

2006/2007 Proposed General Government Operating Budget

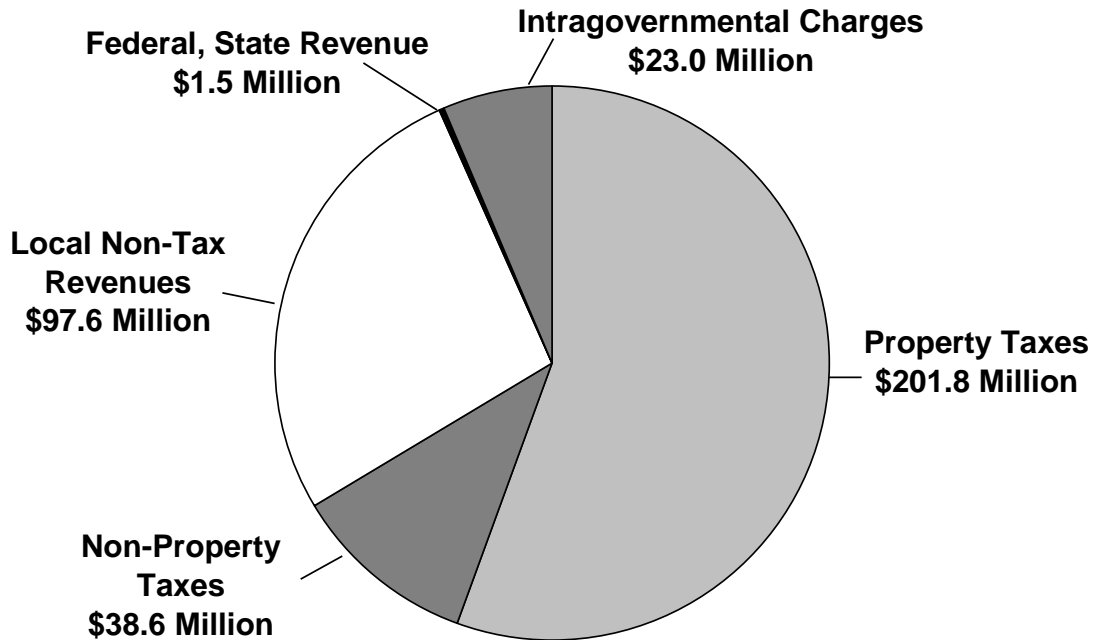
Budget Overview

This section presents summary charts and data tables for proposed general government expenditures and revenues. Detailed revenue and expenditure information is presented in later sections of the budget document.

