

Assembly Budget/Finance Committee

August 19, 2021

Revenue Summary Highlights* from MOA Treasury

*as of July 2021 month end, SAP extract report generated as of 8/13/21; 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: \$802.8M (incl. ASD)
- 2021 YTD Actual Revenues posted in SAP: \$707.7M
- 2021 YTD Revenue Realization: 88.2% (vs. 80.0% for same YTD time period in 2020)

Highlights of Select Major Revenues: Preliminary Outlook or Trend

	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
2021 PFD Garnishment Revenues (mostly APD)	\$3.9M	\$4.2M	N/A	N/A	Annual PFD garnishment revenues are not posted in SAP until Q4 each year.	TBD. Per recent news reports, 50% - 100% of PFD revenue may be at risk of not being realized.	Subject to AK Legislature / Governor decisions. 2021 budget assumed a \$1,000 dividend check amount.
MUSA/MESA	\$27.0M	\$20.2M	\$20.0M	99%	Based on SAP postings thru 8/13.	Expected to be within \$160K of budget.	First year without ML&P. All other municipal utilities and enterprises have paid their annual MUSA/ MESA payments.
Private PILT	\$1.9M	\$11.8M	\$12.4M	105%	Based on contractual payments payable to MOA.	Expected to exceed budget by at least \$600K.	Payment posted in SAP in amount of \$10.4M represents Private PILT from Chugach Electric post-ML&P sale contract terms (i.e., replacing former ML&P MUSA payment).

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Real Property Tax (incl. ASD)	\$529M	\$562M	\$560M	94%	Based on Roll 1 real property tax billing in mid-May 2021, plus payments received each month for delinquent real property.	Expected to meet budget when analyzing combination of tax principal, interest and penalty.	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.
Personal Property Tax (incl. ASD)	\$51.2M	\$50.8M	\$44.4M	88%	Actual billing of timely personal property Rolls 2-3, which were billed Aug. 1.	Expected <u>negative</u> revenue variance of <\$2.5M> or more.	See preceding comment re: property tax revenue accounting standards. Late/Involuntary personal property tax Rolls 4-7 to be billed in Q4 2021.
Cash Pool Earnings Revenue Accounts (incl. TANS)	\$2.9M	\$1.4M	(\$417K)	N/A	SAP postings still to be done for May thru July 2021, due to year end annual report previously taking priority.	Current point-in-time, projected <u>negative</u> revenue variance of <\$739K>.	Earnings and market value of Cash Pool investments can significantly vary month-to-month.
Room Tax (GG portion) – QUARTERLY REPORTED REVENUE	\$4.8M	\$9.4M	\$2.6M	27% (vs. 19% same time period in 2020)	Based on actual filings for Q1 & Q2 2021	Expected to at least meet budget, with respect to percentage of revenues	2021 budget assumed 50% recovery from the 2020 COVID year. Room tax is shared 3-ways betw. GG, Dena'ina Ctr, and Visit Anchorage.

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						allocated to Gen'l Gov't. Q3 filings are the most key data point.	Q3 2021 filing data will be not be until Nov. 10. Q2 filing data provides an early indicator but is not sufficiently predictive.
Rental Vehicle Tax – QUARTERLY REPORTED REVENUE	\$3.1M	\$5.1M	\$1.4M	28% (vs. 11% same time period in 2020)	Based on actual filings for Q1 & Q2 2021	Expected to exceed budget by \$1M or more. Q3 filings are the most key data point.	Similar assumptions and trend used for room tax (see above).
Tobacco Tax	\$19.1M	\$20.7M	\$9.9M	48%	Based on 6 months of filings.	Expected to be within \$500K of reaching budget.	
Motor Fuel Excise Tax	\$11.7M	\$12.6M	\$5.6M	44%	Based on 6 months of filings.	Expected to meet budget.	Seasonality impact exists and is TBD.
Auto Registration Tax	\$10.9M	\$10.7M	\$4.7M	44%	Based on 5 months of DMV payments posted in SAP, plus known June 2021 pmt. not yet posted in SAP.	Expected to exceed budget by approx. \$500K.	
Marijuana Tax	\$5.3M	\$5.4M	\$2.6M	49%	Based on 6 months of filings.	Expected to exceed budget by at least \$300K.	
Aircraft Registration Tax	\$168K	\$126K	\$110K	88%	Majority of annual billing occurred	Expected to meet budget.	Phase out of personal-use component of revenue in Q4 2021, due to

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					during 1 st half 2021		passage of Tax Omnibus bill (AO 2020-96, As Amended).
Municipal Assistance	\$375K	\$1.7M	\$98K	6%	Future status unknown.	TBD	Subject to AK Legislature / Governor decisions.
APD Counter Fines	\$1.7M	\$1.8M	\$1.2M	68%	Based on 7 months of timely paid traffic citations (i.e., SAP postings as of 8/13).	Expected to exceed budget by approx. \$300K.	Increase in grant funds available for traffic enforcement.
Ambulance Service Fees	\$7.8M	\$10.3M	\$4.0M	39%	Based on SAP postings as of 8/13.	Potential <u>negative</u> revenue variance of <\$1.0M> to <\$1.5M> based on 4-year historical average annual revenue of \$8.9M.	Revenues are adjusted quarterly by Controller Division based on collectability. Awaiting AFD response re: specific \$\$\$ estimate or range of potential revenue variance.
MOA Trust Fund	\$14.0	\$18.7	\$15.0M	80%	Based on actual AMC defined dividend calc and market value information.	Positive revenue variance of \$100K.	Annual dividend calc is determined as of March 31 of each year. Remainder of dividend will be paid during 2 nd half of 2021.
Bldg Safety Fund (163000)	\$6.5M	\$5.0M	\$3.6M	72%	Based on SAP postings thru 8/13.	Appears in position to exceed budget, however excess stays within the	Separate fund associated with Bldg. Permit Center.

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						Bldg. Safety fund.	
Alcohol Retail Sales Tax (Fund 206000)	N/A	\$11.8M	\$5.7M	48%	Based on 5 months of filings (Feb – June 2021)	Expected to exceed budget by \$1M or more.	Separate, dedicated fund. Tax began Feb 1 2021. Currently tracking at 114% of midpoint target thru first 5 months of filings. Seasonality is built into projection.