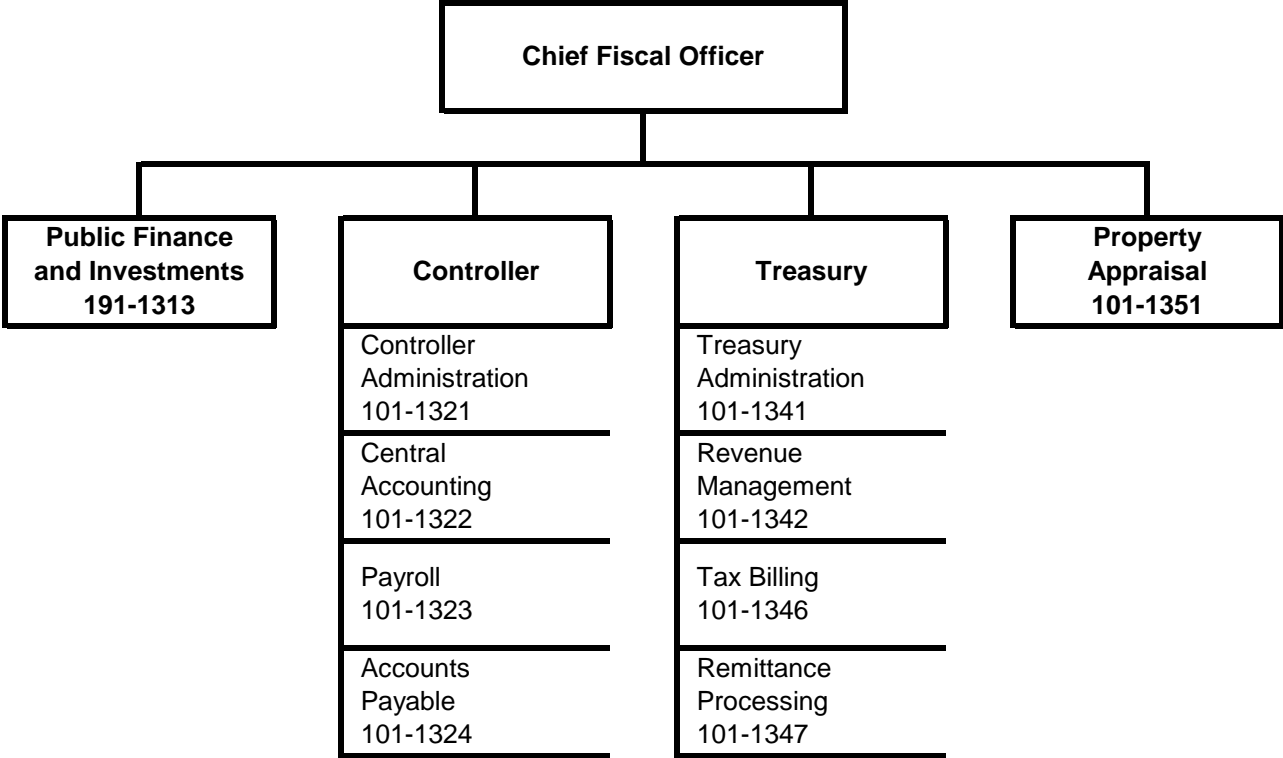


Finance



Finance

Lucinda Mahoney, Chief Fiscal Officer

343-6619

Department Mission

Management and investment of Municipal funds; sale of bonds; oversight of accounting functions and coordinating the annual audit; publication of the annual Comprehensive Financial Report and the Single Audit; disbursement of payments; collection of taxes, fees, fines and other revenues; and determination of property values

Strategies: How the department meets its mission

Public Finance and Investment

- Monthly performance reporting and investment portfolio analysis
- Year-end reporting contributions to the Municipality's CAFR
- Maintain compliance with State and Federal requirements and Federal tax law
- Perform arbitrage and rebate calculations
- Monitor investment and yield compliance
- Coordinate and monitor debt service payments

Controller

- Timely and accurate payroll services, accounts payable services, grant reporting services, capital projects reporting services, bank reconciliations, fixed asset management and financial reporting
- Assist and provide accounting guidance to other municipal departments and agencies as needed

Treasury

- Treasury employs technology, trained personnel and contracted services and coordinates closely with APD and the Court System to strive for the highest attainable realization of municipal revenues