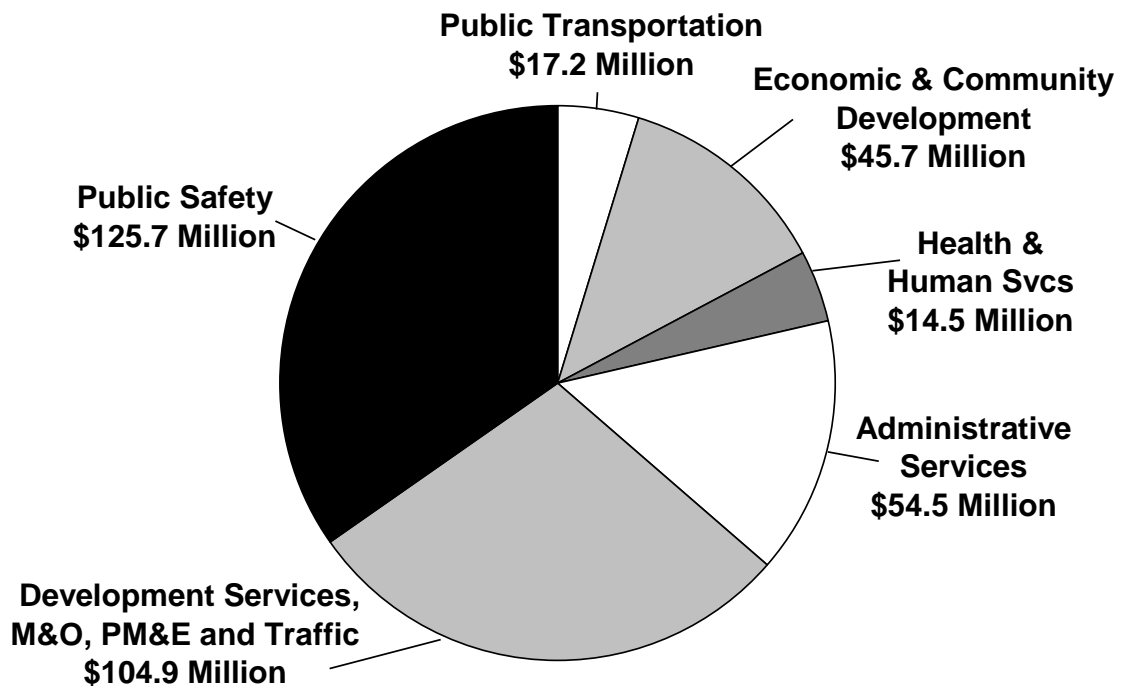
- The Municipality of Anchorage biennial budget sets forth annual budget requirements for general government operations for Fiscal Year 2006 (Year 1) and Fiscal Year 2007 (Year 2.)
- The proposed 2006 general government operating budget totals \$362,476,710. The proposed budget covers the period January 1, 2006 through December 31, 2006. Highlights include:
 - 20 new police officers
 - Full funding for COPS in Schools I program
 - Fuel increases for Fire, Public Transportation and Fleet Services
 - Utilities increase for Maintenance and Operations
 - Electronic communications increase for Traffic in support of Police and Fire
 - Voter-approved funding increase for museum
 - Property tax relief totaling \$5.022 million
- The proposed 2007 general government operating budget totals \$376,909,980. The proposed budget covers the period January 1, 2007 through December 31, 2007. Highlights include:
 - Public Employee Retirement System (PERS) funding at 18.37% (Jan-Jun) and 23.37% (Jul-Dec) compared to 2005 employer contribution rate of 8.37%.
 - Mandatory 3rd year contribution increase to COPS in Schools II grant
 - Full year contribution to contract operation of Museum
 - \$1.9 million in general government procurement savings
 - Continuation level funding for all other general government operations

