

**Assembly Budget/Finance Committee**

**December 16, 2021**

**Revenue Summary Highlights\* from MOA Treasury**

\*as of November 2021 month end, plus initial December 2021 posted activity; SAP extract report generated as of 12/13/21; revenue highlights include all 100 Fund Gen'l Gov't Operating Budget Revenues, plus information re: separate fund revenues for Building Safety Fund and Alcohol Tax Fund

**Overall 2021 YTD Revenue Realization**

- 2021 Total Budgeted Revenues: \$792.4M (incl. ASD)
- 2021 YTD Actual Revenues posted in SAP: \$774.1M
- 2021 YTD Revenue Realization: 98%

**Highlights of Select Major Revenues: Preliminary Outlook or Trend**

	<b>2020 Actual</b>	<b>2021 Budget</b>	<b>2021 YTD posted rev in SAP</b>	<b>2021 YTD Realization</b>	<b>Baseline info for projection</b>	<b>Current Outlook or Trend vs. Budget</b>	<b>Add'l Comments</b>
<b>2021 PFD Garnishment Revenues (mostly APD)</b>	\$3.9M	\$4.2M	\$4.6M	109%	Annual PFD garnishment revenues based on receipt of first three large PFD payment batches	\$4.6M realized-to-date likely represents 99% of all 2021 PFD to be received. Expected to exceed budget by \$400K-\$500K.	Current estimated range of revenue realization is \$4.6M-\$4.7M.
<b>MUSA/MESA</b>	\$27.0M	\$20.2M	\$20.0M	99%	Based on SAP postings thru 12/13.	Expected <u>negative</u> revenue variance of <\$160K>.	First year without ML&P. All other municipal utilities and enterprises have paid their annual MUSA/MESA payments.
<b>Private PILT</b>	\$1.9M	\$11.8M	\$12.4M	105%	Based on contractual payments	Expected to exceed budget by at least \$600K.	Payment posted in SAP in amount of \$10.4M

	2020 Actual	2021 Budget	2021 YTD posted rev in SAP	2021 YTD Realization	Baseline info for projection	Current Outlook or Trend vs. Budget	Add'l Comments
					payable to MOA.		represents Private PILT from Chugach Electric post-ML&P sale contract terms (i.e., replacing former ML&P MUSA payment).
<b>Real Property Tax (incl. ASD)</b>	\$529.0M	\$562.5M*  <b>GG:</b> \$293.1M (52%)  <b>ASD:</b> \$269.4M (48%)	\$561.1M  <b>GG:</b> \$291.8M  <b>ASD:</b> \$269.4M	99.8%	Based on Roll 1 real property tax billing in May and August 2021, plus payments received each month for delinquent real property.	Expected to meet budget.	Current Year Real (and Personal) Property Tax Revenue is posted when billed and delinquent property tax payments are posted when received and adjusted at Year End by Controller Division per accounting standards.
<b>Personal Property Tax (incl. ASD)</b>	\$51.2M	\$50.8M  <b>GG:</b> \$26.7M (53%)  <b>ASD:</b> \$24.1M (47%)	\$47.9M  <b>GG:</b> \$25.4M  <b>ASD:</b> \$22.5M	94%	Actual billing of timely personal property Rolls 2-3, which were billed Aug. 1. Late/Involuntary personal property tax Rolls 4-7 have now been billed.	Expected <u>negative</u> revenue variance of <b>&lt;\$2.6M&gt;</b> .	See preceding comment re: property tax revenue accounting standards.
<b>Cash Pool Earnings Revenue Accounts (incl. TANS)</b>	\$2.9M	\$1.4M	<\$1.99M>	N/A	Postings of final allocated earnings in SAP are posted through	Current point-in-time, projected <u>negative</u> revenue	Earnings and market value of Cash Pool investments can

