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2016 Proposed Direct Cost by Department and Category of Expenditure

| Department | Personnel Services | Supplies | Travel | Other Services | Debt Service | Depr / Amort | Capital Outlay | Total Direct Cost | Less Depr / Amort | Total Appropriation |
|--|-----------------------|-------------------|----------------|--------------------|-------------------|-----------------|-------------------|-------------------------|-------------------------|------------------------|
| Assembly | 2,021,064 | 11,085 | 36,523 | 1,263,601 | - | - | - | 3,332,273 | - | 3,332,273 |
| Chief Fiscal Officer | 481,939 | 3,000 | 5,000 | 170,604 | - | - | - | 660,543 | - | 660,543 |
| Development Services | 10,554,867 | 108,283 | - | 490,650 | - | - | 18,685 | 11,172,485 | - | 11,172,485 |
| Economic & Community Development | 409,510 | 45,242 | - | 9,346,084 | 879,208 | - | - | 10,680,044 | - | 10,680,044 |
| Employee Relations | 3,547,317 | 12,750 | 4,780 | 236,040 | - | - | 10,400 | 3,811,287 | - | 3,811,287 |
| Equal Rights Commission | 723,969 | 7,200 | 9,600 | 35,010 | - | - | - | 775,779 | - | 775,779 |
| Finance | 12,247,356 | 71,790 | 7,000 | 1,753,050 | - | - | 23,800 | 14,102,996 | - | 14,102,996 |
| Fire | 68,315,426 | 2,887,198 | 50,000 | 9,305,514 | 4,311,646 | - | 368,333 | 85,238,117 | - | 85,238,117 |
| <i>Fire - Police/Fire Retirement</i> | - | - | - | 8,677,468 | - | - | - | 8,677,468 | - | 8,677,468 |
| Health & Human Services | 4,448,267 | 180,993 | 5,450 | 6,340,584 | 339,220 | - | 21,868 | 11,336,382 | - | 11,336,382 |
| Information Technology | 9,842,884 | 88,500 | 9,825 | 4,400,703 | 676,708 | 979,618 | 32,000 | 16,030,238 | (979,618) | 15,050,620 |
| Internal Audit | 717,504 | 1,400 | 1,500 | 8,017 | - | - | 6,500 | 734,921 | - | 734,921 |
| Library | 6,657,855 | 58,133 | 8,000 | 1,478,596 | - | - | 70,745 | 8,273,329 | - | 8,273,329 |
| Maintenance & Operations | 18,933,811 | 2,736,773 | 4,810 | 20,675,731 | 45,546,943 | - | 33,700 | 87,931,768 | - | 87,931,768 |
| Management & Budget | 998,474 | 2,805 | - | 98,587 | - | - | - | 1,099,866 | - | 1,099,866 |
| Mayor | 1,143,328 | 6,500 | 25,000 | 805,699 | - | - | - | 1,980,527 | - | 1,980,527 |
| Municipal Attorney | 5,825,037 | 27,470 | 10,000 | 1,694,774 | - | - | - | 7,557,281 | - | 7,557,281 |
| Municipal Manager | 2,216,994 | 51,881 | 16,128 | 9,588,556 | 899,422 | - | 20,500 | 12,793,481 | - | 12,793,481 |
| Parks & Recreation | 10,800,802 | 977,814 | 4,000 | 6,457,094 | 2,755,910 | - | 240,664 | 21,236,284 | - | 21,236,284 |
| Planning | 3,262,957 | 16,125 | - | 151,206 | - | - | 13,450 | 3,443,738 | - | 3,443,738 |
| Police | 78,571,741 | 3,572,660 | 13,500 | 8,596,068 | 255,616 | - | 45,000 | 91,054,585 | - | 91,054,585 |
| <i>Police - Police/Fire Retirement</i> | - | - | - | 9,603,506 | - | - | - | 9,603,506 | - | 9,603,506 |
| Project Management & Engineering | 6,134,724 | 65,279 | - | 330,357 | - | - | 7,840 | 6,538,200 | - | 6,538,200 |
| Public Transportation | 15,543,835 | 3,403,056 | 5,700 | 3,886,790 | 527,159 | - | - | 23,366,540 | - | 23,366,540 |
| Public Works Administration | 2,157,622 | 178,860 | - | 9,236,920 | - | - | 6,000 | 11,579,402 | - | 11,579,402 |
| Purchasing | 1,719,377 | 6,060 | - | 85,603 | - | - | - | 1,811,040 | - | 1,811,040 |
| Real Estate | 727,921 | 5,800 | 1,000 | 7,170,980 | - | - | 8,300 | 7,914,001 | - | 7,914,001 |
| Traffic | 4,306,431 | 611,960 | 5,360 | 252,742 | - | - | 25,080 | 5,201,573 | - | 5,201,573 |
| TANs Expense | - | - | - | - | 263,013 | - | - | 263,013 | - | 263,013 |
| Convention Center Reserve | - | - | - | 13,293,856 | - | - | - | 13,293,856 | - | 13,293,856 |
| Direct Cost Total | 272,311,012 | 15,138,617 | 223,176 | 135,434,390 | 56,454,845 | 979,618 | 952,865 | 481,494,523 | (979,618) | 480,514,905 |
| % of Total | 56.56% | 3.14% | 0.05% | 28.13% | 11.72% | 0.20% | 0.20% | 100.00% | | |

Appendix A

Appendix B - 1

Function Cost by Fund

| Fund | Title | 2015 Revised Budget | 2016 Proposed Budget | Less Depreciation Amortization | 2016 Proposed Appropriation |
|----------------------------|-------------------------------------|---------------------------|----------------------------|--------------------------------------|-----------------------------------|
| 101000 | Areawide General Fund | 122,831,366 | 120,283,738 | - | 120,283,738 |
| 104000 | Chugiak Fire Service Area | 1,314,120 | 1,404,521 | - | 1,404,521 |
| 105000 | Glen Alps Service Area | 335,372 | 335,250 | - | 335,250 |
| 106000 | Girdwood Valley Service Area | 2,195,386 | 2,208,885 | - | 2,208,885 |
| 111000 | Birchtree/Elmore LRSA | 279,457 | 279,457 | - | 279,457 |
| 112000 | Section 6/Campbell Airstrip LRSA | 149,538 | 149,538 | - | 149,538 |
| 113000 | Valli Vue Estates LRSA | 123,110 | 123,110 | - | 123,110 |
| 114000 | Skyranch Estates LRSA | 34,790 | 34,790 | - | 34,790 |
| 115000 | Upper Grover LRSA | 14,883 | 14,883 | - | 14,883 |
| 116000 | Raven Woods/Bubbling Brook LRSA | 18,591 | 18,591 | - | 18,591 |
| 117000 | Mt. Park Estates LRSA | 36,141 | 36,141 | - | 36,141 |
| 118000 | Mt. Park/Robin Hill LRSA | 159,066 | 159,066 | - | 159,066 |
| 119000 | SA | 7,085,839 | 7,102,413 | - | 7,102,413 |
| 121000 | Eaglewood Contributing RSA | 106,988 | 106,988 | - | 106,988 |
| 122000 | Gateway Contributing RSA | 2,148 | 2,148 | - | 2,148 |
| 123000 | Lakehill LRSA | 49,243 | 49,243 | - | 49,243 |
| 124000 | Totem LRSA | 25,340 | 25,340 | - | 25,340 |
| 125000 | Paradise Valley South LRSA | 14,738 | 14,738 | - | 14,738 |
| 126000 | SRW Homeowners LRSA | 59,063 | 59,063 | - | 59,063 |
| 129000 | Eagle River Streetlight SA | 380,736 | 378,467 | - | 378,467 |
| 131000 | Anchorage Fire SA | 76,976,557 | 78,097,219 | - | 78,097,219 |
| 141000 | Anchorage Roads and Drainage SA | 71,024,793 | 72,215,172 | - | 72,215,172 |
| 142000 | Talus West LRSA | 134,221 | 134,221 | - | 134,221 |
| 143000 | Upper O'Malley LRSA | 692,653 | 692,653 | - | 692,653 |
| 144000 | Bear Valley LRSA | 51,822 | 51,822 | - | 51,822 |
| 145000 | Rabbit Creek View/Hts LRSA | 98,557 | 98,557 | - | 98,557 |
| 146000 | Villages Scenic Parkway LRSA | 21,006 | 21,006 | - | 21,006 |
| 147000 | Sequoia Estates LRSA | 20,479 | 20,479 | - | 20,479 |
| 148000 | Rockhill LRSA | 46,424 | 46,424 | - | 46,424 |
| 149000 | South Goldenview Area LRSA | 639,044 | 639,044 | - | 639,044 |
| 150000 | Homestead LRSA | 21,712 | 21,712 | - | 21,712 |
| 151000 | Anchorage Metropolitan Police SA | 113,074,722 | 111,727,752 | - | 111,727,752 |
| 161000 | Anchorage Parks & Recreation SA | 20,386,724 | 19,700,479 | - | 19,700,479 |
| 162000 | Eagle River-Chugiak Parks & Rec | 4,468,908 | 4,316,468 | - | 4,316,468 |
| 163000 | Anchorage Building Safety SA | 7,487,168 | 7,925,307 | - | 7,925,307 |
| 164000 | Public Finance and Investments | 1,717,623 | 1,747,199 | - | 1,747,199 |
| 202020 | Convention Center Operating Reserve | 13,389,388 | 13,293,856 | - | 13,293,856 |
| 221000 | Heritage Land Bank | 1,165,591 | 1,069,191 | - | 1,069,191 |
| 301000 | PAC Surcharge Revenue Bond Fund | 281,915 | 293,700 | - | 293,700 |
| 602000 | Self Insurance ISF | 1,304,970 | 389,639 | - | 389,639 |
| 607000 | Information Technology ISF | 378,651 | 6,191 | (979,618) | (973,427) |
| Function Cost Total | | 448,598,843 | 445,294,461 | (979,618) | 444,314,843 |

Function Cost is the appropriation level for funds (or service areas) and is calculated as:

Function Cost = Direct Cost + Charges by Other Departments - Charges to Other Departments

2016 Proposed Function Cost by Fund and Category of Expenditure

| Fund | Title | Personnel Services | Supplies | Travel | Other Services | Debt Service | Depr / Amort | Capital Outlay | Total Direct Cost | IGCs from/to Others | Function Cost Budget | Less Depr / Amort | Function Cost Appropriation |
|--------------|-------------------------------------|-----------------------|-------------------|----------------|--------------------|-------------------|-----------------|-------------------|-------------------------|---------------------------|----------------------------|-------------------------|-----------------------------------|
| 101000 | Areawide General Fund | 101,788,193 | 5,923,238 | 156,681 | 48,289,064 | 3,461,560 | - | 281,968 | 159,900,704 | (39,616,964) | 120,283,738 | - | 120,283,738 |
| 104000 | Chugiak Fire Service Area | - | - | - | 1,130,359 | - | - | - | 1,130,359 | 274,162 | 1,404,521 | - | 1,404,521 |
| 105000 | Glen Alps Service Area | - | - | - | 309,922 | - | - | - | 309,922 | 25,328 | 335,250 | - | 335,250 |
| 106000 | Girdwood Valley Service Area | 173,037 | 104,384 | - | 1,631,934 | 7,512 | - | 5,000 | 1,921,867 | 287,018 | 2,208,885 | - | 2,208,885 |
| 111000 | Birchtree/Elmore LRSA | - | - | - | 254,457 | - | - | - | 254,457 | 25,000 | 279,457 | - | 279,457 |
| 112000 | Section 6/Campbell Airstrip LRSA | - | - | - | 159,988 | - | - | - | 159,988 | (10,450) | 149,538 | - | 149,538 |
| 113000 | Valli Vue Estates LRSA | - | - | - | 111,510 | - | - | - | 111,510 | 11,600 | 123,110 | - | 123,110 |
| 114000 | Skyranch Estates LRSA | - | - | - | 31,590 | - | - | - | 31,590 | 3,200 | 34,790 | - | 34,790 |
| 115000 | Upper Grover LRSA | - | - | - | 13,483 | - | - | - | 13,483 | 1,400 | 14,883 | - | 14,883 |
| 116000 | Raven Woods/Bubbling Brook LRSA | - | - | - | 16,991 | - | - | - | 16,991 | 1,600 | 18,591 | - | 18,591 |
| 117000 | Mt. Park Estates LRSA | - | - | - | 32,941 | - | - | - | 32,941 | 3,200 | 36,141 | - | 36,141 |
| 118000 | Mt. Park/Robin Hill LRSA | - | - | - | 144,766 | - | - | - | 144,766 | 14,300 | 159,066 | - | 159,066 |
| 119000 | Chugiak, Birchwood, ER Rural Road S | 542,771 | 169,940 | - | 6,279,557 | - | - | 6,000 | 6,998,268 | 104,145 | 7,102,413 | - | 7,102,413 |
| 121000 | Eaglewood Contributing RSA | - | - | - | 105,088 | - | - | - | 105,088 | 1,900 | 106,988 | - | 106,988 |
| 122000 | Gateway Contributing RSA | - | - | - | 2,098 | - | - | - | 2,098 | 50 | 2,148 | - | 2,148 |
| 123000 | Lakehill LRSA | - | - | - | 44,643 | - | - | - | 44,643 | 4,600 | 49,243 | - | 49,243 |
| 124000 | Totem LRSA | - | - | - | 23,240 | - | - | - | 23,240 | 2,100 | 25,340 | - | 25,340 |
| 125000 | Paradise Valley South LRSA | - | - | - | 13,438 | - | - | - | 13,438 | 1,300 | 14,738 | - | 14,738 |
| 126000 | SRW Homeowners LRSA | - | - | - | 54,063 | - | - | - | 54,063 | 5,000 | 59,063 | - | 59,063 |
| 129000 | Eagle River Streetlight SA | - | 4,899 | - | 315,602 | - | - | - | 320,501 | 57,966 | 378,467 | - | 378,467 |
| 131000 | Anchorage Fire SA | 52,477,808 | 2,165,305 | 38,170 | 9,834,639 | 3,456,896 | - | 313,833 | 68,286,651 | 9,810,568 | 78,097,219 | - | 78,097,219 |
| 141000 | Anchorage Roads and Drainage SA | 11,800,738 | 2,163,733 | - | 12,448,546 | 45,546,943 | - | 18,000 | 71,977,960 | 237,212 | 72,215,172 | - | 72,215,172 |
| 142000 | Talus West LRSA | - | - | - | 123,021 | - | - | - | 123,021 | 11,200 | 134,221 | - | 134,221 |
| 143000 | Upper O'Malley LRSA | - | - | - | 627,653 | - | - | - | 627,653 | 65,000 | 692,653 | - | 692,653 |
| 144000 | Bear Valley LRSA | - | - | - | 46,622 | - | - | - | 46,622 | 5,200 | 51,822 | - | 51,822 |
| 145000 | Rabbit Creek View/Hts LRSA | - | - | - | 89,157 | - | - | - | 89,157 | 9,400 | 98,557 | - | 98,557 |
| 146000 | Villages Scenic Parkway LRSA | - | - | - | 19,106 | - | - | - | 19,106 | 1,900 | 21,006 | - | 21,006 |
| 147000 | Sequoia Estates LRSA | - | - | - | 18,379 | - | - | - | 18,379 | 2,100 | 20,479 | - | 20,479 |
| 148000 | Rockhill LRSA | - | - | - | 42,024 | - | - | - | 42,024 | 4,400 | 46,424 | - | 46,424 |
| 149000 | South Goldenview Area LRSA | - | - | - | 584,044 | - | - | - | 584,044 | 55,000 | 639,044 | - | 639,044 |
| 150000 | Homestead LRSA | - | - | - | 19,712 | - | - | - | 19,712 | 2,000 | 21,712 | - | 21,712 |
| 151000 | Anchorage Metropolitan Police SA | 78,571,741 | 3,572,660 | 13,500 | 18,149,174 | 255,616 | - | 45,000 | 100,607,691 | 11,120,061 | 111,727,752 | - | 111,727,752 |
| 161000 | Anchorage Parks & Recreation SA | 9,121,115 | 638,765 | 4,000 | 4,472,420 | 2,495,563 | - | 225,824 | 16,957,687 | 2,742,792 | 19,700,479 | - | 19,700,479 |
| 162000 | Eagle River-Chugiak Parks & Rec | 1,664,139 | 304,865 | - | 1,778,774 | 260,347 | - | 9,840 | 4,017,965 | 298,503 | 4,316,468 | - | 4,316,468 |
| 163000 | Anchorage Building Safety SA | 5,575,966 | 47,838 | - | 280,461 | - | - | 5,900 | 5,910,165 | 2,015,142 | 7,925,307 | - | 7,925,307 |
| 164000 | Public Finance and Investments | 675,855 | 2,100 | - | 959,054 | - | - | 2,000 | 1,639,009 | 108,190 | 1,747,199 | - | 1,747,199 |
| 202020 | Convention Center Operating Reserve | - | - | - | 13,293,856 | - | - | - | 13,293,856 | - | 13,293,856 | - | 13,293,856 |
| 221000 | Heritage Land Bank | 347,548 | 4,500 | 1,000 | 301,460 | - | - | 7,500 | 662,008 | 407,183 | 1,069,191 | - | 1,069,191 |
| 301000 | PAC Surcharge Revenue Bond Fund | - | - | - | - | 293,700 | - | - | 293,700 | - | 293,700 | - | 293,700 |
| 602000 | Self Insurance ISF | 354,303 | 4,500 | - | 9,495,094 | - | - | - | 9,853,897 | (9,464,258) | 389,639 | - | 389,639 |
| 607000 | Information Technology ISF | 9,217,798 | 31,890 | 9,825 | 3,886,460 | 676,708 | 979,618 | 32,000 | 14,834,299 | (14,828,108) | 6,191 | (979,618) | (973,427) |
| Total | | 272,311,012 | 15,138,617 | 223,176 | 135,434,390 | 56,454,845 | 979,618 | 952,865 | 481,494,523 | (36,200,060) | 445,294,461 | (979,618) | 444,314,843 |

Appendix B - 2

2016 Personnel Benefit Assumptions

Total benefit costs include benefit percentage of salary plus fixed medical rate.

| Employee Group | FTE Definition Hours ¹⁰ | Wage Increase | Monthly Premium | | PERS/ Pension ³ | Leave ⁶ Cashout | SS/Medicare ^{1,4} Unemp/et al. |
|---------------------------------------|--|------------------|------------------------|--------------------|-------------------------------|-------------------------------|--|
| | | | Premium ^{1,5} | Other ² | | | |
| AMEA | 2088 | 1.50% | \$1,875 | \$8.68 | 22.00% | 2.00% | 8.01% |
| ⁷ APDEA (Police) Sworn | 2088 | 2.50% | \$1,807 | \$34.25 | 24.00% | 1.40% | 8.01% |
| ⁷ APDEA (Police) Non-Sworn | 2088 | 2.50% | \$1,807 | \$14.15 | 24.00% | 1.40% | 8.01% |
| Executives | 2088 | 1.50% | \$1,875 | \$8.68 | 22.00% | 0.80% | 8.01% |
| ⁷ IAFF (Fire) F40 | 2088 | 2.00% | \$1,807 | \$34.25 | 22.00% | 5.40% | 8.01% |
| ^{7,8} IAFF (Fire) F56 | 3159 | 2.00% | \$1,807 | \$34.25 | 22.00% | 7.30% | 8.01% |
| ^{7,8} IAFF (Fire) Dispatch | 2244 | 2.00% | \$1,807 | \$34.25 | 22.00% | 3.10% | 8.01% |
| IBEW/Electrical | 2088 | 1.50% | \$1,754 / \$1,809 | \$52.03 | \$1,349 | 1.90% | 9.65% |
| IBEW/NECA Employees | 2088 | 0.00% | \$2,020 / \$1,010 | \$25.95 | \$1,142 | | 10.85% |
| ⁷ IBEW/Technicians | 2088 | 1.50% | \$1,875 | \$8.68 | 22.00% | 2.65% | 8.01% |
| ^{7,9} Local 71 (Laborers) | 2088 | 1.50% | \$1,496 / \$1,543 | \$1.98 | 22.00% | 4.50% | 8.01% |
| Mayor | 2088 | 0.00% | \$1,875 | \$8.68 | 22.00% | 0.00% | 8.01% |
| Non-represented | 2088 | 1.50% | \$1,875 | \$8.68 | 22.00% | 3.50% | 8.01% |
| Operating Engineers | 2088 | 2.00% | \$1,256 | \$53.98 | \$914 | 2.05% | 7.85% |
| Plumbers | 2088 | 1.50% | \$1,875 | \$8.68 | 22.00% | 1.60% | 8.01% |
| Teamsters | 2088 | 1.50% | \$1,875 | \$8.68 | 22.00% | 1.30% | 8.01% |
| Assembly Members | 2088 | 0.00% | \$542 | \$1.98 | 22.00% | 0.00% | 7.85% |

¹ Medical, Long Term Disability (LTD), Life and retirement benefits only apply to employees who work greater than 20 hours per week or FTE>0.49 and are not temporary or seasonal with the exception of IBEW workers. Medical premium for Operating Engineers, Laborers L71 and IBEW is a blended rate because contract ends mid year.

² Other includes EAP, Life, Administrative Fees, Legal Trust, and Apprentice Fund monthly premiums.

EAP: \$1.98/month all unions except APDEA and IAFF \$2.45/month and IBEW NECA employees who do not receive.
Life: \$6.70/month= AMEA, Non-Rep, Exec, IBEW-Mechanics, Plumbers, Teamsters, IBEW-Electrical workers and APDEA-Non-sworn;
\$26.80/month IAFF and APDEA-Sworn; Not applicable = Assembly, Local 71, IBEW-NECA and Operating Engineers
Administrative Fee: \$5/month APDEA & IAFF
Legal Trust: \$25.95/month IBEW Electrical and NECA employees
Apprentice Fund: \$17.40/month IBEW Electrical employees and \$52.00/month for Operating Engineer employees.

³ Police retirement includes 2% to represent the unions 401K program.

⁴ SS/Medicare/Unemp/et al. includes:

National Electric Benefit Fund 3% IBEW NECA employees
Money Purchase Plan 1.8% IBEW Electrical and NECA employees
LTD 0.156% all unions except Operating Engineers, IBEW/Electrical, IBEW/NECA and Assembly
Social Security 6.2% all unions, 2016 base wage assumption of \$120,000. Some police & fire employees are exempt..
Medicare 1.45% all unions
Unemployment 0.2% all unions

⁵ National Electric Contractor Association (NECA) employees, contractors and subcontractors used by MLP, health premium includes monthly premium for full-time and part-time workers.

Operating Engineers (Article 6.1.C) - currently = \$1,256, confirmation that premium will not change
AMEA, Non-Reps, EXE, Mayor, IBEW/Technicians (Article 6.1.4), Plumbers (Article 6.1.C) and Teamsters (Article 6.1.5) increase CPI-M (assumption 3.1%) = \$1,875
IAFF (Article 15.3.A) and APDEA (Article XVII, Section 2.B) - 94% of 500 Plan Premium (current premium of 500 Plan \$1,921.72) = \$1,807
IBEW (Article 6.1.C) - Jan 1 - March 30, 2016 \$1,754 - April 1 increase by CPI-M (assumption 3.1%) = \$1,809
L71 (Article 6.1.C) - Jan 1 - June 30, 2016 \$1,496 - July 1 increase by CPI-M with max of \$50/mo (assumption 3.1%) = \$1,543

⁶ For general government, compensated absences are based on modified accrual so that the leave cashout percentage represents the amount of leave expected to be cashed out during the budget year, as a percentage of salary. Utilities, enterprises, and internal service funds determine compensated absences by full accrual method so that the calculated leave cashout is performed external to the percentages used on this schedule. Except for the Mayor position, as approved on February 12, 2015 by the Commission on Salaries and Emoluments of Elected Officials, will not acquire and accumulate annual leave commencing on July 1, 2015.

⁷ IAFF (Article 27.2.4), IBEW/Technicians (Article 11.2.B & 11.6), Local 71 (Article 5.1.C & 11.3) and APDEA (Section 4.B.1 & Appendix A) have additional steps added to their wage scales per their respective CBAs

⁸ IAFF - F56 (Kelly Shift) (Article 13.2) additional hours for holiday pay (13 hrs * 13 holidays = 169hrs), Dispatch (Article 13.3) additional hours for holiday pay (8 hrs * 13 holidays = 104hrs)

⁹ L71 (Article 11.1) - new job classifications separating seasonal and regular positions

¹⁰ AMEA, APDEA, EXE, F40, IBEW, IBEW/NECA, IBEW/Technicians, L71, Mayor, Non-Rep, Operating Engineers, Plumbers, Teamsters, Assembly Members - 2088 payable days in the year
IAFF Dispatch - 2244 = 52 weeks * 40 hrs = 2088 + 104 Holiday Pay (Article 13.3 - 13 holidays * 8 hours - paid out first pay check of December) + 52 FLSA OT equivalent (4hrs * .5 additional OT pay * 26 pay periods) the 4 regular is already included in the 2088 because the employees work weeks are staggered 36/44 = 80 every 2 weeks
F56 - 3159 = 52 weeks * 56 hours = 2912 + 169 Holiday pay (Article 13.2 - 13 holidays * 13 hours - paid out first pay check of December) + 78 FLSA OT equivalent (4 hrs * 1.5 to convert to OT = 6 * 13 pay cycles)
Non-F56 - 3133 = 52 weeks * 56 hours = 2912 + 143 Holiday pay (Non-Rep Section 3.30.146 - 11 holidays * 13 hours - paid out first pay check of December) + 78 FLSA OT equivalent (4 hrs * 1.5 to convert to OT = 6 * 13 pay cycles)

Appendix D

Overtime by Department

| Department | 2015 | | 2016 |
|----------------------------------|-------------------|---------------------------|--------------------|
| | Revised Budget | Expended as of 8/31/15 | Proposed Budget |
| Assembly | 12,500 | 30,200 | 12,500 |
| Community Development | 318,460 | 226,117 | - |
| Development Services | - | - | 268,120 |
| Employee Relations | 63,860 | 2,714 | 63,860 |
| Equal Rights Commission | 1,000 | 300 | 1,000 |
| Finance | 99,075 | 157,222 | 99,075 |
| Fire | 4,268,066 | 3,508,408 | 4,718,066 |
| Health & Human Services | 10,570 | 11,677 | 10,570 |
| Information Technology | 24,090 | 38,601 | 24,090 |
| Library | 12,350 | 6,293 | 12,350 |
| Maintenance & Operations | - | - | 687,620 |
| Management & Budget | 6,990 | 12,422 | 6,990 |
| Mayor | - | 73 | - |
| Municipal Attorney | - | 17,960 | - |
| Municipal Manager | - | 371 | - |
| Parks & Recreation | 55,230 | 57,642 | 55,230 |
| Planning | - | - | 50,340 |
| Police | 4,592,000 | 3,261,130 | 3,842,000 |
| Project Management & Engineering | - | - | 138,550 |
| Public Transportation | 362,810 | 633,061 | 362,810 |
| Public Works | 994,957 | 977,119 | - |
| Public Works Administration | - | - | 43,000 |
| Purchasing | - | 7,460 | - |
| Traffic | - | - | 387,787 |
| General Government Total | 10,821,958 | 8,948,768 | 10,783,958 |

If a department is not listed in this report, it does not have activity posted to the overtime account for the report years.

