

STATE OF THE CITY
ASSEMBLY CHAIRMAN DAN COFFEY

There is much to be pleased about with Anchorage. Our community is prosperous and growing, located in beautiful surroundings, with many diverse opportunities for our citizens. Anchorage is truly a cosmopolitan city.

However, there are several issues facing our city, which present both problems and opportunities.

The city budget is a basic responsibility of the Assembly. Our city is too dependent on one source of revenue, real property taxes. These taxes support 60 percent of the city's operating budget and pay the debt on our bonds. Our bond rating is excellent, but our bonded indebtedness is high which places a greater burden on property tax payers.

By our Charter, the budget must be balanced. However, if budget growth continues, property owners will face increased taxes. The Assembly's challenge is to find ways to reduce real property taxes, without increasing the overall tax burden on our citizens.

Home ownership is a key component of every successful and prosperous community. Anchorage's rate of homeownership is high, but increasing costs of land, construction, utilities, insurance, taxes and interest rates are significant barriers to home ownership. Our challenge is to find appropriate ways to keep the costs of homes for our citizens affordable.

To protect property owners, we must control the operating and capital budgets of the city and the School District. Both budgets have grown significantly in the last few years and cannot continue to increase at the same rate. By

focusing on the core responsibilities of government and education, and by eliminating non-essential functions, we will achieve the necessary budget restraints.

Public safety is another significant public concern. The criminal justice system (mainly the responsibility of the state) is dysfunctional. We must work cooperatively with the State to fix the criminal justice system so criminals are arrested, prosecuted, jailed, rehabilitated if possible, and our law-abiding citizens are protected.

Finally, having adopted a new and comprehensive ethics code, the Assembly is in the forefront of good government practices. The Assembly believes that ethical conduct by elected officials is essential to public trust and good government.