

Dialogue gives voters voice in tax debate

COMPASS: Other points of view

By JEFF PANTAGES

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The event sold out quickly. It was standing room only. No, it wasn't an Elton John concert or Aces playoff game. I'm talking about the Anchorage Community Dialogues. I managed to get a seat for the fourth and final meeting Aug. 4. There had to be 100 or more people there. They stayed for three hours.

The dialogues were a laudable effort by Mayor Dan Sullivan to survey and get feedback from everyday citizens on what they want in terms of municipal services and how they think we should pay for them. The 2011 budget has a \$25 million shortfall. That's about 6 percent of our current \$425 million operating budget.

We were broken into groups and initially considered three broad choices for the future of Anchorage. They were: 1) reduce services and keep taxes low, 2) tax to the cap and maintain services or 3) increase taxes to improve Anchorage services.

My opinion, best summarized by one of the many sub-options provided by the facilitator, Viewpoint Learning, was: This "crisis" is overblown. Last year the government cut over \$20 million and we barely felt it. Let's try cutting first and see if we even notice it.

However, no one else at my table thought that was right. Many believed the cuts last year have resulted in a deterioration in services. They worried about public transportation and parks, stating we had to maintain services. Others accepted the idea that "our tax burden is one of the lowest in the nation ... we can afford to pay a little more ... and improve Anchorage services."

The various groups then summarized their conclusions in an open forum, with a goal to find "common ground." My observation was that most groups wanted to maintain or even increase services.

Next came the hard part: how to pay for all this! Our table actually considered cuts in the fire department, which was surprising. Usually police and fire are sacrosanct. Fair to say that most wanted the municipality to search for efficiencies before cuts or raising taxes were contemplated.

Sources of revenue included taxing to the cap on property taxes. I argued for a sales tax. I think it's important to have a diversified revenue stream. And I think everyone should pay taxes, so they would pay more attention and become more involved citizens.

According to the municipality, a 3 percent sales tax could bring in \$80 million dollars and a seasonal tax (let's sock it to the tourists) would bring in \$35 million. This would easily solve budget shortfalls and leave room for a property tax cut. Our group agreed to this, with the proviso that certain items, like food, clothes and gas were exempt.

Most of the tables were in favor of tax increases of one kind or another (sin, property and sales) to maintain or improve services. The facilitator seemed surprised by this and asked for a show of hands several times to confirm the intention of the participants.

Despite the admonition by the facilitators to speak for yourself -- not a group or special interest -- my hunch is that community activists were well represented and arguing for their agendas. I'm not sure our meeting was entirely representative of the community or in sync with previous dialogues.

Of course the meetings were open to the public. If you wanted your voice heard, you just needed to show up. If you aren't going to participate, then you have to accept the fact that the more vocal and organized are going to probably carry the day. At the last municipal election in April, 19 percent of eligible voters chose the winners. This is the way democracy works.

There was much discussion about the absence of school district monies from the debate. The ASD budget consumes almost half of our property taxes. Maybe next time?

A summary of all of the meetings is being prepared, including the results of anonymous surveys taken at the end of the evening. These results may impact the mayor's budget, due in October.

Jeff Pantages is an investment adviser in Anchorage.

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