

QUARTERLY REVENUE REVIEW

Treasury Division

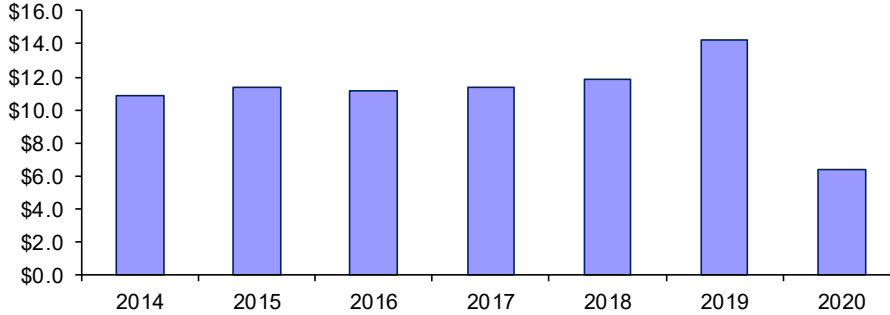
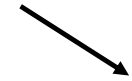
August 26, 2020

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Hotel and Motel Tax Revenues (Accounts 401110 and 406625 in Funds 101, 141, 161, and 202)

**Hotel and Motel Tax Revenues posted to all Accounts and all Funds
During the First Half of Each Year (millions of dollars)**

Much lower

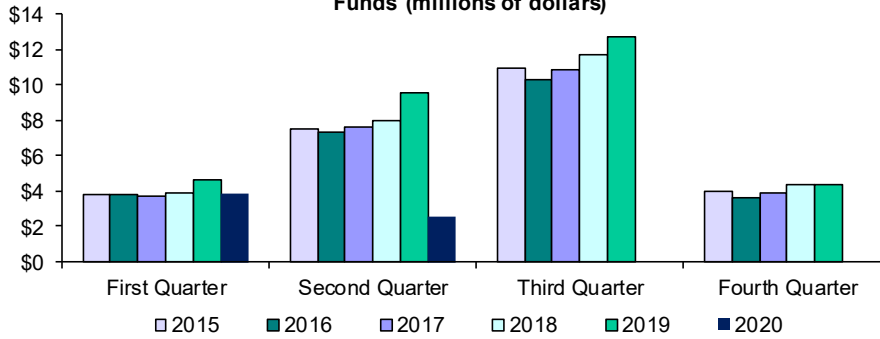


First quarter room tax revenues in FY 2020 were about 18% lower than the same quarter last year.

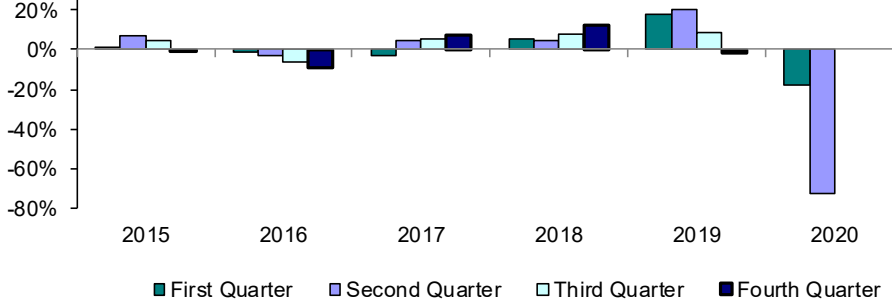
Second quarter tax revenues were about 73% lower than the same quarter last year.

Revenues for the entire first half of FY 2020 were about 55% lower than the first half last year

Quarterly Hotel and Motel Tax Revenues posted to all Accounts and Funds (millions of dollars)



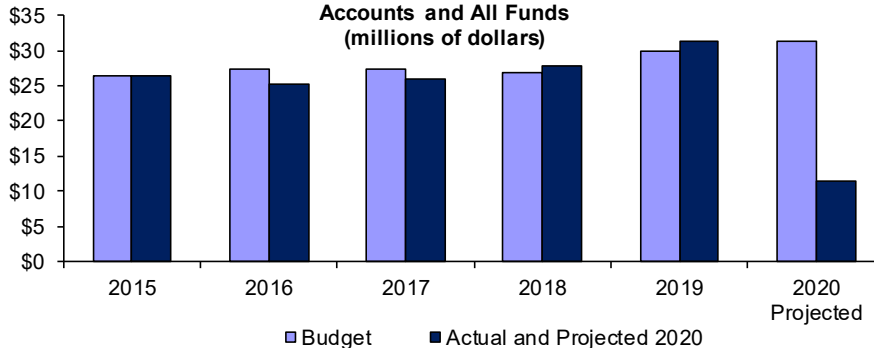
Percent Change in Quarterly Hotel Motel Tax Revenues posted to All Accounts and All Funds Compared to the Same Quarter in the Prior Year



Far below budget



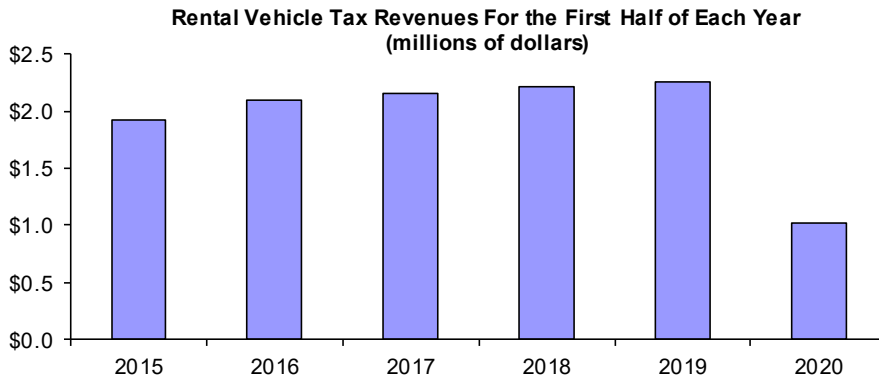
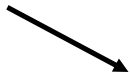
Annual Actual and Budgeted Hotel Motel Tax Revenues to All Accounts and All Funds (millions of dollars)



There is a large projected negative year-end variance because COVID-19 has reduced the number of visitors coming to Alaska.

Rental Vehicle Tax Revenues (Account 401130)

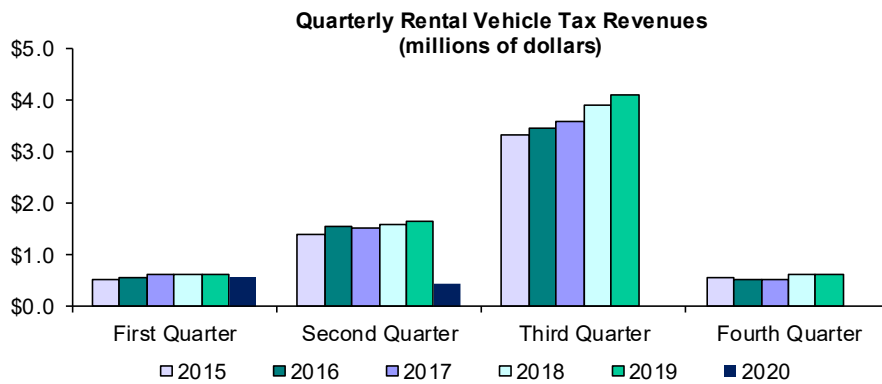
Much lower



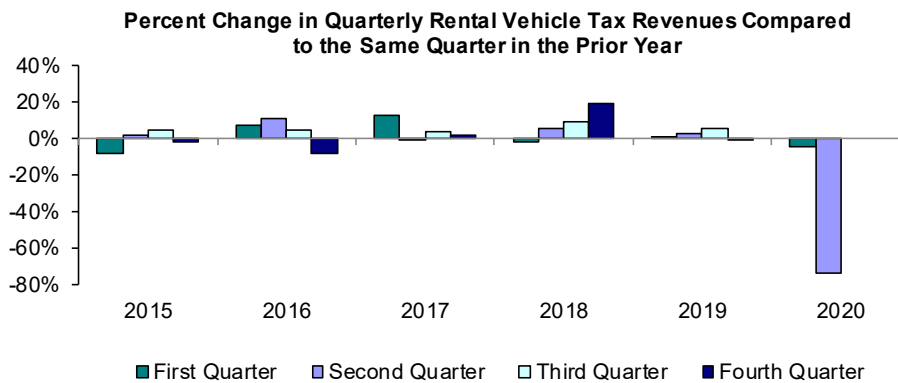
Rental vehicle tax revenues for the first quarter of FY 2020 were about 5% lower than the same quarter last year.

Second quarter tax revenues were about 74% lower than the same period last year.