Appendix E

Guideline for Budgeting for Vacancies

“Vacancy factor” is how the Municipality budgets for vacancy savings in department budgets. This is a savings that is taken up-front in the budget process and is based on the expectation that not all positions will be filled 100% of the time during the course of a fiscal year.

To budget for savings due to vacancy and turnover, the Municipality is using the following guidelines:

| # FT Positions | Minimum Vacancy Factor | Maximum Vacancy Factor |
|---------------------------|---------------------------------------|---------------------------------------|
| 10 or less | 0% | 3% |
| 11 to 20 | 1% | 4% |
| 21 to 30 | 2% | 5% |
| 31 to 50 | 3% | 6% |
| 51 plus | 4% | 7% |

For departments with a large number of seasonal or part-time positions, it may be appropriate to budget a vacancy factor above the maximum since the above percentages are based on full-time position counts only.

Conversely, if a department has experienced very low turnover, it may be appropriate to budget using a percentage less than the minimum.

The vacancy factor percentage should reflect a department's past level of turnover as well as other issues that are likely to influence the turnover rate for the budget year.

Appendix F

Debt Service

Debt service is the cost of repayment of debt, including principal, interest and agent fees.

The debt service included in the General Government Operating Budget typically represents debt incurred in the following ways:

- General Obligation (GO) Bonds (voter approval required to incur debt)
- Revenue Bonds (assembly approval required to incur debt)
- Short Term Borrowing Programs (STBP) (assembly approval required to incur debt)
- Lease/Purchase Agreements (assembly approval required to incur debt)
- Tax Anticipation Notes (TANs) (assembly approval required to incur debt)

GO Bonds

A GO Bond is a municipal bond backed by the full faith, credit and taxing power of the Municipality. GO bonds appear as a proposition on a general election ballot for covering the cost of capital expenditures. They require authorization by the assembly and approval by a majority of Anchorage voters as well as a majority of voters in that service area. The debt is repaid by property tax payers in that service area.

The Municipality generally issues 20 year bonds but makes sure that there is sufficient principal being paid off to cover the shorter useful life assets in the bond package.

The amount of GO bond debt that the Municipality can incur is limited only by GO bond amounts approved by voters. GO bond debt service is included in the Tax Cap Calculation for the 5 Major Funds - the mill rate for these funds is increased to accommodate the GO bond debt service. The debt service for service areas that set their own mill rate must fall within the maximum mill rate for the service area in which the debt is incurred, unless an increase for debt service payment is approved by voters on the bond proposition.

The Municipality's GO Bond Ratings are:

| | |
|-------------------|------------|
| Standard & Poor's | AAA stable |
| Fitch Ratings | AA+ stable |

Revenue Bonds

A Revenue Bond is a bond supported solely by the revenues generated from a specific project or enterprise. These are not supported by the full taxing power of the Municipality. An example would be the Alaska Center for the Performing Arts where ticket surcharges pay for that facilities' debt service on the bonds issued to finance replacement of the roof in 2004.

Short Term Borrowing Programs (STBP)

Short Term Borrowing Programs are similar to a bank loan or credit line, used to offer interim financing flexible terms until they are paid off, generally with Revenue Bonds.

Lease/Purchase Agreements

Agreement between the Municipality and Key Government Finance, Inc. or Sun Trust that provides market rate loans to the Municipality for the purchase and eventual ownership of specific assets. The Agreements are entered into on an as-needed basis and the loans are typically repaid over the life of the asset. The debt service related to Lease/Purchase Agreements is not limited, but must fall within the maximum mill rate for the service area in which the Lease/Purchase Agreement is made.

Appendix F

Debt Service

TANs

Tax Anticipation Notes (TANs) are short term notes issued by the Municipality for the purpose of raising funds to pay ongoing operating expenses. They are issued in anticipation of receiving property taxes and other revenues scheduled to be collected during the year. TANs are retired prior to the current year end. The debt service related to TANs is not limited but must fall within the maximum mill rate for the service area for which the TANs are made.

Municipality of Anchorage

Summary of Bonds Authorized but Unissued at September 30, 2015

| Voter Approved Year | Proposition Number | Project Description | Remaining Authorized But Unissued 9/30/2015 |
|---|-------------------------------|---|--|
| General Purpose - General Obligation | | | |
| 2011 | 4 | Anchorage Roads & Drainage Service Area | 9,635,000 |
| 2012 | 2 | Anchorage Roads & Drainage Service Area | 18,875,000 |
| 2013 | 3 | Anchorage Roads & Drainage Service Area | 13,718,000 |
| 2014 | 5 | Anchorage Roads & Drainage Service Area | 18,750,000 |
| 2015 | 5 | Anchorage Roads & Drainage Service Area | 17,030,000 |
| 2014 | 6 | Anchorage Fire | 1,950,000 |
| 2015 | 6 | Anchorage Fire | 1,800,000 |
| 2012 | 3 | Anchorage Parks & Recreation Service Area | 500,000 |
| 2013 | 4 | Anchorage Parks & Recreation Service Area | 2,340,000 |
| 2014 | 4 | Anchorage Parks & Recreation Service Area | 2,500,000 |
| 2015 | 4 | Anchorage Parks & Recreation Service Area | 2,750,000 |
| 2014 | 7 | Anchorage Police | 650,000 |
| 2014 | 2 | Public Safety-(Ambulances) Areawide | 520,000 |
| 2015 | 2 | Public Safety-(Ambulances) Areawide | 520,000 |
| 2014 | 2 | Public Safety-(General) Areawide | 700,000 |
| 2015 | 2 | Public Safety-(General) Areawide | 5,990,000 |
| 2013 | 2 | Public Safety/Trans.-Areawide EMS | 1,300,000 |
| 2013 | 2 | Public Safety/Trans.-Areawide Trans. | 525,000 |
| 2014 | 2 | Public Transportation-Areawide | 573,000 |
| 2015 | 2 | Public Transportation-Areawide | 250,000 |
| 2012 | 4 | Public Transportation -Areawide | 548,000 |
| Total General Purpose - General Obligation | | | 101,424,000 |

2016 Proposed Debt Service Budgeting Requirements

| Fund | Description | Principal | Interest | Total P&I | Agent Fees | Total |
|---|----------------------------------|-------------------|-------------------|----------------------|-------------------|-------------------|
| Voter-Approved GO Bonds Inside Tax Limit Calculation (5 Major Funds) | | | | | | |
| 101000 | Emergency Ops Ctr | 587,622 | 311,100 | 898,722 | 700 | 899,422 |
| 101000 | Senior Center | 53,205 | 15,542 | 68,747 | 50 | 68,797 |
| 101000 | Cemetery | 200,027 | 70,096 | 270,123 | 300 | 270,423 |
| 101000 | Emergency Medical Service | 497,358 | 349,230 | 846,588 | 650 | 847,238 |
| 101000 | Public Facility Repair -Areawide | 306,939 | 278,469 | 585,408 | 100 | 585,508 |
| 101000 | Transit | 336,052 | 190,707 | 526,759 | 400 | 527,159 |
| 131000 | Anchorage Fire | 2,228,667 | 1,174,878 | 3,403,545 | 3,200 | 3,406,745 |
| 141000 | Anchorage Roads and Drainage | 29,741,852 | 15,739,400 | 45,481,252 | 33,000 | 45,514,252 |
| 151000 | Anchorage Police | 124,413 | 69,598 | 194,011 | 310 | 194,321 |
| 161000 | Anchorage Parks/Rec | 1,706,300 | 779,904 | 2,486,204 | 2,300 | 2,488,504 |
| GO Bonds Inside Tax Cap Total | | 35,782,435 | 18,978,924 | 54,761,359 | 41,010 | 54,802,369 |
| Voter-Approved GO Bonds Outside Tax Limit Calculation | | | | | | |
| 106000 | Girdwood Fire | 6,570 | 922 | 7,492 | 20 | 7,512 |
| 162000 | Eagle River Parks/Rec | 181,000 | 79,057 | 260,057 | 290 | 260,347 |
| GO Bonds Outside Tax Cap Total | | 187,570 | 79,979 | 267,549 | 310 | 267,859 |
| GO Bonds Total | | 35,970,005 | 19,058,903 | 55,028,908 | 41,320 | 55,070,228 |
| Revenue Bond - Alaska Center for the Performing Arts (ACPA) | | | | | | |
| 301000 | PAC Revenue Bond | 120,000 | 173,700 | 293,700 | - | 293,700 |
| ACPA Revenue Bond Total | | 120,000 | 173,700 | 293,700 | - | 293,700 |
| Lease/Purchase Agreements | | | | | | |
| 607000 | IT Capital Infrastructure | - | 80,000 | 80,000 | - | 80,000 |
| Lease/Purchase Agreements Total | | - | 80,000 | 80,000 | - | 80,000 |
| Tax Anticipation Notes (TANS) | | | | | | |
| 101000 | Public Finance and Investment | - | 263,012 | 263,012 | 1 | 263,013 |
| 131000 | Public Finance and Investment | - | 50,150 | 50,150 | 1 | 50,151 |
| 141000 | Public Finance and Investment | - | 32,690 | 32,690 | 1 | 32,691 |
| 151000 | Public Finance and Investment | - | 61,294 | 61,294 | 1 | 61,295 |
| 161000 | Public Finance and Investment | - | 7,058 | 7,058 | 1 | 7,059 |
| TANS Total | | - | 414,204 | 414,204 | 5 | 414,209 |
| Other | | | | | | |
| 607000 | ERP | - | 581,708 | 581,708 | 15,000 | 596,708 |
| Other Total | | - | 581,708 | 581,708 | 15,000 | 596,708 |
| Grand Total Funded Debt Service | | 36,090,005 | 20,308,515 | 56,398,520 | 56,325 | 56,454,845 |

Municipality of Anchorage
General Obligation, General Purpose Bonds
 Combined Annual Net Debt Service Requirements
 as of September 30, 2015

| Fiscal Year | Principal Outstanding * | Principal Payment | Interest Payment | Gross Debt Service | US Treasury Reimbursed Interest ** | Total Net Debt Service |
|--------------------|--------------------------------|--------------------------|-------------------------|---------------------------|---|-------------------------------|
| 2015 | 437,600,000 | 35,650,000 | 19,375,634 | 55,025,634 | (778,651) | 54,246,983 |
| 2016 | 401,950,000 | 35,970,000 | 19,064,580 | 55,034,580 | (778,651) | 54,255,929 |
| 2017 | 365,980,000 | 37,735,000 | 17,284,945 | 55,019,945 | (761,567) | 54,258,377 |
| 2018 | 328,245,000 | 39,545,000 | 15,423,547 | 54,968,547 | (725,251) | 54,243,295 |
| 2019 | 288,700,000 | 36,115,000 | 13,545,718 | 49,660,718 | (685,569) | 48,975,149 |
| 2020 | 252,585,000 | 37,325,000 | 11,930,439 | 49,255,439 | (643,574) | 48,611,865 |
| 2021 | 215,260,000 | 29,110,000 | 10,409,447 | 39,519,447 | (598,582) | 38,920,865 |
| 2022 | 186,150,000 | 25,970,000 | 9,083,864 | 35,053,864 | (550,176) | 34,503,688 |
| 2023 | 160,180,000 | 27,165,000 | 7,832,890 | 34,997,890 | (498,917) | 34,498,973 |
| 2024 | 133,015,000 | 25,755,000 | 6,515,820 | 32,270,820 | (444,625) | 31,826,195 |
| 2025 | 107,260,000 | 22,895,000 | 5,258,520 | 28,153,520 | (387,133) | 27,766,387 |
| 2026 | 84,365,000 | 16,770,000 | 4,118,495 | 20,888,495 | (326,491) | 20,562,004 |
| 2027 | 67,595,000 | 17,540,000 | 3,281,394 | 20,821,394 | (262,529) | 20,558,866 |
| 2028 | 50,055,000 | 13,850,000 | 2,393,239 | 16,243,239 | (192,888) | 16,050,351 |
| 2029 | 36,205,000 | 9,495,000 | 1,679,406 | 11,174,406 | (117,801) | 11,056,605 |
| 2030 | 26,710,000 | 9,915,000 | 1,182,545 | 11,097,545 | (39,767) | 11,057,778 |
| 2031 | 16,795,000 | 6,360,000 | 780,559 | 7,140,559 | - | 7,140,559 |
| 2032 | 10,435,000 | 4,565,000 | 521,750 | 5,086,750 | - | 5,086,750 |
| 2033 | 5,870,000 | 2,865,000 | 293,500 | 3,158,500 | - | 3,158,500 |
| 2034 | 3,005,000 | 3,005,000 | 150,250 | 3,155,250 | - | 3,155,250 |
| Totals | | 437,600,000 | 150,126,540 | 587,726,540 | (7,792,173) | 579,934,367 |

Notes:

* At the beginning of the calendar year. (Debt Service does not change during the year unless new debt is issued.) As of June 2015, the State of Alaska pays approximately 56% of the debt service on Anchorage General Obligation Bonds. These payments are subject to annual appropriation by the State Legislature.

In 2015 the State Legislature put a freeze on future reimbursement activities on any new school bond issues.

** Federal reimbursement for Build America Bonds was cut by 8.7%, 7.3%, 7.2%, and 6.8% for FY 2012, 2013, 2014, and 2015, respectively.

2016 Proposed General Government Operating Budget

| Division | Des Department | CostingCen | GLAccount | GLAccountDisplay Name | ForecastDescription | Year1 | CostingCen | GLAccount | TYPE | Fund | Fund-FndCtr-Acct |
|----------------------|--------------------------------------|-------------------------------|--|-----------------------|---------------------|-------|------------|---------------|--------|--------|----------------------|
| Economic & ECD Cultu | 121035 - P/5 - Debt Se | 580010 - Bond Principal | 2016 PAC Revenue Bond repayment, per PAC Roof debt service schedule. | | 120,000.00 | T | T | 121035 580010 | Direct | 301000 | 101000-135100-580070 |
| Economic & ECD Cultu | 121035 - P/5 - Debt Se | 580020 - Bond Interest(MOA/A) | 2016 PAC Revenue Bond repayment, per PAC Roof debt service schedule - 04/01/2016 Interest Payment. | | 86,850.00 | T | T | 121035 580020 | Direct | 301000 | 101000-135100-580070 |
| Economic & ECD Cultu | 121035 - P/5 - Debt Se | 580020 - Bond Interest(MOA/A) | 2016 PAC Revenue Bond repayment, per PAC Roof debt service schedule - 10/01/2016 Interest Payment. | | 86,850.00 | T | T | 121035 580020 | Direct | 301000 | 101000-135100-580070 |
| Economic & ECD Cultu | 121036 - Dt 5 - Debt Se | 580010 - Bond Principal | 2016 Cont - per Public Finance 08/29/15 OMB2016 DS Proj.xls | | 306,939.00 | T | T | 121036 580010 | Direct | 101000 | 131000-352000-580010 |
| Economic & ECD Cultu | 121036 - Dt 5 - Debt Se | 580020 - Bond Interest(MOA/A) | 2016 Cont - per Public Finance 08/29/15 OMB2016 DS Proj.xls | | 278,469.00 | T | T | 121036 580020 | Direct | 101000 | 131000-352000-580020 |
| Economic & ECD Cultu | 121036 - Dt 5 - Debt Se | 580030 - Bond Fsc Agent Fees | 2016 Cont - per Public Finance 08/29/15 OMB2016 DS Proj.xls | | 100.00 | T | T | 121036 580030 | Direct | 101000 | 131000-352000-580030 |
| Finance | FIN Propert 135100 - Pr 5 - Debt Se | 580070 - LT Cntrcts Pay Prin | 2011 - Debt Service for CAMA project | | 339,210.00 | T | T | 135100 580070 | Direct | 101000 | 131000-352000-580120 |
| Finance | FIN Propert 135100 - Pr 5 - Debt Se | 580070 - LT Cntrcts Pay Prin | 2012 1Q - Reduction in debt service. Debt service budget is \$339K, 2012 preliminary projected partial-year debt service is \$200K based on \$3.2M interfund loan. The interfund loan may be \$3.7M, which would increase the debt service and, thus reduce the savings. | | (111,502.00) | T | T | 135100 580070 | Direct | 101000 | 131000-352000-580130 |
| Finance | FIN Propert 135100 - Pr 5 - Debt Se | 580070 - LT Cntrcts Pay Prin | 2013 1Q - reverse debt service for CAMA | | (227,708.00) | T | T | 135100 580070 | Direct | 101000 | 101000-353000-580010 |
| Fire | FD Emerge 352000 - Ar 5 - Debt Se | 580010 - Bond Principal | 2016 Cont - per Public Finance 08/29/15 OMB2016 DS Proj.xls | | 2,228,667.00 | T | T | 352000 580010 | Direct | 131000 | 101000-353000-580020 |
| Fire | FD Emerge 352000 - Ar 5 - Debt Se | 580020 - Bond Interest(MOA/A) | 2016 Cont - per Public Finance 08/29/15 OMB2016 DS Proj.xls | | 1,174,878.00 | T | T | 352000 580020 | Direct | 131000 | 101000-353000-580030 |
| Fire | FD Emerge 352000 - Ar 5 - Debt Se | 580030 - Bond Fsc Agent Fees | 2016 Cont - per Public Finance 08/29/15 OMB2016 DS Proj.xls | | 3,200.00 | T | T | 352000 580030 | Direct | 131000 | 106000-355000-580010 |
| Fire | FD Emerge 352000 - Ar 5 - Debt Se | 580120 - TANS Interest | 2016 Cont TANS per 09/09/2015 fr CR in Public Finance - take TANS expense and income to \$414,208 to net 0. | | 50,150.00 | T | T | 352000 580120 | Direct | 131000 | 106000-355000-580020 |
| Fire | FD Emerge 352000 - Ar 5 - Debt Se | 580130 - TANS Fsc Agent Fee | 2015 Cont TANS per 09/08/2014 email from Chris Richardson - take TANS expense and income to \$446,000 to net 0. | | 1.00 | T | T | 352000 580130 | Direct | 131000 | 106000-355000-580030 |
| Fire | FD Emerge 353000 - Er 5 - Debt Se | 580010 - Bond Principal | 2016 Cont - per Public Finance 08/29/15 OMB2016 DS Proj.xls | | 497,358.00 | T | T | 353000 580010 | Direct | 101000 | 101000-215000-580010 |
| Fire | FD Emerge 353000 - Er 5 - Debt Se | 580020 - Bond Interest(MOA/A) | 2016 Cont - per Public Finance 08/29/15 OMB2016 DS Proj.xls | | 349,230.00 | T | T | 353000 580020 | Direct | 101000 | 101000-215000-580020 |
| Fire | FD Emerge 353000 - Er 5 - Debt Se | 580030 - Bond Fsc Agent Fees | 2016 Cont - per Public Finance 08/29/15 OMB2016 DS Proj.xls | | 650.00 | T | T | 353000 580030 | Direct | 101000 | 101000-215000-580030 |
| Fire | FD Emerge 355000 - Gi 5 - Debt Se | 580010 - Bond Principal | 2016 Cont - per Public Finance 08/29/15 OMB2016 DS Proj.xls | | 6,570.00 | T | T | 355000 580010 | Direct | 106000 | 101000-271000-580010 |
| Fire | FD Emerge 355000 - Gi 5 - Debt Se | 580020 - Bond Interest(MOA/A) | 2016 Cont - per Public Finance 08/29/15 OMB2016 DS Proj.xls | | 922.00 | T | T | 355000 580020 | Direct | 106000 | 101000-271000-580020 |
| Fire | FD Emerge 355000 - Gi 5 - Debt Se | 580030 - Bond Fsc Agent Fees | 2016 Cont - per Public Finance 08/29/15 OMB2016 DS Proj.xls | | 20.00 | T | T | 355000 580030 | Direct | 106000 | 101000-271000-580030 |
| Health & H | H&HS Direc 215000 - HI 5 - Debt Se | 580010 - Bond Principal | 2016 Cont - per Public Finance 08/29/15 OMB2016 DS Proj.xls | | 53,205.00 | T | T | 215000 580010 | Direct | 101000 | 607000-144000-580080 |
| Health & H | H&HS Direc 215000 - HI 5 - Debt Se | 580020 - Bond Interest(MOA/A) | 2016 Cont - per Public Finance 08/29/15 OMB2016 DS Proj.xls | | 15,542.00 | T | T | 215000 580020 | Direct | 101000 | 607000-145600-580070 |
| Health & H | H&HS Direc 215000 - HI 5 - Debt Se | 580030 - Bond Fsc Agent Fees | 2016 Cont - per Public Finance 08/29/15 OMB2016 DS Proj.xls | | 50.00 | T | T | 215000 580030 | Direct | 101000 | 607000-145600-580070 |
| Health & H | H&HS Direc 271000 - Ar 5 - Debt Se | 580010 - Bond Principal | 2016 Cont - per Public Finance 08/29/15 OMB2016 DS Proj.xls | | 200,027.00 | T | T | 271000 580010 | Direct | 101000 | 607000-145600-580080 |
| Health & H | H&HS Direc 271000 - Ar 5 - Debt Se | 580020 - Bond Interest(MOA/A) | 2016 Cont - per Public Finance 08/29/15 OMB2016 DS Proj.xls | | 70,096.00 | T | T | 271000 580020 | Direct | 101000 | 607000-145600-580150 |
| Health & H | H&HS Direc 271000 - Ar 5 - Debt Se | 580030 - Bond Fsc Agent Fees | 2016 Cont - per Public Finance 08/29/15 OMB2016 DS Proj.xls | | 300.00 | T | T | 271000 580030 | Direct | 101000 | 101000-124200-580010 |
| Information | IT Administr 144000 - Fi 5 - Debt Se | 580080 - LT Contracts Pay Int | 2010 and prior CAP Leases | | 80,000.00 | T | T | 144000 580080 | Direct | 607000 | 101000-124200-580020 |
| Information | IT Applicati 145600 - Ef 5 - Debt Se | 580080 - LT Contracts Pay Int | SAP Capital Lease Int. - Recurring for Master Lease | | 366,070.00 | T | T | 145600 580080 | Direct | 607000 | 101000-124200-580030 |
| Information | IT Applicati 145600 - Ef 5 - Debt Se | 580080 - LT Contracts Pay Int | 2016 Prop - Increase interest expense on new Master Lease financing for 2016 for the ERP project. | | 215,638.00 | T | T | 145600 580080 | Direct | 607000 | 301000-121035-580010 |
| Information | IT Applicati 145600 - Ef 5 - Debt Se | 580150 - Oth Debit Issu Costs | | | 15,000.00 | T | T | 145600 580150 | Direct | 607000 | 301000-121035-580020 |
| Maintenanc | MO Mainter 767100 - As 5 - Debt Se | 580010 - Bond Principal | 2016 Cont - per Public Finance 08/29/15 OMB2016 DS Proj.xls | | 29,741,852.00 | T | T | 767100 580010 | Direct | 141000 | 301000-121035-580020 |
| Maintenanc | MO Mainter 767100 - As 5 - Debt Se | 580020 - Bond Interest(MOA/A) | 2016 Cont - per Public Finance 08/29/15 OMB2016 DS Proj.xls | | 15,739,400.00 | T | T | 767100 580020 | Direct | 141000 | 101000-121036-580010 |
| Maintenanc | MO Mainter 767100 - As 5 - Debt Se | 580030 - Bond Fsc Agent Fees | 2016 Cont - per Public Finance 08/29/15 OMB2016 DS Proj.xls | | 33,000.00 | T | T | 767100 580030 | Direct | 141000 | 101000-121036-580020 |
| Maintenanc | MO Mainter 767100 - As 5 - Debt Se | 580120 - TANS Interest | 2016 Cont TANS per 09/09/2015 fr CR in Public Finance - take TANS expense and income to \$414,208 to net 0. | | 32,690.00 | T | T | 767100 580120 | Direct | 141000 | 101000-121036-580030 |
| Maintenanc | MO Mainter 767100 - As 5 - Debt Se | 580130 - TANS Fsc Agent Fee | 2015 Cont TANS per 09/08/2014 email from Chris Richardson - take TANS expense and income to \$446,000 to net 0. | | 1.00 | T | T | 767100 580130 | Direct | 141000 | 101000-189000-580120 |
| Municipal | M MM Emerge 124200 - Oi 5 - Debt Se | 580010 - Bond Principal | 2016 Cont - per Public Finance 08/29/15 OMB2016 DS Proj.xls | | 587,622.00 | T | T | 124200 580010 | Direct | 101000 | 101000-189000-580130 |
| Municipal | M MM Emerge 124200 - Oi 5 - Debt Se | 580020 - Bond Interest(MOA/A) | 2016 Cont - per Public Finance 08/29/15 OMB2016 DS Proj.xls | | 311,100.00 | T | T | 124200 580020 | Direct | 101000 | 161000-551000-580010 |
| Municipal | M MM Emerge 124200 - Oi 5 - Debt Se | 580030 - Bond Fsc Agent Fees | 2016 Cont - per Public Finance 08/29/15 OMB2016 DS Proj.xls | | 700.00 | T | T | 124200 580030 | Direct | 101000 | 161000-551000-580020 |
| Non-Depart | All 189000 - Nt 5 - Debt Se | 580120 - TANS Interest | 2016 Cont TANS per 09/09/2015 fr CR in Public Finance - take TANS expense and income to \$414,208 to net 0. | | 263,012.00 | T | T | 189000 580120 | Direct | 101000 | 161000-551000-580030 |
| Non-Depart | All 189000 - Nt 5 - Debt Se | 580130 - TANS Fsc Agent Fee | 2015 Cont TANS per 09/08/2014 email from Chris Richardson - take TANS expense and income to \$446,000 to net 0. | | 1.00 | T | T | 189000 580130 | Direct | 101000 | 161000-551000-580120 |
| Parks & Re | P&R Debt 551000 - Dt 5 - Debt Se | 580010 - Bond Principal | 2016 Cont - per Public Finance 08/29/15 OMB2016 DS Proj.xls | | 1,706,300.00 | T | T | 551000 580010 | Direct | 161000 | 161000-551000-580130 |
| Parks & Re | P&R Debt 551000 - Dt 5 - Debt Se | 580020 - Bond Interest(MOA/A) | 2016 Cont - per Public Finance 08/29/15 OMB2016 DS Proj.xls | | 779,904.00 | T | T | 551000 580020 | Direct | 161000 | 162000-555900-580010 |
| Parks & Re | P&R Debt 551000 - Dt 5 - Debt Se | 580030 - Bond Fsc Agent Fees | 2016 Cont - per Public Finance 08/29/15 OMB2016 DS Proj.xls | | 2,300.00 | T | T | 551000 580030 | Direct | 161000 | 162000-555900-580020 |

