

Appendix N

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, 51, and 58.

The net cost total on the fund summary presented on the following page represents the tax cost for the CBERRRSA, based on the 2019 Proposed budget. It includes \$299,840 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 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 2019 mill rate, based on the 2019 Proposed budget and the service area assessed value at 08/13/2018, is calculated as follows:

$$\frac{\$ 7,100,383}{\$ 3,511,930,020} \times 1,000 = 2.02$$

The actual 2019 taxes to be collected and the actual 2019 mill rate will be based on the 2019 Revised budget that will include updated/revised IGCs and will be recalculated with updated assessed values, all to be presented to the Assembly for approval in April.

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

	2017 Actuals	2018 Revised	2019 Proposed	19 v 18 % Chg
Direct Cost				
Operations of CBERRRSA (744900) - Department: Public Work	4,603,550	3,556,356	3,569,526	0.37%
ER Contribution to CIP (747300) - Department: Public Works Ac	3,723,580	3,723,580	3,723,580	-
Direct Cost Total	8,327,130	7,279,936	7,293,106	0.18%
Intragovernmental Charges				
Charges from/to Other Departments	129,448	142,634	133,717	-6.25%
Function Cost Total	8,456,578	7,422,570	7,426,823	0.06%
Program Generated Revenue	(387,108)	(336,592)	(326,440)	-3.02%
Net Cost Total	8,069,470	7,085,978	7,100,383	0.20%

Direct Cost by Category

Salaries and Benefits	548,883	547,391	560,561	2.41%
Supplies	116,254	167,287	167,287	-
Travel	-	-	-	-
Contractual/Other Services	7,511,402	6,559,258	6,559,258	-
Debt Service	-	-	-	-
Equipment, Furnishings	150,591	6,000	6,000	-
Direct Cost Total	8,327,130	7,279,936	7,293,106	0.18%

Position Summary as Budgeted

Full-Time	4	4	4	-
Part-Time	-	-	-	-
Position Total	4	4	4	-

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

	2017 Actuals	2018 Revised	2019 Proposed	19 v 18 % Chg
Direct Cost				
Salaries and Benefits	548,883	547,391	560,561	2.41%
Supplies	116,254	167,287	167,287	-
Travel	-	-	-	-
Contractual/Other Services	3,787,822	2,835,678	2,835,678	-
Equipment, Furnishings	150,591	6,000	6,000	-
Manageable Direct Cost Total	4,603,550	3,556,356	3,569,526	0.37%
Debt Service	-	-	-	-
Non-Manageable Direct Cost Total	-	-	-	-
Direct Cost Total	4,603,550	3,556,356	3,569,526	0.37%
Intragovernmental Charges				
Charges by/to Other Departments	129,448	142,634	133,717	-6.25%
Function Cost Total	4,732,998	3,698,990	3,703,243	0.11%
Program Generated Revenue				
406625 - Reimbursed Cost-NonGrant Funded	(29,821)	(25,000)	(25,000)	-
408580 - Miscellaneous Revenues	-	(1,600)	(1,600)	-
Program Generated Revenue Total	(29,821)	(26,600)	(26,600)	-
Net Cost				
Direct Cost Total	4,603,550	3,556,356	3,569,526	0.37%
Charges by/to Other Departments Total	129,448	142,634	133,717	-6.25%
Program Generated Revenue Total	(29,821)	(26,600)	(26,600)	-
Net Cost Total	4,703,177	3,672,390	3,676,643	0.12%

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

	2017 Actuals	2018 Revised	2019 Proposed	19 v 18 % Chg
Direct Cost				
Salaries and Benefits	-	-	-	-
Supplies	-	-	-	-
Travel	-	-	-	-
Contractual/Other Services	3,723,580	3,723,580	3,723,580	-
Equipment, Furnishings	-	-	-	-
Manageable Direct Cost Total	3,723,580	3,723,580	3,723,580	-
Debt Service	-	-	-	-
Non-Manageable Direct Cost Total	-	-	-	-
Direct Cost Total	3,723,580	3,723,580	3,723,580	-
Intragovernmental Charges				
Charges by/to Other Departments	-	-	-	-
Function Cost Total	3,723,580	3,723,580	3,723,580	-
Program Generated Revenue				
440010 - GCP CshPool ST-Int(MOA/ML&P)	1,784	-	-	-
440080 - UnRIzd Gns&Lss Invs(MOA/AWWU)	(2,449)	-	-	-
Program Generated Revenue Total	(665)	-	-	-
Net Cost				
Direct Cost Total	3,723,580	3,723,580	3,723,580	-
Charges by/to Other Departments Total	-	-	-	-
Program Generated Revenue Total	(665)	-	-	-
Net Cost Total	3,722,915	3,723,580	3,723,580	-