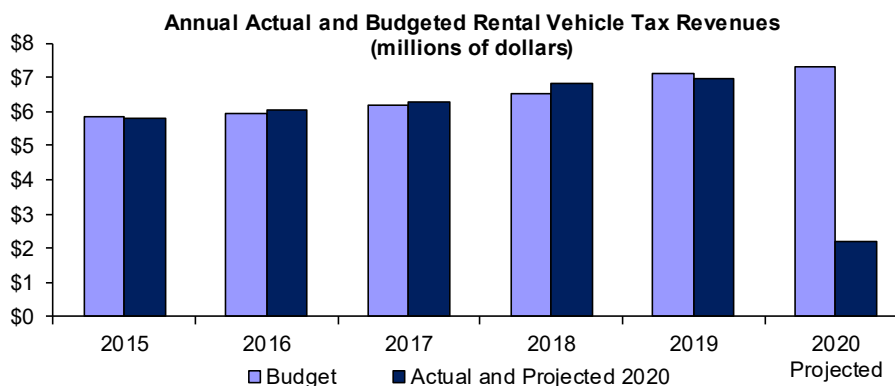
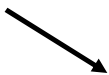
Revenues for the entire first half of FY 2020 were about 55% lower than the first half last year



Highly variable

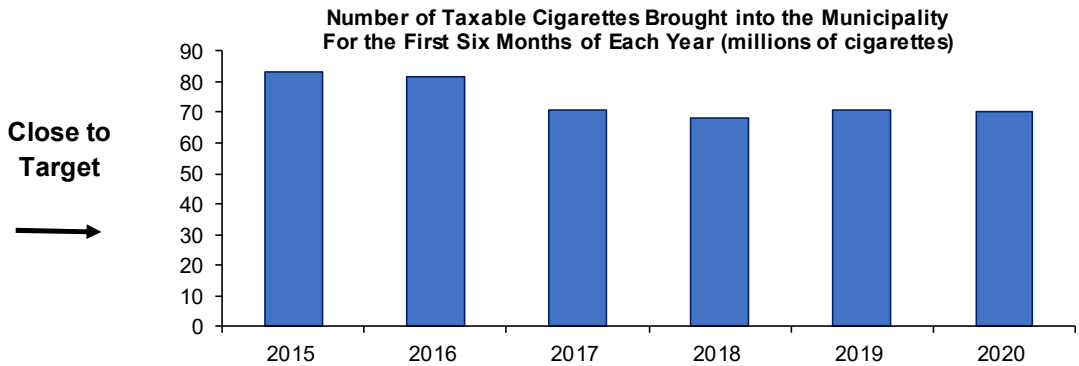


Far below Budget

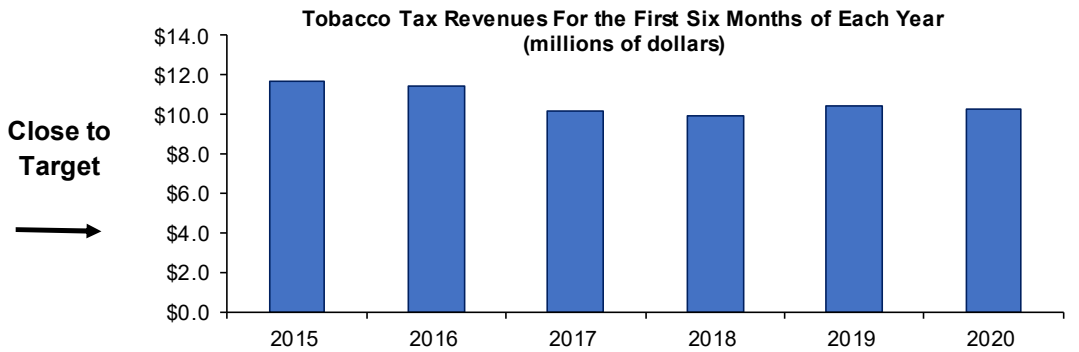


There is a large projected negative variance because COVID-19 reduced the number of visitors coming to Alaska and renting cars.

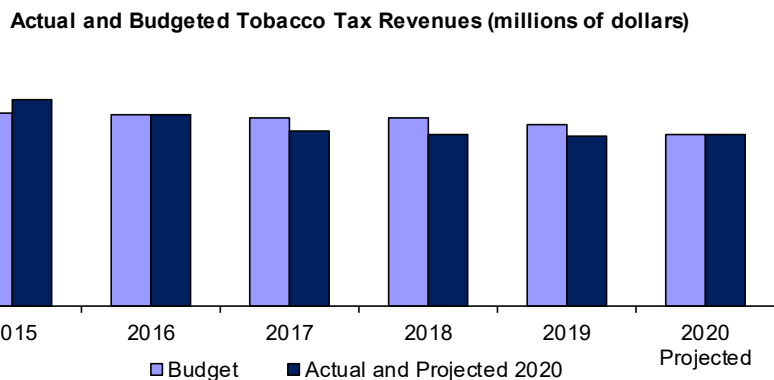
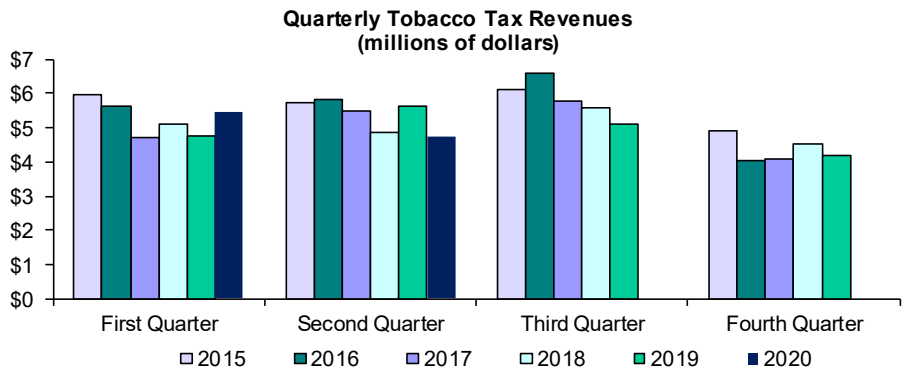
Tobacco Tax (Account 401080)



The number of taxable cigarettes brought into the Municipality during the first six months of FY 2020 was close to the level in the same period the last three years.



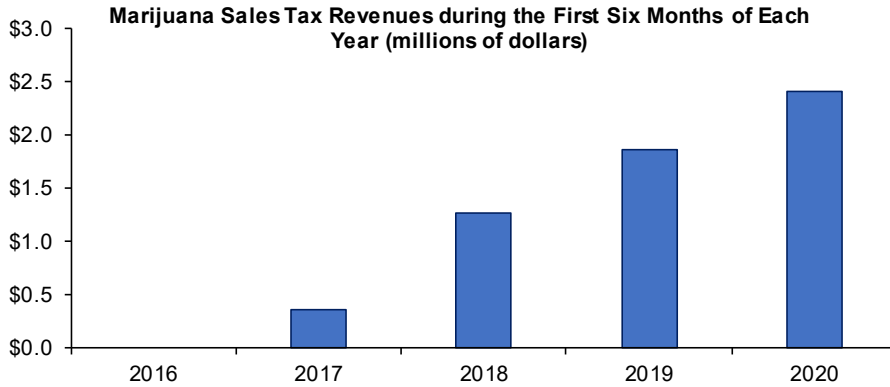
Total tobacco tax revenue (from both cigarettes and other tobacco products) for the first six months of FY 2020 was close to level in the same period the last three years.



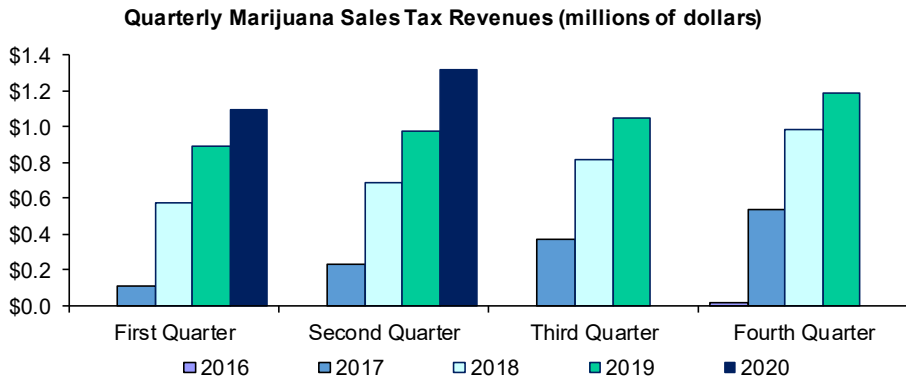
Tobacco tax revenues are on track to reach budget.

Marijuana Sales Tax Revenues (Accounts 401105)

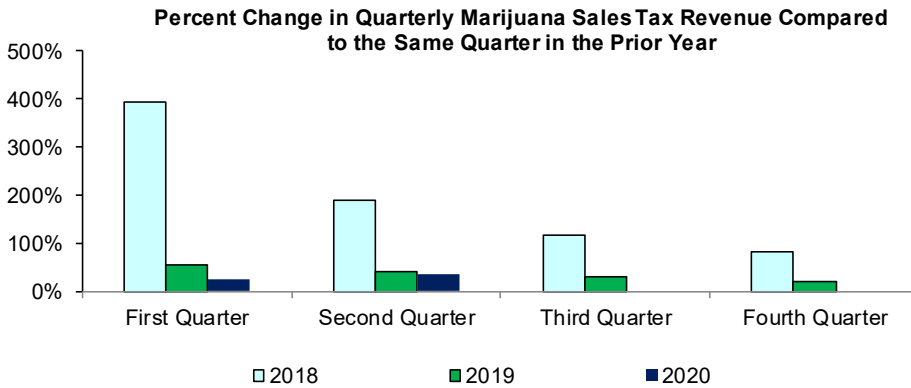
Higher than last year



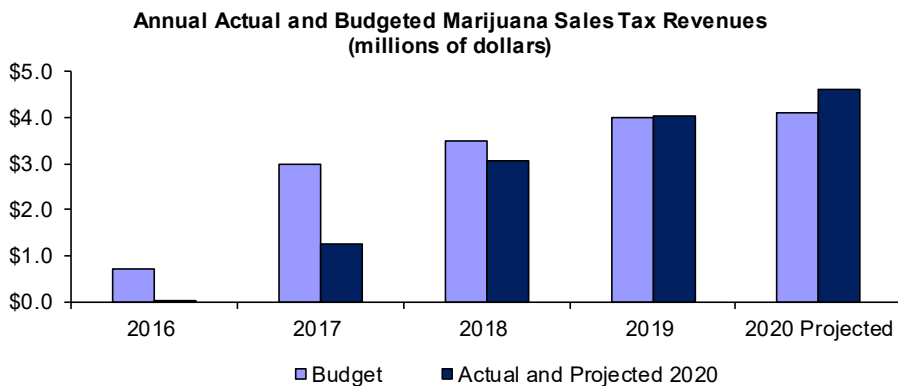
Marijuana sales tax revenues during the first six months of the year were higher than the same period last year due to continued growth in the local cannabis market.



