

Assembly Budget/Finance Committee

September 16, 2021

Revenue Summary Highlights* from MOA Treasury

*as of August 2021 month end, plus initial September 2021 posted activity; SAP extract report generated as of 9/13/21; 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: \$731.4M
- 2021 YTD Revenue Realization: 91.1% (vs. 87.3% for prior period 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.	Expected to meet budget per 9/14 action by Legislature approving \$1,100 PFD for 2021.	Assumes no veto by Governor of \$1,100 PFD, per Governor quoted statement provided to ADN in 9/14 article.
MUSA/MESA	\$27.0M	\$20.2M	\$20.0M	99%	Based on SAP postings thru 9/13.	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

	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
							former ML&P MUSA payment).
Real Property Tax (incl. ASD)	\$529.0M	\$562.5M* GG: \$293.1M (52%) ASD: \$269.4M (48%)	\$560.2M GG: \$290.8M ASD: \$269.4M	99%	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.
Personal Property Tax (incl. ASD)	\$51.2M	\$50.8M GG: \$26.7M (53%) ASD: \$24.1M (47%)	\$44.4M GG: \$20.3M ASD: \$24.1M	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	<\$1.36M>	N/A	Postings still to be done for July and August 2021.	Current point-in-time, projected <u>negative</u> revenue variance of <\$741K>.	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	\$5.4M	58% (vs. 21% same time period in 2020; 5-year Pre-COVID historical avg. is 44% thru first 2 filing quarters)	Based on actual filings for Q1 & Q2 2021, plus July 2021 update received from the top tier of	Expected to exceed budget by at least \$1.5M-\$2.0M, 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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					largest hotels.	allocated to Gen'l Gov't. Q3 filings are the most key data point (i.e., 41% of annual revenue historically observed in Q3).	Q3 2021 filing data will not be known 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	\$2.4M	47% (vs. 12% same time period in 2020; 5-year Pre-COVID historical avg. is 33% thru first 2 filing quarters)	Based on actual filings for Q1 & Q2 2021	Expected to exceed budget by \$1.5M-\$2M. Q3 filings are the most key data point (i.e., 58% of annual revenue historically observed in Q3).	Similar assumptions and trend used for room tax (see above).
Tobacco Tax	\$19.1M	\$20.7M	\$12.3M	59%	Based on 7 months of filings.	Expected to meet budget.	
Motor Fuel Excise Tax	\$11.7M	\$12.6M	\$6.7M	53%	Based on 7 months of filings.	Expected to meet budget.	Seasonality impact exists and is TBD. Fuel Excise Tax is based on gallons of fuel purchased, not on price per gallon.
Auto Registration Tax	\$10.9M	\$10.7M	\$6.4M	60%	Based on 6 months of DMV payments posted in SAP.	Expected to exceed budget by approx. \$500K.	

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Marijuana Tax	\$5.3M	\$5.4M	\$3.2M	59%	Based on 7 months of filings.	Expected to exceed budget by at least \$300K.	
Aircraft Registration Tax	\$168K	\$126K	\$122K	97%	Most of annual billing occurred during 1 st half 2021.	Expected to meet budget.	Phase out of personal-use component of revenue in Q4 2021, due to 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	\$1.6M	88%	Based on 8 months of timely paid traffic citations (i.e., SAP postings as of 9/13).	Expected to exceed budget by at least \$300K.	Increase in grant funds available for traffic enforcement.
Ambulance Service Fees	\$7.8M	\$10.3M	\$5.2M	50%	Based on SAP postings as of 9/13.	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	\$18.8M	101%	Based on actual AMC defined dividend calc and	Positive revenue variance of \$100K.	Annual dividend calc is determined as of March 31 of each year. Final portion of 2021

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					market value information.		dividend was paid on 9/1.
Bldg Safety Fund (163000)	\$6.5M	\$5.0M	\$4.2M	84%	Based on SAP postings thru 9/13.	Appears in position to exceed budget, however excess stays within the Bldg. Safety fund.	Separate fund associated with Bldg. Permit Center.
Alcohol Retail Sales Tax (Fund 206000)	N/A	\$11.8M	\$6.7M	57%	Based on 6 months of filings (Feb – July 2021)	Expected to exceed budget by \$900K or more.	Separate, dedicated fund. Tax began Feb 1 2021. Currently tracking at 108% of midpoint target thru first 6 months of filings. Seasonality is built into projection.