

As the Chairman of the Anchorage Assembly I am responding to the Daily News' editorial of September 18th concerning the City's Operating Budget. Unfortunately, the editorial missed the main point of recent Assembly actions and the reasons for those actions.

In 2003, the Operating Budget was \$289,000,000.00. In 2007 the Operating Budget was \$399,000,000.00. In the last four years, the Operating Budget has increased by \$110,000,000.00, an increase of 38%.

The Assembly has yet to receive the Mayor's proposed 2008 Operating Budget. However, the editorial stated that the Mayor will propose a \$24,000,000.00 budget increase. If the Mayor's proposed increase were approved, the result would be an increase of \$135,000,000.00 over five budgets, an increase of 47%.

On a per capita basis, the cost of local government has increased from \$1,060.00 per citizen in 2003 to \$1,397.00 per citizen in 2007. If the Mayor's proposed \$24,000,000.00 increase were approved, the per capita cost of local government would increase to \$1,445.00, a 36% increase. During the same period, inflation was 14.8%.

When I became Assembly Chairman in April 2007, I announced my intention to enhance and strengthen the Assembly's committee system. The purpose of the committee system is to spread the work among several committees and lessen the work of individual assembly members, most of who have jobs and families. The Assembly is intended to be a citizen legislature, not a full time job.

For the committee system to work, the Assembly must have trust in the committee process. To earn and keep that trust, the committee process has to be open and public. Equally important, the committee membership must be balanced so as to represent a wide spectrum of the community and the Assembly itself. These principals have been applied to all committees.

The committee system enables the Assembly to engage in detailed examinations and in-depth analysis of all aspects of local government. Such examination and analysis was not practicable under early practices. The Assembly and its Budget and Finance Committee are applying these tools to the City's Operating Budget.

To assist the Budget and Finance Committee, I have authorized re-allocation of existing Clerk's office staff to support the Committee. Also, the Assembly has contracted with a knowledgeable and experienced

consultant to work with the Committee during the 3-month budget process. The cost of this contract is capped \$18,750.

In July, I asked the Budget and Finance Committee to present an Operating Budget Resolution to the Assembly by September 11th for discussion and adoption by the Assembly prior to the release of the Mayor's proposed budget at the end of September. The purpose of the Resolution is to advise the Administration and the Public, early in the process, of the Assembly's intentions regarding the 2008-09 Operating Budget. The Committee responded with a proposed Resolution, which was adopted on a 9 to 2 vote that clearly states the intention of the Assembly to do two things.

First, to determine what level of expenditures and taxation are necessary to reasonably meet the needs of our citizens for police and fire (public safety-first priority), for road maintenance, for parks and for the myriad of other activities on which the City spends taxpayer dollars.

Second, the Resolution pledged the Assembly to "hold the line" on spending and taxation while providing essential services and honoring the City's legal and contractual commitments. The Committee will examine not only what we spend, but how we spend your money.

In the Assembly's view, property tax payers are paying enough taxes. Many Assembly members believe that \$110,000,000.00 in additional spending over 4 years is enough to meet the City's needs if we spend that money wisely. The Assembly process will answer the question of how much taxation is enough, how should your tax dollars be spent and how can those tax dollars be spent wisely.

This is the point that the Daily News editorial missed.

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