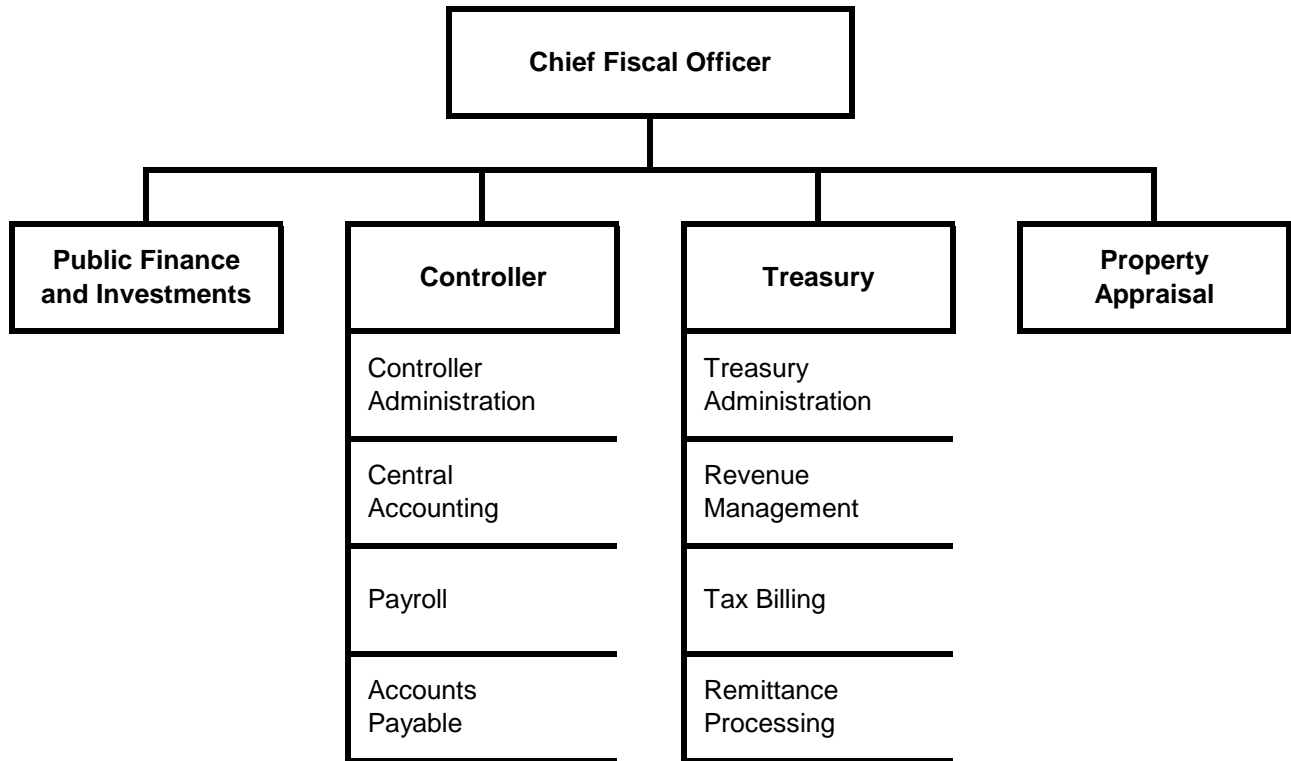


# Finance



## Finance

### Description

The Finance Department's mission is to support public services through prudent and proactive financial services.

- Generate and collect revenues to fund municipal operations
- Maintain the highest possible bond rating
- Deliver monthly, quarterly, and annual financial results of operations
- Process, record, and analyze financial data
- Improve access to Municipal records and information
- Mitigate risk of financial loss
- Safeguard Municipal financial and fixed assets

### Department Services/Divisions

- Controller Division is responsible for all municipal accounting functions. This includes fund accounting, grant accounting, capital project accounting, reconciliation, payroll, accounts payable, fixed asset and the compilation of the Comprehensive Annual Financial Report (CAFR).
- Property Appraisal Division provides a fair and equitable basis for the valuation of all taxable property within the Municipality of Anchorage. The Division administers all property tax exemption determinations as well as providing administrative support for the Board of Equalization.
- The Public Finance & Investment Division is responsible for issuing and managing municipal bonds, investments and cash.
- The Treasury Division is responsible for billing, collecting and auditing major municipal revenue sources. Tax revenues provide primary funding for city services such as: public safety, education, roads and transportation, health & human services and cultural & recreational services. Additional Treasury Division responsibilities include cash receipt processing and remittance processing services.

### Department Goals that Contribute to Achieving the Mayor's Vision:

Vision:  **A Flourishing, Broad-Based and Sustainable Economy**

#### Finance Department - Property Appraisal Division

- Timely annual assessment of all taxable property
- Ensure accurate data collection for property records

#### Finance Department - Public Finance and Investments Division

- Maintain at least the current AAA rating by Standard & Poor's and AA+ rating by Fitch for the MOA's general obligation
- Provide an aggregate investment return, net of fees, that outperforms the benchmark for the MOA's investment portfolio

**Vision:**  **Exemplary Municipal Operations**

Finance Department - Controller Division

- Annually report fairly, without material misstatement, the financial results of the Municipality of Anchorage
- Maintain a system of internal controls that mitigates the risk of fraud and error in municipal transactions.
- Continue to receive the GFOA (Government Finance Officers Association) Certificate of Achievement for excellence in financial reporting which has been received continuously since 1981.

## Finance Department Summary

	2013 Actuals	2014 Revised	2015 Proposed	15 v 14 % Chg
<b>Direct Cost by Division</b>				
FIN Controller	3,483,702	3,977,591	4,295,015	7.98%
FIN Property Appraisal	4,068,559	4,262,353	4,298,551	0.85%
FIN Public Finance & Investment	2,128,346	1,564,015	1,547,955	<1.03%>
FIN Treasury	3,332,819	4,076,545	3,112,348	<23.65%>
<b>Direct Cost Total</b>	<b>13,013,425</b>	<b>13,880,504</b>	<b>13,253,869</b>	<b>&lt;4.51%&gt;</b>
<b>Intragovernmental Charges</b>				
Charges by/to Other Departments	(3,399,439)	(2,941,974)	(3,173,658)	7.88%
<b>Function Cost Total</b>	<b>9,613,985</b>	<b>10,938,530</b>	<b>10,080,211</b>	<b>&lt;7.85%&gt;</b>
Program Generated Revenue	(2,249,958)	(2,461,939)	(2,492,626)	1.25%
<b>Net Cost Total</b>	<b>7,364,027</b>	<b>8,476,591</b>	<b>7,587,585</b>	<b>&lt;10.49%&gt;</b>
<b>Direct Cost by Category</b>				
Salaries and Benefits	10,292,013	11,359,485	11,889,933	4.67%
Supplies	79,013	62,890	67,090	6.68%
Travel	3,869	14,828	7,000	<52.79%>
Contractual/Other Services	2,556,564	2,420,201	1,266,746	<47.66%>
Debt Service	38,543	-	-	-
Equipment, Furnishings	43,422	23,100	23,100	-
<b>Direct Cost Total</b>	<b>13,013,425</b>	<b>13,880,504</b>	<b>13,253,869</b>	<b>&lt;4.51%&gt;</b>
<b>Position Summary as Budgeted</b>				
Full-Time	95	98	102	
Part-Time	2	2	2	
<b>Position Total</b>	<b>97</b>	<b>100</b>	<b>104</b>	

## Finance

### Reconciliation from 2014 Revised Budget to 2015 Proposed Budget

	Direct Costs	Positions		
		FT	PT	Seas/T
<b>2014 Revised Budget</b>	13,880,504	98	2	-
<b>2014 One-Time Requirements</b>				
- Remove ONE-TIME funding for road survey required by Governmental Accounting Standards Board (GASB) every three years, last one was completed in 2014, next survey is to be done in 2017.	(120,000)	-	-	-
- Remove ONE-TIME contribution to ASD contingency for changes in basic need.	(750,000)	-	-	-
- Remove ONE-TIME contribution to Anchorage Police Service Area Fund (151) for school resource officers.	(250,000)	-	-	-
<b>Changes in Existing Programs/Funding for 2015</b>				
- Salary and benefits adjustments	205,763	-	-	-
<b>2015 Continuation Level</b>	<b>12,966,267</b>	<b>98</b>	<b>2</b>	<b>-</b>
<b>2015 Proposed Budget Changes</b>				
- <u>Controller</u> - Miscellaneous non-labor savings.	(25,527)	-	-	-
- <u>Controller</u> - Add filled Mgmt Systems Officer II; position has been filled yet unbudgeted for past two years.	149,987	1	-	-
- <u>Controller</u> - Add 3 new Payroll positions - (2) grade 12 Jr Accountants and (1) grade 14 Sr Accountant to support day-to-day operations and provide additional capacity for the SAP implementation, offset by \$50K vacancy factor as Payroll reorganizes, to be reexamined in 2015 Revised Budget.	223,696	3	-	-
- <u>Property Appraisal</u> - Increase vacancy factor - department will manage vacancies with increased efficiency due to improving technology and improved department processes.	(43,074)	-	-	-
- <u>Property Appraisal</u> - Increase fleet budget.	601	-	-	-
- <u>Public Finance</u> - Miscellaneous non-labor savings, partially offset by increase in overtime.	(16,631)	-	-	-
- <u>Treasury</u> - Miscellaneous non-labor increases - postage to reflect actual usage and rate increase, contract increase for CourtView, contracted costs for copier and archiving of records.	8,550	-	-	-
- <u>Treasury</u> - Increase vacancy factor to reflect anticipated retirements.	(10,000)	-	-	-
<b>2015 Proposed Budget</b>	<b>13,253,869</b>	<b>102</b>	<b>2</b>	<b>-</b>

**Finance**  
**Division Summary**  
**FIN Controller**

(Fund Center # 132479, 132279, 132400, 132300, 132379, 132100, 132179, 132200)

	2013 Actuals	2014 Revised	2015 Proposed	15 v 14 % Chg
<b>Direct Cost by Category</b>				
Salaries and Benefits	3,097,827	3,763,983	4,226,935	12.30%
Supplies	14,299	15,730	13,480	<14.30%>
Travel	2,078	4,828	2,000	<58.57%>
Contractual/Other Services	350,597	178,050	40,600	<77.20%>
Equipment, Furnishings	18,901	15,000	12,000	<20.00%>
<b>Manageable Direct Cost Total</b>	<b>3,483,702</b>	<b>3,977,591</b>	<b>4,295,015</b>	<b>7.98%</b>
Debt Service	-	-	-	
<b>Direct Cost Total</b>	<b>3,483,702</b>	<b>3,977,591</b>	<b>4,295,015</b>	<b>7.98%</b>
<b>Revenue by Fund</b>				
Fund 101000 - Areawide General	10,026	13,600	13,600	-
<b>Revenue Total</b>	<b>10,026</b>	<b>13,600</b>	<b>13,600</b>	<b>-</b>