2016 Proposed General Government Operating Budget

| | | | | | | | | | |
|--|---|------------|---|---|--------|--------|--------|--------|----------------------|
| Parks & Re P&R Debt \$ 551000 - Dr 5 - Debt Se 580120 - TANS Interest | 2016 Cont TANS per 09/09/2015 fr CR in Public Finance - take TANS expense and income to \$414,208 to net 0. | 7,058.00 | T | T | 551000 | 580120 | Direct | 161000 | 162000-555900-580030 |
| Parks & Re P&R Debt \$ 551000 - Dr 5 - Debt Se 580130 - TANS FscI Agent Fee | 2015 Cont TANS per 09/08/2014 email from Chris Richardson - take TANS expense and income to \$446,000 to net 0. | 1.00 | T | T | 551000 | 580130 | Direct | 161000 | 151000-485000-580010 |
| Parks & Re P&R Eagle 555900 - E. 5 - Debt Se 580010 - Bond Principal | 2016 Cont - per Public Finance 08/29/15 OMB2016 DS Proj.xls | 181,000.00 | T | T | 555900 | 580010 | Direct | 162000 | 151000-485000-580020 |
| Parks & Re P&R Eagle 555900 - E. 5 - Debt Se 580020 - Bond Interest(MOA/A\ | 2016 Cont - per Public Finance 08/29/15 OMB2016 DS Proj.xls | 79,057.00 | T | T | 555900 | 580020 | Direct | 162000 | 151000-485000-580030 |
| Parks & Re P&R Eagle 555900 - E. 5 - Debt Se 580030 - Bond FscI Agent Fees | 2016 Cont - per Public Finance 08/29/15 OMB2016 DS Proj.xls | 290.00 | T | T | 555900 | 580030 | Direct | 162000 | 151000-485000-580120 |
| Police PD Admin \$ 485000 - Pr 5 - Debt Se 580010 - Bond Principal | 2016 Cont - per Public Finance 08/29/15 OMB2016 DS Proj.xls | 124,413.00 | T | T | 485000 | 580010 | Direct | 151000 | 151000-485000-580130 |
| Police PD Admin \$ 485000 - Pr 5 - Debt Se 580020 - Bond Interest(MOA/A\ | 2016 Cont - per Public Finance 08/29/15 OMB2016 DS Proj.xls | 69,598.00 | T | T | 485000 | 580020 | Direct | 151000 | 101000-611000-580010 |
| Police PD Admin \$ 485000 - Pr 5 - Debt Se 580030 - Bond FscI Agent Fees | 2016 Cont - per Public Finance 08/29/15 OMB2016 DS Proj.xls | 310.00 | T | T | 485000 | 580030 | Direct | 151000 | 101000-611000-580020 |
| Police PD Admin \$ 485000 - Pr 5 - Debt Se 580120 - TANS Interest | 2016 Cont TANS per 09/09/2015 fr CR in Public Finance - take TANS expense and income to \$414,208 to net 0. | 61,294.00 | T | T | 485000 | 580120 | Direct | 151000 | 101000-611000-580030 |
| Police PD Admin \$ 485000 - Pr 5 - Debt Se 580130 - TANS FscI Agent Fee | 2015 Cont TANS per 09/08/2014 email from Chris Richardson - take TANS expense and income to \$446,000 to net 0. | 1.00 | T | T | 485000 | 580130 | Direct | 151000 | 141000-747000-540020 |
| Public Tran: PTD Admin 611000 - Tr 5 - Debt Se 580010 - Bond Principal | 2016 Cont - per Public Finance 08/29/15 OMB2016 DS Proj.xls | 336,052.00 | T | T | 611000 | 580010 | Direct | 101000 | 141000-767100-580010 |
| Public Tran: PTD Admin 611000 - Tr 5 - Debt Se 580020 - Bond Interest(MOA/A\ | 2016 Cont - per Public Finance 08/29/15 OMB2016 DS Proj.xls | 190,707.00 | T | T | 611000 | 580020 | Direct | 101000 | 141000-767100-580010 |
| Public Tran: PTD Admin 611000 - Tr 5 - Debt Se 580030 - Bond FscI Agent Fees | 2016 Cont - per Public Finance 08/29/15 OMB2016 DS Proj.xls | 400.00 | T | T | 611000 | 580030 | Direct | 101000 | 141000-767100-580020 |

Appendix G

General Government Tax Rate Trends

| Tax District ¹ | 2006 | 2007 ² | 2008 ² | 2009 ² | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 ³ |
|---|-------------|--------------------------|--------------------------|--------------------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------------------|
| School District | 7.13 | 6.79 | 6.94 | 7.18 | 7.44 | 7.52 | 7.57 | 7.35 | 7.06 | 6.84 | TBD in Spring |
| 1 | 8.17 | 7.77 | 7.95 | 8.32 | 7.74 | 7.96 | 8.00 | 8.21 | 7.92 | 7.86 | 8.09 |
| 2, 19-21, 28, 32-37, 40-41, 44, 45, 48, 52-54 | 5.35 | 5.16 | 5.35 | 5.55 | 5.61 | 5.50 | 5.22 | 5.61 | 5.56 | 5.55 | 5.66 |
| 3, 8 | 8.15 | 7.75 | 7.95 | 8.32 | 7.74 | 7.96 | 8.00 | 8.21 | 7.92 | 7.86 | 8.09 |
| 4 | 4.43 | 4.23 | 3.40 | 4.32 | 4.32 | 3.77 | 3.85 | 3.86 | 3.49 | 3.94 | 4.03 |
| 5 | 5.47 | 5.58 | 5.68 | 5.85 | 5.87 | 5.54 | 5.22 | 5.55 | 5.28 | 5.54 | 5.58 |
| 9, 11, 23, 43 | 4.79 | 4.56 | 4.70 | 4.85 | 4.95 | 4.88 | 4.60 | 5.01 | 4.97 | 5.01 | 5.11 |
| 10, 50 | 7.87 | 7.52 | 7.62 | 7.80 | 7.96 | 7.78 | 7.60 | 7.76 | 7.73 | 7.94 | 7.93 |
| 12 | 7.79 | 7.91 | 8.10 | 8.30 | 8.36 | 8.25 | 7.97 | 8.36 | 8.31 | 8.30 | 8.37 |
| 15 | 0.46 | 0.23 | 0.37 | 0.49 | 0.45 | 0.09 | (0.29) | (0.43) | (0.48) | (0.14) | 0.03 |
| 16, 56 | 3.03 | 2.83 | 2.93 | 3.10 | 3.12 | 2.79 | 2.47 | 2.80 | 2.53 | 2.79 | 2.87 |
| 22, 51 | 7.02 | 6.79 | 6.84 | 7.02 | 7.09 | 6.66 | 6.47 | 6.55 | 6.24 | 6.72 | 6.83 |
| 30 | 6.11 | 5.79 | 5.85 | 6.05 | 6.13 | 5.69 | 5.47 | 5.55 | 5.29 | 5.72 | 5.69 |
| 31 | 5.35 | 5.16 | 5.35 | 5.55 | 5.61 | 5.50 | 7.02 | 7.41 | 7.36 | 7.35 | 7.41 |
| 42 | 5.83 | 5.42 | 5.53 | 5.87 | 5.25 | 5.25 | 5.25 | 5.40 | 4.89 | 5.10 | 5.30 |
| 46 | 6.33 | 6.04 | 6.15 | 6.28 | 6.28 | 6.18 | 6.00 | 6.36 | 6.30 | 6.42 | 6.44 |
| 47 | 4.47 | 4.22 | 4.29 | 4.44 | 4.35 | 3.99 | 3.77 | 4.05 | 3.77 | 4.11 | 4.11 |
| 55 | 3.03 | 2.83 | 2.93 | 3.10 | 3.12 | 2.79 | 4.27 | 4.60 | 4.33 | 4.59 | 4.62 |
| 57 | - | - | - | - | - | - | - | - | 5.56 | 5.55 | 5.66 |

¹ Tax rates for Old City Road Service, Limited Road Service Areas and Street Lighting Service Areas, where applicable, are not included. Other Road Service areas are included.

² These tax rates do not include the tax relief.

³ 2016 tax rates in this appendix are based on preliminary assessed valuation. Assessed valuations and tax rates will be updated prior to April 2016 when the actual 2016 tax rates will be set by the Assembly.

Appendix H

Preliminary General Government Property Tax per \$100,000 Assessed Valuation

NOTE: The tax rates in this appendix are based on preliminary assessed valuation and exclude 2016 taxes related to ASD. Assessed valuations and tax rates will be updated prior to April 2016 when the actual 2016 tax rates will be set by the Assembly.

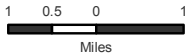
| Tax District | Areawide¹ | Fire | Police | Parks & Rec | Roads | MOA Total |
|---|-----------------------------|-------------|---------------|------------------------|--------------|------------------|
| 1 | 3 | 224 | 284 | 55 | 243 | 809 |
| 2, 19-21, 28, 32-37, 40-41, 44, 45, 48, 52-54 | 3 | 224 | 284 | 55 | - | 566 |
| 3, 8 | 3 | 224 | 284 | 55 | 243 | 809 |
| 4 | 3 | - | - | - | 400 | 403 |
| 5 | 3 | - | 284 | - | 271 | 558 |
| 9, 11, 23, 43 | 3 | 224 | 284 | - | - | 511 |
| 10, 50 | 3 | 224 | 284 | 96 | 186 | 793 |
| 12 | 3 | 224 | 284 | 55 | 271 | 837 |
| 15 | 3 | - | - | - | - | 3 |
| 16, 56 | 3 | - | 284 | - | - | 287 |
| 22, 51 | 3 | 114 | 284 | 96 | 186 | 683 |
| 30 | 3 | - | 284 | 96 | 186 | 569 |
| 31 | 3 | 224 | 284 | 55 | 175 | 741 |
| 42 | 3 | - | 284 | - | 243 | 530 |
| 46 | 3 | 224 | 284 | 96 | 37 | 644 |
| 47 | 3 | - | 284 | 96 | 28 | 411 |
| 55 | 3 | - | 284 | - | 175 | 462 |
| 57 | 3 | 224 | 284 | 55 | - | 566 |

¹ Some services provided by the Municipality must be offered on an "areawide" basis under State law or as provided for in the Municipal Charter. These include services such as health and environmental protection, social services, animal control, library, museum, mass transit, emergency medical services, planning and zoning, property assessment, and

* Tax rates for Old City Road Service, Limited Road Service Areas and Street Lighting Service Areas, where applicable, are not included. Other Road Service Areas are included.

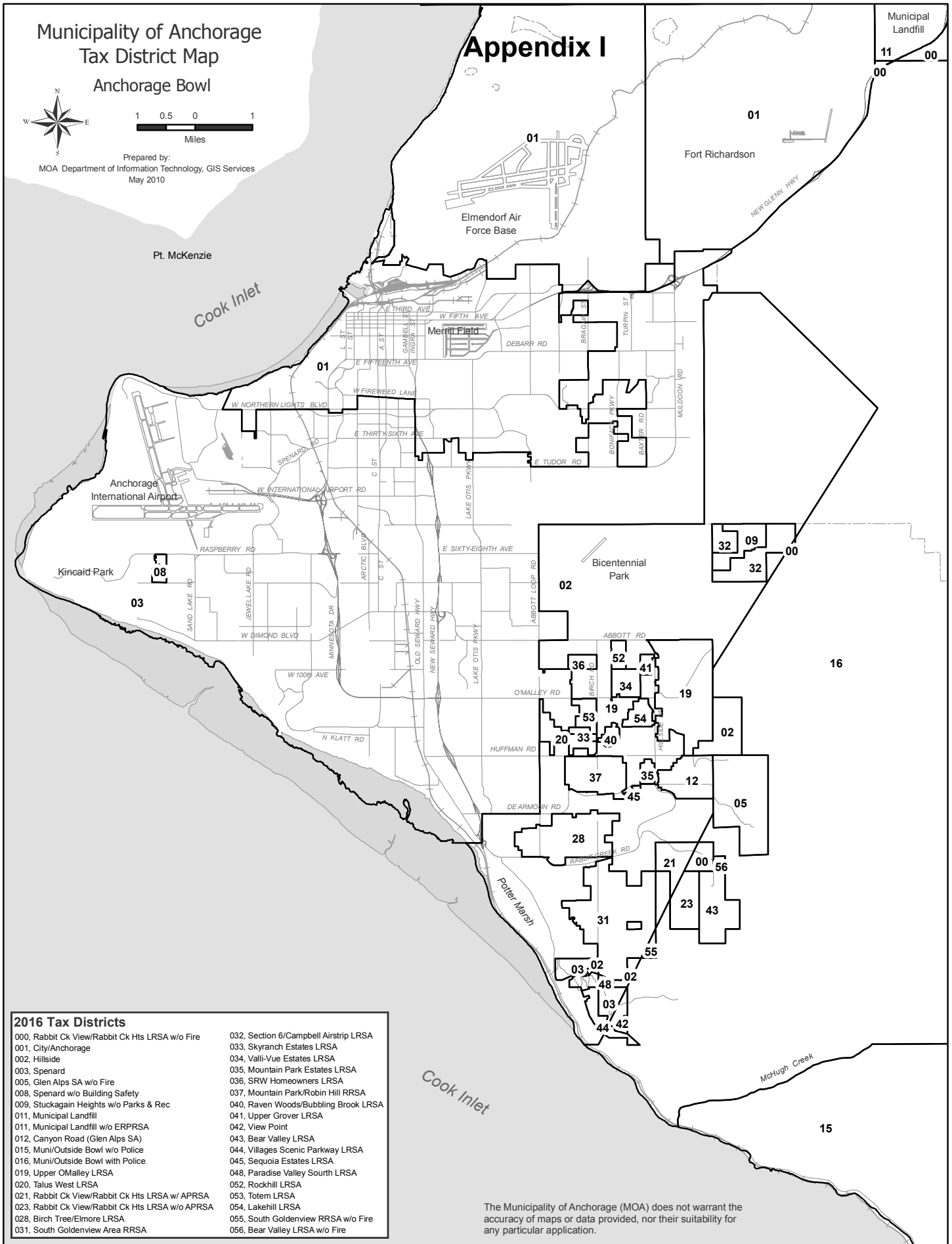
Municipality of Anchorage Tax District Map

Anchorage Bowl



Prepared by:
MOA Department of Information Technology, GIS Services
May 2010

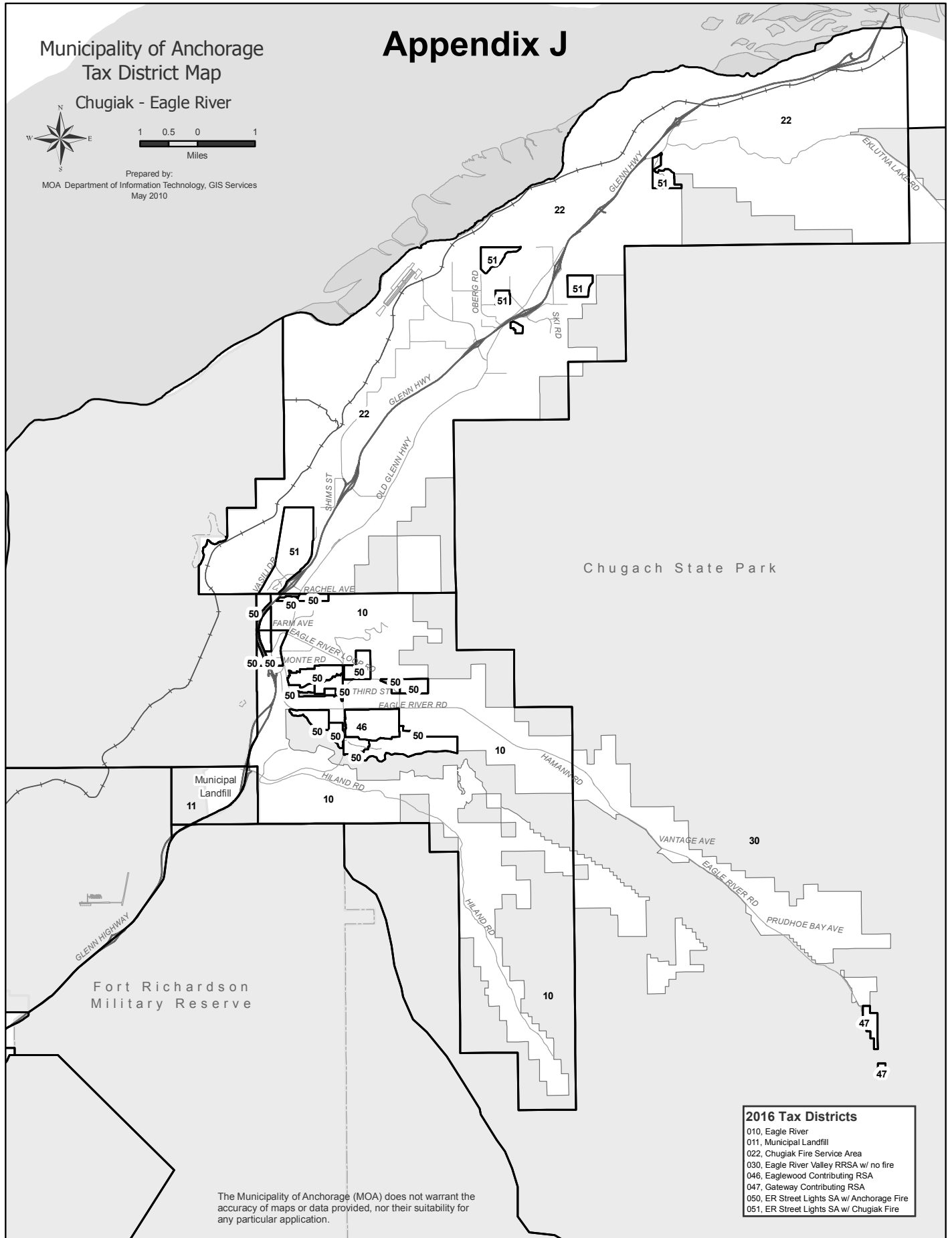
Appendix I



2016 Tax Districts

| | |
|--|---------------------------------------|
| 000, Rabbit Ck View/Rabbit Ck Hts LRSA w/o Fire | 032, Section 6/Campbell Airstrip LRSA |
| 001, City/Anchorage | 033, Skyranche Estates LRSA |
| 002, Hillside | 034, Valli-Vue Estates LRSA |
| 003, Spenard | 035, Mountain Park Estates LRSA |
| 005, Glen Alps SA w/o Fire | 036, SRW Homeowners LRSA |
| 008, Spenard w/o Building Safety | 037, Mountain Park/Robin Hill RRSA |
| 009, Stuckagain Heights w/o Parks & Rec | 040, Raven Woods/Bubbling Brook LRSA |
| 011, Municipal Landfill | 041, Upper Grover LRSA |
| 011, Municipal Landfill w/o ERPRSA | 042, View Point |
| 012, Canyon Road (Glen Alps SA) | 043, Bear Valley LRSA |
| 015, Muni/Outside Bowl w/o Police | 044, Villages Scenic Parkway LRSA |
| 016, Muni/Outside Bowl with Police | 045, Sequoia Estates LRSA |
| 019, Upper O'Malley LRSA | 048, Paradise Valley South LRSA |
| 020, Talus West LRSA | 052, Rockhill LRSA |
| 021, Rabbit Ck View/Rabbit Ck Hts LRSA w/ APRSA | 053, Totem LRSA |
| 023, Rabbit Ck View/Rabbit Ck Hts LRSA w/o APRSA | 054, Lakehill LRSA |
| 028, Birch Tree/Elmore LRSA | 055, South Goldenview RRSA w/o Fire |
| 031, South Goldenview Area RRSA | 056, Bear Valley LRSA w/o Fire |

The Municipality of Anchorage (MOA) does not warrant the accuracy of maps or data provided, nor their suitability for any particular application.



Appendix K

Chugiak Fire Service Area

(Fund 104000)

The Municipality's Charter requires that our local government operate under a service area concept, which means that residents of particular areas vote to levy taxes for service(s) from the Municipality.

Chugiak Fire Service Area was established for fire protection within the service area. The maximum mill rate for the service area shall not exceed 1.00 mill in any calendar year (AMC 27.30.060). The service area is included in Municipal Tax Districts 22 and 51.

The net cost total on the Fund Summary presented on the following page represents the tax cost for the Chugiak Fire Service Area, based on the 2016 Proposed budget. It includes \$41,174 of revenues associated with the fund that are not considered program revenues, such as P&I on Delinquent Taxes, Auto Tax, Electric Co-Op Allocation and Cash Pools Short-term Interest.

The actual 2016 taxes to be collected will be based on the 2016 Revised budget that will be presented to the Assembly for approval in April.

The mill rate is calculated based on the taxes to be collected, divided by the assessed valuation of the service area, then multiplied by 1,000.

$$\frac{\text{Taxes to be Collected in SA}}{\text{Service Area Assessed Value}} \times 1,000 = \text{Mill Rate}$$

The 2016 mill rate, based on the 2016 Proposed budget and the preliminary service area assessed value at 08/20/2015, is calculated as follows:

$$\frac{\$ 1,363,347}{\$ 1,198,311,999} \times 1,000 = 1.14$$

The actual 2016 mill rate will be based on the 2016 Revised budget with updated/revised IGCs and will be recalculated with updated assessed values to not exceed 1.00 mill.

Fund 104000 Summary
Chugiak Fire Service Area
(Fund Center # 354000, 189120 (9253))

| | 2014 Actuals | 2015 Revised | 2016 Proposed | 16 v 15 % Chg |
|---|------------------|------------------|------------------|------------------|
| Direct Cost | | | | |
| Chugiak Fire and Rescue (354000) - Department: Fire | 834,526 | 1,130,359 | 1,130,359 | - |
| Direct Cost Total | 834,526 | 1,130,359 | 1,130,359 | - |
| Intragovernmental Charges | | | | |
| Charges from/to Other Departments | 177,811 | 183,761 | 274,162 | 49.19% |
| Function Cost Total | 1,012,337 | 1,314,120 | 1,404,521 | 6.88% |
| Program Generated Revenue | (141,915) | (139,490) | (41,174) | -70.48% |
| Net Cost Total | 870,422 | 1,174,630 | 1,363,347 | 16.07% |

Direct Cost by Category

| | | | | |
|----------------------------|----------------|------------------|------------------|----------|
| Personnel | - | - | - | - |
| Supplies | 10,412 | - | - | - |
| Travel | - | - | - | - |
| Contractual/Other Services | 817,406 | 1,130,359 | 1,130,359 | - |
| Debt Service | - | - | - | - |
| Equipment, Furnishings | 6,708 | - | - | - |
| Direct Cost Total | 834,526 | 1,130,359 | 1,130,359 | - |

Position Summary as Budgeted

| | | | | |
|-----------------------|----------|----------|----------|----------|
| Full-Time | - | - | - | - |
| Part-Time | - | - | - | - |
| Position Total | - | - | - | - |

Chugiak Fire and Rescue
Department: Fire
Division: Emergency Operations
 (Dept ID # 354000)

| | 2014 Actuals | 2015 Revised | 2016 Proposed | 16 v 15 % Chg |
|--|--------------------|----------------------|----------------------|------------------|
| Direct Cost | | | | |
| Supplies | 10,412 | - | - | - |
| Travel | - | - | - | - |
| Contractual/Other Services | 817,406 | 1,130,359 | 1,130,359 | - |
| Manageable Direct Cost Total | 834,526 | 1,130,359 | 1,130,359 | - |
| Debt Service | - | - | - | - |
| Direct Cost Total | 834,526 | 1,130,359 | 1,130,359 | - |
| Intragovernmental Charges | | | | |
| Charges from/to Other Departments | 177,811 | 183,761 | 274,162 | 49.19% |
| Program Generated Revenue | | | | |
| 9672 - Prior Yr Expense Recovery | (141,915) | - | - | - |
| 408380 - Prior Yr Exp Recov | - | (93,117) | - | -100.00% |
| Program Generated Revenue Total | (141,915) | (93,117) | - | -100.00% |
| Net Cost | | | | |
| Manageable Direct Cost | 834,526 | 1,130,359 | 1,130,359 | - |
| Debt Service | - | - | - | - |
| Charges from/to Other Departments | 177,811 | 183,761 | 274,162 | 49.19% |
| Program Generated Revenue Total | (141,915) | (93,117) | - | -100.00% |
| Net Cost Total | 870,422 | 1,221,003 | 1,404,521 | 15.03% |

Appendix L

Girdwood Valley Service Area

(Fund 106000)

The Municipality's Charter requires that our local government operate under a service area concept, which means that residents of particular areas vote to levy taxes for service(s) from the Municipality.

Girdwood Valley Service Area was established for street construction and maintenance, solid waste collection, fire protection, parks and recreation, and the operation and maintenance of a municipal cemetery at the sole expense of the Girdwood Valley Service Area. The maximum attainable mill rate for the service area shall not exceed 6.00 mills in any calendar year (AMC 27.30.020). The service

The net cost total on the fund summary presented on the following page represents the tax cost for the Girdwood Valley Service Area, based on the 2016 Proposed budget. It includes \$56,537 of revenues associated with the fund that are not considered program revenues, such as P&I on Delinquent Taxes, Auto Tax, Electric Co-Op Allocation and Cash Pools Short-term Interest.

The actual 2016 taxes to be collected will be based on the 2016 Revised budget that will be presented to the Assembly for approval in April.