Marijuana sales tax revenues have grown in most quarters over the last four years.

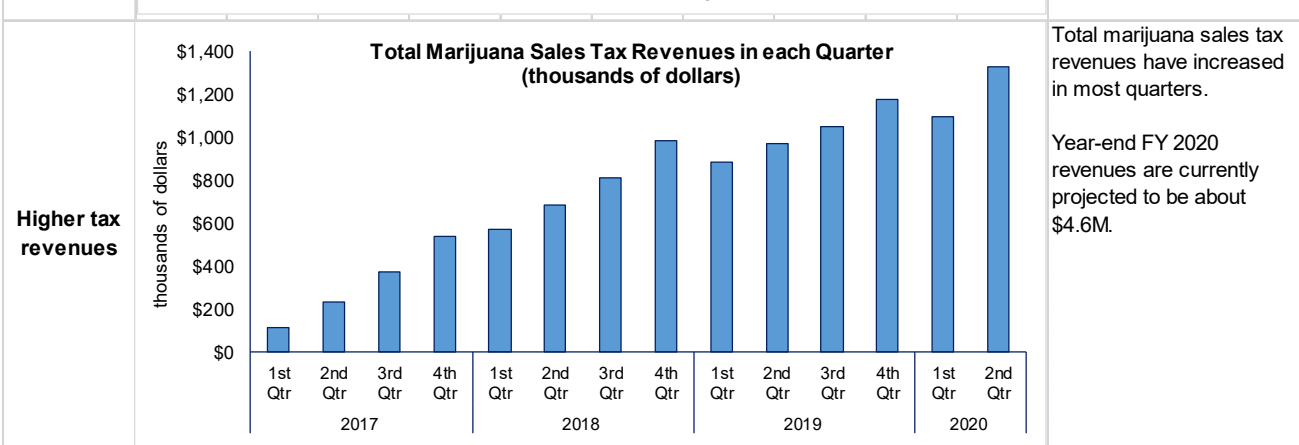
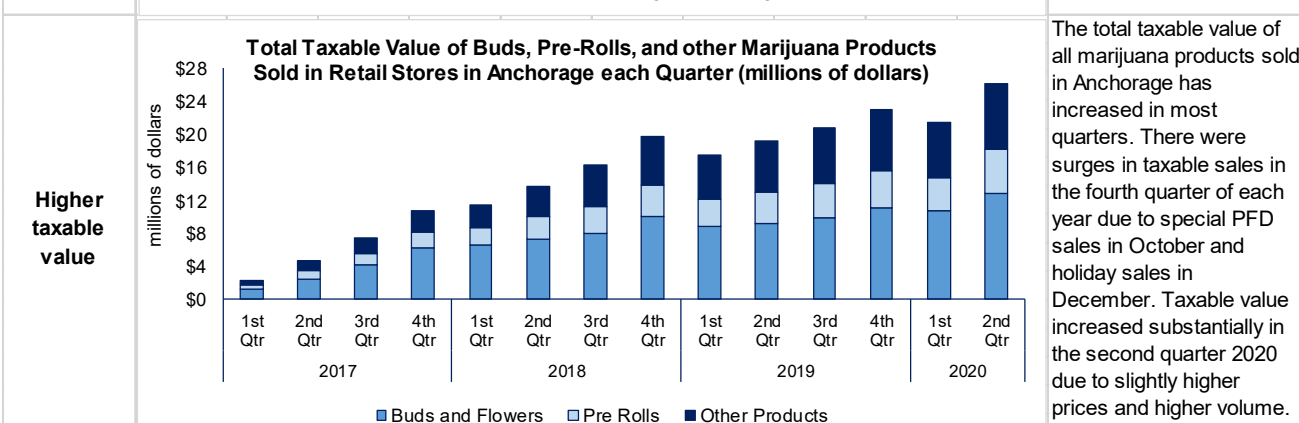
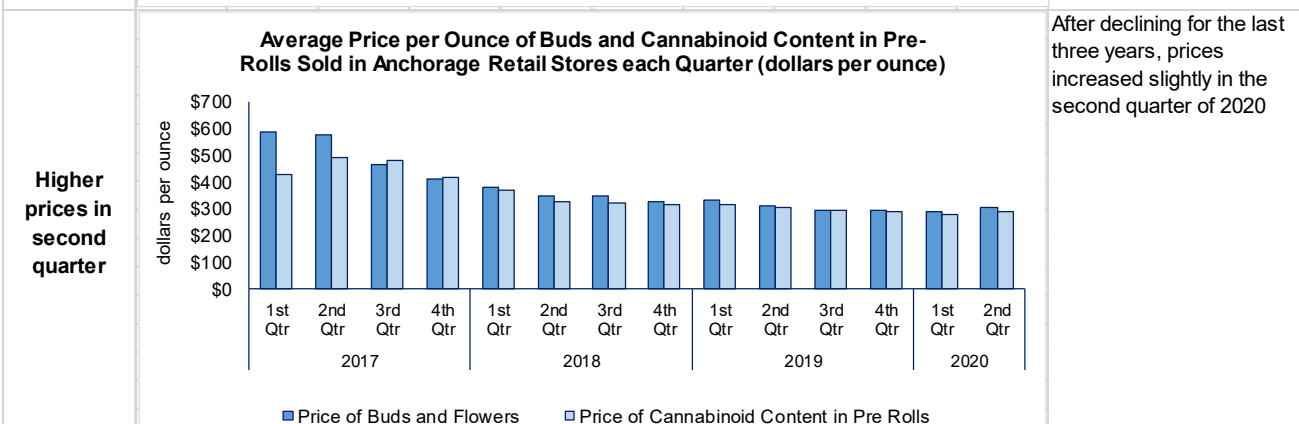
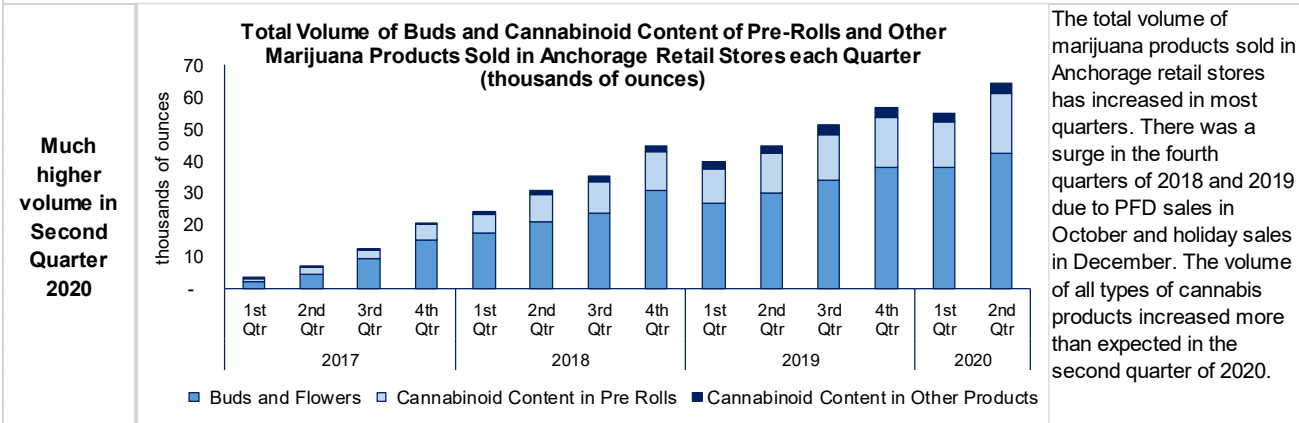


Above budget



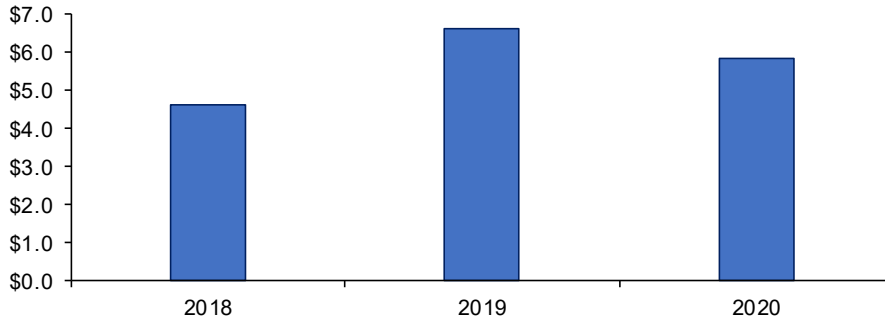
Marijuana tax revenues have tracked higher than expected from April through June. There is a projected positive \$500k year-end variance for marijuana tax revenues.