**Positions as Budgeted**

	2013 Revised		2014 Revised		2015 Proposed	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Accounting Clerk IV	2	-	2	-	2	-
Administrative Officer	2	-	2	-	2	-
Assistant Payroll Manager	1	-	1	-	1	-
Controller	1	-	1	-	1	-
Finance Management Asst	1	-	1	-	-	-
Finance Supervisor	3	-	3	-	4	-
Junior Accountant	2	-	5	-	7	-
Junior Admin Officer	1	-	1	-	-	-
Management Systems Officer II	-	-	-	-	1	-
Principal Accountant	1	-	1	-	1	-
Principal Admin Officer	1	-	1	-	1	-
Senior Accountant	4	-	4	-	6	-
Senior Staff Accountant	9	-	9	-	9	-
Technology Analyst	2	-	1	-	1	-
<b>Positions as Budgeted Total</b>	<b>30</b>	<b>-</b>	<b>32</b>	<b>-</b>	<b>36</b>	<b>-</b>

**Finance**  
**Division Detail**  
**FIN Controller**

(Fund Center # 132479, 132279, 132400, 132300, 132379, 132100, 132179, 132200)

	2013 Actuals	2014 Revised	2015 Proposed	15 v 14 % Chg
<b>Direct Cost by Category</b>				
Salaries and Benefits	3,097,827	3,763,983	4,226,935	12.30%
Supplies	14,299	15,730	13,480	<14.30%>
Travel	2,078	4,828	2,000	<58.57%>
Contractual/Other Services	350,597	178,050	40,600	<77.20%>
Equipment, Furnishings	18,901	15,000	12,000	<20.00%>
<b>Manageable Direct Cost Total</b>	<b>3,483,702</b>	<b>3,977,591</b>	<b>4,295,015</b>	<b>7.98%</b>
Debt Service	-	-	-	-
<b>Direct Cost Total</b>	<b>3,483,702</b>	<b>3,977,591</b>	<b>4,295,015</b>	<b>7.98%</b>
<b>Intra-Governmental Charges</b>				
Charges by/to Other Departments	(3,461,075)	(3,963,989)	(4,159,562)	4.93%
<b>Program Generated Revenue</b>				
406610 - Computer Time Fees	780	1,000	1,000	-
406620 - Reimbursed Cost-ER	-	12,600	12,600	-
406625 - Rmb Cost-NonGrntFund	9,242	-	-	-
408550 - Cash Over & Short	4	-	-	-
440010 - GCP CshPool ST-Int	-	-	-	-
<b>Program Generated Revenue Total</b>	<b>10,026</b>	<b>13,600</b>	<b>13,600</b>	<b>-</b>
<b>Net Cost</b>				
Manageable Direct Cost	3,483,702	3,977,591	4,295,015	7.98%
Debt Service	-	-	-	-
Charges by/to Other Departments	(3,461,075)	(3,963,989)	(4,159,562)	4.93%
Program Generated Revenue	(10,026)	(13,600)	(13,600)	-
<b>Net Cost Total</b>	<b>12,600</b>	<b>2</b>	<b>121,853</b>	<b>4910624.11%</b>

**Finance**  
**Division Summary**  
**FIN Property Appraisal**  
(Fund Center # 135100)

	2013 Actuals	2014 Revised	2015 Proposed	15 v 14 % Chg
<b>Direct Cost by Category</b>				
Salaries and Benefits	3,877,424	4,083,592	4,119,189	0.87%
Supplies	43,249	26,160	32,160	22.94%
Travel	1,455	5,000	5,000	-
Contractual/Other Services	140,600	147,601	139,202	<5.69%>
Equipment, Furnishings	5,831	-	3,000	
<b>Manageable Direct Cost Total</b>	<b>4,068,559</b>	<b>4,262,353</b>	<b>4,298,551</b>	<b>0.85%</b>
Debt Service	-	-	-	
<b>Direct Cost Total</b>	<b>4,068,559</b>	<b>4,262,353</b>	<b>4,298,551</b>	<b>0.85%</b>
<b>Revenue by Fund</b>				
Fund 101000 - Areawide General	(4,759)	7,780	7,780	-
<b>Revenue Total</b>	<b>(4,759)</b>	<b>7,780</b>	<b>7,780</b>	<b>-</b>

**Positions as Budgeted**

	2013 Revised		2014 Revised		2015 Proposed	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Accounting Clerk III	4	-	4	-	4	-
Administrative Officer	-	-	-	-	1	-
Appraisal Analyst	11	-	11	-	11	-
Appraisal Supervisor	3	-	3	-	3	-
Appraiser	5	-	5	-	5	-
Municipal Assessor	1	-	1	-	1	-
Property Appraisal Admin	2	-	2	-	2	-
Senior Appraiser	10	-	10	-	9	-
<b>Positions as Budgeted Total</b>	<b>36</b>	<b>-</b>	<b>36</b>	<b>-</b>	<b>36</b>	<b>-</b>



**Finance**  
**Division Detail**  
**FIN Property Appraisal**  
(Fund Center # 135100)

	2013 Actuals	2014 Revised	2015 Proposed	15 v 14 % Chg
<b>Direct Cost by Category</b>				
Salaries and Benefits	3,877,424	4,083,592	4,119,189	0.87%
Supplies	43,249	26,160	32,160	22.94%
Travel	1,455	5,000	5,000	-
Contractual/Other Services	140,600	147,601	139,202	<5.69%>
Equipment, Furnishings	5,831	-	3,000	-
<b>Manageable Direct Cost Total</b>	<b>4,068,559</b>	<b>4,262,353</b>	<b>4,298,551</b>	<b>0.85%</b>
Debt Service	-	-	-	-
<b>Direct Cost Total</b>	<b>4,068,559</b>	<b>4,262,353</b>	<b>4,298,551</b>	<b>0.85%</b>
<b>Intra-Governmental Charges</b>				
Charges by/to Other Departments	1,134,655	1,409,752	1,400,858	<0.63%>
<b>Program Generated Revenue</b>				
406130 - Appraisal Appeal Fee	(9,490)	5,000	5,000	-
406570 - Micro-Fiche Fees	3,874	2,000	2,000	-
406580 - Copier Fees	255	680	680	-
406610 - Computer Time Fees	147	100	100	-
406625 - Rmb Cost-NonGrntFund	457	-	-	-
<b>Program Generated Revenue Total</b>	<b>(4,759)</b>	<b>7,780</b>	<b>7,780</b>	<b>-</b>
<b>Net Cost</b>				
Manageable Direct Cost	4,068,559	4,262,353	4,298,551	0.85%
Debt Service	-	-	-	-
Charges by/to Other Departments	1,134,655	1,409,752	1,400,858	<0.63%>
Program Generated Revenue	4,759	(7,780)	(7,780)	-
<b>Net Cost Total</b>	<b>5,207,973</b>	<b>5,664,325</b>	<b>5,691,629</b>	<b>0.48%</b>

**Finance**  
**Division Summary**  
**FIN Public Finance & Investment**  
(Fund Center # 131300)

	2013 Actuals	2014 Revised	2015 Proposed	15 v 14 % Chg
<b>Direct Cost by Category</b>				
Salaries and Benefits	586,643	630,155	634,801	0.74%
Supplies	1,327	2,100	2,100	-
Travel	-	-	-	-
Contractual/Other Services	1,539,675	929,760	909,054	<2.23%>
Equipment, Furnishings	701	2,000	2,000	-
<b>Manageable Direct Cost Total</b>	<b>2,128,346</b>	<b>1,564,015</b>	<b>1,547,955</b>	<b>&lt;1.03%&gt;</b>
Debt Service	-	-	-	-
<b>Direct Cost Total</b>	<b>2,128,346</b>	<b>1,564,015</b>	<b>1,547,955</b>	<b>&lt;1.03%&gt;</b>
<b>Revenue by Fund</b>				
Fund 164000 - Public Finance and Investment	1,662,072	1,787,605	1,780,466	<0.40%>
<b>Revenue Total</b>	<b>1,662,072</b>	<b>1,787,605</b>	<b>1,780,466</b>	<b>&lt;0.40%&gt;</b>

**Positions as Budgeted**

	2013 Revised		2014 Revised		2015 Proposed	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Accounting Officer	1	-	1	-	-	-
Finance Manager	1	-	1	-	-	-
Principal Accountant	1	-	1	-	1	-
Public Finance Manager	1	-	1	-	2	-
Senior Finance Officer	-	-	-	-	1	-
<b>Positions as Budgeted Total</b>	<b>4</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>4</b>	<b>-</b>

**Finance**  
**Division Detail**  
**FIN Public Finance & Investment**  
(Fund Center # 131300)

	2013 Actuals	2014 Revised	2015 Proposed	15 v 14 % Chg
<b>Direct Cost by Category</b>				
Salaries and Benefits	586,643	630,155	634,801	0.74%
Supplies	1,327	2,100	2,100	-
Travel	-	-	-	-
Contractual/Other Services	1,539,675	929,760	909,054	<2.23%>
Equipment, Furnishings	701	2,000	2,000	-
<b>Manageable Direct Cost Total</b>	<b>2,128,346</b>	<b>1,564,015</b>	<b>1,547,955</b>	<b>&lt;1.03%&gt;</b>
Debt Service	-	-	-	-
<b>Direct Cost Total</b>	<b>2,128,346</b>	<b>1,564,015</b>	<b>1,547,955</b>	<b>&lt;1.03%&gt;</b>
<b>Intra-Governmental Charges</b>				
Charges by/to Other Departments	85,643	99,048	98,210	<0.85%>
<b>Program Generated Revenue</b>				
406560 - Serv Fees-ASD	302,807	366,000	366,000	-
406620 - Reimbursed Cost-ER	-	285,228	285,228	-
406625 - Rmb Cost-NonGrntFund	281,924	-	-	-
408380 - Prior Yr Exp Recov	48	-	-	-
408580 - Miscellaneous Revenues	1,057,408	1,080,000	1,080,000	-
440010 - GCP CshPool ST-Int	14,586	20,377	13,238	<35.03%>
440040 - Other Short Term Int	19,335	36,000	36,000	-
440080 - UnRlzd Gns&Lss Invs	(14,037)	-	-	-
<b>Program Generated Revenue Total</b>	<b>1,662,072</b>	<b>1,787,605</b>	<b>1,780,466</b>	<b>&lt;0.40%&gt;</b>
<b>Net Cost</b>				
Manageable Direct Cost	2,128,346	1,564,015	1,547,955	<1.03%>
Debt Service	-	-	-	-
Charges by/to Other Departments	85,643	99,048	98,210	<0.85%>
Program Generated Revenue	(1,662,072)	(1,787,605)	(1,780,466)	<0.40%>
<b>Net Cost Total</b>	<b>551,917</b>	<b>(124,542)</b>	<b>(134,301)</b>	<b>7.84%</b>

**Finance**  
**Division Summary**  
**FIN Treasury**

(Fund Center # 134100, 134279, 134179, 134679, 134671, 134700, 134200, 134274, 134779,...)

