,323,990	\$ (271,260)
Federal	393,580	409,580	16,000
Program	26,797,630	27,967,200	1,169,570
Local Allocated	36,966,350	40,627,030	3,660,680
IGC's to Non-General Government	16,277,160	16,190,350	(86,810)
Applied Fund Balance	18,317,420	8,776,340	(9,541,080)
Total	<u>\$ 113,347,390</u>	<u>\$ 108,294,490</u>	<u>\$ (5,052,900)</u>
PROPERTY TAXES REQUIRED TO FUND BUDGET (INCLUDING PROPERTY TAXES ON NEW CONSTRUCTION)	\$ 145,436,460	\$ 147,706,890	\$ 2,270,430
PROPERTY TAX CAP	<u>148,920,905</u>	<u>156,848,450</u>	
PROPERTY TAX UNDER CAP	<u>\$ (3,484,445)</u>	<u>\$ (9,141,560)</u>	
PROPERTY TAX ON NEW CONSTRUCTION			<u>2,638,910</u>
<b>PROPERTY TAX DECREASE ON EXISTING PROPERTY</b>			<u><b>\$ (368,480)</b></u>

## 2000 GENERAL GOVERNMENT OPERATING BUDGET

### **REVENUES**

	<u>1999 Revised Budget</u>	<u>2000 Approved Budget</u>	<u>Increase/ (Decrease)</u>
State Revenues	\$ 14,595,250	\$ 14,323,990	\$ (271,260)
Federal Revenues	393,580	409,580	16,000
Program Revenues	26,797,630	27,967,200	1,169,570
Local Allocated Revenues	36,966,350	40,627,030	3,660,680
Intragovernmental Charges	16,277,160	16,190,350	(86,810)
Applied Fund Balance	18,317,420	8,776,340	(9,541,080)
Property Taxes	145,436,460	147,706,890	2,270,430
	<u>\$ 258,783,850</u>	<u>\$ 256,001,380</u>	<u>\$ (2,782,470)</u>

### **Revenues for 2000**

#### **State Revenues**

Safe Communities Program	\$ 7,689,180
State Revenue Sharing	3,695,670
Reimbursement for Maintenance of State Traffic Signals	1,271,550
Electric Co-Op Allocation	930,000
Liquor Licenses	365,500
Other	372,090
	<u>\$ 14,323,990</u>

#### **Federal Revenues**

Federal in Lieu of Property Tax	\$ 306,450
Civil Defense	64,000
Other	39,130
	<u>\$ 409,580</u>

#### **Program Revenues**

These are revenues earned by the departments, including fees for services, license and permit fees, and fines. Departments with over \$500,000 in program revenues are identified separately below:

Police	\$ 6,765,200
Public Works	6,481,360
Health and Human Services	3,348,310
Cultural & Recreational Services	3,347,390
Fire (includes EMS)	3,164,430
Public Transportation	1,932,460
Executive Manager (Heritage Land Bank)	661,510
Other	2,266,540
	<u>\$ 27,967,200</u>

### **Local Allocated Revenues**

These are revenues received or earned by the Municipality from other than the State or Federal governments which are not attributed to a particular department/program or service:

Hotel-Motel Tax	\$ 10,000,000
Contribution from MOA Trust Fund (from sale of ATU)	9,400,000
Interest/Penalties	9,107,020
Tobacco Tax	4,204,100
Auto Tax (collected by State)	5,542,650
Police/Fire Retiree Medical Trust Fund Contribution	1,300,000
Assessments	839,500
Other	353,760
	<u>\$ 40,747,030</u>

### **Intragovernmental Charges**

These are revenues received by General Government for services performed for the enterprise activities, capital projects, and State/Federal grants.

### **Applied Fund Balance**

Fund balances are cash balances in the various Municipal funds/service areas (i.e. Police, Anchorage Parks & Recreation, Anchorage Fire, Anchorage Roads and Drainage, etc.). These cash balances increase if actual expenditures during the year are less than budgeted or if revenues are more than budgeted; the balances decrease if revenues during the year are less than budgeted.

Consistent with continued Assembly requests to reduce fund balances, the fund balances have been reduced as much as possible, consistent with cash flow needs, maintenance of bond ratings, and types of contingencies which could require additional support from a particular fund.

The amount of fund balance available for 2000 is less than that for 1999 primarily because of large unbudgeted revenues in 1998 and 1998 bond debt service savings which added to the fund balance available for 1999.

### **Property Taxes**

This is the total amount of revenue to be raised by levying taxes on real property (including enterprise activities except Merrill Field Airport) and personal property.

The property tax cap approved by the voters in 1983 was intended as a limit; however, available taxes should be used only when needed for priority services. The 2000 Approved Budget is \$9.1 million below the tax cap.



## HOW MUCH PROPERTY TAX YOU ARE PAYING FOR EACH MUNICIPAL SERVICE

The Municipality of Anchorage operates under a "service area concept" whereby taxpayers in different areas or taxing districts of the Municipality pay property taxes only for those services which are either required by law or which they vote to receive. The following shows, for each \$100,000 assessed valuation, what residents pay for each of the services they receive including Anchorage School District.