Marijuana Sales Tax Revenues Supplementary Data (Account 401105)



Motor Fuel Excise Tax Revenues (Accounts 401150)

Motor Fuel Excise Tax Revenues During the First Six Months of Each Year (millions of dollars)

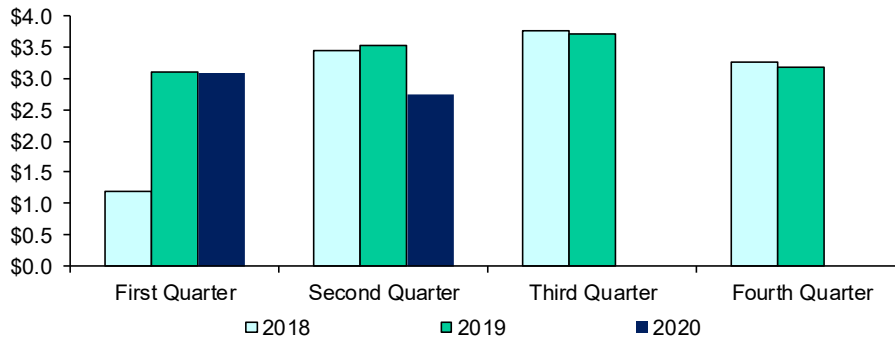


Motor fuel excise tax revenues during the first six months of 2020 were 12% lower than the same period last year.

Below target

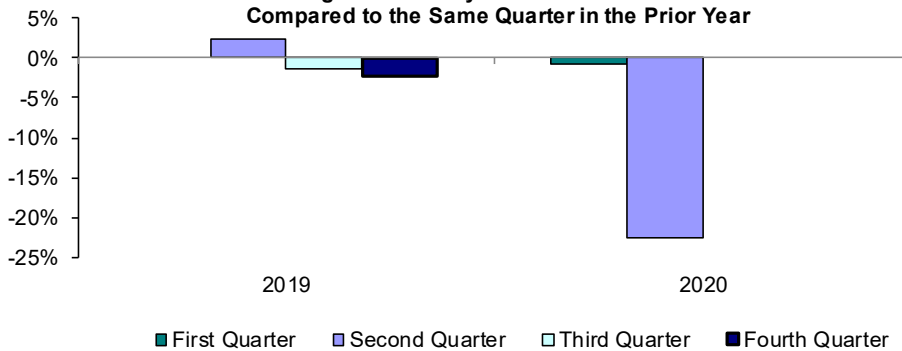


Quarterly Motor Fuel Excise Tax Revenues (millions of dollars)

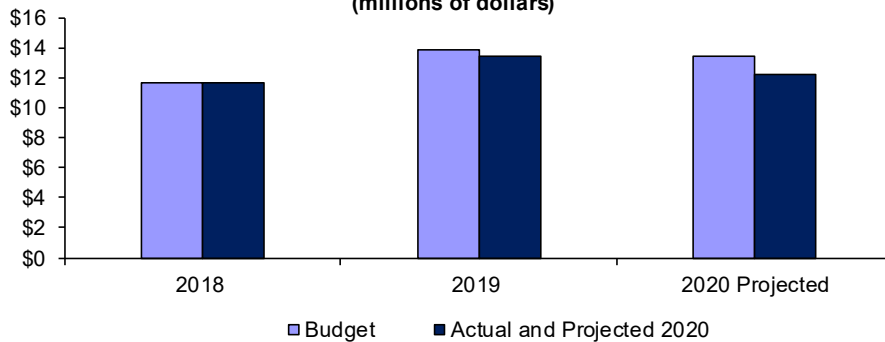


There was a drop in motor fuel tax revenues in the second quarter due to the hunker down order and business closures.

Percent Change in Quarterly Motor Fuel Excise Tax Revenue Compared to the Same Quarter in the Prior Year



Annual Actual and Budgeted Motor Fuel Excise Tax Revenues (millions of dollars)



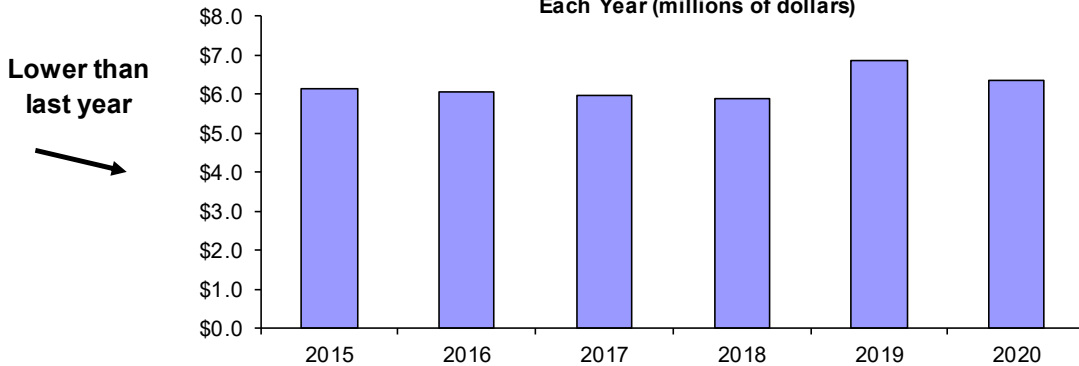
Year-end revenues are projected to be about (\$1.2M) below budget because residents drove less and consumed less gasoline during the hunker down order and business closures. In addition, there will be fewer tourists driving rental cars during the summer.

Below budget



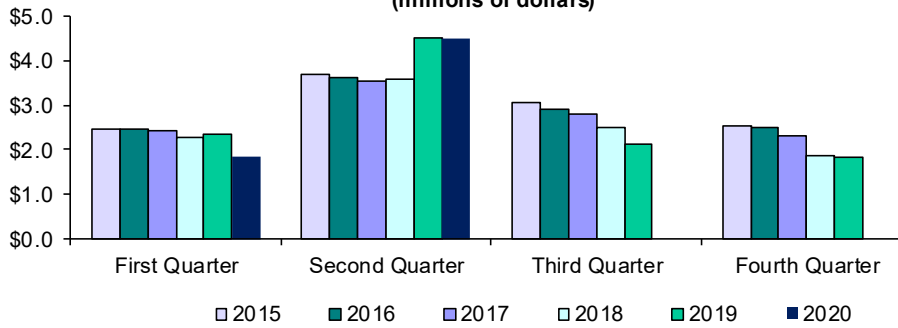
Motor Vehicle Registration Tax (Account 401060)

Motor Vehicle Registration Tax Revenues for the First Six Months of Each Year (millions of dollars)



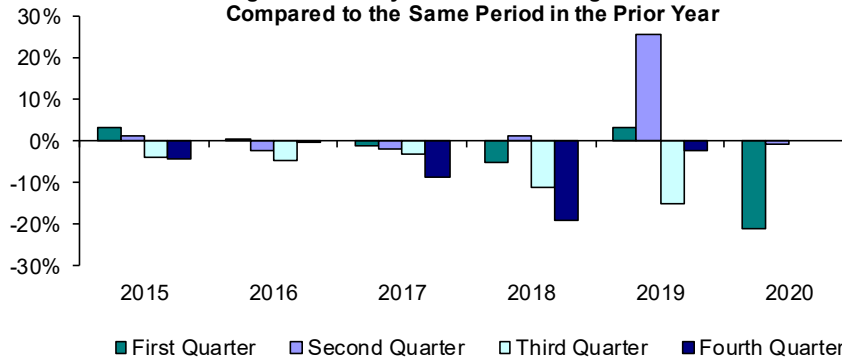
Motor vehicle registration tax revenues during in the first six months of FY 2020 were about (8%) lower than the same period in FY 2019.

Quarterly Motor Vehicle Registration Tax Revenues (millions of dollars)

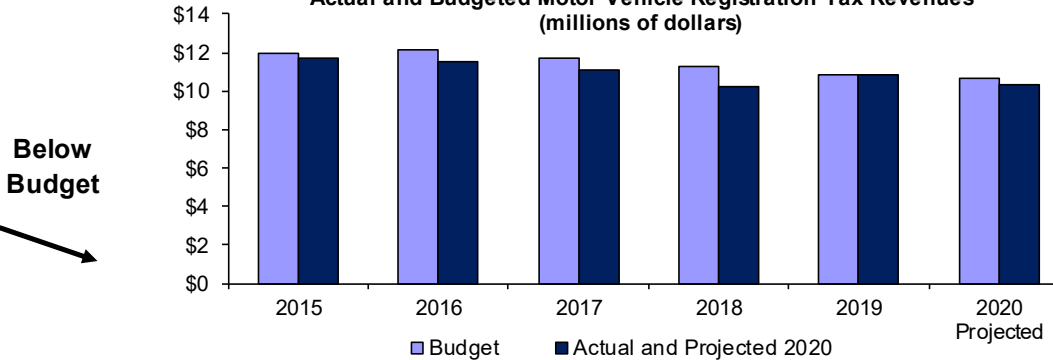


The unusual increases in second quarters of 2019 and 2020 were due to the State Division of Motor Vehicles processing backlogs of registrations before the close of their fiscal year in June.