	2013 Actuals	2014 Revised	2015 Proposed	15 v 14 % Chg
<b>Direct Cost by Category</b>				
Salaries and Benefits	2,730,119	2,881,755	2,909,008	0.95%
Supplies	20,138	18,900	19,350	2.38%
Travel	336	5,000	-	
Contractual/Other Services	525,692	1,164,790	177,890	<84.73%>
Equipment, Furnishings	17,990	6,100	6,100	-
<b>Manageable Direct Cost Total</b>	<b>3,294,276</b>	<b>4,076,545</b>	<b>3,112,348</b>	<b>&lt;23.65%&gt;</b>
Debt Service	38,543	-	-	
<b>Direct Cost Total</b>	<b>3,332,819</b>	<b>4,076,545</b>	<b>3,112,348</b>	<b>&lt;23.65%&gt;</b>
<b>Revenue by Fund</b>				
Fund 101000 - Areawide General	582,619	652,954	690,780	5.79%
<b>Revenue Total</b>	<b>582,619</b>	<b>652,954</b>	<b>690,780</b>	<b>5.79%</b>

**Positions as Budgeted**

	2013 Revised		2014 Revised		2015 Proposed	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Accounting Clerk II	1	-	1	-	1	-
Accounting Clerk III	6	-	6	-	6	-
Administrative Officer	2	-	2	-	2	-
Collector	4	1	4	1	4	1
Junior Admin Officer	1	-	1	-	1	-
Municipal Treasurer	1	-	1	-	1	-
Principal Admin Officer	1	-	1	-	1	-
Remittance Processing Operator	2	-	2	-	2	-
Senior Admin Officer	3	-	3	-	3	-
Senior Staff Accountant	-	1	-	1	-	1
Tax Enforcement Assistant	2	-	3	-	3	-
Tax Enforcement Officer	2	-	2	-	2	-
<b>Positions as Budgeted Total</b>	<b>25</b>	<b>2</b>	<b>26</b>	<b>2</b>	<b>26</b>	<b>2</b>

**Finance**  
**Division Detail**  
**FIN Treasury**

(Fund Center # 134100, 134279, 134179, 134679, 134671, 134700, 134200, 134274, 134779,...)

	2013 Actuals	2014 Revised	2015 Proposed	15 v 14 % Chg
<b>Direct Cost by Category</b>				
Salaries and Benefits	2,730,119	2,881,755	2,909,008	0.95%
Supplies	20,138	18,900	19,350	2.38%
Travel	336	5,000	-	-
Contractual/Other Services	525,692	1,164,790	177,890	<84.73%>
Equipment, Furnishings	17,990	6,100	6,100	-
<b>Manageable Direct Cost Total</b>	<b>3,294,276</b>	<b>4,076,545</b>	<b>3,112,348</b>	<b>&lt;23.65%&gt;</b>
Debt Service	38,543	-	-	-
<b>Direct Cost Total</b>	<b>3,332,819</b>	<b>4,076,545</b>	<b>3,112,348</b>	<b>&lt;23.65%&gt;</b>
<b>Intra-Governmental Charges</b>				
Charges by/to Other Departments	(1,158,663)	(486,785)	(513,164)	5.42%
<b>Program Generated Revenue</b>				
401040 - Tax Cost Recoveries	2,125	100	100	-
404220 - Misc Permits	8,795	2,500	10,000	300.00%
406600 - Late Fees	15,563	10,000	10,000	-
406620 - Reimbursed Cost-ER	-	640,354	630,680	<1.51%>
406625 - Rmb Cost-NonGrntFund	546,038	-	40,000	-
408060 - Othr Collect Revs	8,788	-	-	-
408380 - Prior Yr Exp Recov	49	-	-	-
408550 - Cash Over & Short	(210)	-	-	-
408580 - Miscellaneous Revenues	1,471	-	-	-
<b>Program Generated Revenue Total</b>	<b>582,619</b>	<b>652,954</b>	<b>690,780</b>	<b>5.79%</b>
<b>Net Cost</b>				
Manageable Direct Cost	3,294,276	4,076,545	3,112,348	<23.65%>
Debt Service	38,543	-	-	-
Charges by/to Other Departments	(1,158,663)	(486,785)	(513,164)	5.42%
Program Generated Revenue	(582,619)	(652,954)	(690,780)	5.79%
<b>Net Cost Total</b>	<b>1,591,537</b>	<b>2,936,806</b>	<b>1,908,404</b>	<b>&lt;35.02%&gt;</b>

*Anchorage: Performance. Value. Results*

**Controller Division  
Finance Department**

*Anchorage: Performance. Value. Results.*

**Mission**

Provide timely and accurate financial information while ensuring compliance with debt covenants, Municipal Ordinances and grant reporting requirements.

**Core Services**

- Prepare Comprehensive Annual Financial Report
- Close monthly financial cycle
- Reconcile accounts on a monthly basis and maintain system of internal controls
- Process payroll
- Process payment to vendors

**Accomplishment Goals**

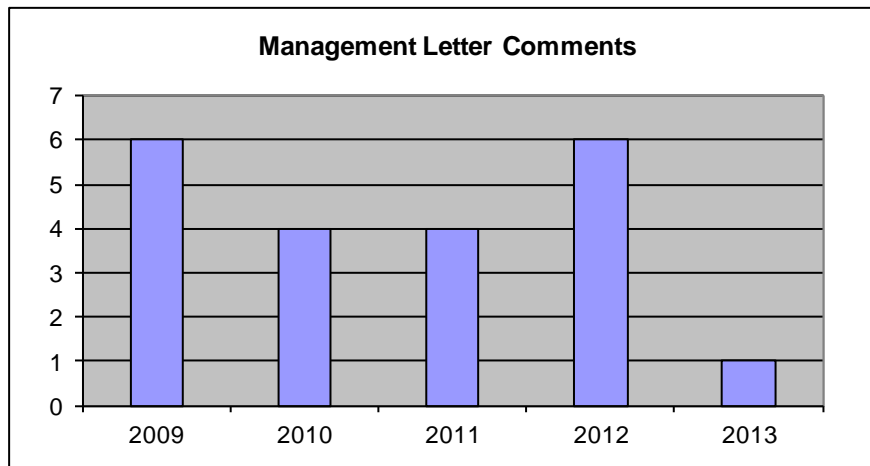
- Report fairly, without material misstatement, the financial results of the Municipality of Anchorage on an annual basis.
- Maintain a system of internal controls such that transactions are accurately recorded on a timely basis to reduce the risk of fraud and error.
- Record transactions accurately and timely.
- Pay employees and vendors accurately and timely.

**Performance Measures**

Progress in achieving goals shall be measured by:

**Measure #1: Reduce number of external audit comments.**

For Audit Yr:	2009	2010	2011	2012	2013
# Management Letter Points in Annual Audit Management Letter	6	4	4	6	1

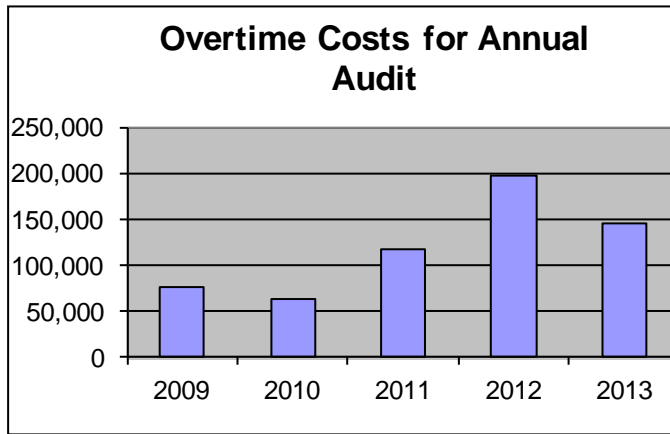


**Measure #2: Ensure audit comments from internal and external auditors are addressed within 90 days of receipt of comment.**

2013 – Comment has been resolved

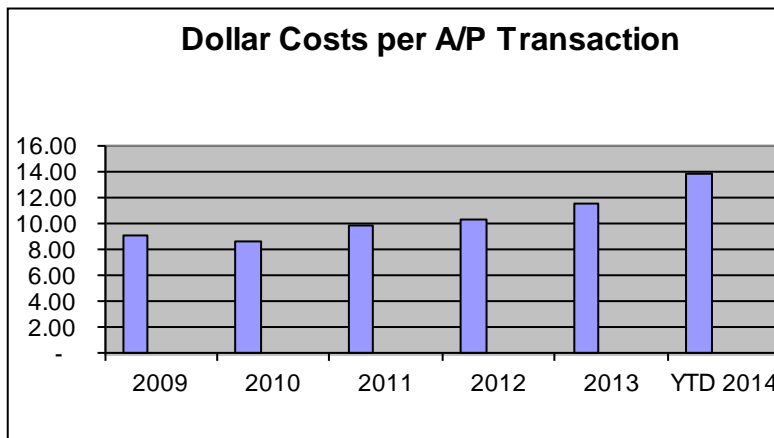
**Measure #3: Reduce overtime costs associated with annual audit.**

	2009	2010	2011	2012	2013
Overtime Cost:	\$76,289	\$64,062	\$117,723	196,892	144,877