Property Appraisal

- Accurate description and valuation of taxable property
- Collect and analyze relevant data
- Operate computer based data and administrative system
- Develop and implement dynamic, effective and efficient work plans for each section
- Provide information to internal and external users via the web
- Utilize computerized data systems to maximum effect to reduce direct labor cost
- Allocate available labor resource to priority tasks
- Consolidate physical location of staff office

Divisions

- Public Finance and Investment
 - Management of issuance and refunding of all municipal wide debt, from pre-issuance to final maturity
 - Management of all investment activity for all municipal funds, including AWWU, ML&P, Port of Anchorage and the Anchorage School District, to obtain maximum interest earnings consistent with municipal code:
 - Safety of principal
 - Meet the liquidity needs for municipal operations and iii) return on investment under the existing investment guidelines
 - Manage all daily activity of the Municipality's cash flow in order to meet the liquidity needs of all departments while at the same time maximizing yield on investments pursuant to existing guidelines
- Controller
 - Provide detailed analysis, interpretation, and presentation of the Municipality's financial results and operations through financial reporting and oversight
- Treasury
 - Oversee and manage the billing, collecting, and auditing of the Municipality's revenue
 - Monitor and report on the Municipality's Trust Fund performance
- Property Appraisal
 - Perform a mass appraisal of Anchorage's personal and real taxable property annually
 - Manage the appeals process, working with the Board of Equalization to arrive at a fair and equitable valuation

Finance

Resource Plan

Divisions	2008 Actuals	2009 Revised	2010 Proposed	FY 10 v 09 % Chg
Expenditures				
Controller	\$ 2,895,173	\$ 2,856,922	\$ 2,926,808	2.4%
Property Appraisal	4,731,015	4,480,263	4,411,121	-1.5%
Public Finance and Investments	1,365,749	1,295,363	2,262,025	74.6%
Treasury	3,197,388	2,949,734	3,041,477	3.1%
Total Direct Cost	\$ 12,189,325	\$ 11,582,282	\$ 12,641,431	9.1%
Revenues				
Controller	\$ (163,679)	\$ (9,600)	\$ (13,600)	41.7%
Property Appraisal	(825,243)	(603,001)	(7,350)	-98.8%
Public Finance and Investments	(1,381,706)	(1,503,382)	(1,523,382)	1.3%
Treasury	(820,433)	(690,300)	(539,400)	-21.9%
Total Revenue	\$ (3,191,061)	\$ (2,806,283)	\$ (2,083,732)	-25.7%
Cost of Services Provided:				
By Other Departments	\$ 3,950,784	\$ 2,445,477	\$ 2,264,852	-7.4%
To Other Departments	(6,075,362)	(5,047,683)	(4,620,309)	-8.5%
Total Cost	\$ (2,124,578)	\$ (2,602,206)	\$ (2,355,457)	-9.5%
Net Cost	\$ 6,873,686	\$ 6,173,793	\$ 8,202,242	32.9%

Expenditure by Category	2008 Actuals	2009 Revised	2010 Proposed	FY 10 v 09 % Chg
Salaries and Benefits	\$ 10,010,417	\$ 9,817,066	\$ 10,117,806	3.1%
Supplies	93,798	68,260	65,985	-3.3%
Travel	29,024	35,960	21,960	-38.9%
Contractual/Other Services	1,968,801	1,638,066	1,364,180	-16.7%
Equipment, Furnishings	90,277	22,930	21,500	-6.2%
Debt Service/Depreciation			1,050,000	
Total Direct Cost	\$ 12,192,317	\$ 11,582,282	\$ 12,641,431	9.1%

Positions	2008 Revised	2009 Revised	2010 Proposed
Full-Time	105	106	101
Part-Time			1
Temporary/Seasonal			
Total Positions	105	106	102