The mill rate is calculated based on the taxes to be collected, divided by the assessed valuation of the service area, then multiplied by 1,000.

$$\frac{\text{Taxes to be Collected in SA}}{\text{Service Area Assessed Value}} \times 1,000 = \text{Mill Rate}$$

The 2016 mill rate, based on the 2016 Proposed budget and the preliminary service area assessed value at 08/20/2015, is calculated as follows:

$$\frac{\$ 2,142,348}{\$ 535,148,361} \times 1,000 = 4.00$$

Fund 106000 Summary Girdwood Valley Service Area

(Fund Center # 355000,558000 (5480), 746000, 189130 (9255))

| | 2014 Actuals | 2015 Revised | 2016 Proposed | 16 v 15 % Chg |
|--|------------------|------------------|------------------|------------------|
| Direct Cost | | | | |
| Fire and Rescue (355000) - Department: Fire | 776,278 | 738,230 | 722,352 | -2.15% |
| Parks and Recreation (558000 (5480)) - Department: Parks and | 330,192 | 264,984 | 260,632 | -1.64% |
| Street Maintenance (746000) - Department: Public Works | 925,109 | 935,941 | 938,883 | 0.31% |
| Direct Cost Total | 2,031,579 | 1,939,155 | 1,921,867 | -0.89% |
| Intragovernmental Charges | | | | |
| Charges from/to Other Departments | 271,680 | 256,233 | 287,018 | 12.01% |
| Function Cost Total | 2,303,259 | 2,195,388 | 2,208,885 | 0.61% |
| Program Generated Revenue | (16,991) | (57,551) | (66,537) | 15.61% |
| Net Cost Total | 2,286,268 | 2,137,837 | 2,142,348 | 0.21% |

| | | | | |
|--------------------------------|------------------|------------------|------------------|---------------|
| Direct Cost by Category | | | | |
| Personnel | 144,849 | 169,147 | 173,037 | 2.30% |
| Supplies | 120,978 | 104,384 | 104,384 | - |
| Travel | 2 | - | - | - |
| Contractual/OtherServices | 1,740,750 | 1,637,234 | 1,631,934 | -0.32% |
| Debt Service/Depreciation | 19,155 | 23,390 | 7,512 | -67.88% |
| Equipment, Furnishings | 5,846 | 5,000 | 5,000 | - |
| Direct Cost Total | 2,031,579 | 1,939,155 | 1,921,867 | -0.89% |

Position Summary as Budgeted

| | | | | |
|-----------------------|----------|----------|----------|----------|
| Full-Time | 1 | 1 | 1 | - |
| Part-Time | 1 | 2 | 2 | - |
| Position Total | 2 | 3 | 3 | - |

Girdwood Valley Fire and Rescue
Department: Fire
Division: Emergency Operations
(Fund Center # 355000)

| | 2014 Actuals | 2015 Revised | 2016 Proposed | 16 v 15 % Chg |
|--------------------------------------|-----------------|-----------------|------------------|------------------|
| Direct Cost | | | | |
| Supplies | 20,754 | - | - | - |
| Travel | - | - | - | - |
| Contractual/Other Services | 736,370 | 714,840 | 714,840 | - |
| Manageable Direct Cost Total | 757,123 | 714,840 | 714,840 | - |
| Debt Service | 19,155 | 23,390 | 7,512 | -67.88% |
| Direct Cost Total | 776,278 | 738,230 | 722,352 | -2.15% |
| Intragovernmental Charges | | | | |
| Charges from/to Other Departments | 141,360 | 127,949 | 158,929 | 24.21% |
| Net Cost | | | | |
| Manageable Direct Cost | 757,123 | 714,840 | 714,840 | - |
| Debt Service | 19,155 | 23,390 | 7,512 | -67.88% |
| Charges from/to Other Departments | 141,360 | 127,949 | 158,929 | 24.21% |
| Net Cost Total | 917,638 | 866,179 | 881,281 | 1.74% |

Girdwood Valley Parks and Recreation
Department: Parks and Recreation
Division: Girdwood Parks and Recreation
(Fund Center # 558000 (5480))

| | 2014 Actuals | 2015 Revised | 2016 Proposed | 16 v 15 % Chg |
|--|-----------------|-----------------|------------------|------------------|
| Direct Cost | | | | |
| Salaries and Benefits | | | | |
| 501010 - Straight Time Labor | - | 12,995 | 13,838 | 6.49% |
| 501040 - AnnLvTkn (MA) (GG) | - | 585 | 623 | 6.50% |
| 501105 - FICA/Medicare Taxes | - | 994 | 1,059 | 6.54% |
| 501130 - Unemployment Ins | - | 26 | 28 | 7.69% |
| Salaries and Benefits Total | - | 14,600 | 15,548 | 27.21% |
| Supplies | 15,574 | 34,184 | 34,184 | - |
| Travel | 2 | - | - | - |
| Contractual/Other Services | 308,771 | 211,200 | 205,900 | -2.51% |
| Equipment, Furnishings | 5,846 | 5,000 | 5,000 | - |
| Manageable Direct Cost Total | 330,192 | 264,984 | 260,632 | -1.64% |
| Debt Service | - | - | - | - |
| Direct Cost Total | 330,192 | 264,984 | 260,632 | -1.64% |
| Intragovernmental Charges | | | | |
| Charges from/to Other Departments | 69,176 | 65,574 | 65,983 | 0.62% |
| Program Generated Revenue | | | | |
| 9441 - Rec Centers And Programs | (8,344) | - | - | - |
| 9444 - Camping Fees | (1,140) | - | - | - |
| 9442 - Sport And Park Activities | - | - | - | - |
| 9499 - Reimbursed Cost | - | - | - | - |
| 406280 - Prgrm, Lessons, & Camps | - | (7,000) | (7,000) | - |
| Program Generated Revenue Total | (9,484) | (7,000) | (7,000) | - |
| Net Cost | | | | |
| Manageable Direct Cost | 330,192 | 264,984 | 260,632 | -1.64% |
| Debt Service | - | - | - | - |
| Charges from/to Other Departments | 69,176 | 65,574 | 65,983 | 0.62% |
| Program Generated Revenue Total | (9,484) | (7,000) | (7,000) | - |
| Net Cost Total | 389,885 | 323,558 | 319,615 | -1.22% |

Girdwood Valley Street Maintenance
Department: Public Works
Division: Other Service Areas
(Fund Center # 746000)

| | 2014 Actuals | 2015 Revised | 2016 Proposed | 16 v 15 % Chg |
|--|-----------------|-----------------|------------------|------------------|
| Direct Cost | | | | |
| Salaries and Benefits | 144,849 | 154,547 | 157,489 | 1.90% |
| Supplies | 84,650 | 70,200 | 70,200 | - |
| Travel | - | - | - | - |
| Contractual/Other Services | 695,610 | 711,194 | 711,194 | - |
| Equipment, Furnishings | - | - | - | - |
| Manageable Direct Cost Total | 925,109 | 935,941 | 938,883 | 0.31% |
| Debt Service | - | - | - | - |
| Direct Cost Total | 925,109 | 935,941 | 938,883 | 0.31% |
| Intragovernmental Charges | | | | |
| Charges from/to Other Departments | 61,144 | 62,710 | 62,106 | -0.96% |
| Program Generated Revenue | | | | |
| 9442 - Sport And Park Activities | (4,722) | - | - | - |
| 9731 - Lease & Rental Revenue | (2,785) | - | - | - |
| 406080 - Lease & Rental Revenue-HLB | - | (3,000) | (3,000) | - |
| Program Generated Revenue Total | (7,507) | (3,000) | (3,000) | - |
| Net Cost | | | | |
| Manageable Direct Cost | 925,109 | 935,941 | 938,883 | 0.31% |
| Debt Service | - | - | - | - |
| Charges from/to Other Departments | 61,144 | 62,710 | 62,106 | -0.96% |
| Program Generated Revenue Total | (7,507) | (3,000) | (3,000) | - |
| Net Cost Total | 978,746 | 995,651 | 997,989 | 0.23% |

Appendix M

Chugiak, Birchwood, Eagle River Rural Road Service Area

(Fund 119000)

The Municipality's Charter requires that local government operate under a service area concept, which means that residents of particular areas vote to levy taxes for service(s) from the Municipality.

Chugiak, Birchwood, Eagle River Rural Road Service Area (CBERRRSA) was established for capital improvements for roads and drainage and the maintenance thereof within and over road rights-of-way in the service area including street light capital improvements and street light operation and maintenance at special sites outside the Eagle River Street Light Service Area which enhance public safety, but excluding capital improvements for and maintenance and operation of: 1) traffic engineering; 2) park and recreational services; 3) water, sewer, telephone, electric, gas and other utility improvements and services; 4) off-road mass transit facilities and signs; and 5) fire hydrants and parking meters within the service area. The service area also shall be authorized to operate and maintain street lights at special sites outside of the Eagle River Street Light Service Area for purposes of enhancing public safety.

The maximum attainable mill rate for services provided in the service area shall not exceed 2.10 mills in any calendar year. No more than 1.1 mills shall be for road and drainage maintenance and no more than 1.0 mill shall be for capital improvements (AMC 27.30.215). The service area is included in Municipal Tax Districts 10, 22, 30, 50 and 51.

The net cost total on the fund summary presented on the following page represents the tax cost for the CBERRRSA, based on the 2016 Proposed budget. It includes \$310,532 of revenues associated with the fund that are not considered program revenues, such as P&I on Delinquent Taxes and Cash Pools Short-term Interest.

The actual 2016 taxes to be collected will be based on the 2016 Revised budget that will be presented to the Assembly for approval in April.

The mill rate is calculated based on the taxes to be collected, divided by the assessed valuation of the service area, then multiplied by 1,000.

$$\frac{\text{Taxes to be Collected in SA}}{\text{Service Area Assessed Value}} \times 1,000 = \text{Mill Rate}$$

The 2016 mill rate, based on the 2016 Proposed budget and the preliminary service area assessed value at 08/20/2015, is calculated as follows:

$$\frac{\$ 6,765,282}{\$ 3,633,564,558} \times 1,000 = 1.86$$

Fund 119000 Summary
Chugiak, Birchwood, Eagle River Rural Road Service Area
(Fund Center # 744900, 747300, 189180 (9287))

| | 2014 Actuals | 2015 Revised | 2016 Proposed | 16 v 15 % Chg |
|--|------------------|------------------|------------------|------------------|
| Direct Cost | | | | |
| Operations of CBERRRSA (744900) - Department: Public Work | 2,984,247 | 3,417,082 | 3,435,696 | 0.54% |
| ER Contribution to CIP (747300) - Department: Public Works | 4,185,948 | 3,562,573 | 3,562,573 | - |
| Direct Cost Total | 7,170,195 | 6,979,655 | 6,998,269 | 0.27% |
| Intragovernmental Charges | | | | |
| Charges from/to Other Departments | 106,319 | 106,185 | 104,145 | -1.92% |
| Function Cost Total | 7,276,514 | 7,085,840 | 7,102,414 | 0.23% |
| Program Generated Revenue | (160,710) | (316,951) | (337,132) | 6.37% |
| Net Cost Total | 7,115,803 | 6,768,889 | 6,765,282 | -0.05% |

| | | | | |
|--------------------------------|------------------|------------------|------------------|--------------|
| Direct Cost by Category | | | | |
| Personnel | 496,133 | 524,158 | 542,772 | 3.55% |
| Supplies | 440,181 | 169,940 | 169,940 | - |
| Travel | - | - | - | - |
| Contractual/Other Services | 6,231,500 | 6,279,557 | 6,279,557 | - |
| Debt Service | - | - | - | - |
| Equipment, Furnishings | 2,382 | 6,000 | 6,000 | - |
| Direct Cost Total | 7,170,195 | 6,979,655 | 6,998,269 | 0.27% |

Position Summary as Budgeted

| | | | | |
|-----------------------|----------|----------|----------|----------|
| Full-Time | 3 | 4 | 4 | - |
| Part-Time | 1 | - | - | - |
| Position Total | 4 | 4 | 4 | - |

Operations of Chugiak, Birchwood, Eagle River RRSA
Department: Public Works
Division: Other Service Areas
(Fund Center # 744900)

| | 2014 Actuals | 2015 Revised | 2016 Proposed | 16 v 15 % Chg |
|--|------------------|------------------|------------------|------------------|
| Direct Cost | | | | |
| Salaries and Benefits | | | | |
| 1101 - Straight Time Labor | 262,821 | 321,076 | 290,048 | -9.66% |
| 1201 - Overtime | 22,522 | 7,101 | 43,000 | 505.55% |
| 1301 - Leave/Holiday Accruals | 31,617 | 61,177 | 7,415 | -87.88% |
| 1401 - Benefits | 178,254 | 129,804 | 177,449 | 36.71% |
| 1501 - Allow Differentials/Premiums | 919 | 5,000 | 24,860 | 397.20% |
| Salaries and Benefits | 496,133 | 524,158 | 542,772 | 3.55% |
| Supplies | 440,181 | 169,940 | 169,940 | - |
| Travel | - | - | - | - |
| Contractual/Other Services | 2,045,552 | 2,716,984 | 2,716,984 | - |
| Equipment, Furnishings | 2,382 | 6,000 | 6,000 | - |
| Manageable Direct Cost Total | 2,984,247 | 3,417,082 | 3,435,696 | 0.54% |
| Debt Service | - | - | - | - |
| Direct Cost Total | 2,984,247 | 3,417,082 | 3,435,696 | 0.54% |
| Intragovernmental Charges | | | | |
| Charges from/to Other Departments | 106,319 | 106,185 | 104,145 | -1.92% |
| Program Generated Revenue | | | | |
| 9499 - Reimbursed Cost | (18,565) | - | - | - |
| 406625 - Reimbursed Cost-NonGrant Funded | - | (25,000) | (25,000) | - |
| 408580 - Miscellaneous Revenues | - | (1,600) | (1,600) | - |
| 9672 - Prior Yr Expense Recovery | (142,146) | - | - | - |
| Program Generated Revenue Total | (160,710) | (26,600) | (26,600) | - |
| Net Cost | | | | |
| Manageable Direct Cost | 2,984,247 | 3,417,082 | 3,435,696 | 0.54% |
| Debt Service | - | - | - | - |
| Charges from/to Other Departments | 106,319 | 106,185 | 104,145 | -1.92% |
| Program Generated Revenue Total | (160,710) | (26,600) | (26,600) | - |
| Net Cost Total | 2,929,855 | 3,496,667 | 3,513,241 | 0.47% |

Eagle River Contribution to CIP
Department: Public Works
Division: Other Service Areas
(Fund Center # 747300)

| | 2014 Actuals | 2015 Revised | 2016 Proposed | 16 v 15 % Chg |
|-------------------------------------|------------------|------------------|------------------|------------------|
| Direct Cost | | | | |
| Travel | - | - | - | - |
| Contractual/Other Services | 4,185,948 | 3,562,573 | 3,562,573 | - |
| Manageable Direct Cost Total | 4,185,948 | 3,562,573 | 3,562,573 | - |
| Debt Service | - | - | - | - |
| Direct Cost Total | 4,185,948 | 3,562,573 | 3,562,573 | - |
| Net Cost | | | | |
| Manageable Direct Cost | 4,185,948 | 3,562,573 | 3,562,573 | - |
| Debt Service | - | - | - | - |
| Net Cost Total | 4,185,948 | 3,562,573 | 3,562,573 | - |

Appendix N

Eagle River-Chugiak Park and Recreational Service Area (Fund 162000)

The Municipality's Charter requires that local government operate under a service area concept, which means that residents of particular areas vote to levy taxes for service(s) from the Municipality.

Eagle River-Chugiak Park and Recreational Service Area (ERCPRSA) was established for parks and recreational services within the service area. The maximum attainable mill rate for the service area shall not exceed 1.00 mill in any calendar year. No more than .70 mill shall be for parks and recreation services and no more than .30 mill shall be for capital improvements (AMC 27.30.090). The service area is included in multiple Municipal Tax Districts.

The net cost total on the fund summary presented on the following page offset by represents the tax cost for the ERCPRSA, based on the 2016 Proposed budget. It includes \$48,945 of revenues associated with the fund that are not considered program revenues, such as P&I on Delinquent Taxes, Auto Tax, Contributions from Other Funds and Cash Pools Short-term Interest.

The actual 2016 taxes to be collected will be based on the 2016 Revised budget that will be presented to the Assembly for approval in April.

The mill rate is calculated based on the taxes to be collected, divided by the assessed valuation of the service area, then multiplied by 1,000.

$$\frac{\text{Taxes to be Collected in SA}}{\text{Service Area Assessed Value}} \times 1,000 = \text{Mill Rate}$$

The 2016 mill rate, based on the 2016 Proposed budget and the preliminary service area assessed value at 08/20/2015, is calculated as follows:

$$\frac{\$ 3,784,422}{\$ 3,928,726,469} \times 1,000 = 0.96$$

Fund 162 Summary

Eagle River-Chugiak Park and Recreational Service Area

(Fund Center # 555300 (5115), 555000 (5119), 555100 (5470), 555900 (5471),
555200 (5473), 555950 (5474), 189280 (9260))

| | 2014 Actuals | 2015 Revised | 2016 Proposed | 16 v 15 % Chg |
|---|------------------|------------------|------------------|------------------|
| Direct Cost | | | | |
| Fire Lake Rec Ctr (555300 (5115)) - Department: Parks & Rec | 50,000 | 50,000 | 50,000 | - |
| ER Park Facilities (555000 (5119)) - Department: Parks & Rec | 17,517 | 112,724 | 39,417 | -65.03% |
| ER Chugiak Parks (555100 (5470)) - Department: Parks & Rec | 1,288,900 | 1,861,282 | 1,887,899 | 1.43% |
| ER Parks Debt (555900 (5471)) - Department: Parks & Rec | 411,563 | 361,936 | 260,347 | -28.07% |
| Chugiak Pool (555200 (5473)) - Department: Parks & Rec | 569,941 | 632,566 | 624,844 | -1.22% |
| Contrib for Cap Improvmnt (555950 (5474)) - Department: Parks | 1,118,859 | 1,155,459 | 1,155,459 | - |
| Direct Cost Total | 3,456,780 | 4,173,967 | 4,017,966 | -3.74% |
| Intragovernmental Charges | | | | |
| Charges from/to Other Departments | 236,401 | 294,943 | 298,503 | 1.21% |
| Function Cost Total | 3,693,181 | 4,468,910 | 4,316,469 | -3.41% |
| Program Generated Revenue | (4,260,674) | (483,511) | (532,047) | 10.04% |
| Net Cost Total | (567,494) | 3,985,399 | 3,784,422 | -5.04% |

| | | | | |
|--------------------------------|------------------|------------------|------------------|---------------|
| Direct Cost by Category | | | | |
| Personnel | 1,332,252 | 1,633,552 | 1,664,140 | 1.87% |
| Supplies | 167,504 | 395,865 | 304,865 | -22.99% |
| Travel | 1 | - | - | - |
| Contractual/Other Services | 1,544,356 | 1,772,774 | 1,778,774 | 0.34% |
| Debt Service/Depreciation | 411,563 | 361,936 | 260,347 | -28.07% |
| Equipment, Furnishings | 1,104 | 9,840 | 9,840 | - |
| Direct Cost Total | 3,456,780 | 4,173,967 | 4,017,966 | -3.74% |

Position Summary as Budgeted

| | | | | |
|-----------------------|-----------|-----------|-----------|----------|
| Full-Time | 7 | 10 | 10 | - |
| Part-Time | 39 | 37 | 37 | - |
| Position Total | 46 | 47 | 47 | - |

Fire Lake Recreation Center
Department: Parks and Recreation
Division: Eagle River/Chugiak Parks and Recreation
(Fund Center # 555300 (5115))

| | 2014 Actuals | 2015 Revised | 2016 Proposed | 16 v 15 % Chg |
|--------------------------------------|-----------------|-----------------|------------------|------------------|
| Direct Cost | | | | |
| Travel | - | - | - | - |
| Contractual/Other Services | 50,000 | 50,000 | 50,000 | - |
| Manageable Direct Cost Total | 50,000 | 50,000 | 50,000 | - |
| Debt Service | - | - | - | - |
| Direct Cost Total | 50,000 | 50,000 | 50,000 | - |
| Intragovernmental Charges | | | | |
| Charges from/to Other Departments | 3,265 | 3,506 | 3,212 | -8.39% |
| Net Cost | | | | |
| Manageable Direct Cost | 50,000 | 50,000 | 50,000 | - |
| Debt Service | - | - | - | - |
| Charges from/to Other Departments | 3,265 | 3,506 | 3,212 | -8.39% |
| Net Cost Total | 53,265 | 53,506 | 53,212 | -0.55% |

Eagle River Park Facilities
Department: Parks and Recreation
Division: Eagle River/Chugiak Parks and Recreation
(Fund Center # 555000 (5119))

| | 2014 Actuals | 2015 Revised | 2016 Proposed | 16 v 15 % Chg |
|--|-----------------|-----------------|------------------|------------------|
| Direct Cost | | | | |
| Salaries and Benefits | 9,225 | 97,624 | 24,317 | -75.09% |
| Supplies | 1,262 | 3,000 | 3,000 | - |
| Travel | - | - | - | - |
| Contractual/Other Services | 7,030 | 11,100 | 11,100 | - |
| Equipment, Furnishings | - | 1,000 | 1,000 | - |
| Manageable Direct Cost Total | 17,517 | 112,724 | 39,417 | -65.03% |
| Debt Service | - | - | - | - |
| Direct Cost Total | 17,517 | 112,724 | 39,417 | -65.03% |
| Intragovernmental Charges | | | | |
| Charges from/to Other Departments | 4,393 | 9,048 | 6,290 | -30.48% |
| Program Generated Revenue | | | | |
| 9442 - Sport And Park Activities | 1,258 | - | - | - |
| 406290 - Rec Center Rentals & Activities | - | (8,000) | (18,000) | 125.00% |
| Program Generated Revenue Total | 1,258 | (8,000) | (18,000) | 125.00% |
| Net Cost | | | | |
| Manageable Direct Cost | 17,517 | 112,724 | 39,417 | -65.03% |
| Debt Service | - | - | - | - |
| Charges from/to Other Departments | 4,393 | 9,048 | 6,290 | -30.48% |
| Program Generated Revenue Total | 1,258 | (8,000) | (18,000) | 125.00% |
| Net Cost Total | 23,169 | 113,772 | 27,707 | -75.65% |

Eagle River/Chugiak Parks
Department: Parks and Recreation
Division: Eagle River/Chugiak Parks and Recreation
(Fund Center # 555100 (5470))

| | 2014 Actuals | 2015 Revised | 2016 Proposed | 16 v 15 % Chg |
|--|------------------|------------------|------------------|------------------|
| Direct Cost | | | | |
| Salaries and Benefits | 845,315 | 1,002,409 | 1,114,026 | 11.13% |
| Supplies | 135,572 | 366,655 | 275,655 | -24.82% |
| Travel | 1 | - | - | - |
| Contractual/Other Services | 306,907 | 483,378 | 489,378 | 1.24% |
| Equipment, Furnishings | 1,104 | 8,840 | 8,840 | - |
| Manageable Direct Cost Total | 1,288,900 | 1,861,282 | 1,887,899 | 1.43% |
| Debt Service | - | - | - | - |
| Direct Cost Total | 1,288,900 | 1,861,282 | 1,887,899 | 1.43% |
| Intragovernmental Charges | | | | |
| Charges from/to Other Departments | 166,936 | 227,239 | 236,556 | 4.10% |
| Program Generated Revenue | | | | |
| 9441 - Rec Centers And Programs | (124,550) | - | - | - |
| 9442 - Sport And Park Activities | (93,462) | - | - | - |
| 9499 - Reimbursed Cost | (34,569) | - | - | - |
| 406625 - Reimbursed Cost-NonGrant Funded | - | - | (26,002) | #DIV/0! |
| 408405 - Lease & Rental Revenue | - | - | (21,600) | #DIV/0! |
| 9731 - Lease & Rental Revenue | (9,000) | - | - | - |
| 406080 - Lease & Rntl Rev-HLB | - | (6,600) | - | -100.00% |
| 9798 - Miscellaneous Revenues | (2,310) | - | - | - |
| 406280 - Prgm, Lessons, & Camps | - | (100,000) | (120,500) | 20.50% |
| 406290 - Rec Center Rentals & Activities | - | (73,002) | (47,000) | -35.62% |
| Program Generated Revenue Total | (263,891) | (179,602) | (215,102) | 19.77% |
| Net Cost | | | | |
| Manageable Direct Cost | 1,288,900 | 1,861,282 | 1,887,899 | 1.43% |
| Debt Service | - | - | - | - |
| Charges from/to Other Departments | 166,936 | 227,239 | 236,556 | 4.10% |
| Program Generated Revenue Total | (263,891) | (179,602) | (215,102) | 19.77% |
| Net Cost Total | 1,191,945 | 1,908,919 | 1,909,353 | 0.02% |

Eagle River Parks Debt (162000)
Department: Parks and Recreation
Division: Eagle River/Chugiak Parks and Recreation
(Fund Center # 555900 (5471))

| | 2014 Actuals | 2015 Revised | 2016 Proposed | 16 v 15 % Chg |
|-------------------------------------|-----------------|-----------------|------------------|------------------|
| Direct Cost | | | | |
| Travel | - | - | - | - |
| Manageable Direct Cost Total | - | - | - | - |
| Debt Service | 411,563 | 361,936 | 260,347 | -28.07% |
| Direct Cost Total | 411,563 | 361,936 | 260,347 | -28.07% |
| Net Cost | | | | |
| Debt Service | 411,563 | 361,936 | 260,347 | -28.07% |
| Net Cost Total | 411,563 | 361,936 | 260,347 | -28.07% |

Chugiak Pool
Department: Parks and Recreation
Division: Eagle River/Chugiak Parks and Recreation
(Fund Center # 555200 (5473))