2006 Proposed General Government Operating Budget

Where the Money Comes From



. How the Money Is Used

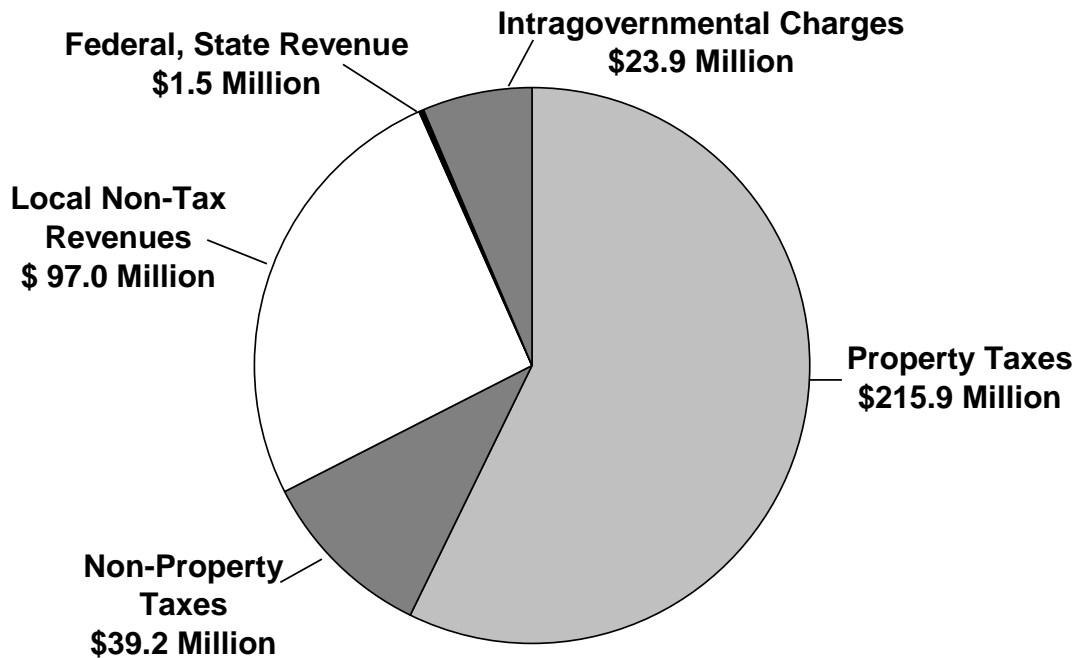


Municipality of Anchorage
2006 Proposed General Government Operating Budget

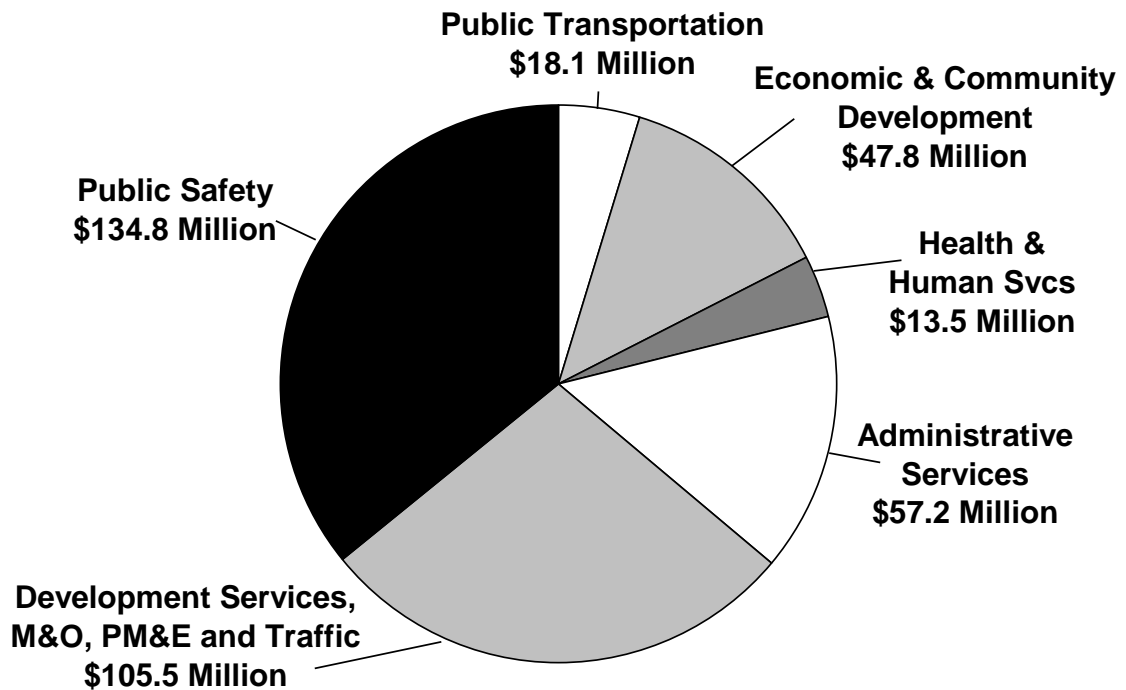
Department	2005 Revised Budget	Changes from 2005 to 2006 Continuation			2006 Continuation Level	Vacancy Factor Adjustment	Debt Service Adjustment	Other	2006 Proposed Budget
		Personnel	Debt Service	Other					
Assembly	\$ 2,502,960	\$ 141,670	\$ -	\$ -	\$ 2,644,630	\$ (3,360)	\$ -	\$ 68,670	\$ 2,709,940
Attorney	4,752,270	398,840			5,151,110	(14,060)			5,137,050
Chief Fiscal Officer	665,360	16,150			681,510				681,510
Development Services	7,904,310	548,070			8,452,380	(29,920)			8,422,460
Economic & Community Developmen	21,023,170	743,100	(52,080)	(110,160)	21,604,030	(27,050)	(1,030)	1,250,000	22,825,950
Employee Relations	3,920,380	158,900		(30,000)	4,049,280	(12,000)			4,037,280
Office of Equal Opportunity	268,250	29,660			297,910				297,910
Equal Rights	510,710	58,460			569,170				569,170
Finance	10,608,630	726,330			11,334,960	(34,710)		221,090	11,521,340
Fire	53,567,890	5,222,740	40,380	(122,760)	58,708,250	(114,470)	(11,720)	388,390	58,970,450
Health & Human Services	14,034,500	501,130	(8,880)	(52,720)	14,474,030	(35,170)	(1,320)	76,300	14,513,840