	2020 Actual	2021 Budget	2021 YTD posted rev in SAP	2021 YTD Realization	Baseline info for projection	Current Outlook or Trend vs. Budget	Add'l Comments
					October. November earnings allocation are estimated.	variance of <\$3.3M>.	significantly vary month-to-month.
<b>Room Tax (GG portion) – QUARTERLY REPORTED REVENUE</b>	\$4.8M	\$9.4M	\$10.4M	106%	Based on actual filings for Q1 thru Q3 2021.	Expected to exceed budget by \$2M, with respect to percentage of revenues allocated to Gen'l Gov't.	2021 budget assumed 50% recovery from the 2020 COVID year. Room tax is shared 3-ways betw. GG, Dena'ina Ctr, and Visit Anchorage.
<b>Rental Vehicle Tax – QUARTERLY REPORTED REVENUE</b>	\$3.1M	\$5.1M	\$6.6M	129%	Based on actual filings for Q1 thru Q3 2021	Expected to exceed budget by at least \$2M.	Similar to assumptions and trends used for room tax (see above).
<b>Tobacco Tax</b>	\$19.1M	\$20.7M	\$17.5M	84%	Based on 10 months of filings.	Expected to meet budget.	
<b>Motor Fuel Excise Tax</b>	\$11.7M	\$12.6M	\$10.0M	79%	Based on 10 months of filings.	Expected <u>negative</u> revenue variance of <\$600K>.	Seasonality impact exists. Fuel Excise Tax is based on gallons of fuel purchased, not on price per gallon.
<b>Auto Registration Tax</b>	\$10.9M	\$10.7M	\$8.1M	76%	Based on 9 months of DMV payments posted in SAP.	Given info re: 10 <sup>th</sup> month payment not yet posted in SAP, expected negative revenue variance of <\$400K>	

	2020 Actual	2021 Budget	2021 YTD posted rev in SAP	2021 YTD Realization	Baseline info for projection	Current Outlook or Trend vs. Budget	Add'l Comments
<b>Marijuana Tax</b>	\$5.3M	\$5.4M	\$4.6M	85%	Based on 10 months of filings.	Expected to exceed budget by \$300K.	
<b>Aircraft Registration Tax</b>	\$168K	\$126K	\$155K	123%	Most of annual billing occurred during 1 <sup>st</sup> half 2021.	Expected to slightly exceed budget by \$30K.	Phase out of personal-use component of revenue in Q4 2021, due to passage of Tax Omnibus bill (AO 2020-96, As Amended).
<b>Municipal Assistance</b>	\$375K	\$1.7M	\$1.7M	100%	Based on information from AML.	Expected to meet budget.	SOA made payment to MOA following receipt of annual financial report from MOA for year-end 2020.
<b>APD Counter Fines</b>	\$1.7M	\$1.8M	\$2.2M	122%	Based on 11 months of timely paid traffic citations (i.e., SAP postings as of 12/13).	Expected to exceed budget by \$500K.	Increase in grant funds available for traffic enforcement. YTD thru Oct 2021 citations issued were 34% more than same time period in 2020.
<b>Ambulance Service Fees</b>	\$7.8M	\$10.3M	\$7.7M	75%	Based on SAP postings as of 12/13.	Potential <u>negative</u> revenue variance of <b>&lt;\$1.5M&gt;</b> or more based on 4-year historical average annual revenue of \$8.9M.	Revenues are adjusted quarterly by Controller Division based on collectability.

	2020 Actual	2021 Budget	2021 YTD posted rev in SAP	2021 YTD Realization	Baseline info for projection	Current Outlook or Trend vs. Budget	Add'l Comments
<b>MOA Trust Fund</b>	\$14.0M	\$18.7M	\$18.8M	101%	Based on AMC defined dividend calc and actual market value information.	Positive revenue variance of \$100K.	Annual dividend calc is determined as of March 31 of each year. Final portion of 2021 dividend was paid on 9/1.
<b>"NET" Variance of above cited major GG Revenue Sources</b>	--	\$747.4M Budgeted, with respect to above cited 2021 Major GG Revenue Sources	\$744.8M Projected Year-End Realized Revenue, with respect to above cited 2021 Major GG Revenue Sources	--	--	Projected "net" negative year-end revenue variance of approximately <\$2.6M> with a plus/minus variability of \$500K. Note: all above tax revenue projections fall within Tax Cap except Room Tax.	Based on currently available information and before Year End Deferred Revenue adjustment by Controller Division.
<b>Bldg Safety Fund (163000)</b>	\$6.5M	\$5.0M	\$5.4M	108%	Based on SAP postings thru 12/13.	Expected to exceed budget by \$400K or more, however excess stays within the Bldg. Safety fund.	Separate fund associated with Bldg. Permit Center.
<b>Alcohol Retail Sales Tax (Fund 206000)</b>	N/A	\$11.8M	\$11.0M	93%	Based on 9 months of filings (Feb – Oct 2021)	Expected to exceed budget by approximately \$1M.	Separate, dedicated fund. Tax began Feb 1 2021. Currently tracking at 110% of

	<b>2020 Actual</b>	<b>2021 Budget</b>	<b>2021 YTD posted rev in SAP</b>	<b>2021 YTD Realization</b>	<b>Baseline info for projection</b>	<b>Current Outlook or Trend vs. Budget</b>	<b>Add'l Comments</b>
							midpoint target thru first 9 months of filings.