**Measure #4: Cost to produce vendor checks.**

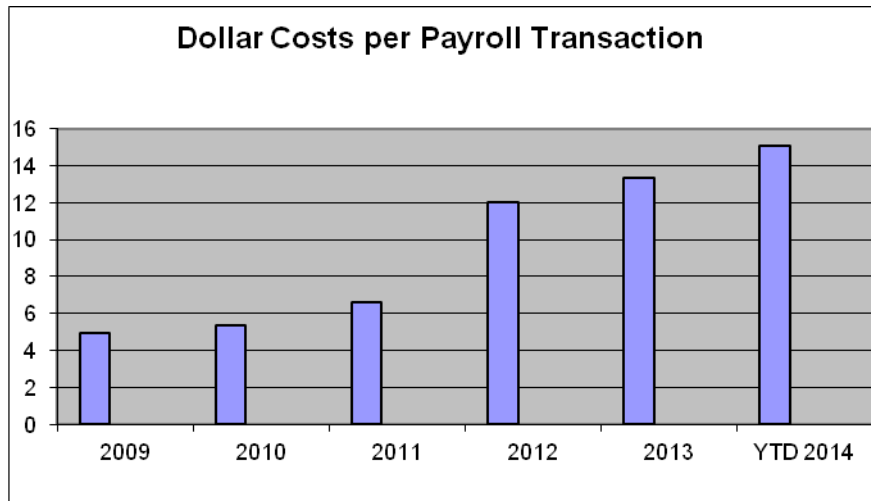
Accounts Payable Division	2009	2010	2011	2012	2013	YTD 2014
\$ cost per transaction	\$9.14	\$8.58	\$9.81	\$10.31	\$11.58	\$13.95
# invoices processed for departments	37,446	35,681	32,976	33,734	32,737	15,802





**Measure #5: Cost to produce payroll checks.**

Payroll Division	2009	2010	2011	2012	2013	YTD 2014
Cost per payroll payment (annual, automated,	\$4.92	\$5.36	\$6.57	\$12.01	\$13.31	\$15.04
Number payrolls not met	0	0	0	0	0	0
Number payroll payments / year	83,040	75,912	73,824	75,074	71,085	39,048



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**Property Appraisal Division  
Finance Department**

*Anchorage: Performance Value Results*

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**Mission**

Provide fair and equitable basis for taxation in the Municipality of Anchorage in conformance with State law and professional standards.

**Core Services**

- **Valuation** - Annually assess all real and personal property in the Municipality of Anchorage.
- **Appeal Response** - Timely response to all appeals of property assessments.
- **Data Collection** - Ensure that all real and personal property descriptions, ownership records and taxability status are accurate.
- **Public Education** - Provide taxpayer and community education on issues related to assessment practices.

**Accomplishment Goals**

- Timely Annual Assessment of all taxable property.
- Completion of annual assessment appeals.
- Improve Property Appraisal assessment functions to ensure accurate data collection for property records and market assessments.
- Advance public education about assessment issues.

**Performance Measures**

Progress in achieving goals shall be measured by:

**Measure #1: Valuation - Meeting or exceeding State Assessor benchmark standards for valuation of property.**

**Sales Ratio (Assessed Value/ Sales Price – Benchmark Standard over 90%)**

<b>2007 Actual</b>	<b>2008 Actual</b>	<b>2009 Actual</b>	<b>2010 Actual</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Actual</b>	<b>2014 Actual</b>
95.4%	94.1%	94.1%	94%	95.2%	95%	96%	96%

**Measure #2: Number of properties inspected per year**

<b>Year</b>	<b>Percentage of total required inspections completed</b>
2007	54% of target
2008	62% of target
2009	102% of target
2010	118% of target
2011	116% of target
2012	108% of target
2013	101% of target
2014	47% (target completion date 12/31/14)

**Measure #3: Appeal Response – Substantive completion of annual property assessment appeals process by June 1<sup>st</sup> of the tax year.****Number of Appeals Completed by June 1<sup>st</sup>**

<b>Year</b>	<b>Appeals Filed</b>	<b>Appeals Completed by June 1st</b>	<b>Percentage Complete</b>
2008	825	821	99.51%
2009	1,058	1,040	98.00%
2010	716	710	99.16%
2011	627	625	99.68%
2012	551	551	100%
2013	416	416	100%
2014	393	391	99.49%

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**Public Finance and Investments Division**  
**Finance Department**

*Anchorage: Performance. Value. Results.*

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**Purpose**

Prudently and efficiently manage the debt and investment portfolios of the MOA while providing liquidity to meet daily cash requirements.

**Direct Services**

Provide the most cost effective source of financing for all departments of the MOA.

Manage investment portfolios of the MOA with the objectives of:

- Safety of Principal,
- Liquidity to meet all operating requirements and
- Achieve the highest return on investment while complying with investment guidelines.

Provide investment performance reporting for all investment portfolios.

Provide investment accounting and investment earnings allocation services to all MOA departments.

**Accomplishment Goals**

- Maintain at least the current AA rating for the MOA's general obligation as currently assigned by the rating agencies Standard & Poor's and Fitch.
- Refund any outstanding debt that provides a minimum net present value savings and provide the most cost effective source of financing for all departments of the MOA.
- Invest only in securities that comply with AMC at the time of investment.
- Provide an aggregate investment return, net of fees, that outperforms the benchmark for the MOA's aggregate portfolio.

**Performance Measures**

- The rating of the MOA's general obligation by Standard & Poor's and Fitch.
- Dollar amount of net present value savings achieved by refunding outstanding debt and cost effective and innovative sources of financing.
- Monthly compliance report for investments that measures if the investments in the portfolio are in compliance with AMC and P&P 24-11.
- Monthly portfolio performance reports that measure the actual return, net of fees, of the aggregate portfolio compared to the benchmark return for the aggregate portfolio.

**Measure #1: The rating of the MOA's general obligation by Standard & Poor's and Fitch.**

<u>Year</u>	<u>S&amp;P</u>	<u>Fitch</u>
2008	AA Stable	AA Stable
2009	AA Stable	AA Stable
2010	AA Stable	AA+ Stable
2011	AA Stable	AA+ Stable
2012	AA+ Stable	AA+ Stable
2013	AAA Stable	AA+ Stable
2014	AAA Stable	AA+ Stable

**Measure #2: Dollar amount of net present value savings achieved by refunding outstanding debt and cost effective, innovative and creative sources of financing.****REFUNDING**

<u>Year</u>	<u>Description of Refunding</u>	<u>Par Amount</u>	<u>Nominal Savings</u>	<u>NPV Savings</u>
2008	No Refunding			
2009	AWWU-Water	49,680,000	14,953,362	5,848,119
2010	GO-GP (refunding) C-1	11,715,000	1,036,948	1,133,804
	GO-GP (restructuring) C-2	11,735,000	-2,225,256	-579,537
		<u>23,450,000</u>	<u>-1,188,308</u>	<u>554,267</u>
2011	GO-School C	28,310,000	1,947,120	1,833,004
2012	GO-GP (refunding) B	30,215,000	1,934,725	2,526,664
	GO-Schools (refunding) D	24,080,000	1,504,758	1,502,047
		<u>54,295,000</u>	<u>3,439,483</u>	<u>4,028,711</u>

**FINANCING**

<u>Financing Program</u>	<u>Savings</u>
Master Lease Program 2008 - 2013	\$180,264
Port Commercial Paper Program 2008 - 2013	\$7,200,000
ML&P Commercial Paper Program 2012 - 2013	\$5,554,000
Port Direct Loan Agreement 2013	\$600,000
ASU Direct Loan Agreement 2013	\$1,659,876
ASU Direct Loan Agreement 2013	\$2,081,250
Tax Anticipation Note Issuances 2006 - 2013 *	\$10,589,000
<b>2008 - 2013 Savings Achieved</b>	<b>\$27,864,390</b>

\* Net profit achieved by keeping long-term funds invested in the Municipal Cash Pool.

**Measure #3: Monthly compliance report for investments that measures if the investments in the portfolio are in compliance with AMC and P&P 24-11.**

Month	In full compliance?	Notes
1/2011	Yes	
2/2011	Yes	
3/2011	No <sup>1</sup>	CP was 1.91% above limit and government securities was 4.24% below limit. Both categories returned to compliance in early April.
4/2011	Yes	
5/2011	Yes	
6/2011	Yes	
7/2011	Yes	
8/2011	Yes	
9/2011	Yes	
10/2011	Yes	
11/2011	Yes	
12/2011	Yes	
1/2012	Yes	
2/2012	Yes	
3/2012	Yes	
4/2012	Yes	
5/2012	Yes	
6/2012	No <sup>1</sup>	Government securities were 0.57% below target on 6/29. The portfolio regained compliance one day later.
7/2012	Yes	
8/2012	No <sup>1</sup>	US Bank's error caused the portfolio to be out of compliance. The compliance was restored after the error was corrected.
9/2012	Yes	
10/2012	Yes	
11/2012	Yes	
12/2012	Yes	
1/2013	Yes	
2/2013	Yes	
3/2013	Yes	
4/2013	Yes	
5/2013	Yes	
6/2013	Yes	
7/2013	Yes	
8/2013	Yes	
9/2013	Yes	
10/2013	Yes	
11/2013	Yes	
12/2013	Yes	
01/2014	Yes	
02/2014	Yes	
03/2014	Yes	

**Measure #4: Monthly portfolio performance reports that measure the actual return, net of fees, of the aggregate portfolio compared to the benchmark return for the aggregate portfolio.**

1 Month Return (%)			
Month	Portfolio	Benchmark	Excess Return over Benchmark
1/2011	0.19	0.14	0.05
2/2011	0.04	-0.02	0.06
3/2011	-0.03	0.00	-0.03
4/2011	0.45	0.45	0.00
5/2011	0.37	0.40	-0.03
6/2011	-0.06	-0.04	-0.02
7/2011	0.32	0.38	-0.06
8/2011	0.12	0.33	-0.21
9/2011	-0.06	-0.04	-0.02
10/2011	0.16	0.08	0.08
11/2011	-0.05	-0.04	-0.01
12/2011	0.22	0.19	0.03
1/2012	0.49	0.35	0.14
2/2012	0.05	-0.06	0.11
3/2012	-0.05	-0.11	0.06
4/2012	0.28	0.33	-0.05
5/2012	0.18	0.17	0.01
6/2012	0.06	0.02	0.04
7/2012	0.39	0.34	0.05
8/2012	0.10	0.07	0.03
9/2012	0.11	0.06	0.05
10/2012	0.02	0.03	-0.01
11/2012	0.11	0.11	0.00
12/2012	-0.02	-0.01	-0.01
1/2013	-0.09	-0.11	0.02
2/2013	0.17	0.19	-0.02
3/2013	0.03	0.06	0.03
4/2013	0.20	0.23	-0.03
5/2013	-0.43	-0.42	-0.01
6/2013	-0.37	-0.43	0.06
7/2013	0.15	0.13	0.02
8/2013	-0.09	-0.17	0.08
9/2013	0.29	0.24	0.05
10/2013	0.22	0.20	0.02
11/2013	0.03	0.03	0.00
12/2013	-0.21	-0.21	0.00
01/2014	0.38	0.31	0.07
02/2014	0.16	0.15	0.01
03/2014	-0.16	-0.13	-0.03