Heritage Land Bank	6,993,440	5,740		(395,970)	6,603,210				6,603,210
Information Technology (MIS)	12,335,550	555,500		(4,320)	12,886,730	(44,260)		147,180	12,989,650
Internal Audit	403,490	40,300			443,790	5,000		1,000	449,790
Maintenance & Operations	75,852,380	1,365,560	5,846,510	(385,700)	82,678,750	(90,760)	622,240	579,000	83,789,230
Mayor	1,235,900	70,600			1,306,500	(4,370)			1,302,130
Municipal Manager	10,698,230	336,830	2,320	1,286,260	12,323,640	(3,280)	(1,950)		12,318,410
Management & Budget	1,061,360	126,920		(88,850)	1,099,430	(550)			1,098,880
Anchorage Parks & Recreation	10,422,830	429,840	(900)		10,851,770	(41,230)	(8,880)		10,801,660
Planning	5,104,010	404,830			5,508,840	(13,070)			5,495,770
Police	60,610,220	5,213,870	2,950	(537,870)	65,289,170	(140,760)	(420)	1,543,430	66,691,420
Project Management & Engineering	5,996,580	376,070		88,850	6,461,500	(30,480)		440,460	6,871,480
Public Transportation	15,524,430	891,220	159,750	(6,180)	16,569,220	(41,390)	(14,480)	703,800	17,217,150
Purchasing	1,335,030	46,330			1,381,360	(3,510)			1,377,850
Traffic	5,441,040	244,540			5,685,580	(15,400)		113,000	5,783,180
TOTALS	\$ 332,772,920	\$ 18,653,200	\$ 5,990,050	\$ (359,420)	\$ 357,056,750	\$ (694,800)	\$ 582,440	\$ 5,532,320	\$ 362,476,710