Taxing District	Taxing Location	School <sup>1</sup> District	Areawide <sup>2</sup>	Fire	Roads	Police	Parks & Rec	Building Safety	Road <sup>3</sup> Debt Serv.	Total
1, 81	Anchorage Former City	\$ 809	\$ 185	\$ 164	\$ 342	\$ 261	\$ 82	\$ 1	\$ 2	\$ 1,846
2, 19-21 28, 31-41, 44-45, 52-54	Upper Hillside/ S.E. Midtown*	809	185	164		261	82	1		1,502
3, 14	Spenard / Muldoon / Sandlake / Ocean- view areas	809	185	164	342	261	82	1		1,844
4	Girdwood	809	185	152	104		51			1,301
5	Glen Alps	809	185		272	261				1,527
9	Stuckagain Heights / Basher*	809	185	164		261				1,419
10, 50	Chugiak, Birchwood ER Rural Road SA*	809	185	164	206	261	54			1,679
18	Lower Hillside	809	185	164	342	261	82	1		1,844
22, 51	Chugiak*	809	185	97	206	261	54			1,612
30	Eagle River Valley	809	185		206	261	54			1,515
42	Potter Heights	809	185		342	261				1,597
46	Eaglewood Contributing RSA	809	185	164	21	261	54			1,494
47	Gateway Contributing RSA	809	185		16	261	54			1,325
15	Other Outside Bowl without Police	809	185							994
16,23,43, 55	Rabbit Ck & S. Gold- envue w/o Fire / Bear Valley / Other outside bowl with Police*	809	185			261				1,255

<sup>1</sup> Anchorage School District preliminary projection (December 13, 1999)

<sup>2</sup> Some services provided by the Municipality must be offered on an "areawide" basis under state law or as provided for in the Municipal Charter. These include services such as health and environmental protection, social services, animal control, library, museum, mass transit, emergency medical services, planning and zoning, property assessment, and tax collection.

<sup>3</sup> This Road Debt, originally issued prior to 1975, is from the former Anchorage City.

\* Property taxes for Limited Road Service Areas and Street Lighting Service Areas, where applicable, are not included. Other Road Service Areas are included.

NOTE: The 2000 property taxes in this appendix are based on preliminary assessed valuation estimates which may change prior to April 2000 when the actual 2000 mill rates will be approved by the Assembly.

## ***SERVICE PRIORITIES FOR A BETTER ANCHORAGE***

**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 2000.**

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 in 1998 continued to drop. Over the past four years, crime in Anchorage decreased at a rate more than three times that for the rest of the country. Anchorage's crime rate during the past four years has experienced a 14% decrease in homicides, 20% decrease in rape, 56% decrease in robbery, 50% decrease in stolen autos, 39% decrease in burglary, 41% decrease in assaults, and a 35% decrease in theft during the last four 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 showing 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 of 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 2000 budget will provide the Municipal local match funding for a federal grant for 15 new police officers for which the Municipality has applied and anticipates to receive.

With this addition of the 15 officers, at full strength we will have 370 sworn officers compared to 248 sworn officers actually on board in November 1994.

Our fire and emergency medical response capabilities are increased in the 2000 budget. The fully integrated fire and medical services have improved emergency response times, even as the number of emergency calls continues to increase due to population increases. In 2000, 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**

Our biggest challenge during recent years has been trying to keep taxes down in the wake of decreasing State revenues.

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.

The sale of the Anchorage Telephone Utility successfully closed in May 1999. The net proceeds of the sale were invested in the Municipality of Anchorage Trust Fund. We will invest other monies in the Trust when they become available. Earnings from the Trust will be used in the operating budget to reduce property taxes.

As a result of our stable financial outlook, strong financial performance, and excellent cash management, national bond rating agencies give Anchorage a strong rating.

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 completing a feasibility study for the development of the proposed Alaska Salmon Research and Fisheries Support Centers in the Ship Creek area. The facilities will be a working salmon research center and function 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. As part of this restructuring, a new one-stop Permit and Development Center to provide a more efficient permitting process is currently under construction and is scheduled for opening in early 2000.

The expansion of tourism and the convention industry will have a very positive impact on our economy. We will work to ensure Anchorage grows as a popular tourist and convention 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 new 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 efforts to improve the efficiencies of the People Mover system. We also expect to continue efficiency improvements in the AnchorRIDES service for seniors and persons with disabilities as computerized scheduling and dispatching are implemented.

- **Community Planning**

The Comprehensive Plan – *Anchorage 2020* is scheduled for completion of the public hearing draft in late 1999. The Assembly will hold its public meetings and hearing during early 2000 as the culmination of the public involvement process. The plan will outline the goals and objectives; assess current conditions and trends; evaluate alternative plan scenarios; and select a preferred plan scenario. In September 1999, the Department of Community Planning and Development sponsored several open houses and citizen work groups for public review and discussion of the different plan scenarios to aid in the preparation of the draft plan. The services of a fiscal analysis consultant were retained to prepare a fiscal impact analysis of the four plan scenarios. This technical study will evaluate the costs and revenues to the Municipality for different land uses and for each plan scenario. *Anchorage 2020* is the principal focus of the department and will provide the foundation for the community's vision of the future including Anchorage's emergence as a premiere northern city.

In 2000 the Department of Community Planning and Development will begin to place more emphasis on implementing some of the Comprehensive Plan – *Anchorage 2020* recommendations for land use, transportation, design, and environment, public improvements and services.

In addition to the Comprehensive Plan, the Department of Community Planning and Development will be working on several other time critical issues including the Girdwood zoning regulations, the Girdwood Transportation Plan, and the revision of Anchorage's sign ordinances. We will continue to efficiently operate the regulatory side of the office in responding to rezoning, conditional use, variance, and platting applications, and wetland permits.

- **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 rights-of-way/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 junk car removal and Graffiti Busters continue to make our city more attractive and a better place in which to live or visit.