**3 Month Return (%)**

Month	Portfolio	Benchmark	Excess Return over Benchmark
1/2011	-0.21	-0.28	0.07
2/2011	0.00	-0.15	0.15
3/2011	0.20	0.12	0.08
4/2011	0.46	0.43	0.03
5/2011	0.79	0.86	-0.07
6/2011	0.76	0.82	-0.06
7/2011	0.62	0.74	-0.12
8/2011	0.37	0.67	-0.30
9/2011	0.37	0.67	-0.30
10/2011	0.21	0.38	-0.17
11/2011	0.05	0.00	0.05
12/2011	0.33	0.23	0.10
1/2012	0.67	0.50	0.17
2/2012	0.77	0.48	0.29
3/2012	0.49	0.18	0.31
4/2012	0.28	0.16	0.12
5/2012	0.41	0.39	0.02
6/2012	0.52	0.52	0.00
7/2012	0.63	0.53	0.10
8/2012	0.56	0.43	0.13
9/2012	0.60	0.47	0.13
10/2012	0.23	0.16	0.07
11/2012	0.24	0.20	0.04
12/2012	0.11	0.13	-0.02
1/2013	0.01	-0.01	0.02
2/2013	0.07	0.06	0.01
3/2013	0.11	0.14	-0.03
4/2013	0.40	0.48	-0.08
5/2013	-0.20	-0.13	-0.07
6/2013	-0.59	-0.62	0.03
7/2013	-0.65	-0.72	0.07
8/2013	-0.31	-0.47	0.16
9/2013	0.35	0.20	0.15
10/2013	0.42	0.27	0.15
11/2013	0.54	0.46	0.08
12/2013	0.03	0.02	0.01
01/2014	0.19	0.13	0.06
02/2014	0.32	0.25	0.07
03/2014	0.38	0.33	0.05



<b>Since Inception<sup>2</sup> Return (%)</b>			
Month	Portfolio	Benchmark	Excess Return over Benchmark
1/2011	3.07	2.86	0.21
2/2011	3.01	2.80	0.21
3/2011	2.93	2.73	0.20
4/2011	2.99	2.79	0.20
5/2011	3.02	2.84	0.18
6/2011	2.94	2.77	0.17
7/2011	2.96	2.81	0.15
8/2011	2.93	2.83	0.10
9/2011	2.86	2.77	0.09
10/2011	2.84	2.73	0.11
11/2011	2.77	2.67	0.10
12/2011	2.77	2.67	0.10
1/2012	2.83	2.69	0.14
2/2012	2.79	2.63	0.16
3/2012	2.73	2.56	0.17
4/2012	2.74	2.59	0.15
5/2012	2.73	2.58	0.15
6/2012	2.70	2.54	0.16
7/2012	2.73	2.57	0.16
8/2012	2.71	2.54	0.17
9/2012	2.69	2.51	0.18
10/2012	2.65	2.48	0.17
11/2012	2.63	2.46	0.17
12/2012	2.59	2.42	0.17
1/2013	2.53	2.36	0.17
2/2013	2.53	2.36	0.17
3/2013	2.49	2.34	0.16
4/2013	2.49	2.35	0.14
5/2013	2.39	2.24	0.15
6/2013	2.29	2.14	0.15
7/2013	2.28	2.13	0.15
8/2013	2.24	2.07	0.17
9/2013	2.25	2.08	0.17
10/2013	2.26	2.09	0.17
11/2013	2.23	2.07	0.16
12/2013	2.17	2.01	0.16
01/2014	2.20	2.03	0.17
02/2014	2.20	2.03	0.17
03/2014	2.15	1.98	0.17

## Notes:

1. The portfolio was in compliance with P&P 24-11 when the investments were originally purchased. With bond withdrawals and market value changes, the portfolio could shift out of compliance temporarily from time to time. The MOA reports portfolio compliance status at month end.
2. Inception date is June 1, 2007

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**Treasury Division**  
**Finance Department**

*Anchorage: Performance. Value. Results.*

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**Purpose**

Maximize realization of the Municipality's primary revenue sources.

**Direct Services**

- Bill and collect all types of taxes (property taxes and program taxes)
- Audit and analyze major City revenues and regularly report on realization status
- Audit, input and process all City cash receipts
- Efficiently and timely process utility and municipal tax payments
- Pursue all types of delinquent collections on behalf of City departments, most particularly the Anchorage Police Department
- Manage all major municipal receivables and administer various collection related contracts with external service providers
- Equitably enforce various Municipal Tax Code chapters and update periodically as needed
- Promote high level of internal controls, print and distribute all municipal checks and safeguard daily deposits and other similar nature assets through implementation and periodic updating of various Policies & Procedures and municipal wide training
- Act as fiduciary in managing MOA Trust Fund

**Accomplishment Goals**

- Enforce and increase collections of all valid taxes and delinquent fines and fees owed to the Municipality.
- Provide enhanced service to the general public and business community and increase growth in e-commerce (i.e., information sharing and monetary transactions) through increased public use of the Municipal website and other means.
- Promote and improve timely posting and analysis of municipal revenues.

**Performance Measures**

Progress in achieving goals shall be measured by:

**Measure #1: Revenue generated directly by Treasury operations as a multiple of stated function cost**

**Treasury - Direct Revenues Generated vs. Cost** (updated as of Jan 8 2014)

**Efficiency Measure (budgeted cost):** Since 2010, Treasury's overall budget has decreased \$274K or <8.5%>

**Effectiveness Measure (revenue generated):** Since 2010 Treasury has directly generated an additional \$23M of revenue or +4.3%

Treasury Function/Group	millions of dollars		Calculated multiple (revenue-to-cost ratio)
	2013 Revenues Generated	2013 Budgeted Direct Costs	
Prop. tax revenues *	\$495.85	\$0.87	570X
Program tax revenues	\$58.22	\$0.59	99X
Delinq. crim./civil fines & fees	\$4.47	\$0.54	8X
MOA Trust Fund contribution	\$4.70	\$0.08	59X
<b>Total</b>	<b>\$563.24</b>	<b>\$2.10</b>	<b>268X</b>

\* Revenues include PILT, penalty & interest, foreclosure cost recovery and aircraft registration fees; Costs include a one-third allocation of remittance processing direct costs as well as delinquent personal property collections.

NOTE: In addition to the data in the above table, Treasury's budget further invests \$0.84M to provide indirect support of over \$656M of general government 100 fund operating revenues by performing high volume cash receipt audit/input, remittance processing for municipal utilities, management of departmental (and municipal utility) misc. accounts receivable and city-wide revenue analysis and reporting performed on a continual basis.

**Measure #2: Tax website and e-commerce made available to public, local businesses and third party servicers (e.g., property taxpayers, mortgage/title companies, lodging industry, etc.**

**Treasury Tax Performance Statistics**

**Efficiency Measure (budgeted cost):** Since 2010, Tax Billing Section's overall budget has increased only \$24K or 3.9%.

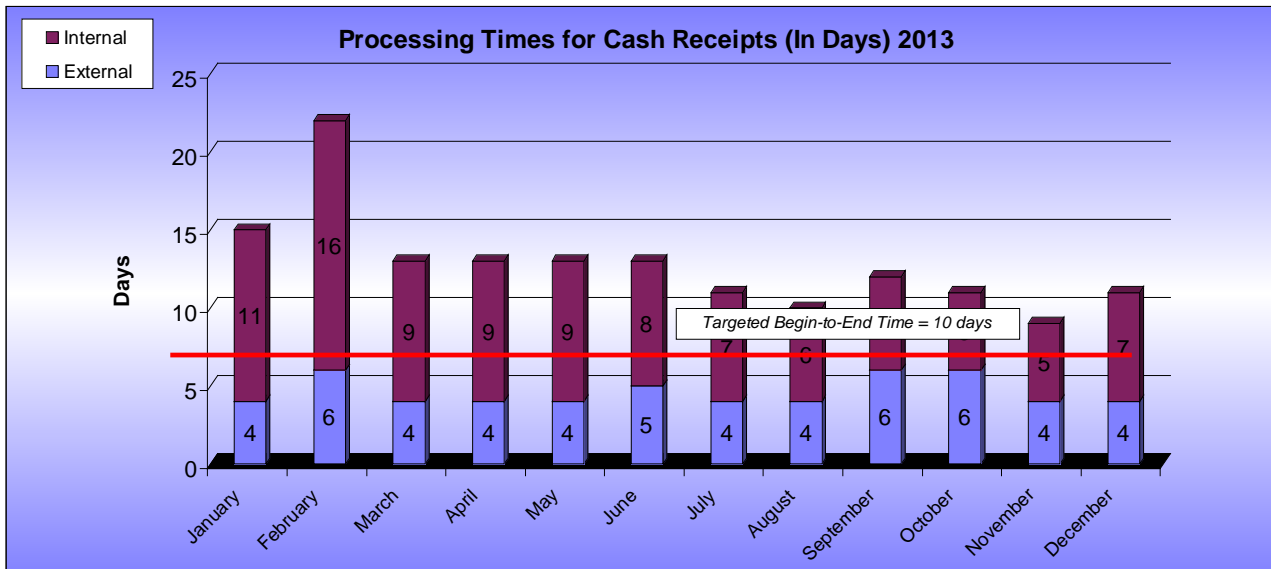
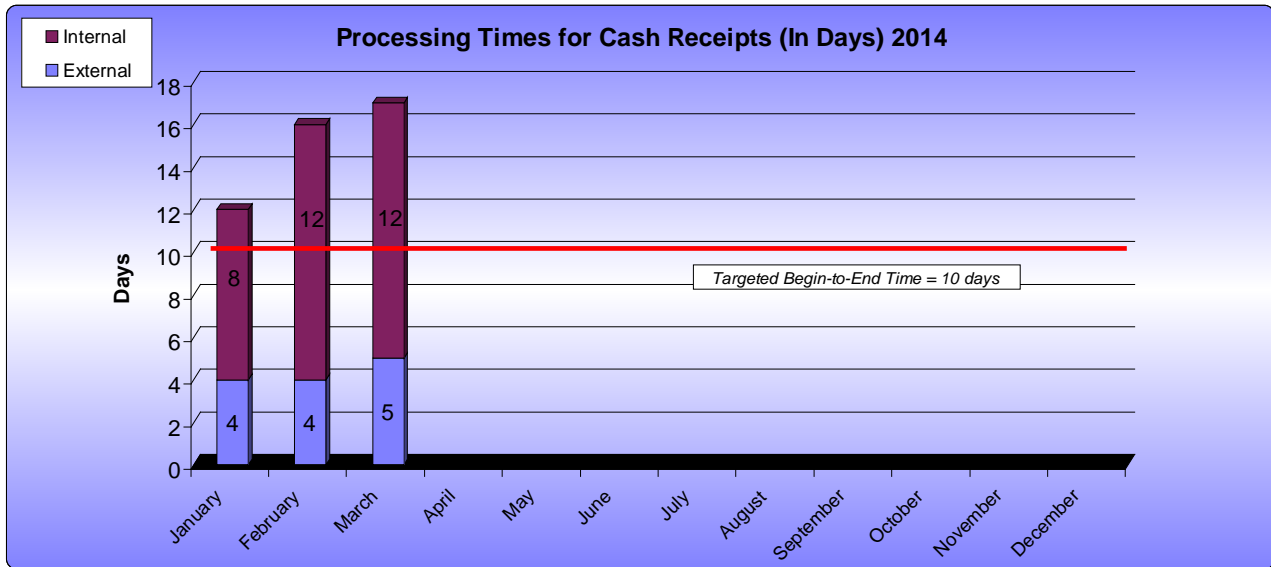
**Effectiveness Measure (increase public use of online services):** Since 2010 Treasury web hits have increased 10% and e-commerce payment volume has increased 24%.