Percent Change in Quarterly Motor Vehicle Registration Tax Revenues Compared to the Same Period in the Prior Year



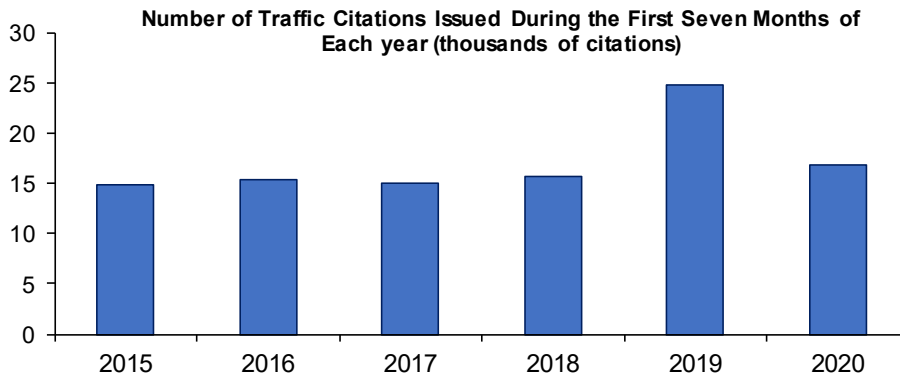
Actual and Budgeted Motor Vehicle Registration Tax Revenues (millions of dollars)



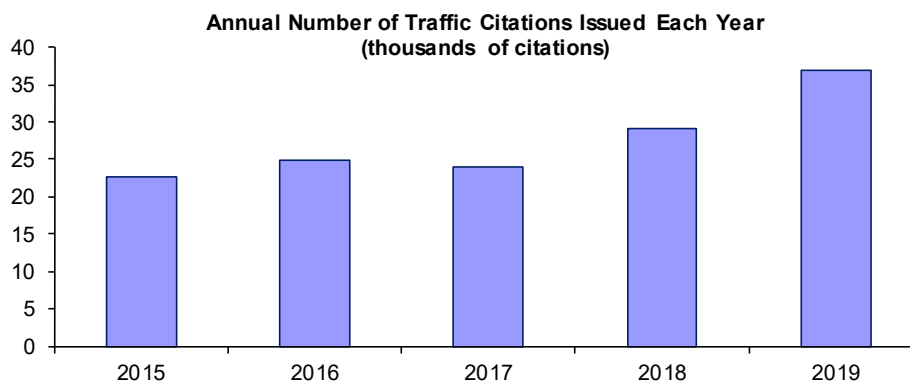
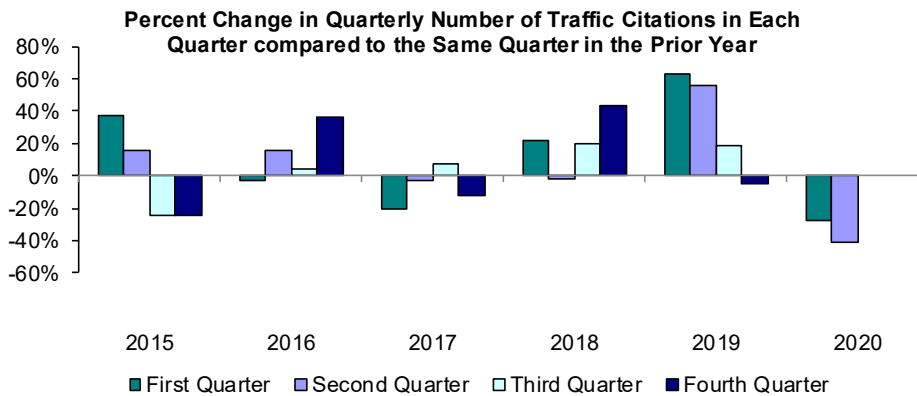
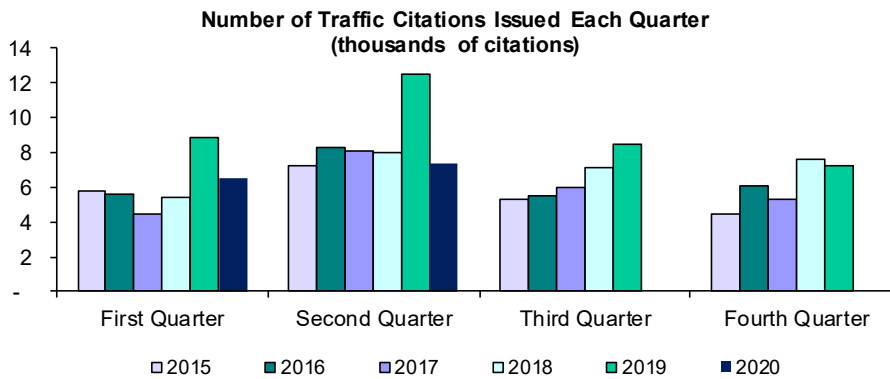
Motor vehicle registration tax revenues are currently projected to be about (\$400k) below budget because of a decrease in the number of new vehicles purchased by businesses and households during the recession.

Number of Traffic Citations

Lower than last year



The number of traffic citations issued during the first seven months of FY 2020 was 32% lower than the same period last year.

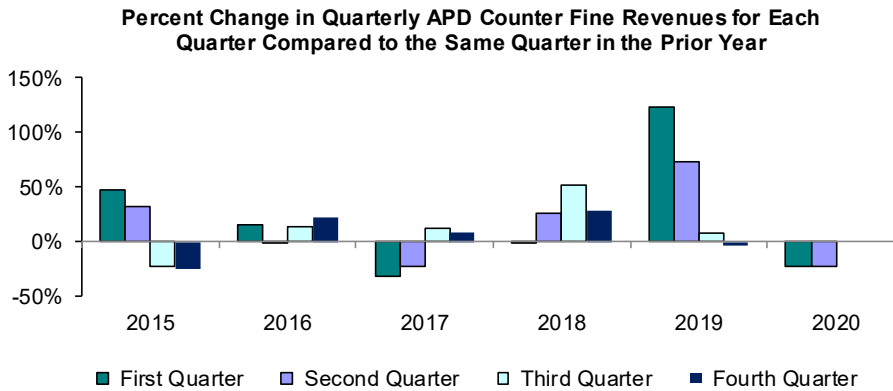
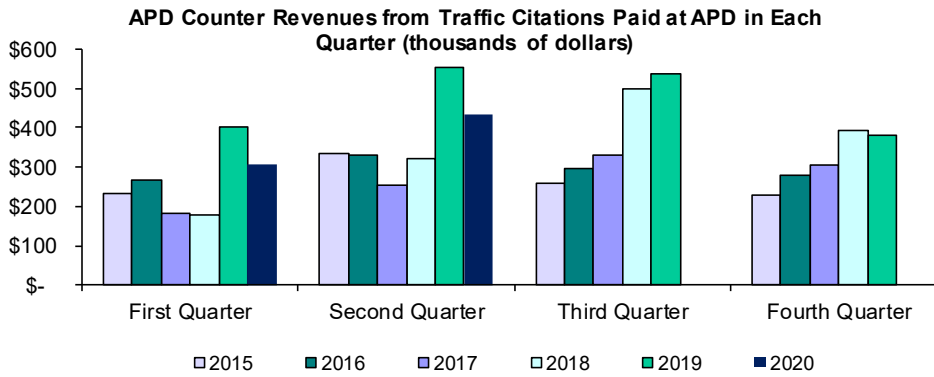
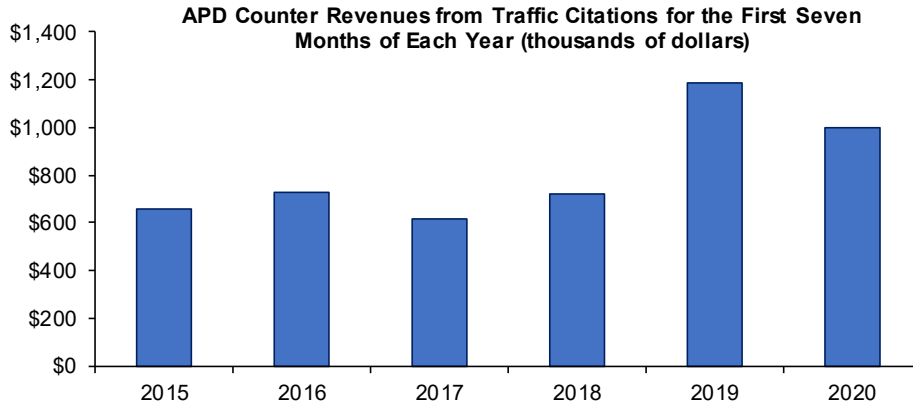


The annual total number of citations remained relatively stable between 2013 and 2017 but increased in 2018 and 2019.

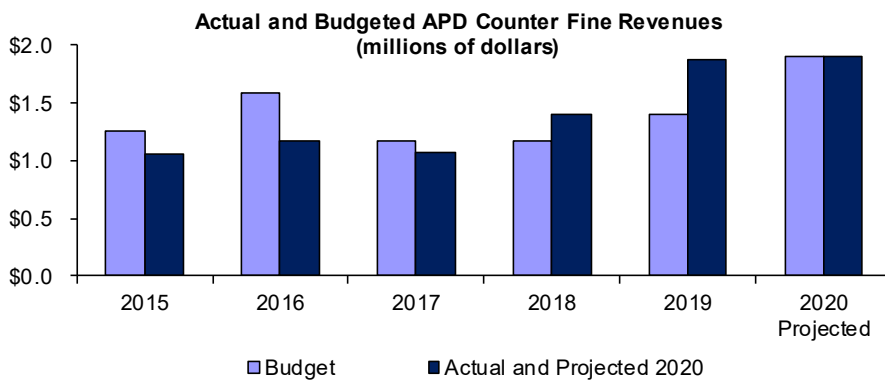
APD Counter Fines (Account 407040)

APD Counter Fine revenues during the first seven months of 2020 were (16%) lower than the same period in 2019.

Lower than last year



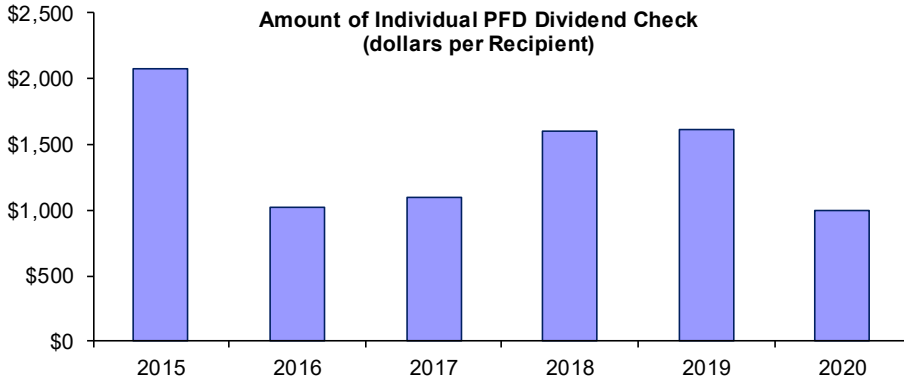
Close to budget



APD Counter Fine revenues are currently projected to be close to budget.