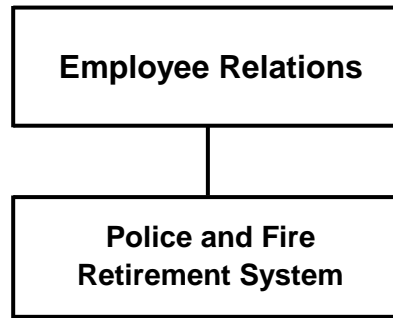
| | 2014 Actuals | 2015 Revised | 2016 Proposed | 16 v 15 % Chg |
|--|------------------|------------------|------------------|------------------|
| Direct Cost | | | | |
| Salaries and Benefits | | | | |
| 1101 - Straight Time Labor | 320,323 | 4,818 | 9,289 | 92.80% |
| 1201 - Overtime | 2,251 | (6,600) | 7,117 | -207.83% |
| 1301 - Leave/Holiday Accruals | 27,943 | (100,000) | 28,528 | -128.53% |
| 1401 - Benefits | 122,827 | 548,037 | 487,463 | -11.05% |
| 1501 - Allow Differentials/Premiums | 4,368 | 87,264 | (6,600) | -107.56% |
| Salaries and Benefits | 477,711 | 533,519 | 525,797 | -1.45% |
| Supplies | 30,670 | 26,210 | 26,210 | - |
| Travel | - | - | - | - |
| Contractual/Other Services | 61,560 | 72,837 | 72,837 | - |
| Equipment, Furnishings | - | - | - | - |
| Manageable Direct Cost Total | 569,941 | 632,566 | 624,844 | -1.22% |
| Debt Service | - | - | - | - |
| Direct Cost Total | 569,941 | 632,566 | 624,844 | -1.22% |
| Intragovernmental Charges | | | | |
| Charges from/to Other Departments | 61,807 | 55,150 | 52,445 | -4.90% |
| Program Generated Revenue | | | | |
| 9443 - Aquatics | (290,391) | - | - | - |
| 406300 - Aquatics | - | (250,000) | (250,000) | - |
| 9791 - Cash Over & Short | - | - | - | - |
| Program Generated Revenue Total | (290,391) | (250,000) | (250,000) | - |
| Net Cost | | | | |
| Manageable Direct Cost | 569,941 | 632,566 | 624,844 | -1.22% |
| Debt Service | - | - | - | - |
| Charges from/to Other Departments | 61,807 | 55,150 | 52,445 | -4.90% |
| Program Generated Revenue Total | (290,391) | (250,000) | (250,000) | - |
| Net Cost Total | 341,357 | 437,716 | 427,289 | -2.38% |

Contribution for Capital Improvements
Department: Parks and Recreation
Division: Eagle River/Chugiak Parks and Recreation
(Fund Center # 555950 (5474))

| | 2014 Actuals | 2015 Revised | 2016 Proposed | 16 v 15 % Chg |
|-------------------------------------|------------------|------------------|------------------|------------------|
| Direct Cost | | | | |
| Travel | - | - | - | - |
| Contractual/Other Services | 1,118,859 | 1,155,459 | 1,155,459 | - |
| Manageable Direct Cost Total | 1,118,859 | 1,155,459 | 1,155,459 | - |
| Debt Service | - | - | - | - |
| Direct Cost Total | 1,118,859 | 1,155,459 | 1,155,459 | - |
| Net Cost | | | | |
| Manageable Direct Cost | 1,118,859 | 1,155,459 | 1,155,459 | - |
| Debt Service | - | - | - | - |
| Net Cost Total | 1,118,859 | 1,155,459 | 1,155,459 | - |

Appendix O

Police and Fire Retirement System



Police & Fire Retirement System Department Summary

| | 2014 Actuals | 2015 Revised | 2016 Proposed | 16 v 15 % Chg |
|--|-------------------|--------------------|--------------------|------------------|
| Direct Cost by Division | | | | |
| Police & Fire Retirement System Administration | 34,442,650 | 918,909 | 943,217 | 2.65% |
| Direct Cost Total | 34,442,650 | 918,909 | 943,217 | 2.65% |
| Intragovernmental Charges | | | | |
| Charges by/to Other Departments | 58,780 | 59,304 | 57,911 | (2.35%) |
| Function Cost Total | 34,501,430 | 978,213 | 1,001,128 | 2.34% |
| Program Generated Revenue | (28,821,583) | (6,115,011) | (7,249,700) | 18.56% |
| Net Cost Total | 5,679,847 | (5,136,798) | (6,248,572) | 21.64% |
| <hr/> | | | | |
| Direct Cost by Category | | | | |
| Salaries and Benefits | 809,279 | 497,658 | 502,658 | 1.00% |
| Supplies | 1,225 | 2,600 | 2,600 | - |
| Travel | 1,007 | 34,000 | 34,000 | - |
| Contractual/Other Services | 33,629,976 | 370,151 | 392,759 | 6.11% |
| Debt Service | - | - | - | - |
| Depreciation/Amortization | 1,162 | 4,500 | 1,200 | (73.33%) |
| Equipment, Furnishings | - | 10,000 | 10,000 | - |
| Direct Cost Total | 34,442,650 | 918,909 | 943,217 | 2.65% |
| <hr/> | | | | |
| Position Summary as Budgeted | | | | |
| Full-Time | 3 | 3 | 4 | 33.33% |
| Part-Time | 1 | 1 | - | (100.00%) |
| Position Total | 4 | 4 | 4 | - |

Police & Fire Retirement System
Division Summary
Police & Fire Retirement System Administration
(Fund Center # 172100, 172200, 171000, 172300)

| | 2014 Actuals | 2015 Revised | 2016 Proposed | 16 v 15 % Chg |
|--|-------------------|--------------------|--------------------|------------------|
| Direct Cost by Category | | | | |
| Salaries and Benefits | 809,279 | 497,658 | 502,658 | 1.00% |
| Supplies | 1,225 | 2,600 | 2,600 | - |
| Travel | 1,007 | 34,000 | 34,000 | - |
| Contractual/Other Services | 33,629,976 | 370,151 | 392,759 | 6.11% |
| Equipment, Furnishings | - | 10,000 | 10,000 | - |
| Manageable Direct Cost Total | 34,441,488 | 914,409 | 942,017 | 3.02% |
| Debt Service | - | - | - | - |
| Depreciation/Amortization | 1,162 | 4,500 | 1,200 | (73.33%) |
| Non-Manageable Direct Cost Total | 1,162 | 4,500 | 1,200 | (73.33%) |
| Direct Cost Total | 34,442,650 | 918,909 | 943,217 | - |
| Intragovernmental Charges | | | | |
| Charges by/to Other Departments | 58,780 | 59,304 | 57,911 | (2.35%) |
| Function Cost Total | 34,501,430 | 978,213 | 1,001,128 | 2.34% |
| Program Generated Revenue by Fund | | | | |
| Fund 715000 - Police/Fire Retirement Trust | 28,821,583 | 6,115,011 | 7,249,700 | 18.56% |
| Program Generated Revenue Total | 28,821,583 | 6,115,011 | 7,249,700 | 18.56% |
| Net Cost Total | 5,679,847 | (5,136,798) | (6,248,572) | 21.64% |
| Position Summary as Budgeted | | | | |
| Full-Time | 3 | 3 | 4 | 33.33% |
| Part-Time | 1 | 1 | - | (100.00%) |
| Position Total | 4 | 4 | 4 | - |

Police & Fire Retirement System Division Detail

Police & Fire Retirement System Administration

(Fund Center # 172100, 172200, 171000, 172300)

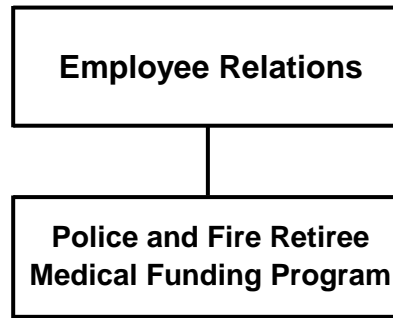
| | 2014 Actuals | 2015 Revised | 2016 Proposed | 16 v 15 % Chg |
|---|-------------------|--------------------|--------------------|------------------|
| Direct Cost by Category | | | | |
| Salaries and Benefits | 809,279 | 497,658 | 502,658 | 1.00% |
| Supplies | 1,225 | 2,600 | 2,600 | - |
| Travel | 1,007 | 34,000 | 34,000 | - |
| Contractual/Other Services | 33,629,976 | 370,151 | 392,759 | 6.11% |
| Equipment, Furnishings | - | 10,000 | 10,000 | - |
| Manageable Direct Cost Total | 34,441,488 | 914,409 | 942,017 | 3.02% |
| Debt Service | - | - | - | - |
| Depreciation/Amortization | 1,162 | 4,500 | 1,200 | (73.33%) |
| Non-Manageable Direct Cost Total | 1,162 | 4,500 | 1,200 | (73.33%) |
| Direct Cost Total | 34,442,650 | 918,909 | 943,217 | 2.65% |
| Intragovernmental Charges | | | | |
| Charges by/to Other Departments | 58,780 | 59,304 | 57,911 | (2.35%) |
| Program Generated Revenue | | | | |
| 408580 - Miscellaneous Revenues | 42,510 | - | - | - |
| 430040 - Employee Contribution to PFRS | 234,856 | 224,090 | 155,180 | (30.75%) |
| 440010 - GCP CshPool ST-Int(MOA/ML&P) | 1,722 | - | - | - |
| 440050 - Other Int Income | 3,811,694 | - | - | - |
| 440070 - Dividend Income | 2,612,839 | - | - | - |
| 440080 - UnRlzd Gns&Lss Invs(MOA/AWWU) | (21,387,054) | - | - | - |
| 440090 - RlzdGns&LsOnSleofInv | 34,735,944 | - | - | - |
| 450010 - Contributions from Other Funds | 8,769,072 | 5,890,921 | 7,094,520 | 20.43% |
| Program Generated Revenue Total | 28,821,583 | 6,115,011 | 7,249,700 | 18.56% |
| Net Cost | | | | |
| Direct Cost Total | 34,442,650 | 918,909 | 943,217 | 2.65% |
| Charges by/to Other Departments Total | 58,780 | 59,304 | 57,911 | (2.35%) |
| Program Generated Revenue Total | (28,821,583) | (6,115,011) | (7,249,700) | 18.56% |
| Net Cost Total | 5,679,847 | (5,136,798) | (6,248,572) | 21.64% |

Position Detail as Budgeted

| | 2014 Revised | | 2015 Revised | | 2016 Proposed | |
|--|--------------|-----------|--------------|-----------|---------------|-----------|
| | Full Time | Part Time | Full Time | Part Time | Full Time | Part Time |
| Director | 1 | - | 1 | - | 1 | - |
| Retirement Specialist I | 1 | - | 1 | - | 1 | - |
| Retirement Specialist II | - | - | - | - | 1 | - |
| Retirement Specialist IV | 1 | 1 | 1 | 1 | 1 | - |
| Position Detail as Budgeted Total | 3 | 1 | 3 | 1 | 4 | - |

Appendix P

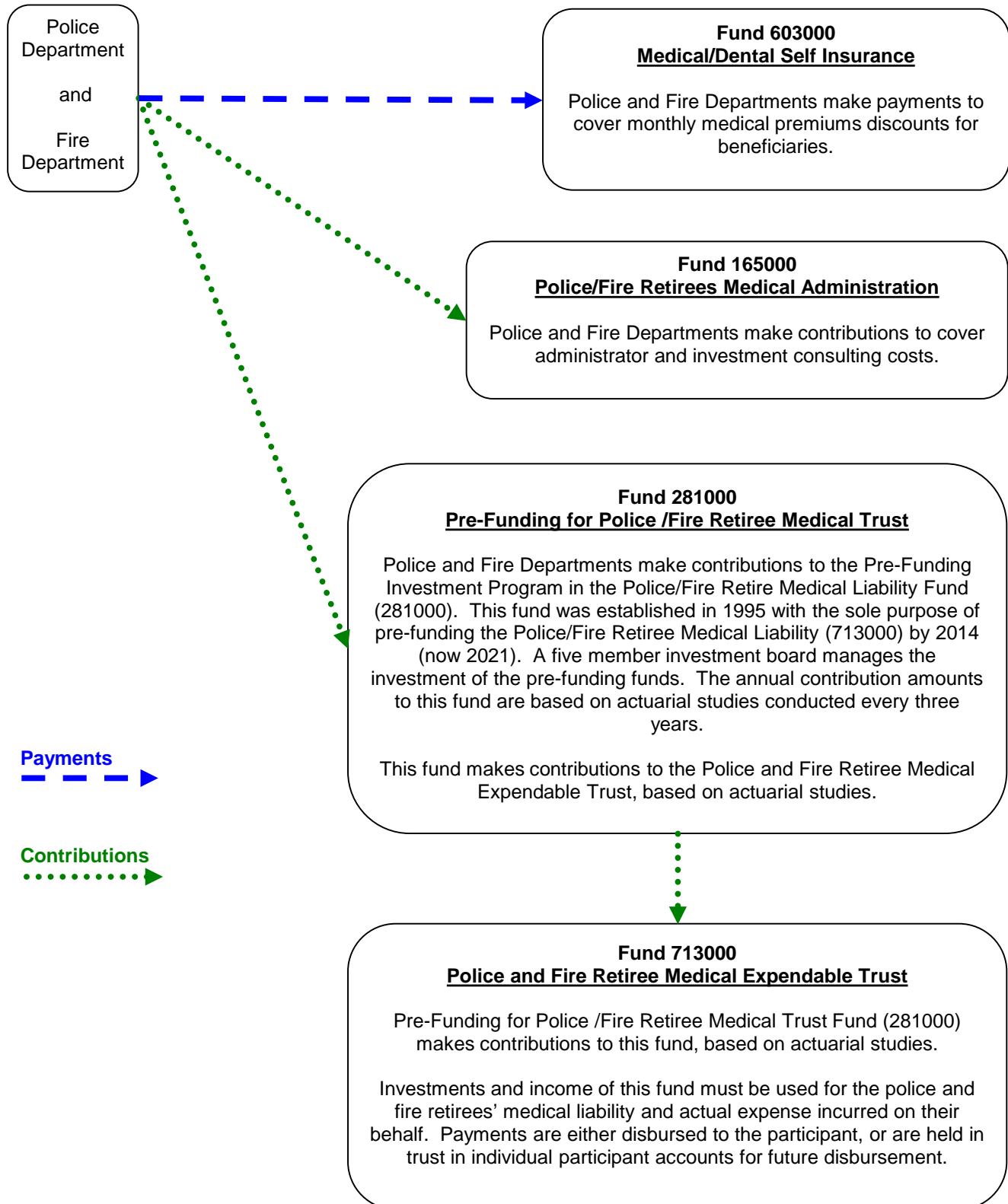
Police and Fire Retiree Medical Funding Program



Police and Fire Retiree Medical Funding Program

Flow of Funds

AMC 3.87 and AMC 3.88



Police and Fire Retiree Medical Funding Program

Purpose

Administer the health reimbursement arrangement (HRA) for those receiving retirement benefits under the Police and Fire Retirement System in accordance with provisions contained in AMC 3.87 and AMC 3.88.

Description

Police and Fire Retiree Medical system is a defined contribution plan. The Municipality will pay a predetermined amount to a Trust, for the employee's benefit. The employee will be able to choose from a variety of options as to how to spend the money in his or her account (they are not limited to the insurance provided by the Municipality).

The membership qualifications are:

- Must be beneficiary of the Police and Fire Retirement System
- Hired prior to January 1, 1995
- Retire on or after January 1, 1995.

The program also provides coverage to spouses and eligible dependents. The system is closed; no other person is eligible to participate in the system.

Police and Fire Departments make contributions to cover administrator and investment consulting costs in Police/Fire Retirees Medical Administration Fund (165000).

Police and Fire Departments also make contributions to the Pre-Funding Investment Program in the Police/Fire Retiree Medical Liability Fund (281000). This fund was established in 1995 with the sole purpose of pre-funding, via contributions, the Police/Fire Retiree Medical Liability (713000) by 2014 (was 2021, now 2034). A five member investment board manages the pre-funding investments. The contribution amounts to Fund 281000 are based on actuarial studies conducted every three years (AMC 3.88).

Additionally, the Police and Fire Departments pay premiums and provide monthly discounts from the stated premium to all members purchasing municipal health insurance. The Police and Fire Departments make these payments directly to the Municipal Self Insurance fund.

The Trust is administered by an eight-person board of trustees.

The operating budget for the administration of the Program and the contributions from the prefunding debt service fund to the Trust fund are appropriated as sections with the GGOB. The activity of the Trust Fund, management of the Trust and payment of medical benefits, are not budgeted or appropriated.

Police & Fire Retiree Medical Funding Program Department Summary

| | 2014 Actuals | 2015 Revised | 2016 Proposed | 16 v 15 % Chg |
|---|------------------|------------------|------------------|------------------|
| Direct Cost by Division | | | | |
| Police & Fire Retiree Medical Funding Program | 3,465,539 | 3,618,057 | 3,688,989 | 1.96% |
| Direct Cost Total | 3,465,539 | 3,618,057 | 3,688,989 | 1.96% |
| Intragovernmental Charges | | | | |
| Charges by/to Other Departments | 16,838 | 16,989 | 17,195 | 1.21% |
| Function Cost Total | 3,482,377 | 3,635,046 | 3,706,184 | 1.96% |
| Program Generated Revenue | (2,079,653) | (283,938) | (283,938) | - |
| Net Cost Total | 1,402,724 | 3,351,108 | 3,422,246 | 2.12% |
| Direct Cost by Category | | | | |
| Salaries and Benefits | 124,554 | 127,465 | 139,896 | 9.75% |
| Supplies | - | 1,280 | 1,280 | - |
| Travel | - | - | - | - |
| Contractual/Other Services | 3,340,580 | 3,489,312 | 3,547,813 | 1.68% |
| Debt Service | - | - | - | - |
| Equipment, Furnishings | 404 | - | - | - |
| Direct Cost Total | 3,465,539 | 3,618,057 | 3,688,989 | 1.96% |
| Position Summary as Budgeted | | | | |
| Full-Time | 1 | 1 | 1 | - |
| Part-Time | - | - | - | - |
| Position Total | 1 | 1 | 1 | - |

Police & Fire Retiree Medical Funding Program

Division Summary

Police & Fire Retiree Medical Funding Program

(Fund Center # 187600, 186000)

| | 2014 Actuals | 2015 Revised | 2016 Proposed | 16 v 15 % Chg |
|--|------------------|------------------|------------------|------------------|
| Direct Cost by Category | | | | |
| Salaries and Benefits | 124,554 | 127,465 | 139,896 | 9.75% |
| Supplies | - | 1,280 | 1,280 | - |
| Travel | - | - | - | - |
| Contractual/Other Services | 3,340,580 | 3,489,312 | 3,547,813 | 1.68% |
| Equipment, Furnishings | 404 | - | - | - |
| Manageable Direct Cost Total | 3,465,539 | 3,618,057 | 3,688,989 | 1.96% |
| Debt Service | - | - | - | - |
| Non-Manageable Direct Cost Total | - | - | - | - |
| Direct Cost Total | 3,465,539 | 3,618,057 | 3,688,989 | - |
| Intragovernmental Charges | | | | |
| Charges by/to Other Departments | 16,838 | 16,989 | 17,195 | 1.21% |
| Function Cost Total | 3,482,377 | 3,635,046 | 3,706,184 | 1.96% |
| Program Generated Revenue by Fund | | | | |
| Fund 165000 - Police/Fire Retirees Med Admin | 193,343 | 193,938 | 193,938 | - |
| Fund 281000 - Police/Fire Ret Med Liability | 1,886,310 | 90,000 | 90,000 | - |
| Program Generated Revenue Total | 2,079,653 | 283,938 | 283,938 | - |
| Net Cost Total | 1,402,724 | 3,351,108 | 3,422,246 | 2.12% |
| Position Summary as Budgeted | | | | |
| Full-Time | 1 | 1 | 1 | - |
| Position Total | 1 | 1 | 1 | - |

Police & Fire Retiree Medical Funding Program

Division Detail

Police & Fire Retiree Medical Funding Program

(Fund Center # 187600, 186000)

| | 2014 Actuals | 2015 Revised | 2016 Proposed | 16 v 15 % Chg |
|---|------------------|------------------|------------------|------------------|
| Direct Cost by Category | | | | |
| Salaries and Benefits | 124,554 | 127,465 | 139,896 | 9.75% |
| Supplies | - | 1,280 | 1,280 | - |
| Travel | - | - | - | - |
| Contractual/Other Services | 3,340,580 | 3,489,312 | 3,547,813 | 1.68% |
| Equipment, Furnishings | 404 | - | - | - |
| Manageable Direct Cost Total | 3,465,539 | 3,618,057 | 3,688,989 | 1.96% |
| Debt Service | - | - | - | - |
| Non-Manageable Direct Cost Total | - | - | - | - |
| Direct Cost Total | 3,465,539 | 3,618,057 | 3,688,989 | 1.96% |
| Intragovernmental Charges | | | | |
| Charges by/to Other Departments | 16,838 | 16,989 | 17,195 | 1.21% |
| Program Generated Revenue | | | | |
| 440010 - GCP CshPool ST-Int(MOA/ML&P) | (398) | - | - | - |
| 440050 - Other Int Income | 17 | 90,000 | 90,000 | - |
| 440070 - Dividend Income | 775,697 | - | - | - |
| 440080 - UnRlzd Gns&Lss Invs(MOA/AWWU) | 153,253 | - | - | - |
| 440090 - RlzdGns&LsOnSleofInv | 957,146 | - | - | - |
| 450010 - Contributions from Other Funds | 193,938 | 193,938 | 193,938 | - |
| Program Generated Revenue Total | 2,079,653 | 283,938 | 283,938 | - |
| Net Cost | | | | |
| Direct Cost Total | 3,465,539 | 3,618,057 | 3,688,989 | 1.96% |
| Charges by/to Other Departments Total | 16,838 | 16,989 | 17,195 | 1.21% |
| Program Generated Revenue Total | (2,079,653) | (283,938) | (283,938) | - |
| Net Cost Total | 1,402,724 | 3,351,108 | 3,422,246 | 2.12% |

Position Detail as Budgeted

| | 2014 Revised | | 2015 Revised | | 2016 Proposed | |
|--|--------------|-----------|--------------|-----------|---------------|-----------|
| | Full Time | Part Time | Full Time | Part Time | Full Time | Part Time |
| Senior Admin Officer | 1 | - | 1 | - | - | - |
| Special Admin Officer II | - | - | - | - | 1 | - |
| Position Detail as Budgeted Total | 1 | - | 1 | - | 1 | - |

Appendix Q

Local Government Profile

Geography

Anchorage is located in south central Alaska situated on a broad plain at the head of the Cook Inlet. It lies slightly farther north than Oslo, Stockholm, Helsinki and St. Petersburg. According to the United States Census Bureau, the municipality has a total area of 1980 square miles.



Organization

In 1975, the citizens of the Anchorage area ratified a Home Rule Charter for a unified municipal government. Under the Municipal Charter, the City of Anchorage, incorporated in 1920, the Greater Anchorage Area Borough, incorporated in 1964, and two small incorporated communities, Girdwood and Glen Alps were dissolved as of September 15, 1975, and the Municipality became their legal successor. Being a unified home rule municipality, the Municipality is responsible for a wide range of public services that are commonly provided through both a city and a county government.

The chief executive officer of the Municipality is the Mayor, who is elected at-large to a three-year term and who may not serve more than two consecutive terms. Subject to confirmation by the Assembly, the Mayor appoints the Municipal Manager, the Municipal Attorney, the Chief Fiscal Officer, and all head of municipal departments. The Mayor may participate, but may not vote, in meetings of the Assembly. The Mayor may veto ordinances passed by the Assembly, and veto, strike or reduce budget or appropriation measure line items. A minimum of eight members of the Assembly must vote to override a veto by the Mayor.

The legislative power of the Municipality is vested in the Assembly comprised of eleven members, elected by district, to three-year staggering terms and who may not serve more than three consecutive terms. The presiding officer of the Assembly is the Chairperson, who is elected annually from and by the membership of the Assembly. The Assembly appoints the Municipal Clerk. Municipal ordinances, Assembly schedules, agendas and other legislative information are available on-line at www.muni.org.

The Municipality has multiple citizen boards and commissions to advise and Assist the administration and Assembly with issues that range from animal control to zoning. Members are appointed by the Mayor and confirmed by the Assembly. Board members and commissioners volunteer their services and typically serve three-year, staggering terms.

Municipal services are provided through service areas. Each service area is treated as an individual taxing unit although only the Municipality can levy taxes. Certain services of the Municipality – education, planning and zoning, health services, animal control, environmental quality, taxing and assessing, emergency medical service and public transportation – are provided area-wide. The ad valorem tax rate for these services is uniform throughout the Municipality. In addition, service areas consisting of only part of the area within the Municipality have been created for such purposes as fire protection, police protection, road maintenance, parks and recreation, building safety, etc. As a result, the total tax rate applicable to any given

parcel of property is the sum of the Municipality-wide levy rates plus the rates for the special-purpose service areas within which that parcel is located.

Pursuant to the Municipal Charter, the Municipality owns and operates a number of utilities as enterprise funds. These include: Anchorage Water & Waste Water Utility, Municipal Light & Power, Solid Waste Services, Port of Anchorage, and Merrill Field Airport. The Municipality also runs the Anchorage Community Development Authority.

Climate

For its northern location (61° latitude), Anchorage enjoys a subarctic climate with strong maritime influences that moderate temperatures. Average daytime summer temperatures range from 55 to 78 degrees; average daytime winter temperature ranges between 5 to 30 degrees. Anchorage has a frost-free growing season that averages slightly over 101 days.