2007 Proposed General Government Operating Budget

Where the Money Comes From



. How the Money Is Used



**Municipality of Anchorage
2007 Proposed General Government Operating Budget**

Department	2006 Proposed Budget	Changes from 2006 to 2007 Continuation			2007 Continuation Level	Procurement Savings	2007 Proposed Budget
		Personnel	Debt Service	Other			
Assembly	\$ 2,709,940	\$ 152,310	\$ -	\$ -	\$ 2,862,250	\$ (5,600)	\$ 2,856,650
Attorney	5,137,050	327,110			5,464,160	(11,180)	5,452,980
Chief Fiscal Officer	681,510	14,630			696,140	(1,200)	694,940
Development Services	8,422,460	694,500			9,116,960	(29,420)	9,087,540
Economic & Community Development	22,825,950	582,380	(27,250)	785,790	24,166,870	(109,650)	24,057,220
Employee Relations	4,037,280	150,430			4,187,710	(11,150)	4,176,560
Office of Equal Opportunity	297,910	20,180			318,090	(650)	317,440
Equal Rights	569,170	41,480			610,650	(2,740)	607,910
Finance	11,521,340	884,480			12,405,820	(52,670)	12,353,150
Fire	58,970,450	4,230,080	(2,210)	25,000	63,223,320	(429,160)	62,794,160
Health & Human Services	14,513,840	526,750	(1,403,380)		13,637,210	(96,590)	13,540,620
Heritage Land Bank	6,603,210	39,450		51,730	6,694,390	(2,580)	6,691,810
Information Technology (MIS)	12,989,650	575,720		162,130	13,727,500	(52,060)	13,675,440
Internal Audit	449,790	35,320			485,110	(420)	484,690
Maintenance & Operations	83,789,230	1,517,760	(2,146,550)	85,770	83,246,210	(193,900)	83,052,310
Mayor	1,302,130	67,500			1,369,630	(3,040)	1,366,590
Municipal Manager	12,318,410	106,370	11,550		12,436,330	(5,370)	12,430,960
Management & Budget	1,098,880	71,450			1,170,330	(1,820)	1,168,510
Anchorage Parks & Recreation	10,801,660	490,030	(4,200)		11,287,490	(145,310)	11,142,180
Planning	5,495,770	415,320			5,911,090	(19,740)	5,891,350
Police	66,691,420	5,687,390	(3,270)	103,720	72,479,260	(512,540)	71,966,720
Project Management & Engineering	6,871,480	508,570			7,380,050	(30,780)	7,349,270
Public Transportation	17,217,150	991,680	50		18,208,880	(89,870)	18,119,010
Purchasing	1,377,850	105,240			1,483,090	(4,020)	1,479,070
Traffic	5,783,180	443,010			6,226,190	(73,290)	6,152,900
TOTALS	\$ 362,476,710	\$ 18,679,140	\$ (3,575,260)	\$ 1,214,140	\$ 378,794,730	\$ (1,884,750)	\$ 376,909,980

2006/2007 Proposed General Government Operating Budget

PERSONNEL SUMMARY BY DEPARTMENT

Department	2005 Revised Budget				2006 Proposed Budget				2007 Proposed Budget			
	FT	PT	Tmp	Total	FT	PT	Tmp	Total	FT	PT	Tmp	Total
Assembly	27	-	-	27	27	-	-	27	27	-	-	27
Chief Fiscal Officer	2	-	-	2	2	-	-	2	2	-	-	2
Development Services	85	3	3	91	86	2	3	91	86	2	3	91
Economic & Community Development *	100	51	25	176	100	43	33	176	79	40	27	146
Employee Relations	19	2	-	21	19	2	-	21	19	2	-	21
Office of Equal Opportunity	3	1	-	4	3	1	-	4	3	1	-	4
Equal Rights Commission	5	2	-	7	5	2	-	7	5	2	-	7
Finance	123	-	-	123	123	-	-	123	123	-	-	123
Anchorage Fire	391	-	-	391	391	-	-	391	391	-	-	391
Health & Human Services	73	5	-	78	73	5	-	78	73	5	-	78
Heritage Land Bank	9	1	-	10	6	1	-	7	6	1	-	7
Information Technology	69	-	-	69	69	-	-	69	69	-	-	69
Internal Audit	4	1	-	5	4	1	-	5	4	1	-	5
Maintenance & Operations	209	6	35	250	210	6	37	253	210	6	37	253
Management and Budget	9	-	-	9	7	2	-	9	7	2	-	9
Mayor	11	-	2	13	11	-	2	13	11	-	2	13
Municipal Attorney	55	-	-	55	56	-	-	56	56	-	-	56
Municipal Manager	14	3	-	17	16	3	-	19	16	3	-	19
Anchorage Parks & Recreation	58	51	87	196	58	44	84	186	58	44	84	186
Planning	54	1	-	55	54	1	-	55	54	1	-	55
Anchorage Police **	536	-	-	536	569	-	-	569	569	-	-	569
Project Management & Engineering	58	-	3	61	62	-	3	65	62	-	3	65
Public Transportation	154	-	-	154	154	-	-	154	154	-	-	154
Purchasing	15	-	-	15	15	-	-	15	15	-	-	15
Traffic	50	1	4	55	50	1	4	55	50	1	4	55
Total General Gov't	2,133	128	159	2,420	2,170	114	166	2,450	2,149	111	160	2,420

* The decrease of 30 positions in the Office of Economic & Community Development from 2006 to 2007 results from the outsourcing of Museum operations.