Measurement	2011	2012	2013	Comments
<b>Tax web site and e-commerce</b>				
# of in-coming calls	6,219	6,046	6,975	Year-to-date, as of 12/31/13
Average wait time	45	42	46	Reported in seconds
# of web site hits	1,316,840	1,575,593	1,411,469	Includes Property Taxes and CAMA
# of Credit card payment	2,301	2,534	2,872	
# of e-check payments	1,477	1,594	1,668	
Total # of e-payments	3,778	4,128	4,540	

**The full value of these statistics require presenting a complete annual cycle. Annual data will be compiled and reported by the end of the 1st quarter following each calendar year.**

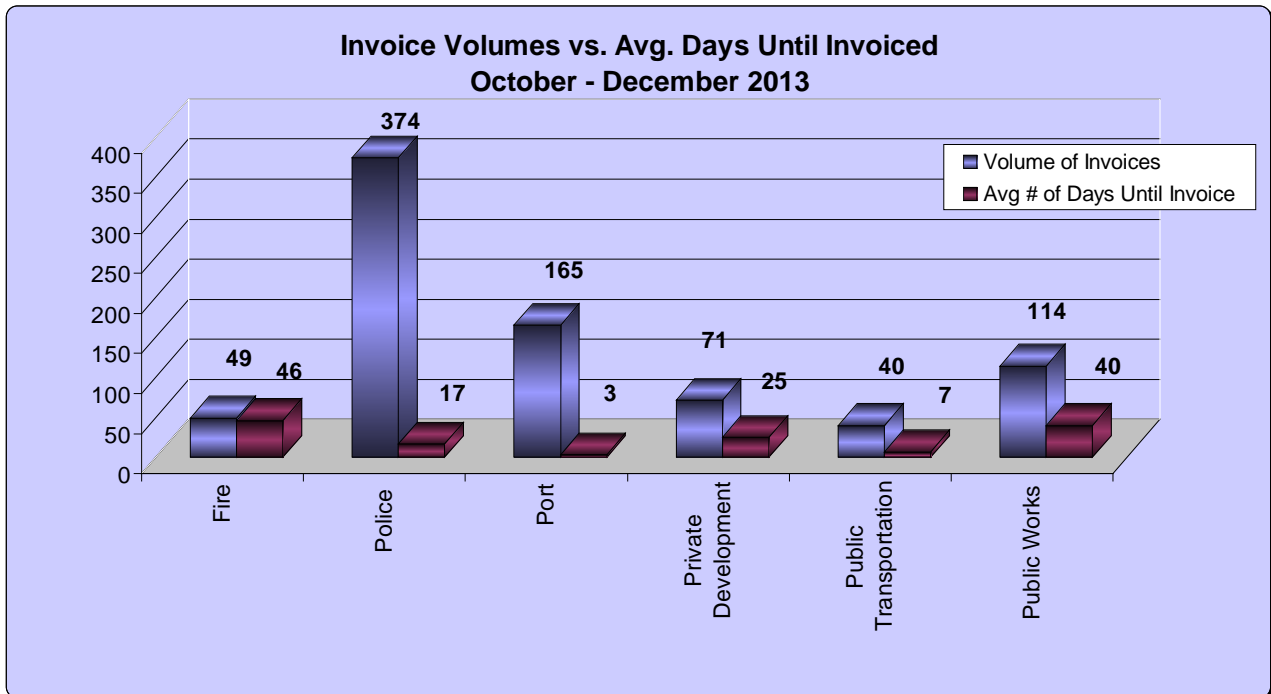
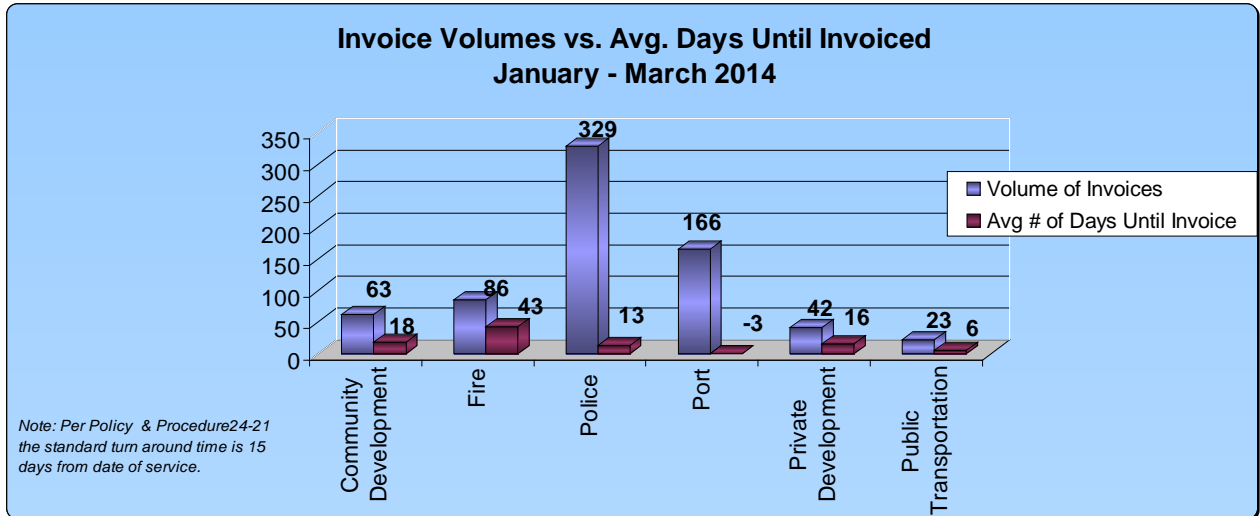
**Measure #3: Cash receipt processing time, from initial transaction date to posting date**

Q2 data not readily available @ mid-July 2014 – will be incorporated with next quarterly report.



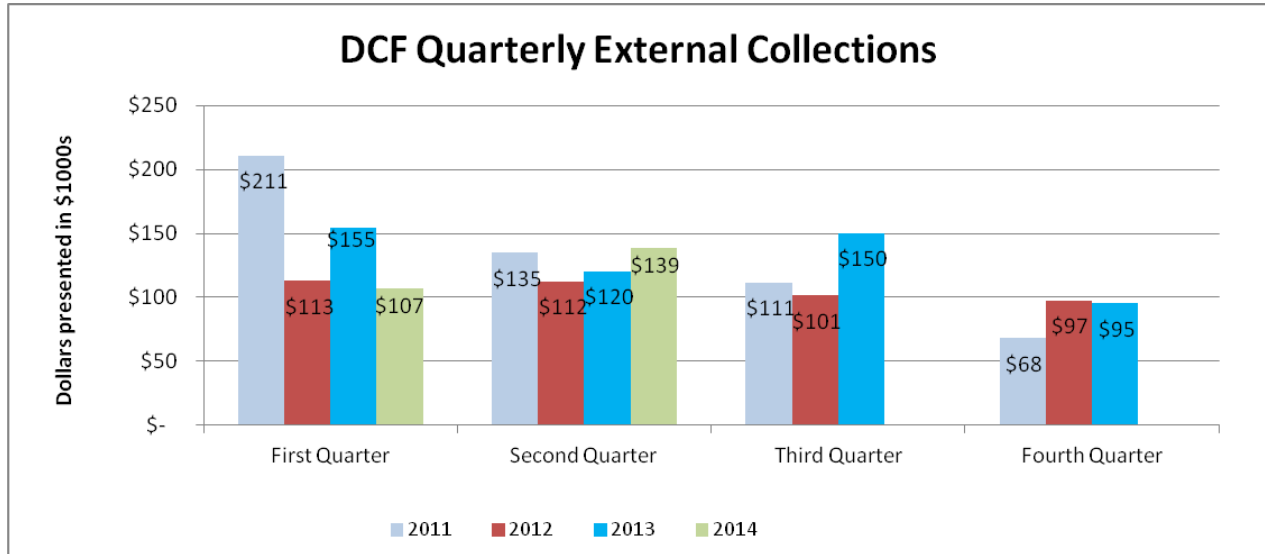
**Measure #4: Timeliness of billings through PeopleSoft accounts receivable billing system**

Q2 data not readily available @ mid-July 2014 – will be incorporated with next quarterly report.