Demographics

The Anchorage Municipality is home to almost two-fifths of Alaska's population.

| <u>Year</u> | <u>Anchorage</u> | <u>State of Alaska</u> |
|-------------|------------------|------------------------|
| 2014 | 300549 | 735601 |
| 2013 | 300950 | 735132 |
| 2012 | 298,610 | 731,449 |
| 2011 | 295,570 | 722,718 |
| 2010 | 291,826 | 710,231 |
| 2009 | 290,588 | 714,146 |
| 2008 | 283,912 | 697,828 |
| 2007 | 282,968 | 686,818 |

Source: U.S. Census

As of October 2013, 93 languages were spoken by students in the Anchorage School District.

| <u>Race</u> | <u>Percent</u> |
|-------------------------------------|----------------|
| White | 45% |
| Two or more races | 14% |
| Asian | 11% |
| Hispanic | 11% |
| American Indian/Alaska Native | 9% |
| Black | 6% |
| Native Hawaiian or Pacific Islander | 5% |

Source: ASD 2012-13 Profile Performance Report October, 2013

The median age of Anchorage residents is 32.9 years; for women 33.6 years and men 32.2 years. Other demographic information includes:

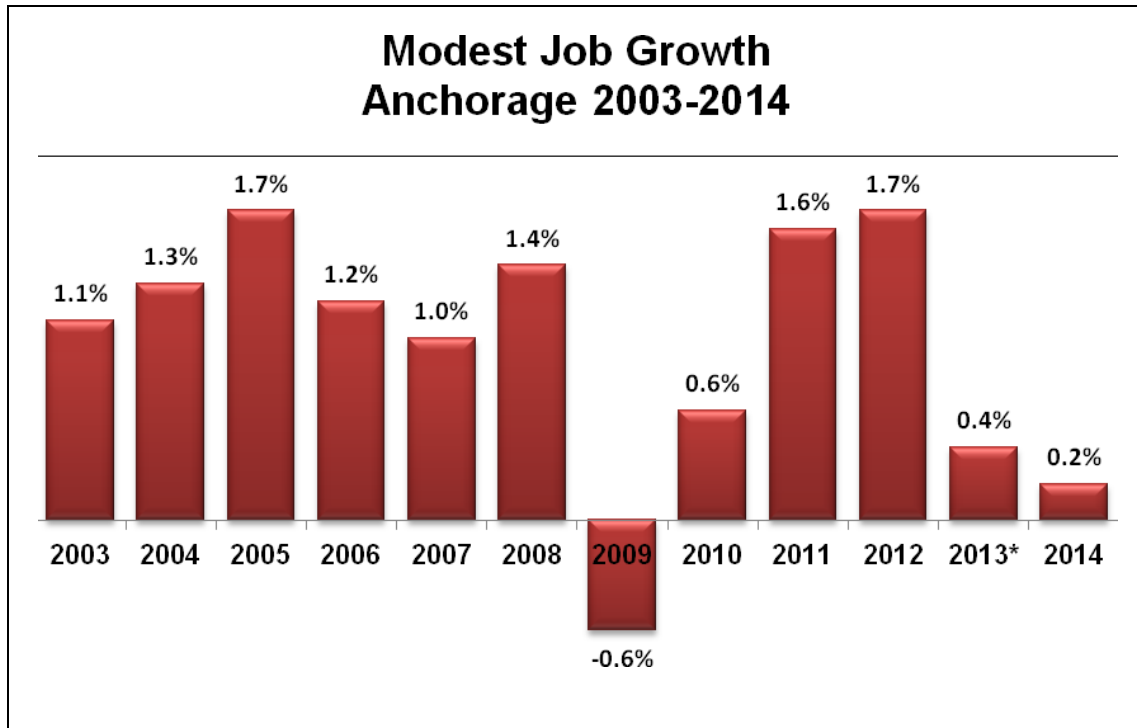
| | |
|------------------|----------|
| Household income | \$54,766 |
| Household size | 2.7 |
| Family size | 3.2 |

Source: U.S. Census

Economy

The Municipality of Anchorage is the leading trade, banking and communications center of Alaska as well as the headquarters city in Alaska for many of the national and international firms participating in the development of the petroleum, natural gas and other natural resources of the State. The Municipality is also an important seaport, a world air transportation center, the headquarters city for the Alaska Railroad and the site of the large and historically stable military base, Joint Base Elmendorf-Richardson, also known as JBER which is a combined installation of Elmendorf Air Force Base and Fort Richardson Army Bases. Federal and State government offices and tourism are also major factors in the economic base of the Municipality.

| Anchorage Area Employment (numbers in thousands) | July 2015 | Change from July 2014 to July 2015 | |
|---|-----------|---------------------------------------|---------|
| | | Number | Percent |
| Total Nonfarm | 187.5 | 3.5 | 1.9 |
| Mining and Logging | 4.0 | (0.1) | (2.4) |
| Construction | 12.0 | 0.3 | 2.6 |
| Manufacturing | 3.2 | 0.1 | 3.2 |
| Trade, Transportation, and u\Utiliti | 42.1 | 2.4 | 6.0 |
| Information | 4.8 | 0.2 | 4.3 |
| Financila Activities | 8.1 | (0.3) | (3.6) |
| Professional and Business Service | 22.3 | (0.5) | (2.2) |
| Education and Health Services | 29.8 | 0.8 | 2.8 |
| Leisure and Hospitality | 21.6 | 0.5 | 2.4 |
| Other Services | 7.3 | 0.1 | 1.4 |
| Government | 32.3 | 0.0 | 0.0 |
| <i>Source: U. S. Bureau of Labor Statistics</i> | | | |



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

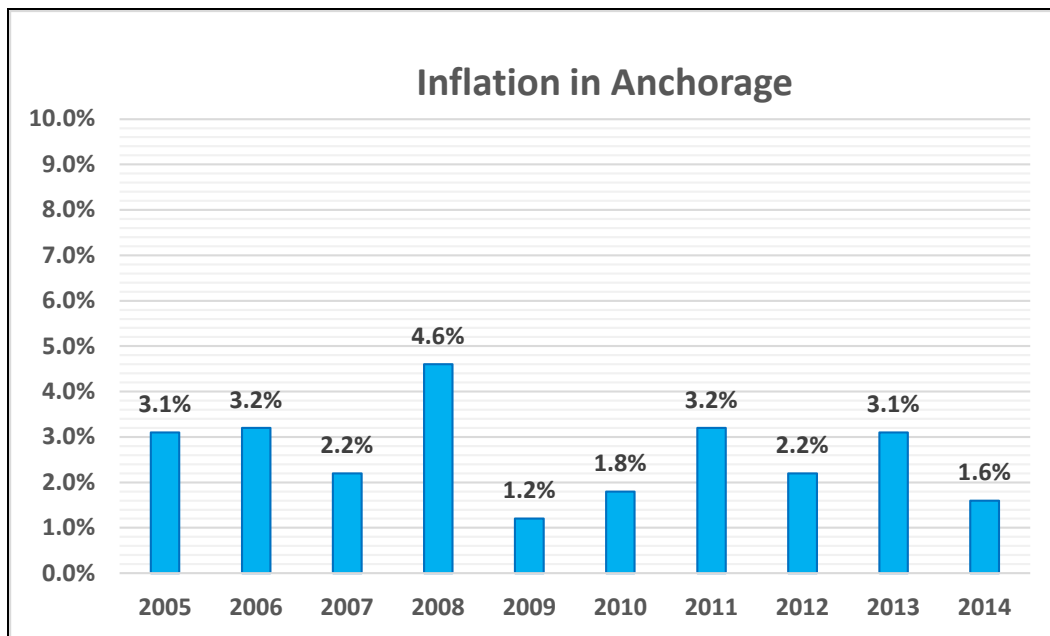
Unemployment Rate

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Annual Average |
|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|----------------|
| 2015 | 5.9 | 6.4 | 6.3 | 6.0 | 5.7 | 6.1 | 5.3 | | | | | | 6.0 |
| 2014 | 5.5 | 5.7 | 5.6 | 5.3 | 5.2 | 5.6 | 5.1 | 4.9 | 4.9 | 4.7 | 4.8 | 4.6 | 5.2 |
| 2013 | 5.6 | 5.3 | 5.2 | 5.1 | 5.0 | 5.6 | 5.1 | 4.9 | 4.7 | 4.8 | 4.6 | 4.6 | 5.0 |
| 2012 | 6.0 | 6.0 | 5.9 | 5.6 | 5.6 | 6.1 | 5.6 | 5.2 | 5.0 | 4.7 | 4.8 | 5.1 | 5.4 |
| 2011 | 6.7 | 6.7 | 6.6 | 6.2 | 6.1 | 6.6 | 6.0 | 6.0 | 6.0 | 5.6 | 5.4 | 5.5 | 6.1 |

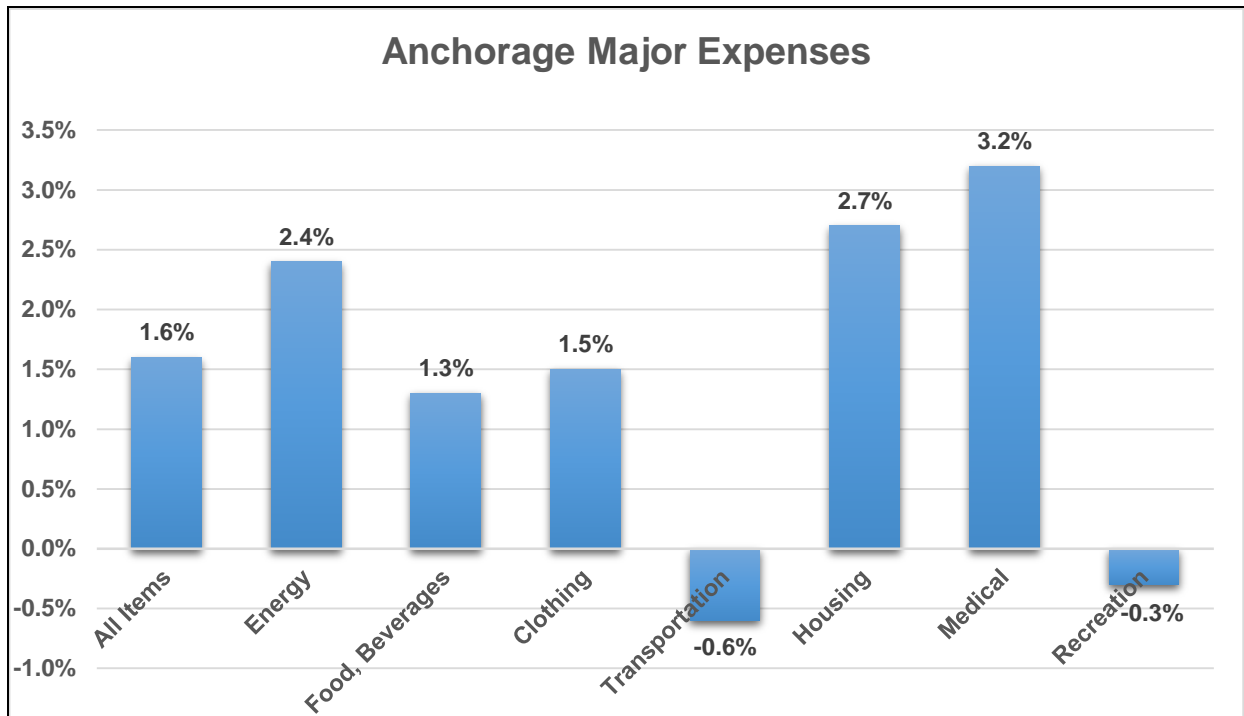
Source: Alaska Department of Labor and Workforce Development Research and Analysis Section

| Principal Property Tax Payers 2014 | | | |
|---|--|-------------------------|-----------------|
| | | Taxable | Percentage |
| | | Assessed | of Total |
| <u>Taxpayer</u> | | <u>Value</u> | <u>Assessed</u> |
| | | | |
| GCI Communication Corp | | \$ 198,256,680 | 0.59% |
| Calais Co Inc | | \$ 177,279,919 | 0.53% |
| ACS Of Anchorage Inc | | \$ 166,404,216 | 0.49% |
| Fred Meyer Stores Inc | | \$ 135,729,163 | 0.40% |
| BP Exploration (Alaska) Inc | | \$ 134,363,428 | 0.40% |
| Galen Hospital Alaska Inc | | \$ 132,984,668 | 0.39% |
| Wec 2000A-Alaska Llc | | \$ 131,523,465 | 0.39% |
| Enstar Natural Gas Company | | \$ 119,171,195 | 0.35% |
| Anchorage Fueling & Svc Co | | \$ 112,786,221 | 0.33% |
| Hickel Investment Co | | \$ 99,311,809 | 0.29% |
| | | \$ 1,209,554,084 | 3.59% |
| Notes: Assessed values include both real and personal property. | | | |
| Source: Municipality of Anchorage, Property Appraisal Division | | | |

Overall, 2014 registered the second-smallest increase in prices in a decade, falling to 1.6 percent from 3.1 percent the year before. Transportation costs fell slightly, which kept a larger overall cost increase at bay when combined with a moderate rise in housing costs.



Health care expenses grew the most in 2014.



Politics

Anchorage sends 15 representatives to the 40-member Alaska House of Representatives and 7 senators to the 20-member senate, making up nearly half of both houses

Transportation

The Ted Stevens Anchorage International Airport is the primary passenger airport and is an important cargo airport globally due to Anchorage's location on the great circle routes between Asia and the lower 48. It is located approximately three miles southwest of the principal business district of the Municipality. This airport is the leader in international air freight gateway in the nation, by weight. Twenty-six percent of the tonnage of U.S. international air freight moves through Anchorage. The Ted Stevens International Airport includes both domestic and international terminals and general aviation.

Lake Hood Seaplane Base is the largest sea plane base in the world and is located adjacent to the Ted Stevens Anchorage International Airport along Lake Hood. The facility operates on a year-round basis, but weather conditions in the winter months dictate that the Seaplane Base operates as a ski-plane facility for part of the year.

More than 2,200 private aircraft are based in the Anchorage area and are served by 11 airfields and two float plane bases. Merrill Field, operated by the Municipality, is the largest general aviation airport for private aircraft in the State of Alaska.

The Alaska Railroad Corporation, which maintains its headquarters and principal repair shops, warehouses and yards in Anchorage, provides freight and passenger service spanning more than 685 track miles and connecting over 70% of Alaska's population. The railroad serves the

cities of Anchorage and Fairbanks, the ports of Whittier, Seward, and Anchorage, as well as Denali National Park and military installations.

The Port of Anchorage received 95% of all goods destined for Alaska. Besides handling incoming and outgoing cargo shipments, the Port of Anchorage also serves as a storage facility for jet fuel from Alaska refineries utilized at both the Ted Stevens International Airport and Joint Base Elmendorf Richardson (JBER). The port is located just north of Ship Creek near downtown Anchorage on the Knik Arm of the Cook Inlet of the Pacific Ocean. The docks have excellent connections with the Alaska Railroad and highway connections to Alaska intrastate highway routes.

Anchorage is connected to the rest of Alaska through two major highways. Alaska Route 1 also known as the Seward Highway connects Anchorage south to the Kenai Peninsula. The Glenn Highway extends eastbound beyond Joint Base Elmendorf-Richardson and Eagle River, connecting Anchorage to the Matanuska-Susitna Valley. This route leads further to the Richardson Highways to go further north or to the Tok Cut-Off with further connections to the contiguous North American highway system via the Alaska Highway.

Anchorage has a bus system called People Mover with a central hub downtown and two satellite hubs that serve metropolitan and the suburbs of Eagle River and Birchwood.

Community Services

Police Department:

Call for Service: Is a police action but does not always generate a police report and does not represent actual, classified, crime statistics.

| | | | |
|------|---------|------|---------|
| 2014 | | 2009 | 296,636 |
| 2013 | 239,765 | 2008 | 267,433 |
| 2012 | 258,275 | 2007 | 260,382 |
| 2011 | 270,922 | 2006 | 240,883 |
| 2010 | 291,205 | | |

Police Reports: are calls for service that results in official documentation of the incident. Beginning in 2008 the method of counting reports changed to reflect the introduction of Mobile Data Computers and the automation of entering reports into the Records Management System.

| | | | | | |
|------|--------|------|--------|------|--------|
| 2013 | 69089 | 2010 | 64,371 | 2007 | 62,129 |
| 2012 | 65,787 | 2009 | 64,658 | 2006 | 61,297 |
| 2011 | 66,161 | 2008 | 66,387 | | |

Source: Police Department's website: www.muni.org/Departments/police/stats/2013 APD Annual Statistical Report

Fire Department:

| | |
|---|--------|
| Number of fire stations | 13 |
| Number of fire hydrants | 7,000 |
| Fire runs per year | 7,371 |
| Paramedic runs per year | 21,372 |
| Number of EMS units | 9 |
| (mobile intensive care unit ambulances) | |
| Number of rescue boats | 2 |

Efficient Emergency Response

| Year | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|----------------------|--------|--------|--------|--------|--------|--------|--------|
| Emergency Medical | 18,674 | 19,459 | 19,833 | 19,511 | 21,372 | 21,619 | 20,998 |
| Fire | 816 | 944 | 739 | 814 | 735 | 743 | 777 |
| Service Calls | 5,919 | 6,197 | 6,729 | 7,054 | 7,371 | 8,155 | 7,115 |
| Hazardous Conditions | 524 | 478 | 523 | 559 | 787 | 465 | 391 |
| False Alarms | 1,977 | 2,206 | 2,188 | 2,396 | 2,350 | 2,257 | 2,141 |
| | 27,910 | 29,284 | 30,012 | 30,334 | 32,615 | 33,239 | 31,422 |

Source: Fire Department's website: www.muni.org/Departments/fire

Parks and Recreation Department:

| | |
|-----------------------|-----------------------------|
| Number of Parks | 223 |
| Playgrounds | 82 |
| Athletic Fields | 110 |
| Swimming Pools | 5 |
| Recreation Facilities | 11 |
| Trails | 250 miles (135 miles paved) |

Trails Around Anchorage

| | |
|--------------------------------|--------------------|
| Paved bike trails/multi-use | 120+miles/195kms |
| Plowed winter walkways | 130 miles/216 kms |
| Maintained ski trails | 105 miles/175+ kms |
| Dog mushing trails | 36 miles/60 kms |
| Summer non-paved hiking trails | 87 miles/145+ kms |
| Lighted ski trails | 24 miles/40 kms |
| Ski-joring trails | 66 kms |
| Equestrian trails | 10 kms |

Numerous trails connect to the Chugach State Park, a high, alpine tundra park of some 495,000 acres.

Source: Parks and Recreation's website: www.muni.org/Departments/parks

Wildlife

A diverse wildlife population exists in urban Anchorage and the surrounding area. Approximately 250 black bears and 60 grizzly bears live in the area. Bears are regularly sighted within the city along with 1,000s of moose.

Appendix R

Structure of Municipal Funds

Funds represent accounting entities established to track resources available for and costs needed to provide for particular functions or activities. A fund is a grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance related legal requirements and are established based on generally accepted accounting standards.

As a general rule, the effect of interfund activity (IGCs, Contributions to/from Other Funds) has been eliminated from the government-wide financial statements. Exceptions to this rule are charges between Anchorage's various business-type functions and various other functions of Anchorage. Elimination of these charges would distort the direct costs and program revenues reported for the various function's concerned.

The Municipality of Anchorage uses Governmental, Proprietary, and Fiduciary Fund types. All the funds listed in this section are included in the Municipality's audited financial statements, unless otherwise noted.

The chart on page R – 2 displays the structure of all Municipal funds.

Governmental Funds

Governmental operations are supported by various funding sources and so have been grouped into the following fund-types – general fund, special revenue funds, capital projects funds, debt service funds and permanent funds. Any one fund may support various functions and all the fund's financial reports reflect relevant information for those functions.

The Anchorage Assembly approves operating budgets and appropriations of direct costs at the department level. Revenues, direct costs and IGCs are appropriated at the fund level.

Governmental Fund Basis of Accounting

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting – revenues are recognized as soon as they are both measurable and available and expenditures are generally recorded when a liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

Property taxes, lodging and other taxes, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual. Only the portion of special assessment receivable due within the current period is considered to be susceptible to

accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the Municipality.

The basis of budgeting for the governmental funds conforms to the basis of accounting in the governmental fund financial statements, with the following exceptions:

- IGCs are budgeted as expenditures but classified under Other Financing Sources / Uses in the financial statements.
- Contributions to Other Funds are budgeted as expenditures but classified as Transfers to Other Funds under Other Financing Sources / Uses in the financial statements.
- Contributions from Other Funds are budgeted as revenues but classified as Transfers from Other Funds under Other Financing Sources / Uses in the financial statements.
- The taxes collected for, and then transferred to the Anchorage School District (ASD) are not included in the GGOB but are included as Tax revenue and Education expense in the financial statements under Areawide Service Area. ASD presents its own budget to the Assembly for appropriation, has separate audited financial statements and is included as a component unit in the financial statements.
- Municipal Utilities Service Assessment (MUSA) and Municipal Enterprise Service Assessment (MESA) are budgeted as revenues but classified as Transfers from Other Funds under Other Financing Sources / Uses in the financial statements.
- Bond refunding is not budgeted but is included in the Other Financing Sources / Uses in the financial statements.
- PERS on-behalf payments made by the State of Alaska are not budgeted but are included in the financial statements. The on-behalf payments are not cash transactions and there is no impact or cost to the taxpayers associated with these transactions.

Following are descriptions of the governmental fund-types and funds:

General Fund

The Municipality uses one general fund to account for all financial resources except those that are required to be accounted for in another fund. Property taxes are the primary funding source of the General Fund. The appropriation of this fund's annual operating budget is included in the GGOB, unless otherwise noted.

The service area concept provides for taxpayers in different taxing districts to pay only for those services they agree to receive, and each of these service areas requires a separate annual operating budget appropriation and separate budgetary accounting.

For management accounting and reporting, the general fund is subdivided into separate sub-funds for each of the municipal service areas, per AMC 27.30.

Five Major Sub-Funds of the Municipal General Fund:

101000 – Areawide

(AMC 27.40) The following powers may be exercised on an areawide basis and are accounted for in this fund: animal control; assessment and collection; education; fireworks control; health and environmental protection; library; mass transit; planning, platting and zoning; taxicab and limousine regulation; regulation of entry upon and use of municipal rights-of-way; parking; civic, convention, sports, performing and visual arts center and urban redevelopment and beautification; and general powers granted to all environmental protection; library; mass transit; planning, platting and zoning; taxicab and limousine regulation; regulation of entry upon and use of municipal rights-of-way; parking; civic, convention, sports, performing and visual arts center and urban redevelopment and beautification; and general powers granted to all municipalities under AS 29.35 or assumed on an areawide basis by the former Greater Anchorage Area Borough under the provisions of AS 29.35.

131000 – Anchorage Fire Service Area

(AMC 27.30.050) Accounts for fire protection in this service area that includes areas formerly known as the City of Anchorage, the Eagle River Service Area, the Glenn Heights Area and the Bear Valley Fire Service Area but not including any portion of the Powder Reserve Tract A.

141000 – Anchorage Roads and Drainage Service Area (ARDSA)

(AMC 27.30.100) Accounts for roads and maintenance in this service area that includes areas formerly known as the City of Anchorage, Service Area 35 of the Greater Anchorage Area Borough, and the Glenn Heights Area.

151000 – Anchorage Metropolitan Police Service Area (AMPSA)

(AMC 27.30.135) Accounts for police protection services in this service area that includes areas formerly known as the City of Anchorage, the Spenard Service Area of the Greater Anchorage Area Borough, the Muldoon-Sand Lake Area, the Dimond Industrial Park Area, the Oceanview-Klatt Area, the Basher Area and a portion of the Far North Bicentennial Park, the Southeast Midtown Area, Independence Park and surrounding area, Section 16 except Boling Subdivision, the Eagle River-Chugiak Area and all other areas of the municipality north of McHugh Creek..

161000 – Anchorage Parks and Recreation

(AMC 27.30.080) Accounts for park and recreation services in the area that includes areas formerly known as the City of Anchorage, Service Area 30 of the Greater Anchorage Borough and the Glenn Heights Area.

Lesser Service Area Sub-funds of the Municipal General Fund:

102000 – Former City

No budget activity. Minimum activity reported in financial reports.

104000 – Chugiak Fire Service Area

(AMC 27.30.060) Accounts for fire protection in within the service area. Mill rate not to exceed 1.00 mill in any calendar year. See Appendix K.

105000 – Glenn Alps Service Area

(AMC 27.30.190) Accounts for all those services formerly authorized to be performed in the City or Glen Alps. Mill rate not to exceed 2.75 mills in any calendar year.

106000 – Girdwood Valley Service Area (GVSA)

(AMC 27.30.020) Accounts for street construction and maintenance, solid waste collection, fire protection, parks and recreation, and the operation and maintenance of a municipal cemetery at the sole expense of the Girdwood Valley Service Area. Mill rate not to exceed 6.0 mills in any calendar year. See Appendix L.

108000 – Former Borough

No budget activity. Minimum activity reported in financial reports.

162000 – Eagle River-Chugiak Park and Recreational Service Area (ERCPRSA)

(AMC 27.30.090) Accounts for park and recreational services within the service area. Mill rate not to exceed 1.0 mills in any calendar year. See Appendix N.

163000 (181) – Anchorage Building Safety Service Area (ABSSA)

(AMC 27.30.040) Accounts for building safety services within the service area supported by building inspection and plan review revenues.

Limited Service Area Sub-Funds of the Municipal General Fund:

111000 – Birchtree/Elmore Limited Road Service Area

(AMC 27.30.290) Accounts for limited road maintenance and repair within the service area. Mill rate not to exceed 1.50 mills in any calendar year.

112000 – Section 6/Campbell Airstrip Limited Road Service Area

(AMC 27.30.300) Accounts for limited road maintenance and repair within the service area. Mill rate not to exceed 1.50 mills in any calendar year.

113000 – Valli Vue Estates Limited Road Service Area

(AMC 27.30.310) Accounts for limited road maintenance and repair within the service area. Mill rate not to exceed 1.40 mills in any calendar year.

114000 – Skyranch Estates Limited Road Service Area

(AMC 27.30.320) Accounts for limited road service maintenance and repair within the service area. Mill rate not to exceed 1.30 mills in any calendar year.

115000 – Upper Grover Limited Road Service Area

(AMC 27.30.340) Accounts for limited road service maintenance and repair within the service area. Mill rate not to exceed 1.00 mill in any calendar year.

116000 – Raven Woods/Bubbling Brook Limited Road Service Area

- (AMC 27.30.350) Accounts for limited road service maintenance and repair within the service area. Mill rate not to exceed 1.50 mills in any calendar year.
- 117000 – Mountain Park Estates Limited Road Service Area
(AMC 27.30.330) Accounts for limited road maintenance and repair within the service area. Mill rate not to exceed 1.00 mill in any calendar year.
- 118000 – Mountain Park/Robin Hill Limited Road Service Area
(AMC 27.30.360) Accounts for limited road maintenance and repair within the service area. Mill rate not to exceed 1.30 mills in any calendar year.
- 119000 – Chugiak, Birchwood, Eagle River Rural Road Service Area (CBERRRSA)
(AMC 27.30.215) Accounts for limited capital improvements for roads and drainage and the maintenance thereof within and over road rights-of-way in the service area including street light capital improvements and street light operation and maintenance at special sites outside the Eagle River Street Light Service Area which enhance public safety, but excluding capital improvements for and maintenance and operation of: 1) traffic engineering; 2) park and recreational services; 3) water, sewer, telephone, electric, gas and other utility improvements and services; 4) off-road mass transit facilities and signs; and 5) fire hydrants and parking meters within the service area. The service area also shall be authorized to operate and maintain street lights at special sites outside of the Eagle River Street Light Service Area for purposes of enhancing public safety. Mill rate not to exceed 2.10 mills in any calendar year; no more than 1.1 mills shall be for road and drainage maintenance and no more than 1.0 mill shall be for capital improvements. See Appendix M.
- 121000 – Eaglewood Contributing Road Service Area
(AMC 27.30.550) Accounts for maintenance of roads common to the CBERRRSA within the service area. Mill rate not to exceed 20% of the CBERRRSA mill rate in any calendar year.
- 122000 – Gateway Contributing Road Service Area
(AMC 27.30.540) Accounts for maintenance of roads common to the CBERRRSA within the service area. Mill rate not to exceed 15% of the CBERRRSA mill rate in any calendar year.
- 123000 – Lakehill Limited Road Service Area
(AMC 27.30.600) Accounts for limited maintenance of roads within the service area. Mill rate not to exceed 1.50 mills in any calendar year.
- 124000 – Totem Limited Road Service Area
(AMC 27.30.610) Accounts for limited maintenance of roads within the service area. Mill rate not to exceed 1.50 mills in any calendar year.
- 125000 – Paradise Valley South Limited Road Service Area
(AMC 27.30.640) Accounts for limited maintenance of roads within the service area. Mill rate not to exceed 1.00 mill in any calendar year.
- 126000 – SRW Homeowner's Limited Road Service Area

(AMC 27.30.650) Accounts for limited road service maintenance and repair within the service area. Mill rate not to exceed 1.50 mills in any calendar year.