** Anchorage Police Department shows an increase of 33 positions from 2005 to 2006. Of this increase, 20 are new sworn officer (16) and non-sworn (4) positions and 13 are continuing positions from the COPS in Schools grant (grant funded through 2005).

2006/2007 Proposed General Government Operating Budget

Preliminary Tax Limit Caculation

	2005	2006	2007
	Revised	Preliminary	Preliminary
TAXES			
Real/Personal Property Taxes	\$ 173,975,100	\$ 176,210,220	\$ 195,101,850
Payment in Lieu of Taxes (State/Federal)	609,540	579,410	579,410
Automobile Tax	5,285,160	5,300,000	5,400,000
Tobacco Tax	4,900,000	16,054,230	15,700,000
Aircraft Tax	195,000	225,000	225,000
Motor Vehicles Rental Tax	4,200,000	4,500,000	4,590,000
Total Taxes	\$ 189,164,800	\$ 202,868,860	\$ 221,596,260
Less Taxes to Pay Judgments	170,000	1,538,000	936,070
Less Taxes to Pay Debt Service	39,770,600	41,427,660	47,994,920
	\$ 149,224,200	\$ 159,903,200	\$ 172,665,270
ADJUSTMENT FACTORS			
Population 5 Year Average	1.37%	1.46%	1.80%
Change in Consumer Price Index	2.60%	2.60%	2.80%
Total	3.97%	4.06%	4.60%
Base Taxes Allowed	\$ 155,148,400	\$ 166,395,270	\$ 180,607,870
PLUS:			
(1) Tax on New Construction	4,583,050	4,720,000	4,862,000
(2) Tax to Pay Debt Service	41,427,660	47,994,920	44,418,490
(3) Voter-Approved New O&M Costs	1,502,900	1,550,000	800,000
(4) Judgments/Legal Settlements	1,538,000	936,070	500,000
TAX LIMITATION	\$ 204,200,010	\$ 221,596,260	\$ 231,188,360
LESS:			
Payment in Lieu of Taxes (State/Federal)	(579,410)	(579,410)	(579,410)
Automobile Tax	(5,300,000)	(5,400,000)	(5,500,000)
Tobacco Tax	(16,054,230)	(15,700,000)	(16,014,000)
Aircraft Tax	(225,000)	(225,000)	(225,000)
Motor Vehicle Rental Tax	(4,500,000)	(4,590,000)	(4,680,000)
Taxing Authority Transfer to ASD not implemented	500,000	NA	NA
Girdwood Valley SA Adjustment (Outside Tax Cap)	(897,670)	NA	NA
Chugiak Fire SA Adjustment (Outside Tax Cap)	(713,230)	NA	NA
Eagle River Street Light Adjustment (Outside Tax Cap)	(220,250)	NA	NA
PROPERTY TAX SUBJECT TO TAX LIMIT	\$ 176,210,220	\$ 195,101,850	\$ 204,189,950
PROPERTY TAX NOT SUBJECT TO TAX LIMIT *	11,605,340	11,670,080	11,708,630
TOTAL PROPERTY TAX ALLOWED	\$ 187,815,560	\$ 206,771,930	\$ 215,898,580
STATE ALLOCATION TO OFFSET PERS (2005/2006)	0	(5,022,748)	0
STATE REVENUE SHARING/SAFE COMMUNITIES **	0	0	0
TOTAL PROPERTY TAX	\$ 187,815,560	\$ 201,749,182	\$ 215,898,580

* Service areas with voter approved maximum mill rates.