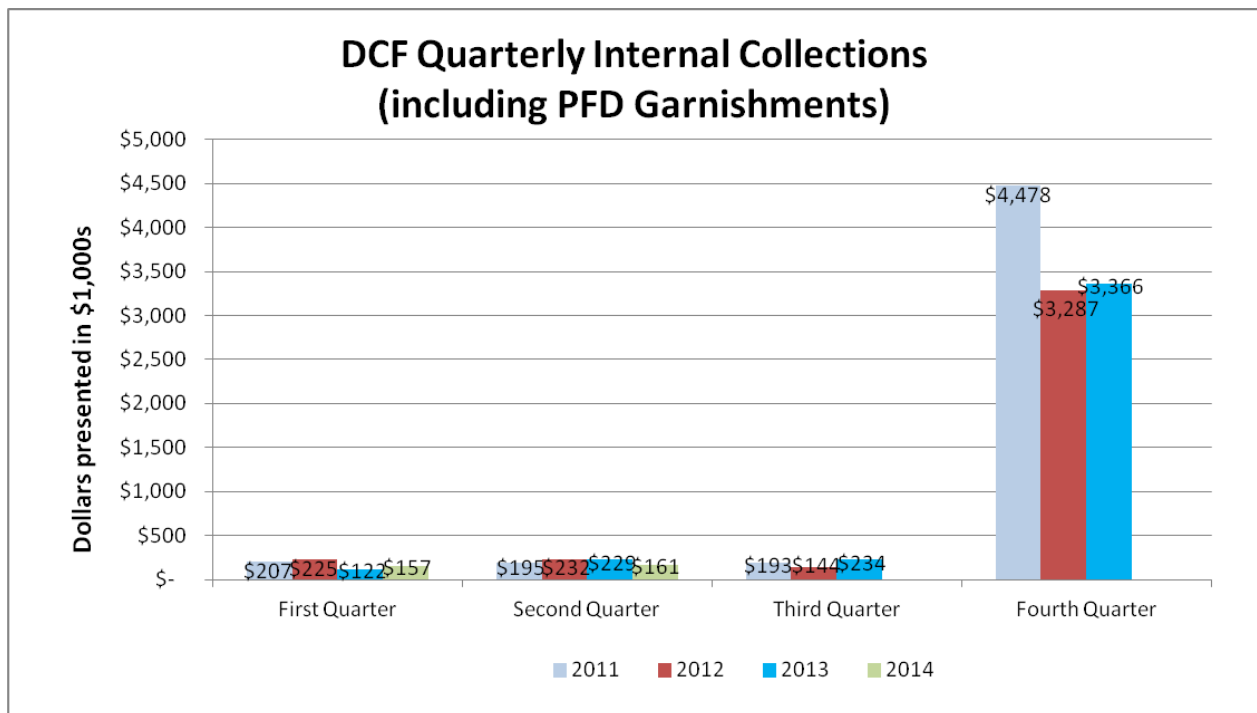


**Measure #5: Collections on delinquent criminal/civil fines and fees (DCF), reflecting both internal and external efforts**

(5a.)



(5b.)



(5c.)

### External Collection Agency Statistics

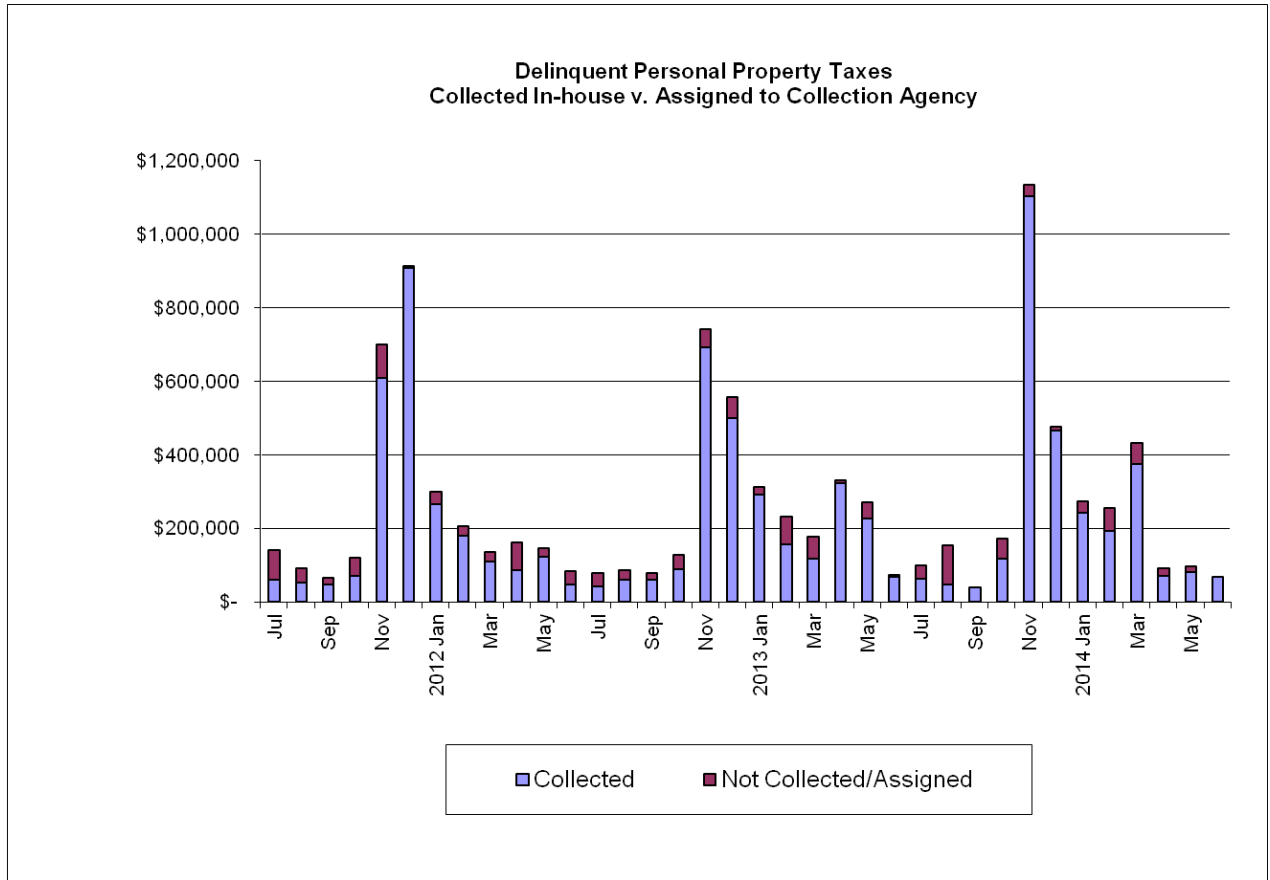
MOA Debt Type	Avg. Annual Number of Cases Submitted for Collection	Avg. Annual Dollars Submitted for Collection	Cumulative Liquidation Rate Since Inception
Traffic Citations	14,000	\$ 1,800,000	37%
Criminal Cases	7,000	\$ 3,500,000	34%
Code Enforcement Cases	1,400	\$ 550,000	9%

**NOTE:** Municipal Services Bureau (MSB) is currently the sole external collection agency for MOA DCF collections. This table displays the average amount of MOA debt submitted to MSB for collection on an annual basis, as well as MSB's liquidation rates since contract inception.

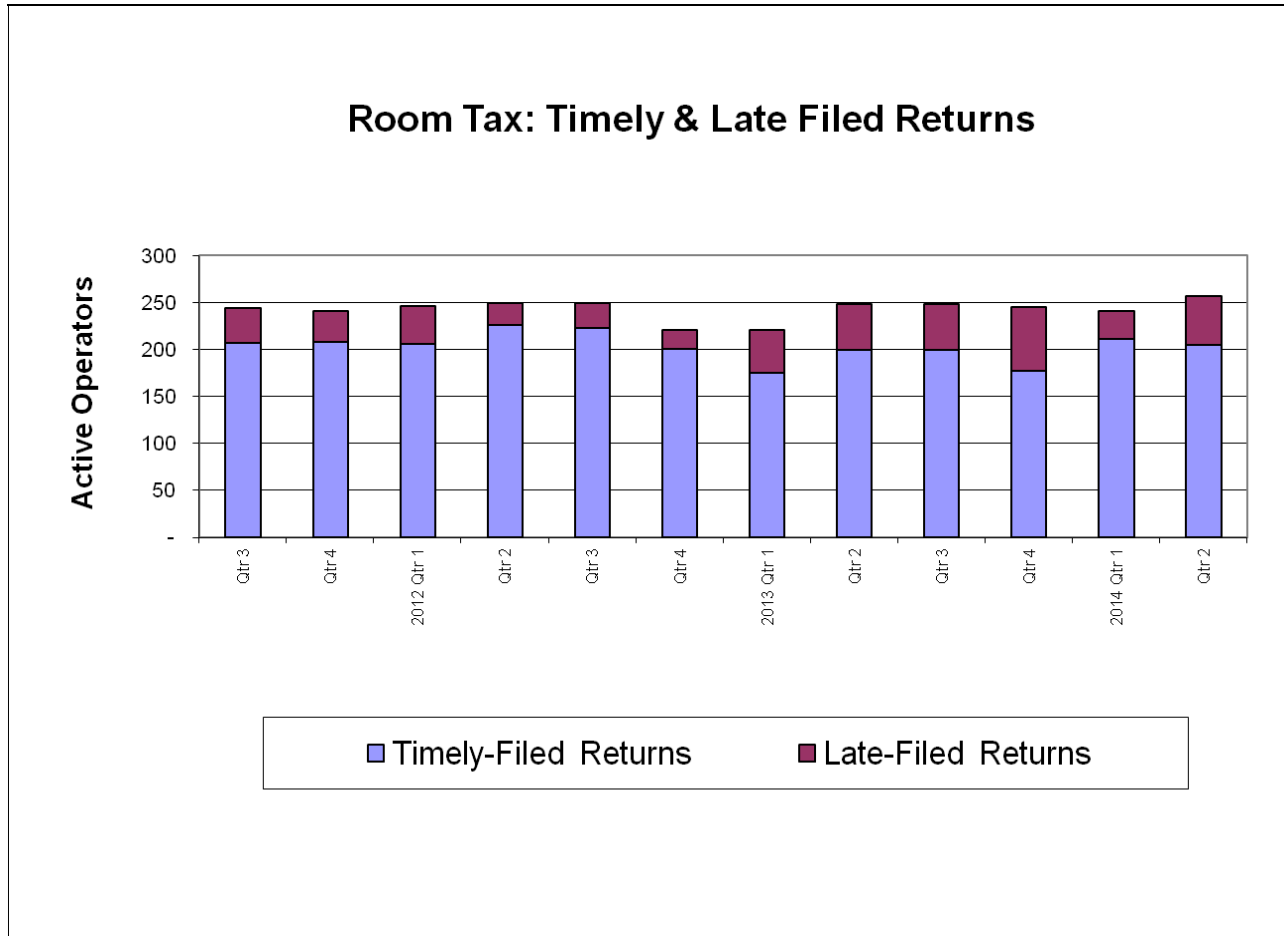
- *Traffic Citations* include a fine, surcharge and collection costs.
- *Criminal Cases* include a fine, surcharge, defense fees and cost of imprisonment.
- *Code Enforcement Cases* include a fine and late fee for violations of Anchorage Municipal Code. Examples include Minor Tobacco Fines, Curfew Violations and Zoning Violations.