129000 – Eagle River Street Light Service Area

(AMC 27.30.560) Accounts for maintenance and operation of streetlights within the service area. Mill rate not to exceed 0.50 mill in any calendar year.

142000 – Talus West Limited Road Service Area

(AMC 27.30.200) Accounts for limited road maintenance within the service area. Mill rate not to exceed 1.30 mills in any calendar year.

143000 – Upper O'Malley Limited Road Service Area

(AMC 27.30.210) Accounts for limited road maintenance within the service area. Mill rate not to exceed 2.00 mills in any calendar year.

144000 – Bear Valley Limited Road Service Area

(AMC 27.30.370) Accounts for maintenance of roads and snow plowing within the service area. Mill rate not to exceed 1.50 mills in any calendar year.

145000 – Rabbit Creek View and Rabbit Creek Heights Limited Road Service Area

(AMC 27.30.240) Accounts for limited road service maintenance and repair within the service area. Mill rate not to exceed 2.50 mills in any calendar year.

146000 – Villages Scenic Parkway Limited Road Service Area

(AMC 27.30.390) Accounts for maintenance of roads, snow plowing and sanding within the service area. Mill rate not to exceed 1.00 mill in any calendar year.

147000 – Sequoia Estates Limited Road Service Area

(AMC 27.30.380) Accounts for street lighting and maintenance of roads and drainage within the service area. Mill rate not to exceed 1.50 mills in any calendar year.

148000 – Rockhill Limited Road Service Area

(AMC 27.30.590) Accounts for road maintenance within the service area. Mill rate not to exceed 1.50 mills in any calendar year.

149000 – South Goldenview Area Rural Road Service Area

(AMC 27.30.280) Accounts for capital improvements for roads and drainage and the maintenance thereof provided within and over road rights-of-way in the service area with no more than 1.20 mills designated for road and drainage maintenance and no more than 0.60 mills designated for capital improvements in any calendar year.

150000 – Homestead Limited Road Service Area

(AMC 27.30.660) Accounts for maintenance of roads within the service area. Mill rate not to exceed 1.30 mills in any calendar year.

Non Service Area Sub-Funds of the Municipal General Fund:

164000 (191) – Public Finance and Investment Fund

Financial resources in this fund account for the management of the Municipality's debt and investment portfolios.

165000 (213) – Police/Fire Retirees Medical Administration
(AMC 3.87) Financial resources in this fund may be used only for the administration of the Police and Fire Retirees' Medical Liability. The fund is treated as a sub-fund of the General fund for financial statement presentation. The appropriation of this fund's annual operating budget is included as a section with the GGOB. See Appendix P.

Special Revenue Funds

These funds are used to account for the proceeds from specific revenue sources that are legally restricted to expenditure for specified purposes.

2020X0 – Convention Center Operating Reserve
Financial resources in this fund may be used only for the bonded debt service or lease payments, carrying costs, and operation, and/or maintenance of the convention center. This fund is included in, and appropriated with, the GGOB and is subject to supplemental appropriations.

211000 – E911 Surcharge
E911 surcharge revenues in this fund may be used for expenditures allowable under AS 29.35.13 – 29.35-137. This fund is included in, and appropriated with, the GGOB and is subject to supplemental appropriations.

221000 – Heritage Land Bank
(AMC 25.40.035) Financial resources in this fund may be used for the Heritage Land Bank purpose: the acquisition, inventory, management, withdraw, transfer and disposal of municipal land which has not been dedicated or transferred to a specific municipal agency for one or more municipal uses. A portion of the Heritage Land Bank operating fund accounts may be appropriated annually for management of the Heritage Land Bank and the land in the Heritage Land Bank inventory, to fulfill the purpose and mission of the Heritage Land Bank. This fund is included in, and appropriated with, the GGOB and is subject to supplemental appropriations.

231000 – State Grants and Federal Grants Passed Through the State Fund
Financial resources in this fund may be used only in accordance with the individual state grant agreements. This fund has carryover budgets, based on appropriations.

241000 – Federal Grants Fund
Financial resources in this fund may be used only in accordance with the individual federal grant agreements. This fund has carryover budgets, based on appropriations.

245000 – 49th State Angel Fund (49SAF)

Financial resources in this fund may be used only in accordance with the State Small Business Credit Initiative Act of 2010. Appropriated with AR 2012-42 and is a carryover budget subject to supplemental appropriations.

257X00 – Federal/State Fines and Forfeitures Fund

Accounts for monies seized or confiscated by the Police Department in the course of criminal investigations. These resources may be used only to supplement special investigation costs not to supplant the operating budget. This fund has carryover budgets, based on appropriations.

261000 – Miscellaneous Operational Grants Fund

Accounts for the use of miscellaneous restricted contributions and donations from non-state and non-federal entities. This fund includes the donation for the Tri-Centennial Celebration, which previously made up the entire former Fund 257. These resources may be used only in accordance with the grantor agreements. This fund has carryover budgets, based on appropriations.

271000 – Public Services Special Assessment District

Accounts for the special assessment collections from the Downtown Improvement District, Special Assessment District IS97 to be used only for special services approved through the special assessment process. The budget for this fund is appropriated annually, with two appropriations; the first is based on an estimate of the budget year assessment and is included as a section with the GGOB appropriation and the second is true-up to the actual assessments for the year and is presented as a supplemental appropriation.

281000 (313) – Police and Fire Retiree Medical Liability Pre-Funding

(AMC 3.88) Financial resources in this fund may be used only to reduce the subject liability. This fund was established in 1995 with the sole purpose of pre-funding the Police/Fire Retiree Liability by 2014 (now 2021). Police and Fire Departments make contributions to this fund. This fund holds and manages the Municipal investments. The annual budgets for investment fees and contribution to fund 713-Police and Fire Retirees Medical Trust are appropriated as a section with the GGOB and are subject to supplemental appropriation. See Appendix P.

Capital Projects Funds

These funds account for financial resources used for activities related to the acquisition, maintenance, and improvement of major capital facilities or city assets, other than those financed by proprietary funds and trust funds. The majority of the Municipality's capital funds correspond to respective service area (SA) sub-funds of the operating general fund. These funds have carryover project budgets, based on appropriations.

401X00 – Areawide General Capital Improvement Projects

Accounts for general government capital projects not accounted for in other funds.

404X00 – Chugiak Fire SA Capital Improvement Projects

406X00 – Girdwood Valley SA Capital Improvement Projects

409X00 – Miscellaneous Capital Projects Pass-Thru

Accounts for capital improvement projects for out-of-service area roads and drainage, gas lines and pass-thru grants.

419X00 – Chugiak, Birchwood, Eagle River Rural Roads SA Capital Improvement Projects

420X00 – Chugiak, Birchwood, Eagle River Other Capital Improvement Projects

421X00 – Heritage Land Bank Capital Improvement Projects

Accounts for capital improvement projects recommended by the Board of Heritage Land Bank and approved by the Assembly.

431X00 – Anchorage Fire SA Capital Improvement Projects

441X00 – Anchorage Roads and Drainage SA Capital Improvement Projects

451X00 – Anchorage Police SA Capital Improvement Projects

461X00 – Anchorage Bowl Parks and Recreation SA Capital Improvement Projects

462X00 – Eagle River/Chugiak Parks and Recreation SA Capital Improvement Projects

485X00 – Public Transportation Capital Improvement Projects

Accounts for capital improvement projects for transit facilities and equipment.

490000 (740) – Historic Preservation

(AMC 6.100) Funding in the historic preservation project fund are dedicated to financing historic preservation projects.

Debt Service Funds

Used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

301000 – Anchorage Center for the Performing Arts (ACPA) Surcharge Revenue Bond

Accounts for the performing arts center surcharge revenue and debt service on the roof repair loan. This fund is included in, and appropriated with, the GGOB and is subject to supplemental appropriations.

320000 (997) – CIVICVentures Bond Fund

Accounts for the accumulation of lodging revenue transfers and investment earnings and debt service on the convention and civic revenue bonds.

Permanent Funds

Used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.

720000 – Cemetery Trust Fund

(AMC 25.60.100) The contributions and earnings of this fund must be used for the perpetual maintenance of the Anchorage Memorial Park Cemetery and columbarium.

730000 – Municipality of Anchorage (non-Expendable) Trust Fund
 (AMC 6.50.060.B) Established to hold the Anchorage Telephone Utility (ATU) Revenue Bond Reserve Investment and any other amounts the assembly may deposit. Defined as an endowment fund with a controlled spending policy limiting dividend distributions and managed by the Municipal Treasurer. The budget for this fund is appropriated annually, typically with two appropriations; the first is for the contribution to general government and is included as a section with the GGOB and the second is for the annual financial management and support services that are presented as a supplemental appropriation.

731000 – Municipality of Anchorage Trust Fund Reserve
 (AMC 6.50.060.B) Established to hold the Anchorage Telephone Utility (ATU) Revenue Bond Reserve Investment and any other amounts the assembly may deposit. May be used to (1) supplement the MOA Trust Fund annual dividend, (2) provide a reduction in property taxes, (3) retire municipal debt or (4) contribute additional funds into the MOA Trust Fund corpus. This fund has not had a balance for several years, but with the 2013 approved budget, received an appropriation which was then fully used in the 2013 revised budget.

Proprietary Funds

Two different types of proprietary funds are used: enterprise funds and internal service funds.

The governmental fund financial statements are reported using the accrual basis of accounting – revenues are recognized when they are earned and measurable and expenses are recognized in the period incurred, if measurable. The basis of budgeting for the proprietary funds conforms to the basis of accounting, with the following exception:

- Municipal Utilities Service Assessment (MUSA) and Municipal Enterprise Service Assessment (MESA) are budgeted as expenditures but classified as Transfers to Other Funds in the combining financial statements.

Enterprise funds

Account for business-type activities of the Municipality. All operating and capital enterprise funds are subject to appropriation.

530X00 – Municipal Light and Power Electric
 Accounts for the operations of the Municipal owned electric utility.

532X00 – Municipal Light and Power Gas
 Accounts for the operations of the Municipal owned gas utility.

540X00 – Water Utility
 Accounts for the operations of the Municipal owned Anchorage Water Utility.

550X00 – Wastewater Utility

Accounts for the operations of the Municipal owned Anchorage Wastewater Utility.

560X00 – Refuse Utility

Accounts for Municipal-owned refuse collection services.

562X00 – Disposal Waste

Accounts for Municipal-owned landfill and transfer station operations.

566000 – Solid Waste Administration

Account for Municipal-owned solid waste administration.

570X00 – Port of Anchorage

Accounts for the operations of the Municipal owned port.

580X00 – Merrill Field Municipal Airport

Accounts for the operations of Merrill Field, a Municipal-owned airport.

Internal Service Funds

Activities that provide service to Municipal organizations without either a profit or loss.

602000 – General Liability / Workers Compensation

Accounts for money received from other Municipal funds to pay for the costs of premiums, professional services, processing fees and claim settlements related to general liability and workers' compensation claims against the Municipality. This fund is included in, and appropriated with, the GGOB, and is financed by IGCs that are also budgeted in the GGOB.

603000 – Medical/Dental Self Insurance

Accounts for money received from other Municipal funds to pay for the costs of premiums, professional services and processing fees and claims related to medical, dental and life insurance of Municipal employees and their eligible dependents. This fund is not appropriated, but is funded by direct cost expenditures included in the GGOB under each department's salaries and benefits budget.

604000 – Unemployment Compensation

Accounts for money received from other Municipal funds to pay for the reimbursement to the State of Alaska for unemployment compensation claims of former Municipal employees. This fund is not appropriated, but is funded by direct cost expenditures included in the GGOB under each department's salaries and benefits budget.

601000 – Equipment Maintenance Operations

Accounts for the day-to-day operational management and maintenance of general government equipment and vehicles. The appropriation for this fund is separately disclosed on the ordinance that approves the General Government Operating Budget, but is funded by direct cost expenditures included in the GGOB under each department's Contractual/Other Services budget.

606000 – Equipment Maintenance Capital

Accounts for the purchases of vehicles and other equipment. This fund was established to account separately for resources included in the Municipal capital budget; i.e. that do not lapse at year-end. However, the financial data is combined with that of fund 601 for financial statement presentation. This fund has carryover budgets, based on appropriations.

607000 – Information Technology Operations

Accounts for the day-to-day operational data processing services to Municipal organizations. This fund is included in, and appropriated with, the GGOB, and is financed by IGCs that are also budgeted in the GGOB.

608000 – Information Technology Capital

Accounts for the purchases of data processing equipment and software. This fund was established to account separately for resources included in the Municipal capital budget; i.e. that do not lapse at year-end. However, the financial data is combined with that of fund 607 for financial statement presentation. This fund has carryover budgets, based on appropriations.

Fiduciary Funds

Report assets held in a trustee or agency capacity, for the benefit of parties outside the government, and therefore cannot be used to support Municipal programs.

713000 – Police and Fire Retiree Medical Expendable Trust

(AMC 3.87) Investments and income of this fund must be used for the police and fire retirees' medical liability and actual expense incurred on their behalf.

Payments are either disbursed to the participant, or are held in trust in individual participant accounts for future disbursement. See Appendix P.

715000 – Police and Fire Retirement (non-expendable Pension) Trust

Investments and income of this fund must be used to administer and fund police and fire retirees' pensions for Plans I, II and III. Note that proprietary –type accounting is used for pension trusts but in all other respects this trust is treated like a general government activity. The operating budget for the administration of the system is appropriated as a section with the GGOB. The management of the Trust Fund and payment of retirement benefits are not budgeted or appropriated. See Appendix O.

Component Units

Component units are entities for which the Municipality is financially accountable. They are included in the Municipality's government-wide financial statements because of the significance of their operational or financial relationships with the primary government. Complete financial statements of individual component units can be obtained from their respective administrative offices.

Anchorage School District (ASD)

Responsible for elementary and secondary education within Anchorage. Members of the School Board are elected by the voters; however, the ASD is fiscally dependent upon the primary government because the Assembly approves the total budget of the ASD, levies the necessary taxes, and approves the borrowing of money and the issuance of bonds. ASD is included in the financial reports as a discretely presented component unit. The budget for the ASD is appropriated by the assembly.

Anchorage Community Development Authority (ACDA)

(AMC 25.35) A legally separate public corporation created to provide services to the general public by: operating and managing on-street and off-street parking; purchasing, developing, and selling properties and other economic development activities. The voting majority of the board is composed of members appointed by the Mayor. ACDA is included in the financial reports as a discretely presented component unit. The authority shall prepare and submit an annual budget to the mayor and the assembly prior to approval of the municipality's annual budget.

Alaska Center for Performing Arts, Inc. (ACPA)

A legally separate non-profit entity that provides facility management services for the Municipality and operates, manages, maintains and promotes the performing arts center, which is owned by the primary government. ACPA is included in the financial reports as a discretely presented component unit.

CIVICVentures

A legally separate non-profit corporation created to finance and construct a new convention center for Anchorage, as well as upgrades and improvements to the existing Egan Center. The five-member board of directors is appointed by the Mayor. CIVICVentures is included in the financial reports as a blended component unit, and is reported as a debt service fund and as a capital projects fund.

Appendix S

Financial Policies

The Municipality of Anchorage has established financial policies to achieve and maintain a positive long term financial condition. These policies provide guidelines for current activities as well as future programs.

Funding Sources

The Municipality will try to maintain a diversified and stable funding system to shelter it from unforeseeable short-run fluctuations in any funding source.

The Municipality will estimate its annual funding sources by an objective, analytical process, wherever practical. The Municipality will project revenues for the next year and will update this projection annually. Each existing and potential funding source will be examined throughout the year and the budget will be adjusted during the initial budget preparation and at first quarter budget revision, where reasonable.

Each year the Municipality will recalculate the full costs of activities supported by user fees to identify the impact of inflation and other cost increases.

Federal grant funds will be used to supplement, not replace local funds for grant related activities, per the grant agreements.

Tax Limit (Tax Cap)

In October 1983, the voters of Anchorage passed an amendment to the Charter known as the Tax Limit (or tax cap). While some think of it as a property tax cap, it actually sets a limit on how much all taxes can increase from one year to the next. Other taxes collected by the Municipality that are under the tax cap are on automobile registration, tobacco, aircraft registration and motor vehicle rental.

Proponents of the tax cap recognized that it was important that taxes be allowed to increase (although controlled) in order to keep up with demands of a growing community. Growth in taxes under the tax cap is permitted by annual adjustments for inflation, population, and new investment in the community. Voters also increase the tax cap when they approve general obligation bonds and corresponding increased operations and maintenance costs, both of which are disclosed bond propositions on the ballot.

In 2003, a substantive change to the tax cap was made by the Mayor and Assembly when they decided to exclude payments by municipal-owned utilities and enterprises. From 1984 to 2003, utility and enterprise payments were considered payment-in-lieu-of-taxes (PILT) and accordingly, fell under the tax cap. From a property taxpayer point of view, the practical effect of this was that these payments reduced the amount of property taxes that could be collected – every dollar paid in a PILT meant a dollar less in property taxes could be collected.

The 2003 change excluded utility and enterprise PILT payments from the tax cap. At the same time, the Mayor and Assembly substantially increased how much utilities and enterprises were to pay in PILTs. Since utility and enterprise PILT revenue was no longer included in the total tax calculation, municipal government got more money to spend.

This prompted a citizen initiative (Proposition 9) in 2009 to return the tax cap to how it originally worked. The initiative passed with 60% of the vote and utility and enterprise PILT payments were again included in the tax cap's calculation. This change, which was phased-in over three years, resulted in approximately \$20 million in property tax savings annually.

Since property taxes are a major funding source for the Municipality, preparing a preliminary tax cap for the initial budget is a key step toward balancing the budget. During First Quarter Budget Amendment process, the tax cap is finalized for the year and the budget is balanced accordingly.

Intra-governmental Charges (IGCs)

These are charges for services provided by one Municipal organization to another. For example, the Maintenance and Operations Division maintains all general government buildings. Maintenance costs are budgeted in Maintenance and Operations and charged out to the appropriate users. By using an intra-governmental charge system, the full cost of a program – including overhead – is associated to a program. This system also allows general government departments/agencies to properly charge Municipal utilities, grants, and capital projects for services provided, resulting in a funding source for general government that is used to balance the budget.

Fund Balance

Fund balance is generally defined as the difference between a fund's assets and liabilities. The Municipality has a policy to maintain an amount equal to 10 percent of current year expenditures for unrestricted fund balance.

Two fund balance reserves are calculated during the First Quarter Budget Amendment process:

The largest reserve (usually about \$26 million) is designated for bond rating purposes and consists of 8.25 percent of current year expenditures. This reserve assures bond rating agencies that if there was a substantial decrease in the Municipality's revenue, funding still would be available to pay debt service (this reserve helps keep down the interest rate of the Municipality has to pay when it borrows funds through issuing bonds).

The second reserve is for operating emergencies and consists of between 2 to 3 percent of current year expenditures. This reserve provides funding to pay unanticipated obligations such as legal settlements. This reserve usually is between \$6 and \$9 million in total.

Fund balance is determined at the close of the prior fiscal year (typically mid-March) and the current year reserves are then set during the First Quarter Budget Amendment process. If additional fund balance is required to achieve the necessary reserves, the budget will be balanced to accommodate the use of funds. If there is more than

sufficient fund balance to achieve the necessary reserves, the excess fund balance may be used as a funding source to balance the budget.

Spending Limit

The Municipal Code also includes a Spending Limit that restricts expenditure increases to inflation, population, and voter/legally mandated services. Both the tax cap and the Spending Limit were effective with the 1984 budget.

Capital Improvement

The Capital Improvement Program (CIP) is a six-year plan that guides the Municipality's capital improvement plans into the future. Each year it is updated and serves as the starting point for developing the current year Capital Improvement Budget (CIB).

Municipal departments prepare a comprehensive list of capital projects that are needed. Projects for this "Needs List" are proposed to departments by staff, the Municipal Administration, and others such as community councils, municipal boards and commissions, and Assembly members. Projects are scored against criteria such as the project's impact on safety, economic benefits, level of public support, if it is mandated, readiness and technical feasibility.

To gather community input, each spring OMB sends out a survey to community councils to solicit their comments on CIP projects as well as ideas to new projects in their area. This feedback is integrated into the prioritization process along with the other criteria.

Investment

It is the policy of the Municipality to invest public funds in a manner that provides the highest investment return consistent with preservation of capital while meeting the daily cash flow demands of the Municipality. Investment decisions shall be guided by the Municipal Code, the Operating Policy and Procedures for investment of Municipal funds, as modified from time to time by the Chief Fiscal Officer.

The Chief Fiscal Officer shall obtain the services of such investment managers, advisors, custodians and other professionals as are reasonably prudent and necessary to manage and invest all Municipal Funds. The Chief Fiscal Officer shall solicit input from the Investment Advisory Commission members prior to the final selection of any service providers. For an investment manager, advisor, custodian or other professionals contracted under the provisions of this section, Assembly approval is not required. The Chief Fiscal Officer shall report within 90 days to the Assembly, by Assembly Informational Memorandum, on contracts entered into to include, but not limited to, the duties to be performed by the contractor and the compensation paid.

Debt

No general obligation bonded indebtedness may be incurred unless authorized by the Assembly and ratified by a majority vote of those in the municipality voting on the question, except that refunding bonds may be issued without an election. General obligation debt of service areas must receive dual majority votes.

Tax, revenue, and grant anticipation notes shall be repaid within 12 months from their date of issuance. When the taxes, revenues or grants anticipated are not received within this time, the Assembly may renew the notes for a period not to exceed six months.

Debt service (principal, interest and fees related to borrowing) is included in the operating budgets. Debt service related to voter-approved bonds is included in the tax limit, thus is guaranteed to be funded.

Reporting and Audit

The Chief Fiscal Officer shall submit to the Assembly on an annual basis reports addressing portfolio performance and compliance. The annual report shall address the use of investment consultants and external money managers, the use of derivatives, securities lending activities and bank lines of credit. The report shall also include compliance with the requirements regarding portfolio diversifications, maximum holdings by type of authorized investment, and portfolio performance compared with portfolio benchmarks.

The Assembly shall provide for an annual independent audit of all municipal accounts by a certified public accountant. The audit shall be completed within 90 days following the close of the fiscal year.

Budget

It is illegal to expend money outside of the budget. AMC (Anchorage Municipal Code) 6.30.050 prohibits any contract, agreement, or other obligation, ordinance, resolution or order involving the expenditure of money, unless the Chief Fiscal Officer has certified that the money required for the expenditure has been appropriated for that purpose. AMC 6.10.040 requires the Mayor to submit a proposed budget for the next fiscal year to the Assembly at least 90 days before the end of the current fiscal year. And, AMC 6.10.070 allows the Assembly to increase or decrease, add or delete; but requires them to approve a budget and appropriate the necessary resources by ordinance at least 21 days prior to the end of the current fiscal year; otherwise, the Mayor's proposal becomes the budget and appropriation.

Accountability for Results

In early 2010 the Mayor launched an initiative by which departments report on the effectiveness of programs. This accountability initiative, called "Anchorage: Performance. Value. Results. (PVR)" reports the "return on investment" to citizens of their tax dollars in terms of services. It is not sufficient for programs to spend money and do a lot of activities without accountability to the results from that spending.

To report results to citizens, the budget includes the PVR framework for each department and division that includes its purpose, services, goals, performance measures and data that communicates how well the goals are being achieved. Performance measure information will be updated throughout the year and can be viewed at www.muni.org.

Transparency in Budgeting

In addition to the inclusion of reports about program performance measurement, the 2013 operating budget also provides significant detail on spending at the department and division level. This includes detailed breakdown on the components of salary and benefit spending (over 50 percent of the entire budget); details regarding the revenue that supports each department and division, and the types of positions that deliver services.

Balanced Budget

The Municipality is required to have a balanced budget, a budget in which revenues and funding sources and expenditures and funding uses are equal. The Municipality may use fund balance to supplement unexpected revenue shortfall when needed, in order to achieve a balanced budget. The mayor shall notify the Assembly in writing within 21 days if a projected revenue shortfall in aggregate exceeds one percent of the total general government operating budget. The notice shall be delivered to the municipal clerk's office for distribution to the Assembly.

Reports

The Chief Fiscal Officer shall provide financial reporting on a monthly basis to the Assembly, with an executive summary, as determined in June of each year. On a quarterly basis, monthly reporting shall include the additional reporting requested by the Assembly. Reported positive or negative variances of five percent or more for expenses by department and one percent or more for revenues in aggregate for all general government funds within the one hundred series of accounts shall be noted with specificity in the executive summary (AMC 6.40.015).

Six Year Program

At least 90 days before the end of the fiscal year of the Municipality, the Mayor shall submit to the Assembly, with recommendations from the planning commission, a six-year program for public services, fiscal policies and capital improvements of the Municipality. The program shall include estimates of the effect of capital improvement projects on maintenance, operation and personnel costs. The Assembly shall hold at least one public hearing on the six-year program prior to adoption (AMC 13.02).

Budget Procedures

The Municipality's budget process has four areas of focus:

General Government Operating

Day-to-day operation of programs and services—from paying police officer salaries, to maintaining parks, and plowing snow. The primary source of revenue required to support the operating budget comes from property taxes. The budget is presented for a calendar year, in line with the Municipality's fiscal year.