** In 2002 the Municipality of Anchorage received \$10.4 million in State Revenue Sharing/Safe Communities.

2006/2007 Proposed General Government Operating Budget

Expenditures and Funding Source Summary

	2005 REVISED BUDGET	2006 PROPOSED BUDGET	2007 PROPOSED BUDGET
<u>MOA PROPERTY TAX CAP:</u>			
<u>EXPENDITURES</u>			
Departments (Direct Costs)	\$ 280,217,520	\$ 303,550,220	\$ 321,515,220
Voter-Approved Debt Service	40,989,050	47,601,390	44,023,380
Total Expenditures	<u>\$ 321,206,570</u>	<u>\$ 351,151,610</u>	<u>\$ 365,538,600</u>
<u>REVENUES</u>			
Non-Property Taxes and Other Revenue:			
Program	\$ 51,173,300	\$ 56,000,590	\$ 56,808,810
Taxes, Interest, Other	55,680,800	55,616,970	56,421,580
MUSA/MESA +1.25% + Dividend	15,024,000	22,779,150	23,682,850
IGC's to Outside MOA Tax Cap	23,118,310	24,192,900	25,066,890
Fund Balance (PERS)	-	2,511,370	-
Total Non-Property Taxes and Other Revenue	<u>\$ 144,996,410</u>	<u>\$ 161,100,980</u>	<u>\$ 161,980,130</u>
PROPERTY TAXES REQUIRED	176,210,160	190,050,630	203,558,470
MOA MAXIMUM PROPERTY TAX CAP	176,210,220	195,101,850	204,189,950
STATE ALLOCATION TO OFFSET PERS	-	(5,022,748)	-
<u>SERVICE AREAS OUTSIDE TAX CAP:</u>			
<u>EXPENDITURES</u>			
Departments (Direct Costs)	\$ 11,127,740	\$ 10,931,570	\$ 10,976,270
Voter-Approved Debt Service	438,610	393,530	395,110
Total Expenditures	<u>\$ 11,566,350</u>	<u>\$ 11,325,100</u>	<u>\$ 11,371,380</u>
<u>REVENUES</u>			
Non-Property Taxes:			
Program	\$ 373,750	382,570	\$ 382,570
Taxes, Interest, Other	376,050	439,210	445,930
IGC's	(1,166,490)	(1,166,760)	(1,165,750)
Applied Fund Balance	377,700	-	-
Total Non-Property Taxes	<u>\$ (38,990)</u>	<u>\$ (344,980)</u>	<u>\$ (337,250)</u>
PROPERTY TAXES REQUIRED	\$ 11,605,340	\$ 11,670,080	\$ 11,708,630
TOTAL PROPERTY TAXES	<u>\$ 11,605,340</u>	<u>\$ 11,670,080</u>	<u>\$ 11,708,630</u>
(Over)/Under Property Taxes	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
<u>SUMMARY:</u>			
TOTAL EXPENDITURES	\$ 332,772,920	\$ 362,476,710	\$ 376,909,980
TOTAL REVENUES (NON-PROPERTY TAX AND OTHER)	\$ 144,957,420	\$ 160,756,000	\$ 161,642,880
TOTAL PROPERTY TAXES REQUIRED	\$ 187,815,500	\$ 201,720,710	\$ 215,267,100
TOTAL PROPERTY TAXES ALLOWED	187,815,560	206,771,930	215,898,580
(OVER)/UNDER PROPERTY TAXES ALLOWED	\$ 60	\$ 5,051,220	\$ 631,480
PROPERTY TAX RELIEF (PERS)	-	(5,022,748)	-
AVAILABLE PROPERTY TAX REMAINING	<u>\$ 60</u>	<u>\$ 28,472</u>	<u>\$ 631,480</u>