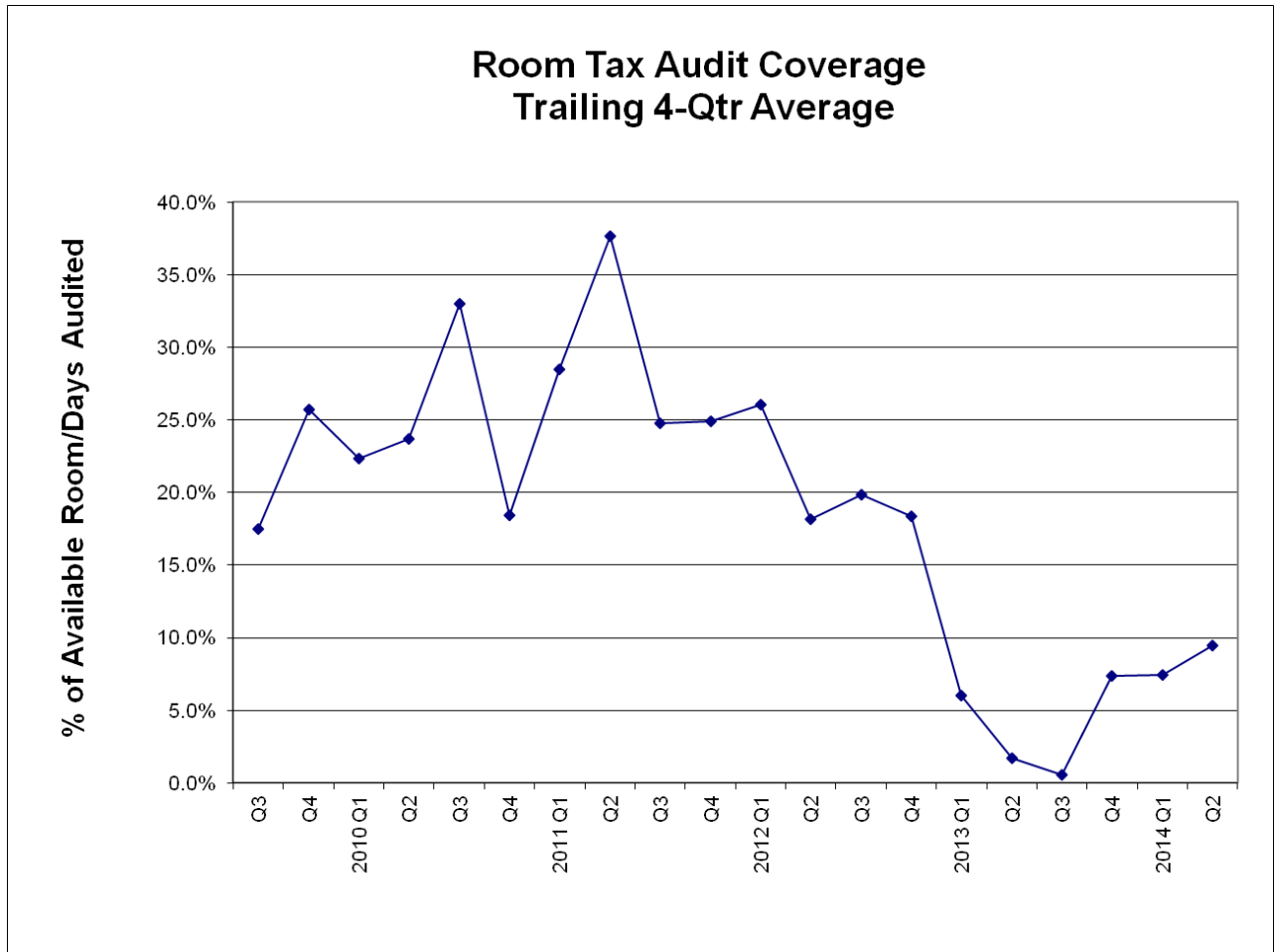
**Measure #6: Internal v. External caseload of delinquent personal property taxes**



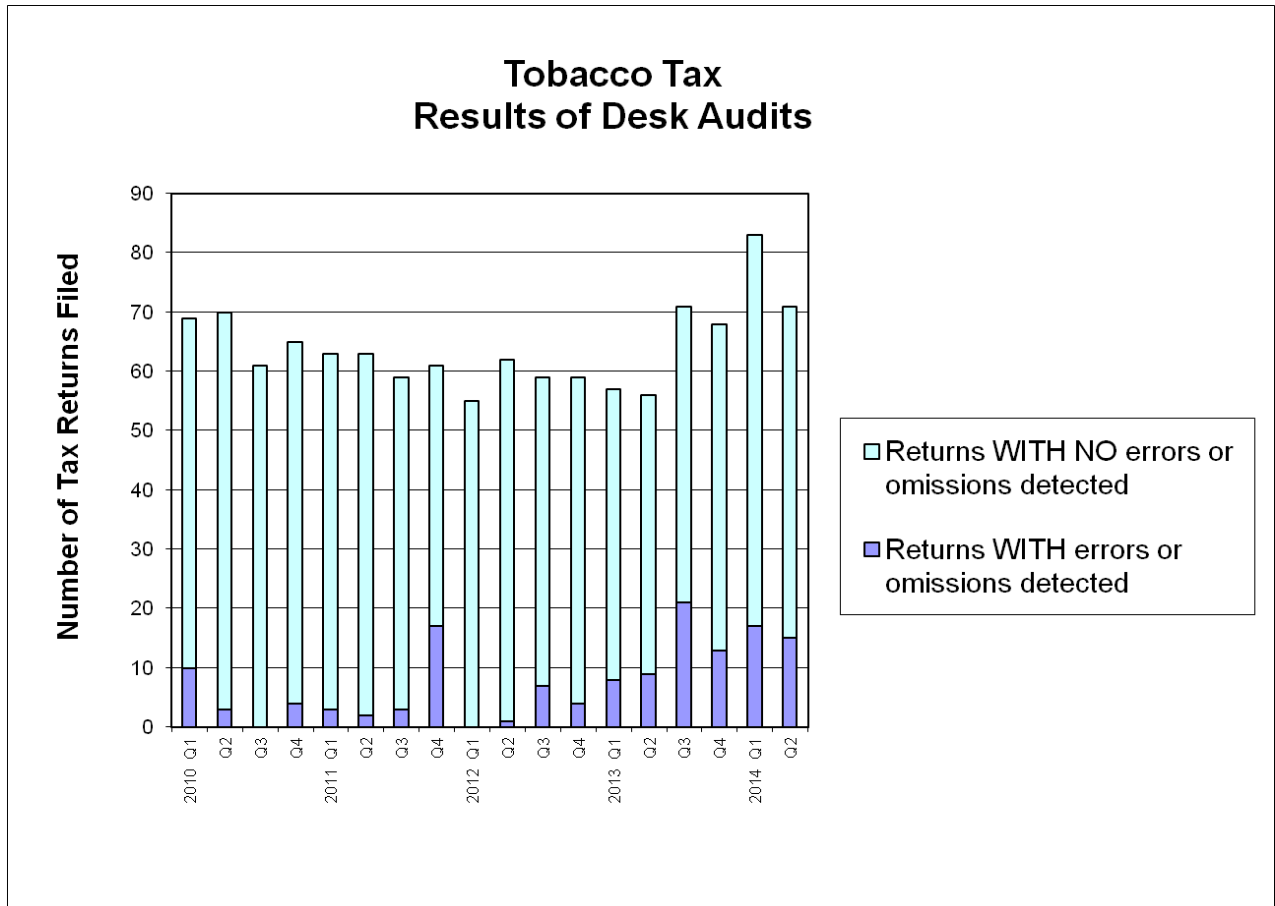
**Measure #7: Number of timely v. late room tax filings**



**Measure #8: Audit coverage related to room tax (i.e., auditor examined rooms versus total annual number of rooms offered for rent by local operators)**



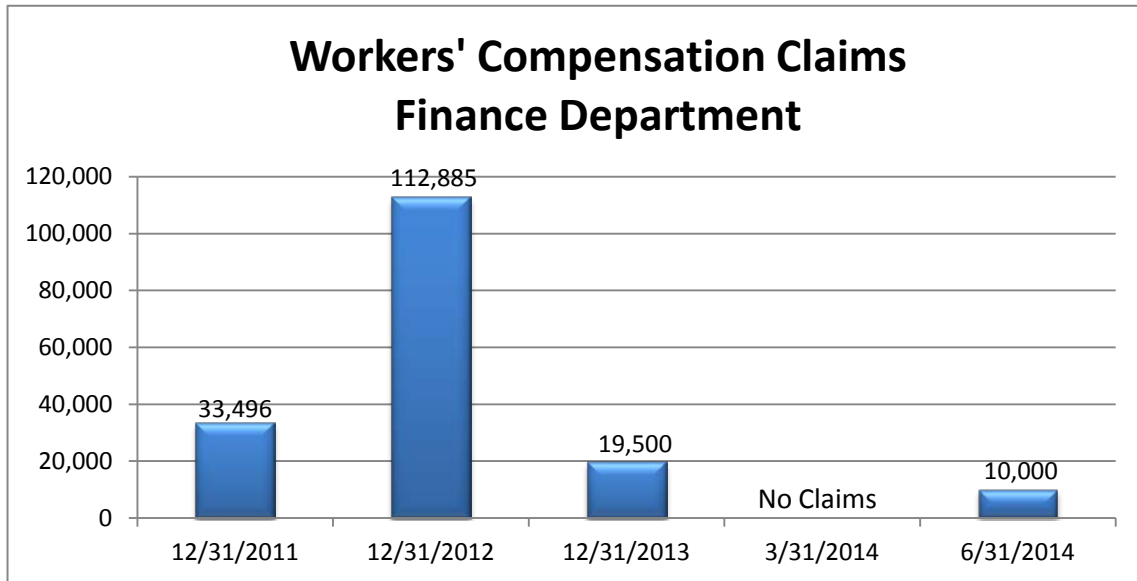
**Measure #9: Percent of incomplete or incorrect tobacco tax filings discovered through desk audits**



**PVR Measure WC: Managing Workers' Compensation Claims**

Reducing job-related injuries is a priority for the Administration by ensuring safe work conditions and safe practices. By instilling safe work practices we ensure not only the safety of our employees but reduce the potential for injuries and property damage to the public. The Municipality is self-insured and every injury poses a financial burden on the public and the injured worker's family. It just makes good sense to WORK SAFE.

Results are tracked by monitoring monthly reports issued by the Risk Management Division.



No data for second quarter of 2013, changing to a new record keeping system

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