

Layoffs Pepper Budget Plan

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Mayor calls for cutbacks in police, fire departments, seeks stiffer fees, fines

Fewer firefighters will be on the job, and fewer librarians. Streets won't be swept as often. Fines and fees will go up.

But there will be more tax assessors, who bring in money.

Those will be some of the most visible changes if Mayor Mark Begich's proposed budget for 2004 is approved by the Anchorage Assembly. On Friday he released his budget proposal for next year, which details \$306.8 million in spending.

That's close to \$18 million more than this year's approved budget. But some fixed costs have gone up and some sources of revenue have been lost or reduced. To make the budget balance, the mayor said, the city must cut services.

The administration is trying to close a gap between revenues and expenses of as much as \$33 million.

Projections of the size of the gap have grown twice already. The number is up \$2 million from just a week ago. The most recent change came when the city realized it would receive less than expected from investment dividends, said Paul Wiltse, director of the city Office of Management and Budget.

Instead of spreading out the pain of cuts slowly over time, the city's strategy is what Begich calls the "duct-tape approach." Imagine pulling a strip of duct tape off your arm all at once, the mayor told a crowd of several dozen people Friday at City Hall.

"The pain will be immediate," Begich said. "The time to heal will be in the future."

His plan also calls for wage freezes for the coming year. If that does not work, the mayor said, he has a Plan B: shutting down most of the city government for a day or two, saving salary costs that way.

Two key Assembly members said the mayor's approach makes sense. Assembly Chairman Dick Traini praised Begich for eliminating dozens of vacant positions, mainly from the police and fire departments.

"I've worked with three other mayors and this is the best budget I've seen in that we've done away with the illusion of the vacancy factor," Traini said.

Allan Tesche, the Assembly's budget leader, agreed. But he warned that the city deteriorates when not enough is budgeted to continue all services from the prior year. For years, the city hasn't funded a continuation budget that would keep all services the same.

"We are literally stair-stepping our way into the basement," Tesche said. He put blame on Gov. Frank Murkowski for vetoing state revenue sharing dollars. A Murkowski spokesman didn't return a call seeking a response.

The city is in a bind because of a convergence of factors that Begich likened to "the perfect storm." Among them are the elimination of all state revenue sharing, more than \$10 million; a loss of nearly \$4 million in interest income; and increases in personnel costs, including almost \$8 million in negotiated or scheduled salary increases.

Two areas take the biggest hits under Begich's proposal: city libraries and the Fire Department. Some 22 library workers already are getting layoff notices.

The mayor also proposes to eliminate the jobs of 20 firefighters and emergency medical personnel, as well as 27 unfilled positions in the Fire Department.

Fire Chief John Fullenwider said firefighters will respond just as quickly. Still, the number of firefighters will drop at the same time the city is opening new fire stations, at Tudor and Baxter, and in Southport. So the city will spread fewer fire crews among more stations.

"We'll probably get there just as fast, but we won't have as many people to make an effective attack," said Dan Joyner, president of the firefighters' union.

For instance, a fire crew is not supposed to enter a burning building unless a second team is standing by, ready to help if the building collapses with firefighters trapped inside. The exception is when they know of other people already trapped. Under the Begich proposal, it will take longer for the second team to arrive, firefighters said.

In all, about 149 city positions are being eliminated. About half are vacant positions.

At the Police Department, Begich proposes to eliminate 27 vacant positions.

Police Chief Walt Monegan said the positions were supposed to be filled with community-gearred officers to work with community councils, businesses, PTAs and other groups. But the APD has never been able to fill them because of more pressing needs in patrol and investigations, Monegan said.

The department also proposes to shift officers around to create a new, 10-officer traffic unit. The department abolished its traffic unit several years ago under then Chief Duane Udland, Monegan said.

While traffic cops can be money generators, Monegan said he hopes people drive more safely once they become aware of the new unit. Ideally, the city will have fewer traffic fatalities and serious injuries, he said.

The city intends to keep snowplowing service the same. But it will cut back on street sweeping if the Begich proposal goes through.

Under the plan, the city will only sweep up gravel and sand once, after breakup, said Alan Czajkowski, director of maintenance and operations. The city now sweeps most streets twice in the spring, he said. Also, the city will no longer reseed yards gouged by snowplows under the proposal, he said.

The city will still grow flowers but may ask volunteers to help out with watering, Wiltse said.

Begich also intends to raise a number of fines as well as fees to help balance the budget. Those were not all detailed Friday, though he did offer a few examples. For instance, developers now pay a fee of about \$43 a lot to create a typical 30-lot subdivision, according to the city. But the actual public cost is closer to \$350 a lot.

"Anchorage taxpayers have been picking up the difference, and we can no longer afford to do that," Begich said.

Also, the city intends to start charging defendants to do community work service, the mayor said.

The city intends to add staff in property assessment and tax collections. With 13 more employees in those areas, the city could bring in an additional \$2.4 million.

The budget presumes the city will set property taxes at or near the limit allowed under the city's tax ceiling. In broad terms, property taxes under the mayor's proposal would cover about \$187.6 million of the budget; fees, fines and related revenue would raise about \$47.2 million; bed taxes, tobacco taxes and vehicle taxes would raise about \$26.1 million.

Assembly members intend to hold two public hearings on the budget, Oct. 28 and Nov. 4, before adopting a spending plan on Nov. 18. Under the city charter, the Assembly must approve a balanced budget by about Dec. 10.

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Budget cuts

To help bridge a city fiscal gap that has reached \$33 million, Mayor Mark Begich is proposing eliminating 149 city positions -- about half of which are filled. They include:

- * 22 library layoffs

- * 20 firefighters or emergency medical personnel laid off; 27 unfilled Fire Department positions cut

- * 27 vacant Police Department positions cut