SOA Traffic Court Fines and SOA Trial Court Fines (Accounts 407010 and 407020)

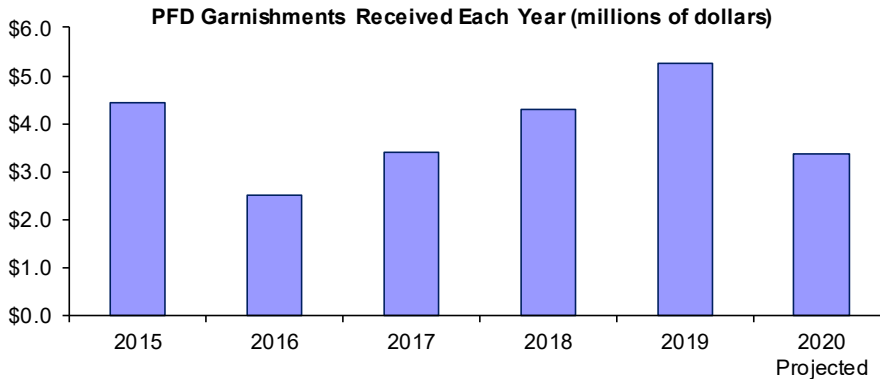
**\$992 actual
PFD check
amount**



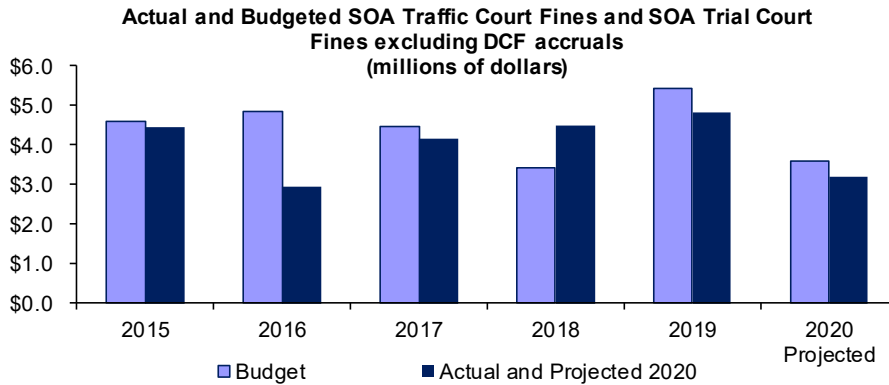
The FY 2020 budget assumed that the amount of the individual PFD check would be \$1000.

The actual amount of the check will be \$992, and is lower than budgeted.

**PFD
garnishments
projected to
be about
\$3.4M.**



Total PFD garnishments received by the Municipality are projected to be about \$3.4M and below target.



About three-quarters of the total PFD garnishments received by the Municipality are for delinquent traffic court fines (407010) and delinquent criminal fines (407020).

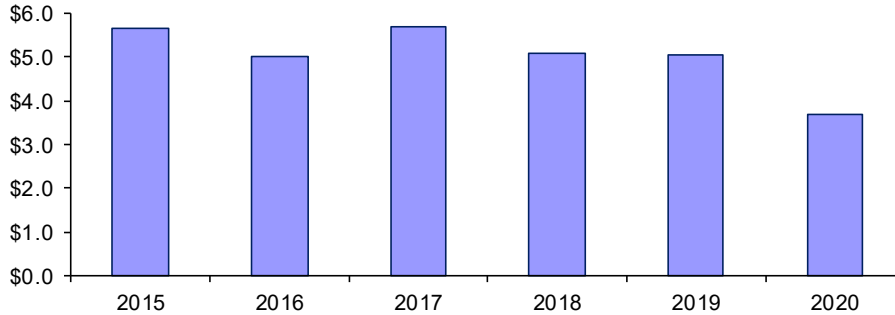
The remaining quarter of PFD garnishments are distributed across more than a dozen different accounts. Revenues posted to these accounts are currently projected to be below budget.

Ambulance Service Fees (Account 406380)

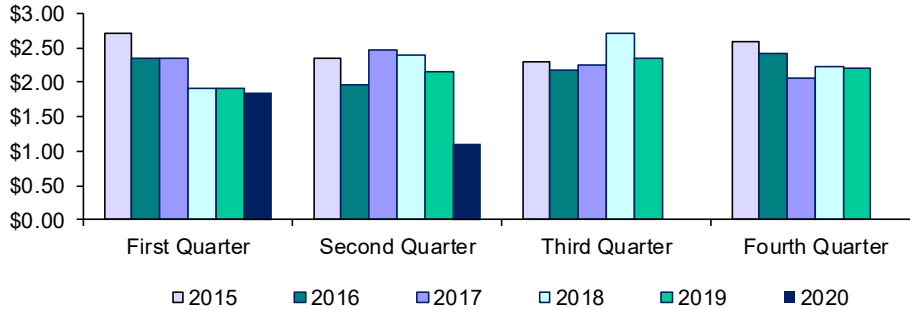
**Ambulance Service Fees for the Seven Months of Each Year
(millions of dollars)**

Ambulance Service Fees for the first seven months of FY 2020 were about (27%) lower than the same period last year.

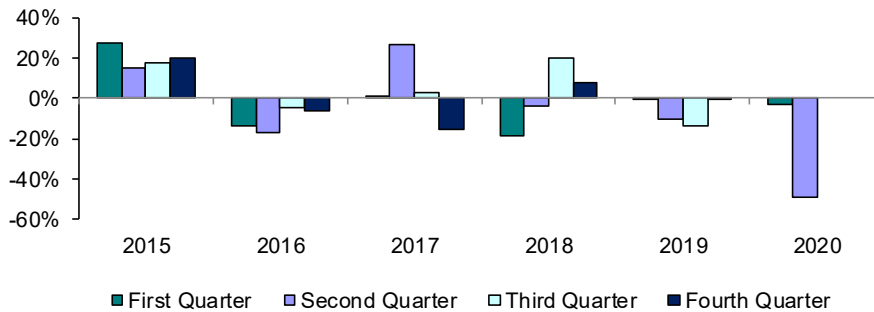
Lower than last year



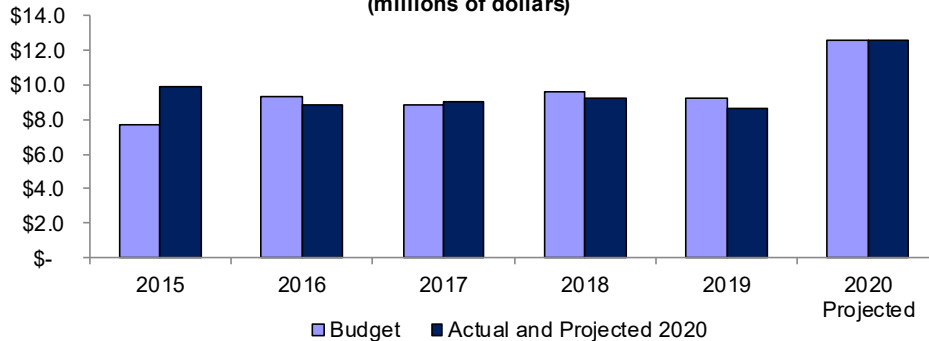
**Quarterly Ambulance Service Fee Revenues
(millions of dollars)**