Finance

Reconciliation from 2009 Revised Budget to 2010 Proposed Budget

	<u>Direct Costs</u>	<u>Positions</u>		
		<u>FT</u>	<u>PT</u>	<u>T</u>
2009 Revised Budget	\$ 11,582,282	106		
2009 One-Time Requirements				
- None				
Transfers (to)/from Other Agencies				
- None				
Debt Service Changes				
Changes in Existing Programs/Funding for 2009				
- Salary and benefits adjustments	542,612	(1)	1	
- Public Finance - TANS Interest Expense	1,050,000			
2010 Continuation Level	\$ 13,174,894	105	1	-
Transfers (to)/from Other Agencies				
- None				
Debt Service Changes				
2010 Budget Changes				
- Salary and benefits adjustments	68,352			
- Controller - Eliminate travel budget	(14,000)			
- Controller - Reduce professional services budget	(33,600)			
- Public Finance - Reduce professional services budget	(120,525)			
- Treasury - Reduce collection agency commissions	(73,000)			
- Treasury - Reduce miscellaneous non-labor	(49,841)			
- Property Appraisal - Reduce legal services	(625)			
- Property Appraisal - Eliminate Appraisal Analyst	(126,135)	(1)		
- Property Appraisal - Eliminate Senior Office Assistant	(60,056)	(1)		
- Property Appraisal - Eliminate Senior Office Assistant	(60,771)	(1)		
- Property Appraisal - Eliminate Accounting Clerk II	(63,262)	(1)		
2010 Proposed Budget	\$ 12,641,431	101	1	-

Finance

Controller Division

Division's Purpose

- Responsible for the Comprehensive Annual Financial Report (CAFR) preparation, fund accounting, grant accounting, capital project accounting, fixed assets, financial reconciliation, payroll processing, accounts payable processing, and financial reporting
- Assist other departments with financial accounting issues and coordinates the independent external audit

Programs	Goals	FY 2009 Revised	FY 2010 Proposed
Controller Administration			
Oversight of the Controller Division, coordination of the external audit and single audit, preparation of the CAFR	Timely and accurate completion of the audit, single audit and CAFR	\$ 185,088	\$ 181,339
Central Accounting			
Maintains municipal accounting records and prepares the annual audit	Timely and accurate processing of grant reports, capital projects, financial reporting, financial reports, fixed assets and bank reconciliations	\$ 1,889,615	\$ 1,921,586
Payroll			
Process payroll, prepare W-2s and all other payroll related reports	Timely and accurate processing of payroll and payroll related reports	\$ 402,209	\$ 427,847
Accounts Payable			
Process accounts payable, travel reports, and train agency accounts payable personnel and issue 1099s	Timely and accurate processing of vendor payments and 1099s	\$ 380,010	\$ 396,036
Division Direct Cost Total		\$ 2,856,922	\$ 2,926,808

Finance

Controller Division

Division Expenditures by Category	2008 Actuals	2009 Revised	2010 Proposed	FY 10 v 09 % Chg
Salaries and Benefits	\$ 2,732,526	\$ 2,712,072	\$ 2,829,558	4.3%
Supplies	14,781	14,700	14,700	0.0%
Travel	14,460	14,000	-	-100.0%
Contractual/Other Services	114,887	102,150	68,550	-32.9%
Equipment, Furnishings	18,519	14,000	14,000	0.0%
Debt Service/Depreciation				
Total Direct Cost	\$ 2,895,173	\$ 2,856,922	\$ 2,926,808	2.4%

Division Personnel Summary	2008 Revised			2009 Revised			2010 Proposed		
	FT	PT	T	FT	PT	T	FT	PT	T
Administration	1			1			1		
General Accounting	18			18			17	1	
Payroll	4			4			4		
Accounts Payable	4			4			4		
Total Personnel	27			27			26	1	

Finance

Property Appraisal Division

Division's Purpose

- Provide fair and equitable annual assessments and defense of value for all real and personal property located in the Municipality to form the basis of taxation

Programs	Goals	FY 2009 Revised	FY 2010 Proposed
Property Appraisal			
Inventory all real and personal property in the Municipality	Meet six-year State mandated inspection cycle		
Defend assessed value to the Board of Equalization	Complete all appeals prior to June 1st deadline		
Provide administration of all statutory and municipal exemption programs	Provide response to all exemption requests and defend exemption determinations		
Appraise all real and personal property in the Municipality	Provide fair and equitable assessment for all real and personal property consistent with law and professional standards		
Division Direct Cost Total		\$ 4,480,263	\$ 4,411,121

Finance

Property Appraisal Division

Division Expenditures by Category	2008 Actuals	2009 Revised	2010 Proposed	FY 10 v 09 % Chg
Salaries and Benefits	\$ 4,410,316	\$ 4,234,737	\$ 4,166,220	-1.6%
Supplies	49,991	27,160	27,160	0.0%
Travel	12,896	13,000	13,000	0.0%
Contractual/Other Services	205,716	205,366	204,741	-0.3%
Equipment, Furnishings	52,096			
Debt Service/Depreciation				
Total Direct Cost	\$ 4,731,015	\$ 4,480,263	\$ 4,411,121	-1.5%