General Government Capital

Plan for additional funding for improvements to the Municipality's infrastructure, such as roads, park construction and repairs, and new fire stations. The main source of funds to pay for these improvements is new voter-approved bonds, which are a financing tool similar to a loan that is paid back over time with interest. Payment of these bond proceeds is called debt service and is included in the operating budget. The plan is presented for a calendar year, in line with the Municipality's fiscal year.

Enterprise and Utilities Operating and Capital

Anchorage Water and Wastewater and Municipal Light and Power utilities and Solid Waste Services, Port of Anchorage, and Merrill Field enterprises. Each entity has its own operating and capital budgets, which are paid for by ratepayers or users of their respective services. The budgets are presented for a calendar year, in line with the Municipality's fiscal year.

Anchorage School District

Budget year runs from July 1 to June 30. The budget is proposed by the School Superintendent and approved by the School Board. In the spring, it is submitted to the Anchorage Assembly for their approval, which is limited to approval of the budget's bottom line.

Budget Planning and Timeline

The Mayor is required to submit the proposed general government, enterprise and utilities operating and capital budgets to the Assembly 90 days prior to the end of the fiscal year (October 1st).

Prior to that (120 days prior to the end of the fiscal year), the Administration is

| Key Dates in Budget Process | |
|-----------------------------|---|
| Summer | Preliminary budget information gathered |
| September 2 | Preliminary budget information to Assembly |
| October 1 | Mayor proposed budgets |
| October, November | Assembly deliberates, holds public hearings |
| December | Deadline for Assembly approval |
| April | Finalize budget revisions, set property tax rates |
| May 15 | Property tax bills in mail |

required to provide preliminary information on the budget, revenues, Tax Cap, and major reorganizations.

Preparation of the budget starts much earlier. A preliminary planning phase gets underway in the summer. The Office of Management and Budget (OMB) works with departments to review their programs and responsibilities, assess what is being done during the current year, and begins to make plans for the next budget year. Some considerations during this phase are:

- Contractually obligated increases, such as labor contracts and health insurance premiums;
- New facilities that will open during the next fiscal year that will require staff, supplies, and other operating expenses;
- New responsibilities or programs required by Federal, State or local laws;
- New or changed programs to meet community needs or interests;
- Programs that can be eliminated because they are ineffective, no longer required, or desired; and/or
- Efficiencies and savings that can be achieved through organizational management.

During this period of time, OMB also reviews projected revenue information in order to get an early indication of the Municipality's ability to afford current spending levels and/or the potential need for reductions.

Balanced Budget

The Municipality is required to have a balanced budget, a budget in which revenues and financing sources and expenditures and financing uses are equal. This, coupled with the Tax Cap, requires an early estimate of both expenditures and revenues. Once this revenue/spending assessment is made, each department is given guidance for developing its preliminary budget proposal. Such guidance includes general direction from the Mayor regarding his/her program priorities.

Mayor Proposes/Assembly Appropriates

The Mayor submits the proposed operating and capital budgets to the Assembly in early October, the Assembly holds public work sessions at which the Administration and department directors discuss the Mayor's proposal.

Public Comment

The budget books are put on the Office and Management and Budget's website, as well as the Mayor's website, for the public to view. The Assembly is required to hold two public hearings on the Mayor's proposed budget, which is the official opportunity for the public to comment and the Assembly to consider amendments. These are usually held during October and November. The Anchorage Charter requires that the Assembly approve the budget 21 days before the end of the year (by December 10). But if for some reason they still have not reached agreement, the Charter was amended to allow the Assembly and Mayor to continue to work. Once agreement is reached, that budget is known as the "Approved Budget."

Veto Process

The Mayor has the ability to strike or reduce an appropriation in the operating or capital budget within 7 days from Assembly action. The Assembly then has 21 days from the Mayor's veto to override his/her action and must have a super-majority of 8 Assembly members to be successful. If a veto is sustained, the Mayor's action is implemented.

First Quarter Budget Amendments

During the spring following the budget's approval, the Administration finalizes the prior year's spending numbers and firms up revenues available to support the current year budget, including final tax cap. This process, called "First Quarter Budget Amendments," takes place in April and May and results in the Assembly's approval of a "Revised Budget."

Unlike the proposed budget process in the fall that requires two public hearings, the first quarter amendment process only requires one public hearing and usually is at the Assembly meeting that follows the Mayor's introduction of the proposed amendments.

Based on these final spending decisions for general government, the Assembly then sets the tax rates for each service area. The Municipality's schedule is to mail tax bills on May 15th with the first half payment due June 15th (state law requires that taxpayers be provided notification a minimum of 30 days before taxes are due).

Budget Monitoring, Controls and Amendments

The budget allocates spending among several categories: labor (salaries and benefits); non-labor (supplies, travel, contracts, etc); contributions; debt service; and depreciation and amortization. Each department, enterprise and utility is responsible for managing and monitoring their respective budget at these category levels. Actual expenditures may not exceed direct budget appropriations at the individual department levels and function budget appropriations at the enterprise, utility and general government fund levels. Spending reports are provided monthly to the Assembly which reflect labor, overtime, and non labor expenditures compared to budget. Quarterly, the spending reports, contributions to non profit organizations, and travel are provided to the Assembly.

The Assembly may, by resolution, reduce or increase appropriations during the course of the fiscal year. A resolution reducing or increasing appropriations by an amount in excess of \$100,000 shall be subject to a public hearing.

The Budget Office is authorized to transfer budget amounts within departments.

Revisions that change the total expenditures of any department, or fund, must be approved by the Assembly. Appropriations that are not expended, encumbered, or designated to be carried over, lapse at the end of the fiscal year. Departments, enterprise and utilities also monitor their program performance measures throughout the year to ascertain if goals are being met.

2016 Proposed General Government Operating Budget
Municipality of Anchorage
Operating & Capital Budgets -- General Government / Utilities / Enterprises
2016 - Budget Preparation Calendar (Preliminary)

| Action | Date | Category |
|---|------------------|-----------|
| Available Online Community Council Surveys | March 18 | Capital |
| Community Council surveys due to OMB | May 31 | Capital |
| Rollover of 2015 1Q to 2016 Operating and Capital | May-June | All |
| TeamBudget available to departments | July | All |
| OMB distributes Mayor's operating funding guidance and initial capital funding guidance and priorities to departments | July | All |
| OMB to coordinate with departments for IGC data | July | Operating |
| Dept finalize project entry in TeamBudget (date factor - legislative grants bill comes out in June) | July | Capital |
| Treasury to provide to OMB preliminary revenue projections | | Operating |
| Public Finance to provide OMB: bond P&I projections; bond payout for next year; utility/enterprise cash pool earnings, debt service schedules and equity ratios. | July | All |
| Department proposed budget changes and changes to Operating due to OMB. Close TeamBudget. | August 14 | All |
| Department proposed budget changes and changes to CIP / CIB due to OMB. Close TeamBudget. | August 19 | All |
| Utilities / enterprise submit CIB / CIP | August 19 | Capital |
| Preliminary Tax Cap Calculation | August | Operating |
| OMB compiles summaries of department changes for Mayor review | Aug 19-24 | All |
| Mayor meets with departments and reviews budget proposals and PVRs | August 24- | All |
| Departments review proposed capital budget | August | Capital |
| Service Area budgets due to OMB | August | Operating |
| Initial assessed value projection due to OMB from Prop. Appraisal | August | Operating |
| Mayor's preliminary decision on operating, CIB, CIP | Sept. 2 | Capital |
| Preliminary budget information to Assembly - " 120 Day Memo " (revenues, tax limit, service priorities, reorganizations, utility / enterprise business plans, update to utility / enterprise strategic plans, and proposed CIPs) | Sept. 2 A | All |
| Preparation of final CIB / CIP narratives & data presentations | Sept 4 - 11 | Capital |
| OMB run IGCs | Sept 14-17 | Operating |
| Request from Public Finance cash pool investment income (Chris), debit svcs schedules and financial strategies (Richard) | Sept 14-17 | Operating |
| Mayor's final decisions | Sept 18 | Operating |
| OMB completes Proposed CIB / CIP Book, AR, AM, & AO | Sept. 18-30 | Capital |
| OMB presents CIB / CIP and 6 Year Program to Planning & Zoning Commission for recommendations | Sept.- Oct. | Capital |
| OMB completes GG Ops / Utl Proposed Budget Books, AO, AR, and AM & AR for 6 Year Program | Sept. 18-30 | All |
| OMB submits 6-Year Program and Budgets to Assembly (NLT October 2) | Oct 2 B | All |

2016 Proposed General Government Operating Budget
Municipality of Anchorage
Operating & Capital Budgets -- General Government / Utilities / Enterprises
2016 - Budget Preparation Calendar (Preliminary)

| Action | Date | Category |
|--|--------|-----------------|
| Assembly Worksession - 2016 Budget, Overview, & Revenue | Oct 2 | Operating |
| Assembly Worksession - 2016 Budget & Other Matters | Oct 9 | Operating |
| Formal introduction of Mayor's budgets to Assembly (note, Assembly meeting dates changed from 6 & 20 to 13 & 27) | Oct 13 | All |
| Assembly Worksession - 2016 Budget & Other Matters (tentative) | Oct 16 | Operating |
| Assembly Worksession - 2016 Budget & Other Matters | Oct 23 | Utl / Ent / Cap |
| Assembly Public Hearing # 1 on proposed budget | Oct 27 | C All |
| Assembly Public Hearing # 2 on proposed budget | Nov 10 | C All |
| Assembly Worksession - 2016 Assembly Budget Amendments (tentative) | Nov 13 | All |
| Assembly Worksession - 2016 Assembly Budget Amendments (tentative) | Nov 20 | All |
| Assembly Meeting - adoption of budgets (proposed date) | Nov 24 | D All |
| OMB / IT upload adopted budget into financial system for 2016 use | Dec 4 | Operating |

Note: All dates are subject to change.

A

6.10.040 Submittal and adoption of municipal operating and capital budget. **September**

A. At least 120 days before the end of the fiscal year the Mayor shall submit to the Assembly the following:

1. A preliminary general government capital budget/capital program and utilities capital budget/capital program.
2. Proposed utility business plans and update to utility strategic plans.
3. Preliminary general government revenue plan, tax limitation, and administration service priorities.
4. Major departmental consolidations, reorganizations or establishments necessitating changes to Chapter 3.10 or 3.20, pertaining to executive organization, and required by proposed budgets for the next fiscal year.

B

Section 13.02. Six Year Program October

At least 90 days before the end of the fiscal year of the municipality the mayor shall submit to the assembly, with recommendations from the planning commission, a six-year program for public services, fiscal policies and capital improvements of the municipality. The program shall include estimates of the effect of capital improvement projects on maintenance, operation and personnel costs. The assembly shall hold at least one public hearing on the six-year program prior to adoption.

Section 13.03. Operating and capital budget. October

At least 90 days before the end of the fiscal year of the municipality the Mayor shall submit to the Assembly a proposed operating and capital budget for the next fiscal year. The form and content of the budget shall be consistent with the proposed six-year program. The Mayor shall submit with the budget an analysis of the fiscal implications of all tax levies and programs.

C

Section 13.04. Budget hearing.

The Assembly shall hold at least two public hearings on the proposed operating and capital budget for the next fiscal year, including one hearing at least 21 days after the budget is submitted to the Assembly, and one hearing at least seven but not more than 14 days prior to the adoption of the budget.

D

6.10.040 Submittal and adoption of municipal operating and capital budget.

B. The general government capital budget/capital program will be adopted at least 21 days prior to the end of the fiscal year of the municipality.

Appendix T

Department Goals Aligned with Mayor's Strategic Framework

Mayor's Overarching Framework

Mission

A new Anchorage - a city that honors the promise of our past and the integrity of our ideals - creating a safe, secure, and strong, accessible, innovative, inclusive Anchorage.

Goals



Public Safety – Improve public safety and strengthen Anchorage neighborhoods.



Homelessness – Eradicate homelessness and improve the health of the community.



Administration – Make city government more efficient, accessible, transparent, and responsive to the citizens of Anchorage.



Strengthen Anchorage's Economy – Build a city that attracts and retains a talented workforce, the most innovative companies, and provides a strong environment for economic growth



Community Development – to make Anchorage a vibrant, inclusive and affordable community.

Goals that Contribute to Achieving the Mayor's Mission:



Public Safety – Improve public safety and strengthen Anchorage neighborhoods

Mayor Berkowitz is focused on rebuilding the Anchorage Police Department to 400 officers so our police officers can expand community policing strategies that prevent crime and strengthen Anchorage neighborhoods. He wants to expand the force to reflect the diversity of Anchorage and encourage greater partnerships between APD and neighborhood and business leaders.

Department Goals that Contribute to Achieving the Mayor's Mission:

Development Services Department

- Continue to make progress eliminating duplicate street names to ensure the uniqueness of each address, thereby improving E911 response times.

Fire Department

- Improve outcomes for sick, injured, trapped and endangered victims.

- Reduce fire damage, eliminate fire deaths and injuries.
- Maintain one of the highest cardiac arrest survival rates in the nation.
- Timely and effective response.

Maintenance & Operations Department

- 100% of Fire & Medic apparatus have working, certified electronic defibrillators.
- Support the efficient, safe operations of emergency services by providing expeditious maintenance of public safety radio equipment.
- 98% of police-assigned automatic electronic defibrillators are certified and operable on any given day.

Municipal Manager Department - Transportation Inspection Division

- Protect the safety and welfare of the regulated vehicle customers.

Police Department

- Reduce the rate of adult sexual assault in Anchorage.
- Decrease the number of drivers Operating Under the Influence (OUI).
- Reduce the rate of fatality vehicle collisions in Anchorage.
- Increase clearance rate in homicide cases.
- Maintain an average response time for Priority 1 calls for service under eight minutes.



Homelessness – Eradicate homelessness and improve the health of the community

Mayor Berkowitz will lead and support community efforts to provide permanent and supported housing for Anchorage's chronic homeless population, to improve public safety and economic resiliency in our neighborhoods. He is also focused on developing long-term housing development strategies to reduce homelessness amongst single parents, families, veterans and youth. This includes expanding workforce housing by partnering with public and private housing developers to bring at least 900 new units on line annually.

Department Goals that Contribute to Achieving the Mayor's Mission:

Development Services Department

- Manage the private development process effectively and efficiently.
- Respond to land use code complaints within established timeframes.

Health and Human Services Department

- Increase community and agency partnerships in public health initiatives.

Planning Department

- Provide timely, clear, and accurate information about zoning and platting cases to the general public and to the citizens serving on Anchorage's four land use regulatory boards: Planning and Zoning Commission, Platting Board, Zoning Board of Examiners and Appeals, and Urban Design Commission.



Administration – Make city government more efficient, accessible, transparent, and responsive to the citizens of Anchorage

Decreasing State municipal revenue sharing and loss of the Municipal Light and Power dividend highlights the importance of creating more efficient delivery of services. In addition, the significantly over-budget ERP system implementation has drained Municipal financial and personnel resources. Mayor Berkowitz will focus on data-driven, results-oriented decision making for Municipal administration that ensures Anchorage taxpayers an accessible, transparent and responsive government. He will look for opportunities to develop more public-private partnerships to leverage new opportunities for business development and service delivery. He will also explore new options for shared services with the Anchorage School District, State of Alaska and Joint Base Elmendorf-Richardson.

Department Goals that Contribute to Achieving the Mayor's Mission:

Development Services Department

- Ensure development-related infrastructure is designed and constructed according to municipal design criteria, standards, codes and practices.

Employee Relations Department

- Centralize and streamline administrative functions to improve performance and conserve resources.
- Improve the administration, consistency, and accuracy of the position classification system.
- Negotiate fiscally responsible collective bargaining agreements with economic terms that do not to exceed average 5 year CPI.
- Negotiate and administer collective bargaining agreements that maximize management flexibility.
- Leverage technology to provide employees with self-service access to administrative information and processes.

Finance Department - Controller Division

- 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.
- Pay employees and vendors accurately and timely.

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 aggregate portfolio.
- 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 securities that comply with AMC at the time of investment.

Finance Department - Treasury Division

- Enforce and increase collections of all valid taxes and delinquent fines and fees owed to the Municipality.
- Promote and improve timely posting and analysis of municipal revenues.

Fire Department

- Prevent unintended fires.

Health & Human Services Department

- Improve response to animal-bites/attacks complaints in the Municipality.
- Maximize industry compliance with safe food handling practices by inspecting facilities and effectively enforcing regulations.

Information Technology Department

- Reduce the total of IT operational cost as a percentage of overall MOA operational cost.
- Improve IT service delivery and the development of processes, standards and policies by applying industry best practices frameworks.

Internal Audit Department

- Provide the Assembly and Mayor with objective information by completing the requested audits and special projects in the approved annual audit plan.
- Reduce expenses by providing audit staff hours to the external auditors for the annual financial and Federal and State Single audits.

Maintenance & Operations Department

- Minimize the downtime of Fire, Police and General Government personnel.
- Improve response times to prioritized work order requests.

Management & Budget

- Improve the quality of the budget-related information provided citizens and decision-makers by continuing to receive the “Distinguished Budget Presentation Award” from Government Finance Officers Association (GFOA).
- Implement the Mayor’s “Performance. Value. Results” performance-based management initiative.
- Improve departments understanding of Intra-governmental charge (IGC) system.

Municipal Manager Department

- Improve organization efficiency and effectiveness by improving process and procedures.

Municipal Manager Department - Risk Management Division

- 24 hour claimant contact and zero Workers’ Compensation late payment penalties.
- Recover \$1,000,000 annually in damage to MOA property.
- Assure a 24 hour turn around on all permits, contracts & Request for Proposal (RFP).
- Hold insurance renewals to expiring premiums or less annually for both the MOA and ASD. Inventory is added as acquired.

Parks & Recreation Department

- Engage residents to actively participate and volunteer in the community.

- Foster private-public partnerships and innovated funding sources to establish a balance in the financing of parks and recreation services and in the development of capital improvement projects through state and federal grants, user fees, volunteer support and private contributions.
- Maximize budgeted resources through effective scheduling of facility operational and program hours by matching demand to capacity.

Planning Department

- Engages the community in land use planning activities to make decisions about land uses and transportation, as well as public facilities, economic development, housing, and other public issues that are vital to a healthy and livable community.

Project Management & Engineering Department

- Design capital improvement projects that are cost-effective, maintenance-friendly and clearly communicate design intent to construction contractor within the schedule specified in the Capital Improvement Program.

Public Transportation Department

- Provide cost effective service.
- Install and maintain hardware and application providing automated operating systems to most efficiently and effectively meet the needs of transit customers.

Public Works Administration Department

- Reduce capital projects construction contracts with change orders.

Purchasing Department

- Provide departments with the knowledge needed to successfully procure items/services at the best value for the City with minimal difficulty (standardize and streamline processes).
- Ensure that procurements are made in compliance with all laws and policies
- Provide contract administration training to departments.
- Provide training to departments on the purchasing processes.
- Continue to work with and explore alternative procurement methods when contracting situations would benefit from their use.

Real Estate Department

- Revenue generated through disposals and use permits of HLB inventory provided to municipal and other agencies, and to the private sector.
- Annual tax foreclosure process: Collection of delinquent property taxes and assessments.
- Annual process for taking Clerk's Deed and subsequent sale of deeded properties via sealed bid auction.

Traffic Department

- Traffic operation improvements that maximize transportation safety and system efficiency.
- Timely investigation and response to community traffic inquiries.



Strengthen Anchorage's Economy – Build a city that attracts and retains a talented workforce, the most innovative companies, and provides a strong environment for economic growth

Anchorage has incredible opportunities to build upon its current economy by seizing on the strengths of its natural resources and cultural diversity. Making Anchorage safe, secure and strong will attract new investment and encourage expansion of Anchorage's existing business sectors. Mayor Berkowitz is proposing a reorganization of several Municipal departments to create the Office of Economic and Community Development (OECD). OECD will focus on supporting and encouraging new development of housing projects, sparking new downtown development projects and strengthening our neighborhoods and community assets through park, trail, library, and transportation assets. Mayor Berkowitz has also set a goal of making Anchorage the most energy-efficient city in the country. He will work with Municipal partners like the Anchorage Community Development Authority, Anchorage Economic Development Corporation, Anchorage Downtown Partnership, Visit Anchorage, and others to reach these goals.

Department Goals that Contribute to Achieving the Mayor's Mission:

Development Services Department

- Continue to provide excellent customer service by providing prompt and efficient permit processing, timely plan reviews, and same-day as requested construction inspection services.
- Provide on-site water and wastewater permitting, certification, training and enforcement consistent with goals of protecting public health and environmental quality.
- Protect the traveling public and municipal rights of way, the largest single asset of the Municipality of Anchorage at +\$10 billion.
- Complete final zoning inspections same day as requested.
- Provide timely and accurate services for:
 - Land use reviews/determinations
 - Administrative land use permits
 - Business facility reviews and inspections
 - Assignment of new addresses, and
 - Maintenance of GIS map data layers for roads and addresses

Employee Relations Department

- Attract and retain a productive, qualified workforce while adhering to all federal, state and local laws, regulations and agreements.
- Improve the pool of qualified candidates available to fill Municipal positions.

Finance Department - Treasury Division

- 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.

Finance Department - Property Appraisal Division

- 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.

Information Technology Department

- Deliver innovative municipal services to MOA departments and citizens via technology.

Library Department

- Improve economic advancement by providing equitable access to computing equipment and resources.
- Improve public safety by providing safe and stimulating places for teens and clean, well-maintained buildings for all.

Maintenance & Operations Department

- Repair reported potholes within 24 hours within Anchorage Roads and Drainage Service Area (ARDSA).
- Complete declared plow-outs within 72 hours of a snowfall four inches or more within ARDSA.
- Year-to-date percentage of storm drain structures inspected and cleaned as required within ARDSA.
- Assess LED lighting options and design installation plan for LED street lights.

Municipal Attorney

- Maintain high quality, efficient production of legal services through low turnover rate of professional staff, and successful completion by attorneys of subject matter training/continuing legal education.

Municipal Manager Department - Transportation Inspection Division

- Promote a service-oriented ethic within the regulated vehicle industry.

Planning Department

- Examine and track the level of tax subsidy for the processing of zoning and platting cases.
- Provide timely and accurate services for applicants requesting:
 - Land use reviews/determinations;
 - Administrative land use permits; and
 - Zoning and platting services.

Project Management & Engineering Department

- Provide surveys at a reasonable cost.
- Investigate and respond to public inquiries within ten working days.
- Provide land survey review for the Planning Department to meet their needs.
- Ensure watershed management employees perform and are timely with permit plan reviews.
- Flood plain data is maintained as per regulatory (NFIP) requirements and accessible to public in timely manner.
- APDES inspections for commercial projects are performed within approved APDES permit requirements.

Real Estate Department

- Maximize amount of acreage mitigated through appropriate responses to negative impacts on the MOA land inventory due to fire, insect damage, illegal dumping of hazardous or contaminated materials, and/or vandalism.

Traffic Department

- Continuous improvement in the safe and efficient movement of people and goods.



Community Development to Make Anchorage a Vibrant, Inclusive and Affordable Community

Anchorage has amazing natural resources and cultural diversity. We have created a world-class network of trails and neighborhood parks that help bring communities together and link our city. We have a vibrant arts community that is supported through the 1% for Art and the Anchorage Arts Commission. Our libraries are community gathering places where Anchorage's diverse people come together for community events, lifelong learning and civic engagement. Mayor Berkowitz is committed to expanding Anchorage's community assets by supporting creative placemaking, cradle to career education opportunities and new technologies and partnerships to expand inclusiveness and accessibility.

Department Goals that Contribute to Achieving the Mayor's Mission:

Employee Relations Department

- Develop meaningful and cost effective employee benefit options.
- Expand the diversity of the Municipalities' workforce by using innovative recruitment practices.

Equal Rights Commission

- Respond to filed complaints with timely investigations and increased timeliness of case closures.
- Respond to complaints and complete case investigations impartially.
- Eliminate discriminatory practice by providing outreach and education in our community to improve compliance with the law.

Health & Human Services Department

- Improve responsiveness to public health complaints.
- Reduce days non-compliant with federal air quality standards by monitoring key indicators and developing strategies to reduce air pollution.
- Ensure compliance with safe food handling practice by inspecting every permitted food establishment at least once per year.
- Improve the quality of life of those in need of long-term care by increasing the effectiveness of ADRC referrals.

Library Department

- Increase opportunities for our children's success when they enter school by teaching the foundations of reading, social skills and, creative skills through early learning educational activities.

- Improve civic engagement, cultural enrichment, and enhance the quality of life for all Anchorage residents through provision of life-long educational services including library materials, online resources and programs/events.

Municipal Manager Department – Office of Emergency Management Division

- Ensure community education and public outreach programs are effective in preparing citizens for emergencies and disasters.

Municipal Manager Department – Office of Equal Opportunity Division

- Reduce the number of complaints that charge discriminatory practices through a proactive training program.

Parks & Recreation Department

- Provide opportunities for residents and visitors to enjoy Anchorage's parks and facilities.
- Provide recreation opportunities that are safe, secure and enjoyable.
- Through the practice of routine maintenance, maintain Municipal park assets to ensure optimum risk management by keeping parks, trails and facilities in a state of good repair and that are safe and welcoming.
- Through planned and managed development improve the safety, appearance and usability of Anchorage Neighborhood Parks in an effective and cost efficient manner.
- Provide satisfying positive experiences through quality recreation, leisure and civic programs in Anchorage's parks and facilities.
- Aquatic programs will be offered year round for public safety and recreation.

Police Department

- Maintain the rate of Uniform Crime Report (UCR) Part I crimes in Anchorage at or below the national average for comparable size communities.
- Answer 911 calls within national standard time range, under National Emergency Number Association (NENA) standards.
- Maintain a rating on the UAA Community Indicators Project wherein the majority of respondents state they are "Satisfied" or "Very satisfied" with police services in Anchorage.

Public Transportation Department

- Provide public transportation services which are safe, convenient, accessible and reliable.
- Increase ridership.
- Expand access to People Mover fare sales using new and existing technology.
- Increase the number of agencies participating in coordinated transportation by purchasing AnchorRIDES trips.
- Increase the number of participants using vanpool services.
- Provide safe and accessible bus stops.
- Ensure effective and efficient bus route planning and scheduling.
- Ensure People Mover buses are operated in a safe and reliable manner.
- Ensure People Mover buses are maintained in a safe and reliable condition.