**Percent Change in Quarterly Ambulance Service Fee Revenues
Compared to Same Quarter in Prior Year**

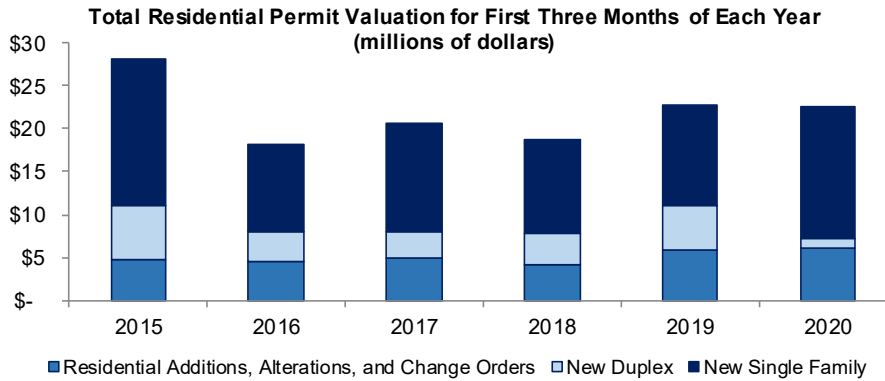


**Actual and Budgeted Ambulance Service Fee Revenues
(millions of dollars)**

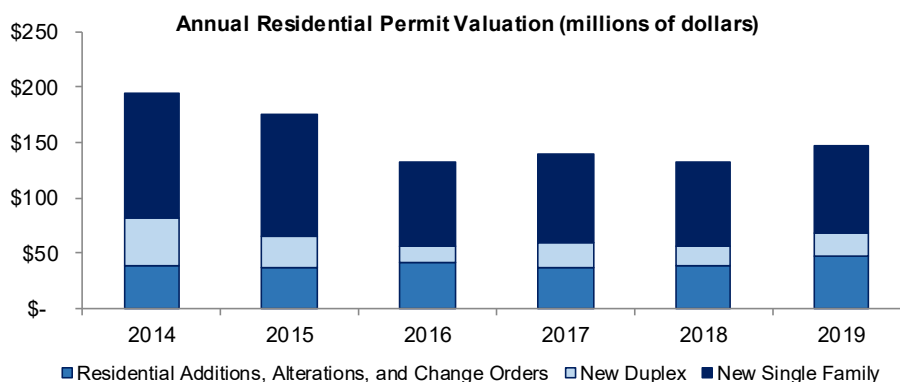
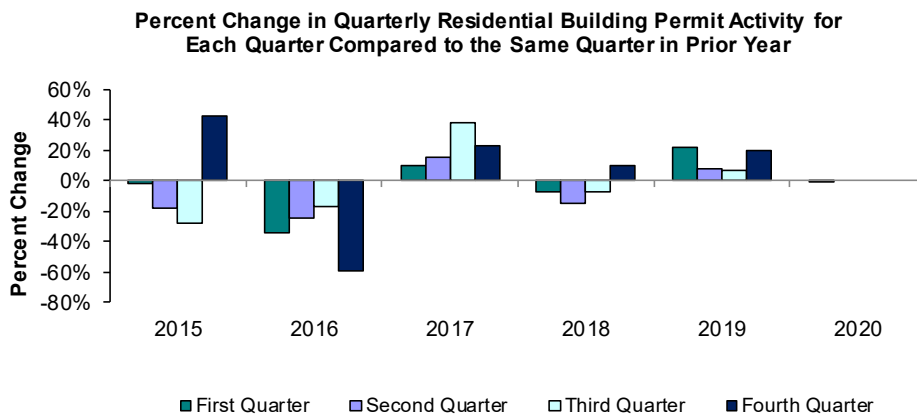
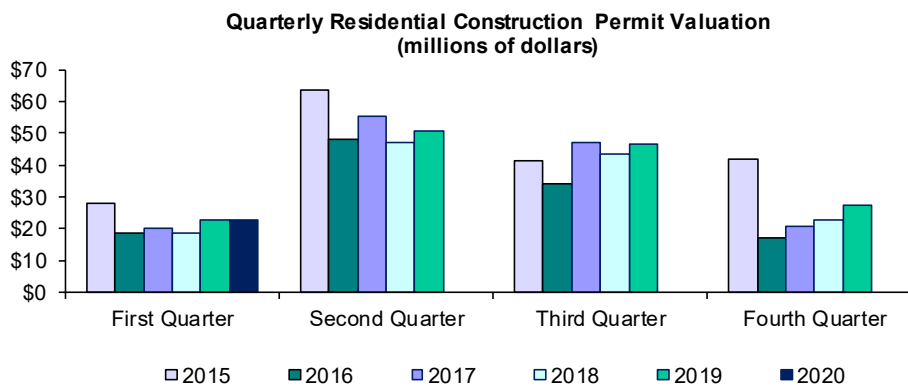


The FY 2020 budget was set higher than last year in anticipation of higher reimbursements for Medicare and Medicaid EMS transports. The Municipality has not yet started receiving the higher reimbursements for Medicaid and Medicare transports.

Residential Construction Permit Valuation

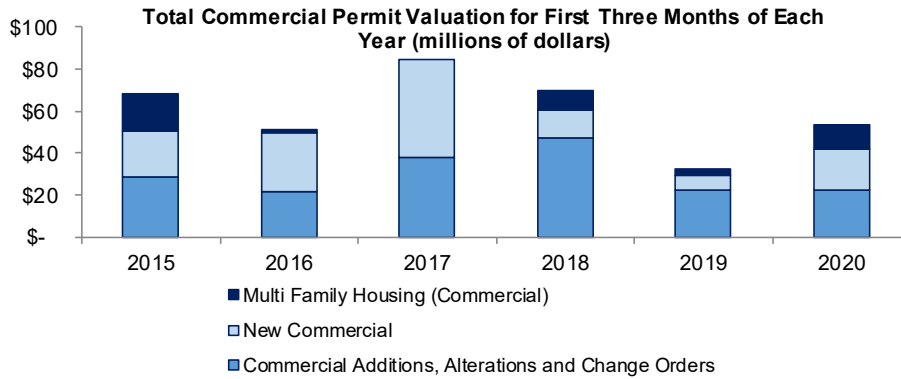


Total valuation of residential building permit activity during the first three months of 2020 was close to the same level in the same period in 2019. The permit activity reports for April through July are not yet available.

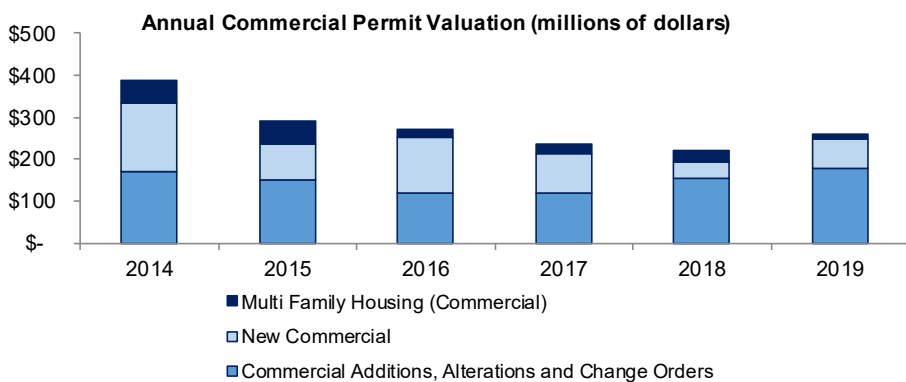
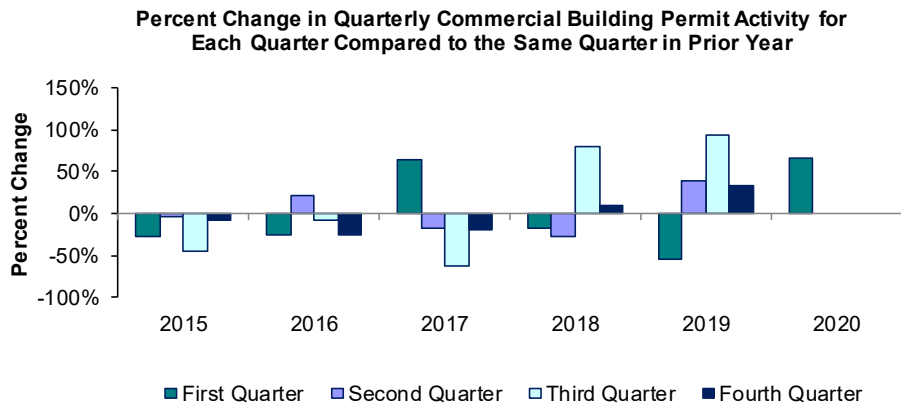
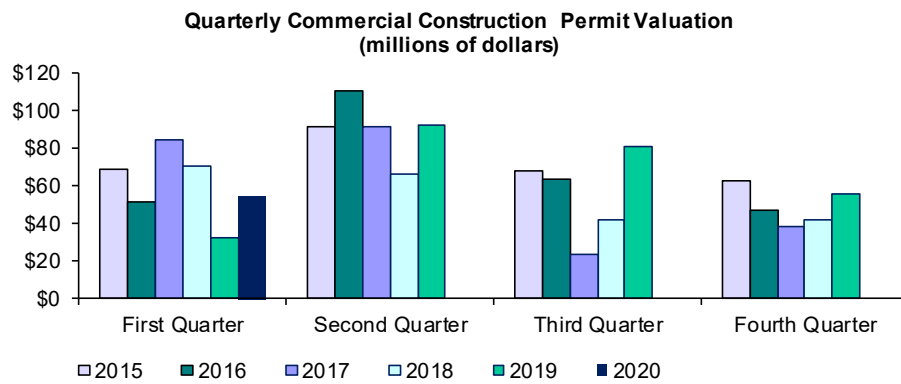


Residential construction permit activity has remained relatively stable for 2016 through 2018 and then increased in 2019.

Commercial Construction Permit Valuation



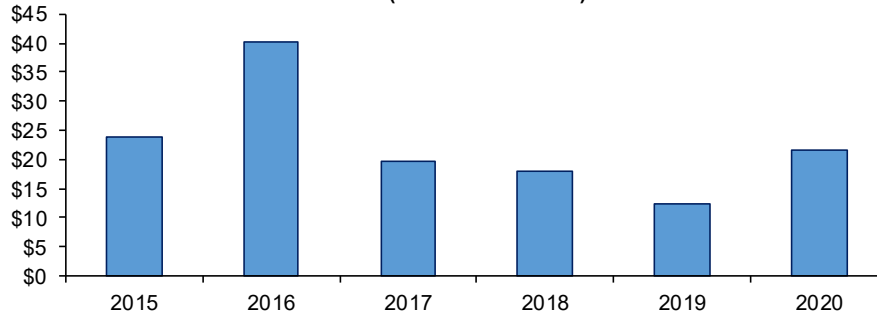
The valuation of commercial permit building activity during the first three months of FY 2020 was 75% higher than the same period last year. The permit activity reports for April through July are not yet available.



Total annual commercial permit valuation has declined in 2015 through 2018 but increased in 2019 and early 2020.