Division Personnel Summary	2008 Revised			2009 Revised			2010 Proposed		
	FT	PT	T	FT	PT	T	FT	PT	T
Staff	46			46			42		
Total Personnel	46			46			42		

Finance

Public Finance & Investments

Division's Purpose

- Manage issuance and refunding of all municipal debt including management of bonds from pre-issuance to final maturity
- Manage investment activity for municipal funds, including AWWU, ML&P, Port of Anchorage and the Anchorage School District, including, management of cash and investments of the Municipality's investment portfolio, bond proceeds, and restricted assets
- Invest funds pursuant to the Anchorage Municipal Code and including the following: i) the safety of principal, ii) meeting the liquidity needs for municipal operations and ii) return on investment under the existing investment guidelines
- Manage all daily activity of the Municipality's cash flow in order to meet the liquidity needs of all departments while at the same time maximizing yield on investments pursuant to existing guideline

Purpose	Goals	FY 2009 Revised	FY 2010 Proposed
Public Finance and Investments Administration			
	Monthly performance reporting and investment portfolio analysis		
	Year end reporting contributions to the Municipality's CAFR		
	Maintain compliance with State and Federal requirements and Federal tax law		
	Perform arbitrage and rebate calculations		
	Monitor investment and yield compliance		
	Coordinate and monitor debt service payments		
	Division Direct Cost Total	\$ 1,295,363	\$ 2,262,025

Finance

Public Finance and Investments Division

Division Expenditures by Category	2008 Actuals	2009 Revised	2010 Proposed	FY 10 v 09 % Chg
Salaries and Benefits	\$ 442,665	\$ 505,933	\$ 543,120	7.4%
Supplies	884	2,100	2,100	0.0%
Travel		6,860	6,860	0.0%
Contractual/Other Services	919,500	778,470	657,945	-15.5%
Equipment, Furnishings	2,700	2,000	2,000	0.0%
Debt Service/Depreciation			1,050,000	
Total Direct Cost	\$ 1,365,749	\$ 1,295,363	\$ 2,262,025	74.6%

Division Personnel Summary	2008 Revised			2009 Revised			2010 Proposed		
	FT	PT	T	FT	PT	T	FT	PT	T
Administration	3			4			4		
Total Personnel	3			4			4		

Finance

Treasury Division

Division's Purpose

- Oversee and manage the billing, collecting, and auditing of the Municipality's revenue
- Monitor and report on the Municipality's Trust Fund performance

Programs	Goals	FY 2009 Revised	FY 2010 Proposed
Treasury Administration	Provide primary administrative support of division operations and manage the municipal trust fund to provide predictable annual dividend	\$ 224,155	\$ 220,936
Revenue Management	Maximize realization of municipal revenue through audit, analysis, collection efforts, receivables management, and cash receipt audit and input	\$ 1,976,756	\$ 2,006,129
Property Tax Billing & Collection	Fairly apply tax law and ensure collection of municipal property taxes	\$ 557,653	\$ 597,246
Remittance Processing	Timely and efficiently process and archive all property tax and municipal utility payments to maximize earnings on funds deposited	\$ 191,170	\$ 217,166
Division Direct Cost Total		\$ 2,949,734	\$ 3,041,477

Finance

Treasury Division

Division Expenditures by Category	2008 Actuals	2009 Revised	2010 Proposed	FY 10 v 09 % Chg
Salaries and Benefits	\$ 2,421,918	\$ 2,364,324	\$ 2,578,908	9.1%
Supplies	28,142	24,300	22,025	-9.4%
Travel	1,668	2,100	2,100	0.0%
Contractual/Other Services	728,698	552,080	432,944	-21.6%
Equipment, Furnishings	16,962	6,930	5,500	-20.6%
Debt Service/Depreciation				
Total Direct Cost	\$ 3,197,388	\$ 2,949,734	\$ 3,041,477	3.1%

Division Personnel Summary	2008 Revised			2009 Revised			2010 Proposed		
	FT	PT	T	FT	PT	T	FT	PT	T
Treasury Admin	2			2			2		
Revenue Management	19			19			19		
Property Tax Billing & Collecting	6			6			6		
Remittance Processing	2			2			2		
Total Personnel	29			29			29		