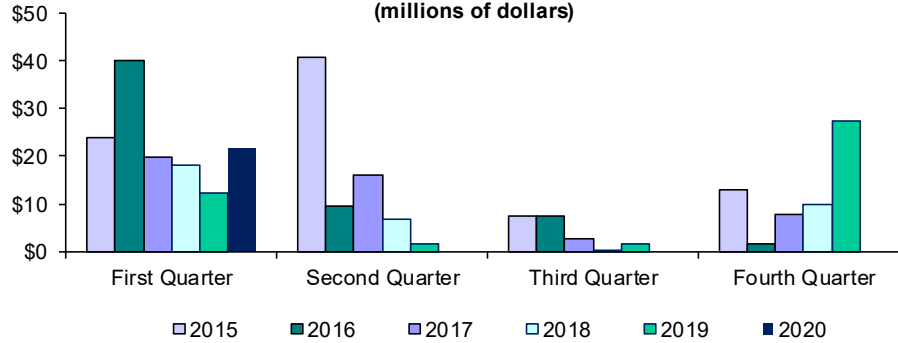
Government Construction Permit Valuation

Government Building Permit Valuation for First Three Months Each Year (millions of dollars)

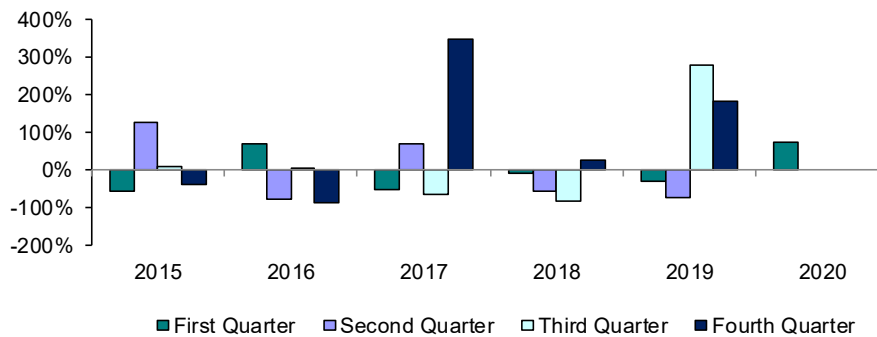


Building permit valuation of government construction projects for the first three months of FY 2020 was higher than the same period in 2019. The permit activity reports for April through July are not yet available.

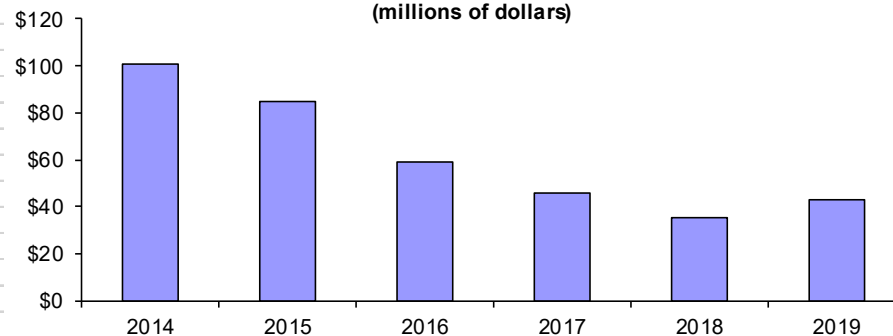
Quarterly Government Construction Permit Valuation (millions of dollars)



Percent Change in Quarterly Government Building Permit Activity for Each Quarter Compared to the Same Quarter in Prior Year



Annual Government Construction Permit Valuation (millions of dollars)



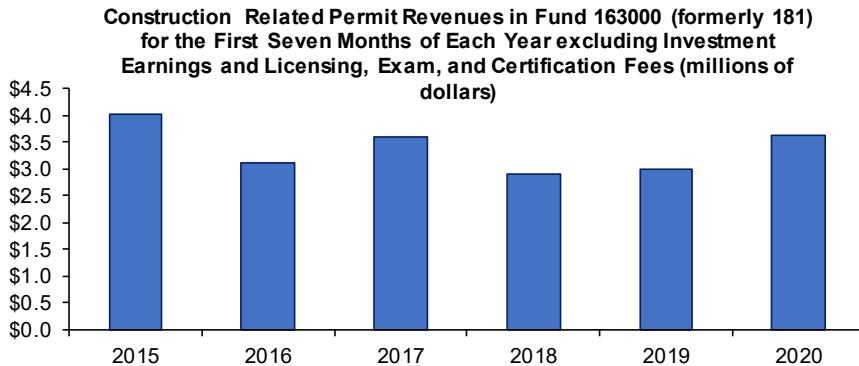
Annual valuation of government building permit activity has declined from 2015 through 2018 but increased in 2019 and early 2020.

Large Projects with Permit Valuation Greater than \$2M Issued in 2020

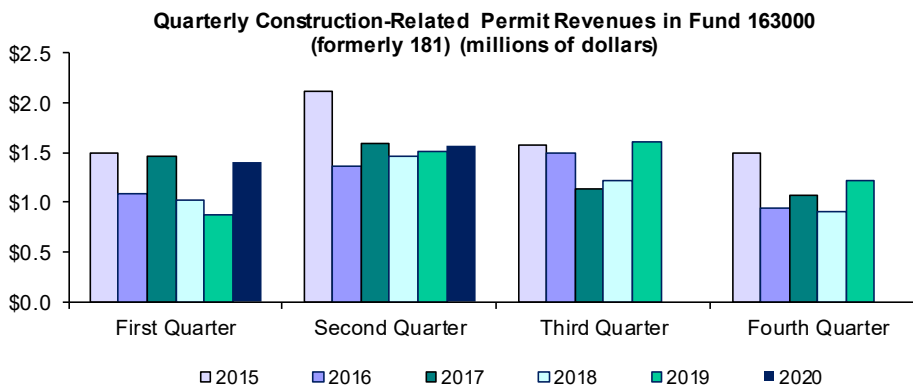
Permit Number	Description	Address	Amount	Issued To	Type
C20-1038	Cook Inlet Housing Authority Senior Housing	13600 Old Seward	\$7,091,212	Cook Inlet Housing Authority	BldgNew
C20-1043	Aloft Hotel	310 West 36th Ave	\$16,028,305	36th Avenue LLC / McCool Carlson Green / Guate Johansen	BldgNew
C20-1058	Cook Inlet Housing Authority West 32nd Avenue	1310 West 32nd Ave	\$2,736,703	Cook Inlet Housing Authority	BldgNew
C20-1096	O'Malley School Renovations Phase 1	11100 Rockridge	\$2,987,000	Municipality of Anchorage	BldgAlt
C20-1132	Cook Inlet Native Head Start	370 West 16th	\$3,682,443	Cook Inlet Native Head Start	BldgNew
C20-1139	Orion Elementary Roof Replacement	Joint Base Elmendorf Richardson	\$3,705,000	US Federal Government	BldgAlt
C20-1188	Eagle River Elementary Earthquake repair	10900 Old Eagle River Road	\$11,989,493	Elkutna Inc.	BldgAlt
C20-1246	Dental Buildout	4115 Ambassador	\$5,870,000	Alaska Native Tribal Health	BldgAlt

Construction-Related Building Permit Revenues in Fund 163000 (formerly 181) (excluding investment earnings and fees from licenses, exams, and certifications)

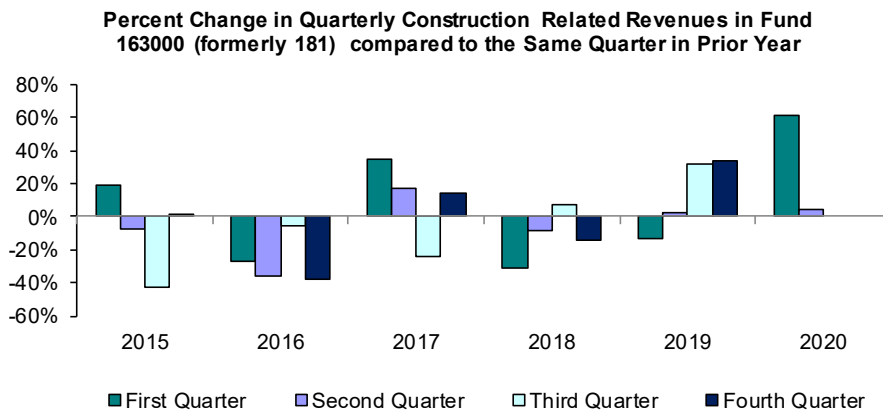
Higher than last year



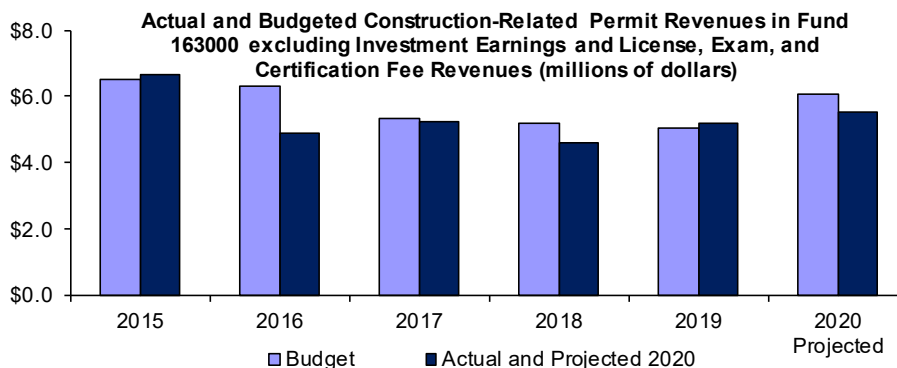
Construction-related permit revenues posted in Fund 163000 for the first seven months of FY 2020 were higher than the same period in FY 2019.



These charts include only construction-related permit fees and do not include revenues from investment earnings, licenses, exams, certifications, mobile home park permits, copier fees, and prior year expense recoveries posted in Fund 163000.



Below budget



Construction-related permit fee revenues are currently projected to be (\$536k) below budget because AO 2020-46 authorized a 25% discount on construction-related permits and fees.